

# ESG Performance Data Book

For the year ended 31 December 2022

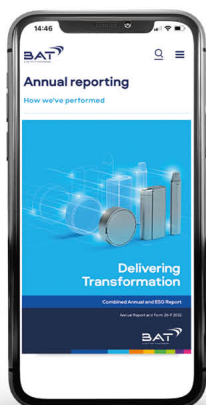


# Introduction

This ESG Performance Data Book aims to provide a consolidated overview of BAT's non-financial performance, including targets and metrics, relevant reporting standards and frameworks, as well as outlining the approach and scope used for data collection and assurance.

Metrics and data included in this document cover our activities during the year ended 31 December 2022.

Performance data included in this document is discussed further in the '2022 Combined Annual and ESG Report' and should be read in conjunction with this.



### Find out more

Copies of all BAT's key reports, and an archive, can also be found in our reporting centre [www.bat.com/reporting](http://www.bat.com/reporting)

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# Targets and Metrics

Each priority area of our Sustainability Agenda is backed by clear and measurable targets and metrics, as detailed over the following pages.

All data relates to the BAT Group. Associate companies are excluded. Data covers the full calendar year, taken on 31 December 2022, unless otherwise stated.







Where indicated below, 2022 data has been independently assured by KPMG using the standard ISAE (UK) 3000 and ISAE 3410 at a limited assurance level – read their assurance statement on page 95 of the Combined Annual and ESG Report 2022 and our Reporting Criteria at page 38 of this document. For Scope 3 emissions data, 2021 data was assured.

 2022 Combined Annual and ESG Report: [bat.com/annualreport](https://bat.com/annualreport)

 2022 ESG Data Performance Book [bat.com/sustainabilityreporting](https://bat.com/sustainabilityreporting)

 2022 Diversity and Inclusion Report [bat.com/sustainabilityreporting](https://bat.com/sustainabilityreporting)

 Improvement/target met  Ongoing focus area  Significant improvement required  Supporting data

Harm reduction		Progress tracking					
Focus area/goal	Metric	2022	2021	2020	Status	Assured	
<b>Consumer choice</b>	£5 billion by 2025 in New Category revenues	Vapour product revenues (£mn)	1,435	927	611		Y*
		Tobacco heating product revenues (£mn)	1,055	853	634		Y*
		Modern oral product revenues (£mn)	403	274	198		Y*
		Total New Category revenues (£bn)	2.9	2.1	1.4		Y*
	50 million consumers of our non-combustible products by 2030	Number of consumers of our non-combustible products (million)	22.5	18.3	13.5		Y
<b>World-class science</b>	Research the risks of our non-combustible products compared to smoking, and publish and invite independent scrutiny	Cumulative total number of peer-reviewed articles and manuscripts published to date	153	136	114		N

**Note:**

\* Extracted from the Financial Statements audited by KPMG contained within our Combined Annual Report and Form 20-F.

## Targets and Metrics Continued

For full details on the scope and approach used for the collection of all our Environmental data, refer to 'Data Scope and Definitions section' on page 38.

Environment		Focus area/goal	Metric	Progress tracking			Status	Assured
				2022	2021	2020		
Climate change	50% reduction in Scope 1, 2 and 3 CO <sub>2</sub> e emissions by 2030 <sup>1</sup>	Scope 1 CO <sub>2</sub> e emissions (thousand tonnes)	308	325	342	●	Y	
		Scope 2 CO <sub>2</sub> e emissions (market-based) (thousand tonnes)	113	170	199	●	Y	
		Scope 2 CO <sub>2</sub> e emissions (location-based) (thousand tonnes)	356	393	418	●	Y	
		<b>Total Scope 1 and 2 CO<sub>2</sub>e emissions (thousand tonnes)</b>	<b>420</b>	495	541	●	N	
		Scope 1 and Scope 2 CO <sub>2</sub> e emissions intensity ratio (tonnes per £m revenue)	15.2	19.3	20.0	●	Y	
		Scope 1 and Scope 2 CO <sub>2</sub> e emissions intensity ratio (tonnes per EURm revenue)	13.0	16.6	18.7	●	Y	
	Carbon neutral by 2030 across our operations (Scope 1 and 2 carbon dioxide equivalent (CO <sub>2</sub> e) emissions)	<b>Total Scope 3 CO<sub>2</sub>e emissions<sup>2</sup></b>	N/A	<b>5,243</b>	5,614	●	Y	
		Scope 3 CO <sub>2</sub> e emissions (thousand tonnes) non-biogenic emissions	N/A	<b>3,563</b>	3,506	●	N	
		Scope 3 CO <sub>2</sub> e net biogenic emissions	N/A	<b>1,681</b>	2,108	●	N	
		Category 1: Scope 3 emissions from purchased goods and services (Total)	N/A	<b>3,703</b>	4,011	●	N	
		Category 1: Purchased Goods	N/A	<b>1,278</b>	1,187	●	N	
		Category 1: Purchased Services	N/A	<b>677</b>	720	●	N	
		Category 1: Purchased Tobacco Leaf	N/A	<b>1,600</b>	1,969	●	N	
Net Zero by 2050 across our value chain	Category 1: Other purchased goods and services	N/A	<b>149</b>	135	●	N		
	Category 2: Capital Goods	N/A	<b>142</b>	177	●	N		
	Category 3: Fuel and Energy Related Emissions	N/A	<b>188</b>	134	●	N		
	Category 4: Upstream Transportation & Distribution	N/A	<b>208</b>	225	●	N		
	Category 5: Waste Generated in Operations	N/A	<b>8</b>	9	●	N		
	Category 6: Business Travel	N/A	<b>14</b>	8	●	N		

## Targets and Metrics

### Continued

Environment continued		Progress tracking					
Focus area/goal	Metric	2022	2021	2020	Status	Assured	
Climate change continued	Net Zero by 2050 across our value chain (continued)	Category 7: Employee Commuting	N/A	59	53	●	N
		Category 9: Downstream Transportation and Distribution <sup>3</sup>	N/A	31	27	●	N
		Category 11: Use of Sold Products	N/A	662	641	●	N
		Category 12: End-of-Life Treatment of Sold Products	N/A	227	324	●	N
		Category 14: Franchises	N/A	1	5	●	N
	Using renewable methods for tobacco curing	% of total tobacco sourced cured with renewable fuels and methods (sustainable wood+biomass+sun cured+air cured)	83	82	80	●	N
	Increase in the amount of renewable energy we source to 50% by 2030 (Updated Target) <sup>4</sup>	Total energy consumption (GWh)	2,344	2,480	2,568	●	Y
		From activities for which the Group is responsible	1,435	1,508	1,572	●	N
		Resulting from the purchase of energy by the Group for its own use	909	972	996	●	N
		Energy consumption intensity (GWh per £m revenue)	0.085	0.097	0.100	●	Y
Energy consumption intensity (GWh per EURm revenue)		0.070	0.080	0.090	●	Y	
Total non-renewable energy consumption(GWh)		1,574	1,772	1,880	●	Y	
Total renewable energy consumption(GWh)		771	708	688	●	Y	
Circular Economy (Waste)	Reduce the absolute volume of waste generated by 25% by 2025, vs 2017 baseline (Updated Target) <sup>5</sup>	Total waste generated (thousand tonnes)	126	137	144	●	Y
		Hazardous waste and radioactive waste* generated (thousand tonnes)	1.75	2.34	2.66	●	Y
		Total waste disposed (thousand tonnes)	19.69	29.02	28.46	●	N
		Waste to energy/incineration with energy recovery (thousand tonnes)	11.74	15.67	15.10	●	N
		Waste incinerated without energy recovery (thousand tonnes)	1.73	1.42	0.63	●	N
		Waste otherwise disposed (thousand tonnes)	0.00	0.01	0.03	●	N
		<1% of waste to landfill by 2025	Waste sent to landfill (thousand tonnes)	6.22	11.93	12.73	●
	% waste sent to landfill from direct operations		4.9	8.7	8.9	●	N
	% of operations sites reporting zero waste to landfill		52	35	27	●	N
	90% recycling rate of total waste generated by 2025	Total waste recycled (thousand tonnes)	106.0	108.5	115.2	●	Y
% of waste recycled		84.3	78.9	80.2	●	N	

## Targets and Metrics

### Continued

Environment continued		Progress tracking					
Focus area/goal	Metric	2022	2021	2020	Status	Assured	
<b>Circular Economy (End of life)</b>	100% of our total packaging to be reusable, recyclable or compostable by 2025 <sup>6</sup>	% share of reusable, recyclable or compostable packaging	<b>92</b>	92	80	●	N
	30% average recycled content across all plastic packaging by 2025	% of recycled content in plastic packaging	<b>0.24</b>	0** [8]	0** [7]	●	N
	100% Take-back schemes for New Category devices, in all markets where these are sold	% of New Category markets with schemes in place	<b>100</b>	100	0	●	N
		Number of markets with take-back schemes for New Category products	<b>50</b>	42	0	●	N
<b>Water</b>	-35% of total water withdrawn (vs 2017 baseline) by 2025	Total water withdrawn (mn m <sup>3</sup> )	<b>3.50</b>	3.76	4.03	●	Y
		Total water withdrawn from water utility supplies (mn m <sup>3</sup> )	<b>2.3</b>	2.3	2.5	●	N
		% withdrawn from water utility supplies	<b>64</b>	62	62	●	N
		Total water withdrawn from fresh water sources (mn m <sup>3</sup> )	<b>0.05</b>	0.05	0.04	●	N
		% withdrawn from fresh surface water sources	<b>1</b>	1	1	●	N
		Total water withdrawn from groundwater sources (mn m <sup>3</sup> )	<b>1.2</b>	1.4	1.5	●	N
		% withdrawn from groundwater sources	<b>34</b>	37	37	●	N
		Total water withdrawn from Water Stress areas (mn m <sup>3</sup> )	<b>0.49</b>	0.59	0.63	●	N
		% withdrawn from Water Stress areas	<b>14</b>	16	16	●	N
		# of operations sites in Water stress areas with/without water management policies	<b>16 / 0</b>	18 / N/A	17 / N/A	●	Y
		Total water consumption (mn m <sup>3</sup> )	<b>1.84</b>	1.85	1.78	●	N
	Water discharge by destination	Total water discharged (mn m <sup>3</sup> )	<b>1.70</b>	1.91	2.24	●	Y
		Fresh surface water (mn m <sup>3</sup> )	<b>0.20</b>	0.23	0.34	●	N
		Brackish surface water/seawater (mn m <sup>3</sup> )	<b>0.022</b>	0.007	0.004	●	N
		Groundwater (mn m <sup>3</sup> )	<b>0.028</b>	0.027	0.019	●	N
		Third-party destinations (mn m <sup>3</sup> )	<b>1.40</b>	1.64	1.88	●	N
	30% water recycling rate by 2025	Total water recycled	<b>1.02</b>	0.75	0.73	●	Y
		% of total water recycled	<b>22.6</b>	16.7	15.3	●	N
	100% of operations sites to be Alliance for Water Stewardship (AWS) certified by 2025	% of manufacturing sites that are AWS certified	<b>36</b>	15	—	●	N
		Number of sites AWS certified in 2022	<b>24</b>	11	N/A	●	N

## Targets and Metrics

### Continued

Environment continued			Progress tracking				
Focus area/goal	Metric		2022	2021	2020	Status	Assured
<b>Purchased Tobacco</b>	General tobacco supply chain data	% of sourced from BAT leaf operations	63	55	61	●	N
		Approx. number of directly contracted tobacco farmers	81,285	75,754	84,000	●	N
		Approx. number of farmers supplying third-party leaf suppliers	194,561	264,166	250,000	●	N
		Proportion of tobacco volumes covered by Thrive assessments	84	80	85	●	N
<b>Support our contracted farmers in implementing best practice soil and water management practices</b>	Soil and water management practices in our Tobacco Supply Chain <sup>7</sup>	% of tobacco hectares reported to have appropriate best practice soil and water management plans implemented	82	76	76	●	Y
<b>Biodiversity and ecosystems</b>	100% of wood used by our directly contracted farmers for curing fuels to be from sustainable sources	% of sources of wood used by our contracted farmers for curing fuels that are from sustainable sources	99.99	99.89	99.70	●	Y
	Zero gross deforestation of primary and native forests in our Tobacco <sup>7</sup> and Paper and Pulp Supply Chains	% of tobacco purchased free of gross deforestation of primary native forest <sup>8</sup>	100	N/A	N/A	●	N
	Net Zero deforestation of managed forests in our tobacco and paper and pulp supply chains by 2025 & No conversion of natural ecosystems in the Tobacco Supply Chain by 2025	% of all paper and pulp volumes that is certified as sustainably sourced <sup>9</sup>	94	89	N/A	●	Y
		% of tobacco purchased at no risk of net deforestation of managed natural forest and no conversion of natural ecosystems <sup>8</sup>	98	N/A	N/A	●	N
		Hectares of forests planted and verified for conservation and for Forest Net Positive <sup>8</sup>	27.6	N/A	N/A	●	N

**Notes:**

1. Compared to 2020 baseline. Comprises 50% reduction in Scope 1 & 2 and 50% reduction in Scope 3 GHG emissions. Scope 3 emissions target includes purchased goods and services, upstream transportation and distribution, use of sold products and end-of-life treatment of sold products, which collectively comprised >90% of Scope 3 emissions in 2020.
2. Total Scope 3 includes biogenic emissions and biogenic removals. Due to the complexity of consolidating and verifying Scope 3 data in accordance with the GHG Protocol, we report one year behind. As such, 2022 Scope 3 data will be reported in the 2023 Annual Report and Accounts and Form 20-F.
3. As part of our 1.5°C Science-Based Targets approval process we have added Scope 3 Category 9 (Downstream Transportation and Distribution) to our 2020 baseline.
4. In 2022, we achieved our 2025 target to increase our renewable energy use to 30%. In doing so, we have increased our target to reach 50% renewable energy use by 2030.
5. vs 2017 baseline. In 2022, we increased this target to a 25% reduction by 2025, having surpassed our initial 15% reduction target already. The scope of this KPI relates to BAT's direct operations.
- \* BAT does not have radioactive waste, however, this is in the PAI metric scope.
6. In 2022, we expanded our target to include all types of packaging, rather than just plastic packaging.
- \*\* A reclassification of Other Tobacco Products (OTP) category composite board materials resulted in new recycled content calculations [previous calculations 2021: 8; 2020: 7]. In 2022, our Velo Modern Oral product in the UK had post-consumer recycled resin of 75 tonnes.
7. 'Tobacco Supply Chain' refers to the tobacco supplied by our directly contracted farmers and those of our strategic third-party suppliers, who participate in our annual Thrive assessment, representing over 80% of the tobacco purchased by volume in 2022.
8. This metric was set in 2022, therefore previous year data is not available.
9. This metric was set in 2021, therefore 2020 data is not available.

## Targets and Metrics Continued

For full details on the scope and approach used for the collection of all our Social Data, refer to 'Data Scope and Definitions section' on page 38. Our goals cover all tobacco used in our combustibles & THP products. Our metrics, however, derive data from our annual Thrive assessment, which includes our directly contracted farmers and those of our strategic third-party suppliers, who participate in our annual Thrive assessment, representing over 80% of the tobacco purchased by volume in 2022 - this is our 'Tobacco Supply Chain'.

Social		Focus area/goal	Metric	Progress tracking			Status	Assured
				2022	2021	2020		
Farmer livelihoods <sup>10</sup>	Farmer's Due Diligence in our Tobacco Supply Chain	Number of non-compliance incidents <sup>11</sup>	9,806	9,807	9,821	●	N	
		% reported as remediated and resolved	100	100	100	●	N	
	Working to enable prosperous livelihoods for all farmers in our Tobacco Supply Chain	% of tobacco farmers reported to grow other crops for food or as additional sources of income <sup>12</sup>	92.8	95.6	93.4	●	Y	
		Number of people engaged via training on crop diversification <sup>13</sup>	87,206	89,630	157,203	●	N	
		Number of people engaged via farm business management training	89,294	61,780	68,826	●	N	
		Number of people engaged via training on women's empowerment	29,366	13,651	16,658	●	N	
	Support through charitable donations and community investment programmes in the countries where we operate	Cash contributions (£m)	12.60	12.57	16.60	●	N	
		In-kind contributions (£m)	0.34	6.38	5.1	●	N	
		Total contributions (£m)	12.79	18.95	21.7	●	N	
		Amount contributed in the UK only (£m)	0.99	0.96	N/A	●	N	
Amount of total spend focused on COVID-19 support (£m)		0.16	6.46	10.3	●	N		
Cash COVID spend (£m)		0.16	0.23	0	●	N		
In-kind COVID spend (£m) <sup>14</sup>		0	6.22	0	●	N		
Breakdown of total cash and in-kind spend by Sustainable Development Goal (SDG):								
- % relating to SDG 3 Good Health & Wellbeing		6	8	N/A	●	N		
- % relating to SDG 8 Decent Work & Economic Growth		16	28	N/A	●	N		
- % relating to SDG 9 Industry, Innovation & Infrastructure	2	5	N/A	●	N			
- % relating to SDG 10 Reduced Inequalities	16	17	N/A	●	N			
- % relating to SDG 12 Responsible Consumption & Production	0	4	N/A	●	N			
- % relating to SDG 13 Climate Action	57	14	N/A	●	N			



## Targets and Metrics

### Continued

Social continued			Progress tracking						
Focus area/goal	Metric		2022	2021	2020	Status	Assured		
<b>Farmer livelihoods</b> <sup>10</sup> continued	Support through charitable donations and community investment programmes in the countries where we operate	– % relating to SDG 15 Life on the Land	1	16	N/A	●	N		
		– % relating to SDG 16 Peace Justice & Strong Institutions	3	7	N/A	●	N		
		Number of community investment programmes focused on supporting agrobusiness development, food security and women’s empowerment	27	44	37	●	N		
		Number of countries where these programmes are rolled out	15	23	14	●	N		
		Number of community investment programmes focused on supporting rural infrastructure, including access to clean drinking water, solar energy and healthcare	11	19	28	●	N		
		Number of countries where these programmes are rolled out	9	11	11	●	N		
		Number of community investment programmes focused on child labour prevention	3	4	N/A	●	N		
		Number of countries where these programmes are rolled out	3	4	N/A	●	N		
		<b>Human rights</b> <sup>10</sup>	Aim for zero child and forced labour by 2025 in our Tobacco Supply Chain	% of farms monitored for child labour	99.99	99.91	99.70	●	Y
				% of farms with incidents of child labour identified	0.38	0.7	0.5	●	Y
Number of child labour incidents identified	942			1,790	1,308	●	Y		
% reported as resolved by end of the growing season	100			100	98.5	●	Y		
% of farmers that received training/capacity building on child labour issues	96.4			88.5	87.7	●	N		
Number of attendants engaged on human rights training, with emphasis on forced labour and child labour	348,257			350,817	393,038	●	N		

## Targets and Metrics

### Continued

Social continued		Progress tracking					
Focus area/goal	Metric	2022	2021	2020	Status	Assured	
Human Rights <sup>10</sup> continued	Aim for zero child and forced labour by 2025 in our Tobacco Supply Chain	Number of incidents of forced labour identified	6	0	5	●	N
		% reported as resolved by end of the growing season	100	N/A	100	●	N
	Access to grievance mechanisms for farmers and farm labourers in our Tobacco Supply Chain	% of farms monitored for grievance mechanisms	100	99.9	98	●	Y
		% of farmers and farm labourers reported as having access to at least one type of grievance mechanism	99.3	98.9	81.5	●	N
		Proportion of grievances raised by workers that were reported as resolved	100	100	100	●	N
	Human rights impact assessments (HRIAs), aligned to the UN Guiding Principles for Business and Human Rights	Cumulative number of HRIAs completed in tobacco sourcing countries	10	6	3	●	N
		Cumulative number of rights-holders engaged as part of the HRIAs	5,239	2,286	918	●	N
	100% by 2025 of product materials and high-risk indirect service suppliers to have undergone at least one independent labour audit within a three-year cycle	Number of independent labour audits conducted on non-tobacco suppliers	354	142	93	●	N
		% of product materials and high-risk indirect service suppliers that have undergone at least one independent labour audit within a three-year cycle†	36.6	22	0	●	Y
	100% adherence to our SoBC, including the Respect in the Workplace and Human Rights Policies	% of Group companies assessed for human rights risks	100	100	100	●	N
		% of high-risk Group companies identified that underwent enhanced human rights monitoring and Board reviews (number of countries)	100	100	100	●	N
		Number of reports of alleged SoBC breaches relating to Respect in the Workplace and Human Rights	117	140	141	●	N
		Number of established SoBC breaches relating to Respect in the Workplace and Human Rights	33	28	54	●	N

## Targets and Metrics

### Continued

Social continued			Progress tracking				
Focus area/goal	Metric	2022	2021	2020	Status	Assured	
<b>Health and safety</b> <sup>15</sup>	Aim for zero accidents Group-wide	No. of work-related accidents resulting in injury to employees and contractors	116	123	155	●	N
		Lost time incidents (LTIs)	83	95	114	●	Y
		Lost time incident rate (LTIR)	0.19	0.20	0.22	●	N
		Occupational illness cases	0	2	2	●	N
		Occupational illness rate	0	0.003	0.003	●	N
		No. of serious injuries (employees)	22	19	28	●	Y
		No. of serious injuries (contractors)	11	9	8	●	Y
		Total number of serious injuries and fatalities	36	31	39	●	Y
		No. of fatalities (employees)	1	1	0	●	Y
		No. of fatalities (contractors)	2	2	3	●	Y
		Total number of fatalities	3	3	3	●	Y
		No. of fatalities to members of public involving BAT vehicles	1	4	2	●	N
	100% of farmers and workers with sufficient personal protective equipment (PPE) for agrochemical use and tobacco harvesting, and 100% training to ensure its effectiveness <sup>10</sup>	% of farms reported to have sufficient PPE for agrochemical use	99.9	100	95	●	Y
		% of farms reported to have sufficient PPE for tobacco harvesting	99.6	99.6	99.0	●	Y
Number of people engaged via training on agrochemical health and safety		154,923	171,082	191,244	●	N	
Number of people engaged via training on harvesting health and safety		170,337	170,965	191,245	●	N	
Total number of attendants engaged via health and safety training		325,260	342,047	382,489	●	N	

## Targets and Metrics

### Continued

Social continued		Progress tracking						
Focus area/goal	Metric	2022	2021	2020	Status	Assured		
<b>People, Diversity and culture</b>	Group employees	Total number of Group employees	50,397	52,050	55,329	●	N	
		Of these, number of temp/seasonal employees	224	240	400	●	N	
		Employee breakdown by gender:						
		Number of women	16,490	16,794	17,384	●	N	
		% female representation Group-wide	33	32	31	●	N	
		Number of men	33,907	35,256	37,945	●	N	
		% male representation Group-wide	67	68	69	●	N	
		Employee breakdown by level:						
		Non-management (women)	10,683	11,212	12,040	●	N	
		Non-management (men)	25,377	26,516	29,175	●	N	
		Management-grade (women)	5,807	5,582	5,344	●	N	
		Management-grade (men)	8,530	8,740	8,770	●	N	
		Senior leadership teams (women)	262	158	171	●	N	
		Senior leadership teams (men)	600	426	469	●	N	
		Senior leadership teams (SLT) - total	862	584	640	●	N	
		SLT (women) as % of total	30	27	27	●	Y	
		SLT (men) as % of total	70	73	73	●	N	
		Employee breakdown by region:						
		Europe	24,373	24,020	24,930	●	N	
		Men	14,207	14,191	14,828	●	N	
		Women	10,166	9,829	10,102	●	N	
		Asia Pacific and Middle East (APME)	7,956	9,004	10,157	●	N	
		Men	6,317	6,754	7,657	●	N	
		Women	1,639	2,250	2,500	●	N	
		Americas and Sub-Saharan Africa (AmSSA)	13,922	14,621	15,321	●	N	
		Men	10,512	11,223	12,033	●	N	
		Women	3,410	3,398	3,288	●	N	
		United States of America (USA)	4,146	4,405	4,921	●	N	
		Men	2,871	3,088	3,427	●	N	
		Women	1,275	1,317	1,494	●	N	
		45% women in management roles by 2025	% female representation in management roles	41	39	38	●	Y
		40% women on senior leadership teams by 2025	% female representation on senior leadership teams	30	27	27	●	Y
	By 2025 achieve at least a 50% spread of distinct nationalities within all key Regional/Functional leadership teams	% of key leadership teams with at least a 50% spread of distinct nationalities	100	92	92	●	Y	
	Women among all employees Group-wide and in non-management	% female representation Group-wide	33	32	31	●	N	

## Targets and Metrics

### Continued

Social continued			Progress tracking				
Focus area/goal		Metric	2022	2021	2020	Status	Assured
<b>People, Diversity and culture</b> continued	Ethnic Diversity	% ethnically diverse groups in total workforce	<b>64</b>	N/A <sup>16</sup>	N/A <sup>16</sup>	●	N
	Employee retention	Voluntary turnover <sup>17</sup> for all employees Group-wide (number and %)	<b>5,467</b>	4,943	2,647	●	N
			<b>10.5</b>	9.1	5.1	●	N

**Notes:**

- 10. Our goals cover all tobacco used in our combustibles & THP products ('tobacco supply chain'). Our metrics, however, derive data from our annual Thrive assessment, which includes our directly contracted farmers and those of our strategic third-party suppliers, representing over 80% of the tobacco purchased by volume in 2022 ('Tobacco Supply Chain').
- 11. As of 2022, we are not only reporting only against FSM that covers only directly contracted farmers, but also against the tobacco supply chain.
- 12. This was marginally lower in comparison to 2021, due to changes in our purchasing mix.
- 13. The number is lower because we decreased our total farmer base to capture information by approximately 50,000 farmers.
- 14. For the 2022 reporting year, BAT provided guidance to the markets on calculating the value of in-kind donations based of a rate of 25% YoY depreciation. As this was the first year this had been communicated to the markets, there has been a significant decrease in the in-kind donation value compared to previous years as different methodology has been used.
- 15. Health and Safety Data is reported for the period 1 December 2021 to 30 November 2022. This is to align with our environmental reporting and to enable more time for the consolidation and verification of our data for reporting.
- 16. In 2022, we expanded the scope of our confidential voluntary ethnicity identity collection and reporting beyond the UK to six additional markets (Australia, Brazil, Canada, Malaysia, South Africa and the U.S.), so previous years' data is not available.
- 17. Voluntary turnover is calculated as the number of employees who have voluntarily left BAT divided against the monthly average employee count (52,076 in 2022), in accordance with the generally accepted turnover definition.

## Targets and Metrics

### Continued

Governance							
Focus area/goal	Metric	Progress tracking			Status	Assured	
		2022	2021	2020			
<b>Business ethics</b>	Aiming for 100% adherence to our Standards of Business Conduct (SoBC)	% of employees who completed annual SoBC training and compliance sign-off	100	100	100	●	N
		Number of alleged SoBC breaches	292	304	321	●	N
		Number of established SoBC breaches <sup>16</sup>	84	99	116	●	Y
		Number of established SoBC breaches-relating to Workplace and Human Rights	33	28	54	●	Y
		Number of disciplinary actions taken as a result of established SoBC breaches that resulted in people leaving BAT	58	46	54	●	Y
<b>Responsible marketing and Transparent communications</b>	Aiming for 100% of our marketing to be responsible	Incidence of non-compliance with marketing regulations resulting in a fine or penalty <sup>17</sup>	3	N/A	N/A	N/A	Y
		Incidence of non-compliance with marketing regulations resulting in a regulatory warning <sup>17</sup>	2	N/A	N/A	●	Y
	Aiming for 100% adherence to our Youth Access Prevention (YAP) Guidelines	% of markets aligned with our YAP Guidelines, where our products are sold	100	100	100	N/A	N
<b>Board diversity</b>	Maintain at least 30% proportion of women on the Board of BAT p.l.c.	% women Directors on the Board of BAT p.l.c. as at 31 December 2022	36	40	33	●	N
	Ethnicity balance on the Board of BAT p.l.c.	% ethnic minority Directors on the Board of BAT p.l.c. as at 31 December 2022	18	20	20	●	N

**Notes:**

16. Consistent with previous years' reporting, cases are not included in the above if they were not resolved at year-end.

17. Incidents of non-compliance with regulations that result in warning or in fine or penalty are dealt with at end market level. To collect the 'Incidents of non-compliance with regulations resulting in warning/fine or penalty' compliance data, the local teams are asked to report any instances or potential instances of breach, which may include incidents of non-compliance with marketing regulations resulting in a warning, fine or penalty. This is a new GRI-aligned metric for FY2022, with a new reporting system. Although similar data exists for FY2021 & 2020, because the reporting methodology has changed, prior data is not directly comparable.

# GRI Index 2022

**BAT has reported in reference to the GRI Standards for the reporting period 2022 . (1 January 2022 to 31 December 2022)**

**GRI 1 used: GRI 1: Foundation 2021**  
**Applicable GRI Sector Standard(s): None**

 2022 Combined Annual and ESG Report:  
[bat.com/annualreport](https://bat.com/annualreport)

 2022 ESG Data Performance Book  
[bat.com/sustainabilityreporting](https://bat.com/sustainabilityreporting)

 2022 Diversity and Inclusion Report  
[bat.com/sustainabilityreporting](https://bat.com/sustainabilityreporting)

## GRI 2: General Disclosures (2021)

GRI Standard	Requirement	Disclosure location	Direct answers, notes and omissions
<b>The organisation and its reporting practices</b>			
2-1	Organisational details	Combined Annual and ESG Report 2022 > Front cover Combined Annual and ESG Report 2022 > Share Capital and Security Ownership > pp381 Combined Annual and ESG Report 2022 > Our Global Business > p12 Contact us page on our website <a href="https://www.batcom/contactus">www.batcom/contactus</a>	
2-2	Entities included in the organisation’s sustainability reporting	Combined Annual and ESG Report 2022> Notes on accounts>p206	
2-3	Reporting period, frequency and contact point	GRI Index > Direct Response Combined Annual and ESG Report 2022 > Shareholding Administration Services>p.390	Our reporting period spans from 1 December 2021 to 30 November 2022. We report on an annual basis.
2-4	Restatements of information	GRI Index > Direct Response	Our disclosure on Scope 3 emissions for 2020 has changed. AS part of our 1.5°C Science-Based Targets approval process we added Category 9 (Downstream Transportation and Distribution) to our 2020 baseline.
2-5	External assurance	Combined Annual and ESG Report 2022 > Assured ESG Metrics Summary Table > p.94	
<b>Activities and workers</b>			
2-6	Activities, value chain and other business relationships	Combined Annual and ESG Report 2022 >Our Global Business >p.12 Combined Annual and ESG Report 2022 >Our Consumer-Centric Multi-Category Portfolio >p.12 Combined Annual and ESG Report 2022 > Our Business Model page 16 -17 Combined Annual and ESG Report 2022 > Property, Plant and Equipment p.369	
2-7	Employees	Combined Annual and ESG Report 2022 >Our Global Business >p.12 Combined Annual and ESG Report 2022 > People, diversity and culture >p.84 ESG Data Performance 2022 > Targets and Metrics >p.12	
2-8	Workers who are not employees	ESG Data Performance 2022 > Targets and Metrics >p.12	

## GRI Index 2022

## Continued

GRI 2: General Disclosures (2021) continued			
GRI Standard	Requirement	Disclosure location	Direct answers, notes and omissions
<b>Governance</b>			
2-9	Governance structure and composition	Combined Annual and ESG Report 2022 > Sustainability Governance > p.68 Combined Annual and ESG Report 2022 > TCFD Reporting > p.71 Combined Annual and ESG Report 2022 > Governance report > p.122	
2-10	Nomination and selection of the highest governance body	Combined Annual and ESG Report 2022 > Sustainability Governance > p.68 Combined Annual and ESG Report 2022 > Governance report > p.122	
2-11	Chair of the highest governance body	Combined Annual and ESG Report 2022 > Sustainability Governance > p.68 Combined Annual and ESG Report 2022 > Governance report > p.122	
2-12	Role of the highest governance body in overseeing the management of impacts	Combined Annual and ESG Report 2022 > Sustainability Governance > p.68 Combined Annual and ESG Report 2022 > TCFD Reporting > p.71 Combined Annual and ESG Report 2022 > Governance report > p.122	
2-13	Delegation of responsibility for managing impacts	Combined Annual and ESG Report 2022 > Sustainability Governance > p.68 Combined Annual and ESG Report 2022 > TCFD Reporting > p.71 Combined Annual and ESG Report 2022 > Governance report > p.123	
2-14	Role of the highest governance body in sustainability reporting	Combined Annual and ESG Report 2022 > Sustainability Governance > p.68 Combined Annual and ESG Report 2022 > Board engagement with Stakeholders > p.139	
2-15	Conflicts of interest	Combined Annual and ESG Report 2022 > Directors' Commitment and Board Support > p.142	
2-16	Communication of critical concerns	Combined Annual and ESG Report 2022 > Human Rights > p.61 Combined Annual and ESG Report 2022 > Ethics and Integrity > p.66	
2-17	Collective knowledge of the highest governance body	Combined Annual and ESG Report 2022 > Sustainability Governance > p.68 Combined Annual and ESG Report 2022 > Governance report > p.122	
2-18	Evaluation of the performance of the highest governance body	Combined Annual and ESG Report 2022 > Board Effectiveness > p.143	
2-19	Remuneration policies	Combined Annual and ESG Report 2022 > Annual Statement on Remuneration > p.159	
2-20	Process to determine remuneration	Combined Annual and ESG Report 2022 > Annual Statement on Remuneration > p.159	
2-21	Annual total compensation ratio	Combined Annual and ESG Report 2022 > Annual Statement on Remuneration > p.171	



## GRI Index 2022

### Continued

<b>GRI 2: General Disclosures (2021) continued</b>			
GRI Standard	Requirement	Disclosure location	Direct answers, notes and omissions
<b>Strategy, policies and practices</b>			
<b>2-22</b>	Statement on sustainable development strategy	Combined Annual and ESG Report 2022 >Chairman's Introduction >p.2	
<b>2-23</b>	Policy commitments	Combined Annual and ESG Report 2022 > ESG Framework >p.45	
<b>2-24</b>	Embedding policy commitments	Combined Annual and ESG Report 2022 > ESG Framework >p.45	
<b>2-25</b>	Processes to remediate negative impacts	Combined Annual and ESG Report 2022 >Farmer Livelihoods >p.62	
<b>2-26</b>	Mechanisms for seeking advice and raising concerns	Combined Annual and ESG Report 2022 >Ethics and Integrity >p.66	
<b>2-27</b>	Compliance with laws and regulations	Combined Annual and ESG Report 2022 > Assured ESG Metrics Summary Table > p.94	
<b>2-28</b>	Membership associations	Corporate website: Stakeholder engagement <a href="https://www.bat.com/group/sites/UK_9D9KCY.nsf/vwPagesWebLive/DO933J8K">https://www.bat.com/group/sites/UK_9D9KCY.nsf/vwPagesWebLive/DO933J8K</a>	
<b>Stakeholder engagement</b>			
<b>2-29</b>	Approach to stakeholder engagement	Combined Annual and ESG Report 2022 > Engaging with our Stakeholders >p.20	
<b>2-30</b>	Collective bargaining agreements	Combined Annual and ESG Report 2022 > People, diversity and culture > p.89	
<b>GRI 3: Material Topics (2021)</b>			
<b>3-1</b>	Process to determine material topics	Combined Annual and ESG Report 2022 > Double Materiality Assessment >p. 46	
<b>3-2</b>	List of material topics	Combined Annual and ESG Report 2022 > Double Materiality Assessment >p.46	
<b>Harm Reduction</b>			
<b>3-3</b>	Management of material topics	Combined Annual and ESG Report 2022 > Harm Reduction >p. 50	
<b>GRI 3: Material Topics (2021)</b>			
<b>Climate Change</b>			
<b>3-3</b>	Management of material topics	Combined Annual and ESG Report 2022 > Climate Change >p. 52	
<b>GRI 302: Energy (2016)</b>			
<b>302-1</b>	Energy consumption within the organisation	Combined Annual and ESG Report 2022 > Climate Change > p.52 ESG Data Performance 2022 > Targets and Metrics > p.4-5	
<b>302-3</b>	Energy intensity	Combined Annual and ESG Report 2022 > TCFD Reporting > p.81	
<b>302-4</b>	Reduction of energy consumption	Combined Annual and ESG Report 2022 > TCFD Reporting > p.80-81	

## GRI Index 2022

### Continued

<b>GRI 305: Emissions (2016)</b>			
GRI Standard	Requirement	Disclosure location	Direct answers, notes and omissions
<b>305-1</b>	Direct (Scope 1) GHG emissions	Combined Annual and ESG Report 2022 > Climate Change > p.52 ESG Data Performance 2022 > Targets and Metrics > p.4-5	
<b>305-2</b>	Energy indirect (Scope 2) GHG emissions	Combined Annual and ESG Report 2022 > Climate Change > p.52 ESG Data Performance 2022 > Targets and Metrics > p.4-5	
<b>305-3</b>	Other indirect (Scope 3) GHG emissions	Combined Annual and ESG Report 2022 > Climate Change > p.52 ESG Data Performance 2022 > Targets and Metrics > p.4-5	
<b>305-4</b>	GHG emissions intensity	Combined Annual and ESG Report 2022 > Climate Change > p.52 ESG Data Performance 2022 > Targets and Metrics > p.4-5	
<b>305-5</b>	Reduction of GHG emissions	Combined Annual and ESG Report 2022 > TCFD Reporting > p.81 ESG Data Performance 2022 > Targets and Metrics > p.4-5	
<b>GRI 3: Material Topic (2021)</b>			
Circular Economy			
<b>3-3</b>	Management of material topics	Combined Annual and ESG Report 2022 > Circular Economy > p.54	
<b>GRI 306: Waste (2020)</b>			
<b>306-1</b>	Waste generation and significant waste-related impacts	Combined Annual and ESG Report 2022 > Circular Economy > p.54 ESG Data Performance 2022 > Targets and Metrics > p.5	
<b>306-2</b>	Management of significant waste-related impacts	Combined Annual and ESG Report 2022 > Circular Economy > p.54 ESG Data Performance 2022 > Targets and Metrics > p.5	
<b>306-3</b>	Waste generated	Combined Annual and ESG Report 2022 > Circular Economy > p.54 ESG Data Performance 2022 > Targets and Metrics > p.5	
<b>306-5</b>	Waste directed to disposal	ESG Data Performance 2022 > Targets and Metrics > p.5	We currently only disclose against a sub-requirement of this standard.
<b>GRI 3: Material Topics (2021)</b>			
Water			
<b>3-3</b>	Management of material topics	Combined Annual and ESG Report 2022 > Water > p.58	

## GRI Index 2022

### Continued

<b>GRI 303: Water and Effluents (2018)</b>			
GRI Standard	Requirement	Disclosure location	Direct answers, notes and omissions
<b>303-1</b>	Interactions with water as a shared resource	Combined Annual and ESG Report 2022 > Water > p.58 ESG Data Performance 2022 > Targets and Metrics > p.6	
<b>303-2</b>	Management of water discharge related impacts	Combined Annual and ESG Report 2022 > Water > p.58 ESG Data Performance 2022 > Targets and Metrics > p.6	
<b>303-3</b>	Water withdrawal	Combined Annual and ESG Report 2022 > Water > p.58 ESG Data Performance 2022 > Targets and Metrics > p.6	
<b>303-4</b>	Water discharge	Combined Annual and ESG Report 2022 > Water > p.58 ESG Data Performance 2022 > Targets and Metrics > p.6	
<b>303-5</b>	Water consumption	Combined Annual and ESG Report 2022 > Water > p.58 ESG Data Performance 2022 > Targets and Metrics > p.6	
<b>GRI 3: Material Topics (2021)</b>			
Biodiversity and Ecosystems			
<b>3-3</b>	Management of material topics	Combined Annual and ESG Report 2022 > Biodiversity and Ecosystems > p.56	
<b>GRI 304: Biodiversity (2016)</b>			
<b>304-1</b>	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Combined Annual and ESG Report 2022 > Biodiversity and Ecosystems > p.56 ESG Data Performance 2022 > Targets and Metrics > p.7	
<b>304-2</b>	Significant impacts of activities, products and services on biodiversity	Combined Annual and ESG Report 2022 > Biodiversity and Ecosystems > p.56 ESG Data Performance 2022 > Targets and Metrics > p.7	
<b>GRI 3: Material Topics (2021)</b>			
Human Rights			
<b>3-3</b>	Management of material topics	Combined Annual and ESG Report 2022 > Human Rights > p.60	
<b>GRI 408: Child Labour (2016)</b>			
<b>408-1</b>	Operations and suppliers at significant risk for incidents of child labour	Combined Annual and ESG Report 2022 > ESG 2022 Assured Metrics > p.94 Combined Annual and ESG Report 2022 > Human Rights > p.60-61	
<b>GRI 413: Local Communities (2016)</b>			
<b>413-1</b>	Operations with local community engagement, impact assessments, and development programs	Combined Annual and ESG Report 2022 > Human Rights > p.60 ESG Data Performance 2022 > Targets and Metrics > p.6	
<b>413-2</b>	Operations with significant actual and potential negative impacts on local communities	Combined Annual and ESG Report 2022 > Human Rights > Why Human Rights Matter > p.60	Local communities are potentially at higher risk of being impacted by the effects of issues like exploitation, child and forced labour, which impact both individuals and communities. We implement human rights due diligence and community resilience programmes to reduce these risks.

## GRI Index 2022

Continued

<b>GRI 414: Supplier Social Assessment (2016)</b>			
GRI Standard	Requirement	Disclosure location	Direct answers, notes and omissions
414-1	New suppliers that were screened using social criteria	Combined Annual and ESG Report 2022 > Human Rights > p.60-61	
414-2	Negative social impacts in the supply chain and actions taken	Combined Annual and ESG Report 2022 > Human Rights > p.60-62 Combined Annual and ESG Report 2022 > Farmer Livelihoods > p.62-63	
<b>GRI 3: Material Topics (2021)</b>			
Farmer Livelihoods			
3-3	Management of material topics	Combined Annual and ESG Report 2022 > Farmer Livelihoods > p.62	
<b>GRI 203: Indirect Economic Impacts (2016)</b>			
203-1	Infrastructure investments and services supported	Combined Annual and ESG Report 2022 > Farmer Livelihoods > p.62 ESG Data Performance 2022 > Targets and Metrics > p.6	
203-2	Significant indirect economic impacts	Combined Annual and ESG Report 2022 > Farmer Livelihoods > p.62 ESG Data Performance 2022 > Targets and Metrics > p.6	
<b>GRI 413: Local Communities (2016)</b>			
413-1	Operations with local community engagement, impact assessments, and development programs	Combined Annual and ESG Report 2022 > Farmer Livelihoods > p.62 ESG Data Performance 2022 > Targets and Metrics > p.6	
413-2	Operations with significant actual and potential negative impacts on local communities	Combined Annual and ESG Report 2022 > Farmer Livelihoods > Why farmers Livelihoods Matter > p.62	Local communities are potentially at higher risk of being impacted by the effects of issues like exploitation, child and forced labour, which impact both individuals and communities. We implement human rights due diligence and community resilience programmes to reduce these risks.
<b>GRI 3: Material Topics (2021)</b>			
Ethics and Integrity			
3-3	Management of material topics	Combined Annual and ESG Report 2022 > Ethics and Integrity > p.66	
<b>GRI 205: Anti-corruption (2016)</b>			
205-2	Communication and training about anti-corruption policies and procedures	Combined Annual and ESG Report 2022 > Ethics and Integrity > p.66 ESG Data Performance 2022 > Targets and Metrics > p.9	
205-3	Confirmed incidents of corruption and actions taken	Combined Annual and ESG Report 2022 > Ethics and Integrity > p.66	
<b>GRI 415: Public Policy (2016)</b>			
415-1	Political contributions	Combined Annual and ESG Report 2022 > Ethics and Integrity > p.66	
<b>GRI 3: Material Topics (2021)</b>			
Responsible Marketing and Transparent Communications			
3-3	Management of material topics	Combined Annual and ESG Report 2022 > Responsible Marketing > p.64	

## GRI Index 2022

### Continued

<b>GRI 417: Marketing and Labelling (2016)</b>			
GRI Standard	Requirement	Disclosure location	Direct answers, notes and omissions
<b>417-2</b>	Incidents of non-compliance concerning product and service information and labelling	Combined Annual and ESG Report 2022 > Responsible Marketing > p.64	
<b>417-3</b>	Incidents of non-compliance concerning marketing communications	Combined Annual and ESG Report 2022 > Responsible Marketing > p.64	
<b>GRI 3: Material Topics (2021)</b>			
Sustainability Governance			
<b>3-3</b>	Management of material topics	Combined Annual and ESG Report 2022 > Sustainability Governance > p.68	
<b>GRI 3: Material Topics (2021)</b>			
People, Diversity and Culture			
<b>3-3</b>	Management of material topics	Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.84	
<b>GRI 401: Employment (2016)</b>			
<b>401-1</b>	New employee hires and employee turnover	Combined Annual and ESG Report 2022 > A Better Tomorrow™ For Employees > p.83 Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.89 Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.84	
<b>401-3</b>	Parental leave	Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.87	
<b>GRI 404: Training and Education (2016)</b>			
<b>404-1</b>	Average hours of training per year per employee	Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.85	
<b>404-2</b>	Programs for upgrading employee skills and transition assistance programs leave	Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.85	
<b>GRI 405: Diversity and Equal Opportunity (2016)</b>			
<b>405-1</b>	Diversity of governance bodies and employees	Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.87	
<b>405-2</b>	Ratio of basic salary and remuneration of women to men	BAT Gender and Ethnicity Reporting 2022 > Our Pay Equality Reporting > p.12-16	
<b>GRI 403: Occupational Health and Safety (2018)</b>			
Health and Safety			
<b>403-1</b>	Occupational health and safety management system	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>403-2</b>	Hazard identification, risk assessment, and incident investigation	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>403-3</b>	Occupational health services	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>403-4</b>	Worker participation, consultation, and communication on occupational health and safety	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	

## GRI Index 2022

### Continued

<b>GRI 403: Occupational Health and Safety (2018) continued</b>			
GRI Standard	Requirement	Disclosure location	Direct answers, notes and omissions
<b>Health and Safety continued</b>			
<b>403-5</b>	Worker training on occupational health and safety	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>403-6</b>	Promotion of worker health	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>403-7</b>	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>403-8</b>	Workers covered by an occupational health and safety management system	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>403-9</b>	Work-related injuries	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>403-10</b>	Work-related ill health	Combined Annual and ESG Report 2022 > Health and Safety > p.92 ESG Data Performance 2022 > Targets and Metrics > p.11	

# Principal Adverse Impacts (PAIs)

The following index has been prepared by BAT in line with EU Regulatory Technical Standards (RTS), as reflected in the Sustainable Finance Disclosure Regulation (SFDR), which covers investors operating on the EU market. We are providing this information in order to disclose transparently to our investors information covering our adverse sustainability impacts with standardised, comparable, and internationally recognised sustainability indicators. 2022 represents our first year of presenting information on Principal Adverse Impacts (PAIs).



2022 Combined Annual and ESG Report:  
[bat.com/annualreport](http://bat.com/annualreport)



2022 ESG Data Performance Book  
[bat.com/sustainabilityreporting](http://bat.com/sustainabilityreporting)



2022 Diversity and Inclusion Report  
[bat.com/sustainabilityreporting](http://bat.com/sustainabilityreporting)

PAIs				
Disclosure	PAI indicator	Description	Disclosure location	Direct answers, notes and omissions
1	<b>GHG emissions</b>	Scope 1 GHG emissions (thousand tonnes CO <sub>2</sub> e)	Combined Annual and ESG Report 2022 > TCFD > p.80 ESG Performance Data Book > Environment > p.4	Scope 1 emissions (thousand tonnes CO <sub>2</sub> e): 308
		Scope 2 GHG emissions (thousand tonnes CO <sub>2</sub> e)	As above	Scope 2 emissions (thousand tonnes CO <sub>2</sub> e) Market-based: 113 Scope 2 emissions (thousand tonnes CO <sub>2</sub> e) Location-based: 356
		Scope 3 GHG emissions (thousand tonnes CO <sub>2</sub> e)	As above	Scope 3 emissions (thousand tonnes CO <sub>2</sub> e)- Latest available data 2021: 5,243
		Total GHG emissions	As above	Total CO <sub>2</sub> e emissions (Scope 1,2 and 3) Latest available data 2021: 5.74 million tonnes CO <sub>2</sub> e
2	<b>Carbon Footprint</b>	Carbon footprint	Combined Annual and ESG Report 2022 > TCFD > p. 80	Total GHG emissions to be used in calculation: 5.74 million tonnes CO <sub>2</sub> e
3	<b>GHG intensity</b>	GHG intensity of investee companies	Combined Annual and ESG Report 2022 > TCFD > p. 80 ESG Performance Data Book > Environment > p. 4	Scope 1 and 2 CO <sub>2</sub> e emissions intensity ratio (tonnes per £m revenue): 15.20 Scope 1 and 2 CO <sub>2</sub> e emissions intensity ratio (tonnes per EUR m revenue): 13.00
4	<b>Exposure to Fossil Fuel sector</b>	Share of investments in companies active in the fossil fuel sector	N/A	Qualitative disclosure: BAT is not in the Fossil fuel sector
5	<b>Share of non-renewable energy consumption and production</b>	Share of non-renewable energy consumption and non-renewable energy production of investee sources compared to renewable energy sources, expressed as a percentage of total energy sources	Combined Annual and ESG Report 2022 > Climate Change > p. 53 ESG Performance Data Book > Environment > p. 5	1. Energy use in direct operations (Direct energy): 2,344 GWh 2. Renewable energy use: 771 GWh 3. Non-renewable energy use: 1,574 GWh 4. Renewable energy as % of direct energy use: 32.9%
6	<b>Energy Consumption intensity per high impact climate sector</b>	Energy consumption in GWh per million of EUR of revenue of investee companies, per high impact climate sector	Combined Annual and ESG Report 2022 > TCFD > p. 81 ESG Performance Data Book > Environment > p. 5	See disclosure 4 and 5 Energy consumption in GWh per million of EUR of revenue: 0.085
7	<b>Activities negatively affecting biodiversity sensitive areas</b>	Share of investments in investee companies with sites/operations located in or near biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	Combined Annual and ESG Report 2022 > Biodiversity > 56-57 Global Leaf Biodiversity Risk Assessment	Qualitative Disclosure: We currently do not report this metric in the format prescribed. BAT's direct operations are not in-scope for our Biodiversity Risk Assessment. However, 98% of BAT's directly-contracted farms are classified as low biodiversity risk. High and medium risk areas represented less than 1% of the total farm area assessed.

## Principal Adverse Impacts (PAIs)

Continued

PAIs continued				
Disclosure	PAI indicator	Description	Disclosure location	Direct answers, notes and omissions
8	<b>Emissions to water</b>	Tons of emissions to water generated by investee companies in million EUR invested, expressed as a weighted average	Combined Annual and ESG Report 2022 > Water > p. 59	Qualitative Disclosure: We currently do not report against this metric in the format prescribed by this Index. However, in 2022, we performed a screening for priority substances and pesticides, phosphates and nitrates. 100% of our operational sites reported no process use of these substances, and 38% reported not using them in any on-site ancillary or support services.
9	<b>Hazardous waste and radioactive waste ratio</b>	Tons of hazardous waste and radioactive waste generated by investee companies per million EUR	Combined Annual and ESG Report 2022 > Circular Economy > 54-55 ESG Performance Data Book > Environment > p. 5	1. Hazardous waste generated: 1.75 tonnes 2. BAT does not have radioactive waste.
10	<b>Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises</b>	Share of investments in investee companies that have been involved in violations of the UNGC principles and OECD guidelines	Standards of Business Conduct: <a href="http://www.bat.com/SOBC/Online">www.bat.com/SOBC/Online</a>	Qualitative Disclosure: BAT's policy on people and human rights practices is based on local and international labour laws, recommended practices and guidelines, and includes the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises..
11	<b>Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</b>	Share of investments in investee companies without policies to monitor compliance with UNGC principles and OECD guidelines or grievance/complaints handling mechanisms to address violations of UNGC principles and OECD guidelines	Standards of Business Conduct: <a href="http://www.bat.com/SOBC/Online">www.bat.com/SOBC/Online</a>	Qualitative Disclosure: BAT's policy on people and human rights practices is based on local and international labour laws, recommended practices and guidelines and includes the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.
12	<b>Average unadjusted gender pay gap</b>	Average unadjusted gender pay gap of investee companies	Combined Annual and ESG Report 2022 > ESG 2022 Assured Metrics > p.94	We currently do not report against this metric in the format prescribed by this Index. However, we report the unadjusted gender pay gap number for our UK workforce: average 24%
13	<b>Board Gender Diversity</b>	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	Combined Annual and ESG Report 2022 > p.87 ESG Performance Data Book > Governance > p. 13	Group Board - 36.4%
14	<b>Exposure to controversial weapons</b>	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	N/A	Qualitative Disclosure: BAT is not involved in the manufacture or selling of controversial weapons.
E4.	<b>Investments in companies without carbon emission reduction initiatives</b>	Share of investments in investee companies without carbon emissions reduction initiatives aimed at aligning with the Paris Agreement	Combined Annual and ESG Report 2022 > Climate Change > p. 52-53 / TCFD > p. 73 ESG Performance Data Book > Environment p. 4-5 Low Carbon Transition Plan: <a href="http://www.bat.com/LCTP">www.bat.com/LCTP</a>	Qualitative Disclosure: BAT has a low carbon transition strategy, details of which are outlined at pages 73-74 of the Combined Report and in our LCTP available on <a href="http://bat.com/LCTP">bat.com/LCTP</a>



## Principal Adverse Impacts (PAIs)

Continued

PAIs continued				
Disclosure	PAI indicator	Description	Disclosure location	Direct answers, notes and omissions
E5.	<b>Breakdown of energy consumption by type of non-renewable sources of energy</b>	Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source	ESG Performance Data Book > Environment > p.5	We currently do not report against this metric in the format prescribed by this Index. However, we report the Total Non-renewable energy consumption for 2022: 1,574 GWh
E6.	<b>Water usage and recycling</b>	<p>1. Average amount of water consumed by the investee companies (in cubic metres) per million EUR of revenue of investee companies</p> <p>2. Weighted average percentage of water recycled and reused by investee companies</p>	<p>Combined Annual and ESG Report 2022 &gt; Water &gt; p.58-59</p> <p>ESG Performance Data Book &gt; Environment &gt; p. 6</p>	<p>We currently do not report against this metric in the format prescribed by this Index. However, we report the following metrics:</p> <p>1. Water consumption: 1.84</p> <p>2. Water recycled and reused 1.02 mn m<sup>3</sup> - 22.6%</p>
E7.	<b>Investments in companies without water management policies</b>	Share of investments in investee companies without water management policies	<p>Combined Annual and ESG Report 2022 &gt; Water &gt; p.58-59</p> <p>Environment Policy</p>	<p>Zero: 0</p> <p>Qualitative Disclosure: BAT has a comprehensive Water Security Standard</p>
E8.	<b>Exposure to areas of high water stress</b>	Share of investments in investee companies with sites located in areas of high-water stress without a water management policy	<p>Combined Annual and ESG Report 2022 &gt; Water &gt; p.58-59</p> <p>ESG Performance Data Book &gt; Environment &gt; p.6.</p>	<p>Zero: 0</p> <p>Qualitative Disclosure: BAT has 16 operations sites located in water stress areas and 100% have water management policies in place</p>
E9.	<b>Investments in companies producing chemicals</b>	Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006	N/A	<p>Zero: 0</p> <p>Qualitative Disclosure: This is not applicable to BAT</p>
E11.	<b>Investments in companies without sustainable land/agriculture practices</b>	Share of investments in investee companies without sustainable land/agriculture practices or policies	N/A	<p>Qualitative Disclosure: BAT applies sustainable land and agriculture practices in accordance with GAPC Tobacco Certification in the U.S. and with the Brazilian Ministry of Agriculture in Brazil</p>
E13.	<b>Non-recycled waste ratio</b>	Tons of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average	<p>Combined Annual and ESG Report 2022 &gt; Circular Economy &gt; p. 54-55</p> <p>ESG Performance Data Book &gt; Environment &gt; p. 5</p>	<p>1. Total Waste generated 126.00 thousand tonnes</p> <p>2. Waste recycled 106.00 thousand tonnes</p> <p>3. Waste disposal 19.69 thousand tonnes</p> <p>Breakdown by disposal method thousand tonnes: (Waste to energy 11.74, Incineration 1.73, Landfill 6.22, Other 0)</p>
E15.	<b>Deforestation</b>	Share of investments in investee companies without a policy to address deforestation	<p>Combined Annual and ESG Report 2022 &gt; Biodiversity &gt; p. 56-57</p> <p>Environment Policy</p>	<p>Qualitative Disclosure: BAT has policies which address deforestation and goals of:</p> <ul style="list-style-type: none"> <li>- Net Zero deforestation of managed natural forests in our paper, pulp and Tobacco Supply Chain</li> <li>- Zero gross deforestation of primary native forests in our paper, pulp and Tobacco Supply Chain</li> </ul>

## Principal Adverse Impacts (PAIs)

Continued

PAIs continued				
Disclosure	PAI indicator	Description	Disclosure location	Direct answers, notes and omissions
S1.	<b>Investments in companies without workplace accident prevention policies</b>	Share of investments in investee companies without a workplace accident prevention policy	Combined Annual and ESG Report 2022 > Health & Safety > p. 92-93 Standards of Business Conduct: <a href="http://www.bat.com/SOBC/Online">www.bat.com/SOBC/Online</a> Health and Safety Policy	Qualitative Disclosure: BAT has policies which address workplace accident prevention
S2.	<b>Rate of accidents</b>	Rate of accidents in investee companies expressed as a weighted average	Combined Annual and ESG Report 2022 > Health & Safety > p. 92-93 ESG Performance Data Book > People, Diversity and Culture > p. 11	Total number of work related accidents to employees and contractors 116
S3.	<b>Number of days lost to injuries, accidents, fatalities or illness</b>	Number of workdays lost to injuries, accidents, fatalities or illness of investee companies expressed as a weighted average	Combined Annual and ESG Report 2022 > Health & Safety > p. 92-93 ESG Performance Data Book > People, Diversity and Culture > p. 11	We currently do not report against this metric in the format prescribed by this Index. However, we report Lost Time Incident Rate (LTIR) 0.19
S4.	<b>Lack of a supplier code of conduct</b>	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	Combined Annual and ESG Report 2022 > Ethics & Integrity > p. 66-67 Supplier Code of Conduct: <a href="http://www.bat.com/SOBC/Online">www.bat.com/SOBC/Online</a>	Our Supplier Code of Conduct complements our Group Standards of Business Conduct by defining the minimum standards we expect our suppliers to adhere to in order to supply goods or services to BAT and any BAT Group company.
S5.	<b>Lack of grievance/complaints handling mechanism related to employee matters</b>	Share of investments in investee companies without any grievance/complaints handling mechanism related to employee matters	Combined Annual and ESG Report 2022 > Ethics & Integrity > p.67 Speak Up: <a href="http://www.bat.com/speakup">www.bat.com/speakup</a> Standards of Business Conduct: <a href="http://www.bat.com/SOBC/Online">www.bat.com/SOBC/Online</a>	Staff can raise concerns with their line manager, HR or one of the Group's Designated Officers. Alternatively, they can use our confidential, independently managed external Speak Up channels via telephone or online. Our Speak Up channels are available 24 hours a day in local languages and are highlighted in our internal trainings and communications.
S7.	<b>Incidents of discrimination</b>	Number of incidents of discrimination reported in investee companies expressed as a weighted average  Number of incidents of discrimination leading to sanctions in investee companies expressed as a weighted average	Combined Annual and ESG Report 2022 > Ethics & Integrity > p.67 Speak Up: <a href="http://www.bat.com/speakup">www.bat.com/speakup</a>	We do not report against this metric in the format prescribed by this Index. However, all concerns about actual or suspected wrongdoing at work can be raised via our 'Speak Up' portal, which is part of our SoBC.
S8.	<b>Excessive CEO pay ratio</b>	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	Combined Annual and ESG Report 2022 > Chief Executive pay Ratio Disclosure > p.171	We currently do not report against this metric. in the format prescribed by this Index. However, our CEO Pay Ratio Disclosure provides an analysis against our UK workforce.

## Principal Adverse Impacts (PAIs)

Continued

PAIs continued				
Disclosure	PAI indicator	Description	Disclosure location	Direct answers, notes and omissions
S9.	<b>Lack of a human rights policy</b>	Share of investments in entities without a human rights policy	Standards of Business Conduct: <a href="http://www.bat.com/SOBC/Online">www.bat.com/SOBC/Online</a>	Our Standards of Business Conduct (SoBC) sets out the high standards we are committed to upholding. It comprises our core global policies, including our Workplace and Human Rights Policy detailing our support for the UNGPs and the ILO's Declaration on Fundamental Principles and Rights at Work
S10.	<b>Lack of due diligence</b>	Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts	Combined Annual and ESG Report 2022 > Human Rights > p.60-61	Qualitative Disclosure: Our due diligence process is covered in the Human Rights section of our Combined Report. More details will be available in our Modern Slavery Statement, which will be published in Q2
S11	<b>Lack of process and measures for preventing trafficking in human beings</b>	Share of investments in investee companies without policies against trafficking in human beings	Standards of Business Conduct: <a href="http://www.bat.com/SOBC/Online">www.bat.com/SOBC/Online</a>	Qualitative Disclosure: SoBC sets out to ensure our operations are free from slavery, servitude and forced, compulsory, bonded, involuntary, trafficked or unlawful migrant labour
S12.	<b>Operations and suppliers at significant risk of incidents of child labour</b>	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour in terms of geographic areas or type of operation	Combined Annual and ESG Report 2022 > Human Rights > p. 61	Qualitative disclosure: BAT has an annual risk assessment process for countries with Group companies present, using Verisk Maplecroft's human rights indices, including its Modern Slavery Index.
S13.	<b>Operations and suppliers at significant risk of incidents of forced or compulsory labour</b>	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of forced or compulsory labour in terms of geographic areas and/or type of operation	As above	As above
S14.	<b>Number of identified cases of severe human rights issues and incidents</b>	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	Combined Annual and ESG Report 2022 > Human Rights > p. 60-61 ESG Data Book > Social > p. 9	We currently do not report against this metric in the format prescribed by this Index. However, we report against Human Rights in our Combined Annual-ESG Report.

# Sustainable Accounting Standards Board Index 2022

We report against the SASB frameworks for both Tobacco and Agricultural Production Standards.



2022 Combined Annual and ESG Report:  
[bat.com/annualreport](https://bat.com/annualreport)



2022 ESG Data Performance Book  
[bat.com/sustainabilityreporting](https://bat.com/sustainabilityreporting)



2022 Diversity and Inclusion Report  
[bat.com/sustainabilityreporting](https://bat.com/sustainabilityreporting)

## SASB Standard – Tobacco (Version 2018-10)

### Sustainability Disclosure Topics & Accounting Metrics

Topic	Code	Accounting Metric	Category	Unit of Measure	Disclosure location	Direct answers, notes and omissions
<b>Public Health</b>	FB-TB-260a.1	(1) Gross revenue and (2) revenue net of excise taxes from (a) non-tobacco nicotine products and (b) heated tobacco products	Quantitative	Reporting currency	Combined Annual and ESG Report 2022 > Multi-Category Portfolio > p.14	
	FB-TB-260a.2	Discussion of the process to assess risks and opportunities associated with "tobacco harm reduction" products	Discussion and Analysis	N/A	Combined Annual and ESG Report 2022 > Our Vapour Products > p.32-33 Combined Annual and ESG Report 2022 > Harm reduction > p.50-51	
<b>Marketing Practices</b>	FB-TB-270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing, labelling, and/or advertising practices	Quantitative	Reporting currency	Combined Annual and ESG Report 2022 > Financial Statements > p.273-296	
	FB-TB-270a.2	Description of the company's marketing policy and relevant positions on Articles 11 and 13 of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC)	Discussion and Analysis	N/A	Combined Annual and ESG Report 2022 > Regulation of the Group's Business > p.362-366	

## Sustainable Accounting Standards

### Board Index 2022

Continued

SASB Standard – Tobacco (Version 2018-10) continued						
Activity Metrics						
	Code	Activity Metric	Category	Unit of Measure	Disclosure location	Direct answers, notes and omissions
	FB-TB-000.A	Combustible tobacco product sales volume: (1) cigarette, (2) cigar, and (3) other smoked tobacco products	Quantitative	Number, Metric tons (t)	Combined Annual and ESG Report 2022 > Our Year in Numbers > p.7 Combined Annual and ESG Report 2022 > Our Consumer-Centric-Multi-Category Portfolio > p.14 Combined Annual and ESG Report 2022 > Our Combustible Products > p.39	
	FB-TB-000.B	Non-combustible product sales volume: (1) traditional smokeless tobacco, (2) non-tobacco nicotine products, (3) heated tobacco products, and (4) nicotine replacement therapy products	Quantitative	Number	Combined Annual and ESG Report 2022 > Our Year in Numbers > p.7 Combined Annual and ESG Report 2022 > Our Consumer-Centric-Multi-Category Portfolio > p.14 Combined Annual and ESG Report 2022 > A Better Tomorrow > p.32-38	
SASB Standard – Agricultural Products (Version 2018-10)						
	Code	Accounting Metric	Category	Unit of Measure	Disclosure location	Direct answers, notes and omissions
<b>Greenhouse Gas Emissions</b>	FB-AG-110a.1	Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO <sub>2</sub> e	Combined Annual and ESG Report 2022 > Assured ESG Metrics Summary Table > p.94 Combined Annual and ESG Report 2022 > TCFD Reporting > p.80 BAT ESG Data Performance 2022 > Targets and Metrics > p.4-5	
	FB-AG-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	Combined Annual and ESG Report 2022 > Strategic report > Climate change > p.52-53 Combined Annual and ESG Report 2022 > TCFD Reporting > p.80	
	FB-AG-110a.3	Fleet fuel consumed, percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	Combined Annual and ESG Report 2022 > Climate change > p.53	The Group reports on Scope 1 emissions and key initiative to reduce these emissions but does not currently report on the percentage of renewable fuel.

## Sustainable Accounting Standards

### Board Index 2022

Continued

SASB Standard – Agricultural Products (Version 2018-10) continued						
Topic	Code	Accounting Metric	Category	Unit of Measure	Disclosure location	Direct answers, notes and omissions
<b>Energy Management</b>	FB-AG-130a.1	(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	BAT ESG Data Performance 2022 > Targets and Metrics > p.4-5 Combined Annual and ESG Report 2022 > Assured ESG Metrics Summary Table > p.94	
<b>Water Management</b>	FB-AG-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m <sup>3</sup> ), Percentage (%)	Combined Annual and ESG Report 2022 > Water > p.58-59 BAT ESG Data Performance 2022 > Targets and Metrics > Climate Change > p.6 Combined Annual and ESG Report 2022 > Assured ESG Metrics Summary Table > p.94	
	FB-AG-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	Combined Annual and ESG Report 2022 > Water > p.58-59	
	FB-AG-140a.3	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	We report on the approach to manage water quality under: Combined Annual and ESG Report 2022 > Water > p.58-59	We do not currently report on incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations as a metric.
<b>Food Safety</b>	FB-AG-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	N/A	Not applicable to BAT
	FB-AG-250a.2	Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognised food safety certification programme	Quantitative	Percentage (%) by cost	N/A	Not applicable to BAT
	FB-AG-250a.3	(1) Number of recalls issued and (2) total amount of food product recalled	Quantitative	Number, Metric tons (t)	N/A	Not applicable to BAT

## Sustainable Accounting Standards Board Index 2022

Continued

SASB Standard – Agricultural Products (Version 2018-10) continued						
Topic	Code	Accounting Metric	Category	Unit of Measure	Disclosure location	Direct answers, notes and omissions
<b>Workforce Health &amp; Safety</b>	FB-AG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	Quantitative	Rate	Combined Annual and ESG Report 2022 > Health and Safety > p.92-93 BAT ESG Data Performance 2022 > Targets and Metrics > p.11	
<b>Environmental &amp; Social Impacts of Ingredient Supply Chain</b>	FB-AG-430a.1	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	Quantitative	Percentage (%) by cost	Combined Annual and ESG Report 2022 > Human Rights > p.60-61 BAT ESG Data Performance 2022 > Targets and Metrics > p.9-10	
	FB-AG-430a.2	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	Combined Annual and ESG Report 2022 > Human Rights > p.60-61 BAT ESG Data Performance 2022 > Targets and Metrics > p.9-10	
	FB-AG-430a.3	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Discussion and Analysis	n/a	Combined Annual and ESG Report 2022 > Climate Change > p.52-53 Combined Annual and ESG Report 2022 > Biodiversity and Ecosystems > p.56-57 Combined Annual and ESG Report 2022 > Water > p.58-59 Combined Annual and ESG Report 2022 > Human Rights > p.60-61 Combined Annual and ESG Report 2022 > Farmer Livelihoods > p.62-63	
<b>GMO Management</b>	FB-AG-430b.1	Discussion of strategies to manage the use of genetically modified organisms (GMOs)	Discussion and Analysis	n/a	Combined Annual and ESG Report 2022 > Biodiversity and Ecosystems > p.56-57	Through our plant breeding programme, we are developing new tobacco seed varieties that offer greater yields and higher quality, as well as resistance to diseases. This helps to improve crop resilience, but does not involve any kind of genetic modification

## Sustainable Accounting Standards

### Board Index 2022

Continued

SASB Standard – Agricultural Products (Version 2018-10) continued						
Activity Metrics continued						
Topic	Code	Accounting Metric	Category	Unit of Measure	Disclosure location	Direct answers, notes and omissions
<b>Ingredient Sourcing</b>	FB-AG-440a.1	Identification of principal crops and description of risks and opportunities presented by climate change	Discussion and Analysis	n/a	Combined Annual and ESG Report 2022 > Biodiversity and Ecosystems > p.56-57	
	FB-AG-440a.2	Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	Quantitative	Percentage (%) by cost	Combined Annual and ESG Report 2022 > Water > p.59	
	FB-AG-000.A	Production by principal crop	Quantitative	Metric tons (t)	N/A	The Group does not own tobacco farms or directly employ farmers and hence does not currently disclose production by principal crop.
	FB-AG-000.B	Number of processing facilities	Quantitative	Number	Combined Annual and ESG Report 2022 > Property, Plant and Equipment > p.369	
	FB-AG-000.C	Total land area under active production	Quantitative	Hectares	N/A	We are currently not reporting against this metric in the format required by this Standard.
	FB-AG-000.D	Cost of agricultural products sourced externally	Quantitative	Reporting currency	N/A	We are currently not reporting against this metric in the format required by this Standard.



# World Economic Forum (WEF) ESG Index 2022

This is our second report against the WEF Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation White Paper, released in September 2021. Full details can be found below.

 2022 Combined Annual and ESG Report:  
[bat.com/annualreport](http://bat.com/annualreport)

 2022 ESG Data Performance Book  
[bat.com/sustainabilityreporting](http://bat.com/sustainabilityreporting)

 2022 Diversity and Inclusion Report  
[bat.com/sustainabilityreporting](http://bat.com/sustainabilityreporting)

## Principles of Governance

Theme	Reporting requirement & description of metric	Disclosure location	Direct answers, notes and omissions
<b>Governing Purpose</b>	<b>Setting purpose</b> The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Combined Annual and ESG Report 2022 > A Strategy for Accelerated Growth > p.25	
<b>Quality of Governing Body</b>	Governance body composition Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	Combined Annual and ESG Report 2022 > Board of Directors > p.124-129  Combined Annual and ESG Report 2022 > TCFD Reporting > p.71	
<b>Stakeholder Engagement</b>	<b>Material issues impacting stakeholders</b> A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	Combined Annual and ESG Report 2022 > Engaging with Our Stakeholders > p.20-21 Combined Annual and ESG Report 2022 > Double Materiality Assessment > p.46-48	

# World Economic Forum (WEF) ESG Index 2022

Continued

Principles of Governance continued			
Theme	Reporting requirement & description of metric	Disclosure location	Direct answers, notes and omissions
<b>Ethical Behaviour</b>	<p><b>Anti-corruption</b></p> <p>1. Total percentage of governance body members, employees and business partners who have received training on the organisation’s anti-corruption policies and procedures, broken down by region.</p> <p>a. Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and</p> <p>b. Total number and nature of incidents of corruption confirmed during the current year, related to this year.</p> <p>2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.</p>	Combined Annual and ESG Report 2022 > Ethics and Integrity > p.66-67	
	<p><b>Protected ethics advice and reporting mechanisms</b></p> <p>A description of internal and external mechanisms for:</p> <p>1. Seeking advice about ethical and lawful behaviour and organisational integrity; and</p> <p>2. Reporting concerns about unethical or unlawful behaviour and lack of organisational integrity.</p>	Combined Annual and ESG Report 2022 > Ethics and Integrity > p.66-67	
<b>Risk and Opportunity Oversight</b>	<p><b>Integrating risk and opportunity into business process</b></p> <p>Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.</p>	Combined Annual and ESG Report 2022 > Group Principal Risk > p.116-121	

# World Economic Forum (WEF) ESG Index 2022

Continued

Planet			
Theme	Description of Metric/Reporting Requirement	Where to Find This Information in Our Reporting	Direct answers, notes and omissions
<b>Climate Change</b>	<b>Greenhouse gas (GHG) emissions</b> For all relevant GHGs (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	Combined Annual and ESG Report 2022 > Assured ESG Metrics Summary Table > p.94  Combined Annual and ESG Report 2022 > TCFD Reporting > p.80  BAT ESG Data Performance 2022 > Targets and Metrics > p.2 > Climate change	
	<b>TCFD implementation</b> Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.	Combined Annual and ESG Report 2022 > TCFD Reporting > p.70-81	
<b>Nature Loss</b>	<b>Land use and ecological sensitivity</b> Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas.	Combined Annual and ESG Report 2022 > Biodiversity and Ecosystems > p.56-57	
<b>Freshwater Availability</b>	<b>Water consumption and withdrawal in water-stressed areas</b> Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	Combined Annual and ESG Report 2022 > p.58-59  BAT ESG Data Performance 2022 > Targets and Metrics > p.4-5  Combined Annual and ESG Report 2022 > Assured ESG Metrics Summary Table > p.94	

## World Economic Forum (WEF) ESG Index 2022

Continued

People			
Theme	Description of Metric/Reporting Requirement	Where to Find This Information in Our Reporting	Direct answers, notes and omissions
<b>Dignity and Equality</b>	<b>Diversity and inclusion (%)</b> Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.87	
	<b>Pay equality (%)</b> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	BAT Gender and Ethnicity Reporting 2022 > Our Pay Equality Reporting > p.12-16	
	<b>Wage level (%)</b> Ratios of standard entry level wage by gender compared to local minimum wage. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.	Combined Annual and ESG Report 2022 > Chief Executive Pay Ratio > p.171	We currently do not report against this metric. in the format required by this Index. However, our CEO Pay Ratio Disclosure provides an analysis against our UK workforce.
	<b>Risk for incidents of child, forced or compulsory labour</b> An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.	Combined Annual and ESG Report 2022 > Human Rights > p.61	
<b>Health and Wellbeing</b>	<b>Health and safety (%)</b> The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. An explanation of how the organisation facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	Combined Annual and ESG Report 2022 > Health and Safety > p.92-93	
		Combined Annual and ESG Report 2022 > ESG 2022 Assured Metrics > p.94	

## World Economic Forum (WEF) ESG Index 2022 Continued

People continued			
Theme	Reporting requirement & description of metric	Disclosure location	Direct answers, notes and omissions
<b>Skills for the Future</b>	<p><b>Training provided (#, \$)</b></p> <p>Average hours of training per person that the organisation's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees).</p> <p>Average training and development expenditure per full-time employee (total cost of training provided to employees divided by the number of employees).</p>	<p>Combined Annual and ESG Report 2022 &gt; People, Diversity and Culture &gt; p.84-85</p>	<p>We report the average training expenditure per employee. We currently do not report against the metric for total number of hours of training provided.</p>

## World Economic Forum (WEF) ESG Index 2022

Continued

Prosperity			
Theme	Description of Metric/Reporting Requirement	Where to Find This Information in Our Reporting	Direct answers, notes and omissions
<b>Employment and Wealth Generation</b>	<b>Absolute number and rate of employment</b> 1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	Employee turnover > Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.89 Employee numbers by gender, diversity and region ESG Performance Data Book > p. 12-13	We currently do not report against this metric in the format required by this index. Information on turnover and employee numbers by gender, diversity and region can be found in the Combined Annual and ESG Report 2022 > People, Diversity and Culture > p.89 and in the ESG Performance Data Book > p. 12-13
	<b>Economic contribution</b> 1. Direct economic value generated and distributed, on an accruals basis, covering the basic components for the organisation's global operations, ideally split out by: – Revenues – Operating costs – Employee wages and benefits – Payments to providers of capital – Payments to government – Community investment 2. Financial assistance received from the government: total monetary value of financial assistance received by the organisation from any government during the reporting period.	Combined Annual and ESG Report 2022 > Our Year in Numbers > p.7 Combined Annual and ESG Report 2022 > Group Income Statement > p.196	
	<b>Financial investment contribution</b> 1. Total capital expenditures minus depreciation, supported by narrative to describe the company's investment strategy. 2. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	Combined Annual and ESG Report 2022 > Group Balance Sheet > p.201-202	
<b>Innovation of Better Products and Services</b>	<b>Total R&amp;D expenses (\$)</b> Total costs related to research and development.	Combined Annual and ESG Report 2022 > Notes on Accounts > p.213-214 Combined Annual and ESG Report 2022 > Financial Performance Summary > p.100	
<b>Community and Social Vitality</b>	<b>Total tax paid</b> The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Combined Annual and ESG Report 2022 > Group Income Statement > p.196	

# Data Scope and Definitions

## About this document

The purpose of this document is to outline the approach and scope used for data collection, which forms the basis of our 2022 ESG performance data.

## New ESG definitions in 2022

In our 2022 Reporting Criteria, we have included a new set of definitions which relate to a new set of metrics. These are:

- Consumers of non-combustible products (number of, in millions)
- Energy consumption intensity ratio (GWh per million £/EUR revenue)
- Non-renewable energy consumption
- Waste recycled
- Hazardous waste and radioactive waste generated
- Water recycled
- Emissions to water
- Number of operations sites in areas of high-water stress with and without water management policies
- % of paper and pulp volumes that is certified as sustainably sourced
- UK Unadjusted Pay Gap
- Incidents of non-compliance with regulations resulting in fine or penalty (Responsible Marketing)
- Incidents of non-compliance with regulations resulting in warning (Responsible Marketing)

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# Data Scope and Definitions

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# Data Scope and Definitions

Harm Reduction	
Metric	Scope and definition
 <p><b>Consumers of Non-Combustible Products (number of, in millions).</b></p> <p><b>Harm Reduction</b></p>	<p><b>KPI definition</b>                      Number of adult consumers using any of Non-Combustible Products at least once a week. Non-Combustible Products include tobacco heating products, Vapour products, Modern Oral &amp; Traditional Oral products.</p> <hr/> <p><b>Methodology</b>                      The number is derived using population estimated from the World Bank, incidence and corporate consumer share from consumer surveys (Incidence Study and New Category Track).                      New Categories Track is a tool which collects consumer data via primary research. It consists of those consumer panels who use any of the New Categories products (THP, Vapour or Modern Oral) or use FMC but willing to try New Categories products. Monthly sample size is 500 to 1,000 depending on the market.                      The derived numbers are then triangulated with volume and the output is discussed with the end markets for alignment before they are finalised.</p> <hr/> <p><b>Data collection</b>                      The incidence study is designed to collect data on the usage of nicotine categories in a market among the adult population. NC Track is designed to understand brand usage levels and other category KPIs - such as like Consumer Disposition Funnel (CDF), Source of Business, Average Usage among others—) among those who currently use or intend to use</p> <hr/> <p><b>New Nicotine Categories in the future</b>                      We define adult users as those between the age 18 and 64 years, with the exception of Canada (19 to 64 years) and Japan (21 to 79 years).                      BAT Product Reduced-Risk potential (PRRP) User Pool consists of any Nicotine User of legal age who uses BAT's PRRP brands at least once a week. The brands taken into consideration are Glo, Vuse, Cirro, 10 Motives, VIP, Velo, Lyft and EPOK. Estimation of these users are based on various consumer surveys that help size the category and the brands within them. The calculation is made as below:                      (Adult population as per World Bank estimates x Percentage of Adult Population using the category at least once a week from Incidence Study x Percentage of weekly users of category using BAT brand at least once a week- from NC Track)</p> <hr/> <p><b>Estimates and Assumptions</b>                      The approach garners a user number which is then validated by triangulating with BAT shipment volume to check whether the implied average consumption is in line with the claimed average consumption.                      Where the validation fails, the consumer share is reviewed and adjusted to arrive at realistic levels. In markets where there are no Tracking studies, BAT shipment Volume is used when the consumer claimed consumption levels from other similar tracked markets to get to an estimate of users. The frequency is quarterly, and calculation is done by a third party, Kantar.</p>

## Data Scope and Definitions

### Continued

#### Environment

##### Reporting Methodology

Scope 1 and 2 CO<sub>2</sub>e emissions data and certain categories of Scope 3 emissions (e.g. business travel, transportation and distribution), direct energy, including renewable energy and purchased renewable electricity, water withdrawn with breakdown by source, water discharge with breakdown by destination, waste generation from direct operations with breakdown by destination (e.g. recycling, landfill), is collected from over 180 Group reporting units in 91 countries via Global reporting system, which is a service provided by an independent third-party.

Data collection and reporting are based on operational control approach and covers our subsidiaries, including facilities and activities where we have full authority to implement operational policies and control over day-to-day operations.

Each unit reports on a monthly basis. In 2022, we strengthened our reporting approach by increasing frequency checks, shifting from quarterly reporting in the first quarter of the year, to monthly reporting from March onwards.

Data submission at the reporting unit level is performed by local Sustainability or EHS teams. The Environmental performance summary (main KPIs) is downloaded from the Group and subject to approval by a Top Team member responsible for Sustainability/EHS of the respective reporting unit. Reporting units submissions are reviewed and approved by Regional Sustainability teams and are further reviewed by the Group Operations Sustainability team.

Data consolidated for appropriate geography (Group, Region, DRBUs and report unit level) is reviewed and reported at least quarterly to appropriate internal stakeholders.

Other KPIs such as the ones that relate to Product Plastic Packaging are derived from Bill of Materials and Sales data stored in SAP TaO for all end markets. Once generated, they are reviewed by the global packaging managers from each category, then signed off both by the respective heads of R&D and by the Group Head of Operations Development and Sustainability, subject to having the figures assured.

It is worth noting that the reporting period of the following KPIs span from 1 December 2021 to 30 November 2022:

- Scope 1 and 2 CO<sub>2</sub>e emissions
- Energy use consumption, incl. renewable energy and non-renewable energy consumption
- Waste generated, incl. hazardous waste generated
- Waste recycled
- Water withdrawn, water recycled and water discharge

##### Operations Sites

Refers to all facilities within BAT operational control that perform manufacturing activities for commercial purposes. These are cigarette manufacturing factories, sites manufacturing other tobacco products, snus, modern oral and liquids and green leaf threshing (GLT) tobacco processing sites.

## Data Scope and Definitions Continued

Environment		
Metric		Scope and definition
 <p>Climate change</p>	<b>CO<sub>2</sub>e emissions</b>	<p>We use the World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Standard to guide our reporting of Carbon Dioxide equivalent (CO<sub>2</sub>e) emissions. In addition, we use supporting standards including:</p> <ul style="list-style-type: none"> <li>– GHG Protocol Scope 2 Guidance, 2015</li> <li>– GHG Protocol Corporate Value Chain (Scope 3) Standard, 2011</li> </ul> <p>We report emissions where we have Operational Control and include CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O within our CO<sub>2</sub>e emission reporting. We do not include data on other GHG emissions (HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub>) as they are estimated to be insignificant. While we account for the contribution CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O make to our CO<sub>2</sub>e emissions, we do not disclose the breakdown CO<sub>2</sub>e data on an individual GHG basis.</p> <p>In 2022, BAT had its new set of 1.5°C aligned targets approved by SBTi replacing the previous set of 2°C aligned targets. Targets revision led to change of baseline year from 2017 to 2020.</p> <p>Currently, we use a 2020 baseline year for emissions reporting, which has a total of 6,154,756 tCO<sub>2</sub>e split as follows:</p> <ul style="list-style-type: none"> <li>– Scope 1: 342,034 tCO<sub>2</sub>e</li> <li>– Scope 2: 198,830 tCO<sub>2</sub>e market-based (Scope 2: 417,572 tCO<sub>2</sub>e location-based)</li> <li>– Scope 3: 5,613,892 tCO<sub>2</sub>e</li> </ul> <p><b>Data Collection, Validation and Exclusions</b></p> <p>Emissions data for Scope 1 and 2 is collected within the C360 reporting system. It includes 180 reporting units located across 91 countries. The largest contributors to emissions (i.e., Manufacturing Facilities and Green Leaf Threshing Plants) report on the quarterly basis; those with a lower proportion of emissions report on either a biannual or annual basis. Scope 3 data collection and calculation is detailed below.</p> <p>Data reported by units is reviewed by the Regional and Group Operations Sustainability Team through variance analysis and benchmarking between sites with a similar footprint. Data excluded from the Cr360 Reporting system excludes facilities where BAT do not maintain Operational Control and new sites at commissioning phase.</p>
	<b>Scope 1 and Scope 2 emissions</b>	<p>Scope 1 includes direct emissions from sources owned or controlled by BAT. These are emissions associated with use of fuel at facilities under our operational control and by our vehicle fleet as well as CO<sub>2</sub> used for the production of Dry Ice Expanded Tobacco (DIET). Fuels include both renewable, such as wood fuel, biodiesel etc., and non-renewable ones, such as natural gas, LPG, diesel, coal etc. Data is collected from invoices, telematics, fuel cards, meter readings and other documentation and logged within the EHS Reporting Tool. DEFRA Greenhouse Gas Reporting: Conversion Factors 2021 are used to convert to CO<sub>2</sub>e.</p> <p>Scope 2 includes indirect emissions associated with the purchase of electricity, hot water and steam which is consumed at our locations. Data is collected from invoices, internal metering and in some instances via the Building Management System (BMS). Our 2020 baseline for Scope 2 emissions are as follows:</p> <ul style="list-style-type: none"> <li>– Market Based: 198, 830 tCO<sub>2</sub>e</li> <li>– Location Based: 415,117 tCO<sub>2</sub>e</li> </ul> <p><b>Renewable Energy Validation</b></p> <p>Scope 2 Market-based CO<sub>2</sub>e emissions are calculated from supplier-specific emissions factors. To ensure reported Market-based CO<sub>2</sub>e emissions meet the 'Good quality criteria' as per GHG Protocol Scope 2 Guidance, we specify market-based factors only when these are supported by contractual instruments. For renewables, electricity procurement is either unbundled energy attribute certificates (I-RECs, GoOs, RECs, etc.) or Green electricity products from an energy supplier (supported by energy attribute certificates or Power Purchase Agreement). Whenever market-based factors are not available, market-based Scope 2 CO<sub>2</sub>e emissions are calculated using International Energy Agency 2021 country specific emission factors.</p>

## Data Scope and Definitions Continued

Environment continued	
Metric	Scope and definition
 <p><b>Climate change</b> continued</p>	<p><b>Scope 3 emissions</b> See Simplified Scope 3 Methodology document on <a href="http://www.bat.com/sustainabilityreport">www.bat.com/sustainabilityreport</a></p>
	<p><b>Energy consumption</b> Energy consumption is reported in line with GRI 302, Energy, 2016, Disclosure 302-1, Energy consumption within the organisation. This includes energy use resulting from:</p> <ul style="list-style-type: none"> <li>– activities for which the Group is responsible including energy from the combustion of fuel at our facilities and in fleet vehicles and energy generated at our facilities using non-fuel technology, e.g. solar</li> <li>– purchased electricity, steam and hot water by BAT for use at our facilities and fleet vehicles</li> </ul> <p>Energy consumption is calculated from raw data of fuel, electricity, hot water and steam consumption submitted by reporting units across the Group in the EHS Reporting Tool. The data used in the calculations are the same as for Scope 1 and 2 CO<sub>2</sub>e emissions.</p> <p>Reported data of fuel use are reported in different units of measurement (e.g. tonnes, litres, m<sup>3</sup>, etc.) and are converted into an appropriate metric for conversion using the DEFRA 2021 factors. Despite specifications of fuels used at different sites, and thus calorific values, may vary, for unification the same emission factor is applied across BAT. Purchased electricity, hot water and steam as well as energy generated on site from non-fuel technologies is reported in energy unit of measurement (kWh or GJ), therefore not requiring a specific conversion factor. Conversion between Joules and Watt is as per definition of the units (1 Watt = 1 Joule per second).</p> <p>Energy consumption (GJ) = Non-Renewable Energy (GJ) + Renewable Energy (GJ)</p>
	<p><b>Emission intensity ratio</b> Scope 1 and 2 intensity ratio: Scope 1 and 2 emissions intensity ratio (tCO<sub>2</sub>e per million GBP) is calculated as sum of Scope 1 and Scope 2 (Market Based) CO<sub>2</sub>e emissions divided by Revenue in million GBP and million Euros. Notes: Revenue is net of duty, excise and other taxes.</p>
	<p><b>Energy consumption intensity ratio (GWh per million £/EUR)</b> Energy intensity ratio GWh per million. GBP is calculated as Energy consumption in GWh divided by Revenue in million GBP and million Euros.</p>
	<p><b>Renewable energy</b> Renewable energy includes:</p> <ul style="list-style-type: none"> <li>– energy generated from renewable fuels at our sites (e.g. wood fuel, bio mass fuels) and in fleet vehicles, owned or leased (e.g. biodiesel)</li> <li>– purchased renewable electricity, hot water and steam</li> <li>– renewable energy generated on site using non-fuel technology (e.g. with photovoltaic installations or solar water heaters)</li> </ul> <p>Renewable energy generated from fuels is calculated from data inputs in different units of measurement (e.g. tonnes, litres) via 2021 UK DEFRA/ BEIS emission factors. Purchased renewable electricity, hot water and steam as well as renewable energy generated on site from non-fuel technologies is reported in energy unit (kWh or GJ), therefore do not require conversions.</p> <p>% of Renewables in Energy Consumption is calculated as Renewable Energy (GJ)/Direct Energy (GJ).</p>
	<p><b>Non-renewable energy consumption (GWh)</b> Non-renewable energy includes:</p> <ul style="list-style-type: none"> <li>– energy generated from non-renewable fuels at our sites (e.g. natural gas, diesel, fuel oil) and in fleet vehicles, owned or leased (e.g. petrol, diesel)</li> <li>– purchased standard grid electricity, hot water and steam</li> </ul> <p>Non-renewable energy generated from fuels is calculated from data inputs in different units of measurement (e.g. tonnes, litres) via 2021 UK DEFRA/BEIS emission factors. Purchased standard grid electricity, hot water and steam in energy unit (GJ), therefore do not require conversions.</p>

## Data Scope and Definitions

### Continued

Environment continued	
Metric	Scope and definition
 <b>Circular economy</b>	<p><b>Circular economy</b> A circular economy is one in which waste is eliminated, pollution is prohibited, and recycling and reuse are the norm, hence creating a virtuous circle.</p>
	<p><b>% packaging recyclable, reusable or compostable</b> This KPI measures the share of primary and secondary packaging that is either technically reusable or recyclable or compostable across sold products in each reference reporting year.</p> <p><b>Reusable packaging</b> Packaging which has been designed to accomplish or proves its ability to accomplish a number of trips or rotations in a system for reuse</p> <p><b>Recyclable packaging</b> Material recycling reprocessing, by means of a manufacturing process, of a used packaging material into a product, a component incorporated into a product, or a secondary (recycled) raw material, excluding energy recovery and the use of the product as a fuel.</p> <p>A packaging or packaging component is recyclable if its successful post-consumer collection, sorting, and recycling is proven to work in practice and at scale.</p> <p><b>Composting</b> Composting Aerobic process designed to produce compost. A packaging or packaging component is compostable if it is in compliance with relevant international compostability standards and if its successful post-consumer collection, (sorting) and composting is proven to work in practice and at scale.</p> <p>While there are no means to trace what happens with packaging materials at their end of life due to the number of end markets in which our products are sold, variations in consumer behaviour and local infrastructure to process waste at end of life, this KPI focuses on the technical potential for reuse, recycling or composting of our packaging.</p> <p>By packaging we mean materials used to wrap or protect our goods, examples of primary and secondary packaging are all the cigarette pack elements, film used to wrap cigarette packs or closing tapes of shipment boxes applied by BAT factories, the boxes our devices come in or the pulp trays used to secure a device in a box. Tertiary packaging items applied by logistics partners or retailers outside our control for example plastic pallets are out of scope.</p> <p>In order to calculate the share (in %), we totalise the volume (in tonnes) of technically reusable, recyclable or compostable packaging materials and divide it by the overall volume (in tonnes) of all packaging materials used in sold products.</p>
<b>Waste generated</b>	<p>We follow the GRI 306: Waste 2020 Standard for defining and calculating waste data. The parameter 'waste generated from our direct operations' is aligned with Disclosure 306-3, Waste generated.</p> <p>Data for waste from our direct operations is collected via the Cr360 reporting system. At the reporting unit level, waste is split by type of material, non-hazardous and hazardous, and further by end destination: recycling, incineration with and without energy recovery and landfill.</p> <p>As well as data from BAT sites, this also includes construction waste generated in BAT premises from on-site constructions, building modifications or extensions.</p> <p>Reporting units collect data for amounts of waste generated based on declarations from suppliers or internal measurement, e.g. at weighbridges. For small offices, waste generation can be estimated based on area occupied or headcount. Classification of waste for hazardous and non-hazardous is done as per local legal requirements. Reporting units are required to track waste up until its final destinations and receive records on waste management route (e.g. recycling, landfill) from suppliers.</p> <p>Data is provided in tonnes where possible, and if not, it is converted into tonnes. Data, reported by units, is reviewed by Regional and Group Operations Sustainability teams thorough variance analysis and benchmarking between sites with similar footprint. Data consolidated at appropriate geography (Group, Region, cluster of countries) is reported quarterly and approved by appropriate internal stakeholders.</p> <p>Our 2017 baseline figure is 160,124 tonnes. Baseline is not adjusted in case of closure or acquisition of new sites.</p>

## Data Scope and Definitions

### Continued

Environment continued	
Metric	Scope and definition
 <p><b>Circular economy</b> Continued</p>	<p><b>Hazardous waste and radioactive waste generated</b></p> <p>We follow the GRI 306: Waste 2020 Standard for defining and calculating waste data, including hazardous waste. Hazardous wastes are waste that pose a physical hazard, health hazard, or environmental hazard. Detailed classification of waste for hazardous and non-hazardous is done by reporting units as per local legal requirements.</p>
	<p><b>Waste recycled</b></p> <p>Our definition of waste generation is aligned with GRI 306: Waste 2020 Standard, while the definition of Waste Recycled covers both Waste Recycled and Waste Preparation for Reuse as per GRI 306: Waste 2020 Standard.</p> <p>Recycling is operation applied to items or materials that have become waste to ensure they fulfil a purpose in place of new items or materials that would otherwise have been used for that purpose. This does not include energy recovery, neither via incineration, nor via conversion into fuel.</p>
	<p><b>% of waste recycled</b></p> <p>Recycling rate is calculated as Waste Recycled (tonnes) divided by Waste Generated (tonnes).</p>
 <p><b>Water</b></p>	<p><b>Water withdrawn</b></p> <p>We use the GRI 303: Water and Effluents 2018 Standard to guide our water withdrawn definition and methodology.</p> <p>Water withdrawn includes all water drawn from surface water, including harvested rainwater, groundwater, seawater, or a third party for any use within our direct operations. Water is used in manufacturing processes, in utilities, for social and irrigation needs. Irrigation is limited to our companies' premises, such as watering lawns. It does not include irrigation in agriculture, e.g. in leaf growing.</p> <p>Water withdrawn data is collected via the Cr360 system. Sites collect data for water withdrawn based on invoices from suppliers and internal metering, which at major sites is done in real time via building management systems (BMS). Small offices can apply estimates based on area occupied or headcount.</p> <p>Our 2017 baseline figure for water withdrawn is 5.20 million cubic metres.</p>
	<p><b>Water recycled</b></p> <p>For the Water recycled parameter, which is excluded from 2018 edition of the GRI 303: Water and Effluents 2018 Standard, we use the definition from CDP Water Security guidance.</p> <p>Water recycled includes water and wastewater used more than once before being discharged from the organisation's boundary, so that water demand is reduced. Recycled water can be used in direct operations for cleaning, irrigation or within utilities, e.g. for cooling. Irrigation is limited to our companies' premises, such as watering lawns. It does not include irrigation in agriculture, e.g. in leaf growing.</p> <p>Water recycled does not include harvested rainwater.</p> <p>Water recycled data is collected via the Cr360 system. Sites collect data for water recycled based internal metering, which at major sites is done in real time via building management systems (BMS). Where measurements are not yet in place, water recycled can be estimated based on equipment specification and standard operating parameters.</p>
	<p><b>% water recycled</b></p> <p>Water recycling rate (%) is calculated as Water recycled (m<sup>3</sup>) divided by total water demand, which is Water recycled (m<sup>3</sup>) plus Water Withdrawn (m<sup>3</sup>).</p>
	<p><b>Water discharge</b></p> <p>We use the GRI 303: Water and Effluents 2018 Standard to guide our water discharge definition.</p> <p>Water discharge includes effluents, used water, and unused water released to surface water, groundwater, seawater, or a third party. Water can be released into the receiving waterbody either at a defined discharge point or dispersed over land in an undefined manner or removed from the organisation in tanks via vehicle.</p> <p>The data of water discharge with breakdown by destination (third party, fresh water, brackish water, groundwater) are collected via the Cr360 system. Sites collect data for water discharges based on internal metering or invoices from services suppliers. In the absence of metering, estimates are applied based on water withdrawn volumes and typical water consumption of equipment and processes.</p>



## Data Scope and Definitions

### Continued

Environment continued	
Metric	Scope and definition
 <p><b>Water</b> continued</p>	<p><b>Emissions to water</b></p> <p>This disclosure is aligned to EU Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) and addresses Principle Adverse Sustainability Indicator 8. Emissions to water (Mandatory).</p> <p>‘Emissions to water’ means direct emissions of priority substances as defined in Annex I to Directive 2013/39/EU Article 2(30) of Directive 2000/60/EC of the European Parliament and of the Council.</p> <p>In 2022, we started building our reporting capabilities on emissions to water of priority substances and other nitrates, phosphates and pesticides, for our direct operations (subsidiaries, including facilities and activities where we have full authority to implement operational policies and control over day-to-day operations), and performed a qualitative assessment across our operations sites in October 2022.</p> <p>According to the assessment, 100% of operational sites reported no process use of priority substances, and 38% reported not using them in any on-site ancillary/support processes. For the assessment, all operation sites completed a questionnaire listing all priority substances. They were also required to confirm whether each substance is used or stored on site, whether its content is measured in water discharge and, in case of a positive answer, provide commentary on the uses and results of measurement. The responses were collated and reviewed at the Regional and subsequently at the Group. On-site ancillary/support processes refer to processes other than the main process on manufacturing finished or semi-finished goods or tobacco leaf processing. Examples include use in quality laboratories, research and development centres as well as maintenance workshops.</p> <p>BAT operates control measures globally in line with its Group procedures for hazardous substances management designed to avoid any uncontrolled emissions to water, soil or groundwater across its operations – including for ancillary/support processes.</p> <p>In 2023, we will continue to enhance our capabilities to enable a more detailed quantification of priority substances and other nitrates, phosphates and pesticides storage and usage across our direct operations and assess potential emissions thereof to water.</p>
<p><b>Number of operations sites in areas of high-water stress with and without water management policies</b></p>	<p>This disclosure is aligned to EU Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) and addresses Additional Adverse Sustainability Indicator 8. Exposure to areas of high water stress.</p> <p>Water stress is an indicator of competition for water resources and is defined informally as the ratio of demand for water by human society divided by available water.</p> <p>During the first quarter of each year, we use the Aqueduct Water Risk Atlas baseline setting to identify if our sites are located in areas of high-water stress. Aqueduct Water Risk Atlas defines areas of high water stress as ‘regions where the percentage of total water withdrawn is high (40-80%) or extremely high (greater than 80%)’, baseline water stress, default scheme.</p> <p>In 2022, 16 of our operations sites in 11 countries were identified as being in water stress areas.</p> <p>100% of our operations sites located in water stress areas have water management policies in place.</p> <p>All sites in water stress areas annually conduct a compliance based self-assessment against the ‘Water use and discharge management’ section of our EHS Roadmap, which is the tool for self-assessment against Group EHS policy manual. These sections not only cover water use withdrawal and discharge compliance, but provide additional value by establishing the link to the AWS water stewardship journey and topical Water Roadmap.</p> <p>The Water Roadmap is an internal tool allowing to assess key aspects of water management, such as water withdrawal, water efficiency in production, utilities and social uses, and water discharge.</p> <p>Self-assessments by operations sites at water stress areas were consolidated at Group level for reporting purposes in October 2022.</p>

## Data Scope and Definitions

### Continued

Environment continued		
Metric		Scope and definition
 <p><b>Water</b> continued</p>	<p><b>% of tobacco hectares reported to have appropriate best practice soil and water management plans implemented</b></p>	<p>Reported via our Thrive assessments covering all BAT-contracted farmers and farmers supplying our strategic third-party suppliers representing 80% of total tobacco grown or purchased by BAT in 2022. As tobacco-growing seasons vary around the world, data is based on the most recent crop cycle at the time of reporting, instead of the crop grown in the calendar year. Data collected for our contracted farmers is done so by BAT field technicians (FTs) who visit our contracted farmers approximately once a month during the growing season. The FTs conduct interviews with farmers and workers and observe soil and water management practices on the farm. Some examples of these practices are the use of green manuring/cover crop, use of minimum/zero tillage, lant over wide base high ridges, use of drainage channels to avoid water-logging, among others. Details of each visit are recorded in our Farmer Sustainability Management (FSM) digital app by the FT and are formally acknowledged by the farmer. Robust controls are in place for data validation and data is tracked and analysed centrally to ensure senior oversight and drive management action. Our strategic third-party suppliers collected data for Thrive via their own farm monitoring systems. All completed Thrive assessments are reviewed and validated by a third-party and suppliers are required to declare that the information reported is complete and accurate.</p>
 <p><b>Biodiversity and ecosystems</b></p>	<p><b>% of contracted farmers' wood fuels that are from sustainable sources</b></p>	<p>Data collected from a sample of over 80,000+ contracted farmers monitored in BAT leaf operations. Of our 80,000+ directly contracted farmers, around 34,000 use wood for curing and the percentage reported represents sustainable wood used by those farmers. In some cases, where our operations have contracted a large number of farmers, farmer samples have been used. This data excludes farmers that our third-party suppliers source from. Sustainable wood sources are defined as: wood resources harvested legally from planted sources in such a way that does not cause any detrimental social, environmental or economic impact and not cause gross deforestation of primary native forest nor conversion of natural forests. This may include wood sourced from identified invasive exotic species that have not been planted; and wood sourced from existing legal plantations. The field technician is responsible for the data collection from the farmer. They should verify the information given by the farmer, including documents, as invoices or any other paper forms, verify the existence of afforestation area, measure the wood pile as applicable and perform a visual check.</p>
	<p><b>% of all paper and pulp volumes that is certified as sustainably sourced</b></p>	<p>Relates to proportion of volumes (in tonnes) of pulp and paper products sourced, covering board and paper for primary packaging, board and paper for secondary packaging, fine papers for cigarettes and tobacco heating products, cellulose acetate tow for filters, and marketing materials. Net Zero deforestation will be achieved by ensuring all paper and pulp materials we use are certified 'sustainably sourced' in consideration of deforestation. Certified 'sustainably sourced' means that the material is sourced with specific certification related to chain of custody (e.g. FSC or PEFC). We set this metric in 2021, so previous years' data are not available.</p>




## Data Scope and Definitions

### Continued

Social		
Metric	Scope and definition	
 <p><b>Farmer livelihoods</b></p>	<p><b>% of tobacco farmers reported to grow other crops for food or as additional source of income</b></p>	<p>Reported via our Thrive annual reports covering all BAT-contracted farmers and farmers supplying our strategic third-party suppliers, representing more than 80% of our total tobacco leaf purchases in 2022. As tobacco-growing seasons vary around the world, data is based on the most recent crop cycle at the time of reporting, instead of the crop grown in the calendar year. Crop diversification figures may vary year-on-year, depending on the commercial outlook in the countries where the crops are grown, including the viability of other crops. Other crops include, but are not limited to types of fruit, vegetables, as well as wheat, maize, bean, sorghum and soy.</p> <p>Data for our contracted farmers is collected by BAT field technicians (FTs) who visit our contracted farmers approximately once a month during the growing season. The FTs make observations on other crops grown on the farm. Details of each visit, including the other crops grown, date, time and GPS coordinate, are recorded by the FTs and acknowledged by the farmers in the FSM digital app.</p> <p>Once the data is collected in the field, the country team analyses the data and seeks any clarifications, as needed. The data is then reported in Thrive and is made available to the Global Leaf ESG team, for senior oversight and to drive management action, if required. The data is also reviewed by an independent third party.</p> <p>Our strategic third-party suppliers collected data for Thrive via their own FTs, in their own farm monitoring systems.</p>
 <p><b>Human rights</b></p>	<p><b>% of farms monitored for child labour</b></p> <p><b>% of farms with incidents of child labour identified</b></p> <p><b>Number of child labour incidents identified</b></p> <p><b>% of child labour incidents reported as resolved by end of the growing season</b></p>	<p>Reported via our Thrive annual reports covering all BAT-contracted farmers and farmers supplying our strategic third-party suppliers, representing more than 80% of of total tobacco grown or purchased by BAT in 2022. As tobacco-growing seasons vary around the world, data is based on the most recent crop cycle at the time of reporting, instead of the crop grown in the calendar year.</p> <p>Data in relation to our contracted farmers is collected by BAT field technicians (FTs) who visit our contracted farmers approximately once a month during the growing season. Details of each visit are recorded in our Farmer Sustainability Management (FSM) digital app by the FT and are formally acknowledged by the farmer. If any child labour case is identified, it is reported in the system and treated as a critical prompt action. For this to be closed, it is followed by an unannounced visit within 14 days to observe whether this is repeated and an agreed remediation plan agreed with the farmer. The remediation plan varies from case to case, considering the individual circumstances.</p> <p>Our strategic third-party suppliers collect data for Thrive via their own FTs, in their own farm monitoring systems.</p> <p>Once the data is collected in the field, the country team analyse the data and approve it or reopen the questions for discussion with the farmers. After that, the data is reported in Thrive and made available to the Global Leaf ESG team. The data is also reviewed by an independent third party.</p> <p>The definition of child labour used to identify child labour incidents is hazardous child labour as defined by the ILO Convention No. 138 on Minimum Age and ILO Convention No. 182 on the Worst Forms of Child Labour.</p>
	<p><b>Number of independent labour audits conducted of product materials and high-risk indirect service suppliers</b></p>	<p>Includes all suppliers of materials – other than tobacco leaf – used in Group products. Such materials include filters, paper, adhesives, e-liquids, New Category devices, batteries and electronic components. High-risk indirect suppliers are identified through a risk assessment using the following human rights indices independently published by Verisk Maplecroft: Corruption, Occupational Health and Safety, Modern Slavery, Migrant Workers, Freedom of Association and Collective Bargaining, Discrimination in the Workplace, Decent Working Time, Decent Wages, and Child Labour.</p> <p>Supplier labour audits include all audits and self assessments with verification conducted by an independent third party against their workplace conditions assessment criteria, which is aligned to international standards, including International Labour Organisation (ILO) Conventions.</p> <p>The reports are sent to the BAT Strategy and Sustainability team and the supplier. The supplier is then responsible, within the recommended time frame, for making any necessary changes to address the issues identified. The BAT Strategy and Sustainability team would also review the results and propose follow-up actions, as needed. Relevant updates are provided to the Supply Chain Due Diligence Committee, which is a senior, cross-functional forum. When the remediation actions have not been implemented in due course (supplier refuses revisit or their corrective actions were not sufficient), escalation is made to the Supply Chain Due Diligence Committee, which is a senior, cross-functional forum.</p>

## Data Scope and Definitions

### Continued

Social continued	
Metric	Scope and definition
 <p><b>Human rights continued</b></p>	<p><b>% of farms monitored for grievance mechanisms</b></p> <p>Reported via our Thrive annual reports covering all BAT-contracted farmers and farmers supplying our strategic third-party suppliers. Grievance mechanisms include regular meetings with farmers/workers or their representatives (e.g. during monthly farm visits by field technicians), farmer associations and unions, local NGO/ government-led mechanisms and telephone hotline. The data is collated by FTs who visit our contracted farmers approximately once a month during growing season, to interview both the farmers and a sample of workers, as appropriate. Once the data is collected in the field, the country team analyses the data and seeks any clarifications, as needed. Data is then reported in Thrive and made available to the Global Leaf ESG team, for review, and to drive management action, if required. The data is also reviewed by an independent third party. Our strategic third-party suppliers collected data for Thrive via their own FTs, in their own farm monitoring systems.</p>
	<p><b>% suppliers to have undergone at least one independent labour audit within a three-year cycle</b></p> <p>See Reporting Criteria for Number of independent labour audits conducted of product materials and high-risk indirect service suppliers.</p>
	<p><b>Reports of alleged SoBC breaches relating to Respect in the Workplace and Human Rights and established breaches</b></p> <p>All reports of alleged SoBC breaches, made via our Speak Up channels and SoBC portal against the Respect in the Workplace or Human Rights policies. Not all contacts made via our Speak Up channels and SoBC portal involve alleged SoBC breaches; some contacts relate to questions regarding the SoBC or other matters. Therefore, this data relates to all SoBC contacts that were assessed as alleged SoBC breaches, which were subsequently established as breaches, following a detailed investigation.</p>
 <p><b>Health and safety</b></p>	<p><b>Preamble</b></p> <p>Health &amp; Safety data covers all BAT sites and off-site work-related activities, including business travel and Trade Marketing &amp; Distribution and is reported from December 2021 to November 2022. Data covers employees and contractors under the direction, supervision or control of BAT only. Data reported for employees only covers those that have an employment relationship with BAT. Data reported for contractors includes contractors that work under our direct supervision. Data is collected monthly (working hours for example) or ad hoc (when we have an accident) via EIR System by market EHS managers, for all BAT markets. Reynolds have their own Injury Tracking system. Data is reviewed by the market and region and approved by the Centre. On-site and remote audits are performed on the data on an annual basis (EHS Compliance Reviews/Road Map Assessments). The audit results are reviewed and verified by local, regional and Group senior leadership. Commuting is excluded from the reported figures.</p>
	<p><b>Work-related accidents resulting in injury to employees and to contractors</b></p> <p>An accident is defined as any work-related incident, which is defined as an event or exposure in the work environment either caused or contributed to the resulting condition or significantly aggravated a pre-existing injury or illness. In this context, an injury is a lost-time injury (LTI), a serious injury, or a fatality, as defined below:</p> <ul style="list-style-type: none"> <li>- An LTI is defined as any work-related injury which results from an employee being unable to work a full assigned shift, excluding the shift on the day of the occurrence. The definition also includes any work-related injury which an employee returns to work on the day following an injury or illness but can only perform restricted duties</li> <li>- A serious injury is defined as any work-related injury, which results in any of the following: (a) Hospitalisation for more than 36 hours; (b) Amputation of any part of the body, and includes both a traumatic amputation injury at the time of an accident and surgical amputation as a consequence of the injuries sustained in an accident; (c) Fracture of any bone but not the fingers, thumbs and toes; (d) Loss of vision temporary or permanent; (e) Dislocation of any joint except the joints of the fingers, thumbs and toes; and (f) Major burn</li> <li>- A fatality is a loss of life</li> <li>- An illness is an abnormal condition or disorder, other than one resulting from occupational injury, caused, at least in part, by demonstrated exposure to environmental factors present in the workplace. It includes acute and chronic illnesses or illness that may be caused by inhalation, absorption, ingestion, or direct contact with irritants</li> </ul> <p>All cases must be reported. This includes cases even if there is no lost work time, which occurred in more than an instant of time, including prolonged or multiple exposures. See Health &amp; Safety preamble for full description of data collection and verification process.</p>

## Data Scope and Definitions

### Continued

Social continued	
Metric	Scope and definition
 <p><b>Health and safety</b> continued</p>	<p><b>Lost workday cases</b></p> <p>Work-related accidents (including assaults) resulting in injury, causing absence of one shift or more.</p> <p>Lost Workday Case is equivalent to Lost Time Injury (LTI) and is defined as any work-related injury which results from an employee being unable to work a full assigned shift, excluding the shift on the day of the occurrence. The definition also includes any work-related injury which an employee returns to work on the day following an injury or illness but can only perform restricted duties.</p> <p>A Serious Injury involving a company employee or contractor under the direction, supervision and control of BAT is also considered as an LTI. Fatalities are excluded. Data covers employees and contractors under the direction, supervision or control of BAT only. LTIs must be reported via the BAT EIR system by market EHS managers, for: (i) Employees on company owned or rented premises or off-site performing work-related activities; (ii) Employees in their own, or company owned or rented vehicles engaged on company businesses; (iii) Temporary or contract employees under the direction, supervision and control of BAT engaged in company business. A BAT employee or contractor under the direction, supervision or control of BAT visiting another site, who has an injury during the visit that results in an LTI, will have the LTI recorded against the site where the injury occurred. See Health &amp; Safety preamble for full description of data collection and verification process.</p>
	<p><b>Lost workday case incident rate (LTIR)</b></p> <p>LWCIR = Lost Time Incidence Rate (LTIR). The number of LTIs, including those classed as serious injuries but excluding fatalities, related to a common exposure base of 100 full-time workers during one year. This rate is calculated as: (number of lost workday cases x 200,000, i.e. base for 100 full-time equivalent workers, working 40 hours per week, 50 weeks of the year)/total hours worked by all employees and contractors working under direct BAT supervision during the reporting period. See Health &amp; Safety preamble for full description of data collection and verification process.</p>
	<p><b>Fatalities and serious injuries to employees and contractors</b></p> <p>A serious injury is defined as any work-related injury, which results in any of the following:</p> <ol style="list-style-type: none"> <li>Hospitalisation for more than 36 hours;</li> <li>Amputation of any part of the body, and includes both a traumatic amputation injury at the time of an accident and surgical amputation as a consequence of the injuries sustained in an accident;</li> <li>Fracture of any bone but not the fingers, thumbs and toes;</li> <li>Loss of vision, temporary or permanent;</li> <li>Dislocation of any joint except the joints of the fingers, thumbs and toes; and</li> <li>Major burn. Data reported for employees also includes contractors under the direction and control of BAT on company owned or rented premises, or an off-site location, or in company owned or rented vehicles, or private vehicle being used for company business.</li> </ol> <p>Data for contractors includes independent contractors involved in or performing work in connection with a BAT business activity. All data is consolidated on a monthly basis in order to check performance, trend and all necessary assessments, such as training necessities, security upgrades, and new safety guidelines. On-site and remote audits are performed on an annual basis (EHS Compliance Reviews/Road Map Assessments). See Health &amp; Safety preamble on for full description of data collection and verification process.</p>
	<p><b>Fatalities to members of public involving BAT vehicles</b></p> <p>Accidents involving BAT vehicles that resulted in a fatality to a member of public. A member of public is any person except BAT employees, contractors and visitors. All data is consolidated on a monthly basis in order to check performance, trend and all necessary assessments, such as training necessities, security upgrades, new safety guidelines.</p> <p>On-site and remote audits performed in a year basis (EHS Compliance Reviews/Road Map Assessments). A BAT vehicle is a company owned or rented vehicle. See Health &amp; Safety preamble for full description of data collection and verification process.</p>
	<p><b>Proportion of farms reported to have sufficient PPE for agrochemical use and for tobacco harvesting</b></p> <p>Reported via our Thrive assessments, as described above. Sufficient PPE is defined as a minimum of one full set of PPE per individual and per type of activity (agrochemical use, tobacco harvesting, and handling green tobacco leaves) for all relevant farmers and farm workers.</p>

## Data Scope and Definitions

### Continued

Social continued		
Metric	Scope and definition	
 <p><b>People, Diversity and Culture</b></p>	<b>% of women in management roles</b>	The number of female management-grade employees, as a percentage of the total number of management-grade employees. Management-grade employees include all employees at job grade 34 or above, as well as any global graduates. The gender of each employee is typically recorded at the point of hire.
	<b>% of women on senior leadership teams</b>	The number of female MB-1 and MB-2 senior leadership team employees, as a percentage of the total number of MB-1 and MB-2 senior leadership team employees. Senior leadership teams are defined as any employee who is either a direct report of a Management Board member or a direct report of a Management Board's direct report (i.e. MB-1 or MB-2).  Some MB-1 and MB-2 employees are double-counted in this calculation to account for those who feature on one or more senior leadership teams, given their dual accountability.
	<b>UK Unadjusted Gender Pay Gap</b>	The unadjusted gender pay gap is the percentage difference in average gross hourly earnings between women and men. This is calculated and reported for UK-based employees only.
	<b>% of key leadership teams with at least a 50% spread of distinct nationalities</b>	The number of Management Board members that have at least a 50% spread of nationalities within their key leadership teams (MB-1 members only), as a percentage of the total number of Management Board members. A key leadership team is categorised as the group of direct reports that report into a Management Board member.  The 50% spread of distinct nationalities is satisfied if at least half of a given MB's key leadership team members are of distinct nationalities. The nationality of each employee is typically recorded at the point of hire. U.S. employees hired by Reynolds prior to its merger with BAT did not disclose nationality at point of hire and therefore these employees are excluded from the calculation.  Some MB-1 key leadership team members are double-counted in this calculation to account for those who feature on one or more MB leadership teams, given their dual accountability.
	<b>% employee engagement score in our global 'Your Voice' survey</b>	Employee Engagement Index focuses on the intensity of employees' connection to their organisation, marked by committed effort to achieve goals (being engaged) in environments that support productivity (being enabled) and maintained personal wellbeing (feeling energised).
	<b>% High Performance Index score in our global 'Your Voice' survey</b>	The High Performance Index comprises those factors which, as a collective, differentiate high performing companies from the rest: if all these things are in place and working well this signals an organisation as a high performing company.  High performing companies are those with sustained financial success and superior human resources practices.
	<b>Ethnically diverse group</b>	For the purposes of D&I Reporting the following definitions are used:  Ethnically diverse groups includes global ethnic groups Hispanic/Latin American, Black, Asian, Indigenous, Mixed, Other (Arabs/Middle Eastern & Turkish).  In 2022, we expanded the scope of our confidential voluntary ethnicity identity collection and reporting beyond the UK to six additional markets (Australia, Brazil, Canada, Malaysia, South Africa and the U.S.).

## Data Scope and Definitions

### Continued

Governance		
Metric		Scope and definition
 <p><b>Ethics and integrity</b></p>	<b>Number of alleged SoBC breaches</b>	<p>This includes all reports of alleged SoBC breaches. A breach refers to any issue that would be considered to compromise any of the rules and principles set out in the SoBC, including unethical behaviour.</p> <p>Not all contacts made via our Speak Up channels (i.e. SoBC Portal or independent hotline) involve alleged SoBC breaches. Some contacts relate to questions or complaints on other matters, such as product complaints or HR grievances. Therefore, this data relates to all SoBC contacts that were identified to be alleged SoBC breaches, which were subsequently investigated.</p> <p>A breakdown of reports of alleged SoBC breaches will be available in our 2022 Combined Annual and ESG Report, which will be published on 2 March 2023.</p>
	<b>Number of disciplinary actions taken as a result of SoBC allegations that resulted in people leaving BAT</b>	<p>Following investigations of alleged breaches of the SoBC, disciplinary sanctions are determined. These vary from warning letters, additional training to employment termination.</p>
	<b>Number of alleged SoBC breaches that are established as breaches</b>	<p>Of the alleged SoBC breaches that were investigated (see Reporting Criteria for reports of alleged SoBC breaches relating to all policies), this data relates to those that were established as substantiated breaches upon investigation.</p>
	<b>Integrity Network</b>	<p>The Integrity Network was formed in 2021 and has over 100 members, comprising Legal &amp; External Affairs employees responsible for implementing the compliance programme for markets and central functions.</p>
	<b>Business Integrity Panel</b>	<p>The Group BIP is comprised of the Group Designated Officers (GDOs) and invited guests (as required). Four senior Group executives act as GDOs:</p> <ul style="list-style-type: none"> <li>– the AGC Business Conduct and Compliance</li> <li>– the Company Secretary of British American Tobacco plc</li> <li>– the Group Head of Internal Audit</li> <li>– the Group Head of Reward</li> </ul>
 <p><b>Responsible marketing and transparent communications</b></p>	<b>Incidents on non-compliance with regulations resulting in regulatory warning</b>	<p>Incidents of non-compliance with regulations in warning or in fine or penalty are dealt at end market level.</p>
	<b>Incidents of non-compliance with regulations resulting in fine or penalty</b>	<p>First, these metrics are collected from our annual Sustainability Survey which is cascaded via an independent online system. To collect the 'Incidents of non-compliance with regulations resulting in warning/fine or penalty' compliance data, the local teams are asked to report any such instances.</p> <p>The survey is completed by local Legal and External Affairs (LEX) teams and the full survey response is approved by the market or area Head of LEX. This approval involves reviewing the information provided by the local teams to ensure it is accurate, and formally submitting it to the Group ESG team. Completed surveys are reviewed by the Group ESG team.</p> <p>Data is collected from January to November. A reconciliation happens, where necessary, in January.</p>



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