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**(C0.3) Select the countries/areas in which you operate.**

Algeria  
Argentina  
Australia  
Bangladesh  
Belarus  
Bosnia & Herzegovina  
Brazil  
Canada  
Chile  
Colombia  
Croatia  
Cuba  
Czechia  
Fiji  
France  
Germany  
Honduras  
Hungary  
Indonesia  
Iran (Islamic Republic of)  
Italy  
Japan  
Jordan  
Kazakhstan  
Kenya  
Malaysia  
Mexico  
Mozambique  
Myanmar  
Netherlands  
Nigeria  
Pakistan  
Papua New Guinea  
Poland  
Republic of Korea  
Romania  
Russian Federation  
Samoa  
Saudi Arabia  
Serbia  
Singapore  
South Africa  
Sri Lanka  
Sudan  
Sweden  
Switzerland  
Trinidad and Tobago  
Turkey  
Ukraine  
United Kingdom of Great Britain and Northern Ireland  
United States of America  
Uzbekistan  
Venezuela (Bolivarian Republic of)  
Viet Nam  
Zambia  
Zimbabwe

#### C0.4

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

GBP

#### C0.5

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

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**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board-level committee	The BAT Group has a clearly defined governance framework to ensure Board-level oversight of climate-related matters across the Group. Our Board has strategic oversight of our Sustainability Agenda (including climate-related matters). The Board has delegated certain responsibilities to the Audit Committee, which is responsible for reviewing the effectiveness of the Group's risk management and internal controls systems, including those relating to climate change. The Audit Committee is underpinned by our Regional Audit and CSR Committees. Our Management Board, chaired by the Chief Executive, has overall responsibility for overseeing the implementation of Group strategy and policies, including those relating to ESG. The Director, Operations has overall responsibility for delivery of the Group's climate strategy and environmental targets. Please refer to page 60 of the BAT Annual Report and Form 20-F for our governance framework in relation to ESG. Example of climate-related oversight: Progress Towards Net Zero Emissions The Board endorsed the Group's revised carbon emissions target of net zero value chain emissions by 2050 and reviewed progress made in 2021 against the glidepath towards achieving the Group's emission targets (including progress against 2030 Scope 1 and 2 carbon neutral and 2050 net zero value chain carbon emissions targets). This is discussed on pages 47, 61 and 110 of the BAT Annual Report and Form 20-F. As the Board review related to performance for the 2021 reporting year, this review took place in February 2022, after the full year 2021 performance data was available. In September 2021, revised Audit Committee terms of reference were adopted by the Board to extend the remit of the Audit Committee to include responsibilities for the engagement of external providers to conduct assurance over ESG metrics (including total Scope 1,2 and 3 emissions and renewable energy use) and related information in annual reporting, monitoring the assurance work and reviewing its effectiveness. This approach was adopted to further enhance the Group's rigour in reporting ESG-related information (including climate-related metrics) and stakeholder trust in the Group's ESG metrics.

**C1.1b**

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

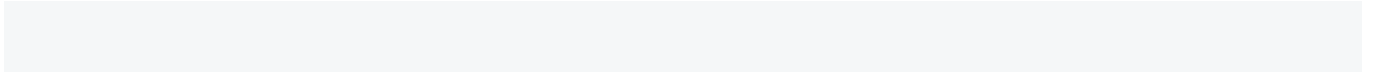
Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> <li>Reviewing and guiding strategy</li> <li>Reviewing and guiding major plans of action</li> <li>Reviewing and guiding risk management policies</li> <li>Reviewing and guiding annual budgets</li> <li>Reviewing and guiding business plans</li> <li>Setting performance objectives</li> <li>Monitoring implementation and performance of objectives</li> <li>Overseeing major capital expenditures, acquisitions and divestitures</li> <li>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</li> </ul>	<Not Applicable>	Our Board has oversight of our climate strategy and climate-related risks and opportunities. The Board has approved all Group environmental targets, including our carbon emissions targets. The Board reviews the Group's environment strategy, targets and performance and major plans of action twice per year. Examples of climate-related oversight: The Board endorsed the Group's revised carbon emissions target of net zero value chain emissions by 2050 and reviewed progress made in 2021 against the glidepath towards achieving the Group's emission targets (including progress against 2030 Scope 1 and 2 carbon neutral and 2050 net zero value chain carbon emissions targets). These targets support the Group's ambition to reduce emissions in-line with 1.5 degree warming trajectory. This is discussed on pages 47, 61 and 110 of the BAT Annual Report and Form 20-F. As progress against that emissions-reduction glidepath related to performance in the 2021 reporting year, this review took place in February 2022, after the full year 2021 performance data was available. In addition, the Board reviews the Group risk register, which includes climate-related risks, annually. The Board reviews the Group budget annually, which takes into account capital allocation to deliver the Group's ESG agenda and targets. The Board reviews and approves the Annual Report and Form 20-F, and ESG Report, on an annual basis, both of which report on the Group's progress on climate-related matters. In 2021, the Board also received a deep-dive ESG briefing covering our climate strategy, performance and approach to reporting in alignment with the TCFD framework. The Audit Committee is responsible for reviewing the effectiveness of the Group's risk management and internal controls systems, including those relating to climate change. The Audit Committee reviews the Group risk register twice per year and reviews the Group's progress against its ESG metrics, including our Group's emission targets that address climate-related issues (progress against 2030 Scope 1 and 2 carbon neutral and 2050 net zero value chain carbon emissions), twice per year.

**C1.1d**

What does your organization have at its disposal to participate in a conference on climate-related issues?



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**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

There is a standardised methodology for risk management across the Group, embedded at Group, functional, direct-reporting business unit (DRBU) and individual market levels to identify, assess and monitor financial and non-financial risks faced at every level

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Emerging regulation	Relevant, always included	This risk is particularly important to BAT because not only does the existence of robust climate change regulations, and a sufficiency of po

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(high risk per Aqueduct index). An Alternative Furrow Irrigation was piloted in 2021 which involved 13,592 farmers, covering 37% of hectares contracted by BAT in 2021. The Pilot demonstrated results of water usage reduction by between 5 and 8%. We plan to increase the adoption of this technique to reach 85% of our Bangladesh farmer base by 2025 & 100% by 2030, as well as looking at affordable alternative solutions incl. drip irrigation technology.

**Comment**

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Emerging regulation	Mandates on and regulation of existing products and services
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Under a sustainable transition it is likely there will be increased regulation on our products as regulators and policy setters seek to slow the pace of climate change, with one of the more acute examples being potential plastic taxes being charged to incentivise the reduction in waste, enhance the use of recyclable material, and assist in paying for clean-up costs. In the context of the tobacco industry, the main contributor of waste currently relates to cigarette butts (used filters) and waste arising from used consumables and product packaging as our business transitions towards New Category offerings. The EU Single Use Plastic (SUP) Extended Producer Responsibility (EPR) scheme that is in the process of being implemented in the UK and EU is an example of regulatory policies aimed at plastic pollution that are expected to increase over time. The scope of the SUP EPR scheme in EU relates to all tobacco products with filters containing plastic (combustibles, as well as New Category tobacco heating products (THP)) and obligates producers to cover the costs of: litter clean-up, transport & treatment waste collection, transport & treatment data gathering & reporting awareness raising measures. The scheme was already fully implemented in France in 2021 and is currently being adopted at national level in the remaining 26 member states – with the policy due to be implemented by January 2023 across all member states. The policy will impact ~15% of our global volume. Across our top 12 markets in the EU, this legislation will impact 79bn of cigarette and THP sales, and whilst schemes being implemented vary, will lead to a cost of ~£7,300 per tonne of plastic in our products. Whilst policies have so far emerged in the UK and EU, further policies are likely to emerge globally over the course of the next 15 to 20 years. These were considered to be C

At the development is in early stages of validation, the Product cost impact estimate future cost to risk 2025 or the impact of the product cost impact arising from the replacement on monoacetate filters as well as incremental annual depreciation of factory filter equipment, with a cost estimate of £0.25 per stick, and an overall cost of £35.3m for a volume of ~100bn sticks. To further address the environmental impact of our products, and to pre-empt possible future regulation that may arise, we have set several targets to be met by 2025 including: • 30% average recycled content across all plastic packaging; • Zero unnecessary single use plastics in our packaging; and • 100% plastic packaging to be reusable, recyclable, or compostable. Examples of such activities include removal of unnecessary - plastic in Vapour products, removal of unnecessary plastic packaging such as polypropylene film wrapping in new category starter kits and devices, the removal of unnecessary plastic in devices and starter kits trays, as well as the transition away from plastic materials for inner bundling and reloc packs.

**Comment**

From a policy framework perspective, our efforts will be focused on working with member state regulators and other industry players to seek to ensure appropriate mechanisms are implemented, with specific focus on: • Seeking to ensure the methodology implemented appropriately reflects the cost of waste collection arising from the duty paid industry. Specific consideration of incidence of littering, a consistent policy framework (with a well-defined cost calculation methodology) and ensuring the industry is not penalised for the cost of littering arising from illicit trade are key elements that need to be addressed by regulators. By way of example of disparities that exist with current EU draft legislation, costs being proposed by some EU member states amount to ~£25,000 per plastic tonne compared to estimated average of £7,300, with refinement required to standardise policy approaches. We have sought to set up and participate in Industry Working Groups and commission independent cost studies (utilising EY/ Deloitte and other specialists) to assist in framework creation. • Seeking to ensure that the specific mechanics of the scheme (industry specific scheme or an already established scheme tobacco industry joins) are transparent and auditable, as well as appropriately governed and administered across member states.

**Identifier**

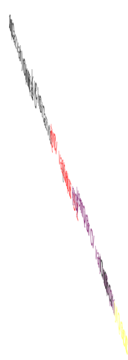
Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Market	Other, please specify
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setters apply policies across all sectors. The potential financial impact under this scenario amounted to £86.2mn. The second scenario assumed current policies continued to be applied (climate inaction scenario), which resulted in energy cost projections of 18.9% (vs the Group's baseline). The potential financial impact under this scenario amounted to £17.0mn. We anticipate the impact over the short to medium term being closer to the lower range estimate but may move towards the upper range over the longer term as post COP26 policies are implemented by policy Ahê s f

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the Group ceases to prioritise ESG (although the Group has placed ESG and sustainability of our business at the "Front and Centre" of our strategy) and assumes all maturing debt is refinanced.

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Explanation of financial impact figure







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in transporting our product from the suppliers to our distribution centres, as well as the reduction in scope 3 emissions, with the cost of carbon credits being used as a proxy to estimate the financial benefits associated with the reduction in emissions being targeted. The benefit in logistics costs were obtained based on tender rates agreed with our logistics partners, with a freight cost saving of 80% computed (for international airfreight to distribution centre country, then road freight from airfreight terminal to warehouse location; versus sea freight to the closest major container terminal, with road freight from the container terminal to the warehouse location). Based on assumed worst case scenario volumes to move products via air freight in 2022, which would then be targeted to move to sea freight in 2023, a logistics benefit of between £11.6m and £23.3m was estimated, assuming we were able to move between 50% - 100% of the volume to sea freight. Using 2021 Defra emissions factors, the reduction in scope 3 emissions was computed based on the weight of pallets/ containers being transported. Airfreight emissions amounted to 0.54 kg CO2e per tonne per km travelled, versus an emissions factor of 0.016 kg CO2e for sea freight. Based on the average logistics route assumption (9,590 km via airfreight, 11,872km via sea freight) an overall saving in emissions was calculated of 22,086 MT CO2e (95% emissions saving versus airfreight, corresponding to 9% of our 2020 scope 3 logistic emissions baseline). Based on the cost of carbon credits of between £60 and £120 per MT, a cost reduction range of £0.7mn and £2.6mn was computed (with the range driven by a) the carbon credit cost range, and b) assuming we were able to move between 50% - 100% of the device volume to sea freight). The overall opportunity was therefore quantified at between £12.3mn and £25.9mn.

**Cost to realize opportunity**

21600000

**Strategy to realize opportunity and explanation of cost calculation**

We are continually looking to optimise our supply chain, striving to balance cost reduction, capital efficiency, supply effectiveness, and risk management to mitigate dynamic global conditions (COVID related disruption, component shortages, geo-political challenges). We have a multi-faceted strategy to optimise New Category logistics channels as the category matures, which in turn improves demand forecasting, and facilitates more effective deployment of inventory. With regard to the production of New Category consumables and devices, we have a multi supplier sourcing strategy to mitigate the risk of finished goods/ components supply disruption and have deployed a number of initiatives designed to improve access to critical components including, but not limited to, platforming (use of common components across devices), the designation of preferred tier 2 and tier 3 supplier (and placement of commitments to ensure supply), the use of tactical bulk buying of components where shortages could materialise, and the validation of alternative components to mitigate shortages should they arise. The objective of this strategy is to enable the Group to increase production and build safety stocks to facilitate increased use of sea freight transportation. With reference to sea freight, we have taken steps to mitigate as far as possible the challenges posed by global capacity constraints including contracting multiple carriers for shared lanes, the inclusion of additional routes/ ports to mitigate port backlog, the use of local suppliers, and altering contractual arrangement to guarantee access on high volume routes. The objective of this strategy is to improve certainty of being able to access containers/ vessels to meet our transportation requirements. These strategies have improved our ability to access sea freight and continue the optimisation of our Supply chain, with an improvement expected in 2023 across all New Category categories versus 2021 and 2022. Given additional transport time of sea freight (shipment period 5-6 weeks), it will be necessary to uplift inventory to ensure sufficiency of supply. The financial estimate provided relates to 3 months of working capital (shipment period + precautions for congestion delays) and assumes 75% of the opportunity is achieved

**Comment**

**C3. Business Strategy**

**C3.1**

**(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?**

**Row 1**

**Transition plan**

Yes, we have a transition plan which aligns with a 1.5°C world

**Publicly available transition plan**

Yes

**Mechanism by which feedback is collected from shareholders on your transition plan**

We have a different feedback mechanism in place

**Description of feedback mechanism**

We engage with and receive feedback from shareholders on environmental, social & governance (ESG) / sustainability matters generally, and climate change matters specifically, including our climate transition plan and our commitments to halve absolute emissions by 2030 across our value chain (scope 1, 2 & 3) and achieve Net Zero by 2050. We engage with shareholders and collect feedback on our TCFD Report, which includes key elements of our climate transition plan and detailed financial modelling on the timing and materiality of key climate-related risks and opportunities, including around a 1.5°C-aligned transition. Our comprehensive Investor Relations (IR) programme includes: IR general and ESG-specific roadshows across our shareholder base; Capital Markets Days that include ESG content; Specific IR ESG communications materials; and, 1:1 ESG-specific meetings with shareholders. BAT attendees include, amongst others, our Chief Marketing Officer (the Management Board member responsible for ESG / sustainability), Director of Scientific Research (Management Board member responsible for science and R&D), Head of IR, Senior IR & ESG Manager, and Head of ESG. Our Chairman and Chief Executive also receive feedback on ESG matters, including on our climate transition, during their regular interactions with investors. Additionally, shareholders also have opportunities to ask questions on any matter, including our climate transition, at our Annual General Meeting.

**Frequency of feedback collection**

More frequently than annually

**Attach any relevant documents which detail your transition plan (optional)**

The current version of BAT's Climate Transition Plan aligned with a 1.5°C trajectory is publicly available here:

[https://www.bat.com/group/sites/UK\\_\\_9D9KCY.nsf/vwPagesWebLive/DOC87NED](https://www.bat.com/group/sites/UK__9D9KCY.nsf/vwPagesWebLive/DOC87NED)

**Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

<Not Applicable>

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

**C3.2**



Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes We recognise the importance of linking our sustainability ambitions to our products. We are building brands with purpose and sustainability at their core with a view to meet the changing needs of consumers and to generate growth. Our Group-wide circular economy strategy and life cycle analysis (LCAs) across our product categories support this. Our Product strategy is

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C4.1a

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(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference numbaa, 11 LL bb

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Is this a science-based target?

Yes, and this target has been approved by the

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93.3014354066986  
93.3014354066986

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

No

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain target coverage and identify any exclusions**

The parameter is: Percentage (%), share of renewable energy used (Mwh) in direct energy used (MWh), i.e. energy used by our sites & offices and fleet vehicles. Renewable energy use (MWh) covers the use of renewable fuels as well as purchased green electricity, heat and steam. Use of renewable fuels helps to reduce Scope 1 CO2e emissions since emissions factors associated with renewable fuels are significantly lower than that of non-renewable fuels. Use of purchased renewable electricity, heat and steam allows to reduce Scope 2 CO2e emissions as per Market-Based method since emissions factors associated with renewable electricity are zero or significantly lower than that of standard grid electricity. Thus, actions to achieve this target contribute to achievement of Emissions Target Abs 1 and Target Abs 3. ~~...~~

**Plan for achieving target, and progress made to the end of the reporting year**

The target to increase the amount of renewable energy we source to 30%



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**Comment**

Replacement and improvement of systems for compressed air generation and transmission to improve efficiency and reduce losses. Implemented at certain factories & green leaf trashing plants in line with 5-year energy saving plans.

**Initiative category & Initiative type**

Energy efficiency in production processes	Cooling technology
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**Estimated annual CO2e savings (metric tonnes CO2e)**

20

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

- Scope 1
- Scope 2 (location-based)
- Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

10000

**Investment required (unit currency – as specified in C0.4)**

33000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

Changes of cooling systems for more efficient types, upgrade of existing cooling systems to prevent energy losses. Implemented at certain factories in line with 5-year energy saving plans.

**Initiative category & Initiative type**

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
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**Estimated annual CO2e savings (metric tonnes CO2e)**

625

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

- Scope 1
- Scope 2 (location-based)
- Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

165084

**Investment required (unit currency – as specified in C0.4)**

1242000

**Payback period**

4-10 years

**Estimated lifetime of the initiative (metric tonnes CO2e)**

11-15 years

**Comment**

Modernisation of HVAC systems in key and auxiliary departments, incl. replacement of HVAC components where losses of energy were identified. Implemented at certain factories in line with 5-year energy saving plans. Progressively and focusing on its Strategic sites, BAT in modernising key utilities assets to reduce consumption of energy and consequently emissions.

**Initiative category & Initiative type**

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Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

420000

**Investment required (unit currency – as specified in C0.4)**

150000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

Roll out in several sites the "energy conservation daily management system" on sites which have energy and water metering with the means to track utilities consumption and production outputs on a daily basis by locally defined consumption or generation cells. This system is based on developing KPIs that: • Allow issue detecting and resource supervision (leakage, break, faults) • Allow comparisons and benchmarks – related to cell production output • Allow individual optimisation of equipment

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**Initiative category & Initiative type**

Energy efficiency in production processes	Other, please specify (Steam Management Improvement Initiatives)
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**Estimated annual CO2e savings (metric tonnes CO2e)**

1815

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

213083

**Investment required (unit currency – as specified in C0.4)**

1613700

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

Upgrade of steam generation and supply system to recover and reuse steam; flash steam recovery at boilers. Implemented at certain factories & GLTs in line with 5-year energy saving plans.

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**Initiative category & Initiative type**

Low-carbon energy generation	Solar heating and cooling
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**Estimated annual CO2e savings (metric tonnes CO2e)**

80

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

20000

**Investment required (unit currency – as specified in C0.4)**

50000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

Installation of roof top solar heaters to produce hot water for social areas e.g. Serbia factory.

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**Initiative category & Initiative type**





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Scope 3 category 9: Downstream transportation and distribution

Base year start

December 1 2019

Base year end

November 30 2020

Base year emissions (metric tons CO2e)

0

Comment

BAT's business model has led us to historically allocate all traceable emission under Scope 3 Category 4. Based on recent SBTi guidance we are considering a split.

Scope 3 category 10: Processing of sold products

Base year start

December 1 2019

Base year end

November 30 2020

Base year emissions (metric tons CO2e)

0

Comment

BAT's products are not processed by third parties.

Scope 3 category 11: Use of sold products

Base year start

December 1 2019

Base year end

November 30 2020

Base year emissions (metric tons CO2e)

640627

Comment

2020 was selected as the baseline as BAT have recently obtained SBTi sign-off for our near-term targets in line with 1.5°C trajectory. BAT committed to reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2020 base year.\* BAT also committed to reduce absolute scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, use of sold products, and end of life treatment of sold products 50% by 2030 from a 2020 base year. Please refer to Scope 3 methodology details presented in BAT's target boundary includes in Scope 3 emissions and removals from bioenergy feedstocks

Scope 3 category 12: End of life treatment of sold products

Base year start

December 1 2019

Base year end

November 30 2020

Base year emissions (metric tons CO2e)

323971

Comment

Scope 3 category 12: End of life treatment of sold products



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## Purchased goods and services

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

4011245

### Emissions calculation methodology

Supplier-specific method  
Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

51

### Please explain

Purchased Goods and Services have been calculated using BAT procurement data captured across our operations: Materials: Purchased materials were extracted from the BAT Procurement System, and materials were allocated into broad categories based on taxonomy. In some instances, Units of Measure (UoMs) used within the procurement system required alteration to a standard weight measurement (i.e. kilograms). BAT utilise a library of UoM conversion factors which is based upon multiple evidence points such as material specifications and/or item specific weighing. The standard weight was used to allocate emission factors as follows: LCAs: specific product LCAs were utilised where available and/or proxy LCAs used where appropriate. In the absence of these datasets, the Ecoinvent v3.7.1 database was utilised. If the Ecoinvent v3.7.1 database did not have the relevant emission factors, we used a combination approach based upon the different materials used in the product. Services: Spend data was used to estimate emissions. Two methods were used: Supplier Specific emission factors: CDP data was used to source supplier specific Scope 1, 2 and 3 (upstream) reported emissions and annual revenue. Emissions per GBP revenue were then calculated per supplier and applied to the GBP spend by BAT for the corresponding supplier. This was applied where supplier specific emissions and revenue were published. Average Emissions Intensity: An average emissions intensity of tCO<sub>2</sub>e per GBP spend was calculated based on the Supplier Specific emission factors per service category (i.e. HR, Professional, Facility, Marketing, Production and Technology Services). This average emission factor was then applied to the remaining spend per service category that have not already been accounted for. The following procurement categories were removed from the calculations as their associated emissions were already reported in appropriate Scopes and categories: Fleet – Vehicle Fuel: reported in Scope 1 Logistics – Transportation: reported in Category 4 - Upstream Transportation & Distribution Travel – Passenger Transportation, Air Travel & Rail and Sea Travel: reported in Category 6 - Business Travel Utilities – Electricity, Gas, Utilities Other: reported in Scope 1 & 2 During 2019 emission calculations, BAT allocated purchased services emissions based on suppliers CDP data for Scope 1 and Scope 2 only

## Capital goods

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

177040

### Emissions calculation methodology

Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Capital Goods expenditure is extracted from Category 1 Purchased Goods and Services data and includes general production (machinery) and technology (hardware and IT infrastructure) equipment. Quantis Scope 3 Evaluator emission factors for Food Beverage and Tobacco and Electrical and Optical Equipment are utilised to convert spend volumes into emissions.

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

133606

### Emissions calculation methodology

Fuel-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Fuel and energy related data is recorded within our EHS Reporting Tool and includes purchased fuels (coal, bioethanol, fuel oil, natural gas, petrol, wood logs, CNG, diesel, biodiesel, LPG), electricity, heat (hot water) and steam. The data covers a reporting period of November 2019 to December 2020. DEFRA 2020 emission factors were applied to the energy consumption to calculate emissions.





## End of life treatment of sold products

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

323971

### Emissions calculation methodology

Hybrid method

Average product method

Waste-type-specific method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

End of Life emissions accounts for the disposal of final products and associated packaging used for sale and transportation of BAT products. LCAs where available and/or proxy LCAs were used to understand the split of different disposal routes for different material types of BAT products. The disposal route splits were then adjusted to reflect the end market in which products were sold, using recycling research BAT undertook into its 20 key markets. Assumptions: Using the market specific recycling research allowed for a market specific emission factor to be attributed to those top 20 markets and where market-specific information was not available, global average emission factors were taken. Recycling rates provided through the Waste Footprint exercise were also halved to consider consumer behaviour. During 2019 emission calculations, BAT allocated emissions based upon the weight of sold products and assumed all products were sent to landfill at the end of life.

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

BAT does not lease assets to third parties.

## Franchises

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

4895

### Emissions calculation methodology

Site-specific method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

BAT have a franchise agreement for NC stores in the EU, for which emissions from electricity, gasoil and natural gas are estimated using Real Estate Environmental Benchmark data and IEA 2020 and DEFRA 2020 emission factors.

## Investments

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

BAT does not have equity or debt investments.

## Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Scope 3 emissions assessment performed by BAT with support of Carbon Intelligence identified no other upstream activities, emission from which would be relevant.

**Other (downstream)**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Scope 3 emissions ass

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C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

Sustainable biomass

Heating value

LHV

Total fuel MWh consumed by the organization

111423

MWh fuel consumed for self-generation of electricity

67

MWh fuel consumed for self-generation of heat

14501

MWh fuel consumed for self-generation of steam

96855

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Susi tB2uBBaB2

COAL

Heating value

LHV

Total fuel MWh consumed by the organization

20010

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

20010

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Coal is used for on-site energy generation (steam, heat) by some of our facilities (e.g. South Africa, Zimbabwe).

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

480249

MWh fuel consumed for self-generation of electricity

84654

MWh fuel consumed for self-generation of heat

334924

MWh fuel consumed for self-generation of steam

60671

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Oil-type fuels comprise petrol, diesel oil, heavy fuel oil and light fuel oil. Diesel is widely used across a range of our facilities.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Non other non-renewable fuels that cannot be classified as oil, gas or coal are currently used by our sites. Non-renewable hydrogen is not used.

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

1503383

MWh fuel consumed for self-generation of electricity

84721

MWh fuel consumed for self-generation of heat

588473

MWh fuel consumed for self-generation of steam

740725

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

89464

Comment on the self-generation

Over 99.98% of fuel that is used for energy generation at our sites is consumed within our organization. The only facility selling excess energy from diesel generators is our factory in Nigeria. Energy use optimization program allowed us to stop this a nly fa t





Brazil

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2015

**Comment**

Our factory, 2 green leaf threshing plants and product center in Brazil covered 100% of its electricity consumed in 2021 by I-RECs. Respective renewable electricity was generated by Wind technology from 6mr.5m.

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**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Australia

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2021

**Comment**

Our Head office in Australia covered 100% of its electricity consumed in 2021 by renewable electricity attributes. Respective renewable electricity was generated by Solar technology. The site started with this type of electricity sourcing from 2021 reporting year. Across BAT Procurement departments of respective sites hold contracts with utilities or suppliers of such electricity. The copies of corresponding certificates and/or other contractual documents for the reporting units claiming to purchase low carbon electricity are collected via our on-line environmental reporting system.

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**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Country/area of low-carbon energy consumption**

United Arab Emirates

**Tracking instrument used**

I-REC

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

454

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Arab Emirates

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2018

**Comment**

Our Head office in UAE covered 100% of its electricity consumed in 2021 by I-RECs. Respective renewable electricity was generated by Solar technology. The site started with this type of electricity sourcing from 2021 reporting year. Across BAT Procurement departments of respective sites hold contracts with utilities or suppliers of such electricity. The copies of corresponding certificates and/or other contractual documents for the reporting units claiming to purchase low carbon electricity are collected via our on-line environmental reporting system.

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**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Sustainable biomass

**Country/area of low-carbon energy consumption**

Japan

**Tracking instrument used**

NFC – Renewable

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

100

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Japan

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2004

**Comment**

Our offices in Japan covered 26% of its electricity consumption in 2021 by renewable electricity certificates issued under one of the national schemes. Respective renewable electricity was generated from sustainable biomass. The site started with this type of electricity sourcing from 2020 reporting year. Across BAT Procurement departments of respective sites hold contracts with utilities or suppliers of such electricity. The copies of corresponding certificates and/or other contractual documents for the reporting units claiming to purchase low carbon electricity are collected via our on-line environmental reporting system.

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**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Country/area of low-carbon energy consumption**

Jordan

**Tracking instrument used**

I-REC

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**



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6936

Total non-fuel energy consumption (MWh) [Auto-calculated]  
22544

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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Country/area  
Switzerland

Consumption of electricity (MWh)  
6310

Consumption of heat, steam, and cooling (MWh)  
0

Total non-fuel energy consumption (MWh) [Auto-calculated]  
6310

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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Country/area  
Serbia

Consumption of electricity (MWh)  
3855

Consumption of heat, steam, and cooling (MWh)  
0

Total non-fuel energy consumption (MWh) [Auto-calculated]  
3855

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

---

Country/area  
Honduras

Consumption of electricity (MWh)  
4706

Consumption of heat, steam, and cooling (MWh)  
0

Total non-fuel energy consumption (MWh) [Auto-calculated]  
4706

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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Country/area  
Papua New Guinea

Consumption of electricity (MWh)  
379

Consumption of heat, steam, and cooling (MWh)  
0

Total non-fuel energy consumption (MWh) [Auto-calculated]  
379

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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Country/area  
Belarus

Consumption of electricity (MWh)  
185

Consumption of heat, steam, and cooling (MWh)

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Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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Country/area

Australia

Consumption of electricity (MWh)

740

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

740

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

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Country/area

Czechia

Consumption of electricity (MWh)

44

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumptionr      W r   W Ć      I

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Total non-fuel energy consumption (MWh) [Auto-calculated]  
711

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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Country/area  
Jordan

Consumption of electricity (MWh)  
1768

Consumption of heat, steam, and cooling (MWh)  
0

Total non-fuel energy consumption (MWh) [Auto-calculated]  
1768

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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Country/area  
Samoa

Consumption of electricity (MWh)  
255

Consumption of heat, steam, and cooling (MWh)  
0

Total non-fuel energy consumption (MWh) [Auto-calculated]  
255

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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Country/area

Other, please specify ( There are BAT units in 34 countries, that in total give less than 2% of total Scope 1 and 2 Market-based emissions (less than 0.5% of non-fuel electricity consumption) while having no manufacturing and green leaf threshing facilities. )

Consumption of electricity (MWh)  
3968

Consumption of heat, steam, and cooling (MWh)  
6

Total non-fuel energy consumption (MWh) [Auto-calculated]  
3974

Is this consumption excluded from your RE100 commitment?  
<Not Applicable>

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## C9. Additional metrics

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### C9.1

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(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**

- Scope 3: Purchased goods and services
- Scope 3: Capital goods
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation and distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Use of sold products
- Scope 3: End-of-life treatment of sold products
- Scope 3: Franchises

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

BAT\_ESG\_Report\_2021.pdf

**Page/section reference**

See attached ESG report 2021 - Independent Limited Assurance report – pages – 117 - 121 Scope 3 CO2e emissions data we in scope of Independent Limited Assurance by KPMG. The work was performed in accordance with ISAE 3000 and, in respect of the greenhouse gas emissions information, including Scope 3 CO2e emissions, in accordance with ISAE 3410 (see p.117-118). Verified figures of Scope 3 emissions are in p.119, section CO2e emissions of the table.

**Relevant standard**

ISAE 3410

**Proportion of reported emissions verified (%)**

100

**C10.2**

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

**C10.2a**

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Energy consumption	Limited assurance ISAE3000 standard	The scope of verification (Independent limited assurance performed by KPMG) covered: total direct energy use, renewable energy consumption and, based on the above, calculation of Renewable energy as a % of total direct energy use. These data points were selected for verification, while 1/ direct energy use reduction and increase of renewable energy share are main drivers of reducing our Scope 1 and 2 emissions and 2/ we have set target to increase Renewable energy as a % of total direct energy use to 30% by 2025 to support of decarbonization plans. Verification of the data points is performed annually; scope is company wide. For full Assurance Statement - see page 117 to 121 of the attachment. Relevant figures are in page 119, section 'Energy' of the table. BAT_ESG_Report_2021.pdf
C4. Targets and performance	Other, please specify (Waste Generated)	Limited assurance ISAE3000 standard	The scope of verification (Independent limited assurance performed by KPMG) covered: Waste generated ('000 tonnes). Waste to landfill ('000 tonnes). % of sites reporting zero waste to landfill. % of waste recycled. These data points were selected for verification, we have set targets for respective KPIs. Reduction and recycling of waste from our direct operations is an important part of our circular economy agenda. In line with waste management hierarchy, reducing waste most preferable solution. Further, waste generated from our operations is the cornerstone parameter for further development of waste management, reduction and recycling programs. Verification of the data points is performed annually; scope is company wide. For full Assurance Statement - see page 117 to 121 of the attachment. Relevant figures are in page 119, section 'Waste' of the table. BAT_ESG_Report_2021.pdf
C4. Targets and performance	Other, please specify (% of sites reporting zero waste to landfill )	Limited assurance ISAE3000 standard	The scope of verification (Independent limited assurance performed by KPMG) covered: Waste generated ('000 tonnes). Waste to landfill ('000 tonnes). % of sites reporting zero waste to landfill. % of waste recycled. These data points were selected for verification, we have set targets for respective KPIs. Reduction and recycling of waste from our direct operations is an important part of our circular economy agenda. While operations sites (factories and green leaf threshing plants) contribute annually to over 90% of waste generation, we strive for getting them to zero waste to landfill. Verification of the data points is performed annually; scope is company wide. For full Assurance Statement - see page 117 to 121 of the attachment. Relevant figures are in page 119, section 'Waste' of the table. BAT_ESG_Report_2021.pdf
C9. Additional metrics	Other, please specify (% of sources of wood used by our contracted farmers for curing fuels that are from sustainable sources)	Limited assurance ISAE3000 standard	Verification scope: % of sources of wood used by our contracted farmers for curing fuels that are from sustainable sources. Verification of the data points is performed annually; scope is companywide. For full Assurance Statement - see page 117 to 121 of the attachment. Relevant figures are in page 119, section 'Afforestation and Land management' of the table. BAT_ESG_Report_2021.pdf

**C11. Carbon pricing**

## C11.1

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(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

### C11.1a

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(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Canada federal fuel charge

Denmark carbon tax

EU ETS

Norway carbon tax

Poland carbon tax

South Africa carbon tax

Sweden carbon tax

Switzerland carbon tax

Switzerland ETS

Ukraine carbon tax

Other carbon tax, please specify (Other: Croatia carbon fee)

### C11.1b

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(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

2.83%

% of Scope 2 emissions covered by the ETS







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**Credit origination or credit purchase**

Credit purchase

**Project type**

Forests

**Project identification**

Hubei Hongshan (China) IFM Conversion of Logged to Protected Forest Project Offsets for our factory in Chile Casablanca VCU ID 1935, Serial NO 9921-159778846-159780738-VCS-VCU-324-VER-CN-14-1935-01012015-31122015-0

**Verified to which standard**

VCS (Verified Carbon Standard)

**Number of credits (metric tonnes CO2e)**

4214

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

4214

**Credits cancelled**

No

**Purpose, e.g. compliance**

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Number of credits (metric tonnes CO2e)

120

Number of credits (metric tonnes CO2e): Risk adjusted volume

120

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

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Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

Avoided deforestation, Borneo, Indonesia Offsets for our factory in Malaysia Johor Bahru VCU ID: 674, Series No: 9924-16389x6924e No: 992 6N570 70 voided 92s :s\_s b

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Number of credits (metric tonnes CO2e): Risk adjusted volume  
1036

Credits cancelled  
No

Purpose, e.g. compliance  
Voluntary Offsetting

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Credit origination or credit purchase  
Credit purchase

Project type  
Forests

Project identification  
Para, micro region of Portel (Brazil), Pacajai REDD

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(C11.3a) Provide details of how your organization uses an internal price on carbon.

**Objective for implementing an internal carbon price**

- Stakeholder expectations
- Change internal behavior
- Drive energy efficiency
- Drive low-carbon investment
- Stress test investments
- Identify and seize low-carbon opportunities

**GHG Scope**

- Scope 1
- Scope 2

**Application**

In order to deliver external commitments to emission reduction and move to renewable forms of energy usage, change internal behaviour, drive Capital expenditure allocation priority and ensure carbon abatement projects are fairly appraised (efficiency projects are naturally attractive as they bring cost savings, but low carbon investments often have higher payback terms). BAT has implemented a shadow internal carbon price of £25/tCO<sub>2</sub>e, with a sliding scale applied to reflect estimated carbon costs in the future (from £25 for 2021 to £120 for 2030). The application of the internal carbon price ensures the \* D

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suppliers across the full scope of the supplier base and invited them to participate in a Supplier Sustainability Summit. In addition, specifically for our direct materials (excl. tobacco), we ran an engagement programme with our top 30 contributing suppliers from an emissions perspective. We engaged with these suppliers one-to-one to conduct a deep dive of their responses. This engagement was initiated by BAT via a questionnaire focused on emissions related insights (e.g. emissions measurement, goals and commitments, including Science Based Targets), however to maximise the time BAT also included some questions related to water, biodiversity and social aspects. The questionnaire sought to gain insight into the maturity of the suppliers related to these key focus areas. Following from the questionnaire BAT held a number of one to one engagement sessions with the in-scope suppliers to build on the information gathered. This allowed for higher quality conversations and to identify areas which could be targeted for improvement or could be strong potential options for enhanced collaboration with BAT. By focusing our engagement with this most critical group we were able to be more targeted and tailored in our approaches and engagement, leading to more effective and impactful activities.

**Impact of engagement, including measures of success**

During 2021 BAT ran an engagement programme with our top 30 contributing direct suppliers (excl. tobacco) from an emissions' perspective. Through this intensive and robust process we were able to obtain a strong understanding of the maturity of these suppliers related to climate impact and collect a number of relevant data points and information. Following this action plans were generated and these are being followed up within our supplier management activity and engagement. This was an extremely successful activity which yielded a number of immediate collaborative steps, alongside the wider, longer-term roadmaps that are being tracked for the suppliers in scope. Additionally, we have identified areas for further engagement and collaboration with suppliers in scope.

~~Additional information on this engagement programme can be found in the Supplier Sustainability Report 2021, page 10.~~

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Positive

**Which of the following has been impacted?**

Biodiversity

**Description of impacts**

Coverage: contracted farmers and those of strategic suppliers cover more than 80% of sourced tobacco. BAT works with our directly contracted farmers to implement integrated pest management techniques, incl. natural biocontrol agents. Elimination and/or reduction of pesticides and agrochemical substances use reduce risk or contamination of soil and water and risk to the species which inhabit the areas adjacent to tobacco sourcing areas.

**Have any response to these impacts been implemented?**

No

**Description of the response(s)**

The impact is positive, thus no response is required

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**Management practice reference number**

MP2

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

Water

Yield

**Description of impacts**

Coverage: contracted farmers and those of strategic suppliers cover more than 80% of sourced tobacco. BAT, leveraging on the many years of experience of the Global Leaf Agronomy centre, works with the directly contracted farmers to train them and develop their skills to promote better yields and higher quality, soil and water best practices as well as to encourage them for using sustainable fuel for curing. Applying sustainable farming practices and use of sustainable fuel allows to minimize environmental impact of the activities in farms and curing, thus minimizing negative impact on the natural habitat at the adjacent areas and preserving species living there.

**Have any response to these impacts been implemented?**

No

**Description of the response(s)**

The impact is positive, thus no response is required

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**Management practice reference number**

MP3

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

**Description of impacts**

Forests are natural sources for carbon sequestration, improving farmer's and environment's climate resilience. At the same time, reforestation activities allow to preserve forests which are a habitat of animals and plants, thus have positive effect on preserving the biodiversity.

**Have any response to these impacts been implemented?**

No

**Description of the response(s)**

The impact is positive, thus no response is required

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**Management practice reference number**

MP4

**Overall effect**

Positive

**Which of the following has been impacted?**

Water

Yield

**Description of impacts**

BAT Global leaf agronomy centre develops new tobacco seed varieties that offer greater yields, as well as higher quality and resistance to diseases. This helps to boost farmers' profits as well as to grow leaf more efficiently using the same area of land and similar amounts of water while applying less pesticides. Overall yield improvement is linked with improved social metrics which are also essential to our farmer's livelihood approach.

**Have any response to these impacts been implemented?**

No

**Description of the response(s)**

The impact is positive, thus no response is required

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**Emissions in metric tonnes of CO<sub>2</sub>e**

31.82

**Uncertainty (±%)**

15

**Major sources of emissions**

Fuels which compose Scope 1 emissions at our factories in Poland and Hungary (mostly natural gas).

**Verified**

No

**Allocation method**

Allocation based on the number of units purchased

**Market value or quantity of goods/services supplied to the requesting member**

225

**Unit for market value or quantity of goods/services supplied**

Other, please specify (Million cigarette equivalents (1 cig.equiv.= 1 cigarette, cigar or cigarillo of any SKU = 1 gram of fine cut tobacco))

**Please explain how you haC how you hd**

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Estimated lifetime CO2e savings

Estimated payback

Other, please specify (To be determined as part of the project.)

Details of proposal

Working together to review the impact of our logistics operations and collaborate to reduce emissions.

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## SC2.2

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(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

## SC4.1

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(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

## Submit your response

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In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms