



# Our Standards of Business Conduct 2022

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# Message from Jack Bowles

## We are purpose-led

I'm proud to be leading the BAT Group on our bold purpose to build A Better Tomorrow™, which we will achieve by reducing the health impact of our business.

## Delivering our purpose with integrity

How we deliver our business results is fundamental to delivering A Better Tomorrow™: acting ethically and in line with the values expressed by our ethos will deliver a long-term sustainable business that meets the expectations of our consumers, Employees, investors, and society as a whole.

It is therefore essential to our continued success that all of us are working to a consistent set of rules and standards of behaviour. We articulate these in our Standards of Business Conduct (SoBC), which have been in place since the early 1990s.

Every situation is different, and our SoBC cannot provide the answers to every dilemma or challenge. If you can't find the answers you are looking for in our SoBC, or

if you are not clear how to apply our SoBC to a particular situation, I encourage you to discuss it with your colleagues, Line Manager or LEX Counsel.

## What you can expect from BAT

**BAT will always support you to Deliver with Integrity. If you suspect wrongdoing in our business, please report it to your manager, your LEX Counsel, a Designated Officer, or use our confidential Speak Up hotline.**

BAT takes allegations of SoBC breaches very seriously, and I offer my personal assurance that all concerns raised will be treated in strict confidence. No one will face reprisals for speaking up.

I am committed to leading a company that prioritises Delivery with Integrity in everything we do, so that we can all take pride as we **build A Better Tomorrow™**.

Please make sure you read our SoBC.

**Jack Bowles**  
Chief Executive  
January 2022



# Our purpose and ethos

Our purpose is bold:  
to build A Better Tomorrow™

We will do this by reducing the health impact of our business, through a multi-category portfolio of non-combustible products tailored to meet the preferences of adult consumers.

## Our ethos Sets out our values

A key driver to delivering A Better Tomorrow™ is our ethos, which guides our culture and behaviours across the entire Group, ensuring an organisation that is future-fit for sustainable growth. These five key behaviours are **bold**, **fast**, **empowered**, **diverse** and **responsible**.

## Our culture We deliver results with integrity

The way we work is underpinned by a collective commitment to deliver our business results with high standards of integrity, which are understood and upheld by everyone across the business.



## Our SoBC Guides our behaviours

The values and behaviours expressed by our ethos are enshrined in our **Standards of Business Conduct (SoBC)**, which set out the high standards of integrity we are committed to upholding.



# The way we work

Our Standards of Business Conduct are a set of global policies of British American Tobacco, expressing the high standards of integrity we are committed to upholding.

## Local versions of the SoBC

Each operating company in the Group must adopt the SoBC, or its own standards reflecting them. If a Group Company wishes to implement its own version of the SoBC, it must be at least as stringent as this SoBC, or must be noted by the LEX Leadership Team. If the SoBC conflicts with local laws, then the laws take precedence.

## SoBC priority

In the event of a conflict or inconsistency between the SoBC (or local version, if applicable) and any other document issued by a Group Company (including employment contracts), the terms of the SoBC (or local version, if applicable) will prevail.

## Commitment to integrity

We must comply with the SoBC (or local equivalent) and all laws and regulations which apply to Group Companies, our business and to ourselves. We must always act with high standards of integrity.

Our actions must always be lawful. Having integrity goes further. It means that our actions, behaviour, and how we do business must be responsible, honest, sincere and trustworthy.

**We are all expected to know, understand and follow the SoBC or local equivalent.**

The SoBC applies to all Employees of BAT, its subsidiaries and joint ventures which BAT controls. If you are a contractor, secondee, trainee, agent or consultant working with us, we ask that you act consistently with the SoBC and apply similar standards within your own organisation. The SoBC is complemented by the **BAT Supplier Code of Conduct**, which defines the minimum standards we expect our suppliers to adhere to and is incorporated into our contractual arrangements.

## Duty to report a breach

We have a duty to report any suspected wrongdoing in breach of the SoBC or the law. We should also report any such conduct by third parties working with the Group.

Be assured that BAT will not tolerate any retaliation against people who raise concerns or report suspected breaches of the SoBC or unlawful conduct.

## Consequences of a breach

Disciplinary action will be taken for conduct that breaches the SoBC or is illegal, including termination of employment for particularly serious breaches.

Breaches of the SoBC, or the law, can have severe consequences for the Group and those involved. If conduct may have been criminal, it might be referred to the authorities for investigation and could result in prosecution.

## SoBC annual confirmation and training

Every year, all of our Employees and Group entities must formally confirm that they have complied with the SoBC.

Employees do so as part of our annual **SoBC sign-off**, in which we reaffirm our commitment and adherence to the SoBC and are reminded to declare or re-declare any personal conflicts of interest for the sake of transparency.

New joiners undertake a mandatory induction covering our SoBC policies, including lobbying and engagement, and are asked to disclose conflicts of interest.

Our Group entities do so within **Control Navigator**, in which they confirm that their business unit or market has adequate procedures in place to support SoBC compliance.

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## Safe and secure environment

Group Companies are responsible for maintaining the safety of our people and the security of assets and information, as further detailed in our Group Security Procedure.

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## Responsible marketing

Group Companies and Employees shall ensure the responsible marketing of Group products, as governed by our International Marketing Principles which are independent from the SoBC.

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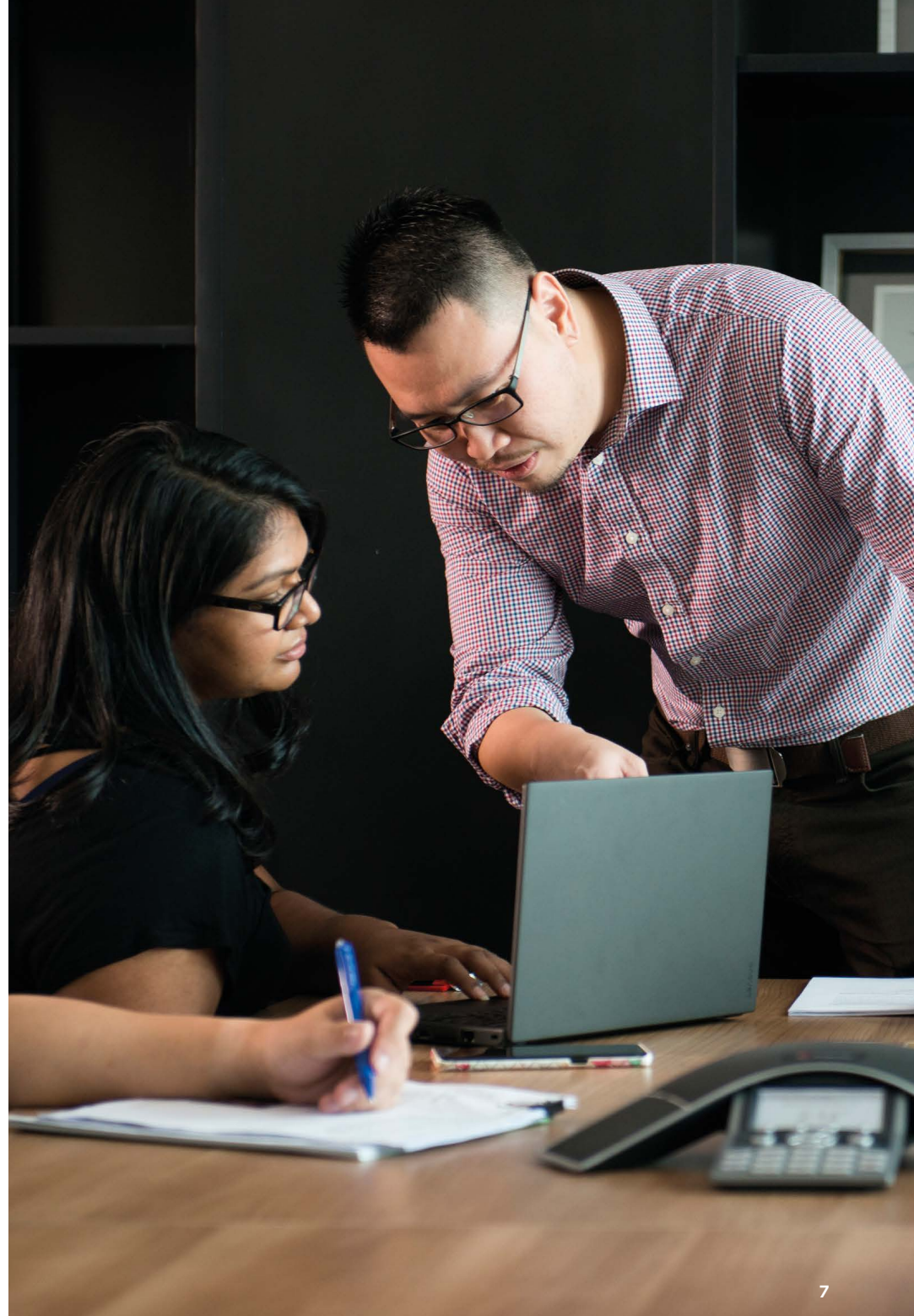
## Media and use of social media

If you are contacted by a journalist or media outlet for comment, please refer such requests to your local External Communications team (Group press office can be contacted at [press\\_office@bat.com](mailto:press_office@bat.com)).

Use of social media by Employees can pose risks to BAT's assets and reputation. Employees must exercise good judgement when using social media and ensure they comply with the SoBC.

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We are all expected to know, understand and follow the SoBC or local equivalent.







# The role of line managers

Our SoBC, policies and procedures apply to everyone, whatever their role or seniority. Managers are key role models of the SoBC. If you manage people, you must ensure that all your line reports read the SoBC and receive the guidance, resources and training they need to understand what is expected of them.

## Line managers are expected to:

- know BAT's ethos and stand up for what is right
- coach their team to ensure they know how to 'Deliver with Integrity' and recognise consistent behaviours
- role model respect in the workplace
- foster an environment in which concerns are freely raised without fear of retaliation
- raise concerns when appropriate to do so

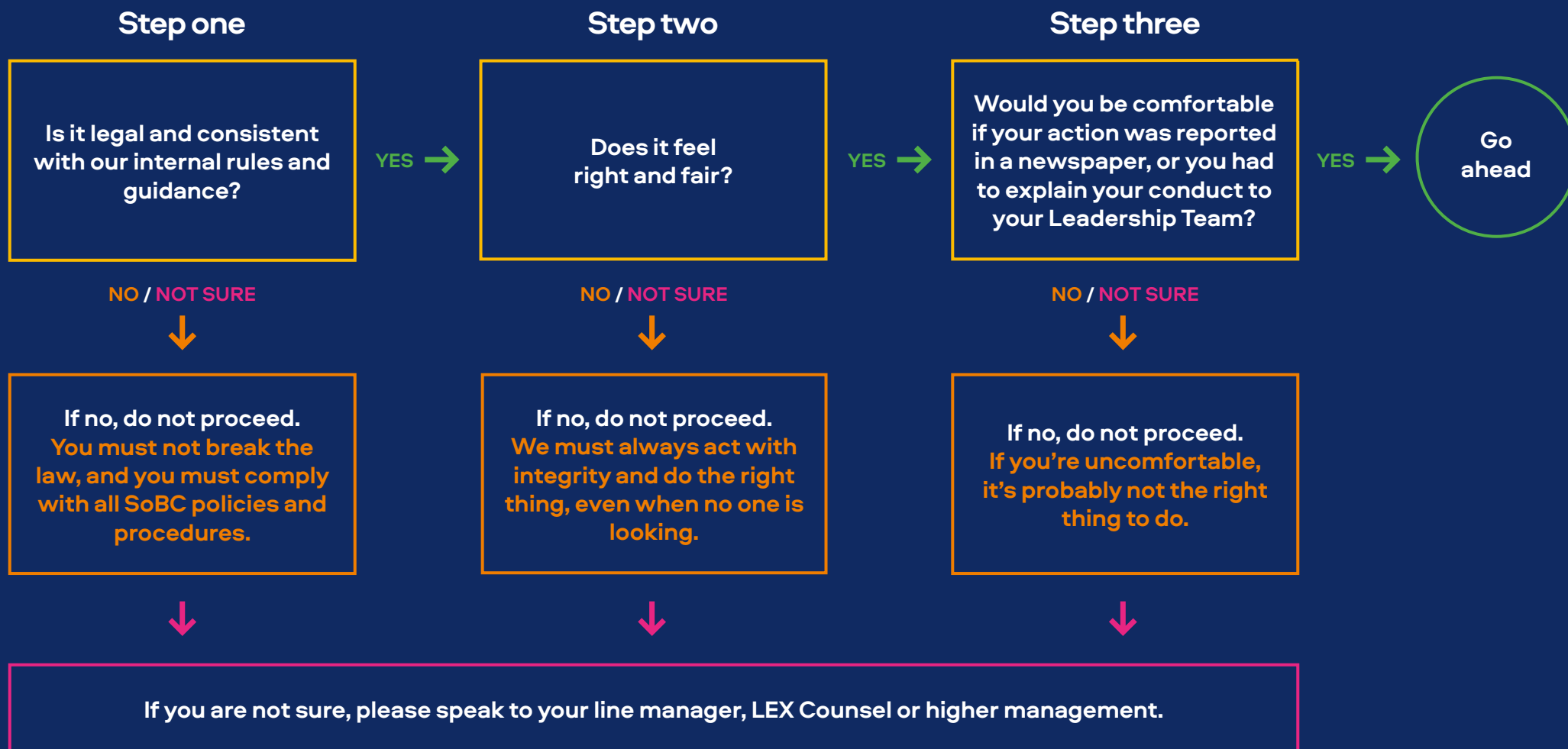
## No exception or compromise

No line manager has authority to order or approve any action contrary to the SoBC, or against the law. In no circumstances will we allow our standards to be compromised for the sake of results. How you deliver is as important as what you deliver.

If a manager orders you to do something in breach of the SoBC or the law, raise this with higher management, your local LEX Counsel or a 'Designated Officer' ([gdo@bat.com](mailto:gdo@bat.com)). You can also report the matter through our **confidential Speak Up hotline** if you do not feel able to speak to someone internally.

# Ethical decision-making

Our SoBC cannot cover every possible situation you may encounter, and it's important that you know how to choose the right course of action. If you are in an ethically difficult or uncertain situation, follow the guide below.



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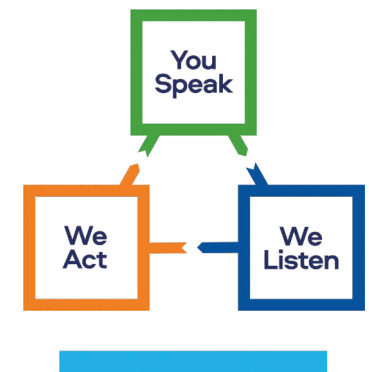
# Group Speak Up policy

It can take courage to Speak Up about wrongdoing. This Speak Up policy is there to support you in doing so, and give you trust and confidence in how we will treat your concerns.

## We encourage you to Speak Up

Anyone working for or with the Group who is concerned about actual or suspected wrongdoing at work (whether in the past, occurring or likely to happen) should Speak Up.

This includes Employees, contractors, contingent workers, business partners, customers, suppliers and their workers.



## Examples of wrongdoing

### Examples of wrongdoing include:

- criminal acts, including theft, fraud, bribery and corruption
- endangering the health or safety of an individual or damaging the environment
- bullying, harassment (including sexual harassment) and discrimination in the workplace, modern slavery or other human rights abuses
- accounting malpractice or falsifying documents
- other breaches of the SoBC or other global policies, principles or standards of the Group
- failing to comply with any legal obligation, by act or omission
- a miscarriage of justice
- concealing any wrongdoing

**Wrongdoing does not include situations where you are unhappy with your personal employment position or career progress. Grievance procedures are available in such cases, and details on how to raise a grievance are available from HR.**

If you are a line manager, you have an additional duty to raise any concerns brought to your attention. Those who ignore such concerns, or stop or discourage someone from Speaking Up, could face disciplinary action.

## Who you can speak to

**You have several options to raise your concerns, and you can use the one you are the most comfortable with:**

- a Designated Officer
- an HR manager or LEX manager
- your line manager
- our confidential, independently managed external Speak Up channels ([www.bat.com/speakup](http://www.bat.com/speakup)), which are operated independently of management, enable you to raise concerns online or via telephone (anonymously if you prefer)

Four senior Group executives act as our Group Designated Officers. Anyone can raise a concern with them directly.

They are:

- the AGC Business Conduct and Compliance:  
Tamara Gitto
- the Company Secretary of British American Tobacco plc:  
Paul McCrory
- the Group Head of Internal Audit:  
Graeme Munro
- the Group Head of Reward:  
Jon Evans

You can contact them by email ([gdo@bat.com](mailto:gdo@bat.com)), phone (+44 (0)207 845 1000) or by writing to them at British American Tobacco plc, Globe House, 4 Temple Place, London WC2R 2PG.

## Investigations and confidentiality

No matter how you choose to Speak Up, your identity will be kept confidential as we fairly and objectively investigate your concerns.

Where appropriate, BAT will take action which may include disciplinary action against individuals found to have breached the SoBC.

**Where feasible and appropriate, you will also receive feedback on the outcome of the investigation, if we are able to contact you.**

You can read more about how we will escalate and investigate your concerns in the **Group SoBC Assurance Procedure**.

## Local Designated Officers and SoBC Assurance Procedure

We have Designated Officers responsible for receiving concerns, based locally throughout the world.

This Policy is complemented by the **Group SoBC Assurance Procedure**, which sets out in more detail how concerns or allegations of breach of the SoBC are escalated and investigated.

## Protection for those who Speak Up

You will not suffer any form of reprisal (whether directly or indirectly) for speaking up about actual or suspected wrongdoing, even if you are mistaken.

We do not tolerate the harassment or victimisation of anyone raising concerns or anyone who assists them. Such conduct is itself a breach of the SoBC and will be treated as a serious disciplinary matter.



### Who to talk to

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Your line manager

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Higher management

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Your local LEX Counsel

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Head of Compliance: [sobc@bat.com](mailto:sobc@bat.com)

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# Our people: respect in the workplace

We must treat all of our colleagues and business partners inclusively, with dignity and respect.

## What we believe

We believe that fundamental labour rights should be respected, including freedom of association, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, and the elimination of discrimination in respect of employment and occupation.

Our policy on people and human rights practices is based on local and international labour laws, recommended practices and guidelines<sup>1</sup>.

We comply with all relevant labour laws and regulations.

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Diversity is a key principle of our ethos.

<sup>1</sup> The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Corporations.



## Promoting equality and diversity

**We are dedicated to providing equal opportunities to, and fair treatment of, all our Employees, and to creating an inclusive workforce by promoting employment equality.**

Diversity is a key principle of our ethos. Our Group-wide diversity and inclusion strategy focuses on ensuring all of our Employees can flourish. **We respect and celebrate each other's differences, and value what makes each of us unique.**

We must treat colleagues as we expect to be treated, respect their characteristics and opinions, and not practise any form of unlawful discrimination.

Discrimination can include (but is not limited to) allowing race, ethnicity, colour, gender, age, disability, sexual orientation, gender identity, gender reassignment, class, religion, politics, marital status, pregnancy status, union membership, smoking habits, or any other characteristic protected by law to influence our judgement when it comes to the recruitment, development, advancement or exit of any employee.

This reflects our support for ILO Convention 111 which sets out fundamental principles concerning the elimination of discrimination in the workplace.

## Preventing harassment and bullying

**All aspects of harassment and bullying are completely unacceptable. We are committed to removing any such actions or attitudes from the workplace.**

Harassment and bullying include, but are not limited to, any form of sexual, verbal, non-verbal and physical behaviour, which is abusive, humiliating or intimidating.

If we witness or experience such behaviour, or behaviour that is unacceptable in any other way, we should report it to our line manager. We seek to provide a climate of confidence where Employees can raise issues, and aim for a swift resolution to the satisfaction of all concerned.

Employees can raise issues through local grievance procedures or Group Speak Up channels.

## Fair wages and benefits

**We are committed to providing fair, clear and competitive wages and benefits.**

Group Companies must comply with all minimum wage legislation, and our strategy is for reward levels to be competitive within the local area.

## Supporting work-life balance

**We are committed to supporting Employees' work-life balance.**

Group Companies must comply with all applicable working time laws, taking account of any legally mandated maximum working hours requirements.

We encourage Group Companies to support Employees' work-life balance, and explore and adopt family-friendly policies and programmes according to local practice.



# Human rights

We must always conduct our operations in a way that respects the human rights of our Employees, the people we work with and the communities in which we operate.

## What we believe

**We believe that fundamental human rights, as affirmed by the Universal Declaration of Human Rights, should be respected.**

Our policy on people and human rights practices is based on local and international labour laws, recommended practices and guidelines<sup>2</sup>.

We comply with all relevant applicable labour laws and regulations.

<sup>2</sup> The ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Corporations.

## No child labour

**We are committed to ensuring our operations are free from child labour. We seek to ensure that the welfare, health and safety of children are paramount at all times. We recognise that the development of children, their communities and their countries is best served through education.**

We support ILO Conventions 138 and 182 which set out fundamental principles concerning the minimum age for admission to employment and for the elimination of the worst forms of child labour.

As such:

- any work which is considered hazardous or likely to harm the health, safety or morals of children should not be done by anyone under the age of 18
- the minimum age for work should not be below the legal age for finishing compulsory schooling and, in any case, not less than the age of 15

We expect our suppliers and business partners to align with our minimum age requirements, as set out in our **Supplier Code of Conduct**. This includes, where local law permits, that children between the ages of 13 and 15 years may do light work, provided it does not hinder their education or vocational training, or include any activity which could be harmful to their health or development (for example, handling mechanical equipment or agrochemicals). We also recognise training or work experience schemes approved by a competent authority as an exception.

## Human rights management

**We are committed to promoting human rights in our sphere of influence, including our supply chain. We operate around the globe, including in countries suffering from conflicts or where democracy, the rule of law or economic development are fragile, and human rights are under threat.**

All our suppliers are expected to meet the requirements of our Supplier Code of Conduct, and this is incorporated into our contractual arrangements with suppliers.

As far as possible, our due diligence procedures enable us to monitor the effectiveness of, and compliance with, our policy commitments and our **Supplier Code of Conduct**, as well as to identify, prevent and mitigate human rights risks, impacts and abuses.

We are committed to fully investigating and remediating any human rights issues identified in our operations or supply chain, and to strive for continuous improvement. If we identify human rights breaches in relation to a supplier, but there is no clear commitment to corrective action, persistent inaction or a lack of improvement, then our work with that supplier should cease.

## Freedom of association

**We respect freedom of association and collective bargaining.**

Our workers have the right to be represented by local company-recognised trades unions, or other bona fide representatives. Such representatives should not be discriminated against and be able to carry out their activities in the workplace within the framework of law, regulation, prevailing labour relations and practices, and agreed company procedures.

## No exploitation of labour or modern slavery

**We are committed to ensuring our operations are free from slavery, servitude and forced, compulsory, bonded, involuntary, trafficked or unlawful migrant labour. Group Companies and Employees (and any employment agencies, labour brokers or third parties they retain to act on our behalf) will not:**

- require workers to pay recruitment fees, take out loans or pay unreasonable service charges or deposits as a condition of employment
- require workers to surrender identity papers, passports or permits as a condition of employment

Where national law or employment procedures require use of identity papers, we will use them strictly in accordance with the law. If identity papers are ever retained or stored for reasons of security or safekeeping, this will only be done with the informed and written consent of the worker, which should be genuine; and with unlimited access for the worker to retrieve them, at all times, without any constraints.

## Local communities

**We seek to identify and understand the unique social, economic and environmental interests of the communities we operate in.**

We must identify specific human rights risks that may be relevant for, or impacted by, our operations. In doing so, we will seek the views of our stakeholders, including Employees and their representatives.

We will take appropriate steps to ensure that our operations do not contribute to human rights abuses, and to remedy any adverse human rights impacts directly caused by our actions.

We encourage our Employees to play an active role both in their local and business communities. Group Companies should seek to create opportunities for skills development for Employees and within communities where we operate and aim to work in harmony with the development objectives and initiatives of host governments.

All our suppliers are expected to meet the requirements of our Supplier Code of Conduct, and this is incorporated into our contractual arrangements with suppliers.



# Health, safety and welfare

We must provide, and maintain, safe and healthy working conditions.

## What we believe

We place a high value on the health, safety and welfare of our Employees, and are committed to providing a safe working environment, to prevent accidents and injury, and to minimise occupational health risks.

Our Group Health and Safety Policy is based on local and international labour laws and standards<sup>3</sup>. We comply with all relevant health and safety laws and regulations.

<sup>3</sup> ILO Occupational Safety and Health Management Systems and ISO 45001 Occupational Health & Safety Management.

## Health and safety management

We recognise the importance of the health, safety and welfare of all our Employees, contractors and non-company personnel in the successful conduct of our business.

Group Companies must:

- Adopt health and safety procedures consistent with our Group Health and Safety Policy and our Global EHS Policy Manual or national law (whichever is the higher).

All Group Employees must:

- Take reasonable care of the health and safety of themselves and others while at work;
- Cooperate fully in all health and safety-related matters;
- Not interfere with or misuse equipment provided for safety; and
- Report any unsafe conditions in accordance with **Global EHS Policy Manual**

## Safeguarding employee well-being

We place a high value on the well-being of our Employees, and are committed to providing a safe working environment to prevent accidents and injury, and to minimise occupational health risks.

We will work continuously to maximise the physical security of our Employees worldwide, ensuring that our policies and standards are understood, and that training is provided, so everyone is aware of the health, safety and security issues and requirements relevant to their work.





# Environment

We are committed to excellence in environmental management across our business operations and throughout the wider supply chain that we influence.

## What we believe

**We believe that good environmental management is not only the right thing to do, but also makes sound business sense given how much we depend on natural resources for our products.**

Our Group Environment Policy is based on local and international labour laws, recommended practices and standards<sup>4</sup>.

We comply with all applicable environmental laws and regulations.

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<sup>4</sup> ISO Environmental Management System 14001.

## Protecting the environment

### Group Companies must:

- **Adopt environmental procedures consistent with our Group Environment Policy and our Global EHS Policy Manual or national law (whichever is the higher)**

Group Employees are encouraged to contribute to our environmental management efforts by:

- Understanding their personal environmental impact and identify opportunities to use resources responsibly;
- Ensuring they are familiar and comply with all environmental laws and regulations and our **Global EHS Policy Manual**;
- Ensuring that our suppliers and partners comply with the minimum standards for environmental sustainability set out in our **Supplier Code of Conduct**; and
- Reporting any non-conformances in accordance with the **Global EHS Policy Manual**

All Employees are encouraged to undertake the **Environmental Sustainability Foundation Programme**, available on our employee learning platform, the **GRID**.



### Who to talk to

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Your line manager

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Higher management

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Your local LEX Counsel

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Head of Compliance: [sobc@bat.com](mailto:sobc@bat.com)



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# Conflicts of interest

**We must avoid conflicts of interest in our business dealings, and be transparent if we have personal circumstances where a conflict might arise. To conduct our business with integrity, conflicts of interest must be managed effectively.**

## Acting in our company's best interests

**We must avoid situations where our personal interests may, or may appear to, conflict with the interests of the Group or any Group Company.**

Many situations or relationships have the potential to create a conflict of interest. The most common types of conflicts are set out on the next page.

Generally speaking, a conflict of interest is a situation where our position or responsibilities within the Group presents an opportunity for us or someone close to us to obtain personal gain; or benefit (apart from the normal rewards of employment); or where there is scope for us to prefer our personal interests, or of the interests of those close to us, above our duties and responsibilities to the Group.

## Disclosing conflicts of interest

**When first joining BAT, or as soon as a conflict arises, you must disclose the conflict in the SoBC Portal. If you do not have access to the SoBC Portal, you should disclose the situation to your line manager.**

If a situation might appear to others to create a conflict of interest but you do not believe that a conflict in fact exists, you should disclose it anyway. The appearance of a conflict of interest can create concerns, even where a conflict may not exist. When in doubt, you should err on the side of disclosure, so that higher management can be made aware of the situation if necessary.

Following disclosure, your line manager should engage with you to assess if there is any potential risk to BAT associated with the conflict, and if any steps may need to be taken to manage or mitigate any identified risk. In some instances, any risk to BAT's

interests may be so remote that no steps need to be taken.

However, if BAT's interests could be negatively impacted by the conflict, conditions may need to be applied. This could include changes to your role or reporting line or your account responsibilities, or a requirement that you abstain from dealings with a particular customer, supplier or BAT employee.

If you are a line manager, and you are unsure whether the declared interest requires conditions to mitigate the risk, you should read **Conflicts of Interest: A Guide for Line Managers**, and if you are still unsure, seek advice from higher management or your local LEX Counsel.

Directors of Group Companies must disclose conflicts to, and seek formal approval from, the board of the company at its next meeting.

**We must also regularly review, update and confirm any conflicts of interest we may have.**

## Recording conflicts of interest

**Managers should ensure that any conflicts of interest disclosed to them are entered into the SoBC Portal or, where Employees do not have access to the SoBC Portal, notified to their local LEX Counsel or Company Secretary.**

What follows are some of the more common types of conflicts of interest. However, other situations could create conflicts of interest also. If you have any questions about whether your particular situation creates a conflict of interest, please talk with your line manager or LEX Counsel.

When first joining BAT, or as soon as a conflict arises, you must disclose the conflict in the SoBC Portal. If you do not have access to the SoBC Portal, you should disclose the situation to your line manager

## Family or personal relationships

**Working with Close Relatives can create conflicts of interest, whether the Close Relative is also an employee of the Group, works for one of our competitors or business partners, or is a Public Official who could impact BAT's business.**

You must disclose if you have any Close Relatives working in the Group. Intimate relationships with others who work at BAT can also lead to a conflict of interest, or the appearance of one. If you are in such a situation, you should disclose the relationship.

In the course of your work, you should not have the ability to hire, supervise, affect terms and conditions of employment or influence the management of Close Relatives or those with whom you are in an intimate relationship. Your manager will work with you to determine what mitigation steps should be put in place in light of your particular situation.

It will never be acceptable for a line manager and a report to be Close Relatives, or in an intimate relationship. You must also disclose if you are in an intimate relationship with, or have any Close Relatives who, to the best of your knowledge, work or perform services for, or have a material financial interest in, any competitor, supplier, customer

or other business with which the Group has significant dealings.

If you have business involvement with a Close Relative at a customer or supplier, or with any business in which your Close Relative holds a material financial interest, management may need to make changes to your role or account responsibilities.

You must also disclose if you have any Close Relatives who are Public Officials, and who occupy a role in which they could have an influence on BAT's business.

It is not necessary for the individual in question to be a high-ranking decision maker. You should disclose if the Public Official has a role in which they could have an influence on BAT's business (this would normally exclude, for example, a school teacher, prison guard, fireman or a nurse employed by the state). If you are in any doubt as to whether disclosure is necessary, please consult with your local LEX Counsel.

## Financial interests

**You must disclose, for yourself and for any Close Relatives living in your household:**

- all financial interests in a competitor
- any financial interest in a supplier or customer if you have any involvement in the Group's dealing with that supplier or customer or supervise anyone who does

**You do not need to disclose publicly traded mutual funds, index funds and similar pooled investments, where you have no say in what investments are included.**

'Material financial interest' means any financial interest that may, or may appear to in the Group company's opinion, influence your judgement.

**You must not hold material financial interests in:**

- a supplier or customer if you have any involvement in the Group's dealings with that supplier or customer, or supervise anyone who does
- a competitor of the Group, or any business conducting activities against the Group's interests

You may be permitted to retain a material financial interest in a competitor, provided that you acquired it before joining the Group, disclosed it in writing to your employing company prior to your appointment, and your employing company has not objected. Prior ownership of such an interest by a director of a Group Company must be reported to its board and minuted at the next board meeting.

If in any doubt, seek further guidance from your local LEX Counsel.

## Outside employment

**You must not work for or on behalf of a third party without first disclosing your intention to do so and obtaining written approval from line management.**

If you are a full-time employee, such work must not take a significant amount of time, should not be in agreed working hours, and should not impact your performance or in any way interfere with your duties and responsibility to the Group Company.

**Some situations are never permissible. For example, you may not work for a competitor of any Group Company or a customer or supplier you deal with in the course of your work.**

‘Working for or on behalf of a third party’ means taking on a second job, serving as a director or consultant, or otherwise performing services for any organisation outside the Group (including charitable or not-for-profit organisations). It does not include unpaid voluntary work you may carry out in your own time, as long as this does not interfere with your duties and responsibilities to the Group.

## Other types of conflicts of interest

**While these examples set out the most common types of conflicts of interest, conflicts can arise in a variety of other situations. For example, a conflict can arise when Community Investments (including charitable contributions) are made by the Group to an organisation with which you have close ties, or when you seek to take business opportunities for your own personal benefit, which you became aware of through your work for BAT.**

The key question to ask is whether your personal interests or those of a Close Relative could conflict with your duty to act in BAT’s best interests. If your judgement or decision-making on behalf of BAT could be impacted by the personal interest, you should disclose the interest.





# Anti-bribery and corruption

BAT has a zero tolerance approach and is committed to working against bribery and corruption in all forms. It is wholly unacceptable for Group Companies, Employees or our business partners to be involved or implicated in any way in bribery or other corrupt or criminal practices, including fraud, embezzlement or extortion.

## What is a bribe?

A bribe includes any gift, payment or other benefit (such as hospitality, kickbacks, a job offer/work placement or investment opportunities) offered in order to secure an advantage (whether personal or business-related). A bribe need not have been paid or received; even the act of offering, asking for or agreeing to accept a bribe is enough.

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You must never offer, promise or give any gift, payment or other benefit to any person (directly or indirectly), including a Public Official, to induce or reward Improper Conduct or improperly influence, or intend to improperly influence, any decision by any person to our advantage.

## No facilitation payments

**You must not make facilitation payments (directly or indirectly), other than where necessary to protect the health, safety or liberty of any employee.**

Facilitation payments are small payments made to smooth or speed up performance by a low-level official of a routine action to which the payer is already entitled. They are illegal in most countries. In some, such as the UK, it is a crime for their nationals to make facilitation payments abroad.

In those exceptional circumstances where there is no safe alternative to payment, we should involve our local LEX Counsel (if possible, before any payment is made). The payment must also be fully documented in the Group Company's books.

A published, well-documented expediting fee paid directly to a government or state-owned enterprise (not an individual) is not typically considered a facilitation payment under anti-corruption laws.

## No bribery

**Bribing a Public Official is a crime in almost every country. In many, it is also a crime to bribe employees or agents engaged in private business (such as our suppliers).**

**You must never:**

- offer, promise or give any gift, payment or other benefit to any person (directly or indirectly), including a Public Official, to induce or reward Improper Conduct or improperly influence, or intend to improperly influence, any decision by any person to our advantage
- ask for or accept, agree to accept or receive any gift, payment or other advantage from any person (directly or indirectly) as a reward or inducement for Improper Conduct or which improperly influences, or gives the impression that it is improperly intended to improperly influence, decisions of the Group

Anti-bribery laws in many countries have extraterritorial effect, so it will be a crime in those countries for their nationals to pay bribes abroad. There are severe potential consequences for breaches of these laws, for both the Group and individuals.

## Maintaining adequate procedures

**Group Companies can be held to account for corrupt acts by third-party service providers acting on their behalf. Consequently, Group Companies are expected to implement and operate controls which ensure that improper payments are not offered, made, asked for or received, by third parties performing services on their behalf.**

**Controls should include:**

- 'know your supplier' and 'know your customer' procedures, including the **Third Party AFC Procedure**, which are all proportionate to the risk involved
- anti-corruption provisions in contracts with third parties which are appropriate for the level of bribery and corruption risk involved in the service and can result in termination if breached
- where appropriate, anti-corruption training and support for staff who manage supplier relationships
- prompt and accurate reporting of the true nature and extent of transactions and expenses
- applying the **M&A Transactions Compliance Procedure** to applicable transactions, including possible joint-venture arrangements

## Books, records and internal controls

**Group business records must accurately reflect the true nature and extent of transactions and expenditure. We must maintain internal controls to ensure that financial records and accounts are accurate in accordance with applicable anti-corruption laws and best practices.**



# Gifts and entertainment (G&E)

Occasional offering or acceptance of business-related Gifts or Entertainment can be an acceptable business practice. However, improper or excessive Gifts and Entertainment can be a form of bribery and corruption, and cause serious harm to BAT.

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Group Companies must not offer or promise to our independent external auditors any G&E that may create a conflict of interest or put their independence at risk



## Offering and receiving G&E

### Any Gifts and Entertainment you offer, give or receive must:

- never be given/accepted if it can constitute bribery and corruption, as defined in the **Anti-Bribery and Corruption Policy**
- be given/accepted in an open way
- be lawful in all relevant jurisdictions, and not prohibited by the other party's organisation
- not involve parties engaged in a tender or competitive bidding process
- not have, or be capable of being seen to have, a material effect on a transaction involving any Group Company
- not be a gift of cash or cash redeemable equivalent (vouchers, gift certificates, loans or Securities)
- not be asked for or demanded
- not be offered for something in return (i.e. offered with conditions attached)
- not be, or give the appearance of being, lavish or inappropriate (disrespectful, indecent, sexually explicit or might otherwise reflect on any Group Company poorly, having regard to local culture)
- be approved in writing in advance (where approval is required by this policy and/or additional local requirements)
- be expensed in accordance with the applicable business expense policies and procedures
- in addition, all G&E above the Threshold for Public Officials must be approved in the **G&E Tracker**. It is recommended that the **G&E Tracker** is also used for Private Sector Stakeholders' G&E

## G&E to Public Officials

It is prohibited to directly or indirectly seek to influence a Public Official by providing G&E (or other personal advantage) to them or a Close Relative, friends or associates.

Regulatory engagement is part of our business. Providing or receiving G&E (within the stated Thresholds) in this context may be permissible. However, extra care must be taken, as many countries do not allow their Public Officials to accept G&E and anti-bribery laws are often strict.

**We may offer or accept any G&E without prior approval, provided that it is:**

- below the Threshold value of £20 per individual per instance (or lower local equivalent)
- lawful, infrequent and appropriate

**We must seek prior written approval from our line manager and our local LEX Counsel, for the offering or accepting of any G&E to/from Public Officials (or their Close Relatives) above the £20 Threshold up to £200.**

**The offering/receiving of G&E to/from a Public Official (or their Close Relatives) over £200 would only be appropriate if exceptional circumstances arise and requires prior written approval (as further detailed in the G&E Procedure).**

## When offering or accepting G&E, consider:

- **Intent:** Is the intent only to build or maintain a business relationship or offer normal courtesy, or is it designed to influence the recipient's objectivity in making a specific business decision?
- **Legality:** Is it legal in your country and in the country of the other party?
- **Materiality:** Is the market value reasonable (i.e. not lavish/extravagant) and proportionate to the seniority of the individual?
- **Frequency:** Does the individual receive G&E only infrequently?
- **Transparency:** Would you or the recipient be embarrassed if your manager, colleagues or anyone outside the Group knew about the G&E?

## G&E to and from independent external auditors

Group Companies must not offer or promise to our independent external auditors any G&E that may create a conflict of interest or put their independence at risk (see G&E Procedure for further guidance on G&E involving external auditors). KPMG is the current independent external auditor for the Group and the majority of Group Companies.

## Private sector stakeholders

We may offer or accept any G&E to/ from a Private Sector Stakeholder without prior approval, provided that it is:

- below the Threshold value of £200 per individual per instance (or lower local equivalent)
- lawful, infrequent and consistent with reasonable business practice

We must seek prior written approval:

- from our line manager for the offering or accepting of any G&E above the £200 Threshold

Always note:

- when approving requests, approvers must be satisfied that the proposed G&E does not contravene any of the expectations set out above and, in particular, that the timing and/ or wider context could not be perceived to suggest that any decision could be influenced by the G&E

- there could be exceptional circumstances where pre-approval is not possible. Approval must be requested as soon as possible, and no more than seven days after G&E was given or received, with written justification provided as to why pre-approval was not requested or obtained
- line managers, in consultation with local LEX Counsel, will determine what is to be done with any G&E offered to or received by Group Company Employees exceeding the applicable Thresholds. Generally, such G&E should be refused or returned. If this would be inappropriate or cause offence, the G&E may be accepted on the basis that it becomes the property of the relevant Group Company
- you should never avoid your obligation to seek necessary G&E approval by paying for it personally or having someone else pay for it
- all G&E must be expensed in accordance with the appropriate business expense policies and procedures
- in no circumstance should Entertainment occur at BAT's expense without the presence of BAT personnel
- for the avoidance of doubt, G&E should not be broken down into smaller amounts/values in order to circumvent the Thresholds in this Policy
- G&E should generally be directed to those with whom BAT has a business relationship and not their friends or relatives. But if friends, relatives or other guests of an individual attend, then the costs should be aggregated for the purposes of the Thresholds in this Policy
- refer to the **G&E Procedure** for further guidance on exceptional approvals and blanket approvals which may be available in certain limited circumstances
- additional information is available in the **G&E Procedure** and **G&E FAQs**

## G&E from Group Companies

There are no restrictions on Employees accepting G&E from a Group Company. Group Companies should ensure that any such G&E are legitimate, appropriate and proportionate.

Extra care must be taken, as many countries do not allow their Public Officials to accept G&E and anti-bribery laws are often strict.

## Keeping a formal record and monitoring

Each Group Company shall be responsible for the maintenance and monitoring of the G&E Tracker for Public Officials, and ensure that a register of Private Sector G&E and a register of all G&E above the Threshold levels are maintained.



### Who to talk to

Your line manager

Higher management

Your local LEX Counsel

Head of Compliance: [sobc@bat.com](mailto:sobc@bat.com)



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# External stakeholders

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# Lobbying and engagement

BAT is committed to corporate transparency. As a responsible company all our engagement activities with external stakeholders will be conducted with transparency, openness and integrity. We have a legitimate contribution to make to policy-related debate that affects our operations, and our Employees are required to engage in accordance with this policy<sup>5</sup>.

## The Group has a legitimate role to play

**Civic participation is a fundamental aspect of responsible business and policymaking, and BAT Employees will participate in the policy process in a transparent and open manner, in compliance with all laws and regulations of the markets in which they operate, including all lobbying registration and reporting requirements.**

Engagement with politicians, policymakers and regulators, when carried out transparently and with high regard for accuracy, allows for the best information to be used as a foundation for decisions in policymaking.

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<sup>5</sup> This Lobbying and engagement policy is based on the Organisation for Economic Cooperation and Development's (OECD) Principles for Transparency and Integrity in Lobbying.

## Transparency and high professional standards

When engaging with external stakeholders, Group Companies and Employees must ensure that:

- they participate in the policy process in an open and transparent manner, in compliance with all laws and regulations of the markets we operate in
- they always identify themselves by name and corporate affiliation
- they comply with our **Anti-bribery and Corruption Policy**, including that they do not directly or indirectly offer or give any payment, gift or other benefit to improperly influence any decision by any person to the advantage of the Group or any Group Company
- they do not ask for or wilfully obtain from any person, confidential information belonging to another party, or obtain information by any dishonest means
- they do not induce any person to breach a duty of confidentiality
- they offer constructive solutions that will best meet the objectives of regulation, while minimising any negative unintended consequences

## Third parties

BAT does support third parties on policy issues of mutual interest. In such cases, Group Companies and Employees must ensure that:

- they publicly acknowledge support of third-party organisations, subject to commercial confidentiality requirements and data protection laws
- they never ask a third party to act in any way that contravenes this Lobbying and Engagement Policy
- they require all third parties to comply with laws and regulations of the markets in which they operate governing lobbying registration and reporting requirements

## Accurate, evidence-based communication

When conducting external engagement activities, Employees must endeavour to:

- share accurate, complete and evidence-based information with regulators, politicians and policymakers to best inform decision-making

## Financial travel support to Public Officials

It is prohibited to provide financial travel and/or accommodation support to Public Officials (e.g. to pay for their travel/accommodation to attend an event or business meeting). **If an exceptional circumstance arises which warrants a request for this rule to be varied, then it must be approved by the Group Head of Government Affairs and the Group Head of Business Conduct & Compliance in accordance with the G&E Procedure.**

When engaging with external stakeholders, Group Companies and Employees must ensure that they participate in the policy process in an open and transparent manner, in compliance with all laws and regulations of the markets we operate in.



# Political contributions

Where political contributions are expressly permitted by local law and generally accepted as part of local business practice, they must only be made in strict accordance with the law and this policy (or local equivalent).

## Contributing for the right reasons

Where expressly permitted by local law, Group Companies may make contributions to political parties and organisations, and to the campaigns for candidates for elective office (corporate contributions to candidates for federal office in the United States are strictly prohibited), provided that such payments are not:

- made to achieve any improper business or other advantage, or to improperly influence any decision by a Public Official to the advantage of any Group Company
- intended personally to benefit the recipient or his or her family, friends, associates or acquaintances

It is not permissible for a Group Company to make a political contribution if the contribution itself is intended to influence a Public Official to act or vote in a particular way, or otherwise assist to secure a decision by the Public Official to the advantage of the company or the Group.

When approving political contributions, the boards of Group Companies should ensure that they comply with these requirements and document this appropriately.

## Strict authorisation requirements

### All political contributions must be:

- expressly permitted by local law, as confirmed by external legal advice
- notified in advance to the relevant Regional Head of LEX or equivalent (subject to any applicable law governing the nationality of persons permitted to be involved in such activity)
- authorised in advance by the board of the relevant Group Company
- fully recorded in the company's books
- if required, placed on public record

Strict procedures must be followed when there is a proposal to make a contribution to any organisation within the UK or the United States engaged in political activity (especially if originating from a Group Company located outside the jurisdiction). This is due to laws having extraterritorial effect and a very broad definition of 'political organisation'.

The foreign contribution ban in the US is particularly strict and must be adhered to carefully.

Before any political contribution is made within the UK, the Group Head of Business Conduct and Compliance must be notified.

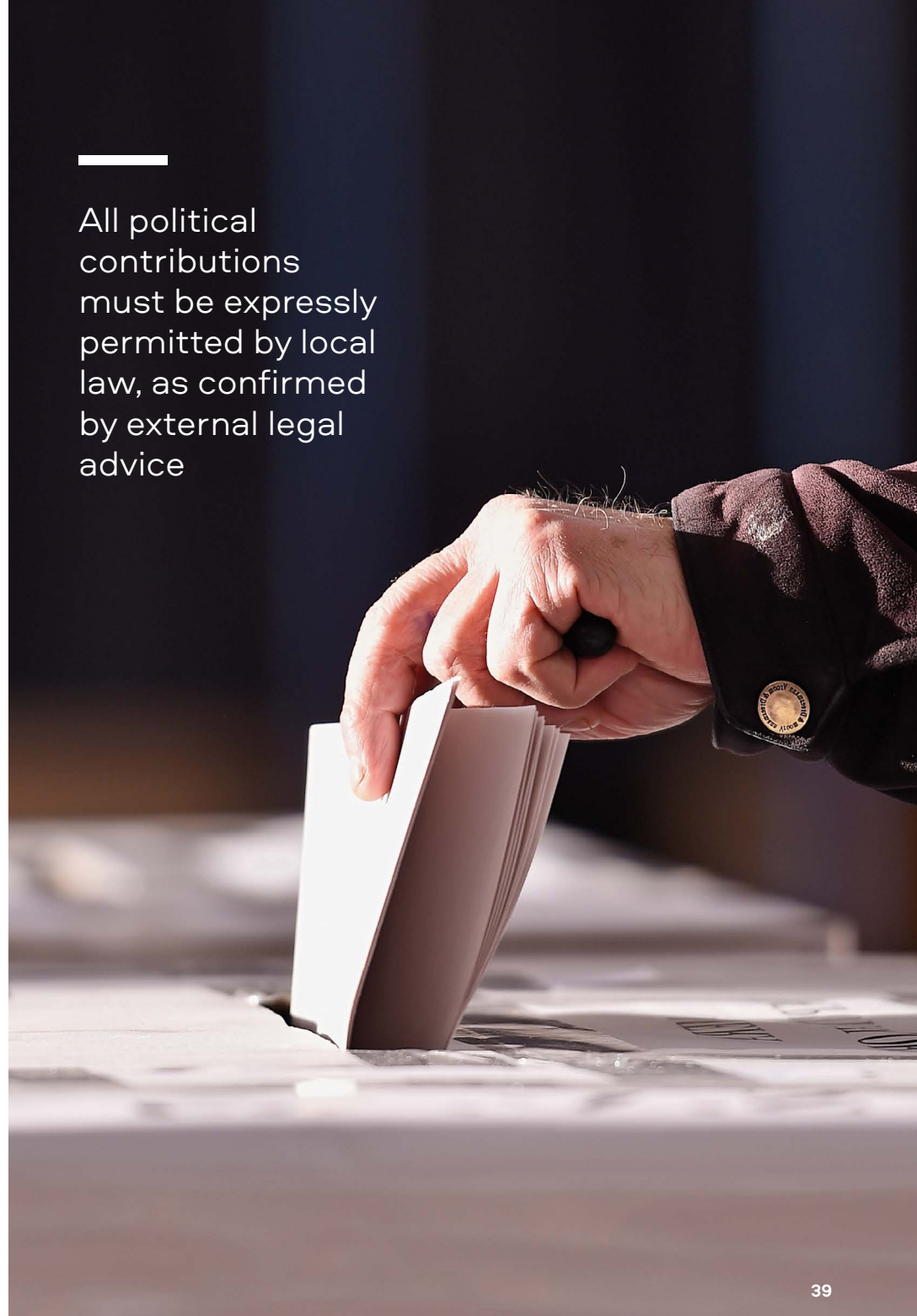
## Personal political activity

### As individuals, we have a right to participate in the political process. As Employees, if we undertake any personal political activities, we must:

- do so in our own time, using our own resources
- minimise the possibility of our own views and actions being misconstrued as those of any Group Company
- take care that our activities do not conflict with our duties and responsibilities to the Group

If we plan to seek or accept public office, we should notify our line manager in advance, discuss with them whether our official duties may affect our work, and cooperate to minimise any such impact.

All political contributions must be expressly permitted by local law, as confirmed by external legal advice







# Community investment

We recognise the role of business as a corporate citizen, and Group Companies are encouraged to support local Community Investments and charitable projects.

## What we believe

'Community Investments' are voluntary activities, beyond our commercial and core business activities and our legal obligations, that contribute to the economic, social and environmental sustainability of the countries and communities in which we operate.

These investments address a wide range of issues and causes in the communities where we operate, often involving charities, non-government organisations (NGOs) and 'civil society', and include expenditure on community projects or charitable contributions, in-kind donations and employee volunteering.

Group Companies should not make any community investment without first applying the due diligence and governance approach detailed in the Group Community Investment Framework

## Supporting local communities

As an international business, BAT plays an important role in many countries, and Group Companies have built close ties with the communities in which they operate. We have a long-standing approach to supporting and giving back to these communities through our community investment.

The **Group Community Investment Framework** sets out how Group Companies must develop, deliver and monitor Community Investments, aligned with the UN Sustainable Development Goals.

## Fully recording what we give

**Any community investment by a Group Company must be fully recorded in the company's books and, if required, placed on public record either by the company or the recipient.**

Group Companies should ensure that Community Investments they report for ESG reporting purposes are consistent with those they report through Finance, for financial and statutory reporting purposes.

## Government officials, state-owned enterprises (SoEs) and equivalent public bodies

**Additional due diligence and risk mitigation steps are required if contributions are to be made to a government organisation, SOE or equivalent public body (including in response to a request from government to provide funding to assist disaster relief efforts), applying the due diligence and governance approach detailed in the Group Community Investment Framework, and supporting Annexure.**

Group Companies must take care to ensure that such government organisation, SOE or equivalent body are genuine, and that the community investment contribution benefits the general public and not Public Officials and their families.

**We must not contribute to a Public Official's charity at their request or with their agreement or acquiescence in exchange for official action, as a result of official action, or as a way to improperly influence the Public Official to advantage any Group Company.**

Contributions to a charity of a Public Official or a third party's charity, such as a Public Official's family member, friend or associate, in exchange for official action or as a result of official action, or as a way to improperly influence the Public Official to the advantage of any Group Company are prohibited.

Community Investments must never be used as an indirect means to make political contributions.

## Verifying reputation and status

**Group Companies should not make any community investment without first applying the due diligence and governance approach detailed in the Group Community Investment Framework, and supporting Annexure in order to verify the recipient's reputation and status.**

Before making any contribution, Group Companies are expected to satisfy themselves that the recipient is acting in good faith and with sustainability objectives, such that the contribution will not be used for any improper purposes.

In countries where charitable organisations and/or NGOs are required to register, Group Companies should verify their registered status before making a contribution.



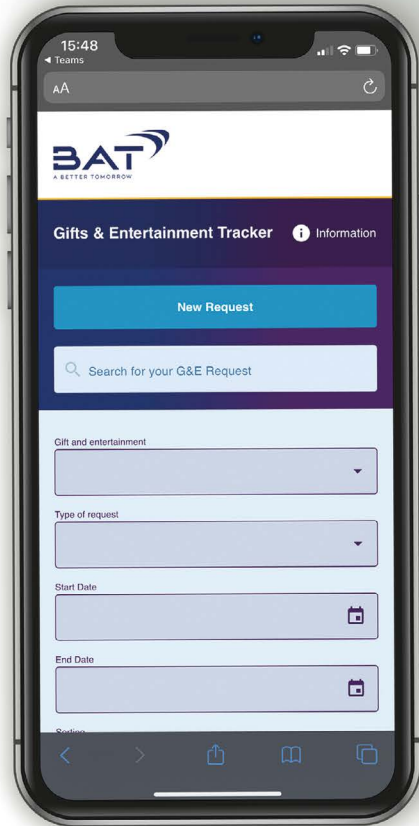
### Who to talk to

Your line manager

Higher management

Your local LEX Counsel

Head of Compliance: [sobc@bat.com](mailto:sobc@bat.com)



## G&E: If you give or take it, please track it

You can access the Gifts & Entertainment Tracker at [www.bat.com/ge](http://www.bat.com/ge) or via the top menu in the SoBC app\*

\* while on the BAT network

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# Corporate assets and financial integrity

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# Accurate accounting and record-keeping

Honest, accurate and objective recording and reporting of financial and non-financial information is essential to the Group's reputation, its ability to meet its legal, tax, audit and regulatory obligations, and for supporting business decisions and actions by Group Companies.

## Accurate information and data

All data that we create, whether financial or non-financial, must accurately reflect the transactions and events covered.

We must follow applicable laws, external accounting requirements and Group procedures for reporting financial and other business information.

This applies whether the data is in paper or electronic form, or any other medium.

Failing to keep accurate records is contrary to Group policy, and may also be illegal.

There is never any justification for falsifying records or misrepresenting facts.

Such conduct may amount to fraud and result in civil or criminal liability.

## Records management

Group Companies must adopt records management policies and procedures reflecting the Group Records Management Procedure. We must manage all of our critical business records in line with those policies and procedures, and never alter or destroy company records unless permitted.

We should be familiar with the records management policy and procedures that apply to us.

All data that we create, whether financial or non-financial, must accurately reflect the transactions and events covered.

## Documenting transactions

All transactions and contracts must be properly authorised at all levels and accurately and completely recorded.

All contracts entered into by Group Companies, whether with another Group Company or a third party, must be evidenced in writing.

If we are responsible for preparing, negotiating or approving any contract on behalf of a Group Company, we must make sure that it is approved, signed and recorded in accordance with the relevant contracts approval policy and procedures.

**All documents prepared by a Group Company in connection with sales of its products, whether for domestic or export, must be accurate, complete and give a proper view of the transaction.**

All documentation must be retained (together with relevant correspondence), where required for possible inspection by tax, customs or other authorities, in line with the requirements of the **Group Records Management Procedure** and any applicable local laws.

## Cooperating with external auditors

We must cooperate fully with the Group's external and internal auditors, and ensure that all information held by them which is relevant to the audit of any Group Company (relevant audit information) is made available to that company's external auditors.

Our obligation to cooperate fully with external auditors is subject to legal constraints, for example, in the case of legally privileged documents.

Otherwise, we should respond promptly to any request by external auditors and allow them full and unrestricted access to relevant staff and documents.

Under no circumstances should we provide information to external or internal auditors which we know (or ought reasonably to know) is misleading, incomplete or inaccurate.

## Following accounting standards

Financial data (e.g. books, records and accounts) must conform both to generally accepted accounting principles and to the Group's accounting and reporting policies and procedures.

Group Companies' financial data must be maintained in line with the generally accepted accounting principles applying in their country of domicile.

For Group reporting, data must be in line with the Group's accounting policies (IFRS) and procedures.



# Protection of corporate assets

We are all responsible for safeguarding and making appropriate use of Group assets we are entrusted with.

## Acting in our company's best interests

We must ensure Group assets are not damaged, misused, misappropriated or wasted, and must report their abuse or misappropriation by others.

Group assets include physical and intellectual property, funds, time, proprietary information, corporate opportunity, equipment and facilities.

## Devoting sufficient time to our work

**We are all expected to devote sufficient time to our work to fulfil our responsibilities.**

Whilst at work, we are expected to be fully engaged and not to undertake personal activities beyond a modest level that does not interfere with our job.

## Guarding against theft and misuse of funds

**We must protect Group funds and safeguard them against misuse, fraud and theft. Our claims for expenses, vouchers, bills and invoices must be accurate and submitted in a timely manner.**

'Group funds' means cash or cash equivalent belonging to a Group Company, including money advanced to us and company credit cards we hold.

Fraud or theft by Employees could result in their dismissal and prosecution.

## Protecting our brands and innovations

**We must protect all intellectual property owned within the Group.**

Intellectual property includes patents, copyrights, trade marks, design rights and other proprietary information.

## Securing access to our assets

**We must protect information that may be used to provide access to Group assets.**

Always maintain the security of any information used to access company property and networks, including building access cards, ID, passwords and codes.



## Respecting the assets of third parties

### We must never knowingly:

- damage, misuse or misappropriate the physical assets of third parties
- infringe valid patents, trade marks, copyrights or other intellectual property in violation of third parties' rights
- perform unauthorised activities which adversely impact the performance of third parties' systems or resources

We should show the same respect to the physical and intellectual property of third parties that we expect them to show towards the Group's assets.

Group assets include physical and intellectual property, funds, time, proprietary information, corporate opportunity, equipment and facilities

## Using company equipment

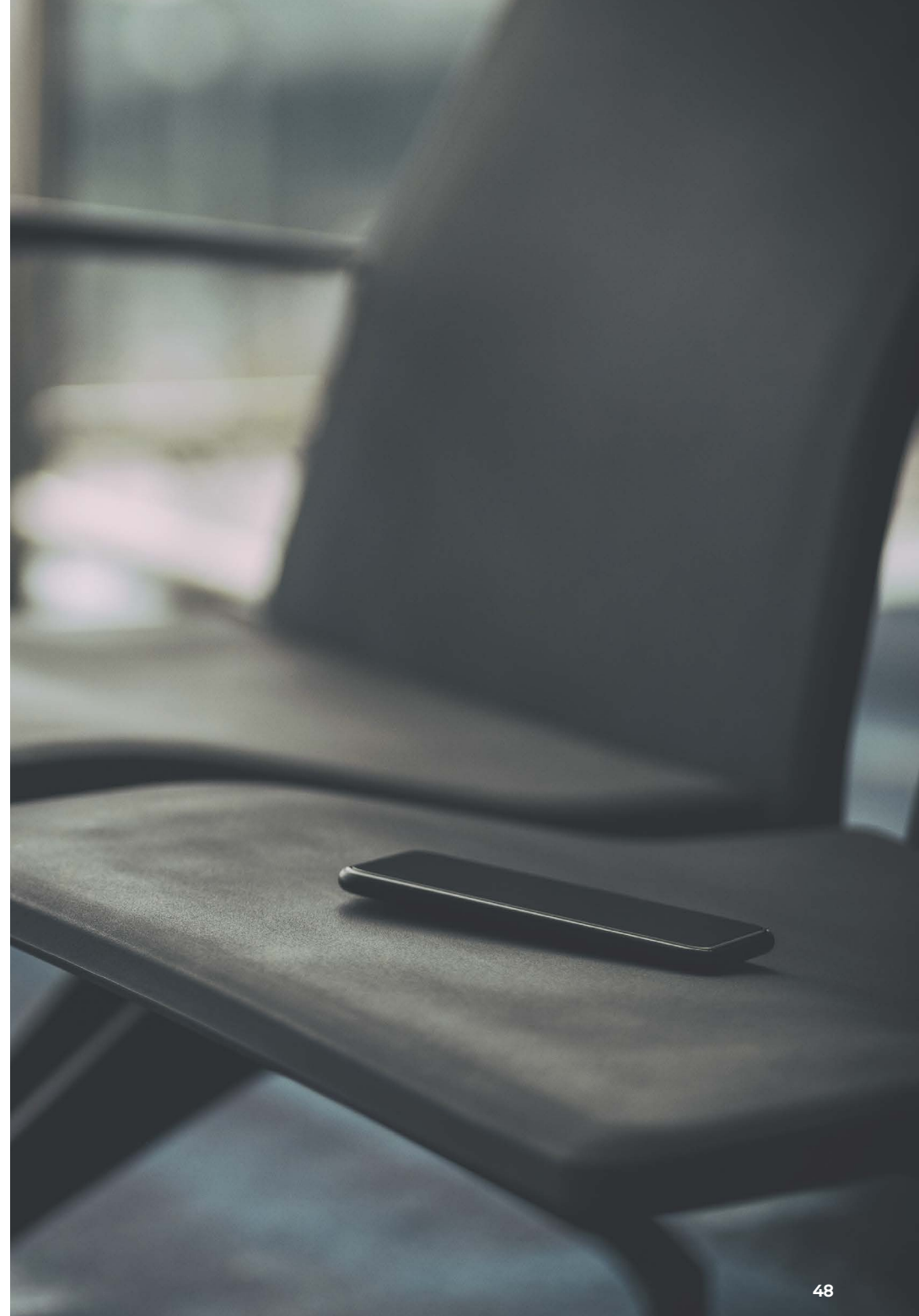
We must not use company equipment or facilities for personal activities, other than as set out below and in line with company policy and the Acceptable Use Policy.

Limited, occasional or incidental personal use of company equipment and systems issued or made available to us is permitted, provided that it:

- is reasonable and does not interfere with the proper performance of our job
- does not have an adverse impact on the performance of our systems
- is not for any illegal or improper purpose

Reasonable and brief personal phone, email and internet use is permitted. Improper uses include:

- communication that is derogatory, defamatory, sexist, racist, obscene, vulgar or otherwise offensive
- improperly disseminating copyrighted, licensed or other proprietary materials
- transmitting chain letters, adverts or solicitations (unless authorised)
- visiting inappropriate internet sites





# Data privacy, confidentiality and information security

We protect confidential information, personal data and IT systems from unauthorised access, use or disclosure.

We consider data privacy laws, and maintain the confidentiality of all commercially sensitive information, trade secrets and other confidential information relating to the Group and its business.

## Data privacy

Personal data is information from which an individual can be identified. As a global company holding a significant volume of information about individuals (such as Employees and consumers), Group Companies and Employees must ensure that they handle personal data fairly, lawfully and reasonably in accordance with local data protection laws and the Group Data Privacy Policy.

Data privacy laws govern the way in which organisations collect and process personal data, including how we are able to transfer data between companies or countries.

We are committed to handling personal data responsibly and in compliance with applicable data privacy laws worldwide. **The Group Data Privacy Procedure** provides a global minimum standard of governance on how we process personal data generally, and also more specifically how we must treat employee and consumer personal data.

We must be mindful that in some jurisdictions certain laws may impose additional requirements, and we will handle personal data in accordance with all such applicable laws.

## Confidential information

Confidential information is any information, material or knowledge not generally available to the public that relates to the Group, our Employees, customers, business partners or others we do business with. Confidential information may prejudice the Group's interests if disclosed to third parties. The way we obtain, use or otherwise handle confidential information, whether relating to the Group or third parties, can also breach applicable laws or other Group policies. Examples of confidential information include:

- sales, marketing and other corporate databases
- pricing and marketing strategies and plans
- confidential product information and trade secrets
- research and technical data
- new product development material
- business ideas, processes, proposals or strategies
- unpublished financial data and results
- company plans
- personnel data and matters affecting Employees
- software licensed to or developed by a Group Company

## Disclosing confidential information

We must not disclose confidential information relating to a Group Company or its business outside the Group without authorisation from higher management and only:

- to agents or representatives of a Group Company owing it a duty of confidentiality and requiring the information to carry out work on its behalf
- under the terms of a written confidentiality agreement or undertaking
- under the terms of an order of a competent judicial, governmental, regulatory or supervisory body, having notified and received prior approval from local LEX Counsel

If confidential information is to be transmitted electronically, then technical and procedural standards should be applied, and agreed with the other party where possible.

We should be mindful of the risk of unintentional disclosure of confidential information through discussions or use of documents in public places.

## Access to and storage of confidential information

Access to confidential information relating to a Group Company or its business should only be provided to Employees requiring it, in order to carry out their work.

We must not take home any confidential information relating to a Group Company or its business without making adequate arrangements to secure that information.

For further guidance, please contact LEX.

## Use of confidential information

We must not use confidential information relating to a Group Company or its business for our own financial advantage or for that of a friend or relative (see 'Conflicts of interest').

Particular care must be taken if we have access to 'Inside Information', which is confidential information relevant to the price of shares and Securities in public companies. For further details, see 'Insider dealing and Market Abuse'.

## Third-party information

We must not request or obtain from any person confidential information belonging to another party. If we inadvertently receive information which we suspect may be confidential information belonging to another party, we should immediately notify our line manager and local LEX Counsel.

## Cybersecurity

Failure to take appropriate steps to protect the confidentiality, integrity and availability of personal data, confidential information and Group IT systems could threaten the Group's continuity of operations, confidentiality obligations, proprietary information and reputation, and may jeopardise our ability to comply with regulatory and legal obligations.

## Reducing security risk

The Group uses technological measures, processes and policies to reduce cybersecurity risk. All Employees and contractors have an individual and collective responsibility to act in a way that reduces our cybersecurity risk. This includes complying with the IDT Security Procedure at all times and exercising a high level of care, professionalism and good judgement in accordance with applicable laws. Employees and contractors must collect, store, access and transmit personal data and confidential information only as permitted by the Group, including as per the Group Data Privacy Procedure and Acceptable Use Policy.

## Security awareness

Most security incidents are caused or enabled by human error which includes unintentional actions or failure to take proper action that cause, spread or allow a security incident to take place.

## Information security incidents

Employees and contractors are required to immediately report any potential or actual loss of, or any attempted or actual unauthorised access to or alteration of, confidential information or personal data to the local IDT Security Team.

If you become aware of any such incident which may involve data that could be considered 'sensitive' (e.g. all personal data, financial data, etc.), you must immediately report it to your local IDT Security Team or local LEX (e.g. Data Privacy Counsel and/or Data Protection Officer).

We must not request or obtain from any person confidential information belonging to another party.



# Insider dealing and market abuse

We are committed to supporting fair and open Securities markets throughout the world. Employees must not deal in shares or other Securities of British American Tobacco plc ('BAT plc') on the basis of Inside Information, or engage in any form of Market Abuse.

## Market abuse

We must not commit any form of Market Abuse, including:

- improper disclosure of Inside Information ('insider dealing')
- dealing in Securities on the basis of Inside Information
- misuse of Inside Information
- engaging in market manipulation

'Market Abuse' means conduct which harms the integrity of financial markets and public confidence in Securities and derivatives. Market Abuse and insider dealing (committing it or encouraging it in others) is illegal.

For more information about behaviour that may constitute Market Abuse or insider dealing in the UK, see our **Code for Share Dealing**.

## Handling inside information

If you have or receive information that may be Inside Information relating to BAT plc, and your role within the Group does not involve you having or receiving such information, you must immediately disclose it to the Company Secretary of BAT plc.

If your role does involve you having or receiving such information, you must follow applicable requirements and Group processes.

Care is needed when handling Inside Information, as its misuse could result in civil or criminal penalties for the Group and the individuals concerned.

If you have or receive information relating to any other publicly traded Group Company that matches or is similar to the definition of 'Inside Information', or if you are unsure, immediately inform the Company Secretary of the company concerned.

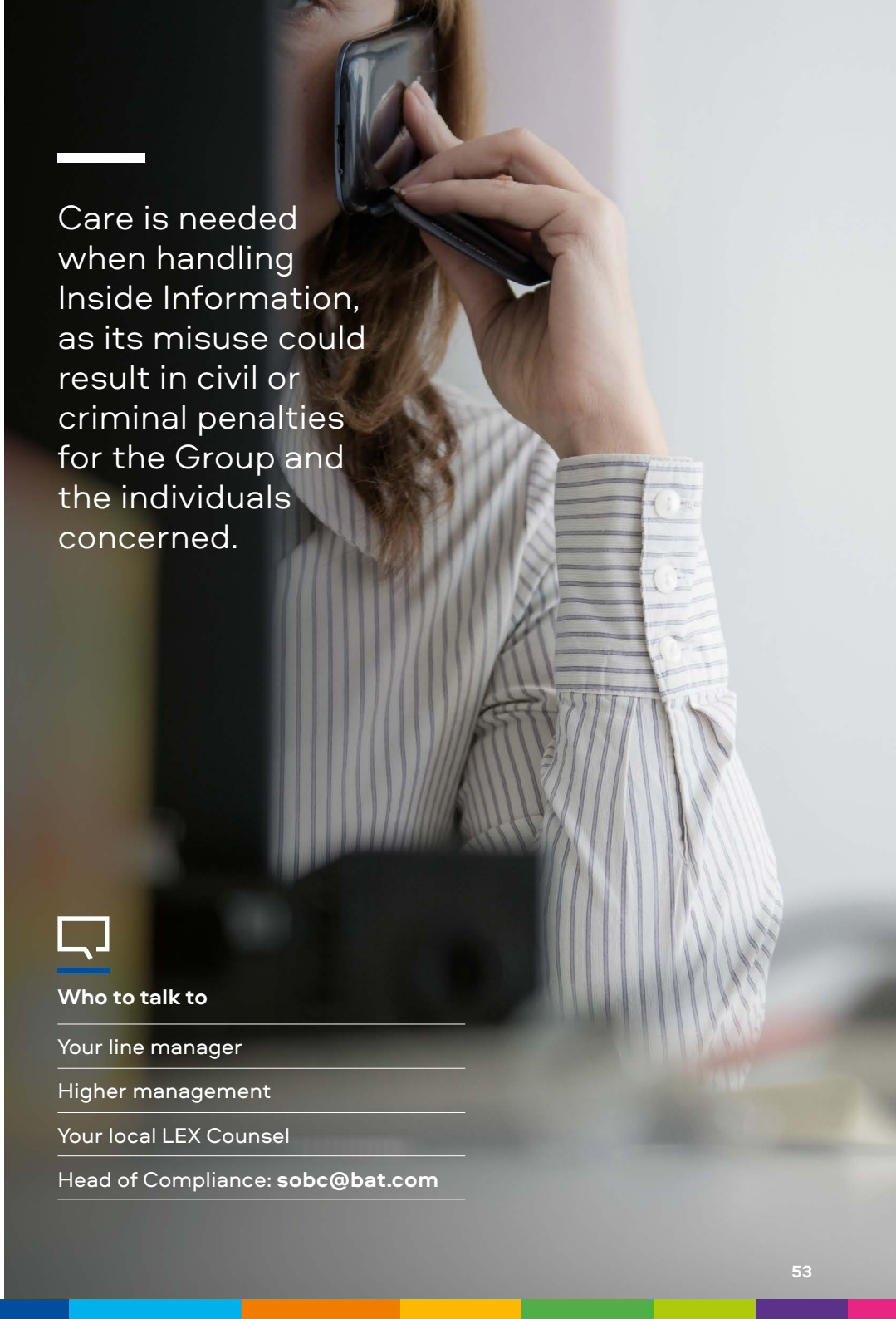
Any Inside Information (or similar), whether relating to a publicly traded Group or non-Group Company should be treated with the utmost confidentiality.

## Responsible share dealing

We must not deal in the Securities of BAT plc, or encourage others to so deal, while having Inside Information relating to it.

If you intend on dealing in the Securities of BAT plc, then you must comply with local share dealing laws and the British American Tobacco Code for Share Dealing (the 'Code'), which applies to all Employees.

Similarly, we must not deal in the Securities of any other publicly traded Group or non-Group Company, or encourage others so to deal, while having Inside Information (or similar) relating to that company. We must comply with all applicable share dealing laws and requirements.



Care is needed when handling Inside Information, as its misuse could result in civil or criminal penalties for the Group and the individuals concerned.



### Who to talk to

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Your line manager

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Higher management

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Your local LEX Counsel

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Head of Compliance: [sobc@bat.com](mailto:sobc@bat.com)

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# Competition and antitrust

We believe in free competition. Group Companies must compete fairly and ethically, in line with competition (or 'antitrust') laws.

## How competition law affects our business

Competition law impacts on almost all aspects of our activities, including sales and display, our relationships with suppliers, distributors, customers and competitors, M&A transactions, our negotiation and drafting of contracts, and when we are deciding pricing strategy, commercial strategy and trading conditions. The law is sometimes linked to market conditions, which will affect how a competition issue is approached, such as: market concentration; product homogeneity and brand differentiation; or regulation, including advertising restrictions, display bans and public smoking bans.

Some behaviours are prohibited irrespective of market conditions.



## Commitment to fair competition

We are committed to vigorous competition and to complying with competition laws in each country and economic area in which we operate. Many countries have laws against anticompetitive behaviour. They are complex and vary from one country or economic area to another, but failing to comply with them can have serious consequences.

## Collusion

We must not collude with our competitors (directly or indirectly via any third party) to:

- fix prices or any element or aspect of pricing (including rebates, discounts, surcharges, pricing methods, payment terms, the timing, level or percentage of price changes, or terms of employment)
- fix other terms and conditions
- divide up or allocate markets, customers or territories
- limit or prevent production, supply or capacity
- influence the outcome of a competitive bid process
- agree a collective refusal to deal with certain parties, including no-hire agreements
- exchange commercially sensitive information or otherwise restrict competition

## Meeting with competitors

Any meeting or direct or indirect contact with competing manufacturers should be treated with extreme caution. We must keep careful records of them, and break off if they are, or they may be seen as, anticompetitive.

The same approach should be taken with other companies if the contact relates to competition between them and us.

Not all arrangements with competitors are problematic. Legitimate contact can be in the context of trade associations, certain limited information exchange and joint initiatives on regulatory engagement or public advocacy.

Similarly, some agreements with competitors may restrict competition but be legal if the wider benefits outweigh any harm. Specialist legal advice must be sought before considering any arrangement with competitors, to ensure it does not restrict competition or risks being viewed as collusive.

## Competitor information

We may only gather information about our competitors by legitimate legal means, and in compliance with competition law.

Obtaining competitor information directly from competitors is never justifiable, save for very limited and exceptional circumstances.

Gathering competitor information from third parties (including customers, consultants, analysts and trade associations) often raises complex local legal issues and should only be undertaken with proper legal advice.

## Dominant position

Where a Group company has ‘market power’, it will typically have a special duty to protect competition and not to abuse its position.

The concepts of ‘dominance’, ‘market power’ and ‘abuse’ vary widely from country to country.

Where a Group company is considered to be dominant in its local market, it will generally be limited in its ability to engage in practices such as exclusivity arrangements, loyalty rebates, discriminating between equivalent customers, charging excessively high or low (below cost) prices, tying or bundling together different products, or otherwise unfairly taking advantage of its market position.

## Resale restrictions

Certain restrictions between parties in different levels of the supply chain, such as resale price maintenance provisions between a supplier and a distributor or reseller, may be unlawful.

Restrictions on our customers’ ability to resell into territories or to certain customer groups may be a serious competition issue in certain countries.

Resale price maintenance is where a supplier seeks to, or does in fact, control or influence (including indirectly, through threats and/or incentives) the prices at which its customers resell its products.

Rules on resale price maintenance and resale restrictions vary across the world. If relevant to your role, you need to be familiar with the rules applicable in the countries for which you are responsible.

## Mergers and acquisitions (M&A)

Where Group companies are involved in mergers and acquisitions, mandatory filings may have to be made in one or more countries before the transaction completes (whether under competition laws, foreign investment laws or otherwise).

Filing obligations vary from country to country, but should always be checked in the context of mergers, acquisitions (of assets or shares), joint ventures, including minority investments, and other changes in control.

All Group companies must manage the flow of information appropriately in transactions and follow the **M&A Transactions Compliance Procedure**.

## Seeking specialist advice

If we are involved in business activities where competition laws may be relevant, we must follow regional, area or market guidelines that give effect to Group policy and the law in this area, and consult with our local LEX Counsel.

We should not assume that competition law will not apply simply because there are none in effect locally. Many countries, such as the US and within the EU, apply their competition laws extraterritorially (where conduct occurs, and where it has effect).

## Exchanging salary information and 'no hire' agreements

**We cannot make agreements or otherwise collude with competitors regarding wages and benefit levels. Sharing competitively sensitive wage and benefits information with competitors can also raise competition issues, and you should always check with LEX Counsel for specialist advice before considering such activities.**

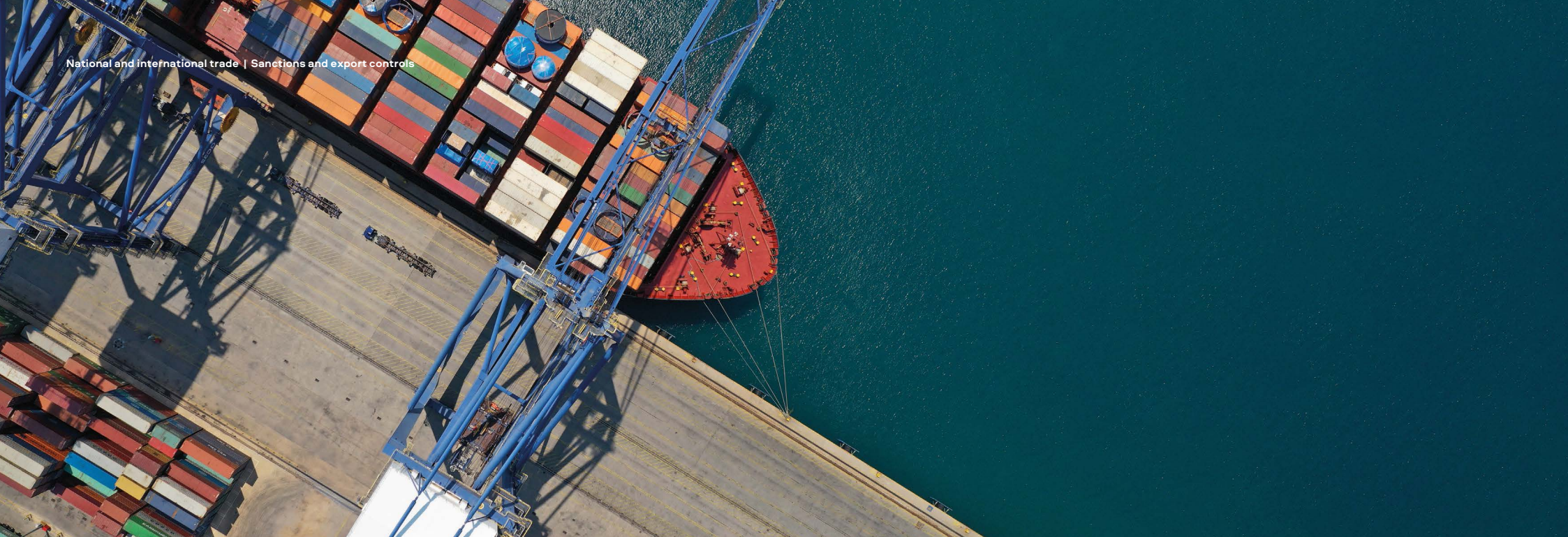
Agreements among competitors not to hire, poach or solicit each other's Employees can also raise competition concerns, unless they are reasonably related to legitimate transactions. You should always check with LEX Counsel for specialist advice before considering such activities.

'Competitors' in the human resources context includes a much wider range of companies/organisations in other industries and sectors, because we are competing in a much wider market for talent.

We should not assume that competition law will not apply simply because there are none in effect locally.

Many countries, such as the US and within the EU, apply their competition laws extraterritorially (where conduct occurs, and where it has effect).





# Sanctions and export controls

We are committed to ensuring that our business is conducted in compliance with all applicable sanctions and export control regimes, and that we do not engage in any transactions involving or benefitting any Sanctioned Parties where it is prohibited to do so.

Sanctions include prohibitions or restrictions on the following (whether direct or indirect):

- exports, re-exports or transshipments of products or services to/ through a Sanctioned Territory
- imports from, or dealings in products or services originating from, a Sanctioned Territory
- investments, M&A transactions and other dealings involving a Sanctioned Territory or Sanctioned Parties
- making funds or resources available to designated parties
- making/receiving payments to/from Sanctioned Territories or Sanctioned Parties
- transfer of restricted software, hardware, technical data or technology to particular Sanctioned Territories by physical shipment, email, download or even hand carry when visiting the Sanctioned Territory

## Awareness of, and compliance with, sanctions and export controls

**We must be aware of, and fully comply with, all applicable sanctions regimes and export controls affecting our business. We must ensure that we never directly or indirectly:**

- supply our products, or allow our products to be supplied, to any person
- purchase goods from any person, or
- otherwise deal with any person or property in contravention of any applicable sanction, trade embargo, export control or other trade restriction

Sanctions may be imposed by individual countries, such as the US or UK, or supranational bodies, such as the UN and EU.

Sanctions do not just target whole countries with economic, trade or diplomatic restrictions. Increasingly, they capture direct or indirect dealings with sanctioned individuals, companies, organisations and groups

located worldwide and sanctioned for a variety of different policy reasons. Some sanctions regimes are very broad; for example, US sanctions can apply even to non-US persons, such as BAT, when acting entirely outside the United States. In particular, US sanctions prohibit the use of US dollars and US banks even for payments between non-US parties involving Sanctioned Territories or Sanctioned Parties, as well as exports/re-exports/transshipments of US-origin products and products with US-origin content to or for Sanctioned Territories or certain sanctioned persons.

Separate from sanctions, export controls impose licensing obligations on the cross-border movement of certain types of items, such as 'dual-use' goods, and associated software and technology because of their potential for military use, regardless of who is involved. Examples of 'dual-use' items include certain types of machinery, encryption software and IT equipment. Where export controls apply to a particular item, we must always ensure that we have the appropriate licence(s) in place before exporting it.

Breaching sanctions and export controls carries serious penalties, including fines, loss of export licences and imprisonment, in addition to significant reputational harm.

## Steps to ensure full compliance

**In line with the Sanctions Compliance Procedure, Group Companies' and business units' internal controls must minimise the risk of breaching sanctions and export controls, and provide training and support to ensure that Employees understand them and implement them effectively, particularly where their work involves international financial transfers or cross-border supply or purchase of products, technologies or services.**

The list of Sanctioned Territories and Sanctioned Parties changes frequently. If our work involves the sale or shipment of products, technologies or services across international borders, we must keep up-to-date with the rules and at all times fully comply with our **Sanctions Compliance Procedure**.

Despite sanctions being in place, it is often still lawful for us to engage in business that directly or indirectly involves or benefits a Sanctioned Territory. However, this analysis is complex, and so LEX approval is required before we conduct any business involving a Sanctioned Territory. We must also consult with LEX where there are red flags for a transaction that may involve a Sanctioned Territory.

All Group Companies must follow the **M&A Compliance Procedure**.

We must also notify our local LEX Counsel immediately if we receive any sanctions-related communications or requests from official bodies or our business partners (including our banks). Our banks often have expectations beyond the law which we address through our transparency requirements. We must ensure that we are transparent with our banks and other business partners about whether we intend to involve them in activities that are sanctions sensitive. In particular, we must never hide or disguise the fact that a particular business activity is sanctions sensitive.

For more information on sanctions and measures we take to mitigate these risks, see the **Sanctions Compliance Procedure**.



# Anti-illicit trade

**Illicit trade in smuggled or counterfeit products harms our business. We must play our part to stop it.**

## No involvement in, or support for, illicit trade in our products

**We must ensure that:**

- we do not knowingly engage in unlawful trade in the Group's products
- our business practices only support legitimate trade in Group products
- we collaborate with authorities in any investigation of illicit trade

The illicit tobacco trade has a negative impact on society. It deprives governments of revenue, encourages crime, misleads consumers into buying poor quality products, undermines the regulation of legitimate trade, and makes it more difficult to prevent underage sales.

It also harms our business and devalues our brands and our investment in local operations and distribution.

High excise taxes, differential tax rates, weak border controls and poor enforcement all contribute to illicit trade. We fully support governments and regulators in seeking to eliminate it in all its forms (while ensuring this is done in a lawful manner and in line with our zero tolerance for any form of bribery and corruption, given the heightened bribery and corruption risks in dealings with Public Officials).

## Maintaining controls to prevent and deter illicit trade in our products

**We must maintain controls designed to deter our products being sold unlawfully by our customers or diverted into illicit trade channels.**

**These controls should include:**

- implementing the **Supply Chain Compliance Procedure**, 'know your customer' and 'know your supplier', including the **Third Party AFC Procedure** and any other relevant measures, to ensure supply to markets is commensurate with legitimate demand
- procedures for investigating, suspending and terminating dealings with customers or suppliers suspected of involvement in illicit trade

**'Know your customer' and 'know your supplier', including the Third Party AFC Procedure and the Supply Chain Compliance Procedure, are important procedures. They are necessary for ensuring that Group products are only sold to reputable customers,**

**made using reputable suppliers and in quantities reflecting legitimate demand.**

We must make our position on illicit trade clear to our customers and suppliers. Wherever possible, we should seek contractual rights to investigate, suspend and cease our dealings with them if we believe they are involved, knowingly or recklessly, in illicit trade.

If you suspect Group products have entered illicit trade channels, notify your local LEX Counsel immediately.

## Monitoring and assessing illicit trade in our markets

**Group Companies should have the ability to regularly monitor illicit trade in their domestic markets, and assess the extent to which Group products are sold unlawfully or diverted to other markets.**

Our procedures require specific steps to be taken to assess the level and nature of illicit trade in a given market, and to develop plans to address it.

Illicit trade has a negative impact on society. It deprives governments of revenue, encourages crime, misleads consumers into buying poor quality products, undermines the regulation of legitimate trade, and makes it more difficult to prevent underage sales.





# Anti-tax evasion and anti-money laundering

Tax evasion means deliberately or dishonestly cheating the public revenue or fraudulently evading tax in any jurisdiction. It is also an offence to facilitate the evasion of tax by third parties.

Money laundering is concealing or converting illegal funds or property or making them look legal. It includes possessing or dealing with the proceeds of crime. Alongside money laundering, terrorist financing makes use of financial system weakness to provide funds and other assets to terror groups.

We must play no part in these activities.



## No involvement in tax evasion or the facilitation of tax evasion

### We must not:

- evade taxes or facilitate tax evasion by another person (including another Group entity or any third party)
- provide any assistance to someone who we know, or suspect, is engaged in tax evasion

### We must:

- be aware of, and fully comply with, all taxation laws in jurisdictions where we operate
- account for and pay all taxes that are properly due

It is a crime for any company or individual to evade taxes. Money not properly paid in tax may constitute the proceeds of crime.

It is also a crime to facilitate tax evasion by another company or individual (including other Group Companies, our suppliers, customers and other business partners). This includes helping or asking a third party to evade taxes, being knowingly involved in their tax evasion, or otherwise taking an action that you know or intend will result in tax evasion in any country.

It is important to distinguish between legitimate tax planning and tax evasion, which can be difficult at times. If you are in doubt about the difference between tax planning and tax evasion, you should seek advice from your LEX Counsel.

## Maintaining controls to prevent facilitation of tax evasion

### Group Companies can be held responsible for the facilitation of tax evasion by their Employees or other third parties.

Group Companies must therefore maintain controls to prevent the risk that our Employees or business partners may facilitate tax evasion by another person or company. These controls should include:

- full implementation of Group 'know your customer' and 'know your supplier' procedures, including the **Supply Chain Compliance Procedure**, to ensure proportionate due diligence is undertaken and appropriate controls are put in place

- tax compliance and non-facilitation of tax evasion clauses in contracts with third parties, where appropriate
- conducting and providing appropriate training and support to staff who manage relationships with third parties and/or our own tax obligations
- investigating, and if necessary suspending and/or terminating, Employees and third parties suspected of tax evasion or facilitation of tax evasion

**If you suspect that an employee, agent, contractor, customer, supplier or other business partner is evading taxes or facilitating the evasion of taxes, notify your local LEX Counsel immediately.**

## No involvement in dealing with the proceeds of crime

### We must not:

- engage in any transaction which we know, or suspect, involves the proceeds of crime (including tax evasion), or
- otherwise be knowingly involved directly or indirectly in money laundering activity

### We must also ensure that our activities do not inadvertently contravene money laundering laws.

In most jurisdictions it is a crime for any person or company to engage in transactions involving assets which they know, suspect or have reason to suspect are derived from crime.

Breaching anti-money laundering laws can result in both corporate liability and personal consequences for individuals.

## Refusing to accept large cash sums

### We must refuse to accept, or report, the following cash sums:

Group companies in the EU must not accept cash payments over €10,000 (or equivalent) in any single transaction or series of linked transactions.

Group companies in the US (or outside the US when engaged in a transaction related to the US) must not accept cash payments over \$10,000 (or equivalent) in any single transaction or series of linked transactions.

Group companies outside of these jurisdictions should also avoid accepting substantial cash payments.

## Awareness of, and compliance with, relevant anti-terrorism measures

### We must ensure that we do not knowingly assist in financing or otherwise support terrorist activity, and that our activities do not inadvertently breach any relevant anti-terrorist financing measures.

Group companies' internal controls should include checks to ensure that they do not deal with any entity, organisation or individual proscribed by a government or international body due to its known or suspected terrorist links (including through full implementation of our **Sanctions and Export Controls Policy** and related **Sanctions Compliance Procedures**).

Terrorist groups may use similar methods as those employed by criminal organisations engaged in money laundering. This may include the use of legitimate businesses, from retail outlets to distribution or financial

service companies, to finance their networks or otherwise move illicit funds. We risk inadvertently breaching anti-terrorist financing measures, if we deal with such businesses, organisations or individuals.

We therefore need to be alert to the possibility that red flags for money laundering could also give rise to red flags of terrorist financing.

## We must be alert to situations which ought to raise our suspicions as regards financial crime



### Who to talk to

Your line manager

Higher management

Your local LEX Counsel

Head of Compliance: [sobc@bat.com](mailto:sobc@bat.com)

## Minimising the risk of involvement in financial crime and reporting suspicious activity

We must have effective procedures for:

- minimising the risk of inadvertent participation in transactions involving the proceeds of crime, including monitoring for illicit money flows and other money laundering/terrorist financing red flags
- detecting and preventing money laundering by Employees, officers, directors, agents, customers and suppliers
- supporting Employees in identifying situations which ought to give rise to a suspicion of money laundering or terrorist financing
- filing required reports relating to money laundering obligations with the appropriate authorities

Group Companies must ensure that their customer and supplier approval procedures 'know your customer' and 'know your supplier' are adequate, risk-based and ensure as far as possible that customers and suppliers are not involved in any criminal activity. This must include full implementation of the **Third Party AFC Procedure**. We should promptly refer suspicious transactions or activity by any customer or other third party to our General Manager or Head of Function and local LEX Counsel. As a general point, you should not disclose or discuss with other colleagues, except where strictly necessary, that you have raised money laundering concerns, as this may result in a 'tipping off offence' occurring.

## We must be alert to situations which ought to raise our suspicions as regards financial crime, including the following red flags:

- payments in non-invoice currencies or in cash or cash equivalents
- payments from multiple sources to satisfy a single invoice, or other unusual payment methods
- payments to or from an account that is not the normal business relationship account or that is located in a country unrelated to the relevant supply of goods or services
- requests for overpayments or for refunds following an overpayment
- payments by, through or to (or requests to supply our products to) unrelated third parties or shell/shelf companies
- payments or shipments by, through or to companies or individuals established, resident or operating in countries which have the reputation of being 'tax havens', or to bank accounts held in such countries
- requests to deliver our products to an unusual location, adopt an unusual shipping route or importing and exporting the same products
- false reporting, such as misrepresenting prices, misdescribing goods or services we provide, misrepresenting payable tax or shipping and invoice document discrepancies
- failure by customers and suppliers to provide appropriate responses to any due diligence questions raised, including any tax registration details
- suspicion that trade partners are involved in criminal activity, including tax evasion
- unusually complex M&A or other transaction structures without clear commercial justification (Group companies must apply the **M&A Transactions Compliance Procedure** to all relevant transactions)

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# Glossary

## Close Relative

means spouses, partners, children, parents, nephews, nieces, aunts, uncles, grandparents, grandchildren and cousins (including where arising by marriage, such as mother-in-law or son-in-law).

## Collusion

any arrangement with competitors that could restrict, or aims to restrict, competition. It includes formal and informal agreements whether direct or brokered by a third party, understandings, exchanging commercially sensitive information (directly or indirectly) and decisions/recommendations of trade associations.

It also includes situations where competitors share (directly or indirectly) information with a view to reducing competition. For example, competitors might inform each other of future price increases, so they can coordinate their pricing policies (known as a 'concerted practice').

## Community Investments

voluntary activities beyond our commercial and core business activities and our legal obligations, that contribute to the economic, social and environmental sustainability of the countries and communities in which we operate. These investments address a wide range of issues and causes in the communities where we operate, often involving charities, non-government organisations (NGOs) and 'civil society', and include expenditure on community projects or charitable contributions, in-kind donations and employee volunteering.

## Dealing

is widely defined in the Code for Share Dealing and includes any sale, purchase or transfer (including by way of gift), as well as spread bets, contracts for difference or other derivatives involving Securities, directly or indirectly, whether on your own or someone else's behalf.

## Employees

includes, where the context admits, directors, officers and permanent Employees of Group Companies.

## Entertainment

'Entertainment' includes any form of virtual or face-to-face hospitality, such as food or drink, attendance at any cultural or sporting events, travel or accommodation offered or given to or received from a person or entity outside of BAT.

## Gifts

includes anything of value offered or given to, or received from a person or entity outside of BAT that is not Entertainment.

## G&E

means Gifts and/or Entertainment.

## G&E Tracker

an automated prior approval and record-keeping solution, which is mandatory for Public Official G&E and recommended for G&E exchanged with Private Sector Stakeholders.

## Group and BAT

means British American Tobacco plc and all of its subsidiaries.

## Group Company

means any company in the British American Tobacco Group.

## Improper Conduct

means performing (or not performing) a business activity or public function in breach of an expectation that it will be performed in good faith, impartially or in line with a duty of trust.

## Inside Information

in relation to BAT plc is information of a precise nature, which is not generally available; relates directly or indirectly to BAT plc or to its shares or other Securities; and would, if generally available, be likely to have a significant effect on the price of BAT plc's shares or other Securities, or related investments.

## LEX

means Legal and External Affairs.

## Market Abuse

means conduct which harms the integrity of financial markets and public confidence in Securities and derivatives.

## M&A Transactions Compliance Procedure

means the Group Mergers & Acquisitions Transactions Compliance Procedure.

# Glossary

## **Private Sector Stakeholder**

shall mean all other entities and individuals excluding Public Officials.

## **Public Official**

includes anyone employed by or acting for any government or public body/agency, or anyone performing a public function. This includes, for example, people working for a national, regional or local government or a public department or agency (such as an official within a government ministry, the military or police); people holding a public position; employees of state-owned or state-controlled enterprises (e.g. a state-owned tobacco company); employees of public international organisations, such as the United Nations; officials of a political party; candidates for public office; any member of a royal family; and magistrates and judges.

## **Record**

information in any media created or received by an individual in the course of business regardless of its location or physical form.

## **References to 'laws'**

includes all applicable national and supra-national law and regulations.

## **Sanctioned Party**

an individual or entity who has been listed on a list of parties with whom business is restricted or prohibited, including the lists maintained by the UN, US, EU, UK and other international organisations and national governments. Restrictions may also apply to parties who are owned or controlled by a Sanctioned Party.

## **Sanctioned Territory**

includes territories subject to comprehensive or broad territory-wide sanctions imposed by the UN, US, EU, UK and/or other international organisations or national governments.

## **Securities**

is widely defined in the Code for Share Dealing and includes shares (including American Depositary Receipts), options, futures and any other type of derivative contract, debts, units in collective investment undertakings (e.g. funds), financial contracts for difference, bonds, notes or any other investments whose value is determined by the price of such Securities.

## **SoBC Portal**

the platform for capturing, maintaining and managing the disclosure of conflicts of interest.

## **Standards and SoBC**

can mean the Group Standards set out in this document and/or Standards adopted locally by a Group Company.

## **Tax**

all forms of direct and indirect taxes, including corporate and personal income taxes, social security contributions, customs and excise duties, VAT and sales taxes, and any other form of taxes.

## **Third Party AFC Procedure**

means the Group Third Party Anti-Financial Crime Procedure.

## **Threshold**

shall mean £20 for a Public Official and £200 for a Private Sector Stakeholder in the UK. Group Companies should provide guidance on what is modest and lawful in their markets, not exceeding these amounts and reflecting local purchasing power and regulations.



# Guidance at your fingertips: download the SoBC app

Scan these QR codes to download, or visit [www.bat.com/sobc/online](http://www.bat.com/sobc/online)



## For more information

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