



Supplier Code of Conduct 2025

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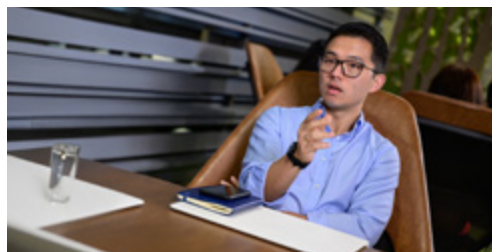
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Definitions

'BAT', 'Group', 'we', 'us', and 'our' means British American Tobacco p.l.c. and all its subsidiaries.

'SoBC' means (i) the Group Standards of Business Conduct, available at www.bat.com/sobc and in our SoBC app; and/or (ii) local versions of the SoBC adopted by a Group Company and available on their local website.

'Code' means this Supplier Code of Conduct, available at www.bat.com/suppliercode and in our SoBC app.

'Suppliers' means any third party that supplies or provides direct product materials or indirect goods or services to any BAT Group Company, including consultants, independent contractors, agents, manufacturers, primary producers, sub-contractors, distributors, and wholesalers.

'Workers' means Suppliers' employees, workers, and contractors, including permanent, full-time, part-time, temporary, contingent, sub-contracted, agency, and migrant workers.

Message from our Director of Operations

Transformation at BAT means reducing the health impact of our business, whilst focusing on our social, commercial, environmental, and sustainability priorities.

Crucially, our approach to sustainability applies not only to our own business operations, but also to our wider supply chain. To do so, we leverage our insights and influence to encourage and support our Suppliers on their sustainability journey.

The BAT Group works with a vast network of Suppliers worldwide, from smallholder farmers and international leaf Suppliers to Suppliers of materials like paper and filters for cigarettes. For our New Category products, we have a growing supply chain in consumer electronics and e-liquids. We also have a vast number of Suppliers of indirect goods and services that are not related to our products, such as IT services and facilities management.

This Code has been updated to reflect our focus on sustainability, and the ever-changing external landscape in which we operate.

At the same time, we remain committed to delivering a positive social impact and ensuring robust corporate governance across the Group.

In 2024, we invited over 750 Suppliers to take part in the CDP Supply Chain programme. Such collaboration enables us to strengthen our Supplier engagement, to drive environmental progress and further build resilience.

We know that many global sustainability focus areas, such as climate change, waste, a circular economy, protecting biodiversity, and water stewardship, as well as delivering a positive social impact, cannot be addressed in isolation. By working with our Suppliers, contracted farmers, and other supply chain stakeholders, we can develop solutions to bring about lasting change.

A key part of our relationship with Suppliers is having the confidence to Speak Up if something feels wrong. BAT takes allegations of breach of this Code and our Standards of Business Conduct very seriously. So please Speak Up via the various channels mentioned in our Code if you know of, or suspect, wrongdoing. I offer my personal assurance that all concerns raised will be treated in strict confidence. You will not face reprisals for speaking up, even if you are unsure.

I believe that by working closely with our Suppliers we can continue to raise standards, enhance sustainable practices, and create shared value.

Zafar Khan
Director, Operations

April 2025



Introduction

BAT's Standards of Business Conduct (SoBC) express the high standards of integrity we are committed to upholding. This Supplier Code of Conduct (Code) complements the SoBC by defining the minimum standards we expect our Suppliers to adhere to, and to convey to their subsidiaries, subcontractors, and business partners in their supply chain.

International Standards

This Code supports our continuing commitment to respect human rights and is based on international standards, including:

- the United Nations (UN) Guiding Principles on Business and Human Rights;
- the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work; and
- the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

Legal Priority

If this Code conflicts with local laws, then the local laws take precedence.

If this Code defines standards which are more stringent than local laws, then those higher standards should be followed – unless to do so would be unlawful under local laws.

Scope and Application

This Code applies to all Suppliers to BAT, as defined on page 1.

Suppliers are expected to meet the requirements of this Code, and this is incorporated into our contractual arrangements.

In addition, Suppliers should:

- take steps to ensure that all their Workers, Suppliers, agents, sub-contractors, and other relevant third parties understand and adhere to the requirements of this Code, including (where appropriate in terms of the nature of the Supplier and the goods or services provided) maintaining adequate policies, procedures, due diligence, training, and support; and
- promote adherence to the requirements of this Code, and conduct appropriate due diligence within their own supply chain for their own new and existing Suppliers (including farmers, where relevant).

Contacting the Group

Any information that Suppliers are required to report to the Group under this Code should be communicated to:

- the Supplier's usual Group Company contact;
- the Group Head of Procurement: procurement@bat.com
- Speak Up channels: www.bat.com/speakup
- Speak Up Hotlines: www.bat.com/speakuphotlines.





A Better Tomorrow™, Together: **The Way We Work With Suppliers**

Our Suppliers are valued business partners, and we believe, by working together, we can raise standards, drive sustainable practices, create shared value, and build A Better Tomorrow™ for all.

Commitment to Integrity

Our actions must always be lawful. Having integrity goes further. It means our actions, behaviours, and how we do business must be responsible, honest, sincere, and trustworthy. We are committed to upholding our contractual obligations with Suppliers and to treat them fairly.

Suppliers should expect clear and constructive engagement from BAT, and to be treated in a professional and inclusive manner, with dignity and respect, in accordance with the SoBC.

If a Supplier has a grievance or concern regarding the behaviour of a BAT Employee, acting contrary to the SoBC, this should be reported to BAT: see Contacting the Group on the following page.

Striving for Best Practice

While this Code sets out the minimum standards we expect of our Suppliers, we encourage them to strive for best practice and continuous improvement towards best practice within their own operations and supply chain.

To this end, we seek to give preference to Suppliers that demonstrate strong performance against the Group's priorities on sustainability matters.

This is reflected in our Supplier programmes, including (but not limited to):

- the industry-wide Sustainable Tobacco Programme for our tobacco leaf Suppliers, which includes a wide range of sustainability criteria – from labour and human rights to climate change and biodiversity; and
- our supply chain due diligence programmes for non-tobacco Suppliers, which includes human rights risk assessments and independent labour audits, and are aligned to international standards.

Supporting Suppliers

We recognise the different circumstances of our Suppliers worldwide, and that some will face legitimate challenges in immediately meeting every facet of this Code.

As our ultimate goal is to drive the continuous improvement of standards within our supply chain, we are committed to working with such Suppliers over time, to help them achieve adherence with the requirements of this Code.

By working together, leveraging our resources and experience, we aim to increase awareness and capacity, and help our Suppliers to achieve full compliance with this Code and make continuous improvements towards best practices.

BAT's Sustainability Priorities

Details of the Group's sustainability priorities can be found in our latest Combined Annual and Sustainability Report, available at: www.bat.com/investors-and-reporting/reporting/combined-annual-and-esg-report



Contacting the Group

Your usual Group Company contact

Group Head of Procurement:
procurement@bat.com

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Compliance

We are committed to monitoring compliance with the requirements of this Code, and ensuring any issues identified are investigated and remediated.

Legal Compliance

We expect our Suppliers to comply with all applicable laws, codes, and regulations, and to act in an ethical manner.

As such, Suppliers must:

- comply with all applicable laws, codes, and regulations wherever they operate;
- promptly notify the Group of any significant criminal or civil legal actions brought against them; and
- promptly notify the Group of any fines or administrative sanctions brought against them which relate in any way to the requirements set out in this Code.

Compliance Monitoring

We reserve the right to verify our Suppliers' compliance with the requirements of this Code through internal and/or external assessment and audit programmes.

Suppliers must provide all reasonable cooperation with any verification activity linked to this Code (whether carried out by the Group or by third parties engaged by the Group), including ensuring relevant documentation and data is held for as long as required by the Group and/or applicable laws, and the granting of independent access to relevant personnel, sites, documentation, and data.

This is notwithstanding legitimate restrictions applicable to commercially sensitive and/or confidential information – in such cases (and where such information is believed to be of material relevance to verification activity), Suppliers should work with the Group to identify mutually acceptable mechanisms for its safe and legitimate and lawful disclosure.

Reporting Concerns

Suppliers are expected to support the identification, investigation, mitigation, remediation, and reporting of suspected or actual breaches of the requirements of this Code and/or the SoBC.

As such, Suppliers must:

- have effective grievance or equivalent procedures in place to enable their Workers, in confidence and without fear of reprisal, to ask questions, raise concerns, and/or report suspected or actual breaches – either to the Supplier itself or directly to the Group, with the option to do so anonymously;
- promptly investigate any credible concerns about suspected or actual breaches of the requirements of this Code, and take appropriate action to avoid any potential breaches taking place, and/or minimise the impact of, and stop, any actual breaches; and
- report any suspected or actual breaches of the requirements of this Code and/or the SoBC to the Group as soon as they become aware of them, as explained under the section on Speaking Up.

Speaking Up

Any actual or suspected breaches of this Code or the SoBC can be raised with the Supplier's usual Group contact, or through our confidential, independently managed Speak Up channels, available at www.bat.com/speakup.

Our Speak Up channels are managed independently and available online, by text and telephone hotlines, 24 hours a day, seven days a week, and in multiple local languages. They can be used in confidence (and anonymously, if you prefer to do so), without fear of reprisal. If you prefer to use the hotline, you can choose your location from the list provided on the website for the international number assigned to your country.

You will not suffer any form of reprisal (whether directly or indirectly) for raising concerns about actual or suspected wrongdoing, even if you are unsure about the allegation of wrongdoing. We do not tolerate any retaliation, harassment, or victimisation of anyone who raises a concern, provides assistance to those raising concerns, or participates in an investigation.

Investigations

We take any concerns, allegations, or reports of suspected or actual breaches of this Code and/or our SoBC seriously. Where appropriate, we will investigate such matters fairly and objectively in accordance with our internal policies and procedures.

In other cases, we may ask a Supplier to lead an investigation of the matter in accordance with its own procedures.

Where required by BAT, the Supplier is expected to liaise with BAT and keep us informed as to the scope, progress, and outcome of its investigation, or corrective actions, where appropriate, including any wider concerns, issues, or suspected/actual adverse impacts identified in the course of such investigation (subject to confidentiality or other applicable legal requirements).

Consequences of a Breach

In the event of a non-compliance with any of the requirements of this Code, the Group reserves the right to require the Supplier in question to:

- demonstrate material progress towards compliance with the requirement(s) in question within a defined and reasonable time period; and/or
- bring itself into full compliance with the requirement(s) in question within a defined and reasonable time period.

In the event of serious, material, and/or persistent non-compliance, or where a Supplier otherwise demonstrates inadequate commitment, persistent inaction, or a lack of improvement, we reserve the right to terminate the business relationship with the Supplier in question.



Contacting the Group

Your usual Group
Company contact

Group Head of Procurement:
procurement@bat.com

Speak Up channels:
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Human Rights

We are committed to applying the UN Guiding Principles on Business and Human Rights, respecting human rights in our own operations and supply chain.

Respecting Human Rights

We expect our Suppliers to conduct their operations in a way that respects the fundamental human rights of others, as reflected in the International Bill of Human Rights. This includes (but is not limited to) their own Workers and people working for their suppliers.

Suppliers should seek to adopt procedures to identify potential and actual adverse human rights impacts related to their activities and business relationships.

They should take appropriate steps to ensure their operations do not contribute to human rights abuses, and, to mitigate, remedy, and minimise any adverse impacts directly caused, or contributed to, by their activities or business relationships.

For their own Workers, we expect Suppliers (at a minimum) to meet the following requirements:

Equality and No Discrimination

Suppliers must provide equal opportunities to, and fair treatment of, all Workers.

This should include:

- working to eliminate any form of harassment and bullying within the workplace, whether it is of a sexual, verbal, non-verbal, or physical nature; and
- treating all Workers with dignity and respect, promoting diversity and inclusion, and not practicing any form of unlawful discrimination.

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

Protecting Health and Safety

Suppliers must provide and maintain safe and healthy working conditions.

Specifically, this should include (but not be limited to):

- adopting procedures to identify and address occupational health and safety hazards and associated risks, and implement safe working practices;
- conducting fire risk assessments appropriate to the workplace or facility, and/or activity, and implementing fire safety plans and appropriate fire prevention and emergency evacuation systems and procedures;
- providing (where relevant) appropriate personal protective equipment (PPE) to prevent occupational injuries or ill health;

- implementing (where relevant) appropriate control measures to ensure the safe handling, storage, transfer, and disposal of substances hazardous to health or the environment, including flammable materials;
- providing appropriate and regular training and communications, including consultation, where necessary, so that Workers are aware of the health and safety risks and procedures relevant to their work; and
- where accommodation is provided, ensure it is clean, safe, and meets basic standards for acceptable living conditions and the needs of Workers.

Respect Freedom of Association

Suppliers must ensure all Workers are able (subject to applicable laws) to exercise their right to freedom of association and collective bargaining.

This includes the right to be represented by recognised trade unions or other bona fide representatives within the framework of law, regulation, prevailing labour relations and practices, and agreed company procedures. Such Workers and representatives should be able to carry out their lawful activities in the workplace without detriment.

Fair Wages and Benefits

Suppliers must provide fair wages and benefits.

At a minimum, Suppliers must comply with applicable minimum wage legislation and other applicable laws or collective bargaining agreements.

No Child Labour

We are committed to working towards zero child labour in our supply chain.

Specifically, we require all Suppliers to follow the guidelines of the International Labour Organization that:

- 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; and
- the minimum age for work should not be below the minimum age for work under local law or below the legal age for finishing compulsory schooling and, in any case, not less than the age of 15.

Where local law permits, children between the ages of 13- and 15-years-old may do light work, provided it does not hinder their education or vocational training, or include any activity which is considered hazardous or could be harmful to their health or development (for example, handling mechanical equipment or agro-chemicals). We also recognise training or work experience schemes approved by a competent authority as an exception.

No Modern Slavery or Exploitation of Labour

Suppliers must put in place adequate policies and procedures to minimise risk of modern slavery and exploitation of labour.

This includes slavery, servitude and forced, compulsory, bonded, involuntary, trafficked, or exploited labour.

As such, Suppliers and agents/labour brokers or third parties working on their behalf, should not require Workers to:

- pay recruitment fees, take out loans, or pay unreasonable service charges or deposits; or
- surrender original identity papers, passports, or withhold permits.

Where national law or employment procedures require use of identity papers, Suppliers must use them strictly in accordance with the law.

Identity papers should only ever be retained or stored for reasons of security or safekeeping and only with the informed, genuine, and written consent of the Worker. The Worker should have unlimited access to retrieve them, at all times, without any constraints.

Conflict Minerals

Conflict minerals are certain minerals originating from conflict-affected and high-risk areas that could directly or indirectly finance or benefit armed groups or human rights abuses.

Where products or materials supplied to the Group contain any columbite-tantalite (coltan), cassiterite, gold, wolframite, cobalt, or their derivatives (which include tantalum, tin, and tungsten), we expect Suppliers to take the following steps to ensure that they are not using conflict minerals:

- work to exercise appropriate due diligence;
- perform reasonable country of origin enquiries, including requiring its Suppliers to engage in similar due diligence; and
- provide the Group (where requested) with any information required for BAT to discharge their conflict mineral-related reporting obligations.

Working Hours

Suppliers must comply with all applicable working time laws and other applicable laws or collective bargaining agreements, including taking account of any legally mandated maximum working hours requirements.



Contacting the Group

Your usual Group Company contact

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Environmental Sustainability

We are committed to pursuing behaviours and practices that are aligned with best practices in environmental management, and to reducing the impacts of the Group on the natural environment both in our own operation and wider value chain.

Environmental Impacts

We expect Suppliers to proactively identify, understand, and actively work towards avoiding, minimising, and mitigating their associated impacts on the natural environment.

Where practicable, this should include establishing an environmental policy and management system.

Environmental impacts can include (but are not limited to) impacts relating to emissions to air, water, land and forests, use of materials, natural resource consumption, and waste management practices.

Where relevant, Suppliers should also have consideration for protecting biodiversity, including the prevention of deforestation and fragmentation of habitats, and the protection of endangered and threatened species.

Environmental Management

We expect Suppliers to integrate environmental considerations into their product design, operations, and/or provision of services, and to comply with all applicable local legal and regulatory requirements governing environmental management. These arrangements should also cover their supply chain.

Doing so could include integrating sustainability policies and practices into their business strategy and operations.

Suppliers should work towards continuous improvement in environmental performance, underpinned, where relevant and practicable, through the implementation of environmental management standards and practice, using ISO 14001 or an equivalent.

Additionally, we encourage Suppliers to report on and publicly disclose their performance and progress, including through initiatives such as the Science Based Target initiative (SBTi), the Science Based Target Network (SBTN), and the Carbon Disclosure Project (CDP).

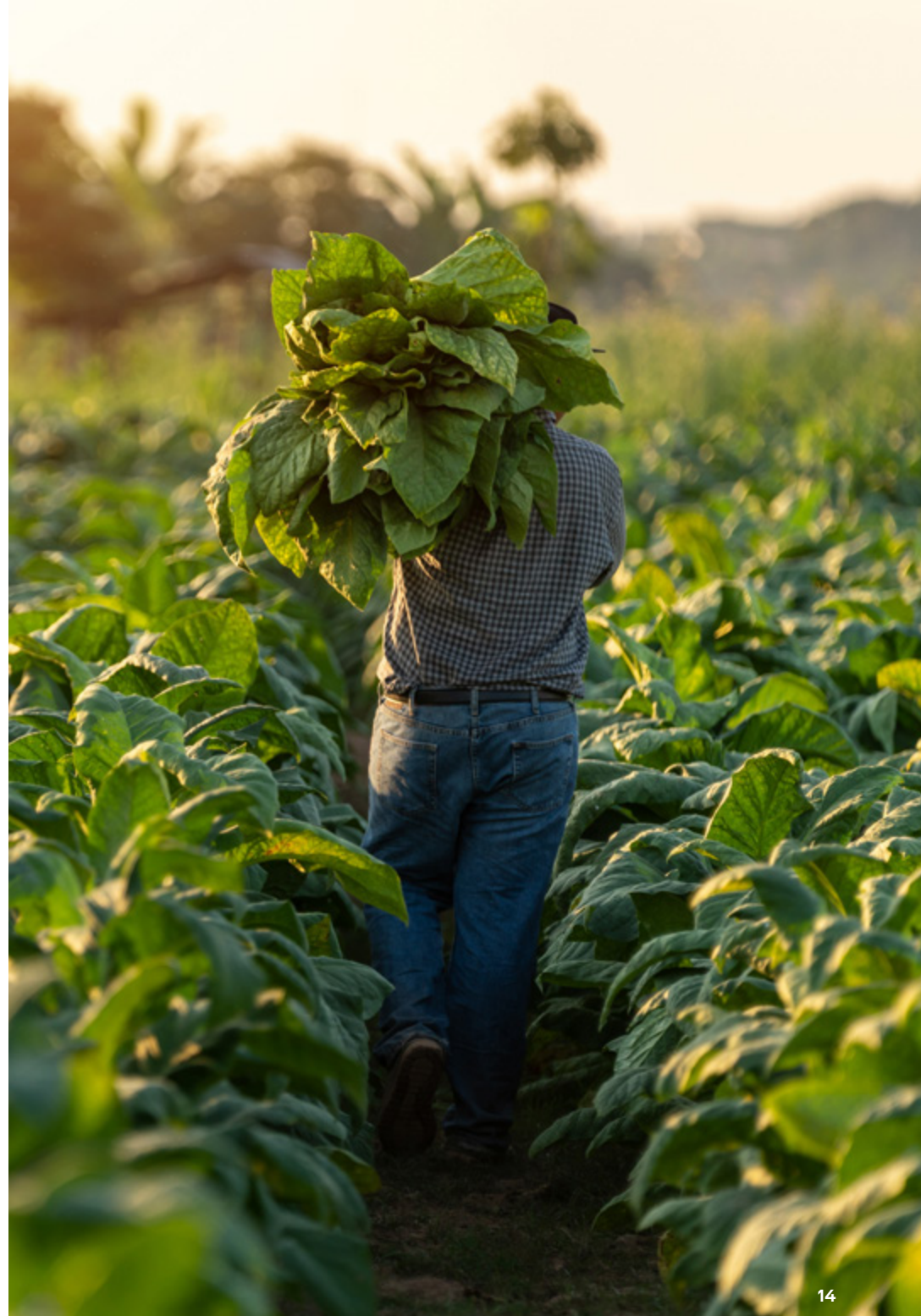
We expect Suppliers to provide the Group (where requested) with available information relating to their environmental performance, as we seek to reduce the environmental impacts of our operations, products, and services.

Where relevant, this may include (but not be limited to):

- life cycle assessments in relation to the Group's products;
- data and information relating to the waste footprint of Group products; and
- carbon reduction plans in relation to the Group's Scope 3 emissions.

In line with BAT Group's **Environment Policy Statement**, we encourage Suppliers to take environmental considerations into account across the following priority areas:

- tackling climate change;
- eliminating waste and progressing towards a circular economy;
- protecting biodiversity and forests; and
- water stewardship.



Tackling Climate Change

We expect Suppliers to manage, monitor, and maintain a record of their environmental performance with regards to greenhouse gas (GHG) emissions, with the aim of:

- understanding their own GHG emissions (Scope 1 and 2);
- reducing their own GHG emissions;
- understanding the GHG emissions of their supply chain (Scope 3); and
- working with their suppliers to reduce GHGs in their supply chain.

As a minimum we expect Suppliers to:

- undertake reasonable efforts to achieve 100% of their purchased electricity to be from renewable sources by 2030; and
- report on Scope 1 and 2 emissions to the BAT Group (where requested)*.

We expect Suppliers to work towards:

- reporting on their Scope 3 emissions to the BAT Group (where requested)*.

Wherever relevant and practicable, Suppliers should work towards:

- implementing a GHG (CO₂e) management system (e.g. ISO 50001, PSA 2060);
- setting a target of Net Zero by no later than 2050 across their value chain;
- the provision of an externally verified report on Scope 1, 2, and 3 emissions; and
- improving primary data for products and services to specific emissions factors (through LCAs).

* For details of GHG accounting and reporting standards visit <https://ghgprotocol.org>

What are Scope 3 Emissions?

Carbon emissions are categorised into three groups or 'Scopes' by the World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol:

- **Scope 1** covers direct emissions from an organisation's owned or controlled sources;
- **Scope 2** covers indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the organisation; and
- **Scope 3** includes all other indirect emissions that occur in an organisation's value chain, including purchased goods and services.

Eliminating Waste and Progressing Towards a Circular Economy

Over time, we expect Suppliers to use fewer resources, create less waste and enable reuse, recycling, and circularity in their products and processes.

Suppliers must ensure all materials provided to the BAT Group for its packaging are designed to be fully reusable, recyclable, or compostable.

We expect Suppliers to work towards inclusion of recycled content in the materials provided to the BAT Group for the purpose of packaging.

Where relevant and practicable, Suppliers should work towards designing for the circularity of their products, including but not limited to increasing the use of renewable sources and reducing the use of virgin materials.

Protecting Biodiversity and Forests

Where relevant, we expect Suppliers to take steps towards protecting, preserving, and regenerating nature, and to aim for Net Zero deforestation in the supply chain of products and materials provided to the BAT Group.

Suppliers of wood and wood pulp-based materials (including but not limited to primary and secondary packaging, fine paper, acetate tow, and point of sale materials) and leaf Suppliers are expected to supply materials and tobacco that are Deforestation and Conversion Free (DCF status), with independent certification where possible, produced or cured (if applicable) with wood from sustainable and traceable sources.

Where relevant and practicable, Suppliers should work towards understanding biodiversity dependencies and impacts in their own operations and their value chains.

Water Stewardship

Where relevant, we expect Suppliers to reduce the amount of water withdrawn and increase water recycling across their operations.

Suppliers must be aware of the water risk level in the area they are operating in, as defined, for example, by the World Resource Institute (wri.org).

We expect Suppliers to work towards understanding water dependencies and impacts in their own operations and their value chains, with a focus on areas threatened by water scarcity.

Where relevant and practicable, Suppliers should work towards mitigating operational and supply chain water risks, ideally using, or based on an equivalent level of, the Alliance for Water Stewardship Standard (<https://a4ws.org/about/>).



Contacting the Group

Your usual Group Company contact

Group Head of Procurement:
procurement@bat.com

Speak Up channels:
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Speak Up Hotlines:
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Marketing and Trade

We are committed to ensuring the responsible marketing and trade of Group products.

Responsible Marketing

We are committed to responsible marketing of all our products only to adult consumers aged 18 or over.

Our marketing is governed by our **Responsible Marketing Principles and Responsible Marketing Code**, available at www.bat.com/imp or the relevant local Group Company website.

As such, we expect our Suppliers engaged in marketing and trade of our products to comply with:

- the Group's **Responsible Marketing Principles and Responsible Marketing Code** as a minimum standard where they are stricter than local laws; or
- local laws or other local marketing codes where they are stricter than, or override, Group marketing principles.

Illicit Trade

The fight against the illicit trade in our products is an important priority for the Group. Illicit trade in smuggled or counterfeit products harms our business, while diversion of our genuine products harms BAT's reputation.

We do not condone or tolerate any involvement in illicit trade in our products, and it is vital that our Suppliers have no direct or indirect involvement in, or support for, illicit trade in our products.

As such, Suppliers must:

- not knowingly engage in or support unlawful trade in our products;
- implement effective controls to prevent illicit trade, including:
 1. measures to ensure supply to market reflects legitimate demand; and
 2. procedures for, where relevant, investigating, suspending, and terminating dealings with customers, Suppliers, or individuals suspected of involvement in illicit trade
- collaborate with authorities in any official investigation of illicit trade, 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.



Types of Illicit Products

Counterfeit or fake:

Unauthorised copies of branded products that have been manufactured without the knowledge or permission of the trademark owner and using cheap, unregulated materials.

Local tax evaded:

Products which are manufactured and sold in the same country, but are not declared to the authorities, so excise tax is not paid. These products are manufactured in either legitimate or illegal factories.

Smuggled:

Products (either genuine or counterfeit) which are moved from one country to another without payment of taxes or duties, or in breach of laws prohibiting their import or export.



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Business Integrity

We are committed to high standards of business integrity in all that we do. Our ethical standards should never be compromised for the sake of business results.

Definitions

'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.

'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.

Conflicts of Interest

Suppliers are required to avoid conflicts of interest in their business dealings, and to operate with full transparency with respect to any circumstances where a conflict does, or may, arise.

As such, Suppliers must (and must take steps to ensure their Workers):

- avoid situations where their personal and/or commercial interests, or the interests of their officers or employees may, or may appear to, conflict with the interests of BAT Group Companies;
- disclose to the Group if any Group Employee or Group Employee's close relative may have an interest of any kind in their business or economic ties with them; and
- inform the Group of any situation that is, or may be seen as, an actual or potential conflict of interest as soon as the conflict arises, and to disclose how it is being managed.

These provisions are not intended to prevent Suppliers from dealing with Group competitors where it is legitimate and appropriate for them to do so.

Bribery and Corruption

It is unacceptable for any Supplier (or their employees or agents) to be involved or implicated in bribery or any other corrupt practices.

As such, Suppliers must never engage in any conduct which may constitute bribery, including to:

- never offer, approve, promise, or give any gift, payment, or other benefit (such as hospitality, kickbacks, a job offer/work placement, or investment opportunities) to any person (directly or indirectly), to induce or reward Improper Conduct or improperly influence any decision by any person to their or the Group's advantage, or encourage others to do so;
- never ask for, accept, agree to accept, or approve the receipt of any gift, payment, or other benefit from any person (directly or indirectly) as a reward or inducement for Improper Conduct or which influences, or gives the impression that it is improperly intended to influence decisions of the Group;
- never offer, promise, or give any gift, payment, or other benefit to a Public Official, intending to influence that individual in their capacity as a Public Official to their or the Group's advantage;

- never make Facilitation Payments (directly or indirectly) with regard to Group business, other than where it is strictly necessary to protect the health, safety, or liberty of any Workers; and
- maintain proportionate and effective controls, to ensure that improper payments are not offered, made, solicited, or received by third parties performing services for or on their or the Group's behalf.

Gifts and Entertainment (G&E)

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

Suppliers must not offer or accept G&E where to do so would constitute, or would be perceived as constituting, bribery or other corrupt activity. As such:

- Suppliers are expected to observe the Group's G&E chapter principles, as set out in the SoBC, when doing business with Group Companies and Employees;
- the exchange of G&E between BAT Employees and Suppliers is prohibited during any tender or competitive bidding process involving the Group; and
- Suppliers must not, directly or indirectly, seek to influence a Public Official on the Group's behalf by providing any G&E (or other personal advantage) to them or any person, such as a Public Official's close relative, friend, or associate. Gifts to Public Officials of more than token value will rarely be appropriate.

Sanctions and Export Controls

Suppliers should ensure they conduct their business in compliance with all applicable international sanctions and export control regimes, and that they do not engage with any sanctioned territories or sanctioned parties where it is prohibited or restricted to do so.

As such, Suppliers must:

- be aware of, and fully comply with, all applicable sanctions and export control regimes affecting their business;
- implement effective internal controls to minimise the risk of breaching sanctions/export controls or causing the Group to breach sanctions/export controls, and provide training and support to ensure their employees understand them and implement them effectively, particularly where their work involves sourcing from sanctioned territories, international financial transfers, or cross-border supply or purchase of products, technologies, or services.



What are Sanctions and Export Controls?

Sanctions are restrictions or prohibitions on trade or dealings, including funds transfers, with or involving certain targeted countries or persons, imposed by individual countries, such as the United States (US) and United Kingdom (UK); or supranational bodies, such as the United Nations and the European Union, on another country, entity, or individual.

Some sanctions regimes are very broad; for example, US sanctions can apply even to non-US persons when acting entirely outside the US. In particular, US sanctions prohibit the use of US dollars and US banks for payments between non-US parties involving sanctioned parties, as well as exports/transshipments of US-origin products and products with US-origin content to, or for, sanctioned territories or certain sanctioned persons.

Some sanctions regimes apply to imports/exports/re-exports of products originating in whole or in part from sanctioned territories, as well as transshipping products through sanctioned territories.

Separate from sanctions, export controls impose licensing obligations on the cross-border movement of certain types of items. 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 for individuals, in addition to significant reputational harm and damage to banking partner relationships.

Anti-Money Laundering and Counter-Terrorist Financing

It is unacceptable for any Supplier (or their employees or agents) to be involved or implicated in money laundering or terrorist financing.

Suppliers must put in place effective controls to ensure that they do not engage in any activity which would constitute a money laundering or terrorist financing offence in any relevant jurisdiction or which could cause BAT to commit such an offence – this includes (but is not limited to): concealing or converting illegal funds or property; possessing or dealing with the proceeds of crime; or knowingly assisting in financing, transferring assets for the benefit of, or otherwise supporting, terrorist groups and terrorist activity.

Business Records and Confidentiality

In order to conduct business with the Group, Suppliers may need to access confidential and private records relating to our business.

As such, Suppliers must:

- ensure this information is protected and remains confidential;
- not disclose confidential information without prior authorisation from the Group; and
- be mindful of the risk of unintentional disclosure of confidential information through discussions or use of documents in public places.

Suppliers must also maintain up-to-date business records, whether financial or non-financial, in accordance with applicable laws, and ensure they handle personal data in accordance with all relevant data protection and privacy laws. Any records related to the business of the Group should also be held for as long as required by the Group.

Data Privacy and Cyber Risk

We are committed to protecting the integrity and security of our systems and data (including personal data) throughout our supply chain.

Suppliers are required to maintain appropriate systems and controls to protect Group data, including personal data and, where appropriate, access to Group systems. Many Suppliers hold or have access to personal data or confidential information of the Group.

As well as complying with global data privacy laws, such as the General Data Protection Regulation (GDPR), maintenance of good cyber hygiene by Suppliers is critical to the security of that data and Group systems, and to protect the Group's business. As such, we expect our Suppliers to comply with data protection and cybersecurity laws, regulatory guidance, and industry best practice (including data protection assessments where required by law, and cyber-threat assessments).

Cybersecurity threats and risks on how we manage data (including personal

data) are constantly changing. It is vital that our Suppliers have appropriate technical measures, policies, and processes in place to protect Group data, and to ensure that any access to Group systems, or processing of all data, is secure and managed in accordance with documented processes.

As such, Suppliers must:

- maintain all appropriate data protection, information security, and cybersecurity policies, and update them regularly;
- monitor compliance with those policies on a continuous basis, and ensure that any remedial action is taken promptly;
- immediately investigate potential breaches of data protection policies and security incidents, and report any such incidents or events that may affect Group data or systems to the Group; and
- when required to do so, put in place such remedial measures as may be required by the Group.

Assessing Data Protection and Cyber Risk

Suppliers should assess risk to their organisation, and how that risk may impact the handling of Group data (including personal data) or access to Group systems and data, on an ongoing basis.

Suppliers must consider the risk attaching to Group data in their possession, or that any access to Group systems may present, in accordance with threat and risk models.

Fair Competition and Antitrust

We believe in free competition, in line with competition (or 'antitrust') laws.

As such, Suppliers must compete fairly and ethically, and comply with competition laws in each country and economic area in which they operate.

Tax Evasion

Suppliers must ensure they comply with all applicable tax laws and regulations in the countries where they operate, and be open and transparent with the tax authorities.

Under no circumstances should Suppliers engage in deliberate illegal tax evasion or facilitate such evasion on behalf of others.

As such, Suppliers must put in place effective controls to minimise the risk of tax evasion or its facilitation, and provide appropriate training, support, and whistle-blowing procedures, to ensure their employees understand such controls, implement them effectively, and report any concerns.



Contacting the Group

Your usual Group Company contact

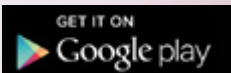
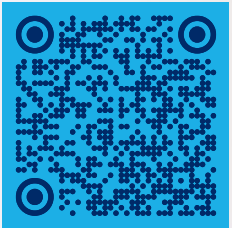
Group Head of Procurement:
procurement@bat.com

Speak Up channels:
www.bat.com/speakup

Speak Up Hotlines:
www.bat.com/speakuphotlines

Guidance at your fingertips: find this Supplier Code in BAT's SoBC app or online

Scan these QR codes
to download, or visit
bat.com/suppliercode



For More Information

Please contact:

Group Head of Procurement (procurement@bat.com)

British American Tobacco p.l.c.

Globe House

4 Temple Place

London WC2R 2PG

United Kingdom

Tel: +44 (0)207 845 1000



bat.com/suppliercode