



BAT – Switzerland

Declaration of Carbon Neutrality in accordance with PAS 2060: 2014

“Qualifying Explanatory Statement”

“Carbon¹ neutrality for the business activity of Lausanne BAT Switzerland office obtained by the BAT Group –in accordance with PAS 2060:2014 in February 2024, for the period from December 1, 2023, until November 30, 2024, certified by Instituto Totum.”

Senior Representative Name	Senior Representative Signature
Kakhaber Benidze	<div>DocuSigned by: 23-Apr-2025 Kakhaber Benidze DC2A521B9D154FC...</div> <div>Signed by: 23-Apr-2025 Maria Aleksander Kowalczyk 3BA27BB7102941B...</div>
Maria Aleksander Kowalczyk	

Organization:	BAT Switzerland SA
Issue Date:	22 nd of April 2025
Assurance Authority:	Instituto Totum
Verification Report:	IT-11-2025
Neutrality Period:	01/12/2023 to 30/11/2024

Note: The term “carbon” used throughout this document represents an abbreviation for the aggregate of greenhouse gases (GHG), reported as CO₂eq (carbon dioxide equivalent).

INTRODUCTION

This document is the declaration of carbon neutrality to demonstrate that BAT Switzerland SA achieved carbon neutrality for its activities under the guidelines of the PAS 2060: 2014 standard, in the period from December 1st, 2023, to November 30 th, 2024.

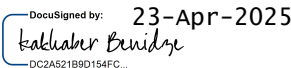
PAS 2060 Requirement	Explanation
Entity responsible for the declaration	<p>British American Tobacco Switzerland SA (BAT) BAT Switzerland SA part of BAT Group.</p> <p>The Swiss entity is a commercial business unit in Lausanne, Switzerland.</p> <p>The purpose of BAT company is the purchase, treatment, production, distribution and sales of tobacco and nicotine or related products.</p>
Object of declaration	Trade & administration activities, BAT Switzerland, Lausanne office.
Object Description	Lausanne is the commercial unit of BAT Switzerland. It manages the sales and marketing of tobacco and nicotine product for the Swiss market. It also holds most of the administration for the Swiss entity, such as Finance, Legal, External Communication and HR. The site consists of leased office surfaces.
Object Limits	The scope includes all greenhouse gas emissions aggregated into Scopes 1 and 2 as per the 2014 WRI GHG Protocol – Corporate Accounting Standard and BAT standards (if applicable).
Type of Assurance	Third Party Certification for achieving carbon neutrality.
Period for Obtaining Carbon Neutrality	December 1, 2023, to November 30, 2024.

This declaration of carbon neutrality in accordance with PAS 2060:2014 contains information related to the object for which neutrality is claimed. All information contained is the expression of the truth and is assumed to be correct at the time of publication. If any information comes to the knowledge of the organization that affects the validity of this declaration, this document will be updated accordingly to accurately reflect the current situation of the carbon neutrality process related to the object.

CARBON NEUTRALITY ACHIEVEMENT DECLARATION

PAS 2060 requirement	Explanation
Specify the period in which the organization demonstrated carbon neutrality regarding the object	December 1, 2023 to November 30, 2024.
Total emissions (based on location) from the object in the period from December 1, 2023, to November 30, 2024.	Total of 205 tCO ₂ (Base Credit360, Location Based Emissions)
Total emissions (based on purchase choice) of the object in the period from December 1, 2023 to November 30, 2024.	Total of 225 tCO ₂ (Base Credit360, Market Based + Fugitive Emissions)
Type of statement regarding carbon neutrality	I3P-2: Achieving carbon neutrality through independent third-party certification
Inventory of greenhouse gas emissions that provides the basis for the declaration	Annex A
Description of greenhouse gas emission reductions that provide the basis for the claim	Annex B
Description of instruments for reducing the carbon footprint and offsetting residual emissions	Annex C
Independent third-party verification report	Annex D
Retirement and Carbon Offsetting Statements	Annex E

“Carbon¹ neutrality for the business activity of Lausanne BAT Switzerland office obtained by the BAT Group –in accordance with PAS 2060:2014 in March 2025, for the period from December 1, 2023 until November 30, 2024, certified by Instituto Totum.”

Senior Representative Name	Senior Representative Signature
Kakhaber Benidze	 <small>DocuSigned by: 23-Apr-2025 Kakhaber Benidze DC2A521B9D154FC...</small>
Maria Aleksander Kowalczyz	

This statement is available on the company's website at www.bat.ch and the custody and availability of documents and reports that support the statement are the responsibility of the Sustainability department.

ANNEX A - GREENHOUSE GAS EMISSIONS INVENTORY THAT PROVIDES BASIS FOR THE DECLARATION

A.1. Object Description

The target object of carbon neutrality is the Lausanne office BAT unit located at Avenue de Rhodanie 48, Lausanne, Switzerland; with no change regarding the first certification. In 2024 (December 2023 to November 2024) emissions reported on Credit360 were considered.

All greenhouse gas emissions were considered, within the respective Scope 1 and 2 according to the methodology of the GHG Protocol and GHG Form, including fugitive and effluent emissions. No Scope 3 emissions were reported for this object.

The neutrality process encompasses all Scope 1 and 2 emissions and does not include Scope 3 emissions.

Climate change has long been part of our wider approach to environmental management, and we have now elevated it to a standalone priority in recognition of the growing climate emergency and we aim to minimize our climate impact.

GHG monitoring and reduction is fully part of our environmental agenda, which also covers other aspects such as supply chain (tobacco is a farmed product), water and waste impact, etc. Numerous actions have been undertaken on the global level by BAT Group, however, each end market is responsible to add its own brick in the wall in terms of CO2 reduction as well as CO2 compensation.

A.2. Carbon Footprint Summary

Greenhouse gas emissions at the BAT Lausanne office, in the reference period is 225 tons of CO₂.

Sources	Fuel Type	Scope	Consumption	Unit	Factor conversion	tCO ₂ e	Comments
Diesel oil	Sites & Offices	Scope 1	0	tonne	3,2039	0,00	no consumption
Diesel oil - biodiesel (renewable)	Sites & Offices	Scope 1	0	tonne	0,1882	0,00	no consumption
Petroleum/gasoline	Sites & Offices	Scope 1	0	tonne	2,8067	0,00	no consumption
Kerosene	Sites & Offices	Scope 1	0	tonne	n/a	0,00	no consumption
Ethanol (renewable)	Sites & Offices	Scope 1	0	tonne	0,0114	0,00	no consumption
Methane	Sites & Offices	Scope 1	0	tonne	n/a	0,00	no consumption
Heavy fuel oil (fuel oil #4, 5 and 6)	Sites & Offices	Scope 1	0	tonne	3,2289	0,00	no consumption
Light fuel oil	Sites & Offices	Scope 1	0	tonne	3,1650	0,00	no consumption
Natural gas	Sites & Offices	Scope 1	18	m ³	0,00205	36,9	Building use
LPG	Sites & Offices	Scope 1	0	tonne	2,9394	0,00	no consumption
Bio-LPG (renewable)	Sites & Offices	Scope 1	0	tonne	0,0052	0,00	no consumption
CNG	Sites & Offices	Scope 1	0	kg	0,0026	0,00	no consumption
Coal	Sites & Offices	Scope 1	0	tonne	2,3965	0,00	no consumption
Woodfuel - chips (renewable)	Sites & Offices	Scope 1	0	tonne	0,0406	0,00	no consumption
Woodfuel - logs (renewable)	Sites & Offices	Scope 1	0	tonne	0,0439	0,00	no consumption
Woodfuel - pellets (renewable)	Sites & Offices	Scope 1	0	tonne	0,0516	0,00	no consumption
Production waste to boiler house	Sites & Offices	Scope 1	0	tonne	0,4150	0,00	no consumption
Other biomass fuels (renewable)	Sites & Offices	Scope 1	0	tonne	0,0576	0,00	no consumption
Steam by external provider	Sites & Offices	Scope 1	0	tonne	0,0246	0,00	no consumption
Hot water by external provider	Sites & Offices	Scope 1	0	tonne	n/a	0,00	no consumption
Fleet vehicles - Diesel	Fleet Vehicles	Scope 1	62872	litre	0,00266	167,3	Car fleet trade
Fleet vehicles - Bio Diesel (renewable)	Fleet Vehicles	Scope 1	0	litre	0,0002	0,00	no consumption
Fleet vehicles - Petrol/Gasoline	Fleet Vehicles	Scope 1	0	litre	0,0023	0,00	no consumption
Fleet vehicles - Bio Petrol (renewable)	Fleet Vehicles	Scope 1	0	litre	0,0000	0,00	no consumption
Fleet Vehicles - LPG	Fleet Vehicles	Scope 1	0	litre	0,0016	0,00	no consumption
Fleet vehicles - CNG	Fleet Vehicles	Scope 1	0	kg	0,0026	0,00	no consumption
Refrigerants and Fire Supressants	Fugitives	Scope 1	-	-	-	18,6	Fugitives
Water treatment emissions	Fugitives	Scope 1	-	-	-	0,00	Fugitives
Waste composting emissions	Fugitives	Scope 1	-	-	-	0,00	Fugitives
Electricity energy	Electricity	Scope 2	73736	kwh	0.000025	1,8	Green Electricity

224,6

Source Credit360 Audited by KPMG

In relation to the Scope, the details are as follows (approach by location):

- **Scope 1** (own emissions): 222,8 tons of CO₂
- **Scope 2** (energy purchase emissions): 1,8 tons of CO₂

At the BAT Group level, the calculation of GHG emissions uses internationally recognized methodologies and emission factors, in addition to the company presenting its results on platforms such as the CDP Report.

A.3. Standards and Methodologies Used

The greenhouse gas inventory reports are based on the GHG Protocol standards and guidelines. The internal management of precursor data is carried out by the EHS teams and the data are entered into the reporting platform (CR360), which allows the calculation of CO₂ emissions based on global warming potential data (GWP - Global Warming Potential)

Credit 360 * tool was used to calculate the carbon footprint. Primary data was taken from energy bills. Renewable electricity is procured, and evidence provided by the supplier.

*Credit 360 software published by UL LLC

The methodologies are selected at the Group level as these are the internationally recognized methodologies and emissions factors sets, within the recommended lists for the type of disclosures we make (incl. inter alia CDP reporting). YoY changes (i.e. emissions reduction) are calculated using the unified reporting approach. Discrepancies may occur between reported emissions and effective emissions, as some emissions are based on averaged numbers and/or meter readings, as evidence from providers (such as energy invoices) might come with some delay after reporting period is closed. Those discrepancies should be however flattened over the time, as they are reported in the next reporting period.

BAT Switzerland Lausanne office unit its monthly environmental KPIs on Credit360. Data is reviewed by the regional EHS team and checked by the Group EHS team for consistency. On an annual basis, Lausanne office data is aggregated with BAT Group data to produce Group reports, including ESG Report, CDP submission and other platforms. Prior to publication, on an annual basis, the data are subject to external verification by an independent audit organization.

A.4 Uncertainty and variability statement

The Carbon footprint is based on 95 % of likely greenhouse gas emissions, primary sources are subject to variation over time; the carbon footprint is the best estimate based on reasonable costs of evaluation.

A.4. Information Assurance Level

The level of assurance of the greenhouse gas inventory at BAT Lausanne office Switzerland is carried out by the independent organization KPMG and Instituto Totum, was limited, covering Scope 1 and 2 (according to the GHG Protocol) and other KPI reported in the ESG panels. The Totum Institute limited itself to verifying the fugitive emissions and effluent emissions, belonging to Scope 1.

The object (Lausanne office Unit) has independent verification by a third party (Totum Institute) for the carbon neutrality process, based on the guidelines of PAS Standard 2060:2014.

ANNEX B - DESCRIPTION OF THE GREENHOUSE GAS EMISSION REDUCTIONS THAT PROVIDE THE BASIS FOR THE DECLARATION

B1. History of Greenhouse Gas Emissions (GHG)

The carbon emissions for the period 1st of December 2023 to 30th November 2024 was 225 tCO₂. This is used as the purpose for historical reductions on an absolute emissions basis.

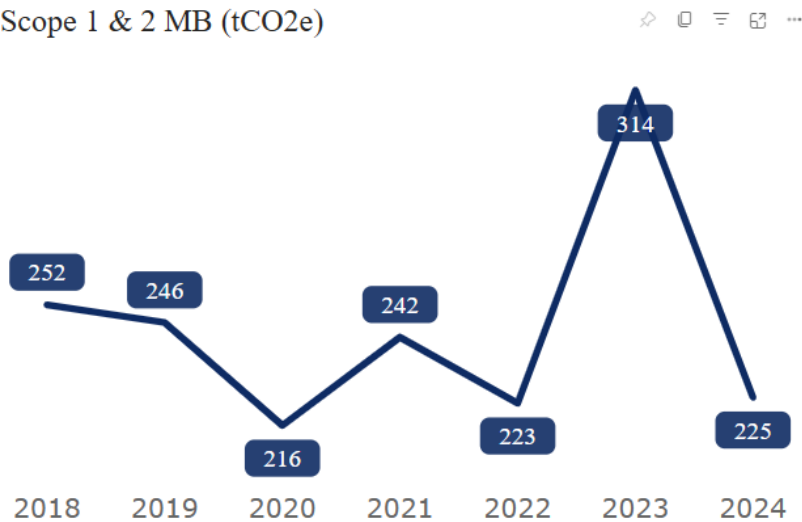
It's confirmed that the definition of the subject has not changed over the periods of assessment. Calculations for the historic period are to the same method throughout.

B2. Description of GHG Emission Reductions in the reference year


During 2024 there was an absolute decrease of 33% in GHG emissions compared to the previous reporting year mainly due to reduction of fuel consumption within the car fleet. This decrease was obtained by integration of full electric vehicle in 2024. (Information based on Credit360).

*Calculations based on information from Credit360, excluding fugitive emissions.

Based on five years length from 2020 to 2024, there was an absolute increase of 4% in GHG emissions, as shown below, this is mainly due to Fugitive emissions which began to be measured and reported in Q3 2023. (information based on Credit360). *Calculations based on information from Credit360



On the other hand, following BAT agenda and targets settled aiming at reducing carbon footprint upcoming years, main action ongoing process applicable to Lausanne office is:

co2 Emission calculator - car fleet TMD CH					
Fleet kilometers 2024			983 665 km / 6,9 L/100		
Fleet vehicles diesel	64996	liters	2,569	tCO2/tonne	167
					16,18 %
Fleet kilometers			Forecast end 2025 983 665 km / 6,9 L/100		
Fleet vehicles diesel	55246	liters	2,569	tCO2/tonne	142

Supporting numbers:

*Calculation based on actual factor and power needs (based on 400 W indicator old one vs 200 W new one)

According to the verified inventory of emissions, the total consumption of electricity was KWH converted to 1,8 tons of CO2 using the factor related to green electricity conversion (referring to the use of CR360 factors)

The BAT Lausanne office acquired Renewable Energy Certificates to guarantee the renewable origin of energy and reduce total Scope 2 emissions.

Energy consumption (scope 2) in the period was tracked by Renewable Energy Certificates issued once a year. According to the guidelines of the GHG Protocol, the recommendation is that this energy traceability instruments is highly recognized evidence of source of renewal energy with low emission.

ANNEX C - DESCRIPTION OF INSTRUMENTS FOR REDUCING THE CARBON FOOTPRINT AND FOR OFFSETTING RESIDUAL EMISSIONS

C.1. Description of Offset Instruments – Carbon Credits

Carbon credits were acquired according to the residual emissions contained in the emissions inventory audited by KPMG and Instituto Totum.

To this end, 225 Verified Carbon Standard credits were acquired from the Verified Carbon Standard <https://registry.verra.org/app/projectDetail/VCS/2326> for BAT Lausanne office, with 225 credits officially retired 14th of February 2025. Proof of operation can be found in **annex E**.

This email is to acknowledge that on 14/02/2025 03:54:42 PM, Vertis Environmental Finance Ltd retired 225 Verra Registry Verified Carbon Standard VCU. The VCU were issued in accordance to Verified Carbon Standard protocols. The issuance and ownership of these instruments are tracked in Verra Registry using unique serial numbers to prevent double counting or double selling. Details about the instruments are listed below.

Quantity of Retired VCU: 225

Serial Numbers: 15019-638913848-638914072-VCS-VCU-323-VER-CN-14-2326-01032016-28022017-0

Date of Retirement: 14/02/2025 03:54:42 PM

Beneficial Owner: BAT Switzerland SA

Retirement Reason Details: Credits were retired on behalf of BAT Switzerland SA for their environmental sustainability strategy in 2024.

Public URL: <https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=281310>

Guangxi Jinxiu IFM (conversion of logged to protected forest) Project Project type: PRO

Project Country/Area: China

Visit <http://verraregistry.org> for more information about The Verra Registry where you can view public reports listing retired VCUs and additional information about the project, including project documentation.

C.2. Use of Instruments for Carbon Neutrality

Residual Scope 1 emissions, according to the inventory audited by KPMG and Instituto Totum, add up to 222,8 tons of CO₂. Residual Scope 2 emissions, according to the inventory audited by KPMG and due to the market choice approach was considered 1,8 tons of CO₂.

In this sense, the function of the 225 carbon credits acquired is to offset the emissions of 224,6 tons of CO₂ related to Scope 1 & 2 emissions, making the BAT Lausanne office Unit carbon neutral.

C.3. Quality Criteria for Offset Instruments - Carbon Credits

The carbon credits acquired, as mentioned in C.1, meet all the quality criteria set out in Standard PAS 2060:2014, namely:

- Acquired credits represent an emission reduction considered additional The Guangxi Jinxiu IFM (conversion of logged to protected forest) Project - Projects from which carbon credits originate meet the criteria of additionality, permanence and do not have the risk of double counting The Guangxi Jinxiu IFM (conversion of logged to protected forest) Project

- Carbon credits were verified by an independent third party (China Environmental United Certification Center Co., Ltd. (CEC), with the monitoring report available at https://registry.verra.org/mymodule/ProjectDoc/Project_ViewFile.asp?FileID=69715&IDKEY=rlksjoiuwqowrnoiuomnckjashoufifmln902309ksdflku098396136985 and were only issued after the reduction was confirmed (Verra does not issue ex-ante credits).

- Carbon Credits were retired within a period of 12 months from the date of declaration of neutrality

- The Project from which the Carbon Credits were acquired has all documentation and registration on the Verra public platform, which is an international standard and a platform that has Quality Assurance Principles including additionality, permanence, leakage and avoided double counting. <https://verra.org/project/vcs-quality-assurance-principles/> and on the public platform (Verra registry) <https://registry.verra.org/app/projectDetail/VCS/2326>

ANNEX D - INDEPENDENT THIRD-PARTY VERIFICATION REPORT

@Sustainability 2024 Assured Metrics

KPMG have conducted independent, limited assurance in accordance with ISAE (UK) 3000 and ISAE 3410 over the 2024 Sustainability 'Selected Information' listed below, as contained in this Annual Report. KPMG's Independent Limited Assurance Report is provided on page 154.

Underlying Selected Information	Selected Information
Consumers of non-combustible products (also referred to as Smokeless products) (number of, in millions)	29.1
Incidents of non-compliance with regulations resulting in fine or penalty	2
Incidents of non-compliance with regulations resulting in a regulatory warning	0
Scope 1 CO ₂ e emissions (thousand tonnes)	237
Scope 2 CO ₂ e emissions (market based) (thousand tonnes)	74
Scope 2 CO ₂ e emissions (location based) (thousand tonnes)	325
Scope 1 and Scope 2 CO ₂ e emissions intensity ratio (tonnes per £m revenue)	11.5
Scope 1 and Scope 2 CO ₂ e emissions intensity ratio (tonnes per EUR m revenue)	9.7
Total Scope 3 CO ₂ e emissions (thousand tonnes) - for 2023, Scope 3 GHG emissions are reported one year later	5,479
Total energy consumption (GWh)	1,996
Energy consumption intensity (GWh per million £ revenue)	0.08
Energy consumption intensity (GWh per million EUR revenue)	0.07
Renewable energy consumption (GWh)	900
Non-Renewable energy consumption (GWh)	1,096
Total water withdrawn (million m ³)	2.73
Total water recycled (million m ³)	1.03
Total water discharged (million m ³)	1.29
Emissions to water:	
– 12% operations sites measure phosphates in water discharged.	
– 24% operations sites measure nitrates content in water discharged.	
– 3% operations sites measure pesticides content in water discharged.	
Number of operations sites in areas of high-water stress with and without water management policies	23/0
% of sources of wood used by our directly contracted farmers for curing fuels that are from sustainable sources ^	100
% of tobacco hectares reported to have appropriate best practice soil and water management plans implemented ^	87
Total waste generated (thousand tonnes)	110.58
Hazardous waste and radioactive waste generated (thousand tonnes)	1.20
Total waste recycled (thousand tonnes)	97.3
% of tobacco farmers reported to grow other crops for food or as additional sources of income ^	94.1
% of farms monitored for child labour ^	100
% of farms with incidents of child labour identified ^	0.05
Number of child labour incidents identified ^	117
% of child labour incidents reported as resolved by end of the growing season ^	100
% of farms monitored for grievance mechanisms ^	100
% of farms reported to have sufficient PPE for agrochemical use ^	98.99
% of farms reported to have sufficient PPE for tobacco harvesting ^	94.3
H&S - Lost Time Incident Rate (LTIR)	0.12
H&S - Number of serious injuries (employees)	8
H&S - Number of serious injuries (contractors)	13
H&S - Number of fatalities (employees)	0
H&S - Number of fatalities (contractors)	1
H&S - Number of fatalities to members of public involving BAT vehicles	1
% female representation in Management roles	44
% female representation on Senior Leadership teams	37
% of key leadership teams with at least a 50% spread of distinct nationalities	92
Global unadjusted gender pay gap (average %)	15
% of product materials and high-risk indirect service suppliers that have undergone at least one independent labour audit within a three-year cycle	91
Number of established SoBC breaches	164
Number of disciplinary actions taken as a result of established SoBC breaches that resulted in people leaving BAT	81
Number of established SoBC breaches - relating to workplace and human rights	71

^ This information is the Leaf Data and Human Rights Selected Information as referred to in KPMG's limited assurance opinion.®

Sustainable Future

@Sustainability Limited Assurance Report

Independent Practitioner's Limited Assurance Report to British American Tobacco p.l.c.

Report on selected sustainability information included within British American Tobacco p.l.c.'s Combined Annual and Sustainability Report for the year ended 31 December 2024.

Conclusion

We have performed a limited assurance engagement on whether selected information in British American Tobacco p.l.c.'s ("BAT" or the "Company") Combined Annual and Sustainability Report (the "Report") for the year ended 31 December 2024 has been properly prepared in accordance with BAT's 2024 Reporting Criteria and BAT's Scope 3 – Simplified Reporting Methodology as set out at www.bat.com/investors-and-reporting/reporting/sustainability-reporting (the "Reporting Criteria"). The information within the Report that was subject to assurance is listed as the "Sustainability 2024 Assured Metrics" on page 153 and, in some cases, is also on page 135 indicated with the symbol "♦" (the "Selected Information"). The Selected Information for Total Scope 3 CO₂e emissions is for the year ended 31 December 2023.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

Our conclusion is to be read in the context of the remainder of this report, in particular the "Inherent Limitations in preparing the Selected Information" and "Intended use of our report" sections below.

Our conclusion on the Selected Information does not extend to other information that accompanies or contains the Selected Information and our assurance report (hereafter referred to as "Other Information"). We have not performed any procedures as part of this engagement with respect to such Other Information. We audited the financial statements, and the part of the Directors' Remuneration Report to be audited, included within the Other Information and our report thereon is included with the Other Information.

Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (UK) 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE (UK) 3000") issued by the Financial Reporting Council ("FRC") and, in respect of the greenhouse gas emissions information included within the Selected Information, in accordance with International Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410") issued by the International Auditing and Assurance Standards Board ("IAASB"). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We have complied with the Institute of Chartered Accountants in England and Wales ("ICAEW") Code of Ethics, which includes independence and other ethical requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants ("IESBA") International Code of Ethics for Professional Accountants (including International Independence Standards).

Our firm applies International Standard on Quality Management (UK) 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements ("ISQM (UK) 1"), issued by the FRC, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent Limitations in Preparing the Selected Information

The nature of non-financial information; the absence of a significant body of established practice on which to draw; and the methods and precision used to determine non-financial information, allow for different, but acceptable, evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time. The greenhouse gas ("GHG") emissions quantification process is subject to: scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs; and estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge. For Scope 3 GHG emissions, there are also significant limitations in the availability and quality of GHG emissions data from third parties, resulting in BAT's reliance on proxy data in determining estimated Scope 3 GHG emissions. Over time better information may become available from third parties and the principles and methodologies used to measure and report Scope 3 GHG emissions may change based on market practice and regulation. The Reporting Criteria has been developed to assist BAT in reporting sustainability information selected by BAT as key metrics to measure its progress against its sustainability strategy. As a result, the Selected Information may not be suitable for another purpose.

Directors' Responsibilities

The Board of Directors of BAT are responsible for:

- Designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;

- selecting and developing suitable Reporting Criteria for preparing the Selected Information;
- properly preparing the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.

Our Responsibilities

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- Forming an independent limited assurance conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to BAT.

Summary of Work Performed as the Basis for Our Conclusion

We exercised professional judgment and maintained professional scepticism throughout the engagement. We planned and performed our procedures to obtain evidence that is sufficient and appropriate to obtain a meaningful level of assurance over the Selected Information to provide a basis for our limited assurance conclusion. Planning the engagement involves assessing whether BAT's Reporting Criteria are suitable for the purposes of our limited assurance engagement. Our procedures selected depended on our judgement, on our understanding of the Selected Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In carrying out our engagement, we performed procedures which included:

- Conducting interviews with BAT management to obtain an understanding of the key processes, systems and controls in place over the preparation of the Selected Information;
- Performing risk assessment procedures over the aggregated Selected Information, including a comparison to the prior period's amounts having due regard to changes in business volume and the business portfolio;
- Performing limited substantive testing, including agreeing a selection of the Selected Information to the corresponding supporting information;
- Considering the appropriateness of the carbon conversion factor calculations and other unit conversion factor calculations used by reference to widely recognised and established conversion factors;
- Reperforming a selection of the carbon conversion factor calculations and other unit conversion factor calculations; and
- Reading the Report with regard to the Reporting Criteria, and for consistency with our findings over the Selected Information.

However our procedures did not include:

- Physical visits to the farms which provided the source data for the "Leaf Data and Human Rights" Selected Information (being that marked with a "♦" symbol on page 153);
- Physical visits to the operational sites which provided the source data for the "Emissions to Water" Selected Information; and
- Testing the accuracy of the sales volumes in BAT's Procurement IT system which were used as an input in calculating Scope 3 Category 1 CO₂e emissions (part of Total Scope 3 CO₂e emissions).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Intended Use of Our Report

Our report has been prepared for BAT solely in accordance with the terms of our engagement. We have consented to the publication of our report within BAT's Report for the purpose of BAT showing that it has obtained an independent assurance report in connection with the Selected Information.

Our report was designed to meet the agreed requirements of BAT determined by BAT's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than BAT for any purpose or in any context. Any party other than BAT who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

George Richards

for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London E14 5GL
12 February 2025

The maintenance and integrity of BAT's website is the responsibility of the Directors of BAT; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information, Reporting Criteria or Report presented on BAT's website since the date of our report.®

ANNEX E - RETIREMENT STATEMENTS AND CARBON OFFSETTING



Certificate of Verified Carbon Unit (VCU) Retirement

Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 14 Feb 2025, 225 Verified Carbon Units (VCUs) were retired on behalf of:

BAT Switzerland SA

Project Name

Guangxi Jinxiu IFM (conversion of logged to protected forest) Project

VCU Serial Number

15019-638913848-638914072-VCS-VCU-323-VER-CN-14-2326-01032016-28022017-0

Additional Certifications

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