



# Building the Enterprise of the Future

Performance Summary 2020



30%

Of our direct energy from renewable sources



>35%

Reduce the total amount of water withdrawn from our 2017 baseline



100%

Of plastic packaging to be reusable, recyclable or compostable



> 30%

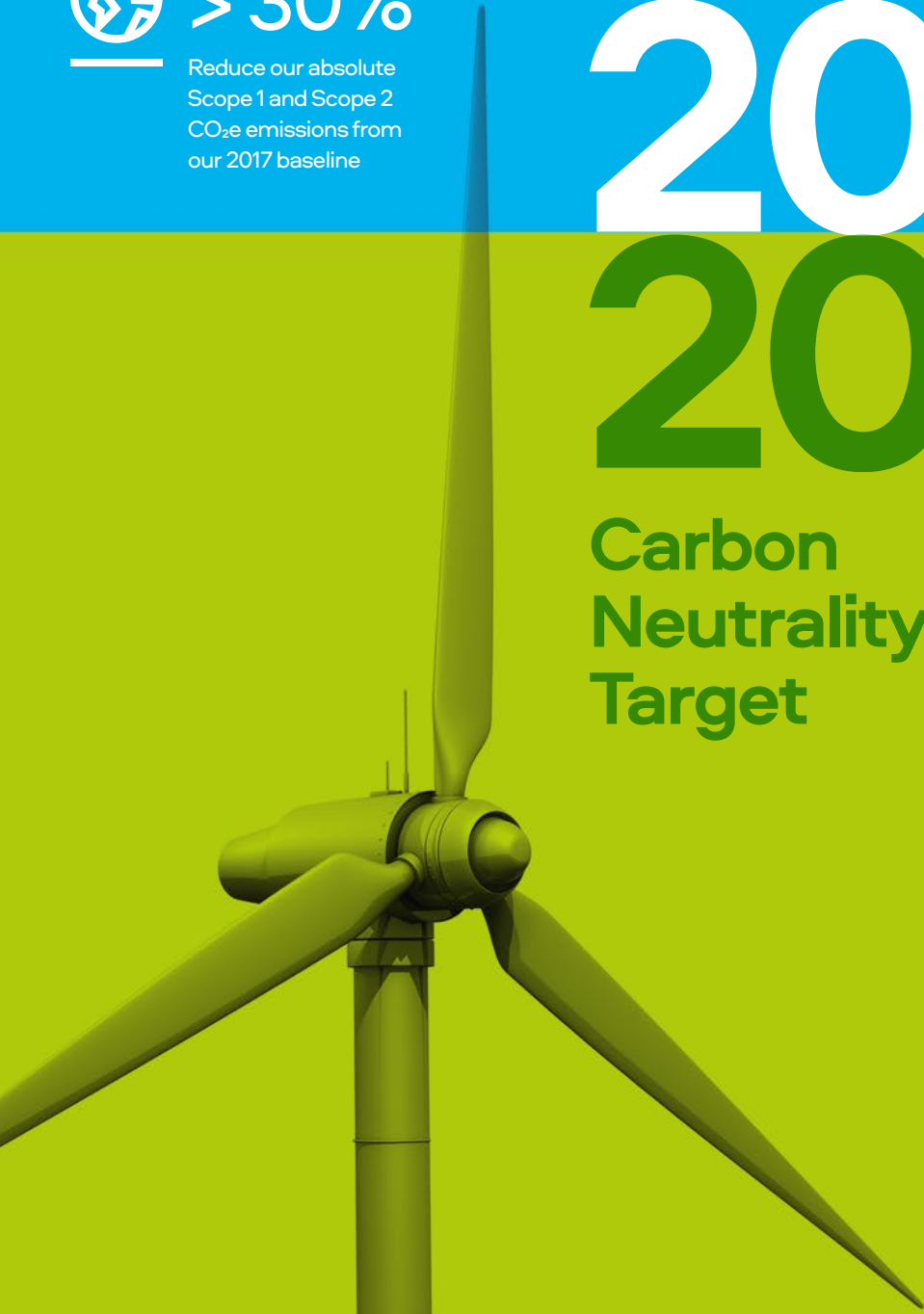
Reduce our absolute Scope 1 and Scope 2 CO<sub>2</sub>e emissions from our 2017 baseline



## Ambitious Environmental Targets

# 2025 2030

## Carbon Neutrality Target





Ambitious Business Goals

**New Category Revenue  
Target of £5bn**

**2025**

**2030**

**Target of 50mn  
Consumers of  
Non-Combustible  
Products**



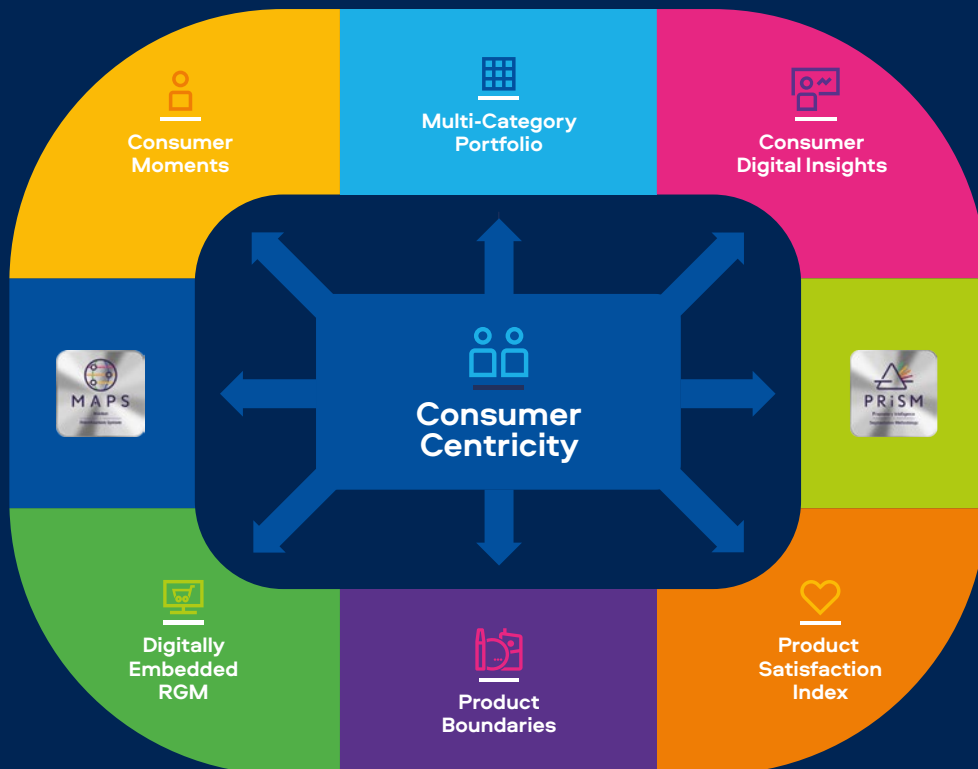


## Our Purpose

To reduce the **health impact** of our business by offering a **greater choice** of enjoyable and **less risky** products

We are clear that combustible cigarettes pose serious health risks. The only way to avoid these risks is not to start or to quit. However, we encourage those who would otherwise continue to smoke to switch completely to scientifically-substantiated, reduced-risk alternatives.\*†

In order to deliver this, BAT is transforming into a truly consumer-centric multi-category consumer products business.



\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

† Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.

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### Performance Summary 2020: Cautionary statement and other information

This Performance Summary is extracted (without material adjustment) from, and should be read as an introduction to and in conjunction with, the 2020 Annual Report and Accounts and Form 20-F of British American Tobacco p.l.c. (the Company) and the British American Tobacco Group prepared in accordance with UK requirements. It has been drawn up and is presented in accordance with, and reliance upon, applicable English company law and the liabilities of the Directors in connection with the report shall be subject to the limitations and restrictions provided by such law. This Performance Summary contains certain forward-looking statements, including "forward-looking" statements made within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as "believe," "anticipate," "could," "may," "would," "should," "intend," "plan," "potential," "predict," "will," "expect," "estimate," "project," "positioned," "strategy," "outlook," "target" and similar expressions. These include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the economic and business circumstances occurring from time to time in the countries and markets in which the Group operates, including the projected future financial and operating impacts of the COVID-19 pandemic. All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual future financial condition, performance and results to differ materially from the plans, goals, expectations and results expressed in the forward-looking statements and other financial and/or statistical data within this Performance Summary. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are uncertainties related to the following: the impact of competition from illicit trade; the impact of adverse domestic or international legislation and regulation; the inability to develop, commercialise and deliver the Group's New Categories strategy; the impact of market size reduction and consumer down-trading; adverse litigation and dispute outcomes and the effect of such outcomes on the Group's financial condition; the impact of significant increases or structural changes in tobacco, nicotine and New Categories related taxes; translational and transactional foreign exchange rate exposure; changes or differences in domestic or international economic or political conditions; the ability to maintain credit ratings and to fund the business under the current capital structure; the impact of serious injury, illness or death in the workplace; adverse decisions by domestic or international regulatory bodies; and changes in the market position, businesses, financial condition, results of operations or prospects of the Group. Further details on the principal risks that may affect the Group can be found in the 'Principal Group risks' section of the Strategic Report of the 2020 Annual Report and Accounts and Form 20-F. A summary of all the risk factors (including the principal risks) which are monitored by the Board through the Group's risk register is set out in the Additional disclosures section under the heading 'Group Risk Factors' in the Additional Disclosures section of the 2020 Annual report and Accounts and Form 20-F. It is believed that the expectations reflected in this Performance Summary are reasonable but they may be affected by a wide range of variables that could cause actual results to differ materially from those currently anticipated.



## Explore the story of our year

Featuring downloadable  
versions of this report,  
along with our ESG report  
and other content – all  
accessible on desktop,  
tablet and mobile.

[www.bat.com/reporting](http://www.bat.com/reporting)

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. The forward-looking statements reflect knowledge and information available at the date of preparation of this Performance Summary and the Group undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on such forward-looking statements. This Performance Summary is provided for information only and is not intended to be a substitute for reading the 2020 Annual Report and Accounts and Form 20-F. In particular, this Performance Summary does not comprise the Company's Strategic Report or any supplementary materials and it does not contain sufficient information to allow for as full an understanding of the results of the Group and the state of affairs of the Group, and the principal risks facing the Group, as would be provided by the 2020 Annual Report and Accounts and Form 20-F. Shareholders may view a copy of the 2020 Annual Report and Accounts and Form 20-F on [www.bat.com](http://www.bat.com) or obtain a hard copy free of charge (contact details can be located on page 40 of this Performance Summary). Specific local mailing and/or notification requirements will apply to shareholders on the South Africa branch register. If you have sold or transferred all your shares in British American Tobacco p.l.c., you should send this Performance Summary to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. This Performance Summary provides alternative performance measures (APMs) which are not defined or specified under the requirements of International Financial Reporting Standards (IFRS). We believe these APMs provide readers with important additional information on our business. A comprehensive list of the APMs that we use, an explanation of how they are calculated, why we use them and a reconciliation to the most directly comparable IFRS measure where relevant is set out under the heading 'Non-GAAP measures' in the Additional Disclosures section of the 2020 Annual Report and Accounts and Form 20-F. BAT has shares listed on the London Stock Exchange (BATS) and the Johannesburg Stock Exchange (BTJ), and, as American Depositary Shares (ADSs), on the New York Stock Exchange (BTI). References in this Performance Summary to 'British American Tobacco', 'BAT', 'Group', 'we', 'us' and 'our' when denoting opinion refer to British American Tobacco p.l.c. and when denoting tobacco business activity refer to British American Tobacco Group operating companies, collectively or individually as the case may be. The material in this Performance Summary is provided for the purpose of giving information about the Company to investors only and is not intended for general consumers. The Company, its Directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this material is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed. The material in this Performance Summary is not provided for product advertising, promotional or marketing purposes. This material does not constitute and should not be construed as constituting an offer to sell, or a solicitation of an offer to buy, any of our products. Our products are sold only in compliance with the laws of the particular jurisdictions in which they are sold. References in this Performance Summary to information on websites, including the web address of BAT, have been included as inactive textual references only. The websites and the information contained therein or connected there to are not intended to be incorporated into or to form part of this Performance Summary.

## Overview

# Chairman's Introduction

## A Strong Operational Performance During Challenging Times



“The strength of the business, combined with the professionalism and resilience of our global teams have enabled us, in 2020, to deliver a strong operational performance during challenging times.”

### Welcome to our Performance Summary for 2020, my last as Chairman of BAT.

The unprecedented impact of the COVID-19 crisis has disrupted all aspects of life around the world and our sympathies are with anyone suffering from the virus or who has lost family or friends in the pandemic.

Our priority throughout has been to safeguard the welfare of our people while ensuring that the business has continued to operate effectively.

The Board and management have worked very closely together to address the disruptions experienced throughout the year.

The strength of the business, combined with the professionalism and resilience of our global teams have enabled us, in 2020, to deliver a strong operational performance during challenging times.

Foreign exchange headwinds impacted our reported results, with Group revenue down 0.4%. This was despite a good revenue performance (excluding the impact of currency) and I am pleased to report growth in both value and volume share, with revenue from New Categories growing 15%.

Clarity around the full impact of the pandemic, and for life to return to some semblance of normality, will take time.

The duration of the short-term impact on the performance of the business will depend on the nature and timing of the subsequent economic recovery, but we believe we are well positioned to emerge as a stronger company.

In the longer term, BAT's strong foundations, resilient business model and consumer-focused strategy mean I remain excited about its future prospects.

### Good Governance at the Heart of a Sustainable Business

Increasingly, business is moving beyond seeking only to deliver 'shareholder value' and is embracing a wider purpose that serves the interests of all stakeholders.

The expectations of broader society are that business should play a more active role in addressing and finding solutions to crucial social, economic and environmental issues. Evidence of these expectations can be found in the increasing amount of capital that is being channelled into environmental, social and governance (ESG) funds.

We at BAT welcome this shift. It is aligned to our Company's purpose, our sustainability agenda and the decision-making approach that the Board encourages.

Our commitment to delivering for the whole of society is evidenced by the ambitious ESG targets we set out in 2020. I am pleased to report we have made steady progress against our ambitions. We are increasingly shifting our business to consumers of non-combustible products, while reducing our impact on the environment.

### Dividends

We have maintained our dividend commitment despite the challenging operating environment and the Board has declared a dividend of 215.6p per ordinary share, payable in four equal instalments of 53.9p per ordinary share, to shareholders registered on the UK main register or the South Africa branch register and to American Depositary Shares (ADS) holders, each on the applicable record dates.

The dividends receivable by ADS holders in US dollars will be calculated based on the exchange rate on the applicable payment dates.

### Board Composition

I am delighted that Luc Jobin has been appointed by the Board to be my successor as Chairman of BAT. Having worked closely with him in his role as a Non-Executive Director over the last three years, I am confident that BAT is well positioned for future success with Luc as Chairman.

I am also very pleased to welcome Karen Guerra and Darrell Thomas, who joined the Board as Non-Executive Directors on 14 September and 7 December 2020, respectively. Karen brings substantial knowledge and understanding of consumer goods and Darrell brings significant financial, regulatory and US experience. I have no doubt that both Karen and Darrell will be assets to the Board, its work and BAT.

### Future Outlook

As I reflect on my tenure as Chairman of BAT, I am thankful for all the efforts of, and collaboration between, our Board of Directors, management and employees around the world.

BAT made considerable progress strategically and financially during a difficult 2020. I have no doubt that the Company will navigate the future with both confidence and determination to continue building A Better Tomorrow™.

**Richard Burrows**  
Chairman



# Responding to the COVID-19 Pandemic

The Group's response to the global COVID-19 pandemic continues to evolve and we expect the actions we take to develop over time as the needs of our people, our customers and society as a whole change.

We are steadfastly committed to supporting all our stakeholders throughout the COVID-19 pandemic, whether that be our workforce, customers, partners or suppliers.

## Keeping the Group Operating in a Time of Crisis

The Group continues to navigate the challenges and impacts of COVID-19, with effective crisis management and risk management processes in place, and remains a financially resilient business.

Our Board has maintained close oversight of the Group's response to the impact of COVID-19 throughout this period.

The Group remains financially robust, with the Board reiterating the commitment to the Group's dividend pay-out policy of 65% of adjusted diluted EPS. This demonstrates the confidence in the Group's ability to continue to navigate COVID-19 with the associated macro and socio-economic challenges and uncertainty this international crisis brings.

We are committed to supporting all our stakeholders throughout the COVID-19 pandemic, whether that be our workforce, customers, partners or suppliers. We have not furloughed any staff or utilised any government schemes (or subsidies) due to the pandemic, other than in respect of the deferral of tax instalment payments within the calendar year.

## Vaccine Development

BAT's US bio-tech subsidiary, Kentucky BioProcessing (KBP), is developing a potential vaccine for COVID-19. Its Initial New Drug application was approved by the US Food and Drug Administration (FDA) in December 2020 and we are progressing through the first Phase I study of KBP's COVID-19 vaccine candidate.

This move to human trials is the first phase of development that would, if successful, form part of the full-scale development programme that would aim to fully assess the safety and efficacy of the candidate vaccine.

KBP is a world leader in using plants to express, extract and purify proteins for use as vaccines and other pharmaceuticals.

The candidate vaccine's unique use of innovative fast-growing plant-based technology means rapid production of the vaccine's active ingredients in around six weeks compared to several months using conventional methods. The vaccine also has the potential to be stable at room temperature, which could be a significant advantage for healthcare systems.

## Testing and Logistical Support

We have continued to evolve the forms of direct support we have deployed to address the global impact of COVID-19.

In addition to the COVID-19 vaccine candidate that is in development by our US bio-tech subsidiary, KBP, we have:

- Loaned testing equipment to the UK government;
- Provided access to 3D printers to help produce protective face shields;
- Manufactured and distributed medical and hygiene equipment to vulnerable communities; and
- Donated to many funds around the world focusing on supporting local COVID-19 responses.

## Supporting our Suppliers and Communities

Our response to COVID-19 has been developed to incorporate the needs of wider stakeholder groups, including our smaller suppliers and those living in tobacco growing communities.

Some tobacco growing communities may be particularly vulnerable to both the virus and the economic implications of a global pandemic. We are taking great care that we don't increase the immediate vulnerability of these communities and are committed to supporting them during the inevitable economic recovery that will follow.

We are working to support our smaller suppliers across the globe who may be struggling with cash flow issues by ensuring that, where needed, they are paid earlier than existing payment terms require or by extending payment terms to those customers who have expressed concerns.

## Looking After our People

The Group's management is doing all that it can to make sure that employees working from home feel connected.

Most importantly, we are working to ensure that the health, safety and wellbeing of employees who are unable to work from home, and those in countries where lockdown restrictions are not in place, are protected in their workplace.

For all employees, we are making sure they are aware of the extensive wellbeing support available to them, including:

- Online medical consultations;
- Counselling services; and
- Mental health support.



## Overview

# Chief Executive's Review

Building A Better Tomorrow™ and Delivering Growth in a Challenging Environment



“From the start of our portfolio transformation journey, we have always been clear that no consumer is the same. In order to meet differing needs in multiple marketplaces, a portfolio of solutions is required – that is the hallmark of a modern consumer products business. I am delighted, therefore, that adoption has accelerated across all three of our New Categories in 2020 and that 13.5 million consumers are now choosing our non-combustible products.”

“As the largest, and only truly global company in our industry, we take seriously our role to transform ourselves and demonstrate thought leadership.”

“We have a very clear purpose to reduce the harm footprint of our business. We are uniquely positioned in that regard.”

“Recent months have seen upheaval on a global scale as a result of the COVID-19 pandemic. It has had a profound impact on business and society as a whole.”

## Dear Stakeholders,

As the largest, and only truly global company in our industry, we take seriously our role to transform ourselves and demonstrate thought leadership.

We have a very clear purpose to reduce the harm footprint of our business. We are uniquely positioned to encourage the switch to reduced-risk products.\*†

- We operate worldwide, inclusive of the US, which represents 40% of the global industry's value.
- Our well-embedded consumer-centric, multi-category consumer strategy is activated on a global scale, leveraging our insights on consumer satisfaction, innovation needs and taste preference.
- We are building the brands of the future – strong, global brands, specifically positioned in each target consumer segment.

From the start of our portfolio transformation journey, we have always been clear that no consumer is the same. In order to meet differing needs in multiple marketplaces, a portfolio of solutions is required – that is the hallmark of a modern consumer products business.

I am delighted, therefore, that adoption has accelerated across all three of our New Categories in 2020 and that 13.5 million consumers are now choosing our non-combustible products. We have a way to go – yet BAT is changing, and that change is accelerating.

## Our Response to the Pandemic

Recent months have seen upheaval on a global scale as a result of the COVID-19 pandemic. It has had a profound impact on business and society as a whole. First and foremost, our thoughts are with the many individuals and families whose lives have been impacted by the virus.

At the beginning of the crisis, we took swift action across the entire business to ensure we could continue to operate safely and effectively.

Today, working remotely remains the norm for many at BAT. Where this has not been possible, for example in many of our factories around the world, the necessary measures have been put in place to ensure our people can work safely and securely. I would like to thank our teams around the world for their ongoing commitment, energy and passion.

## Our Purpose: A Better Tomorrow™

Our business continues to transform during this period of unprecedented change. Our purpose – to build A Better Tomorrow™ by reducing the health impact of our business – has remained our North Star. It continues to guide our strategic choices and the execution of our strategy.

Delivering A Better Tomorrow™ through consumer-led insights, innovation and science are central to this purpose. Our consumer-centric, multi-category approach offers the widest range of enjoyable and less risky products, including Vapour products, Tobacco Heating Products (THP) and Modern Oral nicotine pouches.†

We believe our multi-category strategy is the most effective way of appealing to the diverse preferences of adult consumers around the world while reducing the health impact of our business. We believe consumers should either stop smoking, or not start.

For those who would otherwise continue to smoke, we are committed to encouraging them to switch completely to scientifically-substantiated, reduced-risk alternatives.\*†

\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

† Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.



“ Our business continues to transform during this period of unprecedented change. Our purpose – to build A Better Tomorrow by reducing the health impact of our business – has remained our North Star. It continues to guide our strategic choices and the execution of our strategy. ”

“ We believe our multi-category strategy is the most effective way to appeal to the diverse preferences of adult consumers around the world while reducing the health impact of our business. ”

“ I am pleased that we are making great progress towards our ESG ambitions and business transformation. BAT's non-combustible products are now available in over 50 countries. We have increased the number of non-combustible product consumers by 3 million, reaching 13.5 million, and remain on track for 50 million by 2030. ”

“ We are providing an increasing number of adult consumers with products that provide satisfaction and can reduce the overall health risk compared with our combustible products. Our ambition is to build the brands of the future. ”

Sustainability is at the heart of our business and is key to our transformation journey. In support of our A Better Tomorrow™ purpose, we set out three ambitious ESG targets:

- Increasing the consumer base of our non-combustible products to 50 million by 2030;
- Achieving carbon neutrality by 2030 while accelerating our existing environmental targets to 2025; and
- Eliminating unnecessary single-use plastic and making all plastic packaging reusable, recyclable or compostable by 2025.

I am pleased that we are making great progress towards our ESG ambitions and business transformation. BAT's non-combustible products are now available in more than 50 countries. We have increased the number of non-combustible product consumers by 3 million, reaching 13.5 million, and remain on track for 50 million by 2030.

In addition, we achieved a 37.4% decrease in our Scope 1 and Scope 2 CO<sub>2</sub>e carbon emissions against our 2017 baseline, supported by a 16 percentage point increase in our use of renewable energy compared with last year. Further details of our progress in all ESG areas are provided on pages 28-31 and in our ESG Report.

We are proud that our ESG efforts are being recognised externally through our inclusion in the Dow Jones Sustainability Indices for 19 consecutive years, our scores in leading investor indices such as MSCI and Sustainalytics, and through our CDP Climate A-List status.

In fact, BAT achieved more worldwide recognition and awards in 2020 than ever before, with well over 200 awards received.

### Our Performance for Year Ended 31 December 2020

The year ended 31 December 2020 was a strong one for BAT's global business.

The impact of the COVID-19 pandemic has been felt unequally across markets, with resilience seen across many developed markets, where around three-quarters of our revenue is generated, while some developing markets have experienced product, sales or supply chain restrictions.

Revenue was marginally lower than 2019 (down 0.4%), due to a foreign currency headwind of 3.5%. Excluding currency (and adjusting items in revenue impacting 2019), the Group delivered 3.3% revenue growth to £26,670 million, which was at the top end of our guidance range.

Profit from operations grew by 10.5% to £9,962 million with diluted earnings per share up 12%. Excluding adjusting items and the impact of foreign exchange, adjusted profit from operations, at constant rates of exchange, grew by 4.8% and adjusted diluted earnings per share grew by 5.5%.

Reported operating margin grew by 380 bps to 38.6%. On an adjusted basis, it grew by 100 bps at current rates.

With operating cash conversion of 103%, we have continued to demonstrate our commitment to reducing leverage and investing in the business by maximising cash.

### Delivering a Step Change in New Categories

Our New Categories portfolio is the broadest in the industry.

Through our multi-category approach, combined with powerful data and consumer analytics, we are providing an increasing number of adult consumers with products that provide satisfaction and can reduce the overall health risk compared with our combustible products.\*† Our ambition is to build the brands of the future.

We aim to further accelerate the growth of revenue from our New Categories, reaching £5 billion in 2025. I am pleased to report that £1.4 billion of our revenues came from these products in 2020, representing 15% growth compared to 2019.

Overall, total Group Vapour revenue grew by 52% to £611 million. I am pleased to report we are the value share leader in closed systems in four of the top five markets, rapidly closing the gap on the US market leader.

We continue to grow volume share in THP, with consumable volume up 19% to 11 billion sticks – which would have been a growth of 29% had it not been for the withdrawal of glo Sens in the year. While overall revenue declined 13% to £634 million this was predominantly due to the impact of a £50 million charge to revenue (related to the withdrawal of glo Sens) and excise rate harmonisation in Japan. We now have around 20% share of category in multiple markets including Japan, Romania and Kazakhstan.

Our volume of Modern Oral increased 62% to 1.9 billion pouches with revenue increasing 57% to £198 million. Our acquisition of certain assets from Dryft, a US-based Modern Oral company, in October positions us well for future US growth and represents a further step towards building A Better Tomorrow™.

These results, combined with the investment of an additional £426 million in New Categories in 2020, demonstrate our commitment to delivering results sustainably in this exciting area of the business.

## Overview

# Chief Executive's Review

## Continued

“ We aim to further accelerate the growth of revenue from our New Categories, reaching £5 billion in 2025. I am pleased to report that £1.4 billion, of our revenues came from these products in 2020 representing 15% growth compared to 2019. ”

“ These results, combined with the investment of an additional £426 million in New Categories in 2020, demonstrate our commitment to delivering results in this exciting area of the business sustainably. ”

“ As these results demonstrate, we are accelerating our business transformation and building A Better Tomorrow. ”

“ With our history of strong financial performance, coupled with a deep understanding of our consumers and an innovation-led, multi-category approach, we have the foundations in place to propel this great Company even further forward. ”

### Driving Value from Combustibles

While we aim to generate an increasing proportion of our overall revenues from New Categories, the performance of our combustibles business remains essential to funding the delivery of A Better Tomorrow™.

Revenue from combustibles declined 1.1% as the results were impacted by a translational exchange headwind of 3.7%. On a constant currency basis (and excluding adjusting items that impacted 2019), this was a growth of 2.8% to £23.6 billion as higher pricing across the Group, notably in the US, Russia, Germany, Canada, Australia, Mexico and Pakistan more than offset the impact of lower combustible volume.

Group cigarette value share increased 20 bps, with cigarette volume share up 40 bps. While Group cigarette volume declined 4.6% to 638 billion sticks, this should be seen in the context of an estimated decline in the industry of between 5.0% to 5.5%.

Our developed and developing market coverage supported our growth, with value share accelerating in developed markets and volume share in developing markets.

### Simplifying the Business

Creating a more efficient, agile and focused business is vital to delivering A Better Tomorrow™. Our aim is to deliver annualised £1 billion in efficiency savings by 2022 and in 2020 we made good progress, with Quantum enabling gross savings of £660 million through organisational change and productivity initiatives.

A major component of simplifying the business is our digital transformation. We are investing in a digitally-enabled, empowered and connected organisation.

Our e-commerce performance was evidence of that, with revenue growing by over 50% on a year-on-year basis.

Our efforts to simplify the business go much further than digital transformation. We are removing complexities for our management structure, rigorously managing our cost base and embedding our internal culture.

### Confidence in Our Future

As these results demonstrate, we are accelerating our business transformation and building A Better Tomorrow™.

Our ongoing success is only made possible by the dedication and energy of our talented people around the world and I want to thank them all for their commitment, determination and resilience in such a challenging environment.

This year, I want to extend a special thank you to our Chairman, Richard Burrows, who is stepping down from the role and retiring from the Board. Having served as Chairman since 2009, Richard's strong leadership and contribution have been instrumental in the progress BAT has made in recent years. I would also like to congratulate Luc Jobin on his appointment as Chairman of the Board.

As Chief Executive, I am as proud of the rich heritage of BAT as I am excited by the journey ahead. With our history of strong financial performance, coupled with a deep understanding of our consumers and an innovation-led, multi-category approach, we have the foundations in place to propel this great Company even further forward.

**Jack Bowles**  
Chief Executive

## Financial Review

# Finance and Transformation Director's Overview



“ We continue to deliver against our financial objectives, despite the unprecedented challenges arising in 2020. This allows us to continue to reward shareholders with growth in dividends while deleveraging and investing in A Better Tomorrow. ”

“ Revenue growth driven by New Categories performance and combustibles pricing, more than offsets an estimated 2.5% COVID-19 headwind. ”

“ Project Quantum has realised savings that allowed us to invest a further £426 million in New Categories. ”

“ Profit from operations was up 10.5% (2019: down 3.2%), driven by the growth in revenue (excluding the impact from currency) and operational efficiencies while 2019 was impacted by certain charges that did not repeat, notably in relation to Canada and Russia. ”

## Financial Strength to Overcome Operational Challenges

2020 has provided unique challenges that the Group has met and overcome. Our geographic diversity, integrated infrastructure and determination to deliver has again delivered growth in our key financial indicators.

Our combustible portfolio, particularly in the US where we led industry pricing, has provided both the fuel to continue to increase our investment in our New Category portfolio and to deleverage the Group's balance sheet despite headwind from COVID-19 of an estimated 2.5% on revenue.

## Pricing and New Categories Drive Revenue Growth

Revenue was marginally lower than 2019, down 0.4%, at £25,776 million (while 2019 was up 5.7% to £25,877 million), as a translational currency headwind more than offset the operational performance, with revenue up 3.3% in 2020 (2019: 5.6%) on an adjusted constant currency basis, despite an estimated headwind on revenue from COVID-19 of approximately 2.5% in 2020.

Pricing across the cigarette portfolio (with price/mix of 7% in 2020 compared to 9% in 2019), higher revenue from New Categories (up 14.9% in 2020 and 37% in 2019) and Traditional Oral (up 7.2% in 2020 compared to 15% in 2019) more than offset a decline in cigarette volume of 4.6% in 2020 (2019: 4.7% decline). 2020 was also impacted by an estimated 2.5% headwind from COVID-19 due to the disruption and restrictions affecting certain markets (including South Africa and in Global Travel Retail).

## Margin Growth While Investing in New Categories

Profit from operations increased by 10.5% to £9,962 million, compared to a decline of 3.2% to £9,016 million in 2019. This was largely driven by the operational efficiencies achieved under the Group's restructuring programme (Project Quantum) and while 2020 was impacted by charges in respect of goodwill impairment (£209 million, largely in respect of Malaysia; 2019: £172 million mainly in respect of Indonesia), litigation charges (mainly in the US) of £487 million (2019: £236 million) and Quantum costs (£81 million; 2019: £264 million), 2019 was also negatively impacted by a charge in respect of the Quebec Class Action in Canada (£436 million) and the settlement of an excise dispute in Russia (£202 million).

Our operating margin increased by 380 bps to 38.6% in 2020 (2019 declined 320 bps to 34.8% driven by the lack of charges referred to above).

On an adjusted constant currency basis, profit from operations grew by 4.8% (2019: up 6.6%) with adjusted operating margin (at current rates) up 100 bps to 44.1% (2019: 43.1%). This was driven by growth in high margin markets (including the US) and efficiencies delivered in 2020 as part of Project Quantum which more than offset the continued investment in New Categories.

## Financial Review

# Finance and Transformation Director's Overview Continued

“ Dividends per share increasing by a further 2.5%, underpinned by the financial strength of our business. ”

“ Cash flow generation remains extremely strong, with high conversion from profit to cash, facilitating the drive to deleverage while investing for the future. ”

“ We remain committed to consistent and sustainable long-term 3-5% revenue growth (excluding currency) and a progressive dividend policy. ”

“ The Group continues to deliver against the financial objectives, despite the unprecedented challenges arising in 2020. This allows the Group to continue to reward shareholders with a growth in dividends while deleveraging and investing in A Better Tomorrow. ”

### Future Funding De-Risked Through Proactive Action

In 2020, we reduced future refinancing risk by raising £8.9 billion in the US dollar, euro and sterling markets, using the proceeds to repurchase and redeem £3.1 billion of bonds. This de-risked the future repayment profile by securing lower interest rates and future liquidity in uncertain times. This led to an increase in net finance costs of 8.9% to £1,745 million as we recognised net charges of £142 million in respect of the early redemption and tender offer. The increase in 2019 (up 16% to £1,602 million) was driven by foreign exchange headwinds and interest on leases recognised under IFRS 16 *Leases*.

As part of the Group's de-risking of future funding, during 2020 gross interest cover ceased to be a covenant on the Group's debt facilities.

### EPS Growth Underpins Dividend Increase

On a reported basis, basic EPS was up 12.1% at 280.0p (2019: down 5.4% at 249.7p) with diluted EPS up 12.0% to 278.9p (2019: down 5.4% to 249.0p), largely due to the increase in profit from operations as discussed earlier.

Excluding the adjusting items and the effect of foreign exchange on the Group's results, adjusted diluted earnings per share, at constant rates, increased by 5.5% to 341.4p, with 2019 ahead of 2018 by 8.4%.

Dividends per share for 2020 will be 215.6p, an increase of 2.5% (2019: 210.4p, up 3.6%), in line with our commitment of a 65% payout ratio on adjusted diluted earnings per share (2019: 65.0%).

### Cash Generation Drives Debt Deleveraging

We continue to focus on a balanced approach of deleveraging, while investing for the future and providing a return via dividends to shareholders.

We remain extremely successful in converting operating performance to cash. The Group's cash conversion ratio, based upon net cash generated from operations, was 98% (2019: 100%) and the operating cash conversion ratio was 103% (2019: 97%). The Group realised £9.8 billion (2019: £9.0 billion) of net cash generated from operating activities, or £2.6 billion (2019: £1.9 billion) of free cash flow after dividends – which is a measure the Group uses to assess total cash generated by the Group with which to repay borrowings.

Consequently, in 2020, total borrowings (including lease liabilities) have reduced from £45,366 million in 2019 to £43,968 million in 2020, largely due to the net repayment of borrowings in the year, and a currency tailwind of £219 million. We continued to deleverage our balance sheet with adjusted net debt to adjusted EBITDA ratio improved from 3.5 times to 3.3 times. We expect this ratio to be around 3.0 times by the end of 2021.

Adjusted net debt to adjusted EBITDA, as defined on page 283 of the 2020 Annual Report and Accounts and Form 20-F provides a measure to assess the Group's ability to meet its borrowing obligations and, from 2020, is a KPI.

### Confidence in Future Delivery

We remain confident in our medium term guidance of 3-5% revenue and high-single figure adjusted diluted EPS growth at constant currency, post COVID-19, while targeting a minimum of 90% operating cash conversion and a dividend pay-out ratio of 65% of adjusted diluted EPS over the medium to long term.

In summary, the Group continues to deliver against the financial objectives, despite the unprecedented challenges arising in 2020. This allows the Group to continue to reward shareholders with a growth in dividends while deleveraging and investing in A Better Tomorrow™.

**Tadeu Marroco**

Finance and Transformation Director

# Our Year in Numbers

Our performance metrics	Target / Ambition	2020	%	2019	%	2018	IFRS-GAAP KPI	Non-GAAP
<b>Consumer</b>								
Number of Non-Combustible Product Consumers	50 million consumers by 2030	13.5m		10.5m		8m		
<b>Market Share</b>								
Cigarette and THP volume share growth (bps)	Grow by 0-10 bps (2020)	+30 bps		+20 bps		+40 bps	■	●
Cigarette and THP value share growth (bps)		+20 bps		+30 bps		+40 bps		
<b>Volume</b>								
Cigarettes (bn sticks)		638	-5%	668	-5%	701		
Other Tobacco Products (bn stick equivalents)		20	-2%	21	-7%	22		
Vapour (mn 10ml units / pods)		344	+52%	226	+19%	189		
THP (bn sticks)		11	+19%	9	+32%	7		
Modern Oral (mn pouches)		1,934	+62%	1,194	+188%	414		
Traditional Oral (bn stick equivalents)		8	-1%	8	-1%	8n		
<b>Financial</b>								
Revenue (£m)		25,776	-0.4%	25,877	+5.7%	24,492	●	■
Change in Adjusted Revenue at cc (%)	3-5% CAGR	+3.3%		+5.6%			■	●
Change in Revenue from Strategic Portfolio at cc (%)*	Increase 3-6% (2020)	+7.0%		+7.3%			■	●
Revenue from New Categories (£m)	£5 billion by 2025	1,443	+14.9%	1,255	+36.9%	917	●	■
Change in Revenue from New Categories at cc (%)*		+15.4%		+32.4%			■	●
Profit from Operations (£m)		9,962	+10.5%	9,016	-3.2%	9,313	●	■
Change in Adjusted Profit from Operations at cc (%)	Increase 4.0% to 6.5% (2020)	+4.8%		+6.6%			■	●
Operating Margin (%)		38.6%		34.8%		38.0%	●	■
Adjusted Operating Margin (%)		44.1%		43.1%		42.6%	■	●
Diluted Earnings per Share (p)		278.9	+12.0%	249.0	-5.4%	263.2	●	■
Adjusted Diluted Earnings per Share (p)	5-10% CAGR	331.7	+2.4%	323.8	+9.1%	296.7	■	●
Change in Adjusted Diluted Earnings per Share at cc (%)	5-10% CAGR	+5.5%		+8.4%			■	●
Dividends per Share (p)		215.6	+2.5%	210.4	+3.6%	203.0		
Dividend Pay-Out Ratio (%)	65% of long-term earnings	65%		65%		68%		
Net Cash Generated from Operating Activities (£m)		9,786	+8.8%	8,996	-12.6%	10,295	●	■
Free Cash Flow after Dividends (£m)		2,550	+32.7%	1,921	-42.4%	3,337	■	●
Cash Conversion (%)		98%		100%		111%	●	■
Operating Cash Conversion (%)	85-95% each year on average	103%		97%		113%	■	●
Borrowings, including Lease Liabilities (£m)		43,968	-3.1%	45,366	-4.5%	47,509	●	■
Adjusted Net Debt to Adjusted EBITDA (ratio)	Around 3.0x by end 2021	3.3x		3.5x		4.0x	■	●
Adjusted Return on Capital Employed (%)		10%		9%		8%		
Total Shareholder Return (rank)		20 of 23		21 of 23		19 of 23	■	●
<b>ESG</b>								
Total Scope 1 and 2 CO <sub>2</sub> e emissions ('000 tonnes)	Carbon neutral by 2030 for our own business activities	541	-30.9%	782	-7.0%	874		
Water Withdrawn (mn metres <sup>3</sup> )	Reduce water withdrawn by 35% by 2025 to 3.38 against 2017 baseline	4.03	-10.8%	4.51	-5.3%	4.77		
Recycling (% of Waste Recycled Annually)	Recycle min 95% of waste	90.7%		90.5%		90.2%		

Please refer to pages 276-284 of the 2020 Annual Report and Accounts and Form 20-F and Accounts for definitions of the Non-GAAP measures. See the section 'Non-Financial KPIs' on page 274 for more information on these non-financial KPIs.

\*From 2021, Change in Revenue from Strategic Portfolio at cc will cease to be a KPI, being replaced as a KPI by Revenue from New Categories at cc.

- Where measures are presented 'at constant rates' or 'at cc', the measures are calculated based on a re-translation, at the prior year's exchange rates, of the current year results of the Group and, where applicable, its segments. See page 73 of the 2020 Annual Report and Accounts and Form 20-F for the major foreign exchange rates used for Group reporting.
- Where measures are presented as 'adjusted', they are presented before the impact of adjusting items. Adjusting items represent certain items of income and expense which the Group considers distinctive based on their size, nature or incidence.

## Strategic Management

# The Foundations of our Evolved Strategy

We are committed to providing A Better Tomorrow™ for all our stakeholders. Our ambition is to deliver long-term sustainable growth with a range of innovative and less harmful products that stimulate the senses of new adult generations.

## Strong Foundations



>180

markets in which we operate



>150m

daily consumer interactions



>11m

points of sale across over 180 markets

Our wide range of capabilities make us exceptionally well-placed for future growth:

- our unique global marketing and distribution reach;
- our track record of R&D and innovation;
- our decades' worth of consumer insights and brand-building expertise; and
- our New Categories business aims to generate £5bn in revenue in 2025.

## Satisfying Consumer Tastes and Moments

20 years ago

combustible products fulfilled a multitude of consumer moments



Night



Morning



Evening



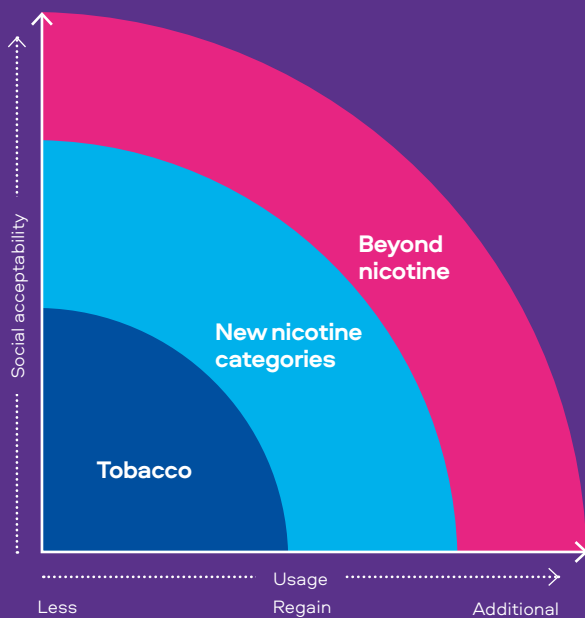
Afternoon



For decades, combustible products satisfied a need for sensorial enjoyment for many individuals. While occasions for tobacco consumption are now reduced, new opportunities have arisen:

- new products provide us with an opportunity to capture, in a focused way, the lost consumer moments previously associated with tobacco; and
- evolving and fragmenting consumer needs provide us with opportunities for additional growth in a variety of new categories.

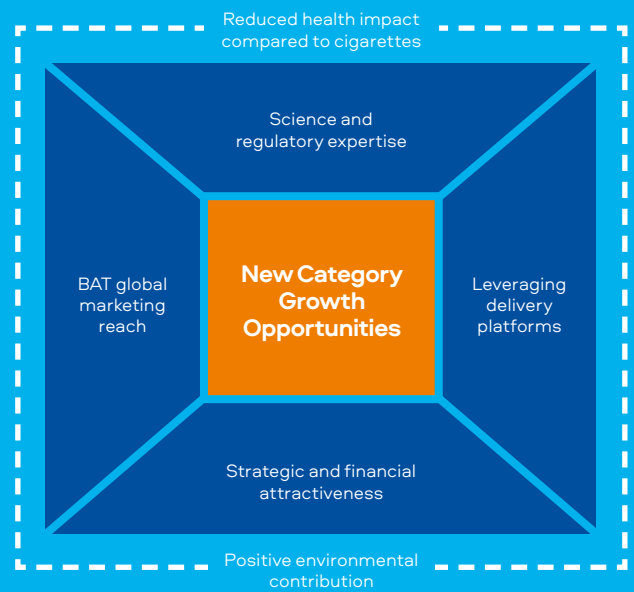
## A Developing Portfolio



A wider portfolio of products that offer sensorial enjoyment for different moods and moments will allow us to capture the consumer moments previously associated with tobacco use, as well as satisfy new evolving consumer needs, through:

- scientifically-substantiated, reduced-risk tobacco and nicotine products;
- building the brands of the future; and
- ultimately, a portfolio of products beyond nicotine that leverages our proven expertise.

## Parameters to Guide Growth Opportunities



Our new growth opportunities will capitalise on our core business strengths, creating clear boundaries for our portfolio development:

- reducing the health and environmental impacts of our business;
- leveraging our global marketing reach and scale;
- building on our knowledge of delivery platforms and technology;
- relying on our experience in managing complex regulatory and scientific matters; and
- meeting stringent strategic and financial metrics.

## Strategic Management

# A Strategy for Accelerated Growth

As a leading consumer-centric, multi-category consumer goods business, we are dedicated to stimulating the senses of adult consumers worldwide. We aim to generate an increasingly greater proportion of our revenues from products other than combustibles, thereby reducing the health impact of our business.

This will deliver A Better Tomorrow™ for our consumers who will have a range of enjoyable and less risky\*† choices for every mood and moment; for society through reducing the overall health and environmental impacts of our business; for our employees by creating a dynamic and purposeful place to work; and for our shareholders by delivering sustainable superior returns.



## Our Mission

### Stimulating the Senses of New Adult Generations

Today, we see opportunities to capture consumer moments which have, over time, become limited by societal and regulatory shifts, and to satisfy evolving consumer needs and preferences.

Our mission is to anticipate and satisfy this ever-evolving consumer: provide pleasure, reduce risk, increase choice and stimulate the senses of adult consumers worldwide.

## Must Wins

### High Growth Segments

Driven by our unique and data-driven consumer insight platform (PRISM), we will focus on product categories and consumer segments across our global business that have the best potential for long-term sustainable growth.

### Priority Markets

By relying on a rigorous market prioritisation system (MAPS), we will focus the strengths of our unparalleled retail and marketing reach, as well as our regulatory and scientific expertise, on those markets and marketplaces with the greatest opportunities for growth.

## How We Win

### Inspirational Foresights

As one of the most long-standing and established consumer goods businesses in the world, we have a unique view of the consumer across all of our product categories, which is increasingly driven by powerful data and analytics.

These insights ensure that the development and responsible marketing of our products is fit to satisfy consumer needs.

## Remarkable Innovation

As consumer preferences and technology evolve rapidly, we rely on our growing global network of digital hubs, innovation super centres, world-class R&D laboratories, external partnerships and our corporate venturing initiative to stay ahead of the curve.

## Powerful Brands

For over a century, we have built trusted and powerful brands that satisfy our consumers and serve as a promise for quality and enjoyment. We will build the brands of the future by focusing on fewer, stronger and global brands across all our product categories, delivered through our deep understanding and segmenting of our consumers.

## Connected

Few companies can claim over 150 million daily consumer interactions, over 11 million retail points of sale and a global network of expert employees around the world. Cultivating an ecosystem that directly connects us with consumers and stakeholders, especially through the power of digital technology, ensures we can build the brands of the future, deliver access to markets and foster innovations that offer sensorial enjoyment and satisfy consumer needs.

\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

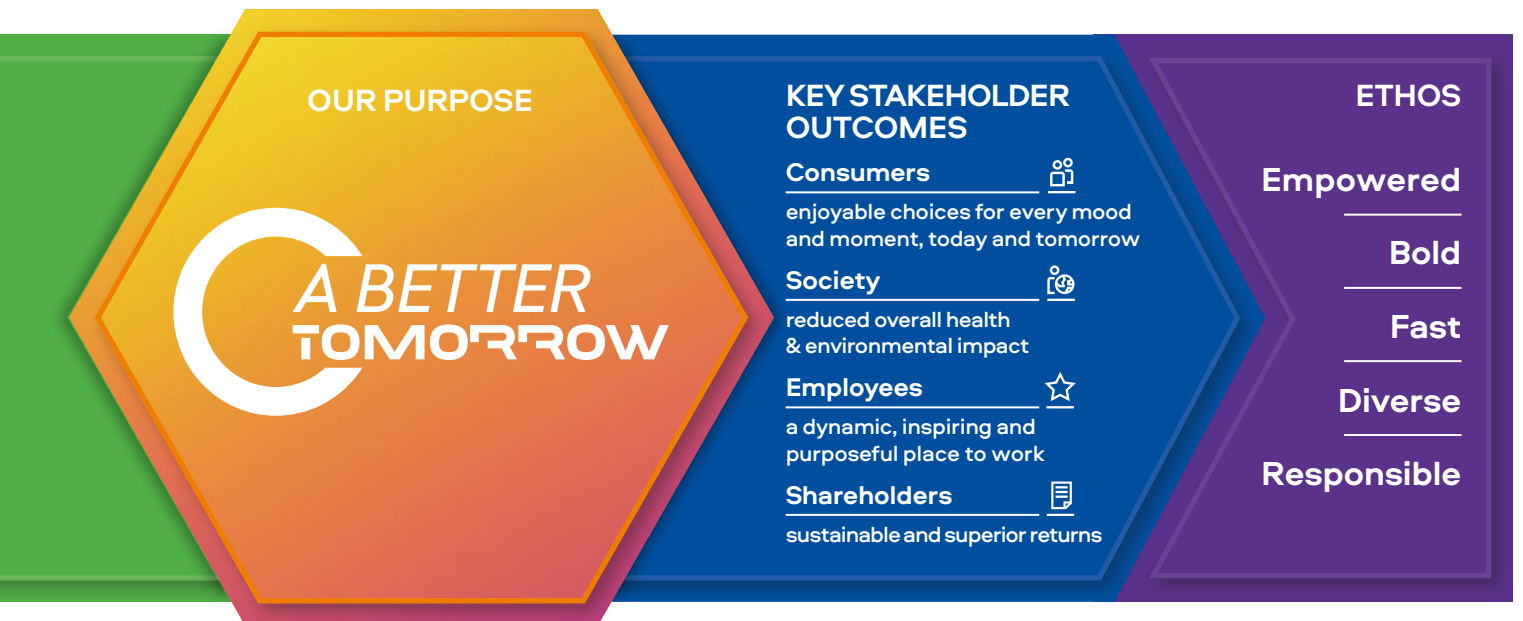
† Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance





“ We will become a business that defines itself by the consumer needs it meets. We aim to provide our consumers with a portfolio of solutions, recognising that tastes and preferences differ across markets. This will enable sustainable, long-term growth as a modern consumer products company with a clear focus on insights, innovation, brands, activation, teams and technology. Our ambition is to build the brands of the future.”

**Kingsley Wheaton**  
Chief Marketing Officer



**People and Partnerships**

Our highly-motivated people are being empowered through a new ethos that is responsive to constant change, embodies a learning culture and is dedicated to continuous improvement. But we cannot succeed on our own, and our partnerships with farmers, suppliers and customers are also key for ensuring sustainable future growth.

**US Focus**

The United States comprises nearly half of our global business. It is also the single largest economy in the world, the largest single centre for technology and the key driver of global consumer trends, and is where we have the deep consumer understanding and financial strength to support the delivery of our mission to stimulate consumer senses around the rest of the world.

**Our Purpose**

By stimulating the senses of new adult generations, our purpose is to create A Better Tomorrow™ for all our stakeholders.

We will create A Better Tomorrow™ for:

**Consumers**

By responsibly offering enjoyable and stimulating choices for every mood and every moment, today and tomorrow;

**Society**

By reducing the health impact of our business by offering a range of alternative products, as well as by reducing our environmental and social impacts;

**Employees**

By creating a dynamic, inspiring and purposeful place to work; and

**Shareholders**

By delivering sustainable and superior returns.

For more information about our purpose see inside front cover

**Short-Term Deliverables to Fuel A Better Tomorrow™**

**1 2 3 Ensure a Step Change in New Categories Performance**

With our unique cross-category consumer understanding we are clear there is a huge opportunity for our New Categories.

**1 2 3 Drive Value From Combustibles**

Our ambition is to drive value from Combustibles to fuel our investment in, and transition revenue to, New Categories.

**1 2 3 Simplify the Business**

Our ongoing simplification programme, Project Quantum, will realise £1 billion of annualised savings through simplification and efficiencies by the end of 2022.

See the 2020 Annual Report and Accounts and Form 20-F for further details at [www.bat.com/reporting](http://www.bat.com/reporting)

Strategic Management

# Our Consumer-Centric Multi-Category Portfolio

BAT is a leading consumer-centric, multi-category consumer goods business dedicated to stimulating the senses of adult consumers worldwide. Our portfolio reflects our commitment to meeting the evolving and varied needs of today's consumer who seeks sensorial enjoyment for different moods and moments.

## Strategic Portfolio

Our key brands in both the combustible and non-combustible categories. This drives focus and investment on the brands and categories that will underpin the Group's future performance. The strategic portfolio is:

### Non-Combustibles

All brands within New Categories and the strategic traditional oral brands in moist and snus.

### Combustibles

Dunhill, Kent, Lucky Strike, Pall Mall, Rothmans, Newport (US), Natural American Spirit (US), Camel (US).

### Revenue by product category



New Categories	£1.4bn
Traditional Oral	£1.2bn
Combustibles	£22.8bn
Other	£0.4bn

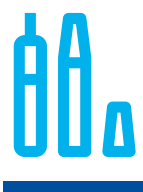
\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

† Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance

Our Reduced-Risk Portfolio (Non-Combustibles)\*†

New Categories


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**Vapour**

Handheld, battery-powered devices that heat a liquid (called an e-liquid, usually containing nicotine) and creates a vapour to be inhaled.


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**THP**

THPs do not burn tobacco, so no smoke (which is a key source of toxicants) is produced. Research indicates that by heating tobacco rather than burning it, THPs have the potential to be reduced-risk compared to smoking.


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**Modern Oral**

This is our most recent innovation across oral products – offering consumers a satisfying experience with a range of different flavours. Two formulations are available: one containing lower levels of tobacco, and one that contains nicotine but no tobacco.

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**Traditional Oral**

Traditional Oral products do contain tobacco, but there is no burning. There is strong epidemiological evidence, from countries such as Sweden, that switching completely to snus can reduce risk compared to smoking.

Combustibles

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The Group sold 638 billion cigarette sticks and 20 billion OTP (stick equivalents) in 2020. The Group operates in over 180 markets, with 45 fully integrated cigarette manufacturing facilities in 43 markets.



27

markets where our vapour products are currently available



20

markets where our THPs are currently available



23

markets where our modern oral products are currently available



5

markets where our traditional oral products are currently available



US specific



NATURAL AMERICAN SPIRIT



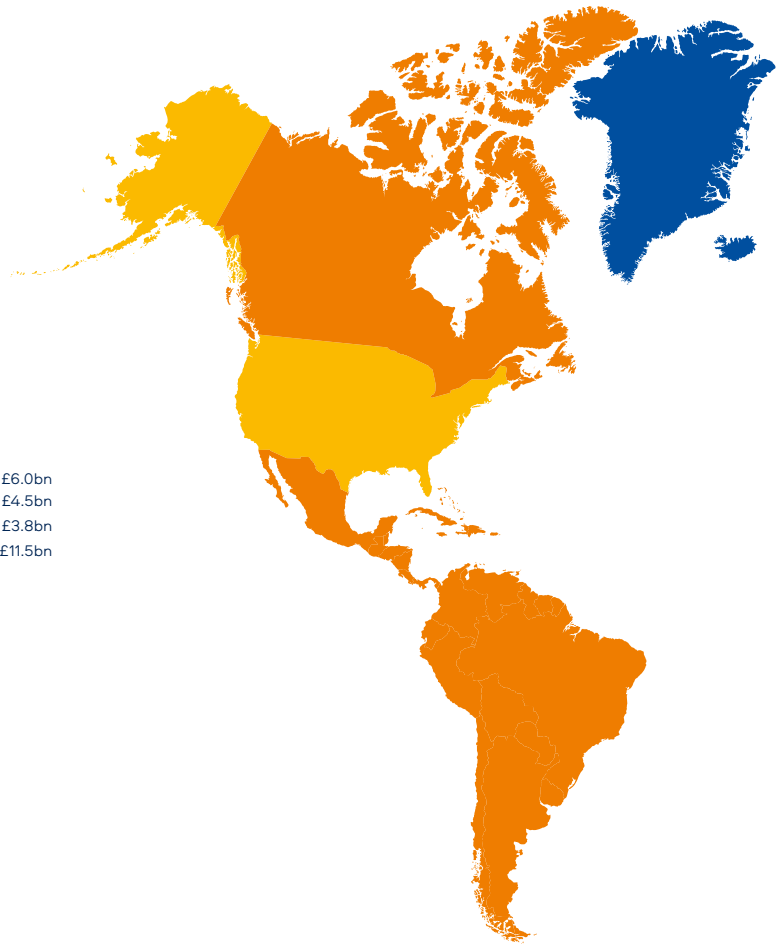
Strategic Management

# Our Global Business

To build A Better Tomorrow™, our marketplace analysis delivers insights regarding consumer trends and segmentation, which ultimately facilitates our geographic brand prioritisation across over 180 markets. Our business is divided into four, complementary regions with a balanced presence in both high-growth emerging markets and highly profitable developed markets.

To achieve a step-change in New Categories, we are building new capabilities around the world focused on science, innovation and digital information.

Consumer preferences and technology are evolving rapidly, and we are staying ahead of the curve with our digital hubs, the creation of innovation super centres and further development of our world-class R&D laboratories. We are also leveraging the expertise of our external partners and are looking forward to exciting results from our venturing initiative.



Revenue by region



■ ENA	£6.0bn
■ APME	£4.5bn
■ AmSSA	£3.8bn
■ US	£11.5bn

“ Our cutting edge technologies turn consumer insights into innovative and outstanding products that meet their needs. ”

Paul Lageweg  
Director,  
New Categories



“ The US business is transforming into a New Categories-oriented business, fuelled by reinvestments from the consistently industry-leading value growth in the tobacco categories. ”

Guy Meldrum  
President and  
CEO (Reynolds  
American Inc.)



“ Building A Better Tomorrow is crucial for the Group and the excellent performance of New Categories across AmSSA is proof of the leading role the region is playing. ”

Luciano Comin  
Regional Director,  
AmSSA

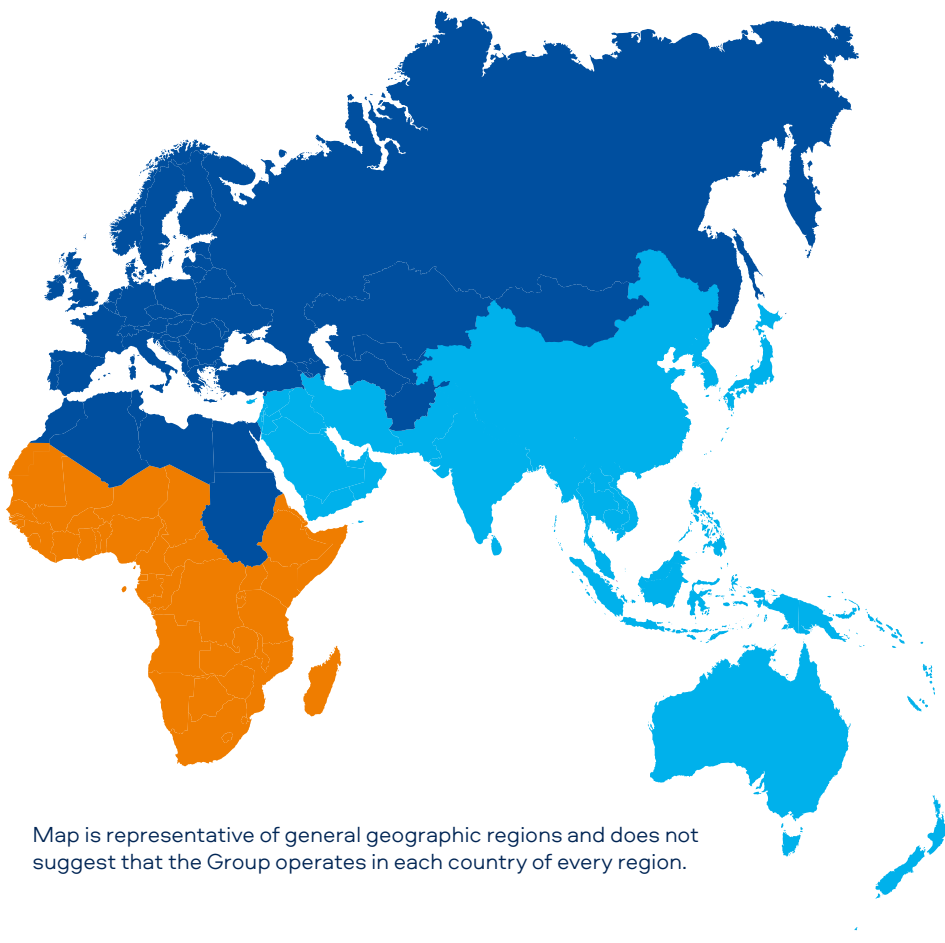




“ We were delighted to be included in The Gartner Supply Chain Top 25 in 2020, a global report identifying supply chain leaders. This is the latest external recognition of our efforts in delivering a world-class supply chain for our journey towards A Better Tomorrow.”

Zafar Khan  
Director, Operations

Europe and North Africa	ENA	Asia-Pacific and Middle East	APME
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Map is representative of general geographic regions and does not suggest that the Group operates in each country of every region.

-  **180+**  
markets
-  **150mn**  
consumers
-  **13.5mn**  
non-combustible product consumers
-  **55,000+**  
employees
-  **139**  
nationalities
-  **40+**  
toxicologists
-  **1,500+**  
R&D specialists

“ We had a strong year across ENA, with revenue growth in all New Categories and remain resolute in our pursuit of A Better Tomorrow.”

Johan Vandermeulen  
Regional Director, ENA



“ glo Hyper accelerated THP volume across APME and we have ambitious plans for 2021 and beyond.”

Michael (Mihovil) Dijanosic  
Regional Director, APME



“ I am very proud of our global team of world-class scientists and the research they are doing to assess and ensure the performance, efficacy and safety of our products.”

Dr. David O'Reilly  
Director, Scientific Research



## Strategic Management

# Our Business Model

Our global business understands our diverse consumers, develops products to satisfy their preferences and ultimately distributes them across over 180 markets.

Six key enablers support us in turning powerful insights into products that provide enjoyment to our consumers, while engagement helps our key stakeholders benefit from our sustainable growth.

## IP / Technology

**£300mn+**

R&D expenditure

**7**

R&D / Product centre sites

## Environmental

**370,000tn**

of leaf

**2,568 GWh**

energy consumed

**4.03m**

cubic metres of water withdrawn

## Manufacturing

**79**

BAT-owned manufacturing facilities

**45**

cigarette factories



## Social

**84,000+**

contracted farmers

**c30,000**

Suppliers

**180+**

Markets

## Financial

**£600mn+**

annual capital expenditure

**£426mn**

additional investment in New Categories

**BBB+/Baa2**

credit rating

## Human

**55,000+**

employees globally

**1,500+**

R&D specialists

## A Better Tomorrow™ for...

## As measured by...

### Society



#### Environmental

- 37.4% reduction in Scope 1 and 2 CO<sub>2</sub>e emissions (since 2017)
- Over 99% of wood fuel used for curing from sustainable sources
- 76% of tobacco hectares with best practice soil and water management plans
- 22.5% reduction in water withdrawn (since 2017)
- 21.4% reduction in waste to landfill (since 2017)

#### Social

- £41bn tax paid to governments
- 38,000+ human rights farmer training sessions, with over 390,000 attendances in 2020

### Shareholders



#### Financial

- 7% dividend growth (CAGR since 2010)
- 5.5% growth in adjusted diluted EPS at constant currency in 2020
- 103% operating cash conversion in 2020
- 3.3% increase in revenue (at constant currency)

#### Social

- Among world's top 10% ESG performers in Dow Jones Sustainability Index (DJSI)

### Consumers



#### Financial

- +15% revenue from New Categories (vs 2019)
- +20 bps in Cigs + THP value share with +30 bps in Cigs + THP volume share (vs 2019)

#### Social

- 11m number of outlets
- 13.5m Non-Combustible consumers
- 100% adherence to Youth Access Prevention Guidelines

### Employees



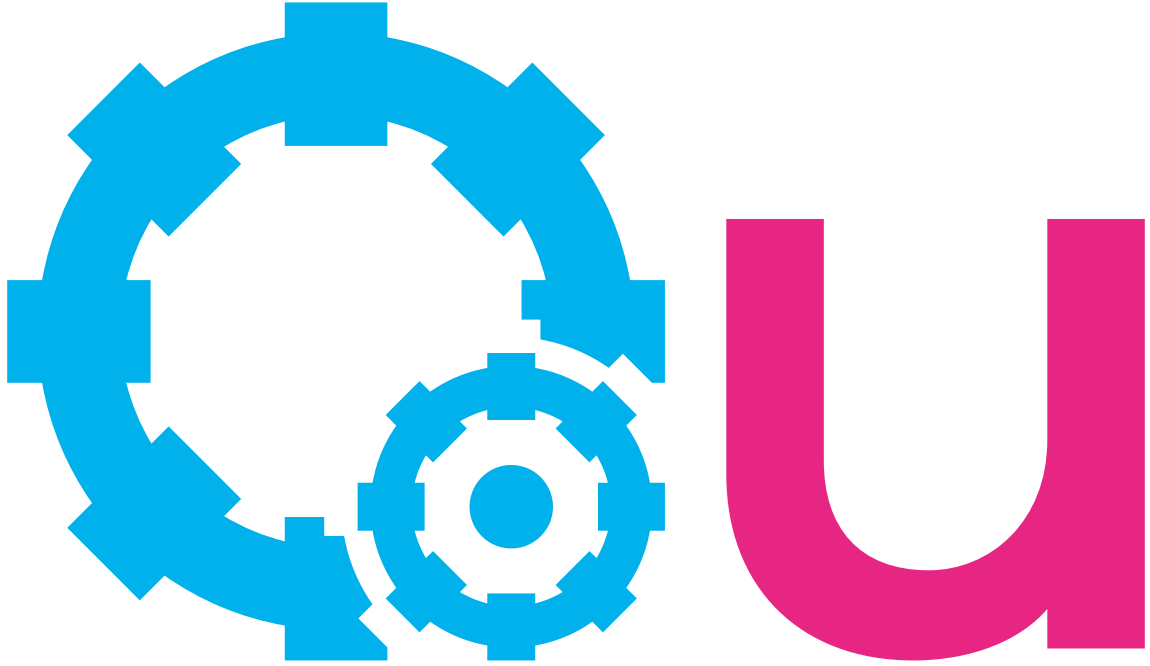
#### Human

- 30% reduction in lost workday cases (vs 2019)
- Proportion of women in management roles grew to 38%
- Accredited as Global Top Employer by the Top Employers Institute
- Employee engagement index 7% higher than FMCG comparator group in latest 'Your Voice' survey

## Strategic Management

# Accelerating the Enterprise of the Future

Building the Enterprise of the Future is about ensuring we have the organisational flexibility to implement and operationalise our growth strategy – simplifying the business and speeding up decision-making. Quest is an organisational transformation programme, built around five pillars, designed to deliver the Enterprise of the Future at enhanced speed.



## Deliver Quantum

Project Quantum is our ongoing simplification programme that is fuelling New Category investment and delivery against our financial guidance.

Across the business, we are looking at how BAT can become a simpler, faster and stronger organisation. This will support our ambition to build A Better Tomorrow™ for employees, consumers, shareholders and society.

Through restructuring and right-sizing parts of the business to reflect our new priorities, improving ways-of-working to speed up decision-making and simplifying processes, we are focusing our efforts in a more targeted way to respond to emerging opportunities and deliver future growth.

## Unleash Innovation

Our New Categories business requires us to build on our rich history of leveraging our insights on consumer satisfaction and taste preference, which enables us to continually innovate to meet their needs.

Across our portfolio and our supply chain, we are using data-driven insights and foresights, and leveraging state-of-the-art technologies to ensure we are building the brands of the future. This means delivering the experiences and the products consumers want, when they want them.

By combining our existing global talents with the best skills available externally, we will execute consumer-led innovation more quickly, with even better coordination between our supply chain and R&D.

\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

† Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance



# est

## Empowered Organisation

Our talented teams around the world are being empowered through a new ethos that is responsive to constant change, embodies a learning culture and is dedicated to continuous improvement.

Attracting and retaining an increasingly diverse workforce and providing a welcoming, inclusive working environment are key drivers of our transformation journey.

By creating a simpler, more connected business we will set the context for our teams and trust their expertise. We will foster an environment where teams can challenge ideas. Once in agreement, we will commit collectively, collaborate and hold each other accountable to deliver.

## Shaping Sustainability

We are moving ourselves from a business where sustainability has always been important, to one where it is front and centre in all that we do.

Our commitment to reduce the health impacts of our business – by providing a range of less risky products<sup>†</sup> – is central to our corporate purpose. We are committed to doing this openly and transparently, engaging with an ecosystem of scientists, regulators and policy makers to ensure our corporate strategy continues to take account of their views.

We will continue to deliver world-class science relating to reduced-risk products<sup>†</sup> while advocating for appropriate standards and regulations. This will continue to be underpinned by excellence in all other environmental, social and governance (ESG) measures.

## Technology & Digital

We will continue to drive digital transformation to unlock commercial value across the entire value chain.

Data analytics are being used to ensure the right decisions are being made at the right time. Throughout our supply chain and our corporate functions, we are applying modern technologies, making analytics available at the touch of a button and freeing up valuable time and resources that can be released and reinvested for future growth.

We are also providing our people access to a range of tools and platforms designed to upskill them in agile ways of working, innovation and design-thinking – enabling them to become more productive, connect more effectively with internal and external colleagues, solve problems quickly and spot opportunities.

## Strategic Management

# Short-Term Deliverables to Fuel A Better Tomorrow™

Our purpose is to build A Better Tomorrow™ by reducing the health impact of our business through offering a greater choice of enjoyable and less risky products\* for our consumers. To accelerate this, we must become a stronger, simpler and faster organisation, which will be achieved through the delivery of three short-term priorities.



**Ensure a Step Change in New Categories Performance**



**Drive Value From Combustibles**



**Simplify the Business**



Over the years, consumer moments that used to be satisfied by cigarettes have been replaced by other products.

With our unique cross-category consumer understanding, we are clear there is a huge opportunity to recapture these moments with a broader portfolio of products that are less risky than combustible products.†

We are clear that any portfolio expansion will leverage our strengths. We will maximise and seek to constantly improve our delivery platforms in Vapour, THP and Modern Oral, reducing the health impact and making a positive environmental contribution.

We aim to increase our non-combustible consumers from 11 million (2019) to 50 million by 2030, driving revenue from New Categories to at least £5 billion by 2025.

We are building new capabilities around the world focused on science, innovation, and digital information. Consumer preferences and technology are evolving rapidly, and we are staying ahead of the curve with our digital hubs, the creation of innovation super centres, and further development of our world-class R&D laboratories. We are also leveraging the expertise of our external partners, and are looking forward to exciting results from our venturing initiative.



Our ambition is to increasingly transition our revenues from cigarettes to New Categories over time.

In order to fund the development of our New Categories, we will continue to focus on generating value from our Combustibles business, driving sustainable increases in revenue, with volume share and value share growth.

Our performance is a direct function of the strength of our brand portfolio. We will continue to develop and invest in our brands for equity and future value, by offering winning brand and product propositions, enabled by purposeful innovation.

Revenue growth management is a critical enabler to unlock future value and our resource allocation will be focused and prioritised to deliver better results with fewer initiatives.

We will further consolidate our portfolio of strategic brands and deliver efficiencies through a much leaner portfolio, with far fewer stock-keeping units designed to a margin.



Our ongoing simplification programme, Project Quantum, is expected to realise £1 billion of savings through simplification and efficiencies by 2022.

Through Quantum we will fundamentally re-evaluate how we are organised and reduce management layers to eliminate duplication and entrenched accountability.

We will create new capabilities and release valuable funds for further investment in our growth ambition, ensuring the Group is stronger, faster and more agile.

We will be steadfast in realising operational efficiencies, supply chain productivity and a focus on excellence in our route-to-market.

\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

† Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance

# A BETTER TOMORROW™ for consumers



By responsibly offering enjoyable and stimulating choices for every mood and every moment, today and tomorrow.

Our consumers are at the core of everything we do and our success is underpinned by addressing their preferences, offering them a choice of enjoyable, innovative and less risky products<sup>†</sup> through:

- a wide choice of high-quality and stimulating products for every mood and moment;
- brands they can trust that are manufactured to high-quality and safety standards;
- reduced-risk alternatives to combustible products;<sup>†</sup>
- transparent, clear and accurate information, based on robust science, about the relative risks; and
- responsible marketing that doesn't engage or appeal to youth.



Strategic Management

# Tobacco Harm Reduction Through World-Class Science

Tobacco harm reduction is a public health strategy to minimise the negative health impact of conventional cigarettes. It recognises the important role that alternative sources of nicotine with lower health risks offer to smokers who may not otherwise want or choose to give up. We're clear that our business is shifting towards a reduced-risk portfolio<sup>†</sup>, built on outstanding products, informed consumer choice, and underpinned by world-class science.

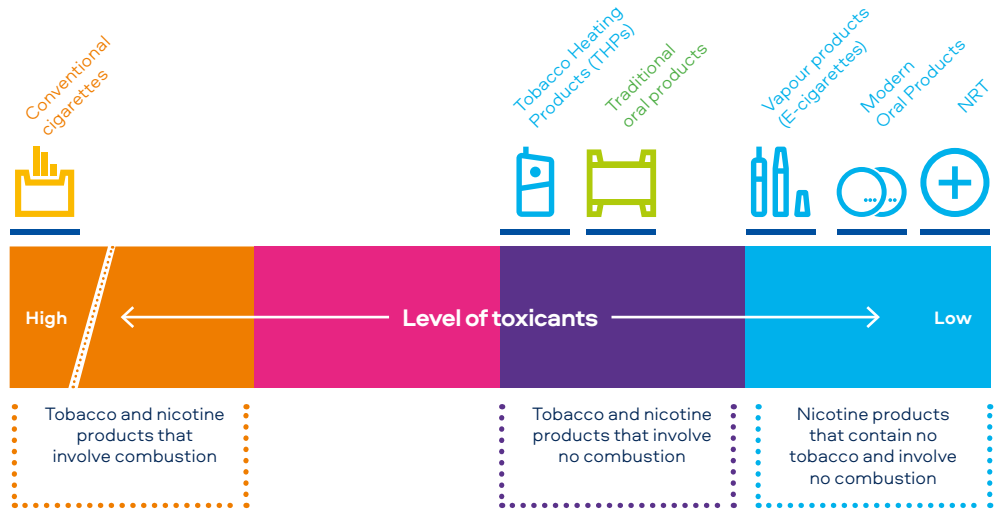
## Understanding the Products and Risks

It's widely accepted that most of the harm associated with tobacco is caused by inhaling the smoke produced by combustion.

Products that contain nicotine but don't involve burning tobacco are likely to emit far fewer – and lower levels of – toxicants, compared to conventional cigarettes. This means they have the potential to be significantly less harmful to health.<sup>†</sup>

For decades, nicotine has been used in licensed medicinal products. However, for harm reduction to be more effective, we must create alternatives to cigarettes that smokers want to use. Additionally, and despite a growing body of scientific evidence regarding the benefits of reduced-risk products<sup>†</sup>, more research is required.

### The toxicant continuum<sup>†</sup>



**Note:**

1. Substantially reduced toxicants is not sufficient alone to determine reduced risk.

We use the term Potentially Reduced Risk Products (PRRPs) to cover tobacco and nicotine products that, based on available science, have been shown to be reduced-risk; are likely to be reduced-risk; or have the potential to be reduced-risk, in each case if switched to exclusively as compared to continuing to smoke cigarettes.

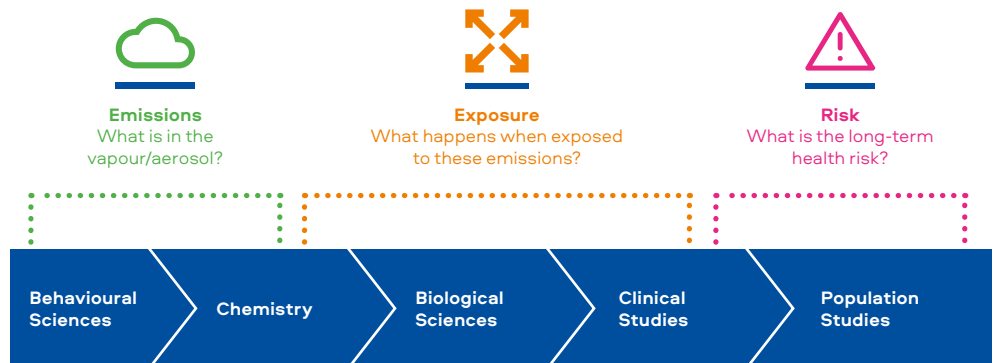
## Assessing the Reduced-Risk Potential of our Products<sup>†</sup>

To achieve tobacco harm reduction, reduced-risk assessments need to be supported by robust science. That's why we created our leading scientific research programme – and openly share its findings.

Most non-combustible products remain relatively new to the market. This means they lack the epidemiological data required to establish harm reduction potential over decades of use.

Instead, it's necessary to take a weight-of-evidence approach, based on the emissions, exposure and risk levels of each product.

### Our multi-disciplinary risk assessment framework



**How do people use the product?**

We observe how consumers use the products to help us replicate this in the lab. The results help us ensure that we test the products in a realistic way.

**What's in the vapour/aerosol?**

We look at what toxicants are in the vapour/aerosol and the air in which our products are used. We compare the results to what is in cigarette smoke.

**What does the vapour/aerosol do to human cells in the lab?**

We compare this to the impact that cigarette smoke has on human cells.

**How does using the product impact the human body?**

This involves studying real consumers – for example, by taking blood or urine samples – to understand what using these products might mean for health.

**How might the product affect population health?**

We use a computer modelling approach to predict the impact that the availability of such products will have on the health of a population.

<sup>†</sup> Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.

### World-Class Science for A Better Tomorrow™

For more than 60 years, research and development has been a critical part of our business. The table to the right highlights how we aim to create A Better Tomorrow™ through world-class science.

We invest in R&D to deliver innovations that satisfy or anticipate consumer preferences. This helps us generate business growth across all our categories. But the main focus of our investment is in reduced-risk products.\*†



### New Categories Delivering Consumer Choice

For tobacco harm reduction to succeed, smokers need access to products that deliver nicotine and an enjoyable experience, with reduced risks compared to smoking.\*†

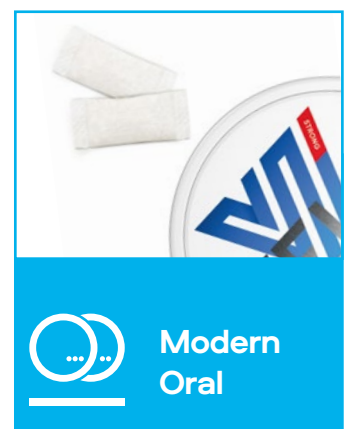
That's why we're developing and commercialising alternative tobacco and nicotine products: Our New Categories. These don't burn tobacco, while delivering nicotine to the user.



Hand-held battery powered electronic devices which heat a liquid formulation (an e-liquid or sometimes called 'juice') – often containing nicotine – to create a vapour which can be inhaled. They don't contain tobacco.



Tobacco Heating Products (THP) are hand-held devices which heat tobacco. All THPs contain tobacco – this is a key difference from vapour products. However, like vapour products, no burning takes place, resulting in lower toxicant levels.



Modern oral products, available both with and without tobacco, are similar in appearance and use to snus, an oral smokeless tobacco product that has been widely used in Sweden since the 1800s. There are decades of research (including epidemiology) on snus, with evidence demonstrating it is a reduced-risk product compared to using traditional cigarettes.

**60+**  
years of R&D  
an important part of BAT for more than 60 years

**100+**  
scientists  
designers, engineers and tobacco specialists helped design our THP

**95%**  
fewer toxicants emitted by our Vype product, compared to cigarettes\*\*

**1,500**  
R&D specialists who predominantly focus on New Category products

\*\*This product is not risk-free and contains nicotine, an addictive substance. Comparison of smoke from a scientific standard reference cigarette (approximately 9 mg tar) and vapour from Vype ePen3 in terms of the average of the nine harmful components the World Health Organization (WHO) recommends to reduce in cigarette smoke.  
† Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

## Strategic Management

# Digital Transformation Unlocking Commercial Value

Digital Transformation across BAT is about leveraging technology to deliver value for consumers, customers, employees, shareholders and society. Technology and data are key enablers of A Better Tomorrow™, and their exponential value is achieved as we ensure the organisation has the skills, ways of working and culture to fully exploit them.



“Our business has delivered exceptional results with the acceleration of its digital transformation in 2020 and the opportunities ahead of us are huge. Our focus is to apply technology and new ways of working that deliver results faster, unlocking commercial value across the entire organisation. The pandemic has offered opportunities to accelerate our digital transformation even faster.”

**Marina Bellini**  
Director, Digital and Information

## Consumers and Customers



## 4.3mn

engagements on social media, improving our New Categories brands performance in digital channels – an increase of 100%+ vs 2019

## Manufacturing and Supply Chain



## 5,000+

SKUs enabled through end-to-end automation, compressing reaction times in a multi-category business

## Finance, HR and Legal



## 100%+

increase in hours saved through digital bots and automation of back-office activities

## 100+

people newly recruited in data analytics, digital marketing technology, cyber, and new exponential technologies

## 30%+

Agile delivery of technology solutions across our organisation

## 70%+

senior leaders who have experienced our new digital immersion programme

## 2,900+

new joiners across the organisation remotely on-boarded

## Unlocking the Value of Technology and Data to Grow

Few companies can claim over 150 million daily consumer interactions and over 11 million retail points of sale. Staying connected to all of them, especially through digital, ensures better consumer engagement with brands, innovations and services that can stimulate the senses of new adult generations.



### Decision-making supported by Big Data & Analytics

Significant investments in our Marketing Technology has delivered new capabilities within Social Listening, Social Activation, and Integrated Data Platforms.

- Across the organisation, we now have access to 90TB of consumer and other relevant value chain data sources, spanning more than 25 markets.
- Over 1,000 users can now leverage over 30 machine learning models and dashboards to aid decision-making on consumer engagement.
- Advanced analytics and CRM capabilities are providing unprecedented opportunities to develop consumer journey mapping through industry-leading marketing automation systems.
- Personalised communications delivered to the right consumer at the right time have enabled the growth of consumers in New Categories. This has contributed to 480,000 new THP consumers in Japan.

**9.8m** consumers in our database (2019: 7mn)



### Best-in-class commercial digital experience

Our integrated consumer marketing technology stack provides us with a Single Consumer View which captures all interactions in one place.

- A key focus has been creating a mobile-first, consistent e-commerce user experience, and launching a subscriptions capability to increase Consumer Lifetime Value.
- Our Direct-to-Consumer business has been accelerated through the deployment of owned e-commerce sites – taking the number up to over 40 e-commerce store fronts worldwide.
- Owned-Retail stores are being transformed to offer a seamless digital experience.
- This has been achieved through global Content Management Systems, digital touch points, integrated e-commerce, and CRM.
- Our new subscription services capability has grown by 5x.
- Our powerful business-to-business technology platform now enables over 6 million engagements a month, with fast deployment of best practices for better results for our trade partners.

**>50%** increase in own e-commerce revenue vs. 2019



### Operational excellence powered by digital

New technologies have enabled the business to respond with greater agility and resilience to the complexity of our growing portfolio in New Categories and the COVID-19 pandemic.

- We have invested in new cloud-based digital platforms to transform our supply chain which support improved visibility and prediction of demand and allows us to plan concurrently across multiple supply chain nodes.
- By leveraging artificial intelligence and machine learning, we pro-actively manage to our stock-holding policies, sourcing, production, and logistics plans and quickly adapt to changes in the environment.
- Cloud technology has been leveraged as an accelerator for over 55% of our processes.
- Our Cyber Security team use industry-leading tools and technology. Rapid cyber risk reduction exercises are conducted regularly with advanced internal, and external testing followed by immediate remediations. A strong cyber culture is established within the organisation, supported by cyber simulations, awareness campaigns and customised training programmes.

**200,000** test phishing emails sent across the whole organisation to increase cyber resilience

# A BETTER TOMORROW™ for society and the environment



By moving from a business where sustainability has always been important to one where it is front and centre, in all that we do.

We are committed to a step-change in our sustainability ambition. We have a number of stretching targets, which we are confident will deliver A Better Tomorrow™ for all our stakeholders. These include:

- increasing our number of non-combustible product consumers from 11 million in 2019 to 50 million by 2030;
- achieving carbon neutrality by 2030 for our own business activities, and accelerating our existing environmental targets to 2025; and
- eliminating unnecessary single-use plastic and making all plastic packaging reusable, recyclable or compostable by 2025.



# Awards and Recognition

Our sustainability efforts and commitment to high standards have received notable independent recognition over the years, including the following.

## Investor Ratings



### Dow Jones Sustainability Indices (DJSI)

We are the only company in our industry listed in the prestigious World Index, representing the world's top 10% ESG performers. We have achieved inclusion in the indices for 19 consecutive years.



### MSCI

We achieved a 'BBB' rating in the most recent MSCI ESG Ratings, which help investors identify and understand financially material ESG portfolio risks.



### Best-in-class ISS Score

We achieved the highest rating for the ISS Social Disclosures QualityScore, which identifies best-in-class sustainability disclosure practices.



### Sustainalytics

We achieved a score of 27.8 in the most recent Sustainalytics ESG Risk Ratings, which give investors insights into financially material ESG risks in their portfolios.



### Vigeo Eiris

We scored 47% (up by 5pp from 2019) in the most recent Vigeo Eiris rating. Vigeo Eiris, a rating and research agency, evaluates organisations' integration of ESG factors into their strategies, operations and management.



### CDP Climate A-List

Our A-List inclusion for the second year recognises our actions to cut emissions, mitigate climate risks and contribute to a low-carbon economy. We are also proud to have achieved A- in CDP Water, and to be included in Supplier Engagement Leaderboard.

## Awards and Recognition

### Sustainability Award

Gold Class 2021



### Gold Class Sustainability Award

In 2021, we were awarded Gold Class in RobecoSAM's Sustainability Yearbook, which showcases the best performing companies in terms of financially material ESG metrics.



### Vype UK Product of the Year Award

In early 2020, our Vype ePod won in the e-cigarette category at the UK Product of the Year awards – the UK's largest consumer survey of product innovation.



### Global Top Employer

We have been recognised as a Global Top Employer for four consecutive years, acknowledging our commitment to best-in-class working environments and career opportunities.



### Financial Times Diversity Leaders Report

We have ranked in the top 10% for two consecutive years. The report recognises organisations that have achieved a diverse and inclusive workforce.



### CRRA Reporting Awards – Openness and Honesty

We won the 'Openness and Honesty' award for our 2018 Sustainability Report at the 2020 Corporate Register Reporting (CRR) Awards – a testament to our approach to transparently reporting on key ESG challenges.



### Disability Confident Committed

We achieved certification in 2020 as a Disability Confident Committed employer under the UK Government's accreditation scheme.

Strategic Management

# Putting ESG Front and Centre

## ESG Enablers

As we evolve our Group strategy, we are also evolving our Sustainability Agenda. We are moving ourselves from a business where sustainability has always been important, to one where it is front and centre in all that we do.

Our Sustainability Agenda is integral to our evolved Group strategy.

Our Sustainability Agenda reflects our commitment to reducing the health impact of our business and excellence across our other ESG priorities. Our approach is driven by extensive stakeholder insights, and we commission an independent review of our most material ESG topics each year.

Through this robust process, we engage with a wide range of stakeholders to understand what matters most to them, complemented with ongoing risk monitoring, research and benchmarking.

This approach ensures we keep pace with emerging topics and stakeholder expectations.

Outlined here are the priority areas that form the core of our Sustainability Agenda. You can read more about how we identify and prioritise these areas on page 111 of our 2020 ESG Report.

### Highlights during the year

- Growth of our New Categories revenues by 15% to £1.4 billion.
- A 37.4% reduction of our Scope 1 and 2 carbon emissions from our 2017 baseline.
- The first company in the tobacco and nicotine industry to publish a Human Rights Report. Aligned to the UN Guiding Principles, it outlines how we address human rights impacts across our business and supply chain.
- Announced new ambitions for zero child labour and zero forced labour in our tobacco supply chain by 2025.

H

## Reducing the HEALTH impact of our business

Consumer choice

World-class science

Standards and regulation

E

## Excellence in ENVIRONMENTAL management

Climate change

Water

Biodiversity and afforestation

Waste

S

## Delivering a positive SOCIAL impact

Human rights

Farmer livelihoods

Health and safety

People and culture

G

## Robust corporate GOVERNANCE

Business ethics

Responsible marketing

Regulation and policy engagement

### Creating shared value for



Consumers



Society





Employees



Shareholders

In 2020, we launched our evolved Group strategy focused on building A Better Tomorrow™ for all of our stakeholders. As we set about future proofing our business, we have developed a set of ambitious targets that will act as a catalyst for a decade of action.

Our roadmap to A Better Tomorrow™

	ESG issue	Our goals	Progress in 2020
H	<p><b>Reducing the HEALTH impact of our business</b></p>	<ul style="list-style-type: none"> <li> Reach <b>£5 billion</b> revenue from our New Category products by 2025</li> <li> Reach <b>50 million</b> consumers of non-combustible products worldwide by 2030</li> </ul>	<ul style="list-style-type: none"> <li>– £1,443 million, up by 15% from previous year</li> <li>– +3 million consumers of non-combustibles</li> </ul>
E	<p><b>Excellence in ENVIRONMENTAL management</b></p> <ul style="list-style-type: none"> <li>– Climate change</li> <li>– Water</li> <li>– Biodiversity and afforestation</li> <li>– Waste</li> </ul>	<ul style="list-style-type: none"> <li> <b>Carbon neutral</b> by 2030 for Scope 1 and 2 emissions</li> <li> Reduce water withdrawn by <b>35%</b> by 2025</li> <li> <b>Eliminate</b> unsustainable wood used for tobacco curing by our contracted farmers</li> <li> <b>100%</b> of plastic packaging to be reusable, recyclable or compostable by 2025</li> </ul>	<ul style="list-style-type: none"> <li>– 37.4% reduction in Scope 1 and 2 emissions against 2017 baseline; climate risks scenario analysis for major tobacco-growing markets</li> <li>– 22.5% reduction in water withdrawn against 2017 baseline</li> <li>– Over 99% wood used for tobacco curing sourced from sustainable sources by our contracted farmers</li> <li>– Waste mapping across our value chain and independent review of our packaging materials for recyclability; with results showing 82% of our plastic packaging is reusable, recyclable or compostable<sup>1</sup></li> </ul>
S	<p><b>Delivering a positive SOCIAL impact</b></p> <ul style="list-style-type: none"> <li>– Human rights</li> <li>– Farmer livelihoods</li> <li>– Health and safety</li> <li>– People and culture</li> </ul>	<ul style="list-style-type: none"> <li> Aim for <b>zero</b> child labour and zero forced labour across our tobacco supply chain by 2025</li> <li> <b>All</b> our product materials and high-risk indirect service suppliers to have undergone at least one independent labour audit within a three-year cycle by 2025</li> <li> Committed to working to <b>enable</b> prosperous livelihoods for farmers in our tobacco supply chain</li> <li> <b>Zero</b> accidents Group-wide</li> <li> Increase the proportion of women in management roles to <b>45%</b></li> </ul>	<ul style="list-style-type: none"> <li>– 99.7% of tobacco farms monitored for child labour<sup>2</sup></li> <li>– 93 supplier labour audits conducted on product materials and high-risk indirect service suppliers</li> <li>– Over 50% of tobacco grown by our contracted farmers is from our hybrid tobacco seed varieties, boosting yields by up to 20%</li> <li>– 27% reduction in total accidents (vs 2019)</li> <li>– 38% female representation in management roles</li> </ul>
G	<p><b>Robust corporate GOVERNANCE</b></p> <ul style="list-style-type: none"> <li>– Business ethics</li> <li>– Responsible marketing</li> <li>– Regulation and policy engagement</li> </ul>	<ul style="list-style-type: none"> <li> <b>100%</b> adherence to our Standards of Business Conduct (SoBC), including our Lobbying and Engagement Policy</li> <li> <b>100%</b> adherence to our International Marketing Principles (IMP) and our Youth Access Prevention Guidelines</li> </ul>	<ul style="list-style-type: none"> <li>– 100% of Group employees completed our annual SoBC sign-off</li> <li>– Further strengthened compliance procedures and internal controls for IMP</li> <li>– 100% of our markets reported alignment with YAP Guidelines See page 57 of the 2020 Annual Report and Accounts and Form 20-F</li> </ul>

1. Theoretical ability to be recycled externally assessed. Actual recycling rates may vary across geographies based on local infrastructure.

2. Reported via our Thrive assessments covering BAT contracted farmers and farmers contracted to our strategic third-party suppliers, representing more than 80% of our total tobacco leaf purchases in 2020.

# A BETTER TOMORROW™ for employees



By having a diverse range of excellent people, engaged teams and being a great place to work.

We enable growth by having a winning and agile organisation. Empowering our people to feel they belong and be their best and authentic selves will help enable us to transform the business. We inspire diverse teams of committed and engaged people by:

- investing in our people;
- creating a diverse and inclusive culture;
- developing high-performing leaders; and
- offering a fulfilling, rewarding and responsible work environment.



# Ethos

Our purpose is to build A Better Tomorrow™ by reducing the health impact of our business through offering a greater choice of enjoyable and less-risky products for our consumers.

A key driver to delivering this is our Ethos, which guides our culture and behaviours across the entire Group. Developed with significant input from our employees, it ensures an organisation that is future fit for sustainable growth. These five key principles – bold, fast, empowered, diverse, responsible – underpin how we deliver on both our purpose and our strategy.



## We are Bold

- Dream big – with innovative ideas
- Make tough decisions quickly and proudly stand accountable for them
- Resilient and fearless to compete



## We are Fast

- Speed matters. Set clear direction and move fast
- Keep it simple. Focus on outcomes
- Learn quickly and share learnings



## We are Empowered

- Set the context for our teams and trust their expertise
- Challenge each other. Once in agreement, we commit collectively
- Collaborate and hold each other accountable to deliver



## We are Responsible

- Take action to reduce the health impact of our business
- Ensure the best quality products for our consumers, the best place to work for our people, and the best results for shareholders
- Act with integrity, never compromising our standards and ethics



## We are Diverse

- Value different perspectives
- Build on each others' ideas, knowledge and experiences
- Challenge ourselves to be open-minded recognising unconscious bias



“BAT has been exceptionally resilient in what has been an unusually challenging year. This is down to the grit and determination of our colleagues and our culture of high performance and engagement. We believe that our Ethos is crucial to our success and a key part of this is our diversity and inclusion agenda that has always been very important to us at BAT. Having a supportive, engaging and inclusive culture where everyone is treated equally is fundamental to the continued success of our business.”

**Hae In Kim**  
Director, Talent, Culture and Inclusion

## Strategic Management

# People and Culture

Diversity matters to the Group because it makes good commercial sense. Having a diverse workforce means we are better able to understand and meet the varied preferences of our global consumers. We are proud of our diversity and inclusion (D&I) strategy, which is built on the following three pillars and underpinned by an inclusive culture.

## Pillar 1

### Driving ownership and accountability



Ensuring ownership of, and accountability for, our D&I strategy across all business areas and leadership teams is key to driving progress and achieving our 2025 ambitions.

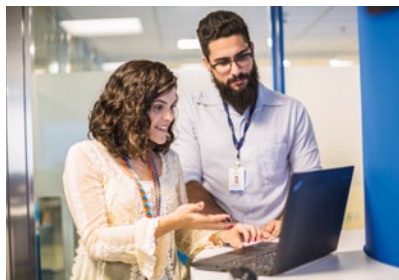
Our Director for Talent, Culture and Inclusion has overall responsibility for all employee and human resources matters, while our Management Board oversees the development and management of talent within the Group's regions and functions.

In 2020, we realigned our D&I governance structure to ensure clear accountability for our business leaders and leadership teams for achieving our 2025 ambitions. This included developing a new D&I dashboard and introducing quarterly reviews by our Management Board to ensure close monitoring of progress and plans. Diversity also remains fully embedded in our talent review processes and meetings across all levels of the Group.

Our 'Diversity Champions' continue to be key in driving D&I action plans and initiatives throughout the organisation. In 2020, we launched a new D&I e-learning module to help further empower our people and increase their awareness.

## Pillar 2

### Building diverse talent pipelines



We focus on building diverse talent pipelines at all levels of the organisation through recruiting, developing and retaining the best diverse talent.

Inclusivity is embedded throughout our recruitment process and we require all agencies we work with to provide gender-balanced longlists of candidates.

Today, we have 33% female representation on our Board, 15% on our Management Board and 27% on our senior leadership teams across the Group. We also have 139 different nationalities, from a wide range of ethnic backgrounds, in management roles across the Group.

In 2020, we set new D&I ambitions to achieve by 2025, including:

- Increasing the proportion of women in senior leadership teams to 40%;
- Increasing the proportion of women in management roles to 45%; and
- Achieving a 50% spread of distinct nationalities within key leadership teams.



Read about our Global Graduate Programme at [www.bat-careers.com/graduates](http://www.bat-careers.com/graduates)

## Pillar 3

### Creating enablers



To realise our diversity ambitions, we know we must have enablers in place that provide a supportive environment for people to thrive and realise their full potential.

We provide women and diverse groups with an opportunity to connect, engage and share experiences. Currently, we have 19 affinity networks across all levels of the Group, including our Women in BAT UK and our B-United LGBT+ communities. During the COVID-19 pandemic, these networks had an even more important role to play in keeping our people connected and supporting one another.

We work to continually raise awareness of diversity issues through campaigns and events that showcase best practice and provide platforms for role models to amplify their profiles across the Group. For example, our International Women's Day (IWD) campaigns have been recognised as best practice by the IWD Association for two consecutive years.

# A BETTER TOMORROW™ for shareholders



By delivering sustainable and superior returns.

We are confident in our growth outlook and have a proven record of performance, whatever the external environment. We aim to deliver:

- 3-5% revenue growth over the medium term (post COVID-19);
- high-single digit adjusted EPS growth at constant rates of exchange (post COVID-19), over the medium term;
- 65% dividend payout ratio; and
- deleveraging the balance sheet to around 3x adjusted net debt/adjusted EBITDA by the end of 2021.



## Strategic Management

## Investment Case

## Transformation Driving Sustainable Growth

## Delivering growth by reducing harm and expanding our portfolio

Our corporate purpose is to build A Better Tomorrow™. Reducing the health impact of our business, by encouraging those smokers who would otherwise continue to smoke to switch completely to scientifically-substantiated, reduced-risk alternatives, is the greatest contribution we can make to society.† This means growing our New Category business and increasing the proportion of our revenue coming from New Category products as fast as possible.

Revenue growth in the global nicotine industry is accelerating through the development of New Categories, which offer reduced-risk alternatives to combustible products.\* To capitalise on this growth, our well-embedded consumer-centric, multi-category strategy is activated on a global scale, leveraging our insights on consumer satisfaction, innovation needs and taste. We are building the brands of the future – strong, global brands, specifically positioned in each target consumer segment.

We have set ourselves ambitious targets to reach 50 million consumers of our non-combustible products by 2030, and more than triple our revenue from New Categories from £1.3 billion in 2019 to £5 billion by 2025. These ambitions will be met through the delivery of our three clear strategic priorities:

- to drive a step change in New Categories, to accelerate growth supported by increased investment;
- to generate value through Combustibles, to provide the capabilities and funding; and
- to simplify the Group, to create a stronger, faster, more agile organisation.



## Reducing the Health and Environmental Impact of our Business

## Creating value for all our stakeholders

Our work to reduce the health and environmental impact of the business will drive growth and create shared value, delivering results that simultaneously benefit shareholders and wider society.

We will continue to create a stronger BAT by:

- focusing on excellence in environmental management;
- delivering a positive social impact; and
- adhering to robust corporate governance.

This builds on our strong ESG foundations including our status as:

- the first tobacco company to produce a Sustainability Report in 2001;
- named in the Dow Jones Sustainability Indices for 19 consecutive years; and
- a member of CDP Climate A List.

Our commitments are anchored in challenging targets, against which we will track and share the progress of our transformation.

Meanwhile, our 'delivery with integrity' programme is focused on ensuring that our ethical standards are never compromised for the sake of results.



\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

† Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.



## Unrivalled Global Capabilities

### Leveraging proven expertise and developing new capabilities to deliver our ambitions

Our New Category portfolio benefits from decades of insights and expertise that have driven our No.1 global revenue position in combustibles (excl. China). This combined with increased investment behind new capabilities gives us confidence that we can deliver our medium to long-term ambitions.

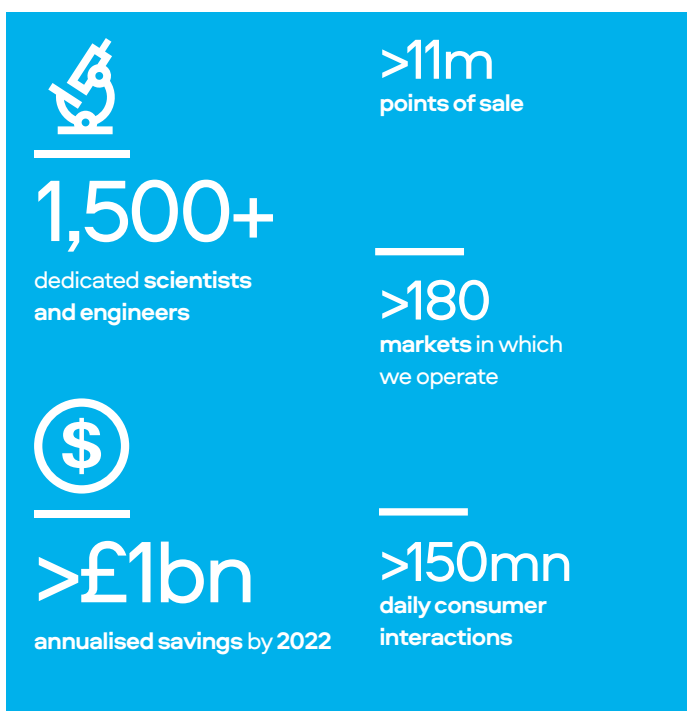
Our three global New Category brands leverage the benefits of our world-class R&D and our manufacturing, distribution, marketing and brand building capabilities, which are supported by our unrivalled global footprint across 180 markets, with 11 million points of sale, reaching 150 million consumers daily.

Together with our long-standing experience operating within complex regulatory, legal and fiscal frameworks, these provide BAT with a compelling competitive advantage to drive portfolio growth and transformation within the wider tobacco industry.

Through Project Quantum, our ongoing business simplification and efficiency programme, we aim to achieve a minimum of £1 billion of annualised savings by the end of 2022 to invest in new capabilities in areas such as:

- data analytics;
- enhanced consumer insight;
- IP and innovation;
- design and technology; and
- e-commerce, enabling our ongoing digital transformation.

We are attracting new senior talent from a diverse range of industries globally to further enhance our current and future capabilities, which will enable us to deliver on our growth ambitions over the medium to long term.



## Continuing our Track Record of Delivery

### Commitment to deliver returns and cash flow to shareholders

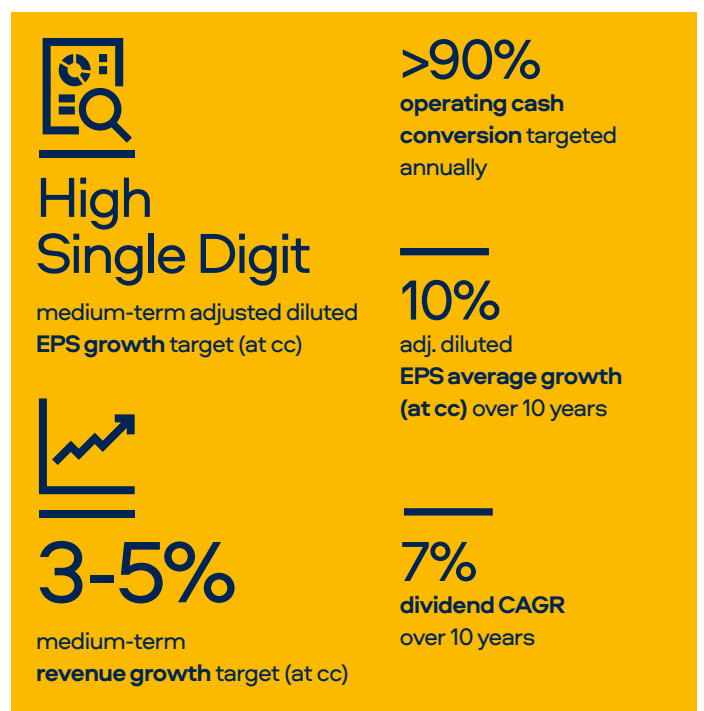
We are confident in our growth outlook, and have a proven track record of performance whatever the external environment.

We have delivered 10% adjusted diluted EPS (at constant rates) and 7% dividend CAGR over the last 10 years and are confident in our medium-term targets of 3-5% revenue growth (excluding currency, increased operating margin and high-single digit adjusted EPS growth).

This will be driven by:

- accelerated New Category revenue growth;
- continued value growth in combustibles; and
- business simplification to eliminate cost and improve returns, to become a stronger, simpler, more agile organisation.

With strong profitability and >90% operating cash conversion, we are committed to deleveraging the balance sheet to our long-term corridor of 2 to 3x adjusted net debt / adjusted EBITDA, in combination with a progressive dividend policy.



Engaging With Our Stakeholders

# Engaging With Our Stakeholders



“ We recognise that civic participation is an essential component of being a responsible business and ensuring that appropriate policy is implemented. Our employees are committed to participating in the policy process in a transparent and open manner, in compliance with all laws and regulations of the markets in which we operate.”

**Jerry Abelman**  
Director, Legal & External Affairs and General Counsel



**Consumers**



**Shareholders/  
Bondholders**



**Our people**

**Why this stakeholder is important to us**

As preferences and attitudes change in an evolving industry, understanding our consumers is essential to both successful portfolio and business growth.

It is essential that we maintain the support of our shareholders and bondholders to maintain access to capital. This allows us to implement our strategy and achieve our business objectives.

The quality of our people is a major reason why our Group continues to perform well. We understand the value of listening and responding to feedback from our people to maintain a fulfilling, rewarding and responsible work environment.

**Examples of how we engaged in 2020**

- Consumer panels, focus groups and interviews
- Product testing
- Consumer care helplines
- Responsible advertising and marketing
- Pack inserts/product leaflets
- Real-time digital platforms
- Clinical trials

- Annual General Meeting
- Investor relations programme
- Institutional shareholder meetings
- Capital Markets Days
- Investor roadshows
- Results announcements
- Annual Report & Form 20-F
- ESG Report
- Stock exchange announcements
- Shareholder information on website

- Director market and site visits
- Virtual forums
- Employee town halls
- Global and regional webcasts
- ‘Your Voice’ employee survey
- Works councils and European Employee Council meetings
- Graduate and management trainee events
- Individual performance reviews
- Speak Up channels

**What matters to our stakeholders**

- Product harm, addiction and social considerations
- Product quality
- Affordability and price
- Ingredients/nicotine levels
- Plastics/post-consumption product waste
- COVID-19 impacts

- Business performance
- ESG Agenda
- Corporate governance
- Strength of Group leadership
- Board succession planning

- Reward
- Career development
- Diversity and inclusion
- Corporate responsibility
- Health and safety
- Business ethics

**How we respond**

- Development of innovative products
- Product stewardship, quality and safety standards
- Clear and accurate product information
- International Marketing Principles
- Circular economy strategy

- Regular dialogue and communications with shareholders
- Robust corporate governance
- Enhanced ESG reporting
- Continual improvement of our Delivery with Integrity programme
- Our range of enjoyable and innovative products
- Product quality and safety standards
- International Marketing Principles

- Extensive communications and virtual engagement with employees worldwide during the pandemic
- Board review of and feedback on workforce engagement
- Training and development programme
- Diversity & Inclusion Strategy
- Delivery with Integrity programme

**Strategic impact**



**Principal risk impact**

- Market size reduction / consumer downtrading
- Inability to develop, commercialise and deliver New Categories
- Significant excise increases

- Solvency and liquidity
- Foreign exchange rate exposures
- Disputed taxes, interest and penalties
- Litigation
- Market size reduction / consumer downtrading

- Injury, illness or death in the work place
- Geopolitical tensions



### Suppliers

Effective relationships with farmers, suppliers of tobacco leaf, product materials and indirect services are essential to an efficient, productive and secure supply chain.

- Ongoing farmer support, training and monitoring by our Extension Services of expert field technicians
- Sustainable Tobacco Programme assessments, reviews and meetings
- Supplier reviews/audits
- Supplier Voice survey and dialogue
- Strategic partnerships

- Productivity/quality/cost
- Sustainable agriculture
- Farmer livelihoods
- Human rights
- Health and safety
- Climate change/ environmental impacts
- COVID-19 impacts

- Supplier Code of Conduct
- Thrive sustainable agriculture and farmer livelihoods programme
- Leaf operational standards for PPE and child labour prevention
- Farmer Extension Services support and training
- COVID-19 support



### Customers

Our customers include retailers, distributors and wholesalers who are essential for driving growth and embedding responsible marketing practices.

- Ongoing dialogue, contract discussions and account management
- Customer Voice survey
- Audits and performance reviews
- Sales calls and visits by trade representatives
- Business-to-business programmes

- Route-to-market planning
- Contingency planning
- Cost, price and quality
- Stock availability
- Consumer buying behaviour
- Youth access prevention
- COVID-19 impacts

- Customer loyalty programmes and incentives
- Global Youth Access Prevention (YAP) Guidelines
- COVID-19 support



### Governments and wider society

We seek to be part of the debate that shapes the regulatory environment in which we operate, and to work collaboratively to develop joint solutions to common challenges.

- Face-to-face meetings and ongoing dialogue
- Submissions to government and advisory committees
- Multi-stakeholder collaborations and partnerships, such as the Eliminating Child Labour in Tobacco Growing Foundation
- External Scientific Panel
- Sustainability Stakeholder Panel
- Community investment programmes

- Product regulation
- Tax/excise/illicit trade
- Responsible marketing
- Public health impacts
- Human rights
- Climate change/ environmental impacts
- COVID-19 impacts

- Standards of Business Conduct (SoBC)
- Delivery with Integrity
- Carbon neutrality target
- Human rights and climate impact assessments
- Corporate Social Investment (CSI)
- COVID-19 support and vaccine development



- Inability to develop, commercialise and deliver New Categories
- Geopolitical tensions



- Inability to develop, commercialise and deliver New Categories
- Geopolitical tensions
- Significant excise increases
- Market size reduction/ consumer downtrading



- Geopolitical tensions
- Competition from illicit trade
- Significant excise increases
- Regulation that inhibits growth

## Other Information

# Shareholding Administration and Services

## United Kingdom Registrar

Computershare Investor Services PLC  
The Pavilions, Bridgwater Road, Bristol BS99 6ZZ  
tel: 0800 408 0094 or +44 370 889 3159  
web-based enquiries: [www.investorcentre.co.uk/contactus](http://www.investorcentre.co.uk/contactus)

### [www.computershare.com/uk/investor/bri](http://www.computershare.com/uk/investor/bri)

Access the web-based enquiry service of Computershare Investor Services PLC for holders of shares on the UK share register. View details of your BAT shareholding and recent dividend payments and register for shareholder electronic communications to receive notification of BAT shareholder mailings by email.

### [www.computershare.com/dealing/uk](http://www.computershare.com/dealing/uk)

Go online or telephone 0370 703 0084 (UK) to buy or sell British American Tobacco shares traded on the London Stock Exchange. Before you can trade, you will need to register for this service. Please go to [www.computershare.trade/cert\\_faqs.html](http://www.computershare.trade/cert_faqs.html) for a list of permitted domiciles.

## South Africa Registrar

Computershare Investor Services Proprietary Limited  
Private Bag X9000, Saxonwold, 2132, South Africa  
tel: 0861 100 634; +27 11 870 8216  
email enquiries: [web.queries@computershare.co.za](mailto:web.queries@computershare.co.za)

## American Depositary Shares

Enquiries regarding ADS holder accounts and payment of dividends should be directed to:

Citibank Shareholder Services  
PO Box 43077, Providence, Rhode Island 02940-3077, USA  
tel: +1 888 985 2055 (toll-free) or +1 781 575 4555  
email enquiries: [citibank@shareholders-online.com](mailto:citibank@shareholders-online.com)  
website: [www.citi.com/dr](http://www.citi.com/dr)

## Documents on Display and Publications

This Annual Report and Form 20-F 2020 is available online at [bat.com/annualreport](http://bat.com/annualreport). Copies of current and past Annual Reports are available on request. Highlights from these publications can be produced in alternative formats such as Braille, audio tape and large print. Documents referred to in this Annual Report and Form 20-F 2020 do not form part of this Annual Report unless specifically incorporated by reference.

### Contact:

British American Tobacco Publications  
Unit 80, London Industrial Park, Roding Road, London E6 6LS  
tel: +44 20 7511 7797  
email: [bat@team365.co.uk](mailto:bat@team365.co.uk)

Holders of shares held on the South Africa register can contact the Company's Representative office in South Africa using the contact details shown at the end of this Annual Report and Form 20-F 2020.

ADS holders can contact Citibank Shareholder Services in the United States using the contact details shown above.

The Company is subject to the information requirements of the US Securities Exchange Act of 1934 applicable to foreign private issuers. In accordance with these requirements, the company files its Annual Report on Form 20-F and other documents with the SEC. You also may call the SEC at +1 800-SEC-0330. In addition, BAT's SEC filings are available to the public, together with the public filings of other issuers, at the SEC's website, [www.sec.gov](http://www.sec.gov).

The Company's agent for service in the United States for the purposes of the registration statement on Form F-3 (333-232691) is Brian T. Harrison, Secretary, B.A.T Capital Corporation, C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware 19808 U.S.A.

## Our Website – [www.bat.com](http://www.bat.com)

Access comprehensive information about British American Tobacco and download shareholder publications at the corporate website. Visit the Investors section for valuation and charting tools, dividend and share price data and subscribe to the email alert services for key financial events in the British American Tobacco financial calendar. Download the British American Tobacco Investor Relations app to access all the latest financial information on your iPad, iPhone or Android device.

## Dividend Reinvestment Plan

Available to the majority of shareholders on the UK register, this is a straightforward and economic way of utilising your dividends to build up your shareholding in British American Tobacco. Contact Computershare Investor Services PLC in the UK for details.

## Individual Savings Accounts (ISAs)

A British American Tobacco sponsored ISA – contact:  
Interactive Investor  
Exchange Court, Duncombe Street, Leeds LS1 4AX  
tel: 0345 607 6001; +44 113 346 2309  
email enquiries: [interactivehelp@ii.co.uk](mailto:interactivehelp@ii.co.uk)  
website: [www.share.com](http://www.share.com)

(The tax advantages of ISAs depend on your individual circumstances and the benefits of ISAs could change in the future. You should note that investments, their value and the income they provide can go down as well as up and you might not get back what you originally invested.)

## Capital gains tax

Fact sheet for British American Tobacco historical UK capital gains tax information; contact the British American Tobacco Company Secretarial Department, tel: +44 20 7845 1000 or access online at [www.bat.com/cgt](http://www.bat.com/cgt).

## Share Fraud

The practice of share fraud (also known as 'boiler room' scams) unfortunately continues with many companies' shareholders receiving unsolicited phone calls or mail from people offering to sell them what often turn out to be worthless or high risk shares in US or UK investments, or to buy shares at an inflated price in return for an upfront payment.

If you suspect that you have been approached by fraudsters, please tell the FCA using the share fraud reporting form at [www.fca.org.uk/scams](http://www.fca.org.uk/scams), where you can find out more about investment scams. You can also call the FCA Consumer Helpline on 0800 111 6768. If you have lost money to investment fraud you should report it to Action Fraud on 0300 123 2040 or online at [www.actionfraud.police.uk](http://www.actionfraud.police.uk).

## Calendar 2021

	<b>Proposed date of the Annual General Meeting</b>
Wed 28 April at 11:30am	Details of the venue and business to be proposed at the meeting are set out in the Notice of Annual General Meeting, which is made available to all shareholders and is published on <a href="http://www.bat.com">www.bat.com</a> . The format for the 2021 AGM will be contingent on applicable UK Government health and safety restrictions in place at that time.  BAT provides for the vote on each resolution to be by poll rather than by a show of hands. This provides for greater transparency and allows the votes of all shareholders to be counted, including those cast by proxy. The voting results will be released on the same day in accordance with regulatory requirements and made available on <a href="http://bat.com">bat.com</a> .

Fri 30 July **Half-Year Report**

## Quarterly Dividends for the Year Ended 31 December 2020

On 26 April 2017, the Group announced its move to quarterly dividends with effect from 1 January 2018.

The Board has declared an interim dividend of 215.6p per ordinary share of 25p which is payable in four equal quarterly instalments of 53.9p per ordinary share in May 2021, August 2021, November 2021 and February 2022. This represents an increase of 2.5% on 2019 (2019: 210.4p per share), and a payout ratio, on 2020 adjusted diluted earnings per share, of 65.0%.

The quarterly dividends will be paid to shareholders registered on either the UK main register or the South Africa branch register and to ADS holders, each on the applicable record dates set out under the heading 'Key dates' below.

### Holders of American Depositary Shares (ADSs)

For holders of ADSs listed on the NYSE, the record dates and payment dates are set out below. The equivalent quarterly dividends receivable by holders of ADSs in US dollars will be calculated based on the exchange rate on the applicable payment date.

### South Africa branch register

In accordance with the JSE Listing Requirements, the finalisation information relating to shareholders registered on the South Africa branch register (comprising the amount of the dividend in South African rand, the exchange rate and the associated conversion date) will be published on the dates stated below, together with South Africa dividends tax information.

The quarterly dividends are regarded as 'foreign dividends' for the purposes of the South Africa Dividends Tax. For the purposes of South Africa Dividends Tax reporting, the source of income for the payment of the quarterly dividends is the United Kingdom.

#### Key dates

In compliance with the requirements of the LSE, the NYSE and Strate, the electronic settlement and custody system used by the JSE, the following are the salient dates for the quarterly dividend payments. All dates are 2021 unless otherwise stated.

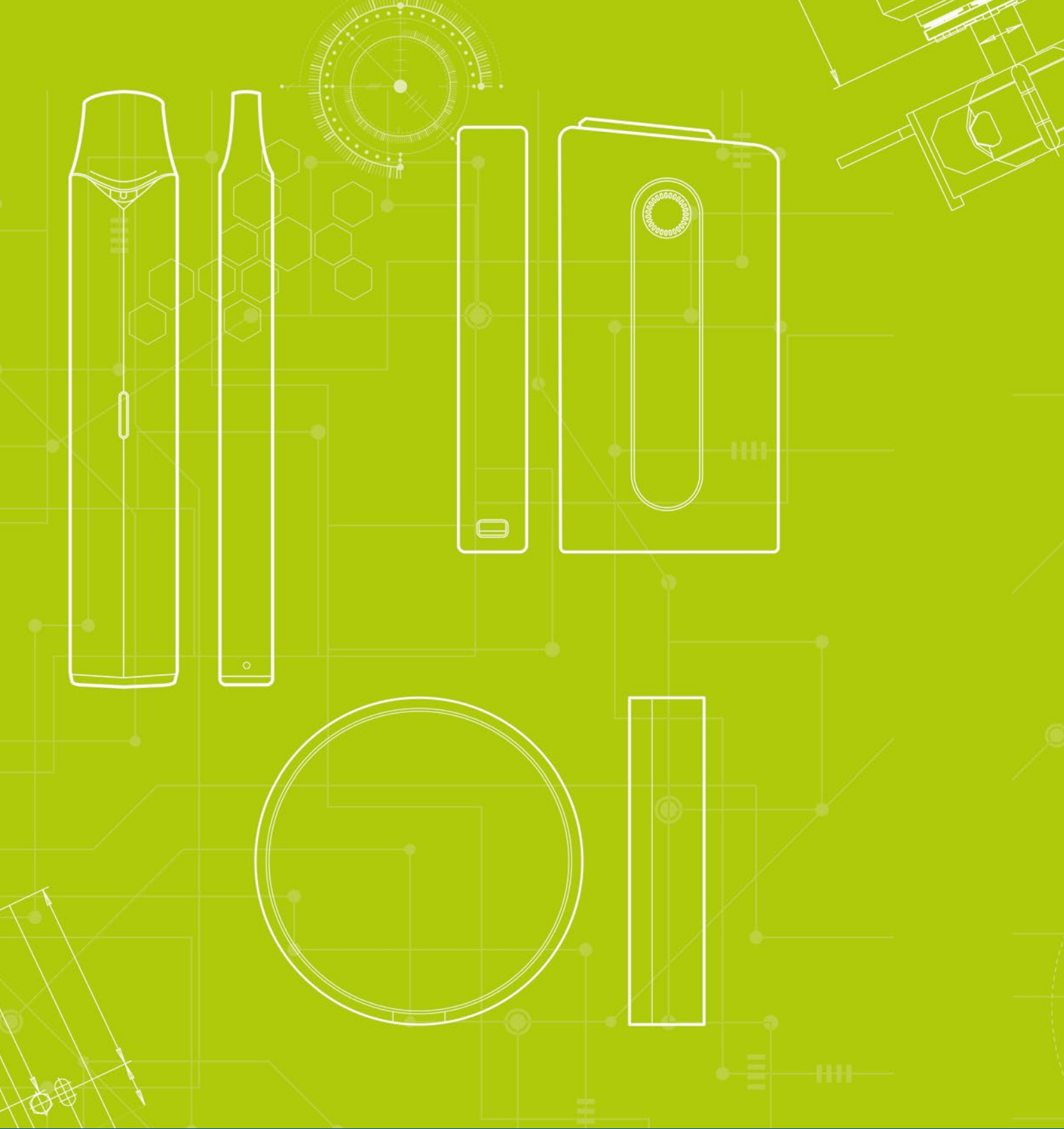
Event	Payment No. 1	Payment No. 2	Payment No. 3	Payment No. 4
Preliminary announcement (includes declaration data required for JSE purposes)			17 February	
Publication of finalisation information (JSE)	15 March	29 June	20 September	13 December
No removal requests (in either direction) permitted between the UK main register and the South Africa branch register	15 March– 26 March (inclusive)	29 June– 9 July (inclusive)	20 September– 1 October (inclusive)	13 December– 24 December (inclusive)
Last day to trade (LDT) cum-dividend (JSE)	23 March	6 July	28 September	21 December
Shares commence trading ex-dividend (JSE)	24 March	7 July	29 September	22 December
No transfers permitted between the UK main register and the South Africa branch register	24 March– 26 March (inclusive)	7 July– 9 July (inclusive)	29 September – 1 October (inclusive)	22 December– 24 December (inclusive)
No shares to be dematerialised or rematerialised on the South Africa branch register	24 March– 26 March (inclusive)	7 July– 9 July (inclusive)	29 September– 1 October (inclusive)	22 December– 24 December (inclusive)
Shares commence trading ex-dividend (LSE)	25 March	8 July	30 September	23 December
Shares commence trading ex-dividend (NYSE)	25 March	8 July	30 September	23 December
Record date (LSE, JSE and NYSE)	26 March	9 July	1 October	24 December
Last date for receipt of Dividend Reinvestment Plan (DRIP) elections (LSE)	20 April	29 July	21 October	19 January 2022
Payment date (LSE and JSE)	12 May	19 August	11 November	9 February 2022
ADS payment date (NYSE)	17 May	24 August	16 November	14 February 2022

References in this publication to 'British American Tobacco', 'BAT', 'we', 'us', and 'our' when denoting opinion refer to British American Tobacco p.l.c. (the Company) (No. 3407696) and when denoting tobacco business activity refer to British American Tobacco Group operating companies, collectively or individually as the case may be.

Design and production: Radley Yeldar [www.ry.com](http://www.ry.com)

Printed in the UK by Pureprint Group on Revive 100% recycled papers, made entirely from post-consumer waste. All pulps used are Elemental Chlorine Free. The manufacturing mills hold the ISO14001 and EU Ecolabel (EMAS) certificates for environmental management.





## Go online

### Explore the story of our year

Featuring downloadable versions of this report, along with our ESG Report and other content – all accessible on desktop, tablet and mobile.

[www.bat.com/reporting](http://www.bat.com/reporting)

 [www.bat.com](http://www.bat.com)

 [@BATplc](https://twitter.com/BATplc)

 [youtube.com/welcometobat](https://youtube.com/welcometobat)