



# Supplier Code of Conduct 2022

# Contents

## Introduction



- 2 Message from our Director of Operations
- 3 Introduction
- 5 A Better Tomorrow™, Together:  
The way we work with Suppliers

## Compliance



- 7 Compliance

## Human rights



- 10 Human rights

## Environmental sustainability



- 13 Environmental sustainability

## Marketing and trade



- 15 Marketing and trade

## Business integrity



- 17 Business integrity

## Definitions

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

'SoBC' means the Group Standards of Business Conduct, available at [www.bat.com/sobc](http://www.bat.com/sobc) and/or in our SoBC app, local versions of the SoBC adopted by a Group company and available on their local website.

'Code' means this Supplier Code of Conduct, available at [www.bat.com/principles](http://www.bat.com/principles), [www.bat.com/suppliercode](http://www.bat.com/suppliercode) and in our SoBC app.

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

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

# Message from our Director of Operations

**At BAT, we're on a purpose-led journey to build A Better Tomorrow™ by reducing the health impact of our business. By working together to achieve this purpose, we will deliver sustainable value for all our stakeholders.**

The BAT of tomorrow will be a high-growth consumer goods company: global, consumer-centric, multi-category, with sustainability at our core.

Our Sustainability Agenda includes our environmental, social and governance (ESG) priorities. Crucially, our approach to sustainability applies not only to our own business operations, but also to our wider supply chain. This Code has been updated to reflect our shift to a multi-category portfolio of non-combustible products, our enhanced focus on ESG, and the ever-changing external environment.

The BAT Group works with a vast network of Suppliers worldwide, from smallholder farmers, international leaf Suppliers, and product materials Suppliers, including our growing supply chain for consumer electronics and e-liquids for our New Category products.

We also work with numerous Suppliers of indirect goods and services, such as professional services, marketing and facilities management.

We know that many global issues, such as

climate change and social inequality, cannot be addressed in isolation. Initiatives like the UN-backed Race to Zero global campaign, aiming for net zero value chain emissions by 2050, require collective action. By working together with our Suppliers, contracted farmers and business partners on such initiatives, we can develop solutions to bring about lasting change.

We recognise the critical roles our Suppliers play in the Group's overall success – they are valued business partners, and we have many long-established and successful relationships.

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

I believe that by working together with our Suppliers through our supplier programme, 'A Better Tomorrow™, Together', we can raise standards, drive sustainable practices, and create shared value.

**Zafar Khan**  
Director Operations  
January 2022





# Introduction

BAT's Standards of Business Conduct (SoBC) express the high standards of integrity we are committed to upholding. This Supplier Code of Conduct (Code) complements the SoBC by defining the minimum standards we expect our Suppliers to adhere to.

## International standards

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

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

## Legal priority

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

## Scope and application

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

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

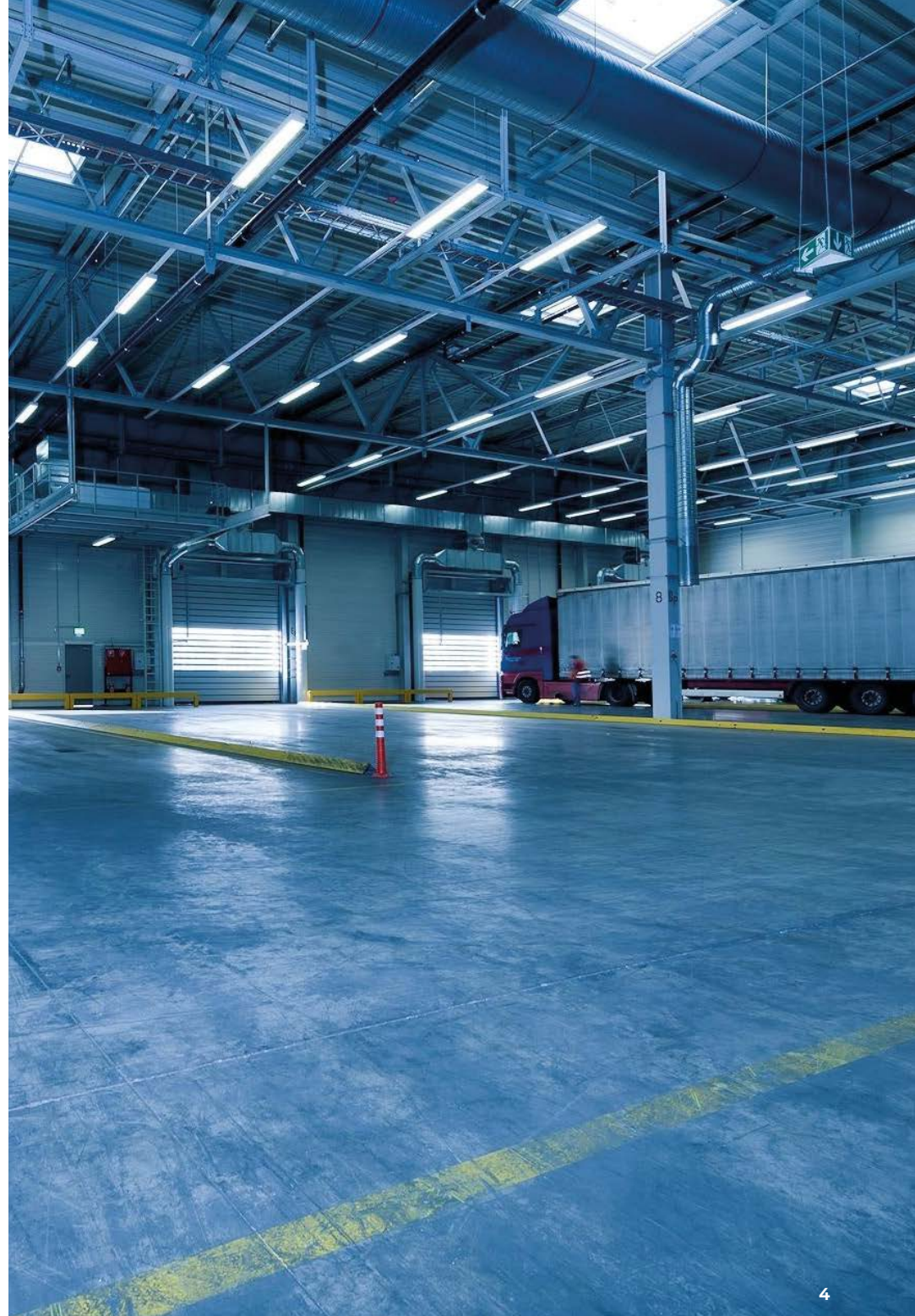
In addition, Suppliers should:

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

## Contacting the Group

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

- The Supplier's usual Group company contact; or
- The BAT Group Head of Procurement by email ([procurement@bat.com](mailto:procurement@bat.com)), phone (+44 (0) 207 845 1000) or by writing to them at British American Tobacco plc, Globe House, 4 Temple Place, London WC2R 2PG, United Kingdom.





# A Better Tomorrow™, Together: The way we work with Suppliers

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

## Commitment to integrity

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

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

If a Supplier has a grievance or concern regarding the behaviour of a BAT employee, contrary to the Group SoBC, this should be reported to BAT.

## Striving for best practice

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

To this end, we seek to give preference to Suppliers that demonstrate best practice and strong performance against the Group's environmental, social and governance (ESG) priorities.

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

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

## Supporting suppliers

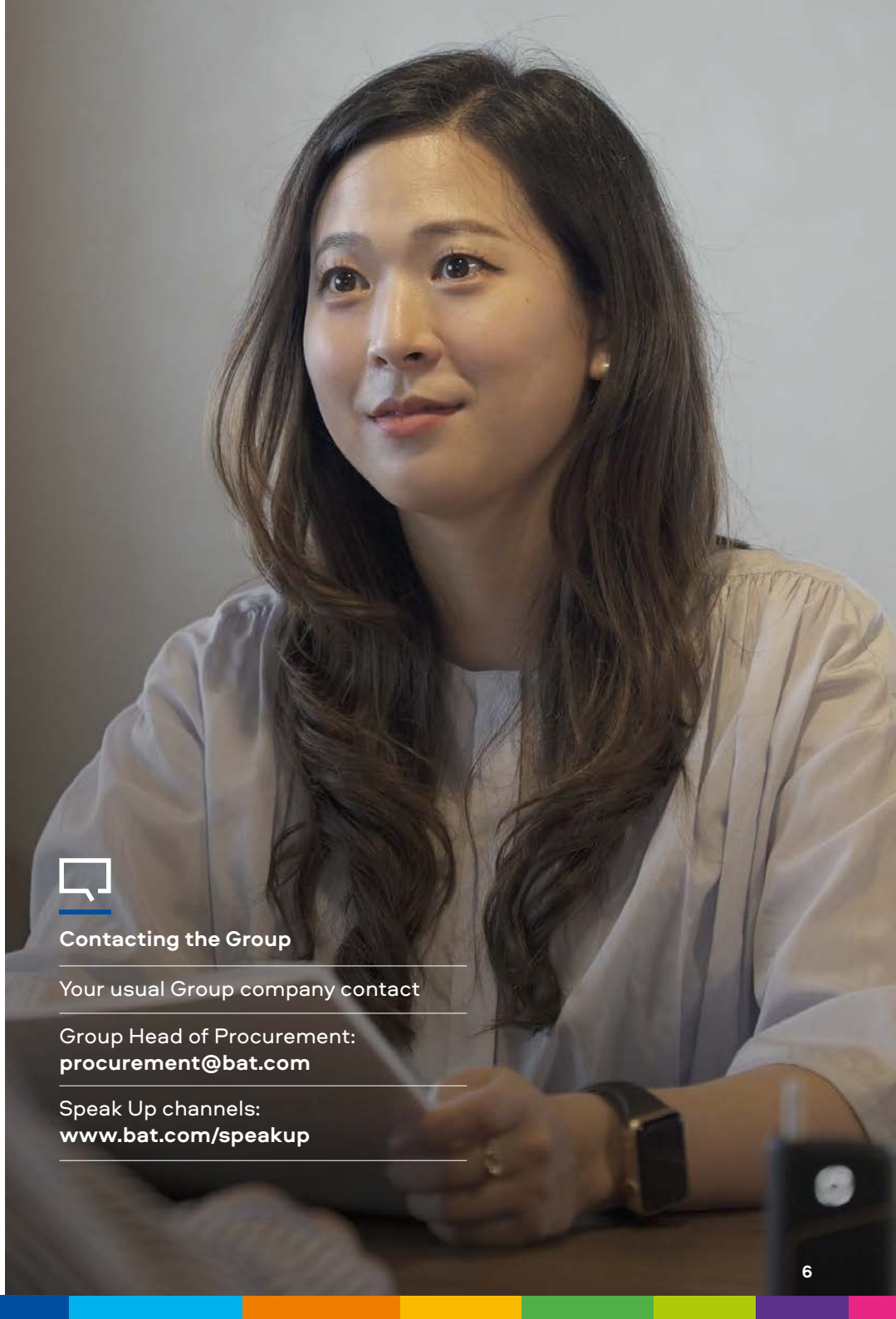
We recognise the different circumstances of our Suppliers worldwide, and that some will face legitimate challenges in immediately meeting every facet of this Code.

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

By working together, allowing Suppliers to benefit from our resources and experience, we aim to increase awareness and capacity, and help our Suppliers improve and achieve best practice standards.

## BAT's ESG priorities

Details of the Group's ESG priorities can be found in our annual ESG Report, available at: [www.bat.com/ESGReport](http://www.bat.com/ESGReport).



### Contacting the Group

Your usual Group company contact

Group Head of Procurement:  
[procurement@bat.com](mailto:procurement@bat.com)

Speak Up channels:  
[www.bat.com/speakup](http://www.bat.com/speakup)



# Compliance

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

## Legal compliance

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

As such, Suppliers must:

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



## Compliance monitoring

**We reserve the right to verify new and existing Suppliers' compliance with the requirements of this Code through internal and/or external assessment and audit mechanisms.**

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

Such cooperation shall be discussed and agreed to by the Group and the Supplier, to ensure it is performed within working hours and that reasonable notice is given in advance.

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

## Reporting concerns

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

As such, Suppliers must:

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

## Speaking Up

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

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

You will not suffer any form of reprisal (whether directly or indirectly) for raising concerns about actual or suspected wrongdoing, even if you are mistaken. We do not tolerate the harassment or victimisation of anyone raising concerns or anyone who assists them.

## Investigations

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

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

Where required by BAT, the Supplier is expected to liaise with BAT and keep us informed as to the scope, progress and outcome of its investigation (subject to confidentiality or other applicable legal requirements).

---

## Consequences of a breach

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

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

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



---

### Contacting the Group

---

Your usual Group company contact

---

Group Head of Procurement:  
[procurement@bat.com](mailto:procurement@bat.com)

---

Speak Up channels:  
[www.bat.com/speakup](http://www.bat.com/speakup)

---





# Human rights

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

## Respecting human rights

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

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

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

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

---

## Equality and no discrimination

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

This should include:

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

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

---

## Protecting health and safety

**Suppliers must provide and maintain safe and healthy working conditions.**

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

- Adopting procedures to identify and address occupational health and safety hazards and associated risks, and implement safe working practices;
- Conducting fire risk assessment appropriate to the workplace or facility, and implementing fire safety plan and appropriate fire prevention and emergency evacuation systems and procedures;
- Providing (where relevant) appropriate personal protective equipment to prevent occupational injuries or illnesses;
- Implementing (where relevant) appropriate control measures to ensure the safe handling, storage, transfer and disposal of substances hazardous to health or the environment, including flammable materials;
- Providing appropriate and regular training and communications so that Workers are aware of the health and safety risks and procedures relevant to their work; and
- Where accommodation is provided, ensure it is clean, safe and meets basic standards for acceptable living conditions and the needs of the Workers.

---

## Respect freedom of association

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

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

---

## Fair wages and benefits

**Suppliers must provide fair wages and benefits.**

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

## No child labour

**Ensure operations are free from child labour.**

Specifically, following the guidelines of the International Labour Organization that:

- Any work which is considered hazardous or likely to harm the health, safety or morals of children should not be done by anyone under the age of 18 (or 16 under strict conditions); and
- The minimum age for work should not be below the legal age for finishing compulsory schooling and, in any case, not less than the age of 15.

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

## No modern slavery

**Suppliers must ensure operations are free from modern slavery and exploitation of labour.**

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

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

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

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

## Conflict minerals

**Suppliers must ensure responsible sourcing of conflict minerals.**

Conflict minerals include cobalt, gold, tantalum, tin and tungsten (and the ores from which they originate), originating from conflict-affected and high-risk areas that could directly or indirectly finance or benefit armed groups or human rights abuses.

Where products or materials supplied to the Group contain any such conflict minerals, we expect Suppliers to:

- Work to exercise appropriate due diligence;
- Perform reasonable country of origin enquiries, including requiring its Suppliers to engage in similar due diligence; and
- Provide the Group (where requested) with available information relating to due diligence and country of origin enquiries.

## Working hours

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



### Contacting the Group

Your usual Group company contact

Group Head of Procurement:  
[procurement@bat.com](mailto:procurement@bat.com)

Speak Up channels:  
[www.bat.com/speakup](http://www.bat.com/speakup)



# Environmental sustainability

We are committed to pursuing best practice in environmental management and reducing the impacts of the Group on the natural environment, both in our own operations and in our wider value chain.

## Environmental impacts

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

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

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

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

## Performance management

Where practicable, we expect Suppliers to manage, monitor and maintain a record of their environmental performance.

Where relevant and practicable, this should include setting key performance indicators, to measure progress against environmental plans or targets and to drive continuous improvement.



### Contacting the Group

Your usual Group company contact

Group Head of Procurement:  
[procurement@bat.com](mailto:procurement@bat.com)

Speak Up channels:  
[www.bat.com/speakup](http://www.bat.com/speakup)

## Environmental considerations

We expect Suppliers to integrate environmental considerations into their product design, operations and/or provision of services.

Where relevant, this should include contributing to a circular economy by using less virgin and finite materials, and designing out waste to keep materials in use for longer.

## Cooperating with the Group

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

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

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

## What are Scope 3 emissions?

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

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



# Marketing and trade

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

## Responsible marketing

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

Our marketing is governed by our International Marketing Principles, available at [www.bat.com/imp](http://www.bat.com/imp) or the relevant local Group company website.

As such, we expect our Suppliers to comply with:

- Group International Marketing Principles as a minimum standard where they are stricter than local laws; or
- Local laws or other local marketing codes where they are stricter than, or override, Group marketing principles.



## Illicit trade

**The fight against the illicit trade in our products is an important priority for the Group.**

It is vital that our Suppliers have no direct or indirect involvement in, or support for, illicit trade in our products.

As such, Suppliers must:

- Not knowingly engage in or support unlawful trade in our products;
- Implement effective controls to prevent illicit trade, including:
  1. Measures to ensure supply to market reflects legitimate demand; and
  2. Procedures for, where relevant, investigating, suspending and terminating dealings with customers, Suppliers or individuals suspected of involvement in illicit trade.

Collaborate with authorities in any official investigation of illicit trade, while ensuring this is done in a lawful manner and in line with our zero tolerance for any form of bribery and corruption, given the heightened bribery and corruption risks in dealings with public officials.

## ? Types of illicit products

### Counterfeit or fake:

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

### Local tax evaded:

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

### Smuggled:

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



### Contacting the Group

Your usual Group company contact

Group Head of Procurement:  
[procurement@bat.com](mailto:procurement@bat.com)

Speak Up channels:  
[www.bat.com/speakup](http://www.bat.com/speakup)





# Business integrity

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

## Conflicts of interest

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

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

- Avoid situations where their personal and/or commercial interests, or the interests of their officers or employees may, or may appear to, conflict with the interests of the Group;
- Disclose to the Group if any Group employee may have any interest of any kind in their business or any economic ties with them; and
- Inform the Group of any situation that is, or may be seen as, an actual or potential conflict of interest as soon as the conflict arises, and to disclose how it is being managed.

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

## Bribery and corruption

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

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

- Never offer, promise or give any gift, payment or other benefit (such as hospitality, kickbacks, a job offer/ work placement or investment opportunities) to any person (directly or indirectly), to induce or reward improper conduct or improperly influence any decision by any person to their or the Group's advantage;
- Never ask for, agree to accept or receive any gift, payment or other benefit from any person (directly or indirectly) as a reward or inducement for improper conduct or which influences, or gives the impression that it is improperly intended to influence, decisions of the Group;

- Never offer, promise or give any gift, payment or other benefit to a public official, intending to influence that individual in their capacity of a public official to their or the Group's advantage;
- Never make facilitation payments (directly or indirectly) with regard to Group business, other than where it is strictly necessary to protect the health, safety or liberty of any Workers; and
- Maintain proportionate and effective controls, to ensure that improper payments are not offered, made, solicited or received by third parties performing services for or on their or the Group's behalf.

## Gifts and entertainment (G&E)

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

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

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

## Sanctions and export controls

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

As such, Suppliers must:

- Be aware of, and fully comply with, all applicable sanctions regimes affecting their business;
- Implement effective internal controls to minimise the risk of breaching sanctions, and provide training and support to ensure their employees understand them and implement them effectively, particularly where their work involves international financial transfers or cross-border supply or purchase of products, technologies or services; and
- Inform the Group of any situation where they intend to supply goods or services to the Group originating from or transshipped through a territory which is under comprehensive US sanctions, or intend to make payments or supply Group products to/through any sanctioned territory or party.

## What are sanctions?

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

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

Some sanctions regimes apply to exports/re-exports of products originating from territories under comprehensive US sanctions or products with such origin content; as well as transshipping products through such high-risk sanctioned territories.

Separate from sanctions, export controls impose licensing obligations on the cross-border movement of

certain items, such as 'dual-use' goods, and associated software and technology, because of their potential for military use, and regardless of who is involved. Examples of 'dual-use' items include certain types of machinery, encryption software and IT equipment.

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

## Anti-money laundering and counter-terrorist financing

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

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

## Business records and confidentiality

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

As such, Suppliers must:

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

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

## Data privacy and cyber risk

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

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

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

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

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

As such, Suppliers must:

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

## Assessing data protection and cyber risk

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

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

## Fair competition and antitrust

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

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

## Tax evasion

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

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

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



### Contacting the Group

Your usual Group company contact

Group Head of Procurement:  
**procurement@bat.com**

Speak Up channels:  
**www.bat.com/speakup**



# Guidance at your fingertips:

find our Supplier Code of Conduct in our Standards of Business Conduct app. Scan these QR codes to download the app, or visit [www.bat.com/suppliercode](http://www.bat.com/suppliercode)



## For more information

**Please contact:**

Group Head of Procurement  
([procurement@bat.com](mailto:procurement@bat.com))

Globe House  
4 Temple Place London  
WC2R 2PG  
United Kingdom

Tel: +44 (0)207 845 1000



[bat.com/suppliercode](https://bat.com/suppliercode)