

# Responsible Marketing Principles



## RESPONSIBLE MARKETING PRINCIPLES

As we work to build a **Better Tomorrow™**, these Responsible Marketing Principles guide our decisions in how we market our tobacco, nicotine and zero nicotine products and brands. We will uphold the same high standards in every market in which we operate, even when they are stricter than applicable local laws.

We believe tobacco and nicotine consumption is a choice for adults only. No one underage should ever smoke or use products containing tobacco or nicotine.

We understand the products we sell have different risk profiles, but that none of our products are risk free. We also know that potentially Reduced Risk Products\*† can only maximise their potential to contribute to tobacco harm reduction if adult consumers have the information necessary to make informed choices. Therefore, it is essential we provide consumers with clear and meaningful information about our products.

All BAT companies, employees and anyone working on our behalf, in any capacity, must adopt these Marketing Principles and seek to apply them in good faith at all times.

### **Our Responsible Marketing Principles:**

1. Our Products are intended for Adult Consumers
2. Our Marketing is targeted to Adult Consumers
3. We are committed to Underage Access Prevention
4. Our Marketing is honest and accurate
5. We inform Consumers that our Products are not risk free
6. We respect and comply with all applicable laws
7. We require our partners to market our Products responsibly

## DEFINITIONS

**Adult** – A person who is at least 18 years old or, if higher, the minimum age in the relevant market for the lawful sale, purchase, possession, or consumption of the type of Products being sold or advertised.

**Consumer** – In relation to the Products, means an Adult tobacco or nicotine user.

**Marketing** – Any communication, activity, or branding (including Products and Packaging) for the purposes of advertising or promoting one of our Products to Adult Consumers.

**Products** – Any tobacco, nicotine or zero-nicotine product, regardless of the method of consumption, including devices necessary for the consumption of such products and related accessories. This definition does not include products which are:

- 1) Medicinal or smoking cessation products;
- 2) Non-inhalation products which do not contain nicotine or tobacco and which do not utilise a brand that is or has been used for tobacco or nicotine products; and
- 3) Sold by the Wellbeing & Stimulation business of BAT or BTV investee company.

**Reduced Risk Product\*† (RRP)** – Products that present a potentially reduced risk of harm compared to smoking conventional cigarettes, including tobacco and herbal heating products, snus, moist snuff, chewing tobacco, tobacco or nicotine or zero nicotine pouches and nicotine or zero nicotine vapour products.

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

† Our Vapour product Vuse (including Alto, Solo, Ciro and Vibe), and certain products, including Velo, Grizzly, Kodiak, and Camel Snus, which are sold in the U.S., are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.

**Underage** – A person younger than 18 years old, or, if higher, younger than the minimum age in the relevant market for the lawful sale, purchase, possession, or consumption of the type of Products being sold or advertised.

# Responsible Marketing Code



# RESPONSIBLE MARKETING CODE

Our Responsible Marketing Code is the set of standards we hold ourselves accountable to and, in coordination with our Responsible Marketing Principles, what guides our decision-making process. The Responsible Marketing Code applies to our tobacco, nicotine and zero nicotine products and brands and covers all elements of Marketing from product design through sales.

## 1. Products and Packaging

- 1.1 Our Products and their Packaging are intended for Adult Consumers.
- 1.2 Our Products and their Packaging will not be misleading or imply that our Products are without risk.
- 1.3 Our Packaging will always contain appropriate warnings that are clearly visible and readable.
- 1.4 We are committed to reducing the environmental impact of our Products and Packaging throughout their lifecycle.

## 2. Marketing

- 2.1 Our Marketing is targeted to Adult Consumers.
- 2.2 Our Marketing shall only feature Adults.
- 2.3 Our Marketing shall be respectful to the diversity of our audience (including: race, religion, colour, ethnicity, national origin, ability, sexual orientation and gender).
- 2.4 Our Marketing shall be clear that it originates from BAT or our brands.
- 2.5 Our Marketing will not suggest that our Products are without risks.
- 2.6 Our Marketing will not suggest that our Products enhance social or professional success or sexual appeal.
- 2.7 We will use appropriate, clearly visible and readable warnings in our Marketing.
- 2.8 We will not place any advertisement in printed publications unless we can reasonably establish that its audience is predominantly Adult.
- 2.9 We will not place outdoor Marketing in close proximity to areas primarily occupied by the Underage (e.g., schools).

### **3. Digital Marketing and Social Media**

- 3.1 All Digital Marketing activities are intended for Adult Consumers.
- 3.2 Our Digital Marketing will only be present where we can reasonably establish the channel's audience is predominantly Adult.
- 3.3 We will not use social media in our Marketing for combustible tobacco brands or products.
- 3.4 Where we work with third parties to promote our Reduced Risk Products\*† or brands on social media we will ensure that they are Adult and their audience is predominantly Adult.
- 3.5 Our websites and apps for our Products and brands are age restricted.

### **4. Sales**

- 4.1 Our Products and related branded items should only be sold to Adults.
- 4.2 BAT has in place Underage access prevention programmes to prevent our Products being accessed by or sold to the Underage through BAT or its Trade Partners.
- 4.3 We support laws and regulations prohibiting the sale of our Products to anyone under the legal minimum age.
- 4.4 We will advocate to governments for minimum age laws of 18 where no age restrictions are in place.

### **5. Consumer Engagement (1:1 Marketing)**

- 5.1 BAT or its partners shall only conduct consumer engagement activities with Age Verified Adults.
- 5.2 We will not engage non-smokers about our combustible Products.
- 5.3 Employees or third-party engagement staff who engage with Adults for Marketing purposes must be transparent that they are working on behalf of BAT.

### **6. Training**

- 6.1 BAT employees and global marketing agency partners involved in the development, Marketing and sales of our Products will be required to complete an annual training on our Responsible Marketing Principles, Responsible Marketing Code and applicable policies, which for BAT employees will be as part of our Standards of Business Conduct.

- 6.2 Third parties conducting BAT Marketing activities will be informed of our Responsible Marketing practices and must comply with them.

## **7. Governance & Ownership**

- 7.1 The Responsible Marketing Principles have been approved by the PLC Board and the Audit Committee maintains oversight over compliance across the Group.
- 7.2 Our Responsible Marketing Principles and Responsible Marketing Code set out the minimum standard that applies to all of our Marketing activities.
- 7.3 In addition, the Global Responsible Marketing Committee provides strategic guidance and oversight. Issues that require escalation or clarification are referred to the Responsible Marketing Committee.
- 7.4 We publish as part of our Annual Reports and Accounts any incidences of non-compliance with marketing regulations that result in a fine, penalty or regulatory warning.
- 7.5 As the function ultimately responsible for the Group's Marketing activities, the Marketing function owns and is accountable for ensuring all Marketing activities are compliant with the Responsible Marketing Principles, Responsible Marketing Code and other applicable standards.

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**Consumer** – In relation to the Products, means an Adult tobacco or nicotine user.

**Consumer Engagement** – Marketing activities in which a BAT Employee or a Third Party working on our behalf engages with an age verified Adult Consumer about our Products or brands.

**Digital Marketing** – Marketing that takes place online.

**Marketing** - Any communication, activity, or branding (including Products and Packaging) for the purposes of advertising or promoting one of our Products to Adult Consumers.

**Packaging** – The packaging materials surrounding the products as they are made available for sale to consumers.

**Products** – Any tobacco, nicotine or zero-nicotine product, regardless of the method of consumption, including devices necessary for the consumption of such products and related accessories. This definition does not include products which are:

- 1) Medicinal or smoking cessation products;
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**Trade Partners** – Any third-party business entity selling our Products and with whom we have a customer relationship or an agreement to provide or receive marketing or sales services.



**Underage** – A person younger than 18 years old, or, if higher, younger than the minimum age in the relevant market for the lawful sale, purchase, possession, or consumption of the type of Products being sold or advertised.