

Richard Burrows  
Chairman  
British American Tobacco plc  
Globe House  
4 Temple Place  
London  
WC2R 2PG

29 April 2020

Dear Mr Burrows

I am writing to put you on notice that I would like to raise questions about the behaviour of BAT at the Annual General Meeting, and request that you confirm how this will be managed given the current COVID-19 lockdown.

1. In a letter to ASH date 3<sup>rd</sup> May 2019, you confirmed that you provide donations to organisations with whom “areas of common interest exist” including the Institute of Economic Affairs (IEA) and FOREST. Last year you refused to disclose the amount of the donations because they were “not considered material and we do not typically disclose them”. This is a change from previous practice, and in this case we would suggest it is not for the company to decide whether these are material or not, so could you please confirm:
  - a. How much funding BAT gave the IEA in 2019, and how much you have budgeted to contribute in 2020.
  - b. How much funding BAT contributed to Forest in 2019, and how much you have budgeted to contribute in 2020.
  - c. Please confirm which other organisations of this kind receive contributions from BAT, for example do you provide funding to the Adam Smith institute.
2. Please confirm how much money was spent by British American Tobacco participating in events at party political conferences in the UK in the last financial year, by political party.
3. In its decision from December 2019, the Advertising Standards Authority upheld two parts of a complaint from ASH, the Campaign for Tobacco Free Kids and STOP about BAT’s marketing of e-cigarettes on Instagram. Can you guarantee to shareholders that BAT is now complying with Facebook and Instagram’s new updated marketing guidelines that have been issued since the ruling?
4. In light of research showing that smokers are more likely to suffer a severe response to COVID-19 infection, and BAT’s statements that it wants to support the growth of alternatives to cigarettes, will BAT be using its communications channels to encourage smokers to quit or switch to alternatives during the COVID-19 outbreak?
5. BAT announced in a press release from 1<sup>st</sup> April that your subsidiary Kentucky BioProcessing (KBP) was in pre-clinical testing for a COVID-19 vaccine using tobacco plant technology and that you were “hopeful that between 1 and 3 million

doses of the vaccine could be manufactured per week, beginning in June.” Is this project still active, and if so what is its current status of this project, in particular:

- a. Has pre-clinical testing been completed, and if not when will it be?
  - b. If pre-clinical testing has been completed what was the outcome?
  - c. Has clinical testing commenced and if not when is this expected to start?
  - d. Have you sought regulatory approval yet and if so when do you expect to do so?
  - e. What is the probability that you will be able to manufacture between 1 and 3 million doses a week starting in June, as you stated you hoped would be the case?
6. Please could you give shareholders a date for when you expect the Serious Fraud Office investigation into suspicions of corruption in the conduct of business by BAT p.l.c, its subsidiaries and associated persons to be completed? And whether the investigation has been extended beyond East Africa following the SFO’s request in November 2017 for anyone with information relevant to this investigation to come forward.
7. BAT’s 2019 annual report highlights an investigation by the US Department of Justice and Office of Foreign Assets Control, into sanctions breaches. Please confirm which countries are involved in this investigation, for example does it include Iran and Cuba?
1. The BAT Group confirm in their 2019 Modern Slavery statement that BAT ‘specifically requires all suppliers to any BAT Group company to ensure their operations are free from child labour and from forced, bonded, involuntary, trafficked or unlawful migrant labour’. In light of that obligation what mechanisms does the BAT Group use to ensure that all suppliers adhere to these requirements?
  2. The BAT Group declare in their 2019 Modern Slavery Statement that their ‘third-party suppliers are responsible for monitoring the farmers they source from’, how is the BAT Group satisfied that their suppliers ‘are free from child labour and from forced, bonded, involuntary, trafficked or unlawful migrant labour’ if they are not actively involved in the monitoring process?
  3. The BAT Group confirmed that between 2015-2018, AB Sustain completed ‘supplier on site reviews; on 100% of leaf operations and suppliers. Please confirm if this includes farms which supply tobacco leaf to the BAT Group via third-parties and whether the BAT Group is willing to make public AB Sustain’s findings?

I look forward to receiving your reply.

Yours sincerely,



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