

Modern Slavery Statement 2025

This is BAT South Group's sixth Joint Modern Slavery Statement prepared in accordance with the Modern Slavery Act 2018 (Cth).

It provides a general overview of the steps taken by the Reporting Entities (defined below) and their subsidiary companies during the year ending 31 December 2025 to prevent modern slavery and human trafficking in the BAT South Group's business and supply chain.

Group Structure

For the purposes of this Statement:

- BAT South Group refers to the Reporting Entities and their controlled entities operating across Australia, New Zealand and the South Pacific.
- BAT Group refers to British American Tobacco p.l.c. and companies in the British American Tobacco Group.

This Statement has been prepared as a standalone Modern Slavery Statement for the BAT South Group and addresses the mandatory reporting requirements of the Modern Slavery Act 2018 (Cth). It focuses on the structure, operations and supply chains of the Reporting Entities and, where relevant, reflects Group-wide frameworks, policies and processes established by the BAT Group and implemented locally by the Reporting Entities. The Reporting Entities are separate corporate entities, each with governance structures and reporting responsibilities that are distinct from those of each other, and of other companies in the BAT Group.

The BAT South Group's ultimate parent entity, British American Tobacco p.l.c. (BAT p.l.c.), also prepares a Modern Slavery Statement under the UK Modern Slavery Act 2015, covering relevant BAT Group subsidiaries. While there is consistency between the Australian and UK statements in relation to global operations, supply chains and risk management approaches, this Statement is prepared specifically for Australian reporting purposes and is submitted to the Australian Government's Modern Slavery Register.

Approval Process

This statement has been approved by the Board of Directors of BAT South Pty Ltd and the other Reporting Entities pursuant to clause 14(2)(d)(ii) of the Modern Slavery Act 2018. It was approved on 29 June 2026 and signed on behalf of the Reporting Entities by an authorised director, Peter Simmons.

Reporting Entities

This Modern Slavery Statement is made pursuant to section 16 of the Modern Slavery Act 2018 (Cth) (the Act).

Within the meaning of section 5 of the Act, the following entities are reporting entities for the purposes of this Statement (together, the Reporting Entities or Reporting Entity):

- BAT South Pty Ltd
- BAT Australasia Ltd
- BAT Australia Ltd
- BAT Australia Overseas Pty Ltd

Each Reporting Entity is incorporated in Australia and has a consolidated annual revenue exceeding the reporting threshold prescribed under the Act.

Consultation

In developing this statement, in those circumstances where a Reporting Entity holds control (as defined in the Modern Slavery Act, within the meaning of the Australian Accounting Standards) over a subsidiary, the BAT South Group liaised with the relevant senior management of such a subsidiary to convey BAT South Group's expectations, raise awareness and understanding of their approach in mitigating modern slavery risks and ensure consistency. In instances where a Reporting Entity does not have control over such subsidiaries, subsidiaries are responsible for independently considering and applying, as appropriate, the Group's policies in their response to issues of modern slavery.

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To access BAT South Group's Modern Slavery Statement, for this and prior years, visit <https://www.bata.com.au/>

Welcome from BAT South Group's Area Director – APMEA South



The BAT South Group's commitment to human rights is fundamental to its purpose to create A Better Tomorrow™ by Building a Smokeless World.

The BAT South Group aims not only to respect the rights of its employees, partners and communities but also to strengthen its approach to human rights through the way it operates and the standards it sets.

This statement sets out the steps that the BAT South Group and the BAT Group have taken to prevent modern slavery risks across the business during the year ended 31 December 2025.

With a global footprint, the Group recognises the potential for exposure to modern slavery within BAT's own operations and extended supply chain, and remains committed to identifying risks and taking appropriate steps to address any issues identified.

In 2025, the BAT Group continued to make progress in this area with key milestones, including:

- achieving the Group's target for 100% of Product Materials Suppliers[†] and Higher-Risk Indirect Suppliers[‡] to have undergone at least one independent labour audit within a three-year cycle;
- adopting enhanced restrictions on contract renewals with farmers where child or forced labour incidents are identified; and
- applying traceability and segregation processes to remove any tobacco associated with child and forced labour incidents from the Group's products.

With the BAT Group's 2025 sustainability targets reaching maturity, the BAT Group has set new targets under the 'Communities' pillar of the sustainability strategy to guide the BAT Group's efforts through to 2030. These targets reflect the Group's commitment to building resilience and supporting the well-being of employees, farmers and suppliers as part of the BAT Group's communities' strategy.

BAT South Group's highlights include:

- joining the Slave-Free Alliance and ongoing collaboration with the human rights specialists on BAT South Group's Modern Slavery Statement review;
- strengthening internal engagement through comprehensive policy reviews, rolling out internal awareness initiatives, and developing a digital platform for Modern Slavery Awareness;
- adopting a refined risk assessment approach;
- migrating to an enhanced due diligence platform; and
- improving internal modern slavery training and rolling out Micro-Learning for better accessibility and retention.

A handwritten signature in black ink, reading "Peter Simmons".

Peter Simmons

Area Director
29 June 2026

Business and Supply Chain

The BAT South Group's purpose is to create A Better Tomorrow™ by Building a Smokeless World.

BAT South Group's commitment to human rights

The BAT South Group recognises its role in respecting the human rights of all Direct Employees[‡], workers and farmers in its supply chain, as well as members of the local communities in which it operates. In 2025, the BAT South Group continued to build upon its approach to managing human rights risks within the context of the BAT Group sustainability strategy.

BAT South Group's business structure

The BAT South Group forms part of the Asia Pacific, Middle East & Africa region (APMEA) of the BAT Group and is further a part of the Direct Reporting Business Unit (DRBU), APMEA South. The APMEA South DRBU comprise the BAT entities in Australia, Indonesia, Malaysia, Singapore, Vietnam, Cambodia, New Zealand and the South Pacific islands – Papua New Guinea, Fiji, Solomon Islands and Samoa.

BAT South Pty Ltd (ACN 095 066 345) is an Australian company incorporated and registered in Australia, with its registered office at Level 25, 210 George Street, Sydney NSW 2000. BAT South Pty Ltd is the holding company of the Reporting Entities and their controlled entities operating across Australia, New Zealand and the South Pacific.

The legal entities that comprise the BAT South Group are set out in Table 1: Entities within the BAT South Group.

BAT South Group's operating structure

The BAT South Group's business structure is pyramidal, with BAT South Pty Ltd as the parent entity and holding company of a number of subsidiaries, directly or indirectly. Of these entities:

- BAT Australia Ltd is the primary operating entity in Australia and is responsible for the importation and distribution of tobacco and cigar products within Australia. BAT Australia Ltd is headquartered in Sydney, New South Wales, and its employees perform a range of roles including office based management, logistics and operations, trade and distribution.
- BAT Australasia Ltd and BAT Australia Overseas Pty Ltd do not undertake operational activities or maintain supply chains. Their functions are primarily to hold shares in subsidiary entities and receive dividends. BAT Australasia Ltd also owns certain trademarks and intellectual property.
- Rothmans Asia Pacific Limited, W.D. & H.O. Wills Holdings Limited, BAT Australia Services Ltd, The Benson & Hedges Company Pty Limited are non-operating entities.
- BAT (New Zealand) Ltd is the primary operating entity in New Zealand.
- Central Manufacturing Company Pte Limited (trading as BAT Fiji) is the primary operating entity in Fiji.
- Solomon Islands Tobacco Company Limited is the primary operating entity in the Solomon Islands.
- British American Tobacco (PNG) Limited is the primary operating entity in Papua New Guinea.
- British American Tobacco Company (Samoa) Limited is the primary operating entity in Samoa.

Table 1: Entities within the BAT South Group

Name of Entity	Status	Country of Incorporation
BAT South Pty Ltd	Reporting Entity	Australia
BAT Australasia Ltd	Reporting Entity	Australia
BAT Australia Ltd	Reporting Entity	Australia
BAT Australia Overseas Pty Ltd	Reporting Entity	Australia
Rothmans Asia Pacific Limited	Controlled entity	Australia
W.D. & H.O. Wills Holdings Limited	Controlled entity	Australia
BAT Australia Services Ltd	Controlled entity	Australia
The Benson & Hedges Company Pty Limited	Controlled entity	Australia
Rothmans of Pall Mall (PNG) Limited	Controlled entity	Papua New Guinea
Rothmans of Pall Mall (Fiji) Pte Limited	Controlled entity	Fiji
BAT Holdings (New Zealand) Ltd	Controlled entity	New Zealand
British American Tobacco Company (Samoa) Limited	Controlled entity	Samoa
British American Tobacco (PNG) Limited	Controlled entity	Papua New Guinea
Solomon Islands Tobacco Company Limited	Controlled entity	Solomon Islands
BAT (New Zealand) Ltd	Controlled entity	New Zealand
Central Manufacturing Company Pte Limited	Controlled entity	Fiji

Business and Supply Chain Continued

BAT South Group's governance and oversight

Each Board of Directors of the Reporting Entities has ultimate responsibility for overseeing modern slavery risks within that entity's operations and supply chains and for ensuring compliance with applicable legal and regulatory requirements, including the Modern Slavery Act 2018 (Cth). This includes oversight of modern slavery related policies, risk management frameworks, due diligence processes and remediation approaches.

While accountability rests with each Reporting Entity Board, oversight of modern slavery risks is supported through a structured governance framework. At a DRBU level, the APMEA South Leadership Governance Committee oversees governance, risk and compliance matters across the APMEA South DRBU, including modern slavery risks. The Committee comprises senior leaders from each end market within APMEA South and supports consistent implementation of Group-wide and local policies.

End-market Governance, Risk and Compliance Committees (GRCCs) provide local oversight and escalate relevant risks and issues to the APMEA South Leadership Governance Committee, as appropriate.

These Committees are supported by the Modern Slavery Working Group, which meets bi-monthly and comprises representatives from key functions, including procurement, legal and sustainability. The Working Group coordinates day-to-day modern slavery activities across Australia, New Zealand and the South Pacific and supports monitoring, reporting and escalation through the governance framework.

The Boards of the Reporting Entities review this Modern Slavery Statement annually and approve it prior to submission to the Australian Government's Modern Slavery Register.

The BAT Group's business structure and governance

The BAT Group's headquarters is located in the UK, with subsidiary operations around the world, employing more than 47,000 people.

The BAT Group's employees work in a range of roles and environments, including office-based management, tobacco leaf fields, manufacturing and operations, trade marketing and distribution, as well as research and development.

The Board of British American Tobacco p.l.c. (BAT p.l.c. Board) is collectively responsible to the shareholders for the long-term sustainable success of the BAT Group and for the BAT Group's strategic direction, purpose, values and governance. The BAT p.l.c. Board provides the leadership necessary for the BAT Group to meet the business objectives within an appropriate framework for risk management and internal control.

The BAT p.l.c. Board is supported by the Group Audit Committee, which monitors and reviews the BAT Group's risk management and internal control framework.

The BAT Group Audit Committee is in turn supported by the BAT Group's Regional Audit Committees, with committees for each of the Group regions and for locally listed BAT Group entities and specific markets, where appropriate, and the Corporate Audit Committee.

The BAT Group's Management Board, chaired by the Chief Executive, is responsible for overseeing the implementation of BAT Group strategy and policies set by the BAT p.l.c. Board, and for creating the framework for Group subsidiaries' day-to-day operations.

While all Direct Employees[†] are required to act in line with the BAT Group's standards relating to human rights, the responsibility for identifying, managing and addressing risks related to human rights, including modern slavery, sits with the Corporate Sustainability team (for strategic delivery) and with the Leaf, Operations, Procurement and Business Compliance teams (for operational delivery). While all Direct Employees[†] also have a part to play in preventing modern slavery, these teams, together with the BAT Group's suppliers, have primary responsibility for leading and implementing the BAT Group's approach.

On behalf of the BAT p.l.c. Board, the BAT Group Audit Committee monitors and reviews the risk management and internal control framework of the BAT Group, including risks relating to human rights and compliance with the Group's Standards of Business Conduct.

Business and Supply Chain Continued

Managing human rights impacts

The BAT Group's Double Materiality Assessment (DMA) provides insights on the material sustainability impacts, risks and opportunities (IROs) including topics such as child and forced labour.

 Find out more about **BAT Group's DMA** on [page 9](#)

Management of material sustainability topics, including human rights, are also discussed in the BAT Group level Committees and forums, such as the:

- Group Sustainability Leadership Team;
- Operations Sustainability Forum;
- Leaf Sustainability Forum;
- Supply Chain Due Diligence Committee;
- HR Leadership Team; and
- Business Integrity Panel.

Issues considered in these forums are raised, where appropriate, at the Management Board level or with the BAT Group Audit Committee.

The Chief Corporate Officer of the BAT Group has overall responsibility for the strategic delivery of the BAT Group sustainability agenda, supported by the Sustainability team, including the BAT Group's Chief Sustainability Officer, and subject-matter specialists across the BAT Group.

The BAT Group's governance framework allows for the appropriate information, monitoring and oversight of key issues, including those relating to human rights and modern slavery across the business from local business units to the BAT Group Board level.

 Find out more about the **BAT Group's strategy, business model, structure and governance** in the Group's [2025 Combined Annual and Sustainability Report](#)

How the BAT Group reports

The BAT Group's Sustainability Performance Data Book provides a consolidated overview of the Group's non-financial performance, which incorporates human rights and includes related targets and metrics, relevant reporting standards and frameworks, and the approach and scope used for data collection and assurance.

 For a full description of key terms and definitions, refer to the **BAT 'Reporting Criteria'** in BAT Group's [2025 Sustainability Performance Data Book at \[bat.com/reporting\]\(https://bat.com/reporting\)](#)

The BAT South Group's supply chain

The BAT South Group's portfolio of products includes both combustible and Smokeless products. In terms of combustible products, BAT South Group's traditional cigarette products are predominantly purchased from the BAT Group's factory located in Indonesia, with a limited number of product variants sourced from Fiji. In addition, BAT Fiji contracts with 345 farmers who supply tobacco leaf to the BAT Group.

The New Zealand portfolio includes Vuse nicotine vapour products, which are sold in accordance with New Zealand regulations.

The BAT South Group also distributes Other Tobacco Products (OTP)¹ in Australia and New Zealand. All third-party product suppliers must undergo and adhere to BAT South Group's 'Know Your Supplier' Process (KYSP), which includes, without exception, the completion of BAT South Group's modern slavery risk level assessment and modern slavery questionnaire, as set out on page 16.

BAT South Group's supply chain intersects several industries exposed to human rights risks and impacts, including agriculture, manufacturing, and electronics for the Smokeless product supply chain. The BAT South Group assesses suppliers' inherent risk exposure against human rights indices developed by an independent global risk analytics firm and conducts enhanced due diligence on higher-risk suppliers.

Tobacco supply chain

Tobacco leaf used in the BAT South Group's products is sourced from the BAT Group. The BAT Group's own Leaf Operations source approximately 77% of the BAT Group's tobacco by contracting directly with c.91,000 farmers. The remainder is sourced from third-party suppliers who contract with approximately 134,000 farmers.

Non-tobacco supply chain

Beyond tobacco leaf, the BAT Group works with approximately 300 Product Materials Suppliers[†] and 25,100 indirect goods and services suppliers globally. Through the Group's Smokeless products, the Group's supply chains in areas such as consumer electronics and e-liquids continue to grow.

The BAT South Group engages a significant number of suppliers providing indirect goods and services that are not product related, including IT services, consultancy, and facilities management. These indirect suppliers total 882 and represent 92.16% of the BAT South Group's supplier base. In addition, the BAT South Group engages 22 Product Materials Suppliers[†] and 53 logistics service providers supporting its operations.

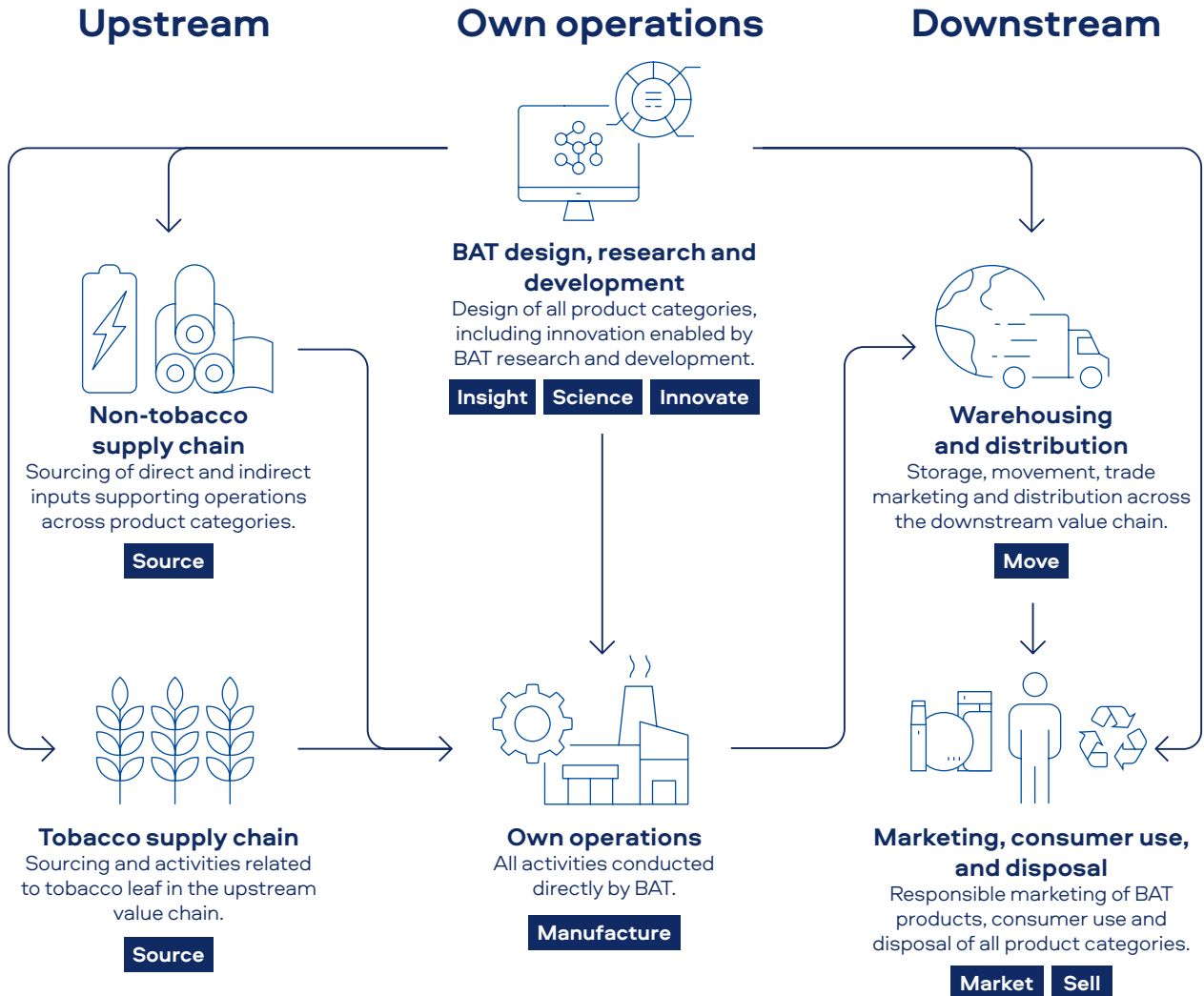
As valued business partners, it is crucial that the BAT South Group listens to and engages with its directly-contracted suppliers to build trust and drive progress. Through its supplier engagement, the BAT South Group strives to be a positive influence on how suppliers manage sustainability risks, including those relating to modern slavery.

Notes:

1. Other Tobacco Products include but are not limited to roll-your-own, make-your-own and cigars.

Business and Supply Chain Continued

BAT Group's value chain

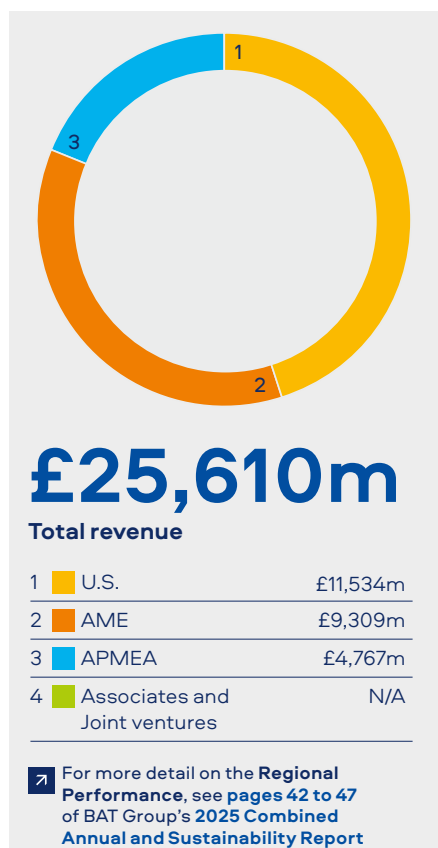


Business and Supply Chain Continued

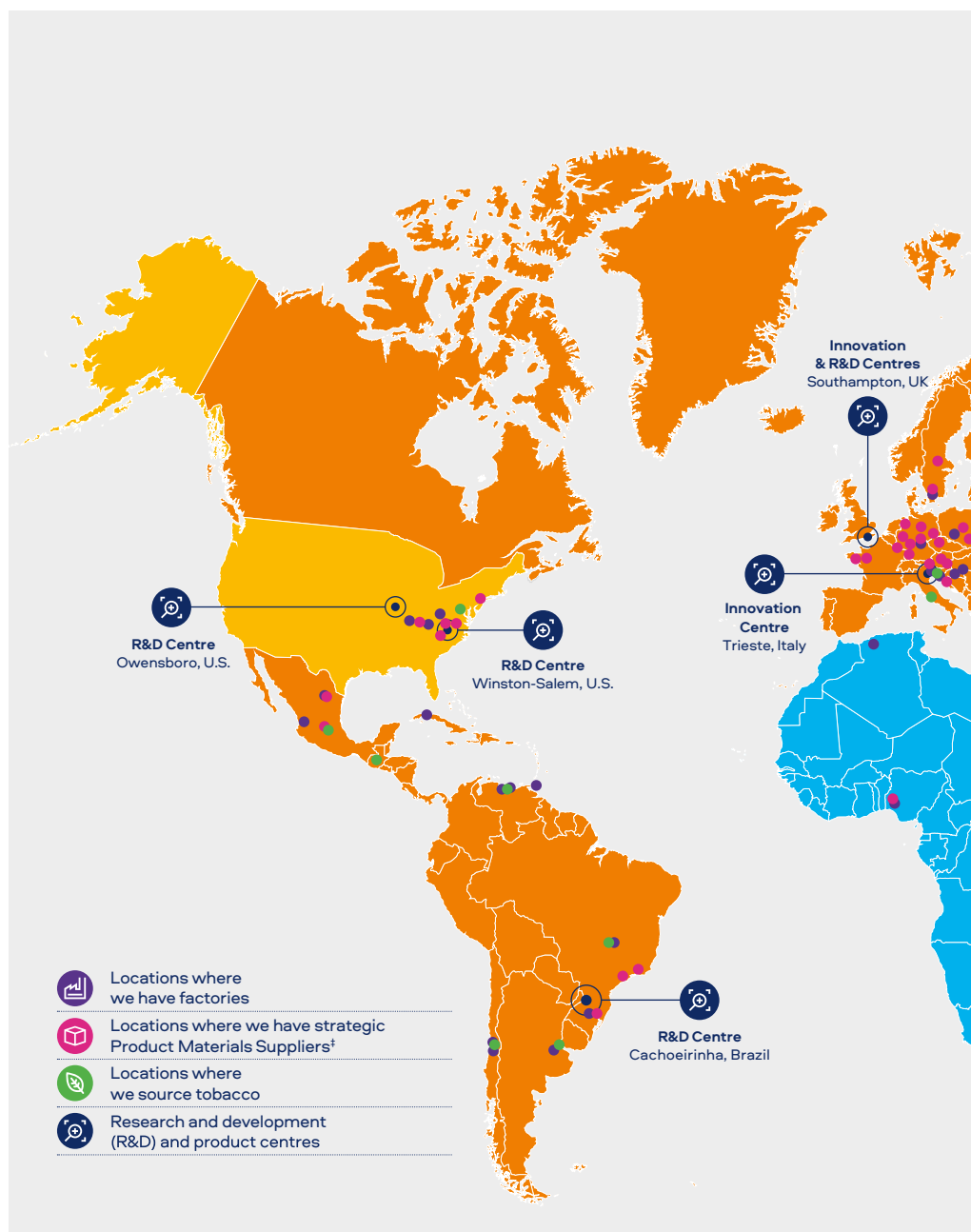
The BAT Group's business is divided into three complementary regions, maximising opportunities for quality growth in the tobacco sector.

The BAT Group's in-depth marketplace analysis delivers insights on consumer trends and segmentation, which facilitates geographic brand prioritisation across the BAT Group's regions and markets. As consumer preferences and technology evolve rapidly, the BAT Group is also leveraging its global digital hubs and innovation centres.

BAT Group's revenue by region



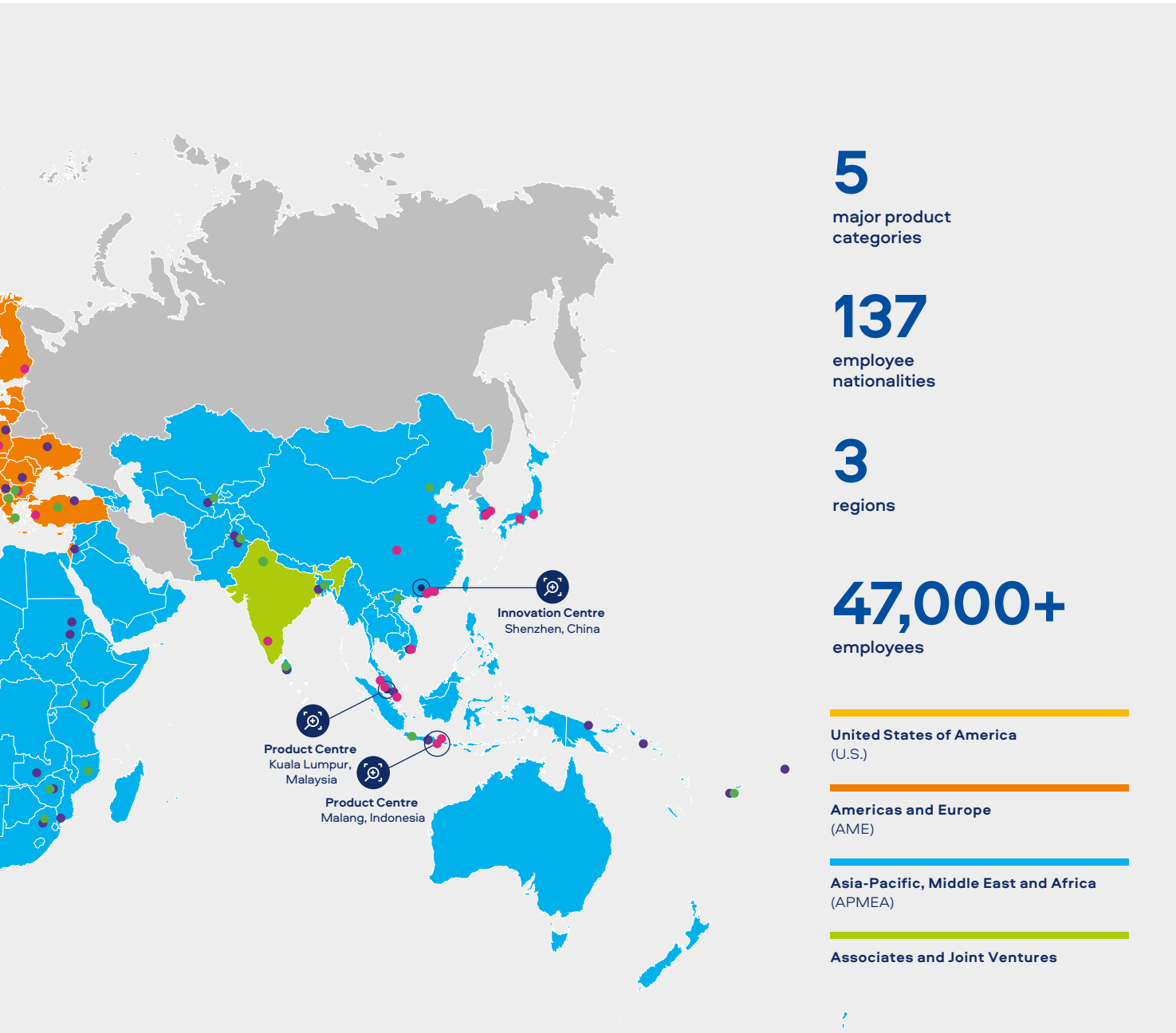
BAT Group's supply chain and operations



Business and Supply Chain Continued

BAT-owned manufacturing facilities ¹				
	U.S.	AME	APMEA	Total
Fully integrated manufacturing	1	13	22	36
Other processing sites (including leaf threshing and Other Tobacco Products ²)	—	6	9	15
Sites manufacturing other products (including Snus, Modern Oral and Liquids)	2	5	—	7
Research and development facilities	1	2	3	6
Total	4	26	34	64

- Notes:**
- 1. As of 31 December 2025.
 - 2. Other Tobacco Products include but are not limited to roll-your-own, make-your-own and cigars.



Policy Commitments

All BAT Group companies are expected to adopt policies, principles and standards to manage human rights and modern slavery risks across the BAT Group’s supply chains. The BAT South Group has adopted all BAT Group policies, standards and controls as set out below.

Commitments, policies, standards and controls
The BAT Group remains committed to respecting fundamental human rights as affirmed by the Universal Declaration of Human Rights.

- This includes respecting the rights of:
- its employees;
 - the people the BAT Group works with; and
 - the communities in which the BAT Group operates.

The BAT Group’s approach is aligned with the UN Guiding Principles on Business and Human Rights (UNGPs), which are grounded in the human rights standards first articulated in the Universal Declaration of Human Rights and clarify how these rights apply in the context of business activities.

The BAT Group’s Standards of Business Conduct (SoBC) and the BAT Group’s Supplier Code of Conduct (SCoC) (indicated by * in the table below), which contain policies for human rights, including modern slavery, are reviewed and endorsed by the BAT p.l.c. Board, for local adoption and implementation by relevant Group companies, including the BAT South Group.

Both the SoBC and SCoC are reviewed annually by the BAT Group to ensure they reflect developing standards and are in line with best practice. The versions currently in force were updated in 2025 and made effective on 1 April 2026.

Policies and Procedures	Key Stakeholder Groups
Standards of Business Conduct (SoBC)* Available at www.bat.com/principles	BAT Group’s people Governments and wider society
Supplier Code of Conduct (SCoC)* Available at www.bat.com/principles	Customers Suppliers Governments and wider society
Group SoBC Assurance Procedure	BAT Group’s people
Leaf Supplier Manual (LSM)	Suppliers Governments and wider society
Group Code of Human Rights in Tobacco Farming	BAT Group’s people Governments and wider society Suppliers

The BAT Group’s Standards of Business Conduct (SoBC)

The standards of integrity that BAT Group is committed to upholding are enshrined in the BAT Group SoBC. These include the BAT Group’s Respect in the Workplace and Human Rights chapters, which align with the UNGPs and the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work.

In line with the requirements under the SoBC, BAT South Group, seeks to ensure its operations are free from slavery, servitude, and forced, compulsory, bonded, involuntary, trafficked, or exploited migrant labour.

+ For more information on how the **SoBC is communicated** and how **compliance is monitored**, see **pages 11 and 18**

Supplier Code of Conduct (SCoC)

The SCoC complements the BAT Group’s SoBC by defining the minimum standards expected of suppliers, including for respecting human rights. The SCoC applies to all suppliers working with the BAT Group.

‘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.

In line with the SCoC, BAT South Group’s suppliers are required to ensure their operations are free from child labour, and from forced, bonded, involuntary, trafficked, or unlawful migrant labour.

The BAT South Group’s suppliers are expected to take clear ownership of embedding the SCoC and to carry out effective human rights due diligence across their supply chains. By doing so, they help create safer, more transparent and more resilient supply chains, which ultimately strengthens their own operations and supports shared, sustainable growth.

Available in multiple languages, the SCoC is shared as part of BAT South Group’s supplier onboarding process.

➔ Further information about BAT Group’s **SoBC** and **SCoC** can be found on bat.com/principles

Standards and controls

To support the effective implementation of BAT South Group’s policy commitments, the BAT South Group has considered and implemented for local adoption a number of standards, procedures and controls, including:

- **SoBC Assurance Procedure** defines how all reports of alleged SoBC breaches should be investigated and remediated fairly and objectively. This includes a four-step process, involving an initial assessment, in line with data privacy and employment laws, followed by an investigation plan, implementation, reporting of findings and closure.
- **LSM** sets out the detailed standards the BAT Group expect Leaf suppliers to follow. These include a range of criteria relating to standards in agricultural practices, such as agrochemicals compliance and the prevention of child labour.
- **Group Code of Human Rights in Tobacco Farming** outlines the core human rights standards expected to be implemented across all of the BAT Group’s Own Leaf Operations. The Code applies to all employees and the BAT Group’s own Leaf Operations, and is informed by the UNGPs and other international standards. It complements the BAT Group’s Global SCoC, LSM and SoBC. All relevant BAT Leaf employees and directly contracted farmers receive training on this Code.
- **Modern Slavery Policy Australasia** applies to Australia, Papua New Guinea, Fiji, Samoa, Solomon Islands and New Zealand, and sets out a modern slavery risk management framework for BAT South Group. The policy was reviewed and updated in September 2025, with the main change being the addition of internal engagement as a new pillar in the BAT South Group’s modern slavery risk management, recognizing that strengthening internal awareness is essential for the effective implementation of the strategy.

Due Diligence and Risk Management

Identifying risks

Double Materiality Assessment (DMA)¹

Findings of the BAT Group's DMA

The BAT Group's DMA¹ draws from multiple sources, including the value chain maps, stakeholder engagement insights, and inputs from internal experts and external users of sustainability disclosures. The former BAT Group sustainability risk register was also used as a baseline reference to support the identification of sustainability-related impacts, risks and opportunities (IROs).

The results of the BAT Group's DMA have identified that child and forced labour impacts and risks are material for the BAT Group's supply chain and the BAT Group continues to monitor these IROs, in the context of responding to evolving regulatory, market and stakeholder expectations and supporting long-term resilience.

Following the development of a long list of IROs, internal stakeholders reviewed and refined it through workshops, drawing on their expertise and stakeholder interactions. External stakeholders were engaged where needed to provide deeper insights and capture investor perspectives.

The assessment of these IROs enables the BAT Group to identify where mitigation efforts may be most needed. IROs were scored on an inherent basis² to provide a clear view of potential risk exposure prior to mitigation, with mitigation actions considered separately as part of ongoing risk management.

The BAT Group views saliency as aligned with the concept of impact materiality. Accordingly, the identification of material human rights-related IROs was informed by an assessment of the Group's salient human rights issues.

 Find out more about BAT Group's DMA on [pages 70 to 75](#) of the Group's [2025 Combined Annual and Sustainability Report](#)

Global risk landscape

Agricultural and tobacco supply chain risk landscape

The agricultural sector is an area of attention for human rights-related risks. The sector is associated with large numbers of temporary workers, use of family labour in small-scale farming and high levels of rural poverty.

The ILO estimates that the agricultural sector accounts for 12.3%³ of all incidents of forced labour and 61%⁴ of all child labour globally. Debt bondage can also be a particular concern if farmers take out loans to invest in harvesting crops, but do not have a guaranteed buyer or price – leaving them vulnerable to debt risk.

Non-tobacco supply chain risk landscape

As a whole, the manufacturing sector is estimated by the ILO to account for 18.7%³ of forced labour. For child labour, the ILO's latest estimates indicate that the broader industry sector (which includes manufacturing, mining and construction) accounts for 13%³ of all cases globally.

Key forced labour risks identified in the manufacturing sector as a whole relate to excessive working hours and production targets, payment of high recruitment fees, illegal retention of passports and, in some cases, illegal imprisonment and beatings of workers.²

Human rights risks for indirect goods and services depend on the sector and country of operation. According to the ILO, around 10%³ of forced labour is estimated to occur within service sectors. For child labour, the ILO's latest estimates indicate that the wider services sector (which includes domestic work in third-party households, small-scale commerce and other informal service activities) accounts for 27%⁴ of all cases globally.

The BAT Group recognises that some countries and circumstances present higher risks for human rights issues, such as where regulation or enforcement is weak or where levels of corruption, criminality or unrest are high.

Notes:

1. Although financial materiality has been considered in the development of BAT Group's Double Materiality Assessment (DMA), the DMA and any conclusions in this document as to the materiality or significance of sustainability matters do not imply that all topics discussed therein are financially material to the BAT Group's business taken as a whole, and such topics may not significantly alter the total mix of information available about the BAT Group's securities.
2. The IROs were assessed on an inherent basis, which means that the mitigation actions were not taken into consideration in the assessment.
3. ILO (2022). Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, ILO, Geneva, 2017.
4. ILO & UNICEF (2025). Child Labour: Global Estimates 2024, Trends and the Road Forward.

Due Diligence and Risk Management Continued

Understanding risks – Own operations

Fair recruitment for employees

BAT South Group's commitment to fairness and inclusivity is embedded throughout the recruitment process followed across all BAT Group companies, helping to promote equal access to opportunities and mitigate human rights risks for employees worldwide.

The hiring process is managed by the BAT Group's Talent and Global Business Services teams, which work to implement Group-wide standards, bearing in mind local deviations due to local regulatory requirements and contexts.

Prospective employees undergo rigorous pre-employment checks in accordance with local standards. The standards apply to all permanent, fixed-term, part-time and full-time employees. Where recruitment agencies are involved, only recruitment through vetted vendors is permitted.

BAT South Group due diligence

The BAT South Group requires that its employees (and any employment agencies, labour brokers, or third parties it retains to act on its behalf) will not:

- require workers to pay recruitment fees, take out loans or pay unreasonable service charges or deposits as a condition of employment; and/or
- withhold or require workers to surrender identity papers, passports or permits as a condition of employment.

Where national law or employment procedures require use of identity papers, these must be used strictly in accordance with the law.

If identity papers are retained or stored for reasons of security or safekeeping, this will 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.

Every year, all BAT South Group employees along with all BAT Group employees must formally confirm that they have complied with the SoBC. Individuals must complete the annual SoBC sign-off, in which they reaffirm their commitment and adherence to the SoBC and declare or update any personal conflicts of interest.

All BAT Group Companies, which includes BAT South Group entities, also complete an annual assessment against key audit controls in which they confirm that their area of business, or market has adequate procedures in place to support SoBC compliance.

The audit controls also require human rights risk assessments and risk mitigation action plans in higher-risk countries where the BAT Group operates, and for processes to be in place to demonstrate that human rights risks are managed effectively in the workplace and supply chain.

Monitoring human rights in BAT Group's own operations

The BAT Group uses a third-party human rights database to assess the risk level faced by the Group's own operations. Assessment outcomes and resulting action plans for the BAT Group's own operations that are deemed to be higher-risk are considered by the BAT p.l.c. Board Committees.

In 2025, 20¹ countries where the BAT Group has own operations were identified as higher-risk locations for human rights. The BAT Group's own operations in these countries underwent additional assessments to evaluate their compliance with relevant BAT Group policies and standards. Consistent with BAT Group's controls, BAT South Group applies increased scrutiny to suppliers operating in Papua New Guinea, a higher risk location. Where suppliers are linked to industries with heightened modern slavery risks, enhanced due diligence is conducted, including an assessment of commitments to prevent forced and child labour, address discrimination, ensure safe and fair working conditions, and promote broader economic, environmental, and social responsibility across the supply chain.



Note:

1. Bangladesh, Cameroon, China, Colombia, Honduras, Indonesia, Iraq, Kenya, Lebanon, Mali, Mozambique, Nigeria, Pakistan, Papua New Guinea, Philippines, Saudi Arabia, Sudan, Türkiye, Uganda, Venezuela, and Zimbabwe.

Due Diligence and Risk Management Continued

Managing risks – Own operations

Providing safe spaces to ‘Speak Up’

The BAT Group’s SoBC makes it clear that employees, business partners and suppliers should speak up if they have a concern about actual or suspected wrongdoing.

As a BAT Group company, the BAT South Group has adopted the Group’s SoBC and does not tolerate harassment, victimisation or reprisals of any kind against anyone raising a concern. Any such conduct is itself a breach of the SoBC.

Anyone can raise concerns (anonymously, if preferred) through the confidential, independently managed online and telephone ‘Speak Up’ channels, available 24 hours a day in local languages. Employees can also speak to Human Resources, their line manager or a Designated Officer.

Investigating and remediating workplace breaches

The SoBC sets out how allegations of wrongdoing or SoBC breaches should be investigated and dealt with fairly and objectively.

In 2025, the BAT South Group received 12 reports of alleged SoBC breaches relating to our Respect in the Workplace and Human Rights Policies across Australia, New Zealand and the South Pacific.

Following investigation, five matters were substantiated, and two matters were transferred to Human Resources to be managed as grievance matters. Actions were taken in response, including disciplinary measures such as additional training, formal warnings, and employment outcomes, including termination or resignation.

In five cases, investigations found no evidence of wrongdoing. All cases reported during the year were closed by year end.

Global Living Wage employer

The BAT Group seeks to deliver fair, equitable and transparent compensation to all employees globally. In 2025, the BAT Group continued to uphold the commitment to fair pay principles by maintaining independent accreditation from Fair Pay Workplace, for providing equal pay for work of equal value¹.

The BAT Group continues to be certified as a Global Living Wage employer by the Fair Wage Network (FWN), following the two-year certification awarded in 2024. Although formal re-certification was not required in 2025, the BAT Group conducted an internal review which confirmed that all Direct Employees² across BAT Group are paid at or above the applicable living wage². This review maintained global coverage, spanning over 100 countries, including BAT South Group entities.

 Find out more about BAT Group’s approach to reward on [page 118](#) of the Group’s [2025 Combined Annual and Sustainability Report](#)

Delivery with Integrity

Rooted in the BAT Group’s value of ‘Do the right thing’, the Delivery with Integrity programme guides how people deliver business results, using a risk-based approach that empowers employees to exercise ethical judgements and comply with the SoBC.

Supported by zero tolerance for retaliation and extended protection for reporters and investigators, the programme encourages employees to report concerns and non-compliances with the SoBC through multiple ‘Speak Up’ channels. To monitor the effectiveness of the programme, the BAT Group tracks all ‘Speak Up’ reports, investigation outcomes, and disciplinary actions undertaken. The programme is subject to annual testing of policy and control compliance, internal audits and included in the BAT Group Risk Register. Appropriate management actions are implemented in the event any non-compliance is identified.

Across global operations, BAT Group Companies confirm on an annual basis that adequate procedures are in place to support SoBC compliance, covering topics like anti-bribery, anti-corruption, sanctions, and competition. These assessments are monitored by the BAT Group’s Finance, Legal and Compliance functions and reported to the BAT Group’s Audit Committee. Every year, all BAT Group employees are required to complete SoBC training and confirm that they have complied with the SoBC and disclose or update actual or potential conflicts of interest.

Delivery with Integrity is part of the BAT Group’s Compliance Framework, designed to enhance compliance across the business by mitigating risks, keeping controls updated to best practices and regulation, training employees to raise awareness, and promoting ethical decision-making. The Framework contains processes to manage misconduct and breaches of the SoBC, and monitor and report on disciplinary actions as appropriate.



Notes:

1. Employees performing the same work or work of equal value are paid equitably and any differences in pay are for objective reasons, e.g. location and not influenced by factors such as gender and/or ethnicity.
2. BAT Group’s definition of a ‘living wage’ is aligned with the UN Global Compact definition: “living wage is the local remuneration received for a standard work week that enables workers and their families to meet their basic needs”.

Due Diligence and Risk Management Continued

Understanding risks – Tobacco supply chain

Maintaining standards through assessments

The BAT Group conducts Human Rights Impact Assessments (HRIAs) and In-depth Assessments (IDAs) in tobacco sourcing countries, to identify potential issues using a risk-based approach. These assessments are carried out in line with the UNGPs and conducted by independent human rights experts.

Since the first HRIA was conducted in 2019, the BAT Group has completed 10 HRIAs, engaging with 5,239 rights-holders. The assessments covered themes, such as the potential risk of child labour, health and safety, workers' rights and farmer livelihoods.

Having conducted HRIAs in key tobacco sourcing countries, the BAT Group is now focusing on IDAs. These assessments capture both social and environmental topics, offering a more integrated understanding of the issues affecting the BAT Group's tobacco supply chain. By the end of 2025, 23 suppliers in 18 countries had undergone IDAs. Local Leaf Operations take appropriate steps to seek to address the issues identified in IDAs and provide updates to the BAT Group as appropriate.

Grievance mechanisms

The BAT Group seeks to promote a culture of openness among contracted farmers and workers on the BAT Group's directly-contracted farms, encouraging them to raise issues related to human rights with no risk of retribution. Recognising the role of grievance mechanisms in understanding and addressing the concerns of rights-holders, the BAT Group tracks access to grievance mechanisms across the Thrive Supply Chain[†], which in 2025 showed that 100% of farmers and farm labourers reported having access to at least one type of grievance mechanism. Of the 245 grievances raised in 2025, 100% were reported as resolved by the end of the growing season.

The following grievance mechanism channels are available to the BAT Group's farmers and workers:

- Feedback during regular meetings with farmers/workers or their representatives;
- Third-party owned telephone hotlines;
- Grievance boxes; and
- BAT's formal 'Speak Up' channel that has a hotline, email address and online portal.

In addition, the BAT Group's farmers, workers, and third-party suppliers also have access to external grievance channels, including farmer associations and unions, local NGOs, and government-led mechanisms.

The BAT Group continues to assess the accessibility, usability, and relevance of these grievance mechanisms by consulting closely with farmers and workers.

Thrive system and the Sustainable Tobacco Programme (STP)

The BAT Group's Thrive system covers over 94% of the total tobacco leaf purchased in 2025 by volume and gathers data on topics including human rights. The system has recorded 345 farmers across farms located in Fiji, which forms part of the BAT South Group. All participants are required to conduct annual evaluations, providing insights that inform the BAT Group's strategy and guide the development of action plans.

The BAT Group also participates in the Sustainable Tobacco Programme (STP) to promote responsible tobacco growing practices. The STP is an industry-wide initiative developed in collaboration with other manufacturers to bring together best practices and drive continuous improvement. Participation in the STP is a contractual requirement for all third-party tobacco suppliers. The STP mandates an annual self-assessment covering key themes, including Governance; Human and Labour Rights; and Livelihoods.

➤ Find out more at sustainabletobaccoprogram.com

Farmer Sustainability Management (FSM) and Agri360 platforms

To enhance and simplify monitoring capabilities, the BAT Group is currently transitioning from the legacy Farmer Sustainability Management (FSM) system to Agri360. The new platform enables the BAT Group's Leaf sustainability teams to tailor questions and parameters, providing greater flexibility and customisation. Over 30% of the Agri360 criteria are related to human rights, covering child and forced labour, working conditions.

Field Technicians conduct farm visits, interviewing farmers and farm workers to check for child and forced labour incidents amongst other things and upload the data to Agri360, which tracks any Prompt Action[†] necessary for remediation identified.

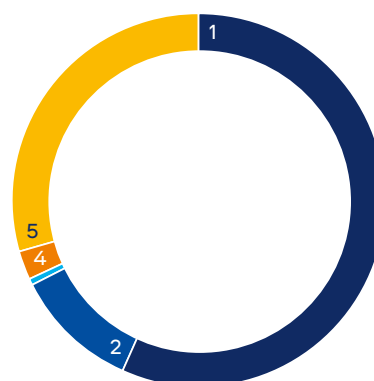
Following the identification of an actual or suspected noncompliance, the end market Leaf Operations follow a defined process, stopping the non-compliance and recording and reporting the issue. They work with the farmer to agree and document corrective actions, and conduct unannounced follow-up visits to check that the actions are completed.

All data is centrally tracked and analysed to provide appropriate oversight and to implement management action when needed.

The BAT Group's third-party tobacco suppliers are expected to monitor their contracted farmers and to report their findings, including Prompt Action[†], in the Thrive system.

No Fiji farmers within the BAT South Group's scope of oversight were subject to Prompt Action[†] in 2025.

BAT Group's Thrive-reported Prompt Actions[†] in 2025



Categories	% breakdown
1 Handling, use and storage of agrochemicals	56.8
2 Green tobacco sickness	10.7
3 Wood-related issues	0.8
4 Child labour	2.3
5 Others	29.4

➤ Further details on remediation actions in relation to child labour are discussed on [pages 13 and 14](#)

Due Diligence and Risk Management Continued

Managing risks – Tobacco supply chain

Overview

The majority of tobacco (77% by volume) used by the BAT Group is sourced by BAT Group’s own Leaf Operations through contracts with c.91,000 farmers, who receive on-the-ground support from expert Field Technicians through all crop stages. Engagement with directly contracted farmers enables the BAT Group to build strong, trusted relationships. The BAT Group’s approach focuses on working alongside families and communities to develop longer-term solutions that respect the local context and the realities of small, family-run farms.

Reporting and resolving incidents of child and forced labour

The BAT Group’s definition of child labour used to identify child labour incidents is aligned to the International Labour Organization’s definition of child labour.

The Group monitors 100% of directly contracted farmers on child labour risk and prevention. In 2025, 48 incidents of child labour were reported across 43 farms (representing 0.02% of total farms) in BAT’s Thrive Supply Chain†, and none of which are associated with Fiji farms falling under the oversight of the BAT South Group. The majority of incidents were related to stitching and/or stringing tobacco green leaves. 100% of incidents were reported as resolved during the growing season.

In addition, zero incidents of forced labour were reported in the BAT Group’s Thrive Supply Chain†.

Whenever child labour is identified, the BAT Group’s first step is to protect and support the child. This includes removing the child from the work activities, working with the family and farmer, providing suitable remediation, and retraining the farmer. In parallel, the BAT Group applies the traceability and segregation processes to separate and remove any tobacco associated with the incident to help maintain a supply chain free from identified cases of child and forced labour.

In 2025, building on the BAT Group’s aim for zero child and forced labour, the BAT Group adopted enhanced restrictions on contract renewals with farmers where child or forced labour incidents are identified. Re-engagement is conditional upon the farmer’s active participation in remediation activities, as defined by the end market Leaf Operations.

As part of the BAT Group’s continued efforts to address child labour, root cause analyses were conducted to inform tailored remediation plans as well as prevention and mitigation strategies. The BAT Group set out detailed guidance procedures in the BAT Group Code of Human Rights in Tobacco Farming and monitor outcomes associated with the Code.

Number of child labour incidents identified in the BAT Group’s Thrive Supply Chain†

	%	100	200	300	400
2025	48				
2024	117				
2023	359				

The BAT Group acknowledges the challenges in monitoring child and forced labour on farms and understands that incidents may not always be detected or reported. The BAT Group remains committed to addressing these complex issues.

Partnerships and community-based programmes are essential in the BAT Group’s approach to respecting human rights. By

bringing together key stakeholders, the BAT Group can co-develop solutions to help bring about lasting change. BAT Group supports a range of long-term programmes to support the prevention of child labour and enhance livelihoods across tobacco-growing regions.

Enhancing farmer livelihoods

Supporting farmer livelihoods helps to address underlying drivers of human rights risks in the tobacco supply chain and supports positive social and economic outcomes for farming communities.

Earning a sustainable living income reduces farmers’ vulnerabilities to exploitation, including child and forced labour while also making farming more attractive to the next generation.

Stable incomes also help farmers maintain safer working conditions and better meet safety and environmental standards.

Grow Plus Programme: Strengthening Sustainable Livelihoods and Reducing Labour Exploitation Risks in Fiji

In 2025, BAT Fiji achieved a significant milestone under its flagship community investment programme, Grow Plus, delivering one million vegetable seedlings for the second consecutive year. First launched in 2021 as Project Seedling to support post-COVID recovery with 150,000 seedlings, the initiative has since expanded into Grow Plus. Since its inception in 2022, Grow Plus has distributed over 2.65 million seedlings, benefiting more than 50,000 people—including farmers and local communities across rural and maritime zones in Fiji. The programme continues to extend its reach through five remote greenhouses, to address challenges with farmer accessibility in rural and maritime zones. In addition to seedling distribution, Grow Plus strengthens farmer capability by leveraging BAT Fiji’s agronomy expertise and collaboration with the Ministry of Agriculture to provide a comprehensive Farmer Crop Guide and Record Keeping Manual at no cost. This supports farmers throughout the planting cycle, enables financial tracking, and facilitates access to micro-finance, contributing to sustainable livelihoods and reducing vulnerability to labour exploitation in farming communities across Fiji and improving food security and nutrition along with improving overall living standards through better income.



Due Diligence and Risk Management Continued

Enabling living incomes

The BAT Group has been conducting annual living income analysis since 2022, based on the Anker Methodology¹, a recognised gold standard for estimating fair wages and incomes for agricultural workers and smallholder farmers.

The BAT Group works in several markets with local stakeholders, including universities and research institutions, to conduct local living income studies using region-specific data for greater accuracy and relevance.

The results support the creation of action plans to target key income drivers, such as reducing production costs, increasing yield, and diversifying incomes. Feedback from farmers is provided to directly-contracted and third-party tobacco suppliers, who manage action plans.

The Group also participates in the STP Living Income Working Group, which is developing a methodology for assessing and addressing farmer living income, using voluntary input from tobacco suppliers.

Looking ahead, the BAT Group is expanding the focus on supporting livelihoods for farmers in the tobacco supply chain by aiming for 90% of farming households to be engaged in livelihood improvement programmes in priority geographies by 2030².

Supporting farmers throughout the growing cycle

The BAT Group's Thrive Supply Chain[†] system covers over 94% of the total tobacco leaf purchased in 2025 by volume and gathers data on topics including human rights. All participants are required to conduct annual evaluations, providing insights that inform the BAT Group's strategy and guide the development of action plans.

The BAT Group's Field Technicians are pivotal in human rights management across the directly contracted farmer base.

They visit the BAT Group's contracted farmers approximately once a month during the growing season. They act as a direct link between the farmers and the Group's own Leaf Operations, building trusted relationships and working with the farmers to develop their skills, promote better yields and maintain standards.

The BAT Group's suppliers provide similar support services for their contracted farmers.

Find out more about how BAT Group supports farmers on page 122 of its 2025 Combined Annual and Sustainability Report

Promoting income diversification

The BAT Group supports crop diversification programmes, which are adapted to local environmental and socio-economic realities, helping farmers build resilience and access new income opportunities.

In 2025, 93.5% of the BAT Group's farmers in the Thrive Supply Chain[†] were reported to have diversified crops. All farmers operating on farms located in Fiji had diversified their crops. In 2025, approximately 126,000 farmers, farm labourers and local community members have been trained on crop diversification, including 75 participants from farms in Fiji.

Several smaller-scale initiatives are underway to identify potential crops for additional income.

Building resilient communities

The BAT Group has developed a range of pilot programmes on women's empowerment, rural development, and access to healthcare, clean water, and sanitation.

Read about BAT Group's farming communities on pages 121 to 124 of its 2025 Combined Annual and Sustainability Report

Project Vai: Strengthening Community Access to Safe Drinking Water in Samoa

In Samoa, Project Vai supports rural and underprivileged communities by improving access to clean and reliable water through upgrades to water dams, the installation of water tanks with solar-powered pumps, and the restoration of natural water springs. Since 2019, the programme has provided approximately 10,000 people with access to safe drinking water, contributing to improved health outcomes, reduced time burdens related to water collection, and strengthened community resilience. By addressing a critical basic need, Project Vai helps reduce socio-economic vulnerability and the risk of exploitation associated with water insecurity, supporting the human right to safe drinking water.



Notes:

1. www.ankerresearchinstitute.org/anker-methodology
2. Bangladesh, Kenya, Mexico and Pakistan.

Due Diligence and Risk Management Continued

Understanding risks – Non-tobacco supply chain

Social due diligence in the BAT Group's non-tobacco supply chain

The BAT Group is committed to conducting due diligence in accordance with the UN Guiding Principles for Business and Human Rights and OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. The BAT Group takes a risk-based approach to social due diligence in the product materials supply chain and has prioritised key human rights risks within the supply chain based on these international standards.

Since 2020, the BAT Group has partnered with leading organisations such as Intertek, Sedex and Ecovadis to support the due diligence programme. BAT Group is also a supporter member of the Responsible Business Alliance (RBA).

Scope of social due diligence

All Product Materials[†] and Higher-Risk Indirect Suppliers[‡] are in scope for the BAT Group's labour audits. Product Materials Suppliers[†] are those who supply goods used in BAT's products, such as filters, paper, adhesives, liquids, devices and batteries.

For the purpose of social due diligence, machinery and point of sale materials were considered 'higher-risk' and therefore included in scope. By aligning the BAT Group's suppliers' risk profiles with the geographical and industry expertise of the audit partners, the BAT Group has met the target for 100% of Product Materials Suppliers[†] and Higher-Risk Indirect Suppliers[‡] to have undergone at least one independent labour audit within a three-year cycle. The BAT Group continues to leverage the assessment of audit results to categorise risk levels and inform future actions and engagement initiatives.

Triage process

All of the BAT Group's in-scope suppliers are evaluated through an independent risk assessment, covering relevant human rights issues, including working conditions. The outcome of the risk assessment determines the type of audit assigned, which can be either a third-party on-site audit or a third-party verified self-assessment.

BAT Group's due diligence process for Product Materials Suppliers[†] and Higher-Risk Indirect Suppliers[‡]

New suppliers



Existing suppliers



Independent supplier audits process



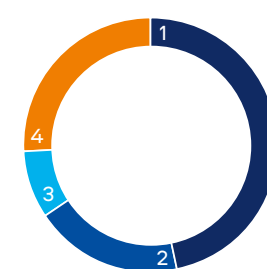
278

suppliers audited in 2025 out of which:

New audits	82
Re-audits	196

On-site audits and verified self-assessments

On-site audits' outcome



% breakdown of non-compliances¹ raised during on-site audits relating to:

1	Health and Safety	46.8
2	Working Hours	19.0
3	Adequate Wages	8.4
4	Other ²	25.8

Notes:

- Any issue identified in an audit constitutes a 'non-compliance', ranging from minor to major issues and represent the distribution of findings across all on-site audits, not the number of suppliers with issues.
- 'Other' includes matters such as the environment, business ethics, management systems.

Due Diligence and Risk Management Continued

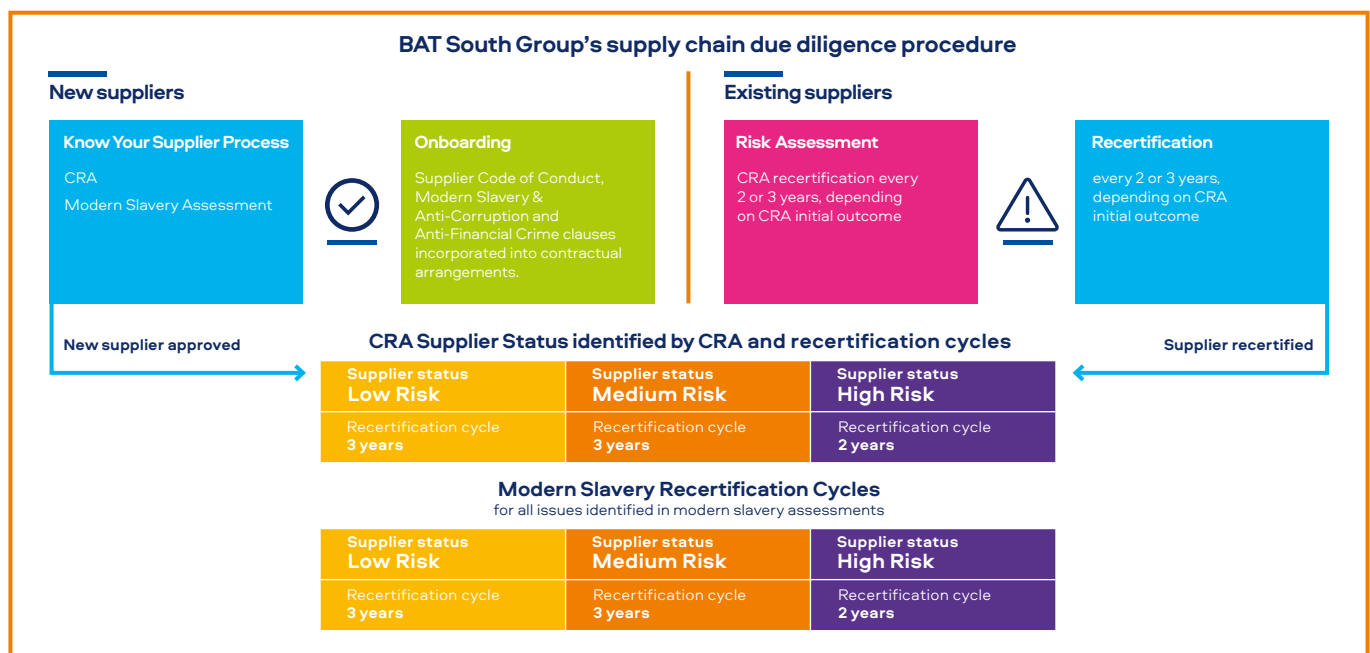
Managing risks – Non-tobacco supply chain

Monitoring human rights in BAT South Group's direct operations

BAT South Group's robust supply chain due diligence procedure (see diagram below) requires that all new suppliers undergo BAT South Group's Know Your Supplier Process (KYSP) before a commercial engagement may commence (prior to executing contracts, raising purchase orders, receiving goods/services, and receiving/paying invoices). The KYSP helps assess the suppliers' inherent risk exposure prior to their onboarding into BAT South's Supplier Master Database and/or being awarded a contract/ Purchase Order.

To complete the KYSP, in relation to modern slavery and human rights-related risks, suppliers must:

- Confirm adherence to the SCoC: The SCoC defines the minimum standards expected of suppliers, including for human rights; it specifically requires all suppliers to ensure their operations are free from child labour and from forced, bonded, involuntary, trafficked, or unlawful migrant labour. Complying with the SCoC is mandatory and is incorporated into BAT South Group's contractual arrangements.
- Successfully complete a modern slavery risk assessment (preliminary risk assessment): A supplier's risk is determined by its location (Country Risk Profile), Industry Type (Industry Risk Profile), and the goods or services it provides (Commodity Risk Profile), referencing the human right indices developed by an independent global risk analytics firm, covering 190+ risk indices across 198 countries. Suppliers deemed to be high or medium risk based on the preliminary risk assessment are required to complete enhanced due diligence.
- BAT South Group's Modern Slavery Enhanced Due Diligence: Suppliers identified as having an elevated level of risk (identified as medium or high risk through the preliminary risk assessment) are onboarded onto BAT South Group's ESG risk-management platform, IntegrityNext. It allows BAT South Group to conduct enhanced due diligence on selected suppliers with elevated levels of risk. To achieve this, the platform administers two sets of questionnaires designed to evaluate the supplier's commitment to preventing forced and child labour, eliminating discriminatory practices, and ensuring safe and fair working conditions, as well as their broader economic, environmental, and social responsibility across the supply chain. The assessment covers aspects such as the supplier's business operations, geographical sourcing areas, reporting obligations, relevant policies and procedures, internal training, management systems, control mechanisms, and due diligence carried out on their own suppliers and workforce candidates. The Enhanced Due Diligence process allows the Preliminary Risk Rating to be updated to a Final Risk Rating, from which remediation actions can be defined, communicated, and addressed. The platform was introduced into BAT South Group in Q3 2025. The IntegrityNext platform provides BAT South Group with enhanced risk management capabilities, a considerable step-change in functionality and supplier collaboration from its previous RAMP platform.



Due Diligence and Risk Management Continued

- Risk Assessment Recertification process: BAT South Group has a risk-based recertification process for all suppliers. Those with a high final risk assessment are reassessed every two years, while those with a low or medium final risk assessment are reassessed every three years.

BAT South Group's modern slavery assessment findings

During 2025, BAT South Group onboarded 95 new suppliers, all subject to KYSP assessment for inherent human rights related and other risks. Of these new suppliers, two were rated high risk, fourteen were rated medium risk, with the remaining 79 rated low risk.

Of the BAT South Group's new suppliers, approximately 17% were classified as medium or high risk and onboarded onto the IntegrityNext platform for enhanced due diligence, with these suppliers primarily concentrated in sectors such as information technology, construction, marketing, human resources, machinery and spare parts, pest control, manufacturing, and hospitality, and as part of this process, they are required to provide key information and demonstrate how they identify, manage, and mitigate modern slavery risks within their operations and supply chains.

Training and Capacity Building

Employee training – SoBC

Ensuring BAT South Group employees can easily access and understand the SoBC policy is fundamental to establishing effective implementation and compliance.

The SoBC and related procedures and guidance documents (including the ‘Speak Up’ channels) are available to all BAT personnel on the BAT Group’s internal site.

Annually, all BAT South Group employees undergo SoBC training as part of the BAT Group compliance sign-off procedure. In 2025, SoBC training content included modern slavery topics for all employees in the 2025 programme.

In 2025, 100% of BAT South Group employees completed the SoBC training and sign-off.

100%

Number of BAT South Group employees who completed the SoBC training and sign-off



BAT South Group modern slavery training

The BAT South Group has partnered with Safetrac to deliver mandatory annual Modern Slavery training through four micro-learning modules designed for better retention, covering the concept and impact of modern slavery, context and risks, responsibilities and identification, and legislative requirements from both local and international perspectives. All key supply chain contributors and employees managing supplier relationships have completed the training, reinforcing BAT South Group’s shared responsibility to uphold ethical business practices under the Australian Modern Slavery Act 2018. To sustain engagement, BAT South Group has also launched a Modern Slavery Awareness Digital Site, providing updates on relevant programmes, risks, policies and procedures, learning resources and past statements.

100%

Number of BAT South Group supply chain and supplier management staff who completed mandatory Modern Slavery training



BAT Group human rights training for farmers and their communities

The BAT Group’s own Leaf Operations and third-party suppliers in the Thrive Supply Chain[†] provide human rights training for farmers and community members, with a focus on child labour and workers’ rights. In 2025, more than 358,000 attendees received this training, including 345 participants from farms in Fiji.

Child labour training, developed in line with the UNGPs, is also available through the BAT Group’s internal training platform.

Across BAT’s Leaf operations, training materials are developed and aligned with internal requirements and the Group Code of Human Rights in Tobacco Farming.

358,000+

Number of attendants engaged in human rights training, with emphasis on forced labour and child labour^{1,2}



Notes:

1. The BAT Group’s ambitions and targets cover all tobacco purchased for BAT’s products (‘tobacco supply chain’), which is used in combustibles, traditional oral and Tobacco Heated Products. The BAT Group’s metrics, however, derive data from the annual Thrive assessment, which includes BAT Group’s directly contracted farmers and those of third-party suppliers, which represented over 94% of the tobacco purchased by volume in 2025 (‘Thrive Supply Chain’).

2. The decrease in human rights training attendees in 2025 reflects a reduction in the size of the farmer base.

Training and Capacity Building Continued

BAT Group Supplier engagement and training

The BAT Group has a relationship with approximately 300 Product Materials Suppliers[†] and 25,100 indirect goods and services suppliers, some of whom are small businesses operating in developing countries where standards, such as for human rights and health and safety, are still evolving.

The BAT Group values the partnerships with these suppliers and supports them in improving their practices. If issues arise during the Group's audits, the relevant supplier is responsible for implementing corrective actions. The Group provides oversight throughout, and resort to disqualification only as a last resort.

In 2025, the BAT Group delivered a series of external capability-building and training engagements to strengthen supplier performance. This included partnering with RBA to deliver a joint webinar training to BAT's New Category suppliers, conducted in both Chinese and English. The webinar focused on audit readiness and corrective action planning based on results.

The BAT Group also held a Sustainability Summit in Mexico, attended by leadership teams from over 30 suppliers to strengthen capabilities on social and environmental topics.

Spotlight on Modern Slavery

In September 2025, the BAT South Group reinforced its Modern Slavery Policy and risk management by launching internal engagement as a new pillar. To drive this forward, a spotlight event brought together over 100 colleagues in person and remotely, where Sustainability Manager highlighted modern slavery risks, shared progress within Fiji's Leaf Supply Chain, and underscored the importance of strengthening internal awareness to support ongoing prevention efforts.



Measuring Effectiveness

BAT South Group's progress

The Modern Slavery Working Group tracks BAT South Group's progress in delivering its Modern Slavery strategy and commitments, and updates are shared at end-market GRCCs. Progress is measured by tracking the activities in the strategic roadmap to ensure they are on track for completion. The effectiveness of each activity is also considered when updating or amending the roadmap.

In 2025, the BAT South Group continued its efforts to respect human rights and tackle human rights risks. Progress includes:

- Rolled out an enhanced mandatory annual Modern Slavery training with Safetrac, now delivered in four micro-learning modules covering modern slavery concepts, risks, responsibilities, and legislative requirements.
- Revised the Australasia Modern Slavery Policy to emphasise internal engagement as a central pillar of risk management.
- Developed and deployed a Supplier Engagement Guide aimed at personnel responsible for onboarding and managing third-party relationships. The guide highlights modern slavery risk assessment as a key process within the overall end-to-end Know Your Supplier Process (KYSP), thereby formalising modern slavery risk assessments as a mandatory KYSP component.
- Organised a spotlight event to deepen employee awareness and understanding of modern slavery issues, across the BAT South Group area.
- Progressed to the next stage of external expert review led by Slave-Free Alliance (SFA), including peer benchmarking against leading industry practices on modern slavery and labour exploitation, and implemented the most impactful changes.
- Established a Modern Slavery Awareness Digital Site to provide ongoing access to policies, procedures, resources, programmes, and past statements, ensuring continued internal engagement.
- Reviewed findings from the independent human rights experts' assessment of BAT South Group's grievance mechanism and applied the most impactful changes.
- Continued implementing the three-year roadmap, advancing efforts to reduce modern slavery risks across supply chains and operations.
- Adopted IntegrityNext as the new risk assessment platform, enabling stronger vendor evaluations and dashboard reporting for higher-risk profiles.
- Enhanced governance reporting at the Risk and Compliance Committee in each end market through IntegrityNext's improved dashboard functionality.

Next steps for the BAT South Group

In 2026, the BAT South Group will continue to focus on the following activities through the Modern Slavery Working Group:

- Formulating and deploying the BAT South Group's forthcoming three-year strategic roadmap for 2027–2029.
- Consolidating modern slavery expertise within the Regional Compliance Centre of Excellence to enhance governance and oversight.
- Instituting risk-aligned modern slavery contractual provisions tailored to suppliers' assessed risk classifications.
- Undertaking ad-hoc modern slavery risk assessments for legacy suppliers and associated record maintenance.
- Implementing mitigation action plans for suppliers that address the gaps and risk areas identified through enhanced due diligence processes.
- Introducing and delivering micro-learning training modules to strengthen supplier capability and compliance awareness.

- Strengthening service level agreements with BAT Group's Talent and Global Business Services teams to reinforce robust identity verification and right to work validation processes.
- Partnering with SFA to roll out internal awareness campaigns and role-based training to strengthen internal understanding of modern slavery risks.
- Delivering mandatory modern slavery training for new hires as part of onboarding to ensure early awareness of risks and individual responsibilities.

“

SFA is proud to have supported BAT South Group during its first year of membership as it continues to strengthen its approach to addressing modern slavery risks. Over the past year, SFA has worked with BAT South Group to understand its capability across key areas of modern slavery governance, risk assessment and supply chain. BAT South Group has demonstrated clear commitment to continuous improvement, raising awareness of modern slavery, identifying potential vulnerabilities and supporting good labour practices, while embedding respect for workers throughout its operations and supply chains.”

Susan Banister

Business Development Director, SFA Australia



Measuring Effectiveness Continued

Measuring the BAT Group's progress

Progress is assessed against the key performance indicators (KPIs) outlined in the table below.

KPIs, alongside monitoring of strategic plans and emerging risks and best practice, are regularly reviewed at senior level through the BAT Group's governance framework and committees, including:

- Group Board Audit Committee, comprising independent Non-Executive Directors;
- Corporate Audit Committee and Regional Audit Committees;
- Operations Sustainability Forum, chaired by the Group Operations Director; and
- Supply Chain Due Diligence Committee, chaired by Group Head of Procurement.

The BAT Group continues to improve and strengthen its approach to tackling modern slavery, and adapt to evolving circumstances.

Next steps for the BAT Group

Tobacco supply chain: The BAT Group will continue the assessment of Human Rights Due Diligence (HRDD) strategies across the Leaf operations, including reviewing processes, procedures and training capabilities.

Non-tobacco supply chain: The Group is evolving the HRDD approach to leverage a wider mixture of tools to be deployed across BAT's non-tobacco supplier base, in line with the supplier's risk profile.

The Group is also deepening engagement with suppliers to reinforce the need for HRDD across BAT's upstream supply chain. Minerals will be the Group's priority area of focus for 2026.

BAT Group's 2025 performance			
KPIs	2025 performance	2024 performance	More information
% of employees that completed annual SoBC sign-off	100	100	Page 18
Cumulative number of Human Rights Impact Assessments (HRIAs) completed, aligned with the UN Guiding Principles	10	10	Page 12
% of Product Material Suppliers [†] and Higher-Risk Indirect Suppliers [†] that have undergone at least one independent labour audit within a three-year cycle	100	91	Page 15
% of Group companies assessed for human rights risks	100	100	Page 10
% of farms in BAT Group's Thrive Supply Chain [†] monitored for child labour	100	100	Page 13
Attendances at human rights training delivered by BAT Group's own Leaf Operations and third-party suppliers	358,504	417,628	Page 18

Further Information

About this statement

This is the BAT South Group's sixth Joint Modern Slavery Statement prepared in accordance with the Modern Slavery Act 2018 (Cth).

It provides a general overview of the steps taken by the Reporting Entities (defined above) and their subsidiary companies during the year ending 31 December 2025 to prevent modern slavery and human trafficking in the BAT South Group business and supply chain.

The material in this statement 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 BAT South Group products. The BAT South Group's products are sold only in compliance with the laws of the particular jurisdictions in which they are sold.

Forward-looking statements

This statement contains certain forward-looking statements, including "forward-looking" statements made within the meaning of the US 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 the BAT Group's intentions, beliefs or current expectations concerning, among other things, its 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 BAT Group operates.

All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors. It is believed that the expectations reflected in this report 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. 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 BAT Group's New Categories strategy; the impact of supply chain disruptions; adverse litigation and dispute outcomes and the effect of such outcomes on the BAT Group's financial condition; the impact of significant increases or structural changes in tobacco, nicotine and New Categories-related taxes; changes or differences in domestic or international economic or political conditions; the impact of serious injury, illness or death in the

workplace; adverse decisions by domestic or international regulatory bodies; changes in the market position, businesses, financial condition, results of operations or prospects of the BAT Group; direct and indirect adverse impacts associated with Climate Change and the move towards a Circular Economy; and Cyber Security risks caused by the heightened cyber-threat landscape and increased digital interaction with consumers, and changes to regulation.

The forward-looking statements reflect knowledge and information available at the date of preparation of these materials, and the BAT 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. Additional information concerning these and other factors can be found in BAT's filings with the US Securities and Exchange Commission (SEC), including the Annual Report on Form 20-F and Current Reports on Form 6-K, which may be obtained free of charge at the SEC's website, <http://www.sec.gov>

Definitions relevant to this report

The following definitions provide more information on the terms used throughout this report.

Direct Employees are permanent employees employed directly by BAT Group companies. It does not include employees on a leave of absence, employees on unpaid sick leave, interns, students, apprentices, or fixed-term contractors employed by third-party service providers. iNovine (the BAT Group's Retail businesses in Croatia and Bosnia and Herzegovina) are not in the scope of the analysis.

Product Materials Suppliers: The BAT Group's directly-contracted suppliers who provide materials for the manufacturing of BAT Group's products.

Prompt Action: A prompt action refers to an issue that has been identified by a Field Technician which is deemed to require an immediate response due to its nature.

Higher-Risk Indirect Suppliers: The BAT Group's directly-contracted suppliers who supply machinery and point of sale materials.

Lower-tier Suppliers: Suppliers, with whom the BAT Group has a commercial relationship, who supply materials or products to its Tier 1 Suppliers.

Tier 1 Suppliers: Directly contracted suppliers of final products or product materials.

Thrive Supply Chain: All directly contracted farmers and certain of BAT Group's third-party suppliers, who together represented over 94% of the tobacco BAT purchased by volume in 2025. The BAT Group's Thrive programme collects data and indicators on an annual basis across a number of issues, including human rights, from the Thrive Supply Chain.

