

News Release

BAT's Vuse becomes world's first global carbon neutral vape brand

28 May 2021

- Vuse is world's first global carbon neutral vaping brand¹
- Announcement made ahead of World Vape Day on 30 May
- Latest step in BAT's ambitious targets to be carbon neutral in its operations by 2030, and across its wider value chain by 2050
- BAT is focused on reducing its environmental impact and building A Better Tomorrow™ for all stakeholders

BAT today announced that Vuse has become the first global carbon neutral vape brand.

This world-first achievement is a significant contribution to the company's ambitious climate targets, which include carbon neutrality across its own operations by 2030. In 2020 alone, BAT achieved a 30.9% reduction in emissions from its operations, contributing to a 37.4% reduction against a 2017 baseline. In March this year, BAT announced a further ambition to be carbon neutral across its value chain by 2050, representing around 90% of its total carbon footprint.

Kingsley Wheaton, Chief Marketing Officer at BAT, said: "Vuse becoming the first global carbon neutral vaping brand is a significant milestone. It is testimony to BAT's deep and longstanding commitment to being a responsible business and reducing our impact on the environment.

"We are proud that Vuse has set the ESG standard within the vaping category by becoming the first global brand to secure carbon neutral status. As a brand leader, this is the right thing to do and further demonstrates how we are building a portfolio of global brands with purpose for the future as part of our vision for A Better Tomorrow."

Vuse's carbon neutrality status, announced ahead of World Vape Day (30 May 2021), is part of a bigger ambition to become an environmentally sustainable vape brand with initiatives including:

- **A global device and pod collection scheme** - through Drop the Pod campaign, approximately 200k pods were collected since the start of the pilot in 2020
- **Cutting single use plastics from packaging** - Cut the Wrap has saved 100 tonnes of plastic or the equivalent of four million plastic bottles in 2020²

- **Transitioning from air to sea freight** – through changes to the distribution chain, Vuse aims to have 80% of international shipments transported by sea by the end of 2022

Vuse's carbon neutrality has been delivered through carbon offset through reforestation projects. This includes a project in Uruguay to plant trees across 21,298 ha, where intensive cattle grazing has eroded soil and degraded land. As well as removing carbon dioxide and delivering better soil quality and biodiversity, the project will also result in increased availability and quality of employment opportunities.

BAT is also reducing its carbon footprint by:

- Improving the **energy efficiency** of factories by upgrading to more efficient and lower-impact equipment.
- Increasing the **use of renewable energy** through renewable energy purchases and on-site energy generation.

Today's announcement by BAT coincides with the opening of the 100th Vuse Inspiration Store. Vuse Inspiration Stores are now operating in the UK, Canada, Poland, Germany, South Africa and the USA, putting education and exploration at the forefront and allowing consumers to fully immerse themselves in BAT's new category brands and products.

BAT is committed to its purpose of building A Better Tomorrow™ by reducing the health impact of its business through providing a range of enjoyable and potentially less risky products.

BAT's sustainability efforts and commitment have received notable independent recognition. These include inclusion in the [Dow Jones Sustainability Indices](#) for 19 consecutive years (the only tobacco company to be listed in the prestigious World Index in 2020), a MSCI rating of BBB and CDP A List status for climate change.

On 18 May 2021 BAT [announced](#) it had been named a [2021 Climate Leader by the Financial Times](#) in an inaugural European ranking. FT Europe Climate Leaders 2021 recognises the top 300 of more than 4,000 companies assessed across Europe that have achieved the highest reduction in core greenhouse gas emissions in relation to revenues for the period between 2014 and 2019.

Vuse's carbon neutrality has been independently validated by Vertis based on product Life Cycle Assessment data provided by an independent third party.

1. Based on ePod, ePen, eTank mini, Alto devices and consumables internal sales forecast (calculated March 2021) for 12 months starting from April 2021.

2. Plastic saving per annum was calculated from 2020 global sales volumes and the plastic bottles comparison was based on a 22.9g bottle weight, representative weight of 500ml commercially available soft drink bottles (May 2020). Results have been verified by an independent body.

Forward Looking Statements

This release contains certain forward-looking statements, including "forward-looking" statements made within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as "believe," "anticipate," "could," "may," "would," "should," "intend," "plan," "potential," "predict," "will," "expect," "estimate," "project," "positioned," "strategy," "outlook", "target" and similar expressions. These include statements regarding our customer target ambition, New Categories revenue targets and our ESG targets.

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 release 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. A review of the reasons why actual results and developments may differ materially from the expectations disclosed or implied within forward-looking statements can be found by referring to the information contained under the headings "Forward-looking statements" and "Group Principal Risks" in the 2020 Annual Report and Form 20-F of British American Tobacco p.l.c. (BAT).

Additional information concerning these and other factors can be found in BAT's filings with the U.S. 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> and BAT's Annual Reports, which may be obtained free of charge from the British American Tobacco website www.bat.com.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. The forward-looking statements reflect knowledge and information available at the date of preparation of this release and BAT 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.

Enquiries

Press Office

Anna Vickerstaff

+44 (0) 20 7845 2888 (24 hours) | [@BATplc](https://twitter.com/BATplc)

Investor Relations

Mike Nightingale: +44 (0)20 7845 1180

Victoria Buxton: +44 (0)20 7845 2012

William Houston: +44 (0)20 7845 1138

John Harney: +44 (0)20 7845 1263