



BAT Kenya reiterates its commitment to environmental conservation as it marks World Environment Day 2020

5th June 2020 | Nairobi, Kenya

BAT Kenya today joined the rest of the world in marking the World Environment Day 2020; aptly themed as *time for nature*. Amongst several activities of the day, BAT Kenya employees planted trees at the Company's Head office in Nairobi's industrial Area, in collaboration with representatives from the National Environment Management Authority NEMA.

During the event, BAT Kenya Managing Director Beverley Spencer-Obatoyinbo Said:

"Working closely with NEMA, we have strived to champion the country's afforestation agenda, improve our energy efficiency, and reduce our waste. I am therefore delighted that the NEMA team has joined us today, led by the Nairobi County Director of Environment, Mr. Anthony Saisi. Welcome to BAT Kenya.

"This year's global conservation theme - *Time for nature* – is particularly relevant to us here at BAT Kenya. As a leading organisation in the environment conservation space, we drive various conservation initiatives including afforestation projects in Nairobi, Kiambu, Thika, Embu, Meru and Migori. Since 1978, we have planted over 55 million trees. This is a tree for every Kenyan. Our target is to plant at least 2 million indigenous trees¹ annually, and I am extremely pleased to report that in 2019 we planted 2.33 million trees. Further, in the first half of this year alone we have already managed to plant 2.1 million in collaboration with our farmers².

"In addition to afforestation, we drive various other initiatives within the realm of biodiversity and energy management. In order to reduce our reliance on wood fuel for tobacco curing, we continue to invest in both developing innovative and more efficient curing barns, as well as

¹ Meru Oak, Elgon Tek, Podo, Nandi flame and Wamburghia Ugandansis

² Majority of these were planted in April 2020



Solid Rock Commendation, Lifetime Achievement Award 2019 - Kenya Exporter of the Year Awards

Overall Best Employer in Kenya, 2018 – Federation of Kenya Employers Awards

Best Company in Electricity Savings, Water Savings & Sustained High Performance, 2019 – KAM Energy Management awards

Energy Compliance Certification 2019-2022 – Energy & Petroleum Regulatory Authority

Best Company in Sustainable Corporate Social Responsibility, 2018 – Think Business Awards

biodiversity initiatives with our strategic partners. This includes our longstanding partnership with South Nyanza Sugar Company Limited (Sony Sugar) and Vuma Biofuels Limited for production of bagasse briquettes. We target to produce 4.7 million kilograms in the next five years to cure up to 25% of the tobacco grown within that period, saving millions of trees.

“We also drive year-on-year investment in energy-saving initiatives which have led to sustained reduction in our total energy consumption. As part of this, we continuously work to reduce water consumption through water reticulation projects. Over the last two years, we have also maintained our waste recycling at 100%, thus ensuring zero waste in landfill sites. All solid waste generated at the factory is sold-off for recycling.

“BAT’s sustainability agenda has come a long way, with this year being especially significant. We redefined our sustainability agenda in line with our new corporate purpose: *to deliver a better tomorrow for our stakeholders*. Whilst sustainability has always been important to us, our evolved agenda places environment, social and governance (ESG) at the front and centre of our business. We are committed to making a step-change in our sustainability ambition through stretching targets, which remain deeply rooted in driving sustainable agriculture, water and waste management and the circular economy.

“In 2020, we will look to build on our award-winning performance in the energy management space, for which we have received various accolades, including as overall winner in the KAM Energy Management Awards 2016 and as runner up in 2019; alongside being best in electricity savings, water conservation and sustained high performance.

“Finally, as we mark the 2020 World Environment Day, I thank you for taking the time to join us in this tree planting activity at BAT Kenya’s Industrial Area offices. As we speak, there is also another activity where the country government of Migori is commissioning a project to plant 200,000 trees in collaboration with BAT Kenya and the Migori Community Forest Association.

‘With increasing attention on the link between COVID-19 and humanity’s impact on nature, I would like to finish by reiterating our commitment to delivering a positive social impact for our local communities, providing a better tomorrow for our stakeholders and a sustainable relationship with our environment.’

-Ends

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ABOUT BAT KENYA

British American Tobacco Kenya plc (BAT Kenya) was established in Kenya in 1907 and has been listed on the Nairobi Securities Exchange since 1969. It has approximately 5,000 shareholders around 4,000 of whom are local shareholders. The company is in the business of tobacco farming, tobacco processing, manufacture and sale of tobacco and nicotine products without tobacco.

BAT Kenya is a manufacturing and export hub for its domestic and export markets and has manufacturing plant in Nairobi and a green Leaf Threshing plant in Thika. This is a strategic manufacturing hub for the BAT Group, exporting more than 60% of its output to over thirteen countries in Africa. This hub is supported by a tobacco growing operation which partners with approximately 5,000 contracted farmers in the counties of Bungoma, Busia, Migori, Homa Bay, Meru, Embu and Tharaka Nithi. In the 2019 tobacco growing season, our farmers delivered 8.9 million tonnes of leaf and received KSh 1.5 billion in payment.

Kenya is a major contributor to Kenya's economic growth through sustainable business partnerships, continued and systematic year-on-year investments and payments to the exchequer. BAT Kenya generates direct and indirect employment opportunities for more than 80,000 Kenyans across its value chain. Over the past 5 years, the BAT Kenya has invested over KSh 6 billion in tobacco farming, processing and manufacture. The company has contributed over KSh 90 billion to national revenue through various taxes (Excise Duty, Value Added Tax (VAT), Pay as You Earn (PAYE) and Corporation Tax).

BAT Kenya operates a sustainable business and invests in various initiatives to reduce the impacts of its business and contribute to the development and protection the communities and ecosystems in which it operates. The Company drives various programmes in Sustainable Agriculture and Environmental conservation, including afforestation activities through which it has recorded over 50 million surviving trees planted since 1978.



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