

**CORPORATE GOVERNANCE REPORTING TEMPLATE FOR ISSUERS OF SECURITIES TO THE PUBLIC**  
**TO BE FILLED IN LINE WITH THE REQUIREMENTS OF THE CODE OF CORPORATE GOVERNANCE PRACTICES FOR ISSUERS OF SECURITIES TO THE PUBLIC, 2015**

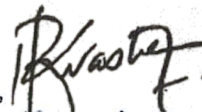


**Company Name (In full)**  
**British American Tobacco Kenya plc**  
**Reviewer's Name**

**Company Details to be Provided:**

**Stock Code: KE0000000075**  
**Sector: Manufacturing**  
**Year: 2022**  
**Date of Financial Year End: 31 DECEMBER 2022**

Company market to book ratio at end of financial year  
 No of outstanding shares at end of financial year  
 Closing price of stock at end of financial year  
 Net sales as per Income Statement at end of financial year  
 Net profit as per Income Statement at end of financial year  
 Total debt (short and long term) as per Balance Sheet at end of financial year  
 Total equity as per Balance Sheet at end of financial year  
 Total no. of Board members at end of financial year  
 No. of independent directors at end of financial year  
 No. of non-executive directors at end of financial year

2.80  
 100,000,000  
 KSh 460 / share  
 KSh 27,377,922,000  
 KSh 6,891,992,000  
 KSh 36,260,000  
 KSh 16,381,947,000  
 10 substantive directors and 1 alternate director  
 6  
 8

**Chairman Signature**   
**CEO Signature**   
**Company Secretary Signature** 

Mandatory 'apply or explain'	or Part No.	Question	Application - FA, PA or NA - See Notes 1, 2, 3 & 4	Application or Explanation - Note 3 & 4	Source of Information
	A	<b>INTRODUCTION</b>			
M	A.1	Has the company developed and published a Board Charter which is periodically reviewed and which sets out the Board responsibility for internal control?	FA	Yes - The Company has a Board Charter which outlines the roles, responsibilities and powers of the Board, Board Committees, Board Chair, Managing Director and Company Secretary. It also sets out the Board's responsibility for risk management, strategic direction, corporate governance, internal controls and processes. The Board Charter is periodically reviewed by the Board with the last review conducted on 28 April 2023. The Charter is published on the Company's website ( <a href="http://www.batkenya.com">www.batkenya.com</a> ).	Board Charter has been published on website <a href="http://www.batkenya.com">www.batkenya.com</a>
M	A.2	Do the Board Charter or company documents distinguish the responsibilities of the board from management in line with Code requirements?	FA	Yes - The Board Charter sets out the separation of roles between the Board and Management including the Board Chairman and the Managing Director. The Board Charter also sets out the roles and responsibilities of the Board in discharging its fiduciary and leadership functions. A description of the Board's responsibilities and how it operates shall be disclosed in the Corporate Governance Report within the 2022 Annual Report.	Board Charter pg. 5-6 Annual Report
A or E	A.3	Is there a statement indicating the responsibility of Board members for the application of corporate governance policies and procedures of the company?	FA	Yes - Board and Management decisions are made in accordance with prudent corporate governance practices. The Nominations & Governance Committee is specifically charged with the responsibility of monitoring compliance with the CMA Code and governance aspects. The 2022 Annual Report provides that, besides complying with the Code, the Company has committed to embed internal rules of engagement to support corporate governance. These internal guidelines are constituted in the Standards of Business Conduct to which every employee, Director and the Supplier Code of Conduct for which all Supplier attests their adherence.	Annual Report Articles of Association of the Company, Standards of Business Conduct and Supplier Code of Conduct are available on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	A.4	How has the Board ensured all directors, CEOs and management are fully aware of the requirements of this Code?	FA	The Board and Management have received an update on the requirements of the Code and their specific responsibilities. The Code's requirements were also set out and discussed in great detail in the 2021 Governance Audit and Board Evaluation and the 2022 Independent Legal and Compliance Audit. Additionally, the requirements of the Code are reviewed by the Board and each Committee to ensure compliance with aspects relating to the Committees.	Annual Report
M	A.5	Do company documents indicate the role of the Board in developing and monitoring the company strategy?	FA	Yes - The Board Charter provides that the Board is responsible for approving the Company's business strategy and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives. The Board Directors participate in the annual Strategy session to deliberate, review and approve the Company's strategy.	Board Charter, 2022 Annual Report Corporate Governance statement

A or E	A.6	Does the company strategy promote sustainability of the company?	FA	Yes - The Company's strategy has a sustainability aspect. This is disclosed in the Corporate Governance Section of the 2022 Annual Report. The Annual Report further states that the Board is collectively responsible for the Company's vision and strategic direction.	2022 Annual Report The Board Charter also references sustainability initiatives of the Company.
M	A.7	Are all board committees governed by a written charter/terms of reference, disclosing its mandate, authority, duties, composition, leadership and working processes?	FA	Yes - The Board has constituted 3 Committees i.e. Nominations and Governance Committee, Audit and Risk Committee and the Remuneration Committee as set out in the Board Charter. All Committees have Terms of Reference which are reviewed and updated as appropriate. A description of how the Committees operate is also disclosed in the Corporate Governance Report section of the 2022 Annual Report.	Terms of Reference of all Committees disclosed on website <a href="http://www.batkenya.com">www.batkenya.com</a> . The Board Charter contains the Committee terms of reference. Corporate Governance Report section of 2022 Annual Report
	B	<b>BOARD OPERATIONS AND CONTROL</b>			
M	B.1	Has the Board established a Nomination Committee comprised mainly of independent and non-executive Board members?	FA	Yes - The Nominations & Governance Committee was constituted on 8 November 2002. It currently comprises of 4 Members 3 of whom are Independent Non-Executive Directors	Corporate Governance Report section of 2022 Annual Report Terms of Reference of Nominations & Governance Committee are disclosed in Board Charter on the website <a href="http://www.batkenya.com">www.batkenya.com</a>
M	B.2	Is the chairperson of the Nomination Committee an independent director?	FA	Yes - The Chairperson is an independent director.	2022 Annual Report in the Corporate Governance Report
M	B.3	Has the board adopted and published procedures for nomination and appointment of new Board members?	FA	Yes - In February 2023, the Board approved the Board Appointment Policy and the same is available on the Company's website.	Board Appointment Policy is available on the website <a href="http://www.batkenya.com">www.batkenya.com</a>
M	B.4	Is the Board size adequate for the exercise of the company business?	FA	Yes - The board currently has 10 board members against a maximum of 12 as per the Board Charter which is a sufficient size for the Company's business. This number permits a minimum number of at least three Directors per Committee.	2022 Annual Report Corporate Governance Report section.
A or E	B.5	Has the board adopted a policy to ensure the achievement of diversity (including age, race and gender) in its composition?	FA	Yes - In February 2023, the Board approved a Board Diversity Policy which is disclosed on the Company's website.	Diversity Policy published on <a href="http://www.batkenya.com">www.batkenya.com</a> 2022 Annual Report in the Corporate Governance Report section.
M	B.6	Do the Board members represent a mix of skills, experience, business knowledge and independence to enable them discharge of their duties?	FA	Yes - The skills, experience, business knowledge and other qualifications of each Director are diverse to provide a wide and rich scope of insights for the business and provide various perspectives.	2022 Annual Report Corporate Governance Report Board profiles also on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	B.7	Has the board adopted and applied a policy limiting the number of board positions each Board member may hold at any one time?	FA	Yes - This is captured within the Board Charter and the Directors Letters of Appointment. The Board Charter advocates that Non-Executive Directors should not hold more than 3 directorships of listed companies at any one time while Executive Directors shall not hold a directorship in more than 2 public listed companies. The Chairperson cannot chair the boards of more than 2 public listed companies. All Directors must promptly disclose outside directorships and inform the Chairperson of any changes to these directorships.	Board Charter published on website <a href="http://www.batkenya.com">www.batkenya.com</a>
M	B.8	Have any Alternate Board members been appointed? If so, have the Alternate Director/s been appointed according to regulation and Code requirements?	FA	Yes - The Board appointed Mr. Sidney Wafula as an Alternate Director to Mr. Andre Joubert with effect from 25 June 2020. This was done in line with the CMA Code and communicated to the public. His skill sets are similar to that of the substantive director.	Announcement of the appointment was made to the public on 29 May 2020. Disclosure is in the Annual Report - Corporate Governance Statement.
M	B.9	Are independent directors at least one-third of the total number of Board members?	FA	Yes - Out of 10 Directors, 6 are Independent Non-Executive Directors (60%).	2022 Annual Report Corporate Governance Report See Board profiles on <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	B.10	Does the Board have policies and procedures to annually assess the independence of independent Board members?	FA	Yes - Independence of Board members is assessed annually by the Nominations & Governance Committee applying the criteria set in the CG Code under 2.4.1. As per the 2022 Annual Report, the Nominations & Governance Committee's key mandate is that of evaluating and reporting to the Board on an annual basis, the effectiveness of the Board and the independence of the Directors in the discharge of their responsibilities. The position is reported to the Board for noting.	Nominations and Governance Committee's Terms of Reference published on website <a href="http://www.batkenya.com">www.batkenya.com</a> and 2022 Annual Report Corporate Governance Report
M	B.11	Do all independent Board members have a tenure of less than 9 years?	FA	Yes - All Independent Directors have a tenure of less than 9 years.	2022 Annual Report Corporate Governance Report

M	B12	Is the Board comprised of a majority of non-executive board members?	FA	Yes - As at the date of this report, 8 out of the 10 Directors are Non-Executive Directors (80%). This is also a matters that is reviewed and discussed by the NomGo with reporting to the Board.	2022 Annual Report Corporate Governance Report See Board profiles on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	B13	How does the Board ensure a smooth transition of Board members?	FA	Succession Planning is conducted by the Nominations & Governance Committee on behalf of the Board and reported to the Board. The Nominations & Governance Committee regularly reviews the Company needs versus the current board skills and experience as well as the tenure of the directors. This allows the Committee and the Board to identify the skills gaps and timing for when to onboard new directors, to ensure that the needs of the company are met and that the succession planning and the development of the pipeline is well planned to ensure continuity with no distraction to the business. The Board Articles also provide for rotation of one-third of the directors in any given year and hence ensure continuity.	2022 Annual Report and the Nominations & Governance Committee terms of reference in the Board Charter (pg 30) on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	B14	Has the Board established an effective Audit Committee according to Code requirements?	FA	Yes - The Board has constituted an effective Audit & Risk Committee comprised of 4 Members 3 of whom are Independent Non-Executive Directors. The Committee meets at least 3 times in the financial year. The mandate and role of the Audit & Risk Committee and its activities in 2022 are disclosed in the Corporate Governance Report section of the 2022 Annual Report. The Committee's Terms of Reference are also set out in the Board Charter on the Company's website.	The terms of reference of the Audit & Risk Committee are provided on the BAI website <a href="http://www.batkenya.com">www.batkenya.com</a> . See also Board Charter and 2022 Annual Report Corporate Governance Report
M	B15	Are the functions of the Chairperson and the Chief Executive Officer exercised by different individuals?	FA	Yes - The functions of the Chairperson and Managing Director are exercised by different individuals. The division of responsibilities between the Chairperson and the Managing Director is disclosed in the Board Charter and the 2022 Annual Report Corporate Governance Report section.	Board Charter and the 2022 Annual Report Corporate Governance Report.
M	B16	Is the Chairman of the Board a non-executive board member?	FA	Yes - the Chairman of the Board is a Non-Executive Director and is also independent.	2022 Annual Report Corporate Governance Report See also Board profiles on <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	B17	Has the Board established procedures to allow its members access to relevant, accurate and complete information and professional advice?	FA	Yes - The Board has established procedures to allow its members access to relevant, accurate and complete information and professional advice at the Company's expense. The Board Charter and all Board Committee Terms of Reference provide that Directors can request information and obtain external professional advice at the expense of the Company.	Board Charter and Terms of Reference of all Committees on website <a href="http://www.batkenya.com">www.batkenya.com</a> ; 2022 Annual Report Corporate Governance Report
M	B18	Has the Board adopted a policy on managing conflict of interest?	FA	Yes - Conflicts of Interest are captured and managed as provided by the Company's Standards of Business Conduct (SOBC) which applies to Board Members, all employees and third parties dealing with the Company. The obligation to declare conflict- potential or perceived is also indicated in the directors' letter of appointment, declaration of conflict is also an agenda in all committee and board meetings of the company.	Standards of Business Conduct (SOBC) published on website <a href="http://www.batkenya.com">www.batkenya.com</a> . See disclosure in Corporate Governance Section of 2022 Annual Report and Board Charter
M	B19	Has the Board adopted a policy on related party transactions to protect the interests of the company and all its shareholders and which meets the requirements of the Code?	FA	Yes - A Related Party Transactions Policy aligned to provisions of the CG Code was approved by the Board on 12 April 2019 for immediate implementation. The Audit and Risk Committee also have visibility at each of their meetings of the related party transactions that the Company has engaged in and the value thereof. Various disclosures of related party transactions are also disclosed in the 2022 Financial Statements.	Copy of Related Party Transactions Policy is available on the website <a href="http://www.batkenya.com">www.batkenya.com</a> . See disclosures on Annual Report Financial Statements pg 151.
M	B20	Has the company appointed a qualified and competent company secretary who is a member in good standing of ICPSK?	FA	Yes - Ms. Kathryne Maundu is the Company Secretary and she is in good standing with ICS.	See disclosure in Corporate Governance Report of 2022 Annual Report See Company Secretary's profile on <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	B21	Has the Board adopted policies and processes to ensure oversight of sustainability, environmental and social risks and issues?	FA	Yes - Sustainability is one of the Company's strategic pillars alongside Growth, Productivity and Winning Organization. The Board places considerable emphasis on the need for the business to be sustainable for the long term, to meet the expectation of stakeholders and inform the Company's commitments to society. The Board has approved a Corporate Social Investment Strategy which underpins the Company's commitment to sustainability. This strategy is available on the Company's website.	2022 Annual Report - Chairman's Statement, 2022 Annual Report Strategic Report Corporate Governance Report section of 2022 Annual Report Board Charter CSI/CSR Strategy at <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	B22	Has the Board developed an annual work-plan to guide its activities?	FA	Yes - The Board Annual Work Plan for FY23 was approved in the Board meeting of 2 December 2022. Areas of focus stated in 2.6.3 are all captured within the Board Work Plan. The Board Charter details the requirement for the work-plan and planned activities. Board programme and activities during 2022 are disclosed in the Corporate Governance Report section of the 2022 Annual Report.	Corporate Governance Report section of the 2022 Annual Report Board Charter

M	B23	Has the Board determined, agreed on its annual evaluation process and undertaken the evaluation or the performance of the Board, the Board Committees, the CEO and the Company Secretary?	FA	Yes - The Board agreed on the evaluation process and criteria which included a review of the performance of the Board, Committees, Chairman, Managing Director and Company Secretary. The Board Evaluation was conducted by an External Consultant (Prof. Klarie Mwaura) and the report was approved by the Board on 28 April 2022. The Board continues to work on and implement the evaluation concerns raised by the Consultant.	2022 Annual Report See Board Charter on <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	B24	Has the Board established and applied a formal induction program for incoming members?	FA	Yes - Formal induction programme approved by the Board and all incoming Directors are duly inducted. Disclosure of the same is made within the Corporate Governance Report section of the 2022 Annual Report. No new Directors were appointed in 2022.	Corporate Governance Report section of 2022 Annual Report Board Charter
A or E	B25	Do Board members participate in on-going corporate governance training to the extent of 12 hours per year?	FA	Yes - Board Directors participate in on-going Corporate Governance training provided by the Company and externally in compliance with the Code. In 2022 each Director received 12 hours of requisite Corporate Governance training from BAT Kenya and other credible sources. The Board has also approved the Training Calendar for 2023.	Corporate Governance Report section of 2022 Annual Report Board Charter on <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	B26	Has the Board set up an Independent Remuneration Committee or assigned to another Board committee the responsibility for determination of remuneration of directors?	FA	Yes - There is a Remunerations Committee which has its Terms of Reference and which determines remuneration of employees and directors for approval by the Board and subsequently Shareholders at the AGM. The mandate and role of the Remunerations Committee is disclosed in the Corporate Governance section of the 2022 Annual Report and Board Charter.	Corporate Governance Report section of 2022 Annual Report Remunerations Committee Terms of Reference are published on the website <a href="http://www.batkenya.com">www.batkenya.com</a>
M	B27	Has the Board established and approved formal and transparent remuneration policies and procedures that attract and retain Board members?	FA	Yes - The Directors remuneration is reviewed every 2 years with bench marking being done in line with the market and peer comparators to thereby attract and retain directors. The aim is for the company to remain competitive and attract top notch individuals as directors.	Directors Remuneration Report in the Financial Statements section of the 2022 Annual Report
M	B28	How does the Board ensure compliance with all applicable laws, regulations and standards, including the Constitution and internal policies?	FA	BAT Kenya has established internal procedures and monitoring systems to monitor and promote compliance with applicable laws, regulations and standards. The Legal and External Affairs (LEX) Function has 4 qualified In-House advocates who participate in all business decision forums and provide legal counsel and advise to ensure compliance is achieved and maintained. The Company undertook an external Legal and Compliance audit whose findings were shared with the Board on 18 February 2023. The Head of LEX is a permanent invitee to the Board and Audit & Risk Committee meetings to address matters compliance. The Audit & Risk Committee together with the Internal Audit function further provide assurance to the Board on compliance.	Corporate Governance Section of 2022 Annual Report
M	B29	In the past year, has the Board organized a legal and compliance audit to be carried out on a periodic basis?	FA	Yes - the Board authorised and the Company undertook an external Legal and Compliance audit which was undertaken by Kaplan & Stratton. The findings were discussed with the Audit & Risk Committee in February 2023. The report thereof will be submitted to the Board for approval in May 2023.	Corporate Governance Section of 2022 Annual Report
A or E	B30	Has the Board subjected the company to an annual governance audit?	N/A	The Board commissioned the services of Dorion and Associates to conduct a governance audit for the year 2021 and its report was tabled to the Board on 28 April 2022. The Board continues to implement the findings of the audit. The report is unqualified. The next governance audit will be undertaken for the year ended 31 December 2023.	Corporate Governance Section of 2022 Annual Report
C		<b>RIGHTS OF SHAREHOLDERS</b>			
M	C1	Does the governance framework recognize the need to equitably treat all shareholders, including the minority and foreign shareholders?	FA	Yes - The Company's procedures in the Articles of Association and Board Charter provide for equitable treatment of all shareholders. In addition, the Board has an Investor Relations Policy, Dividends Policy and Dispute Resolution Policy which support equitable treatment of shareholders. Information is also disseminated to all shareholders simultaneously.	Corporate Governance Section of 2022 Annual Report Board Charter on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	C2	Other than at the AGM, how does the Board facilitate the effective exercise of shareholders' rights?	FA	Shareholders have access to the Company, the Board and its Share Registrar. The Share Registrar has a call center through which shareholders present any complaints either via telephone, emails or physically. The Company has an open door policy and will meet shareholders upon request. It may also organise Open Days for Shareholders. Investor and media briefings are also organised following declaration of end year and half year results to give shareholders an opportunity to have the performance explained. Relevant announcements are made in the local dailies to inform shareholders of key events. Shareholders are also given an opportunity to ask their questions at the AGM. Shareholder engagement disclosed under the Corporate Governance Report section of the 2022 Annual Report.	2022 Annual Report, Board Charter and Investor Relations Policy on <a href="http://www.batkenya.com">www.batkenya.com</a>

M	C.3	How does the Board facilitate shareholders participation at the AGM?	FA	The AGM Notice is published in a timely manner through daily newspapers, email, website and distribution of physical Annual Reports to shareholders. Sufficient time is accorded to Shareholders at the AGM to enable them to ask questions, seek clarifications on the Company's performance and to air their concerns, if any. Shareholders unable to attend AGMs are permitted to appoint Proxies and to that end Proxy Forms are provided. In line with Article 62 (b) of the Company's Articles of Association, the 2022 AGM was held virtually. Shareholders were given a chance to engage the Directors by sending their questions in advance as well as to make live calls to the Chairperson during the AGM.	The 2022 Annual Report and Proxy Form will be published on the website and emailed to shareholders with updated addresses.
A or E	C.4	Are minority and foreign shareholders holding the same class of shares treated equitably?	FA	Yes - Minority and foreign shareholders hold the same class of shares (ordinary shares) and are treated equitably. They all receive information on the Company's performance through distribution of annual reports and accounts and half yearly results. They all receive Notice to the AGMs and accorded opportunity to attend either in person or via proxy. Dividends are paid out to both minority and foreign shareholders at the same time per the Dividend Policy. The Board Diversity Policy (available for desktop review) and Nominations & Governance Committee ToRs (available on the Company's website) provide opportunities for minority and foreign shareholders to nominate board members. The Company also respects legal provisions in the Companies Act 2015 permitting minority and foreign shareholders to make such nominations. Minority shareholders also have opportunity to raise concerns/issues to the Board through the Corporate Affairs and Investor Relations team.	Shareholders rights are provided in the Company's Articles of Association and the Board Charter. The Board Diversity Policy, Dividend Policy and Investor Relations Policy are available on the Company's website <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	C.5	Is there evidence that the Board proactively provides information to shareholders and the media, (and in a timely basis) on corporate affairs and corporate governance?	FA	Yes - Material announcements are released to the regulators and the public in a timely manner and having received the requisite approvals from the CMA, Investor and Media briefings are conducted a day after declaration of end year and half year results. In 2022, stakeholders were given a chance to send their questions to the Directors which were responded to accordingly. Shareholders get alerts on the AGM. Other public announcements are availed on the Company's website and via publication in the local and international newspapers.	Public announcements on the website, Virtual Investor briefing on 17 February 2022 and 20 July 2022. See <a href="http://www.batkenya.com">www.batkenya.com</a> for public announcements.
D		<b>STAKEHOLDER RELATIONS</b>			
A or E	D.1	Does the Board have a stakeholder-inclusive approach in its practice of corporate governance and which identifies its various stakeholders?	FA	Yes - The Company has identified the Board and Company's key stakeholders and mapped out areas of interaction with such stakeholders. The Board is involved in the engagements with various stakeholders. Engagements and interactions are conducted in line with the principles and guidelines set out in the Standards of Business Conduct (SOBC) and Principles of Engagement.	Standards of Business Conduct & Principles of Engagement are available on the Company website. Engagement stakeholders are discussed in the 2022 Annual Report
A or E	D.2	Has the Board developed policies, procedures and strategies to manage relations with different/key stakeholder groups?	FA	Yes - In addition to identifying key stakeholders, strategies and suitable policies are employed to manage relations with different stakeholders. Engagement is constructive, deliberate and planned. Typical issues of concern to the Board and which required strategic engagement are Excise, Illicit trade, tobacco control regulations and issues affecting tobacco farmers. Engagements and interactions are conducted in line with the principles and guidelines set out in the Standards of Business Conduct (SOBC) and Principles of Engagement. Various engagements with stakeholders conducted during 2022 are disclosed in the Strategic Report section of the 2022 Annual Report. The Board also approved the Investor Relations Policy in 2019. The company also has in place a Media Engagement Protocol as well as a strategy on Corporate Social Investment.	Strategic Report section of 2022 Annual Report Investor Relations Policy, Media Engagement Protocol & Corporate Social Investment Strategy on <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	D.3	How does the Board take into account the interests of key stakeholder groups prior to making decisions?	FA	In exercising its fiduciary duty, the Board strives to achieve an appropriate balance between the interests of its various stakeholders in order to achieve the long-term objectives of the Company and in the Board deliberations, the directors will consider the impact of its decisions to various stakeholders, the risks if any and mitigations thereof. The annual report outlines the considerations and engagements had with various stakeholders in the company's decisions and operations. These stakeholders include farmers, customers, consumers, employees, communities, shareholders and government.	Strategic Report section of 2022 Annual Report
M	D.4	How does the Board ensure effective communications with stakeholders?	FA	Relevant information is proactively relayed to stakeholders having regard to the best interests of the Company in determining what information is shared. Investor and Media briefings are conducted in a timely manner. The Annual Report, media and Company website provide avenues for dissemination of information about the Company in addition to financial performance. As per 4.21 a whistle blowing policy is in place. The Company has also displayed its telephone contacts, email and physical addresses on its website and disclosed the name and contacts of the dedicated communications person. The Investor Relations Policy approved by the Board also provides for effective communication guide with stakeholders. The Company makes requisite public announcements as required by the CMA Code and also shares information via the Company website. Stakeholders are free to reach out to the Company's Management at any time.	Annual Report; Investor Relations Policy and information about communicating with the company is available at the website <a href="http://www.batkenya.com">www.batkenya.com</a> .

M	D.5	Has the Board established a formal dispute resolution process to address internal and external disputes?	FA	Yes - The Board approved a Dispute Resolution Policy in 2020 to guide in the resolution of disputes. The Policy is available on the Company's website. The Company has established processes and procedures for resolution of both internal and external disputes captured in the Board Charter.	The Dispute Resolution Policy is available on the Company website. Dispute Resolution Procedure is also captured in the Board Charter available at <a href="http://www.batkenya.com">www.batkenya.com</a> .
	E	<b>ETHICS AND SOCIAL RESPONSIBILITY</b>			
A or E	E.1	Does the Board ensure that all deliberations, decisions and actions are founded on the core values (responsibility, accountability, fairness and transparency) underpinning good governance and sustainability?	FA	Yes - Deliberations, decisions and actions are founded on the core values underpinning good governance and sustainability. These are discharged through the Company's guiding Ethos (being Bold, Fast, Empowered, Diverse and Responsible) and in line with the Standards of Business Conduct (SoBC). These principles have entrenched the core values captured in the CMA Code.	Strategic Report in 2022 Annual Report See Standards of Business Conduct on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	E.2	Has the Board developed a Code of Ethics and Conduct (which includes sustainability) and has it worked to ensure its application by all directors, management and employees?	FA	Yes - The Company has its Standards of Business Conduct that all Directors, third parties dealing with the Company and employees of the Company adhere to annually. Additionally, third parties are required to adhere to the Supplier Code of Conduct. The Board has a whistle blowing policy in place. In the event of any breach of the Code, reporting can be done on an anonymous basis and any reporting is brought to the attention of the BARC.	Standards of Business Conduct and Board Charter (pg 14) on <a href="http://www.batkenya.com">www.batkenya.com</a> and Corporate Governance Report section of 2022 Annual Report.
A or E	E.3	How does the Board ensure that compliance with the Ethics Code and Conduct is integrated into company operations?	FA	The Company runs an annual sign-off process where all Directors and employees are required to refresh their adherence to the Standards of Business Conduct and advise on conflicts of interest. Training on compliance with the SoBC is also provided on relevant topics. The Board ensures that the Company's strategies and operations are executed in line with the Standards of Business Conduct (SOBC). All third party contractual arrangements are underpinned by the SOBC and the Supplier Code of Conduct.	Standards of Business Conduct <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	E.4	Does the Board incorporate ethical and sustainability risks and opportunities in the risk management process?	FA	Yes - See disclosure on risk management within the Corporate Governance Report section of the 2022 Annual Report. The Company maintains risk registers on various identified risks e.g. risk of non-compliance with laws; and ensures appropriate actions are taken to mitigate or eliminate certain risks.	Corporate Governance Report section of 2022 Annual Report Board Charter
A or E	E.5	How is the company performance on ethics assessed, monitored and disclosed to internal and external stakeholders?	FA	Ethics are assessed on an ongoing basis by the internal Legal function (LEX), which ensures that actions of the Company and its employees are always in line with the company's Statement of Business Principles, Standards of Business Conduct (SOBC), Supplier Code of Conduct, Employment Principles, Health and Safety Policy, International Marketing Principles and Principles of Engagement.  The LEX function monitors compliance with the above principles, policies and standards and advises employees and the Leadership team on the above, as the need arises.  These principles, policies and standards are disclosed to employees on the local intranet site, and to external stakeholders in engagements and contracts and on the company's website.  The Board, with advice from the Audit & Risk Committee, has completed its annual review of the effectiveness of the system of risk management and internal control for the period since 1 January 2022. No significant failings or weaknesses were identified, and the Board is satisfied that, where specific areas for improvement have been identified, processes are in place to ensure that the necessary remedial action is taken and that progress is monitored.  Cases on ethical conduct are also reported to the Board at every meeting and to stakeholders in the 2022 Annual Report.	2022 Annual Report covers performance in risk management and highlights that no significant failings/weaknesses were noted from the risks tracked.
A or E	E.6	Has the company established and implemented a whistle blowing policy?	FA	Yes - The Company has a whistleblowing policy and a Speak Up Portal within the Standards of Business Conduct which enables staff, third parties, etc. in confidence, to raise concerns about possible improprieties in financial and other matters, and to do so without fear of reprisal.	Standards of Business Conduct <a href="http://www.batkenya.com">www.batkenya.com</a> , 2022 Annual Report Speak Up reporting portal on <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	E.7	Has the Board/for management developed policies on corporate citizenship and sustainability and strategies for company use?	FA	Yes - See disclosures in 2022 Annual Report. Also see SoBC, Whistleblowing policy, Supplier Code of Conduct, Statement of business principles, Principles of engagement, International Marketing Principles, BAT Kenya Quality Policy Statement, Human and Safety Policy Statement.	2022 Annual Report Policies on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	E.8	Does the Board consider not only the financial performance but also the impact of the company's operations on society and the environment?	FA	The Company considers the impact of its operations on society and environment. Examples of this may be seen in the Company's recycling activities, energy management and afforestation activities. The Company is also in the process of preparing its Sustainability report which will provide more detail.	Business Review section of 2022 Annual Report pgs 32-39.
A or E	E.9	Does the Board monitor and report activities leading to good corporate citizenship and sustainability to demonstrate they are well coordinated?	FA	Yes - the Board monitors and reports activities leading to good corporate citizenship and sustainability. The Company has won several awards including the Employer of the Year in 2022, Winner of Gender Mainstreaming Awards, FIRE Awards - 2nd runners up, Energy Management Awards (Thermal Energy Savings), Winner PRSK Awards (Internal Communications Campaign of the year).	Strategic Report section of 2020 pg 89. See disclosures in the 2022 Annual Report including disclosures on Corporate Social Investment (CSI) and Responsibility.
	F	<b>ACCOUNTABILITY, RISK MANAGEMENT AND INTERNAL CONTROL</b>			

M	F1	Does the Audit Committee and the Board consider and review the financial statements for integrity of the process and for truthful and factual presentation?	FA	Yes - The Board has constituted an effective Audit & Risk Committee which independently reviews, verifies and safeguards the integrity of financial statements and makes recommendations to the Board.	Corporate Governance section of 2022 Annual Reports Board Charter on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	F2	Does the Annual Report contain a statement from the Board explaining its responsibility for preparing the accounts and is there a statement by the external auditor about his/her reporting responsibilities?	FA	Yes - the Annual Report contains a statement of the directors responsibilities for preparing the accounts. There is also a statement by the external auditor about their reporting responsibilities.	Statement of Directors' Responsibilities section of 2022 Annual Report Statement of Independent External Auditor
A or E	F3	Does the board or audit committee have a process in place to ensure the independence and competence of the Company's external auditors?	FA	Yes - the audit committee has a process in place to ensure the independence and competence of the Company's external auditors. The auditors also confirm their independence to the audit committee. The independence and competence of the external auditor is also reviewed internally	Corporate Governance section of 2022 Annual Report, Auditor Independence Policy, Policy attached to Audit Committee terms of reference in Board Charter and can be viewed on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	F4	Do the shareholders formally appoint the external auditor at the AGM through a formal and transparent process?	FA	Yes - Notice of appointment or re-appointment of External Auditors is a standard agenda AGM agenda. Appointment or re-appointment is put to the Shareholders to vote.	2019, 2020, 2021 and 2022 AGM notice and agenda are available for viewing on the Company website.
A or E	F5	Is the Company working towards the introduction of integrated reporting (incorporating financial and non-financial information) or is the company's Annual Report prepared on an integrated basis using a framework available from the Integrated Reporting Council, The Global Reporting Initiative, G4 Sustainability Guidelines and/or Sustainability Accounting Standards Board standards?	FA	Yes - The Company adopted integrated reporting in line with global best standards and strives towards improving the same year on year.	See 2022 Annual Report which evidences integrated reporting
A or E	F6	Has the Board established an effective risk management framework which is inclusive of key risks as well as foreseeable risks, environmental and social risks and issues?	FA	Yes - The Company has an effective risk management framework in place. The audit committee reviews the risk footprint and mitigation plans at every meeting and reports to the board.	2022 Annual Report Board Charter
M	F7	Has the Board established and reviewed on a regular basis the adequacy, integrity and management of internal control systems and information systems (including for compliance with all applicable laws, regulations, rules and guidelines)?	FA	Yes - review of the adequacy of the internal controls of the Company is part of the mandate of the Audit & Risk Committee. The Audit & Risk Committee meets 3 times a year and reports findings from its meeting to the Board. The Board Audit & Risk Committee also reviews, approves and monitors an annual audit plans (internal audits, external audit, legal audit, and governance audit), and reviews audit findings. See also disclosures in External Auditors Report in 2022 Annual Report.	2022 Annual Report
M	F8	Does the Board annually conduct a review on the effectiveness of the company's risk management practices and internal control systems and report this to shareholders?	FA	Yes - The reports on the company's risk management practices and internal controls systems are discussed by the Audit & Risk Committee and reported to the Board.	2022 Annual Report
M	F9	Has the Board established an effective internal audit function according to Code requirements and which reports directly to the Audit Committee?	FA	Yes - The Company has a well resourced Internal Audit Function which reports to the Board Audit & Risk Committee. The Internal Audit Manager has free access to the Chair of the Audit & Risk Committee and discuss matters of interest as appropriate.	2022 Annual Report
A or E	F10	Does the Board disclose details of Audit Committee activities?	FA	Yes - The Board discloses the activities of the Audit & Risk Committee in the Corporate Governance Section of the Annual Report.	2022 Annual Report
<b>G TRANSPARENCY and DISCLOSURE</b>					
M	G.1	Does the company have policies and processes to ensure timely and balanced disclosure of all material information as required by all laws, regulations and standards and this Code.	FA	Yes - Key areas requiring disclosure as listed in 7.11 are disclosed in the 2022 Annual Report and / or on the Company's website <a href="http://www.batkenya.com">www.batkenya.com</a>	2022 Annual Report and website <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	G.2	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.11 relating to the company's governance, the Board and the Audit Committee?	FA	Yes - Key areas requiring disclosure as listed in 7.11 have been disclosed in the 2022 Annual Report and / or on the Company's website <a href="http://www.batkenya.com">www.batkenya.com</a> .	Corporate Governance Report section of 2022 Annual Report and website - <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	G.3	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.11 relating to the company's mission, vision and strategic objectives?	FA	Yes - The Company's Vision, Mission strategic framework disclosed in the Strategic Report section of the 2022 Annual Report and also on the website.	2022 Annual Report
A or E	G.4	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.11 relating to remuneration and whistleblowing?	FA	Yes - The Company has disclosed remuneration through the Directors Remuneration Report and the notes in the Financial Statements within the 2022 Annual Report. The existence of a whistleblowing policy and reporting on reported cases is also disclosed in the Annual Report and within the Standards of Business Conduct	Whistleblowing disclosure. 2022 Annual Report (Directors Remuneration).
A or E	G.5	As a minimum, does the company website disclose current information on all areas prescribed in 7.11 (Board Charter, Whistleblowing Policy, Code of Ethics and information on resignation of directors)?	FA	Yes - The areas for disclosure have been disclosed on the Company website. Populating the website with information is an ongoing process as information changes.	Website - <a href="http://www.batkenya.com">www.batkenya.com</a>
A or E	G.6	Does the Board disclose the management discussion and analysis as required in 7.11?	FA	Yes - Disclosures are made as appropriate and in the interests of the Company and its shareholders.	2022 Annual Report

A or E	G.7	Has the Board provided disclosures as required in 7.11 on compliance with laws, regulations and standards; ethical leadership, conflict of interest, corporate social responsibility and citizenship?	FA	Yes - disclosures have been made on the status of compliance of the laws which is part of the Legal audit report; conflicts of interest and ethical leadership are covered in the Annual Report.	2022 Annual Report
A or E	G.8	Has the Board made all required disclosures, including confirming requirements of 7.11 which include that a governance audit was carried out and that there are no known insider dealings?	FA	Yes - All disclosures have been made by the Company to the best of its ability. Previous Governance Audit did not report any adverse findings.	2022 Annual Report
A or E	G.9	Has the Board disclosed the company's risk management policy, company procurement policy, policy on information technology as per 7.11?	FA	Yes - The Company's risk management policy, procurement policy and policy on information technology disclosed in the Corporate Governance section of the 2022 Annual Report.	2022 Annual Report Board Charter on <a href="http://www.batkenya.com">www.batkenya.com</a>
M	G.10	Has the Board disclosed information on shareholders, including the key shareholders, including shareholding by directors and senior management and the extent of their shareholdings as required in 7.11 and on stakeholder who influence company performance and sustainability?	FA	Yes - Disclosures have been made in the Annual Report.	Principle Shareholders and Share Distribution section of 2022 Annual Report
M	G.11	Has the Board disclosed all related-party transactions?	FA	Yes - Related party transactions are disclosed in the Annual Report.	Financial Statements section of 2022 Annual Report
M	G.12	Does the Board include in its Annual Report a statement of policy on good governance and the status of the application of this Code?	FA	Yes - Board includes in its Annual Report a statement of policy on good governance and the status of the application of this Code.	2022 Annual Report

**Note 1** The Reporting Template shall be used by companies to report on their application of the provisions of the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the Code). The completion of the Reporting Template and its filing with the Capital Markets Authority (CMA) will fulfill the reporting requirements of the Code at 1.1.3 paragraph 2. All elements marked in green are mandatory and MUST be complied with. Failure to fully apply will result in regulatory sanctions. When completing column 'F' for MANDATORY ITEMS, 'FA' will mean 'Fully Complied With', 'PA' will mean 'Partially Complied With' and 'NA' will mean 'Not Complied With'.

**Note 2** Column 'F' should be marked as follows: 'FA' - Full Application, PA - Partially Applied or 'NA' - Not Applied. Full application of this Code is required by the Code. Therefore anything less than 'full application' is considered 'non compliance or non-application' of the Code. A response of PA or NA is non-compliance and requires an explanation to be provided with a firm commitment to moving towards full compliance. See also Note 4.

**Note 3** An explanation of how the Code provision is applied is required in column 'G' and shall be supported by evidence of how application has been achieved. If the provision is NOT applied, an explanation for why it is not applied or only partially applied is required in column 'G'. For each question, column 'G' must be completed.

**Note 4** If an explanation is required because of non-application of any element of the Code, the explanation must be satisfactory, must be provided to relevant stakeholders including the Capital Markets Authority and shall include:  
a: reasons for non-application  
b: time frame required to meet each application requirement  
c: the strategies to be put in place to progress to full application.