

# Water Stewardship Policy

## Introduction

BAT South Africa understands that water is a key, yet scarce resource and should be used efficiently and used responsibly with equitable sharing by all end users. Protecting and conserving water through water management practices and governance systems, is therefore important for our operations and footprint across the country. Direct water impacts in our operations result from the use of water in our factory processing activities. Indirect water impacts come from use of water for supply chain and other suppliers.

## Definitions

- AWS-Alliance for Water Stewardship
- ESG-Environmental Social and Governance

## Vision

- To achieve the highest practicable levels of water conservation across our value chain

## Mission

- To be responsible water stewards, by leading and engaging with our stakeholders in understanding our collective water challenges, risks, and opportunities, which contribute to achieving Sustainable Development Goals on Clean Water and Sanitation.

## Objectives:

- Reduction on water withdrawn by 35% and a 15% increase in water recycled by 2025.
- Proactive engagement with stakeholders on water related issues.
- Drive efficient use of water, leading to cost savings and overall improvement of the site and catchment water balance.
- Develop and implement water conservation through strategic planning, with set targets to improve water efficiency throughout the entire product life cycle.
- Share and promote best water stewardship practices that support good water governance and quality, as well as Water, Sanitation and Hygiene Practices (WASH).
- Comply with all applicable legal and regulatory requirements.
- Reduce our water consumption and recycle water where feasible.
- Promote sustainable afforestation initiatives.
- Collaborate and share relevant information with our suppliers and stakeholders, assisting them to understand their impact on water use, hence reducing our impact throughout the supply chain.
- To publicly communicate and disclose our water stewardship policy.
- Support existing catchment sustainability plans.
- Provision of resources to support sustainable water initiatives

## Key Performance Indicators:

- Successful implementation of audits related to water-AWS and Energy audits.
- Traction and closure of Water Road Map action plans.
- Reduced Water intensity as per the agreed targets.
- Number of stakeholder engagement and percent actions closed from stakeholder feedback.
- Meeting the commitments outlined in our Environment Social and Governance agenda to drive for good water practices and deliver a positive social impact alongside bringing to life our RESPONSIBLE Ethos and living up to our commitment to contributing to the Sustainable Development Goals.

## Amendment of Policy

- The Company reserves the right to amend and interpret the provisions of this Policy, with or without notice, and subject to the Company's needs.
- The Policy owner will initiate to review the Policy every two years or as and when necessary whichever falls earlier. The review will include an assessment of the effectiveness of the Policy.
- The relevant manager will discuss any revisions that may be required and recommend any such revisions to the East and Southern Africa Leadership Team (ESALT) for approval.



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