



Assurance Statement



Independent Assurance Statement by Bureau Veritas

To the stakeholders of British American Tobacco Representation Brussels

Bureau Veritas UK has been engaged to provide external assurance to British American Tobacco (BAT) Representation Brussels, representing British American Tobacco vis a vis all relevant European Union (EU) regulatory and administrative institutions and bodies, over its first EU social report (the Report) and reporting process covering activities. The preparation of the Report is the sole responsibility of BAT Representation Brussels.

The overall aim of this exercise was to provide reasonable assurance to stakeholders that the information included in the Report is accurate, reliable and objective.

We used the AA1000 Assurance Standard (AS) and principles of completeness, materiality and responsiveness to inform the assurance process. We have assessed whether BAT Representation Brussels is responsive to its stakeholders by reporting upon material issues. We have considered the completeness of the report to ensure that it has no significant omissions and that it provides a balanced and accurate reflection of relevant activities and performance over the reporting period.

Scope of work and methodology

The scope and methodology for the assurance was determined following discussions with BAT Representation Brussels.

The scope of the assurance included:

1. review of activities undertaken by BAT Representation Brussels over the period January 2006 to January 2007, as contained in the Report



2. attendance at the Brussels stakeholder dialogue sessions covering the following main subjects: harm reduction, smoking in public places and combating illicit trade and counterfeit. Individual interviews were also conducted between BAT Representation Brussels and high-level EU officials which Bureau Veritas did not attend
3. responses, commitments, data, GRI information, text and certain performance related information.

As part of its review, Bureau Veritas undertook the following activities:

- interviews with ten key personnel at BAT Representation Brussels office and the BAT p.l.c. office in London
- review of BAT Representation Brussels process for the identification and collation of relevant information, report content and performance data from Group operating companies
- data checking with regard to GRI (G3) related performance information.

Provision of different levels of assurance over selected information within the Report using the following symbols to describe the scope and nature of our work:



Advanced: Bureau Veritas provided advanced assurance over stakeholder identification and dialogue activities including: processes for stakeholder inclusivity and selecting discussion topics for dialogue; attendance at dialogue sessions; detailed review of the independent reporting of, and BAT Representation Brussels response to, the points raised in dialogue.



Positive: Bureau Veritas assessed whether reported information was supported by underlying objective evidence through interview, detailed sampling and review of documentary evidence, including that generated from stakeholder dialogue and third party sources.



Basic: Information reported against reported GRI's G3 indicators were assessed through selective sampling and high level review of documentary evidence.

Findings

Based on our review, it is our opinion that:

- overall, the information included in the Report is reliable and objective, and is presented in a clear and understandable manner
- the Report addresses, fully responds to, and makes commitments against, those material issues pre-selected by BAT Representation Brussels for discussion with stakeholders through dialogue
- stakeholders that did participate (of those that accepted the invitation, not all did attend dialogue) were free to raise any aspect, concern or expectation in relation to subject issues selected for dialogue
- the overall representation of participating stakeholder groups was only partially affected by the unwillingness of the public health NGO sector to engage; one to one engagement was on the basis of either specific stakeholder requirements or limited availability
- the issue of youth smoking prevention was not selected as a main topic for dialogue as it is understood that this is addressed on a country-specific level; there was no restriction on stakeholders to raise this for discussion
- the information from the British American Tobacco group's EU companies has been collated and reported in good faith, has been subject to adequate internal controls and is considered to be free from significant error or misstatement
- BAT Representation Brussels has included in its reporting its position and performance against the GRI's G3 performance indicators; in a number of cases data was not available for all of British American Tobacco's EU operating companies
- we consider that the Report is informed by the principles of materiality, completeness and responsiveness as defined in the AA1000AS, accepting that application of the principles will be further enhanced as the reporting process develops and matures.



Key areas for improvement

It is recommended that BAT Representation Brussels:

- continues its future reporting and assurance in line with the principles of AA1000AS through continued proactive stakeholder engagement
- further develops its reporting against the GRI's G3 Performance Indicators to definitively reflect its performance against issues of significance; it is understood that British American Tobacco p.l.c. will review the G3 Performance Indicators as part of a materiality test and that the BAT Representation Brussels reporting process will be informed by the outcomes of this for future reporting
- reports unequivocally upon progress against the published commitments to stakeholders in its next social report
- reviews its systems for the collection and collation of data from all EU companies for inclusion in the Report, with a view to ensuring full presentation of EU-wide performance and more complete reporting.

Considerations and limitations

Excluded from the scope of our work is information relating to:

- activities outside the defined reporting period
- statements of commitment to, or intention to, undertake action in the future
- case studies contained within the report
- statements of opinion, belief and / or aspiration.

Our assurance does not extend to the information hyperlinked from the social report.

Environmental and social data are subject to inherent limitations due to their nature and to the methods used for determining, calculating or estimating such data. Therefore this independent Assurance Statement should not be relied upon to detect all errors, omissions or misstatements, nor can it guarantee the quality of accounting and reporting processes.

Where information was directly sourced from the British American Tobacco p.l.c. Annual Report and Accounts 2006, we considered this to be reliable as it has been audited by an independent Chartered Accountancy and Registered Auditor.

During the course of our assurance nothing came to our attention to indicate that there was any material error, omission or misstatement in the information that was subject to review. However, this review was carried out to provide reasonable, rather than absolute assurance and we believe the scope above provides a reasonable basis for our conclusions.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in quality, health, safety, social and environmental management advice and compliance with almost 180 years history in providing independent assurance services and an annual turnover in 2006 of Euros 1.8 billion. Bureau Veritas has implemented a code of ethics across its business which is intended to ensure that all our staff maintain high standards in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest. We believe our assurance assignment did not raise any conflicts of interest.

Competence: our assurance team completing the work for BAT Representation Brussels has extensive knowledge of conducting assurance over environmental, social, health, safety and ethical information, systems and processes, and with over 20 years combined experience in this field an excellent understanding of good practice in corporate responsibility reporting and assurance.

Bureau Veritas HS&E Ltd.
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