

Deborah Arnott FRCP (Hon) Chief Executive, Action on Smoking and Health, 6th floor, Suites 59-63, New House, 67-68 Hatton Garden, London, EC1N 8JY

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Ater Arbord

Globe House 4 Temple Place London WC2R 2PG United Kingdom

Tel +44 (0)20 7845 1000 Fax +44 (0)20 7240 0555 www.bat.com

Thank for your letter of 30 April to our Chairman. Mr Burrows has requested that I respond on his behalf in my capacity as Group Head of Corporate Affairs.

As we have explained previously, British American Tobacco (BAT) operates in a highly regulated industry and we believe it is important to engage openly and transparently with governments on existing, new and upcoming regulation, and seek to inform all relevant stakeholders of our legitimately held views in relation to corporate and regulatory issues. In relation to what we spend on such activities, as I am sure you will appreciate, we do not think it is appropriate (or indeed meaningful) for us to provide detailed information on actual or proposed expenditure in this area.

In relation to your query regarding the Institute for Economic Affairs (IEA), I can confirm that in 2014 we continued to contribute on a broadly similar basis to 2013. However, BAT is not a corporate member of the Adam Smith Institute (ASI) and provided no direct or indirect funding in 2014.

While there has been no expenditure by BAT 'participating in events at party political conferences in the UK' in the last four years, corporate representatives have attended as delegates at the conferences of many political parties, on all sides of the political divide. Activities such as this are generally expected of any large multinational corporation – particularly one listed in London.

I trust the above is helpful in answering your queries.

Yours sincerely

Simon Cleverly Group Head of Corporate Affairs