



BAT Kenya Green Leaf Threshing Plant Good Water Governance Report, 2022 Published November 2022

BAT Kenya has a long and proud history of sustainability achievements, and in line with our evolved purpose to build A Better Tomorrow™, we are moving ourselves from a business where sustainability has been important, to one where it is front and center in all that we do.

As part of its manufacturing operation, BAT Kenya has a Green Leaf Threshing plant located in Thika, Kiambu County which has been in operation since 1977. The GLTP's processing capacity is 30 million Kilograms (Kgs) of flue cured Virginia tobacco per year, which is currently sourced from contracted farmers predominantly in Western, and the Nyanza region of Kenya.

In line with our Environmental Social and Governance (ESG) agenda, BAT Kenya's Green Leaf Threshing plant (GLTP) in Thika implements Good Water Governance (GWG) initiatives. GWG involves driving sustainable water balance practices, ensuring availability of quality water, as well as access to safe water, sanitation, and hygiene for all. In recognition of its GWG track record, the GLTP is certified under the Alliance for Water Stewardship (AWS).

The GLTP is part of the Tana basin catchment area. It has two primary sources of water on site i.e., municipal water that is supplied by Thika Water and Sewerage Company (THIWASCO) and borehole water which draws its underground water from Nairobi Aquifer Suites (NAS).

For many years, the GLTP has been at the fore front of environmental conservation and more specifically, responsible water use. It is an active and committed member of the Thika Mid Water Resource Users Association (WRUA) which is the water user's association body for the Thika sub-catchment area. WRUA addresses all water related issues in the catchment as mandated by the Water Resource Authority and enhances collaboration with key stakeholders in our catchment area.

Our vision

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

Our 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 the UN Sustainable Development Goal No. 13 on climate change, with a focus on water conservation.

Our water policy, which is a public commitment to good water stewardship, is available on our website via this link [British American Tobacco Kenya - Policies, principles standards \(batkenya.com\)](#)

Governance

The GLTP has a management system and water committee in place, comprising of a multi disciplinary team which is accountable for various aspects of the water stewardship plan. These are as listed in the table below.

Role	Responsibility
Head of Leaf	<ul style="list-style-type: none"> · Is part of the BAT Kenya leadership team and represents Kenya Leaf during area strategic meetings. · Overall responsible for the Leaf budget and resources · She is the sponsor for any water related projects
Human Resource Manager	<ul style="list-style-type: none"> · Allocation of resources to ensure sustainable water stewardship
Engineering Manager	<ul style="list-style-type: none"> · Chairperson of the water committee team · Responsible for Preventive and corrective maintenance plans · Management of the investments plan to be made in the plant (CAPEX and OPEX)
GLT Manager	<ul style="list-style-type: none"> · Implementation of improvement actions to drive for efficient processes leading to reduction, reusing, and recycling of water · Site member of the water committee
Sustainability Executive	<ul style="list-style-type: none"> · Coordinates all the activities of the water committee. · Compliance with legal requirements · EHS pillar lead (drives the Energy management DMS) · Site member of the water committee · Coordination of AWS activities · Monitoring of the water related KPI · Training needs assessment and planning for trainings · Document management as per the plan
Technical Executives	<ul style="list-style-type: none"> · Participate in implementation of water related projects and coordinate collection and analysis of data · Carry out and validate post implementation reviews on completed projects · Members of the water committee
Sustainability Manager	<ul style="list-style-type: none"> · Stakeholder Engagement planning · Identification and implementation of WASH and sustainability projects within the catchment
Legal Counsel	<ul style="list-style-type: none"> · Provides legal guidance on the laws and regulations applicable to water.
Corporate Affairs Manager	<ul style="list-style-type: none"> · Provides guidance on governance related to sustainability and review of communication material as well as relevant project documents on GWG and execution / publication as required.

Performance

BAT Kenya has made a commitment to reduce the water withdrawn at all its sites by 35% and recycle water by 30% by 2025, with 2017 as a baseline.

In 2022 compared to 2021, the GLTP has reduced its water withdrawn by 26% and increased water recycled to 10% from 0%. Below is a detailed summary of performance for a 5 year period from 2022.

Water withdrawn 2018 to 2022 Performance vs baseline	2022	2021	2020	2019	2018
Water Withdrawn	-84%	-81%	-68%	-63%	-27%

Total Water Withdrawn 2017-2022

Year	2022	2021	2020	2019	2018	2017
Absolute Volume of Water Withdrawn(M3)	9148	12641	18911	18911	21611	60112

Total Water Recycled Year to Date

Year	2022	2021
Water Recycling Rate (%)	9	0

Water performance opportunities

Water reduction and recycling opportunities were identified in the following areas:

- Steam condensate recovery: recycling the water thus reducing the energy and water used for the boiler operation.
- Recycling of process wash-off.
- Training and awareness on efficient water use.
- Enhancement of the water maintenance system coupled with inspection and prompt repairs.
- Installation of push taps at our drinking water points to help reduce water use.

To maintain good water quality, quarterly water analysis of the municipal and borehole water is carried out as per environmental management and co-ordination (water quality) regulations, 2006. This has contributed to sustainable water balance in the catchment and demonstrates that the site has good water

Stakeholder Engagement

We collaborate with various stakeholders in water related initiatives geared towards a sustainable environment. In 2022, we carried out successful stakeholder engagement, which included discussion of best Practices that can be adopted to conserve water in our operations.

Further, activities geared towards improvement of water stewardship in our catchment area were identified. The stakeholders also visited an Important Water Related Area (IWRA) in the catchment area to appreciate its value and contribution to the community.



Snapshot of activities undertaken by the GLTP to address water challenges in the catchment area in 2022

1. Under BAT Kenya's afforestation programme Kijani, the GLTP donated and joined THIWASCO and the Kenya Wildlife Society in planting a total of 4000 tree seedlings at the Kangoki sewerage plant and Oldonyo Sabuk National Park.
2. The GLTP joined the Kiambu county government to mark the 2022 World Clean-up Day, in a clean up activity of the area around the GLTP, collecting 2.3T of waste for proper disposal.



We strive to enhance these engagements in the coming year by collaborating with key stakeholders as well as other industry members of our catchment area.

Indirect Water Use

BAT Kenya's GLTP relies on the Company's contracted tobacco farmers for supply of high-quality leaf. Given our vertically integrated operation, we understand the need to extend our good water practices and governance to our value chain, including our leaf growing partners, for a wholistic sustainability approach.

- Under Kijani, we plant approximately 2 million trees annually in collaboration with the County Government, our farmers and The Net Fund.
- We carried out awareness training for our contracted farmers to enhance sustainable water use.

Conclusion

- There was no water-related non-compliance at the GLTP in 2022.
- The plant has a robust incident response plan that includes a root cause analysis and corrective action plan.
- The Company operates a robust governance program to ensure compliance to all legal and statutory requirements.

This report was created to comply with AWS indicators 5.1.1, 5.2.1, 5.3.1, 5.4.1, 5.5.1, 5.5.2, 5.5.3.