

New Section

BAT AND ITS CORPORATE REPUTATION

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CORPORATE REPUTATION

1. It is BATCo policy that action should continue to be taken centrally and by associated companies to ensure that BAT's and their own reputation is protected and enhanced.
2. The protection of BAT's and associated companies' good reputation, which is under attack by the opponents of tobacco is important because it has a direct bearing upon the freedom of action of our businesses.
3. It is self-evident that a business organisation can survive and develop only if it is perceived to serve the interests and needs of the community in which it operates. A good reputation is the licence to operate awarded to what is considered a valued member of the business community. This social licence is withdrawn from the company which allows its reputation to decline.
4. All businesses depend for their reputation upon the quality of their products or services, upon the dedication of their workforce, the skill of their management and the extent to which they identify their interests with those of the community.
5. The reputation of companies associated with a multinational group is affected by additional factors. They include criticism of them as representatives of a particular social and economic order, and as organisations which allegedly exploit their international structure to circumvent certain national legal requirements, and to manipulate manufacturing and trading policies in a manner which can be socially and economically damaging to some national communities.
6. Large international companies operating in certain countries, can be accused of supporting regimes to which other governments may be diplomatically opposed. Companies could therefore find themselves the subject of politically-motivated sanctions.
7. The loss of reputation can have severe even dramatic repercussions. Well-known examples illustrate that in the most extreme cases business trading can be stopped overnight.
8. It is self-evident that reputation is linked directly with profitability and corporate development as a whole.
9. Reputation is therefore a matter of particular interest to BAT companies world-wide.
10. Consequently, it is the policy of BATCo that consistent action be taken to ensure that the high reputation of BAT associated companies be maintained and developed as an integral factor in business development.
11. In pursuing this policy, the periodic introduction of corporate image surveys is seen as an important means of quantifying the nature and level of the company's reputation among those groups of people upon whose custom, cooperation and goodwill the business ultimately depends.

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12. Corporate image surveys must be carried out by experienced research agencies. The audiences surveyed will include smokers, members of the public, media representatives, politicians and government officials, retailers, distributors, suppliers, representatives of the leaf growing sector and of the business community.
13. The results and their implications will be considered for inclusion in the company plan.
14. So that the reputation of a company can be monitored effectively a corporate survey should be carried out at regular intervals in consultation with Millbank. The survey should be conducted under the auspices of the local Public Affairs function using the expertise of the company's Market Research Department.
15. Copies of corporate image surveys together with comments, should be forwarded to Public Affairs Department, Millbank.

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