

CERTIFICATION REPORT

Alliance for Water Stewardship (AWS)



Audit Number: AO-001400

SITE DETAILS

Site: **BAT Brazil - Santa Cruz do Sul**

Address: Rodovia Br 471, s/n km 46,5 I, 96835640, Santa Cruz do Sul, Rio Grande do Sul, BRAZIL

Contact Person: Elias Dresch

AWS Reference Number: AWS-000404

Site Structure: Single Site

CERTIFICATION DETAILS

Certification status: Certified Core

Date of certification decision: 2025-Jan-23

Validity of certificate: 2028-Jan-22

AUDIT DETAILS

Audited Service(s): AWS Standard v2.0 (2019)

Audit Type(s): Re-Certification Audit

Audit Start Date: 2024-Dec-09

Lead Auditor: Carla Oberdiek

Site Participants:

Elias Dresch, EHS Manager

Cleiton Silva, H&S Coordinator

Eduardo Lemes Rodrigues, EHS Assistant

Jardel Soares, safety technician

Rosana Neumann, safety technician

Morgana Freitas, EHS Analyst

Marcel Martins, Eng. Coordinator

Bonnie Popinhaki, Quality Manager

David Borges, Project Manager

Josimar Reis, EHS specialist

Carolina Lima, Operations Manager

Alexandre Streit, Ind. Eng. Manager

Anderson Wichinheski, Process Manager

Diego Campos, Ops. Ind. manager

Ana Vavvassodi, Quality Coordinator

Matheus Back, Eng. Coordinator

Laide Hochscheidt, logistics Coordinator

Joana Sheibler, Comerc. coordinator

Luiz Junkherr, Logistics Coordinator

WSAS

2 Quality Street North Berwick, EH39 4HW, UNITED KINGDOM

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ADDITIONAL INFO

Summary of Audit Findings: One observation was raised during the re-certification audit.

The audit team recommends re-certification of BAT Santa Cruz do Sul at Core level.

Scope of Assessment: The scope of services covers the recertification audit for assessing conformity of BAT Santa Cruz do Sul against the AWS International Water Stewardship Standard Version 2.

BAT is a company that manufactures tobacco leaf for sale to different national cigarette producers, and for export. It has operations world-wide, and in Brazil they established British American Tobacco Ltda (BAT). This audit was at their Santa Cruz do Sul Factory, located at Santa Cruz do Sul municipality of Rio Grande do Sul State, in Brazil. The current BAT site has a total area of 100 hectares. The built area corresponds to 14,039 hectares. The immediate neighborhood consists of a green area with a concentration of industries to the south and west. To the east and north the presence of few residences can be identified. Total employees in the site is 300 at the audit period (off-season). The BAT factory in Santa Cruz do Sul has 3 tobacco processing lines, two with mechanized stripping and one with manual stripping. The process begins with the receipt and classification of tobacco leaves. After sorting, the tobacco is steamed, blended, ground and threshed, dried and packaged.

The facility is located in the Pardo River Catchment. The water for the process is mostly from groundwater from the Guarani Aquifer. The industrial water produced from the site's wells is mainly consumed by Cooling Towers (29%), followed by Boilers (25%). The drinking water supplied by CORSAN is used mainly in taps (40%) along the plant (handwashing and human consumption) and in the restaurant (28%). The water for drinking water for employees come from purchased spring water.

The audit was conducted onsite on December 9th to 11th 2024.

The onsite site visit included the assessment of water source points (wells and entry of Corsan water), water reservoir, site's environmental park, effluent treatment plant, deposit of chemicals, area for receiving tobacco (tobacco leaf processing area was out of operation because it was outside the processing season), quality control laboratory, bathrooms and cafeterias as part of the audit. Dourad lake was visited, where Corsan's water is collected and supplies treated water to BAT. Wells within BAT property were also visited. Discharge points: ferti-irrigatin and Levis Pedroso Creak. The ferti-irrigation was visited, the discharge point at the Levis Pedroso stream is difficult to access and it was not visited.

FINDINGS

Observation 1

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FINDING DETAILS

Finding No:	TNR-015899
Checklist Item No:	2.3.2
Status:	Open
Finding level:	Observation
Checklist item:	<p>A water stewardship plan shall be identified, including for each target:</p> <ul style="list-style-type: none">- How it will be measured and monitored- Actions to achieve and maintain (or exceed) it- Planned timeframes to achieve it- Financial budgets allocated for actions- Positions of persons responsible for actions and achieving targets- Where available, note the link between each target and the achievement of best practice to help address shared water challenges and the AWS outcomes.
Findings:	<p>There is still room to reflect in the WSP the actions that are related to the shared challenges, challenges and actions that are set out in the Mitigation Plan.</p>

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Report Details

Report	Value
Report prepared by	Carla Oberdiek
Report approved by	Juan Carlos Ceron
Report approved on (Date)	21-01-2025

Surveillance

Proposed date for next audit
2025-Dec-01

Stakeholder Announcements

Date of publication	Location
08/10/2024	instagram of BAT
01/10/2024	https://a4ws.org/

Catchment Information

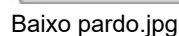
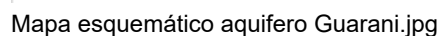
Catchment Information

The site is in the Pardo river basin. The Pardo River rises north of the municipality of Barros Cassal, about 700 meters altitude, and runs for 250 km to its mouth on the Jacuí River at 100 meters altitude. The Jacuí River flows into Lake Guaíba, which is part of the hydrographic region of the Guaíba Basin. With a drainage area of 3638 km², the Pardo river basin is divided into 13 study units. The BAT is located in the study unit called Baixo Pardinho (BPi), with 219,46 km². The stormwater (rainwater) and the effluents of BAT is released to Levis Pedroso stream (the license allows it). Into the site is an artificial lagoon fed by rainwater, that also is connected to the Levis Pedroso stream and it's used for emergency system.

There are 3 water wells within the site that provides industrial water for BAT production. The water source for the 3 water wells is the Guaraní aquifer. The weel's water is stored at a reservoir called "Castelo de Agua", with capacity of 450 m³. For all uses, other than toilet flushing and the manufacture of tobacco, the water is supplied by the public water company CORSAN which is the municipal supplier.

The drinking water from CORSAN is from the "Lago Dourado" which is connected to Rio Pardinho. CORSAN also has some water wells, but the major percentage is from the surface water.

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Client Description and Site Details

Client/Site Background

1995 on a 100 ha property. The company Souza Cruz has more than 100 years operating in the southern part of city of Santa Cruz do Sul and was built on an old rural property. The site has a stream (Levis Pedroso) that flows from east to west - northwest. Along the creek and in the final portion of the creek path there is a large vegetated area that originated the Environmental Park, which in total covers approximately 65 ha.

British American Tobacco - BAT - is a company that manufactures tobacco leaf for sale to different national cigarette producers, and for export. BAT Brasil has always seen family farming as the main pillar of its business. No wonder it was a pioneer, almost a hundred years ago, in the development of the Integrated Tobacco Production System, a consolidated production model that has since been modernized to increase the prosperity of the producer and reduce the environmental impact of cultivation. The concern with sustainability is not just in the field, but in all activities at BAT Brasil, ranging from choosing renewable energy matrices for factories and plants to encouraging good environmental practices on the part of its employees. GLT SCS is a Carbon Neutral operation and there is a glidepath of carbon emissions reduction based on its energy efficiency journey. After reducing the Scope 1 and 2 emissions, the leftover is annually offsetted with carbon retirement projects.



mapa localização do site.jpg

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Summary of Shared Water Challenges

Summary of Shared Water Challenges

The site has identified the following shared challenges in the catchment:

- Absence of publicly available information for consultation on monitoring activities and maintenance of structures related to Corsan's water resources.
- There are no data on groundwater availability for the Rio Pardo Basin and surface water availability data are outdated.
- There are potentially polluting activities in the surroundings and the state of Rio Grande do Sul does not have public lists on the existence of contaminated and rehabilitated areas for consultation.
- Corsan's current water supply capacity is lower than demand in Santa Cruz do Sul.
- The 2020 analysis of the water quality of the Pardo River indicates that this basin has regionally poor surface water quality.
- There are no consolidated data at the basin level, such as rainfall, evapotranspiration, future demands, or they are quite old, such as consumption data (2005).

Problems in the Lower Pardinho River Study Unit (where the site is located):

The lower Pardinho forms a relatively homogeneous region along with the midfielder Pardinho, with whom he shares the set of problems related to the themes of change in morphology and river regime, conservation units, potential organic load of porcine origin and rural effluents, in addition to problems to a lesser extent related to effluents urban developments, water uses and groundwater quality and availability. Despite the seriousness and diversity of registered problems, however, there is no concentration of conflicts over a reduced number of actors, but a diffuse spread of problems among a wide and varied set of actors and institutions

In 2024 three challenges was added (experienced in the 2024 crisis):

- Reliability of supply (color and taste of water)
- Climate crises (floods)
- Efficiency of public policies


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0.1 General Requirements for Single Sites, Multi-Sites and Groups	
0.1.1	<i>Eligibility Criteria</i>
0.1.2	
0.1.2.1	<p><i>Have any water source locations and water-related discharge locations been visited during the audit, if so, which and where? If none were visited please provide justification.</i></p> <p>Comment Dourado lake was visited, where Corsan's water is collected and supplies treated water to BAT. Wells within BAT property were also visited. Discharge points: ferti-irrigatin and Levis Creak. The ferti-irrigation was visited, the discharge point at the Levis Pedroso stream is difficult to access and it was not visited.</p>
0.1.1.1	<p><i>The site(s) occupy one catchment OR an exception has been granted.</i></p> <p>Comment The BAT Santa Cruz do Sul site sits within a single water catchment area.</p>
0.1.1.2	<p><i>The scope of the proposed certification shall be under the control of a single management system.</i></p> <p>Comment The site is managed under a single-based management system.</p>
0.1.1.3	<p><i>The scope of the proposed certification shall be homogeneous with respect to primary production system, water management, product or service range, and the main market structures.</i></p> <p>Comment The site's production system and water management are homogeneous.</p>

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1	STEP 1: GATHER AND UNDERSTAND	
1.1	<i>Gather information to define the site’s physical scope for water stewardship purposes, including: its operational boundaries; the water sources from which the site draws; the locations to which the site returns its discharges; and the catchment(s) that the site affect(s) and upon which it is reliant.</i>	
1.1.1	<i>The physical scope of the site shall be mapped, considering the regulatory landscape and zone of stakeholder interests, including:</i> <ul style="list-style-type: none">- Site boundaries;- Water-related infrastructure, including piping network, owned or managed by the site or its parent organization;- Any water sources providing water to the site that are owned or managed by the site or its parent organization;- Water service provider (if applicable) and its ultimate water source;- Discharge points and waste water service provider (if applicable) and ultimate receiving water body or bodies;- Catchment(s) that the site affect(s) and is reliant upon for water.	<div> Yes</div>

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- Comment Green Leaf Treshing - GLT, BAT's specialized tobacco processing unit, began operating in 1995 on a 100 ha property. It is located in the southern part of the city of Santa Cruz do Sul and was built on an old rural property. The site has a stream (Levis Pedroso) that flows from east to west - northwest. Along the creek and in the final portion of the creek path there is a large vegetated area that originated the Environmental Park, which in total covers approximately 65 ha.
- Site boundaries: files "mapa localização do site.jpg";
"Planta_Geral_Distribuição_Área_util_LO_Usina.pdf"; 1.1.1_-_Localização_GLT.png
 - Water-related infrastructure, including piping network, owned or managed by the site: Progress in relation to the location of water meters and acquisition of 4 new water meters. Corsan water for consumption as drinking water and toilets. Well water is used for production. Files:
Mapa_de_Instalações_de_Água.pptx;
"PLANTA_HIDRÁULICA_(POT_E_IND)_detalhe_caldeira.pdf"
"PLANTA_HIDRÁULICA_(POT_E_IND)0706924.pdf"
"ZONA_4_-_SCZ60007.pdf"
"ZONA_6_-_SCZ60008.pdf"
"ZONA_7_-_SCZ60009.pdf"
"ZONA_8_-_SCZ60010.pdf"
"ZONA_9_-_SCZ60011.pdf"
"ZONA_10_-_SCZ60012.pdf"
"ZONA_12_-_SCZ60014.pdf"
"ZONA_13_-_SCZ60015.pdf"
"ZONA_14_-_SCZ60016.pdf"
 - Any water sources providing water to the site that are owned or managed by the site: BAT uses 3 wells that are within the company's boundaries
("1.1.1_-_Mapa_de_Instalações_de_Água.pptx").
 - Water service provider and its ultimate water source: Corsan collects water from Dourado Lake. The annual average of water consumed by BAT is 25%, which comes from CORSAN. However, 100% of the water consumed for industrial use comes from wells, and the water used in toilets also comes from treated effluent (reused water). Corsan water is used in taps, showers and restaurants. File:
Relatório_SVA_BAT-Santa_Cruz_do_Sul_-_SV-089-22-_REV_02_-_2022.pdf (page 95);
"1.1.1_-_Pontos_de_coleta_e_lançamento.pdf".
 - Discharge points and waste water service provider and ultimate receiving water body or bodies: The disposal of treated effluents is in the Levis Pedroso stream. BAT does not discharge effluents into the municipal sewage system (Mapa_de_Instalações_de_Água.pptx);
"1.1.1_-_Pontos_de_coleta_e_lançamento.pdf".
 - Catchment that the site affect and is reliant upon for water: The facility is located in the Pardo River Catchment, Lower Pardinho basin (BPI). The water for the process is mostly from groundwater from the Guarani Aquifer. Files:
"1.1.1_-_Catchment_that_the_site_affect_and_is_reliant.pdf"; "Unidades de gestao hidrica bacia Rio Pardo.jpg"; "Mapa esquemático aquífero Guarani.jpg" ; "Microbacia arroio Levis Pedroso.jpg" ; "Baixo pardo.jpg" ; "Planta_Geral_SCS_-_Áreas_A

- 1.2 *Understand relevant stakeholders, their water related challenges, and the site's ability to influence beyond its boundaries.*

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1.2.1	<p><i>Stakeholders and their water-related challenges shall be identified. The process used for stakeholder identification shall be identified. This process shall:</i></p> <ul style="list-style-type: none"><i>- Inclusively cover all relevant stakeholder groups including vulnerable, women, minority, and Indigenous people;</i><i>- Consider the physical scope identified, including stakeholders, representative of the site's ultimate water source and ultimate receiving water body or bodies;</i><i>- Provide evidence of stakeholder consultation on water-related interests and challenges;</i><i>- Note that the ability and/or willingness of stakeholders to participate may vary across the relevant stakeholder groups;</i><i>- Identify the degree of stakeholder engagement based on their level of interest and influence.</i>	 Yes
Comment	<p>The main stakeholders were identified according to the guidelines of the AWS standard, content available in the SVA, and the engagement prioritization strategy was established in the Engagement Plan considering the organization's power of action over interested parties and their degree of impact on the organization's business, especially on the topic of Water.</p> <p>The mapping cover all relevant stakeholders including stakeholders representative of the site's ultimate water source and ultimate receiving water body and including vulnerable, women, minority (there isn't indigenous people in this region).</p> <p>Corsan was involved and generated a service contract that involves the communication of any water concerns by both parties.</p> <p>Evidence: 1.2.1_1.2.2_-_Plano_de_engajamento_de_partes_interessadas_-_SCS_2024_V2.xlsx 1.2.1_-_Areas_indígenas.pptx 1.2.1-1.4.2_-_Forms_Fornecedores-2024.xlsx</p>	
1.2.2	<p><i>Current and potential degree of influence between site and stakeholder shall be identified, within the catchment and considering the site's ultimate water source and ultimate receiving water body for wastewater.</i></p>	 Yes
Comment	<p>The Site identified the current and potential degree of influence between site and stakeholder and represented through a matrix that relates influence and interest of stakeholders.</p> <p>Evidence: 1.2.1_1.2.2_-_Plano_de_engajamento_de_partes_interessadas_-_SCS_2024.xlsx (at 1.2.2)</p>	
1.3	<p><i>Gather water-related data for the site, including: water balance; water quality, Important Water-Related Areas, water governance, WASH; water-related costs, revenues, and shared value creation.</i></p>	
1.3.1	<p><i>Existing water-related incident response plans shall be identified.</i></p>	 Yes

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Comment BAT has a water resilience plan related to preventive actions and emergencies related to the company's water supply. In addition to this plan, the SCS Emergency Plan, Abandonment Plan and Simulation and plan for flood situations were presented during the audit. This plans shows the level of contingency with actions and responsibilities to act in case of a water-related incident. The water-related incidents in the plans are:

- failure in the water supply to BAT
- Leak or spill of chemical products
- Fire in chemical/toxic products
- Leak of diesel oil/kerosene (tank/distribution and consumption system)
- Emergency in LPG, Acetylene and Oxygen
- Drowning
- Fire in the forest, green area outside the company
- Pandemic or highly contagious disease,
- Flood
- lack of drinking water for the region.

Evidence:

1.3.1 - Plano_de_resiliência_hídrica_SCS_-_v3.xlsx
 "1.3.1-4.2.1 - plano_abandono_emergência.pdf"
 "1.3.1 - Ações_Durante_a_Crise_enchente.pdf"
 "1.3.1 - Ações_Voluntariado_(crise).pdf"
 "1.3.1 - Plano_de_emergência_GERAL_Usina_SCS.pdf"
 "Plano_Abandono_e_Simulado_2024.pptx"

1.3.2 *Site water balance, including inflows, losses, storage, and outflows shall be identified and mapped*



Yes

Comment The BAT's Water Balance include inflows, losses, storage, and outflows are identified and mapped. BAT presented a Water Balance, containing the following additional information:

- Entry and exit of water adhered to the tobacco (humidity of the leaf);
- Tobacco evaporation;
- Rainwater entry into the ETE;
- Water balance rationale (Input x Consumption).
- Comparison 2023 x 2023;
- % not measured/losses.

Evidence:

1.3.2 - Water_Balance_2024 - BAT_(15_nov).xlsx
 "1.3.2 - Water_Balance_2024 - BAT_V_final.xlsx"
 "1.3.2 - água_aderida_ao_tabaco.png"

1.3.3 *Site water balance, inflows, losses, storage, and outflows, including indication of annual variance in water usage rates, shall be quantified. Where there is a water-related challenge that would be a threat to good water balance for people or environment, an indication of annual high and low variances shall be quantified.*



Yes

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Comment The Water Balance quantified inflows, losses, storage, and outflows. The drinking water supplied by CORSAN is used mainly in taps (40%) along the GLT (handwashing and human consumption) and in the restaurant (28%). The industrial water produced from the site's wells is mainly consumed by Cooling Towers (29%), followed by Boilers (25%). A equipment (humidity sensor) measures the humidity of 100% of the bales that enter the company. Additionally, every 60 bales, a sample of 1 bale is collected to analyze the amount of moisture in the laboratory.

BAT presented a Water Balance, containing the following additional information:

- Entry and exit of water adhered to the tobacco (humidity of the leaf);
- Tobacco evaporation;
- Rainwater entry into the ETE;
- Water balance rationale (Input x Consumption).
- Comparison 2023 x 2023;
- % not measured/losses.

The difference between inputs and outputs is 2%.

There is a water-related challenge that would be a threat to good water balance for people or environment.

Evidence: 1.3.2 - Water Balance 2024 - BAT (15_nov).xlsx (There is uploaded in 1.3.2; see sheet "Closing annual balance")

1.3.4 *Water quality of the site's water source(s), provided waters, effluent and receiving water bodies shall be quantified. Where there is a water-related challenge that would be a threat to good water quality status for people or environment, an indication of annual, and where appropriate, seasonal, high and low variances shall be quantified.*


Yes

Comment Water quality is assessed at different frequencies according to its source and use. BAT presented the results of water quality analysis at water intake points (Corsan and wells), water consumption points (drinking fountains and sinks), and effluent outlets.

These effluent water quality analysis results are communicated to the environmental agency every six months (half-yearly report dated 07/24/2024, with results from January to June 2024). An update of the limit concentration values of phosphorus in the final effluent was requested from the environmental agency and accept by the (update of Operation License issued on 11/12/24 with the updated limit value conditions for effluents (4.0 mg/l of total phosphorus)). The results of the total phosphorus concentration are equal to 3.83 mg/l in September/2024 and 3.04 mg/l in October 2024.

The 2020 analysis of the water quality of the Pardo River indicates that this basin has regionally poor surface water quality.

Evidence:
3.4.1 - Quality_Water_Monitoring_2024.xlsx
1.3.4 - Action_Plan - Fósforo.pdf

1.3.5 *Potential sources of pollution shall be identified and if applicable, mapped, including chemicals used or stored on site.*


Yes

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Comment BAT presented a map showing the location of potential contamination points and assessed the risk level of each one based on the relationship between severity and probability of an accident occurring. Control measures were determined to prevent the risks from occurring. Before the application of the control measures, there were potential contamination points with high and medium risk, and after the application of the control measures, the residual risk became low.

A report on electrical transformers attesting that the oils are considered not contaminated with PCBs.

BAT presented during the audit an inventory of chemical products used by the BAT team and by third-party companies that operate within the BAT site (inventario PQ BAT – atualizado).

Evidence attached:

Mapeamento_e_avaliação_dos_Contaminantes.pptx
 "1.3.5 - APR - Plano Contaminantes GLT_SCS_Revisada_(1).xlsx"
 "1.3.5 - TESTE DE ÓLEO_Ascarel_PCB_(003).pdf"
 "1.3.5 - Inventário_PQ_BAT_- _atualizado.xlsx"
 "1.3.5 - 1.5.5 - Mapeamento_IWRAs_OK.pdf"
 "1.3.5 - 1.5.5_BR_GLT_SCS_AWS_- _Matriz_Avaliacao_IWRA.xlsx"

1.3.6 *On-site Important Water-Related Areas shall be identified and mapped, including a description of their status including Indigenous cultural values.*


Yes

Comment The site identified and mapped on-site Important Water-Related Areas and also on the catchment. The site analysed their status. Within the BAT property there is the Souza Cruz Environmental Park, area owned by BAT Brasil:

- Abundance of biodiversity
- 600,000 m² of total area
- 9 lakes
- Flora species from all over the world
- Preserved riparian forest of the Levis Pedroso stream (100,000 m²)
- Refuge for native fauna
- Open to public visitation

The assessment of the state of the IWRA was carried out in accordance with information and data from the basin's stakeholders. The main bibliographic and scientific base was prepared by the technical team of the DRH (Department of Water Resources), FEPAM (State Foundation for Environmental Protection) and the Pardo Committee.

Evidence:

"1.5.5_BR_GLT_SCS_AWS_- _Matriz_Avaliacao_IWRA.xlsx"
 "1.5.5 - _Mapeamento_IWRAs_OK.pdf"

1.3.7 *Annual water-related costs, revenues, and a description or quantification of the social, cultural, environmental, or economic water-related value generated by the site shall be identified and used to inform the evaluation of the plan in 4.1.2.*


Yes

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Comment The site identified the costs (period of 2022 - 2024) of maintenance and efficiency improvement of wells and analysis of water from wells; costs avoided with the circular economy of water; and the site has a description of social and cultural values, environmental water-related value generated by the site (SVA pages 70-72).

The site presented:

- Incoming water cost for municipal water.
- The cost related to operation of the well.
- The cost of effluent treatment.
- payments to specialists that works to obtain the license of the weels,
- The cost of drinking water bottles.
- payment for projects related to water,
- stakeholder engagement and associated activities costs,
- costs with hours worked by employees in water-related actions.

The certification costs are allocated in the corporate costs. Regarding the cost related to water consumed by the company, most of the costs are in the payment of water-related projects (phase II of reverse osmosis, ferti-irrigation and bathroom renovation).

Evidence:

1.3.7-Dash_custos.png

1.3.7_-_custos_com_água_-_24_2.xlsx

1.3.8 *Levels of access and adequacy of WASH at the site shall be identified.*



Yes

Comment The site identified the levels of access and adequacy of WASH. The site has 300 people, 65 WC facilities and 14 potable drinking water stations. The site meets and exceeds the national requirement, NR24, about minimal quantities of sanitary facilities. The site monitor the quality of drink water.

Evidence:

"1.3.8_3.9.5_-_Dados_dimensioamento_sanitário_usina_NR_24.xlsx"

"1.3.8_-_Banheiros.png"

1.4 *Gather data on the site's indirect water use, including: its primary inputs; the water use embedded in the production of those primary inputs the status of the waters at the origin of the inputs (where they can be identified); and water used in out-sourced water-related services.*

1.4.1 *The embedded water use of primary inputs, including quantity, quality and level of water risk within the site's catchment, shall be identified.*



Yes

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Comment Tobacco leaves are BAT's primary input. The availability of water in tobacco cultivation is a limiting factor for several aspects of the product, which affects the its classification when it arrives from the field, its processing in industry, its chemical aspects of quality and significantly impacts the quality of the final product. In this relationship, humidity is an important factor in tobacco negotiation. To monitor it, BAT develops research and has in its operations equipment capable of measuring the humidity of tobacco bales by microwave.

BAT proposes to tobacco producers a technological package of implements and practices aimed at socio-environmental and quality aspects, which contribute to the sustainability of the rural property.

Another strategy adopted by the company is the traceability of the production chain, and BAT received Integrated Production certification from the Ministry of Agriculture. In this system, among many other benefits, all bales of tobacco are tracked, allowing feedback to the system for decision making, robustly directing continuous improvement. With current controls it is possible to track the group of producers who supplied the tobacco to each box produced at the Santa Cruz do Sul plant, as well as quantifying all the moisture that arrives at the company absorbed by the main raw material, tobacco.

The amount of water consumption avoided due to the reuse of cardboard boxes (indirect use of water required to manufacture the boxes) was raised.

Evidence:

"1.4.1_Dados_Fornecedor_Tabaco.PNG" (water management in tobacco value chain – Water consumption Tobacco Producers).

"1.4.1_-_Oportunidade_Klabin.pdf"

1.4.2 *The embedded water use of outsourced services shall be identified, and where those services originate within the site's catchment, quantified.*



Yes

Comment BAT identified the embedded water use of outsourced services through the collection of information through a questionnaire sent to the supplier containing several questions related to water management (e.g. BAT sent a questionnaire to a metallurgical company and waste managers). FUPASC supplier (responsible for the disposal of waste at BAT) replied that it consumes 0.671 m³ of water/tons of organic fertilizer produced.

Evidence: 1.4.2_-_Forms_Fornecedores-2024.xlsx

1.5 *Gather water-related data for the catchment, including water governance, water balance, water quality, Important Water-Related Areas, infrastructure, and WASH*

1.5.1 *Water governance initiatives shall be identified, including catchment plan(s), water-related public policies, major publicly-led initiatives under way, and relevant goals to help inform site of possible opportunities for water stewardship collective action.*



Yes

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Comment Water governance initiatives were identified by the site, including catchment plan(s), water-related public policies, major publicly-led initiatives under way, and relevant goals to help inform site of possible opportunities for water stewardship collective action. initiatives: Pardo Plan, Redenção do Pardo - Pardo Environmental Education Network, bank of areas for forest replacement.

Governance actions in the Pardo Basin are conducted by the bodies established by the National Water Policy, especially in the form of the Pardo Basin Committee. BAT participates indirectly in the committee through a representative from the Sinditabaco employers' union.

During the AWS certification process, it was found that the groundwater authorized for use by the company is partially recharged by the Levis Pedroso Stream microbasin, which motivated the company to diagnose land use in this area through a research project in partnership with UNISC. Governance actions beyond the boundaries of BAT's property focus on stakeholder engagement and ongoing research in the form of the project in question. Relevant goals to help inform site of possible opportunities for water stewardship collective action: the site has a plan to engage with the stakeholders (on the Water Strategy Plan - look attached at 2.3.2).

Evidence:
1.5.1_-_Water_governance_initiatives_.pptx

1.5.2 *Applicable water-related legal and regulatory requirements shall be identified, including legally-defined and/or stakeholder-verified customary water rights.*


Yes

Comment The company has a strategy of constant monitoring of legal requirements and adequacy through action plans. For that the company uses the Cal 4.0 system. The Cal 4.0 helps manage legal requirements in a centralized and logical way. Assessment of applicability and compliance with legislation is registered in CAL 4.0®.

1.5.3 *The catchment water-balance, and where applicable, scarcity, shall be quantified, including indication of annual, and where appropriate, seasonal, variance.*


Yes

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Comment BAT presented the water balance at SVA (pag 40 (Regional water balance), pag 360 (scarcity), pag 369 (indication of annual, and where appropriate, seasonal, variance)).

Water-balance for Pardo River Catchment:

- precipitation: 6.696,4 million m³
- evapotranspiration: 3.734,6 million m³
- consumptive use of water: 125,95 million m³
- Hydric balance = 2.835,8 million m³

Water availability of surface water: Surface water availability for the entire Pardo River Basin is around 107,1 m³/s, in annual average terms, varying monthly from a maximum of 169,2 m³/s (in July) to a minimum of 50,8 m³/s (in March). The availability associated with a 90% permanence is 8,49 m³/s in annual terms, varying between 24.18 m³/s (in July) and 5,19 m³/s (in April). The minimum surface water availability of the Rio Pardo basin corresponds to 8,49 m³/s, about 47,08% (3,994 m³/s) were already granted in 2005.

Problems related to water quantity are of two types: excess and scarcity. Both can be understood as natural phenomena, aggravated by human action.

The topography and relief of the Basin impose a morphology that results in large slopes and unevenness between the upper and lower parts, of the order of 400 at 500 m. The geology, with the predominance of basaltic rocks covered with thin layers of soil, in the upper and middle parts of the Basin, imply low permeability to the natural terrain: thus, on the one hand there is a greater surface runoff and, on the other hand, a lower infiltration and respectively lower retention and sub-surface storage. The format, elongated in the upstream-downstream direction, and transverse to the sudden change in altitudes of the natural terrain, contributes a lot to accelerate the flow of water, further reducing the possibilities of infiltration and natural retention. As a last aggravating element, there is the influence of the relief of the Basin in the formation of orographic and frontal-orographic rainfall, intense and concentrated along the escarpment region (which consists of protection against fronts coming from the south). The conjunction of these four natural factors (morphology, geology, geometry and influence on rainfall) results in a picture quite accentuated as to the occurrence of high river flows, alternated with periods of more depressed fluvial regime, due to the low capacity for natural regulation.

Currently there is no implementation of transfer structures between basins involving the Rio Pardo watershed.

Groundwater Water Availability: According to data presented in the Water Resources Plan for the Rio pardo Basin, in the upper portions, where the fractured aquifer of the Serra Geral formation predominates, and the lower portions, where the aquitards of the Sanga do Cabral formation and the aquiclude of the siltstone portion and claystones from the Santa Maria Formation, have low exploration potential. While the slopes region, where the aquifers of the Botucatu Formation, Caturrita and the sandstone portion of the Santa Maria Formation predominate, present a high exploration potential, and these formations are part of the recharge area of the Guarani Aquifer System.

Evidence:

- "Step_1_-_Gather_&_Understand_2024_2.pptx" (attached at step 1),
- Relatório_SVA_BAT-Santa_Cruz_do_Sul_-_SV-089-22-_REV_02_-_2022.pdf (attached at 1.1.1)

1.5.4

Water quality, including physical, chemical, and biological status, of the catchment shall be identified, and where possible, quantified. Where there is a water-related challenge that would be a threat to good water quality status for people or environment, an indication of annual, and where appropriate, seasonal, high and low variances shall be identified.



Yes

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Comment BAT monitor the quality of the watercourse (Arroio Levis Pedroso), checking GLT's capacity and impact on it. The data regarding catchment water quality is at SVA (page 361 onwards , page 423 shows IQA for Pardinho River).

Surface water quality: according to analyzes carried out in 2004 by the State Department of Water Resources, in the upper sections of the drainage network of the Basin (located further upstream) better patterns are observed qualitative, usually resulting in Water Quality Indexes - WQI (in portugues - IQA)) Good. Further downstream, and as the human presence and productive actions are intensified, these qualitative patterns show clear degradation, only regular WQI (IQA) is being checked. According to the Surface Water Quality Report of the State of Rio Grande do Sul, during the year 2019, 70% of the samples exceeded the limits established for Escherichia coli and total phosphorus (being poor the water quality related to these parameters).

Groundwater quality: In general, the water has an alkaline tendency with (pH between 8-9), being in 68% of mild character in terms of hardness, in 84% considered sweet and suitable for human consumption. The other variation bands for the physical and inorganic parameters analyzed are within the normality, expected for the geological framework that shelters them.

Evidence:

- "Step_1_-_Gather_&_Understand_2024_2.pptx" (attached at step 1),
- Relatório_SVA_BAT-Santa_Cruz_do_Sul_-_SV-089-22-_REV_02_-_2022.pdf (at 1.1.1)
- 1.5.4_-_Avaliação_curso_hídrico.pdf

1.5.5 *Important Water-Related Areas shall be identified, and where appropriate, mapped, and their status assessed including any threats to people or the natural environment, using scientific information and through stakeholder engagement.*



Comment The site identified and mapped the IWRAs at Pardo River Catchment. The assessment of the status of IWRAs was made in accordance with information and data from Basin stakeholders. The main bibliographic and scientific base was prepared by the technical team of the DRH (Department of water resources), FEPAM (State Foundation for the Protection environmental) and Pardo River Committee.

IWRAs were assessed by following these steps:

1-Identification

Areas that can somehow generate protection of water resources and that have stakeholder involvement were considered and identified. IWRAs identified in the Official Basin Plan (Brown Committee) were included.

2- Mapping

Scientific data and information from stakeholders were used to locate and size the IWRAs.

3-State

The status of the IWRAs was classified considering stakeholder reports and studies carried out by the stakeholders.

Evidence:

- "1.5.5_BR_GLT_SCS_AWS_-_Matriz_Avaliacao_IWRA.xlsx"
- "1.5.5_-_Mapeamento_IWRAs_OK.pdf"

1.5.6 *Existing and planned water-related infrastructure shall be identified, including condition and potential exposure to extreme events.*



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Comment BAT identified the water-related infrastructure in SVA. The SVA has done research on public data basis (page 20 - information about the CORSAN water collection system for Santa Cruz do Sul). There is a risk water atlas related to scarcity (as extreme event), as a first approach is applicable as a regional and general context. SVA report mapped vulnerability in relation to the lack of information about conditions of CORSAN infrastructures. BAT engaged with local water company - CORSAN - to understand the water distribution infrastructure from abstraction to distribution and assess physical vulnerabilities to extreme events, and obtained a contract with CORSAN in December 2022 (page 107 of the SVA). Site had purposed a strategy for this process, specially considering some changes predicted for the system and its corporative owner. After a public procurement process the company moved from public to private sector.

BAT has also actions with the tobacco farmers regarding water-related infrastructure:

- ESG Farms: Socio-environmental monitoring program with the objective of diagnose properties with a bias towards continuous improvement of producers integrated. (Ex: Producer Joel – Santa Cruz do Sul – RS).
- Water Scarcity Project: Assessment of the risk of water scarcity in producers integrated efforts to identify potential risk factors for water resources.
- Donation of Water Reservoirs: Water donation program launched approximately 300 reservoirs for rural producers in situations of social vulnerability and at risk of water supply (Vera Cruz – RS).

Evidence:

- Relatório_SVA_BAT-Santa_Cruz_do_Sul_-_SV-089-22-_REV_02_-_2022.pdf (at 1.1.1)
- "1.5.6_Mapalmagem_JoelJunkherr.pdf"
- "1.5.6_Diagnóstico_JoelJunkherr_1.pdf"

1.5.7 *The adequacy of available WASH services within the catchment shall be identified.*



Yes

Comment BAT identified information about WASH at Water and Sewage Atlas of ANA (National Agency for Water and Basic Sanitation). According to data from the Water and Sewage Atlas, the municipality of Santa Cruz do Sul has a sewage collection rate of 95% and a sewage treatment rate of 67%. And according to the Panel Saneamento Brasil (2018), Santa Cruz do Sul has a water service rate of 88.9%.

Evidence: Relatório_SVA_BAT-Santa_Cruz_do_Sul_-_SV-089-22-_REV_02_-_2022_ (page 44) (attached at 1.1.1)

1.6 *Understand current and future shared water challenges in the catchment, by linking the water challenges identified by stakeholders with the site's water challenges.*

1.6.1 *Shared water challenges shall be identified and prioritized from the information gathered.*



Yes

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Comment BAT identified the shared water challenges and prioritized this challenges. Shared water challenges:

- Lack of publicly available information for consultation on monitoring and maintenance activities of Corsan's water resources-related structures
- There is no data availability on groundwater for the Pardo river Basin and surface water availability data is out of date.
- There are potentially polluting activities in the surrounding area and the state of Rio Grande do Sul does not have public lists of contaminated and rehabilitated areas for consultation.
- Corsan's current water supply capacity is lower than the demand in Santa Cruz do Sul.
- The analysis of the water quality of the Pardo river in 2020 indicates that this basin has regionally poor surface water quality.
- There is no consolidated data at the basin level, such as rainfall, evapotranspiration, future demands, or they are quite old, such as consumption data (2005).
- The unit is not currently a member of the Rio Pardo Basin Committee, but only receives reports from the entity's representative, SindiTabaco.
- The unit does not currently participate in and is unaware of the discussions of the Santa Cruz do Sul Public Services Regulatory Agency
- The unit has the opportunity to promote collaborative strategies related to prevention and action in the face of climate crises.

In 2024 three challenges was added (experienced in the 2024 crisis):

- Reliability of supply (color and taste of water)
- Climate crises (floods)
- Efficiency of public policies

These new shared challenges came from stakeholder engagement.

Evidence: -

1.6.1_1.6.2_1.7.1_2.4.1-_Plano_de_mitigaç o_de_Riscos_e_vulnerabilidades_-_Vers o_Final.xlsx

1.6.2 *Initiatives to address shared water challenges shall be identified.*



Yes

Comment BAT identified 9 initiatives to address shared water challenges. Some of the initiatives are:

- Encourage the development of studies within the Pardo River Basin Committee to update surface data and obtain groundwater availability data;
- Prepare the website for the water situation of the basin in which it is located;
- Search for a supplier in the market that meets the water demand;
- Collaborate in groups developing current data collection for the Pardo River basin, preferably within the Basin Committee;
- Involve research institutions in this data collection (UNISC);
- Participate in Basin Committee and AGERST meetings;
- in relation to the climate crisis: take the issue to Sinditabaco (example of the PAM Program).

Evidence: -

1.6.1_1.6.2_1.7.1_2.4.1-_Plano_de_mitigaç o_de_Riscos_e_vulnerabilidades_-_Vers o_Final.xlsx

1.7 *Understand the site's water risks and opportunities: Assess and prioritize the water risks and opportunities affecting the site based upon the status of the site, existing risk management plans and/or the issues and future risk trends identified in 1.6.*

1.7.1 *Water risks faced by the site shall be identified, and prioritized, including likelihood and severity of impact within a given timeframe, potential costs and business impact.*






Yes

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Comment	<p>BAT Santa Cruz do Sul identified the risks faced by the site. The risks identified was prioritized including likelihood and severity of impact within a given timeframe, and the risks had their impacts on the business identified.</p> <p>Risks that present high or very high impact severity and jointly present medium, high or very high probable frequency obtained a very high mitigation prioritization classification. Risks with this very high prioritization classification were in the following risk categories: River Basin Sustainability (risk factor: water availability), Supply Reliability (risk factor: Water Supply Policy).</p> <p>Evidence: 1.6.1_1.6.2_1.7.1_2.4.1-Plano_de_mitigaçao_de_Riscos_e_vulnerabilidades_-_Versão_Final.xlsx (attached at 1.6.1)</p>	
1.7.2	<p><i>Water-related opportunities shall be identified, including how the site may participate, assessment and prioritization of potential savings, and business opportunities.</i></p>	 Yes
Comment	<p>BAT Santa Cruz do Sul identified 7 Water-related opportunities, including how the site may participate, prioritization and costs, and business opportunities. The following potential benefits were analyzed:</p> <ul style="list-style-type: none"> - Potential Benefit to Water Stewardship Actions On-site - Potential Benefit to Water Stewardship in the Actions in Catchment Potential improvement in legal complaints - Potential improvement to Good Water Governance - Improvement to Company Reputation - Potential Cost of Implementation <p>The opportunities that obtained the highest score in benefit potential were: Installation of flowmeters Condensate and Total recycling of reverse osmosis water.</p> <p>Evidence: 1.7.2_Water_related_Opportunities_Register(NEW)__.xlsx</p>	
1.8	<p><i>Understand best practice towards achieving AWS outcomes: Determining sectoral best practices having a local/catchment, regional, or national relevance.</i></p>	
1.8.1	<p><i>Relevant catchment best practice for water governance shall be identified.</i></p>	 Yes
Comment	<p>The site identified relevant catchment best practice for water governance. There is a catchment committee "Comitê do Bacia do Rio Pardo" established several years by Federal Mandate, and participating in or having knowledge of the content of meetings through the union is one of the best practices identified, as well as to participate/be aware of the work of AGEPARDO and the University.</p> <p>The area where the site is located has several tobacco companies, and is a centre for tobacco farming of the world. Therefore, there are initiatives to work with the tobacco farmers through the sourcing department of each tobacco company, and understanding the risks linked to the use of water.</p> <p>Evidence: 1.8.1_1.8.2_1.8.3_1.8.4_-_Best_Practices_-_local_catchment.xlsx</p>	
1.8.2	<p><i>Relevant sector and/or catchment best practice for water balance (either through water efficiency or less total water use) shall be identified.</i></p>	 Yes
Comment	<p>BAT identified the best practices for water balance through participation in the basin committee meeting where it has access to periodic technical reports for critical issues raised in committee meetings. Also projects about water reutilization, like waste water after treatment.</p> <p>Evidence: 1.8.1_1.8.2_1.8.3_1.8.4_-_Best_Practices_-_local_catchment.xlsx (at 1.8.1)</p>	

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1.8.3	<i>Relevant sector and/or catchment best practice for water quality shall be identified, including rationale for data source.</i>	 Yes
Comment	<p>BAT identified relevant sector and catchment best practice for water quality through access to the water quality monitoring data of the basin carried out by the state agency FEPAM, actions related to the responsible use of pesticides in tobacco crops (reverse packaging logistics, triple washing), research projects at the University (Limnology Laboratory) and FUPASC's role in Industrial Waste Management. The factories of the sector and/or catchment conduct water tests for quality of the groundwater and of the municipal water. Usually, they have WWTP for the effluents to comply with the local regulation.</p> <p>Evidence: 1.8.1_1.8.2_1.8.3_1.8.4_-__Best_Practices_-_local_catchment.xlsx (at 1.8.1)</p>	
1.8.4	<i>Relevant catchment best practice for site maintenance of Important Water-Related Areas shall be identified.</i>	 Yes
Comment	<p>BAT identified in the catchment several IWRAs where different conservation strategies are applied, which are identified in the mapping. BAT added a new best practice: Make IWRA (Environmental Park) available to the community.</p> <p>Evidence: 1.8.1_1.8.2_1.8.3_1.8.4_-__Best_Practices_-_local_catchment.xlsx (at 1.8.1)</p>	
1.8.5	<i>Relevant sector and/or catchment best practice for site provision of equitable and adequate WASH services shall be identified.</i>	 Yes
Comment	<p>In Brazil there is a Regulatory Norm that establishes sanitary conditions in the work environment, called NR 24. WASH-related actions that exceed compliance with this NR24 are considered best practices. Best practices related to WASH are also considered within the WSP.</p> <p>Evidence: 1.3.8_3.9.5_- _Dados_dimensionamento_sanitário_usina_NR_24.xlsx 2.3.2_Water_stewardship_plan_-_Strategy_plan_-2024_OK (1).xlsx</p>	

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2	STEP 2: COMMIT & PLAN - Commit to be a responsible water steward and develop a Water Stewardship Plan	
2.1	<i>Commit to water stewardship by having the senior-most manager in charge of water at the site, or if necessary, a suitable individual within the organization head office, sign and publicly disclose a commitment to water stewardship, the implementation of the AWS Standard and achieving its five outcomes, and the allocation of required resources.</i>	
2.1.1	<i>A signed and publicly disclosed site statement OR organizational document shall be identified. The statement or document shall include the following commitments:</i> <ul style="list-style-type: none"> - That the site will implement and disclose progress on water stewardship program(s) to achieve improvements in AWS water stewardship outcomes - That the site implementation will be aligned to and in support of existing catchment sustainability plans - That the site's stakeholders will be engaged in an open and transparent way - That the site will allocate resources to implement the Standard. 	 Yes
Comment	Bat Sta Cruz do Sul has a public document aligned with the five outcomes of AWS. This document is signed by Maurício Cantisani, Head of GLAD & Leaf Latam South – BAT Brasil. This commitment is publicized through a poster inside the company and on the company website. Evidence: Compromisso_AWS_2024.pdf https://www.batbrasil.com/pt/sustentabilidade-e-responsabilidade/fabrica-inteligente	
2.2	<i>Develop and document a process to achieve and maintain legal and regulatory compliance.</i>	
2.2.1	<i>The system to maintain compliance obligations for water and wastewater management shall be identified, including:</i> <ul style="list-style-type: none"> - Identification of responsible persons/positions within facility organizational structure - Process for submissions to regulatory agencies. 	 Yes
Comment	The site identified the responsible persons/positions within facility organizational structure and the Process for submissions to regulatory agencies (processes and procedures for itemizing relevant regulations, summarizing the compliance requirements and obligations). The responsible persons/positions area described at Strategic Plan and at Procedure "RESPONSABILIDADES EHS 2024". For legal obligations, BAT use IUSNATURA which is a service of legal management for the site. The system is called "Cal 4.0". This platform identifies all the applicable regulations for the site. IUSNATURA sends monthly alerts by email of updated regulations. Then, each responsible of the site has a user in the system and fills the information regarding compliance. Evidence: "Plano_Estratégico_AWS_-_SCS_-_2024.pdf" "Step_2_-_Commit_Plan_2024_2.pptx" (attached at Step 2) 2.2.1_-_Controle_de_obrigações_legais_-_2024.xlsx	
2.3	<i>Create a water stewardship strategy and plan including addressing risks (to and from the site), shared catchment water challenges, and opportunities.</i>	
2.3.1	<i>A water stewardship strategy shall be identified that defines the overarching mission, vision, and goals of the organization towards good water stewardship in line with this AWS Standard.</i>	 Yes

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Comment The site identified mission, vision, and goals of the organization towards good water stewardship in line with this AWS Standard.

Evidence:

"Plano_Estratégico_AWS_-_SCS_-_2024.pdf"

"Step_2_-_Commit_&_Plan_2024_2.pptx" (attached at Step 2)

2.3.2 A water stewardship plan shall be identified, including for each target:

- How it will be measured and monitored
- Actions to achieve and maintain (or exceed) it
- Planned timeframes to achieve it
- Financial budgets allocated for actions
- Positions of persons responsible for actions and achieving targets
- Where available, note the link between each target and the achievement of best practice to help address shared water challenges and the AWS outcomes.


Obs.

Comment BAT presented the Water Strategy Plan 2024 which included for each target:

- How it will be measured and monitored.
- Actions to achieve and maintain (or exceed) it.
- Planned timeframes to achieve it.
- Financial budgets allocated for actions.
- Positions of persons responsible for actions and achieving targets.
- the link between target and the achievement of best practice to help address shared water challenges and the AWS outcomes, and
- status of the actions

Since the creation of the WSP, 49 actions have been planned to meet the Objectives and targets, with 43 of these actions having been completed in December 2024 and 6 actions remaining in progress. Example:

Objective -Sustainable water management that seeks to expand on-site water recycling; target - Achieve a reuse rate of at least 30% by 2023 and 32% by 2024; accomplished with the indicator - reuse percentage reached 31% by 2023 and 33% by 2024.

BAT incorporated initiatives to address shared water challenges at WSP (that are in the Mitigation Plan presented in requirement 1.6.1

(1.6.1_1.6.2_1.7.1_2.4.1- Plano_de_mitigação_de_Riscos_e_vulnerabilidades_-_Versão_Final.xlsx)). Some of the initiatives incorporated are:

- Search for a supplier in the market that meets the water demand;
- Participate in Basin Committee and AGERST meetings;

However, there is still room to reflect in the WSP the actions that are related to the shared challenges, challenges and actions that are set out in the Mitigation Plan. (OBS).

Evidence:

2.3.2_Water_stewardship_plan_-_Strategy_plan_-2024_OK (1).xlsx

2.4 Demonstrate the site's responsiveness and resilience to respond to water risks

2.4.1 A plan to mitigate or adapt to identified water risks developed in co-ordination with relevant public-sector and infrastructure agencies shall be identified.


Yes

Comment BAT Santa Cruz do Sul has a plan to mitigate or adapt to identified water risks, where, for each of the challenges, the proposed actions, the people responsible and the deadlines for completion, status and costs are described.

1.6.1_1.6.2_1.7.1_2.4.1- Plano_de_mitigação_de_Riscos_e_vulnerabilidades_-_Versão_Final.xlsx (attached at 1.6.1)

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3 STEP 3: IMPLEMENT - Implement the site's stewardship plan and improve impacts
<p>3.1 <i>Implement plan to participate positively in catchment governance.</i></p>
<p>3.1.1 <i>Evidence that the site has supported good catchment governance shall be identified.</i> ✔ Yes</p> <p>Comment BAT Santa Cruz do Sul participates of the catchment committee "Comité do Bacia do Rio Pardo". They represent the industry in the meetings on the environmental section, participates in sinditabaco's event about good environmental and water management with productive cadeia. BAT supports FUPASC in environmental foundation's project about good environmental and water management with local school. Each tobacco farmer has a contract yearly with BAT for the specific quantity of tobacco that they will produce that season. Therefore, improvement actions are in place with all the farmers contracted every season. This is part of the GAP (Good Agriculture Practices) scheme that BAT has with all farmers (BPA - Boas Practicas de Agricultura).BAT also participated in Unisc Events related to good water management and has meeting with stakeholders for by supported good catchment governance</p> <p>Evidence: Step_3_-_Implement_2024_2.pptx (Attached at Step 3).</p>
<p>3.1.2 <i>Measures identified to respect the water rights of others including Indigenous peoples, that are not part of 3.2 shall be implemented.</i> ✔ Yes</p> <p>Comment There isn't tradicional water right conflicts in the catchment. There isn't Indigenous peoples in the region were BAT has his activities. All water uses in the operation are under compliance relationship with the responsible entity in the government. Authorization for abstraction of underground water (Outorga dos Poços): SVA item 8.1, Table 8.1.1 (Portaria SEMA nº 183/2003 for well 02; Portaria SEMA nº 631/2005 for well 01; Portaria SEMA nº 632/2005 for well 03). Agreement with CORSAN - public water provider - Agreement for subscription to water supply and/or collection services, removal and treatment of sanitary sewage, signed on December 13, 2022 (Anexo 1, pag 107). Evidences: Relatório_SVA_BAT-Santa_Cruz_do_Sul_-_SV-089-22-_REV_02_-_2022.pdf (at 1.1.1) "3.1.2_-_Contrato_CORSAN_-_Código_do_Imóvel_0001941034-4.pdf" "Outorgas_Poços_1_2_e_3.pdf"</p>
<p>3.2 <i>Implement system to comply with water-related legal and regulatory requirements and respect water rights.</i></p>
<p>3.2.1 <i>A process to verify full legal and regulatory compliance shall be implemented.</i> ✔ Yes</p>

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Comment For legal compliance, BAT uses IUSNATURA which is a service of legal compliance check. IUSNATURA conducts every year an internal audit of compliance that last for a week. The results are presented in a report "compliance report". The last report was "Relatório de Visita". The platform is permanently updated, as it includes the changes of the legal framework and compliance new information provided by the site. In an annual base, the site is assessed to check their processes in compliance with the ISO 14001:2015 standard, since 2000. BAT has also a table for monitoring legal conditions, attached in 2.2.1.

Evidence:
3.2.1 - CAL.pdf
3.2.1 - Licença de Operação nº 4475-2024.pdf
Step_3 - Implement_2024_2.pptx (Attached at Step 3).

3.2.2 *Where water rights are part of legal and regulatory requirements, measures identified to respect the water rights of others including Indigenous peoples, shall be implemented.*



Yes

Comment BAT Santa Cruz do Sul don't use superficial water, only water from CORSAN and the use of weels has authorization from DRH (Department of Water Resources). The use of weels from the site is limited, by the grant, and has a sustainable approach. There are no conflicts with other stakeholders. BAT indicated there is no indigenous groups in the area. The predominant socio-cultural profile in Baixo Pardo River is very homogeneous and widely polarized by the ethnic-cultural characteristic of german origin.

Conflicts related to water resources are very much based on problems of intense use of natural resources and the productive capacity of the local environment, leading to deforestation of riparian vegetation, silting of watercourses, scarcity of water resources and floods, with repercussions on the intense occupation of the marginal areas to the Pardo river and its tributaries by rural and urban human populations, among others. Despite the seriousness and diversity of registered problems, however, there is no concentration of conflicts over a reduced number of actors, but a diffuse spread of problems among a wide and varied set of actors and institutions.

Evidence:
- Relatório_SVA_BAT-Santa_Cruz_do_Sul_-_SV-089-22-_REV_02_-_2022.pdf (page 231) (at 1.1.1)
- 3.6.2-3.2.2 - Verificação Limite Outorgas.xlsx
- Step_3 - Implement_2024_2.pptx (Attached at Step 3).

3.3 *Implement plan to achieve site water balance targets.*

3.3.1 *Status of progress towards meeting water balance targets set in the water stewardship plan shall be identified.*



Yes

Comment Using the 2017 baseline, BAT set a target of 35% reduction in consumption of total water for 2025. Considering this premise, the Santa Cruz do Sul Plant developed glide path with reduction targets to achieve the proposed challenge. The performance related to water consumption per volume produced in 2022 was 1,485 m³/t, in 2023 it was 1,400 m³/t. Target for water intensity in 2024 is 1,01m³/t, status in november.24 = 0,97m³/t . 51% reduction in Nov 24 (target reached ahead of schedule).

100% of the actions planned for 2023 in relation to water balance have been carried out. 2024 target = 85% completion of proposed actions. Status = 90% of actions completed.

Evidence:
2.3.2_Water_stewardship_plan_-_Strategy_plan_-2024_OK (1).xlsx (attached at 2.3.2)

3.3.2 *Where water scarcity is a shared water challenge, annual targets to improve the site's water use efficiency, or if practical and applicable, reduce volumetric total use shall be implemented.*







Yes

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Comment	Water scarcity does not appear to be a challenge in the area. Reuse is the best practice for process on BAT Santa Cruz do Sul. The performance of the Intensity indicator in 2023 was better than the established target, result of a production volume was higher than the previous year (2022) and water consumption reduced. Target for water intensity in 2024 is 1,01m³/t, status in november.24 = 0,97m³/t . 51% reduction in Nov 24 (target reached ahead of schedule).	
	Evidence: Relatório_de_Performance_de_água_-_SCS_-2024.pdf	
3.3.3	<i>Legally-binding documentation, if applicable, for the re-allocation of water to social, cultural or environmental needs shall be identified.</i>	 Yes
Comment	No legally-binding documentation for the re-allocation of water to social, cultural or environmental needs	
3.4	<i>Implement plan to achieve site water quality targets</i>	
3.4.1	<i>Status of progress towards meeting water quality targets set in the water stewardship plan shall be identified.</i>	 Yes
Comment	BAT Santa Cruz do Sul identified the status of progress towards meeting water quality targets set in the water stewardship plan. The site conducts water tests for quality of the groundwater and of the municipal water. The goal for 2024 is to achieve at least 85% of the proposed actions. As of November 2024, 100% of the actions related to water quality have been met. The action related to the producers' Permanent Preservation Areas is underway.	
	Evidence: 3.4.1_-_Quality_Water_Monitoring_2024.xlsx - Step_3_-_Implement_2024_2.pptx (Attached at Step 3).	
3.4.2	<i>Where water quality is a shared water challenge, continual improvement to achieve best practice for the site's effluent shall be identified and where applicable, quantified.</i>	 Yes
Comment	BAT has several actions planned and already in place due the improvement in wastewater quality. The main goal is to close the system to avoid any wastewater discharge for the environment. In the past, the Wastewater Treatment applied chemical products to reach a good level of performance. Since 2019, new way of working focused on eliminate that practice. Today, the WTP only uses biological process for the treatment. Then the potential risk of environmental impact reduced for a lower level. Water reuse with reverse osmosis system is implemented starting the operation in April/ 23 and it aims to eliminate the company's volume discharge or drastically reduce the amount. The fertirrigation Project (2024) also reduce the company's volume discharge.	
	Evidence: - Step_3_-_Implement_2024_2.pptx (Attached at Step 3).	
3.5	<i>Implement plan to maintain or improve the site's and/or catchment's Important Water-Related Areas.</i>	
3.5.1	<i>Practices set in the water stewardship plan to maintain and/or enhance the site's Important Water-Related Areas shall be implemented.</i>	 Yes

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Comment	<p>The site has within their land a forest/park for biodiversity protection "Parque Ambiental de Souza Cruz" which also includes the creek "Arroio Levis Pedroso" and some small lakes. This park is also of public access, and they receive visitors of the community such as schools, university and researchers.</p> <p>For GLT, the water reservoir (Emergency System) is considered an IWRA and have an economic and environmental importance, as it is essential to keep the operation ready for emergency events and to provide support for fauna.</p> <p>There is an ongoing project to revitalize the environmental park. Delivery is scheduled for the first half of 2025.</p> <p>80% of IWRA-related actions (at Water stewardship plan) completed or on time. The remaining actions are in progress.</p> <p>Evidence:</p> <ul style="list-style-type: none"> - Step_3_-_Implement_2024_2.pptx (Attached at Step 3). - pré_projeto_Parque_Ambiental.pptx 	
3.6	<i>Implement plan to provide access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers at all premises under the site's control.</i>	
3.6.1	<i>Evidence of the site's provision of adequate access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers onsite shall be identified and where applicable, quantified.</i>	 Yes
Comment	<p>BAT provides WASH infrastructure in adequate number and conditions, compliance with Brazilian legal requirement (NR24). This requirement is a condition assessed in annual bases due the maintenance of ISO 45001 standard audit.</p> <p>The actions related to WASH, contained in the water stewardship plan, were completed or ongoing (are within the deadline).</p> <p>Evidence:</p> <ul style="list-style-type: none"> - 2.3.2_Water_stewardship_plan_-_Strategy_plan_-2024_OK.xlsx (attached at 2.3.2) - Step_3_-_Implement_2024_2.pptx (Attached at Step 3). 	
3.6.2	<i>Evidence that the site is not impinging on the human right to safe water and sanitation of communities through their operations, and that traditional access rights for indigenous and local communities are being respected, and that remedial actions are in place where this is not the case, and that these are effective.</i>	 Yes
Comment	<p>BAT withdraws water from the weels as allowed by their legal permit and discharges treated water maintaining the legal compliance with the effluent quality and quantity. There are no fines for contaminating discharges or exceeding the permitted limit of water extracted from the wells is evidence of not abusing it. No conflict with communities due the arrangement of the supply system.</p> <p>Public system is resilient even during the dry season.</p> <p>BAT provides information to the tobacco farmers about good practices for drinking water and sanitation at their homes.</p> <p>Evidence:</p> <ul style="list-style-type: none"> - 3.6.2-3.2.2_-_Verificação_Limite_Outorgas.xlsx (Well flow monitoring in relation to the Grant flow) - Step_3_-_Implement_2024_2.pptx (Attached at Step 3). 	
3.7	<i>Implement plan to maintain or improve indirect water use within the catchment:</i>	
3.7.1	<i>Evidence that indirect water use targets set in the water stewardship plan, as applicable, have been met shall be quantified.</i>	 Yes

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Comment	<p>Action related to indirect water use that is in the WSP (Identify and seek participation through meetings to understand the challenges to reduce indirect water use) was completed. Environmental Legal requirements and sustainable management is one of the criteria for contracting suppliers.</p> <p>Evidence:</p> <ul style="list-style-type: none"> - 2.3.2_Water_stewardship_plan_-_Strategy_plan_-2024_OK.xlsx (attached at 2.3.2) - Step_3_-_Implement_2024_2.pptx (Attached at Step 3). 	
3.7.2	<p><i>Evidence of engagement with suppliers and service providers, as well as, when applicable, actions they have taken in the catchment as a result of the site's engagement related to indirect water use, shall be identified.</i></p>	 Yes
Comment	<p>BAT engaged with tobacco suppliers (farmers) through technical visits and distributed a booklet with sustainable subject to farmers.</p> <p>BAT engaged with suppliers to identify the embedded water use of outsourced services through the collection of information (a questionnaire was sent to the supplier containing questions related to water management).</p> <p>Evidence:</p> <ul style="list-style-type: none"> - Step_3_-_Implement_2024_2.pptx (Attached at Step 3). - 1.2.1-1.4.2_-_Forms_Fornecedores-2024.xlsx (Form for checking local suppliers' good practices: Including a plan to consult suppliers). 	
3.8	<p><i>Implement plan to engage with and notify the owners of any shared water-related infrastructure of any concerns the site may have.</i></p>	
3.8.1	<p><i>Evidence of engagement, and the key messages relayed with confirmation of receipt, shall be identified.</i></p>	 Yes
Comment	<p>Corsan is the owners of shared water-related infrastructure. Corsan was involved and generated a service contract that involves the communication of any water concerns by both parties. BAT has a contract with CORSAN.</p> <p>Evidence:</p> <ul style="list-style-type: none"> - Step_3_-_Implement_2024_2.pptx (Attached at Step 3). - "3.1.2_-_Contrato_CORSAN_-_Código_do_Imóvel_0001941034-4.pdf" (at 3.1.2). 	
3.9	<p><i>Implement actions to achieve best practice towards AWS outcomes: continually improve towards achieving sectoral best practice having a local/catchment, regional, or national relevance.</i></p>	
3.9.1	<p><i>Actions towards achieving best practice, related to water governance, as applicable, shall be implemented.</i></p>	 Yes
Comment	<p>BAT presents the following best practices;</p> <ul style="list-style-type: none"> -Employers Sector Union (SINDITABACO) forum participation. -Education Sector forum participation (proj. Sustainable School) -New Projects focused on better water governance in the farmers properties (main stakeholder). <p>Evidence:</p> <ul style="list-style-type: none"> - Step_3_-_Implement_2024_2.pptx (Attached at Step 3). 	
3.9.2	<p><i>Actions towards achieving best practice, related to targets in terms of water balance shall be implemented.</i></p>	 Yes

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Comment BAT aims to improve the water efficiency and water re-use / recycle.
BAT presents the following best practices:
- The factories of the sector and catchment aim to improve the water efficiency and water re-use / recycle, also to have automatized monitoring of the water use. Percentage of Water Recycling of BAT Santa Cruz do Sul is increasing (26% in 2022, 31% in 2023, 34% in 2024)
- The tobacco companies have joint efforts with the farmers to improve water balance.
- Fertigation Project.
- BAT has EnerCon, an automated monitoring tool of the water use.

Evidence:
- Step_3_-_Implement_2024_2.pptx (Attached at Step 3).

3.9.3 *Actions towards achieving best practice, related to targets in terms of water quality shall be implemented.*


Yes

Comment BAT has several actions planned and already in place due the improvement in wastewater quality. The main goal is to close the system to avoid any wastewater discharge for the environment.
In the past, the Wastewater Treatment applied chemical products to reach a good level of performance. Since 2019, new way of working focused on eliminate that practice. Today, the WTP only uses biological process for the treatment. Then the potential risk of environmental impact reduced for a lower level.
Water reuse with reverse osmosis system is implemented starting the operation in April 23 and it aims to eliminate the company's volume discharge or drastically reduce the amount. Fertirrigation system is implementation, starting the operation in Dec 24 and it aims to eliminate the company's volume discharge.
Checklist of Wells inspection: assessment of the integrity of wells on criteria that can impact water quality. Data is entered into the Power BI system for management.

BAT performs water quality analyses beyond what is required by law:
- temperature and pH are assessed 5 times a day (legal requirement is only once a day).
- Since June 2024, weekly analyses of phosphorus concentration have been carried out in raw effluent and treated effluent (legal requirement is to carry out bimonthly phosphorus analyses).
- Settleable solids analysis carried out at least once a day in various stages of the ETE (legal requirement is once a day only at the outlet of treated effluent).
- legionella analysis not required by law

Evidence:
- Step_3_-_Implement_2024_2.pptx (Attached at Step 3).
- 3.9.3_-_BI_Poços.png

3.9.4 *Actions towards achieving best practice, related to targets in terms of the site's maintenance of Important Water-Related Areas shall be implemented.*


Yes

Comment The site takes action through:
- Having the IWRA on-site of the park of native species
- IWRAs In Strategy plan
- UNISC (Universidade de Santa Cruz do Sul): The university that has collaborated directly with BAT SCS on water-related projects for at least a decade. Highlights would be the research and preservation projects of 300 hectares of a forest area donated by BAT- SCS.
- Campaign of surface water quality assessment in the Research Project to assess the usage of lands in the micro catchment of Levis Pedroso Creek started in Jan 2023 and in place.

Evidence:
- Step_3_-_Implement_2024_2.pptx (Attached at Step 3).

3.9.5 *Actions towards achieving best practice related to targets in terms of WASH shall be implemented.*


Yes

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Comment The site provides WASH infrastructure in adequate number and conditions, and exceeds the compliance with Brazilian legal requirement (NR24). This requirement is a condition assessed in annual bases due the maintenance of ISO 45001 standard audit. Annual Legionella analysis also a best practice from BAT.

BAT works on Campaign of surface water quality assessment in the Research Project to assess the usage of lands in the micro catchment of Levis Pedroso Creek started in Jan 2023 and in place.

Evidence:

- Step_3_-_Implement_2024_2.pptx (Attached at Step 3).

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4 STEP 4: EVALUATE - Evaluate the site's performance.	
4.1	<i>Evaluate the site's performance in light of its actions and targets from its water stewardship plan and demonstrate its contribution to achieving water stewardship outcomes.</i>
4.1.1	<i>Performance against targets in the site's water stewardship plan and the contribution to achieving water stewardship outcomes shall be evaluated.</i> ✔ Yes
Comment	<p>WSP assessments are made when the objectives are being or were achieved, demonstrating the target and the accumulated result for the year. The remaining pending actions are being worked on to be completed on time.</p> <p>Target for 2024: to have 85% compliance with the proposed actions in the Water Stewardship Plan. Completed Actions at 12/12/2024 (%): 87,8%</p> <p>Evidence:</p> <ul style="list-style-type: none"> - Step_4_-_Evaluate_2024_2.pptx (attached at Step 4) - 2.3.2_Water_stewardship_plan_-_Strategy_plan_-2024_OK.xlsx (attached at 2.3.2) - 4.1.1_-_WSP_Status.png
4.1.2	<i>Value creation resulting from the water stewardship plan shall be evaluated.</i> ✔ Yes
Comment	<p>Assessment of value generation due to the Strategic Plan:</p> <ul style="list-style-type: none"> - Exceeding the water reuse target; - Achieving IWS Phase 1 with effective contributions from water management; - Increased water resilience in the field due to the implementation of Drip Irrigation projects; - Updating the Asset Value Plant Structure based on the implementation of new projects. - Inclusion of Environmental and Social criteria* for the approval of Projects and Investments, for the 2022/2023 projects. <p>*The benefits related to the Environment (e.g.: reduction in water consumption) will be used to create a Score that demonstrates the real benefit and positive impact of the project not only using financial and economic criteria (e.g.: increased production), but also including environmental benefits.</p> <p>Social, cultural, environmental and economic values are in the SVA, page 74. The type of value creation resulting from WSP is selected in column L "Value/benefit" of the Waterstewardship plan.</p> <p>Evidence:</p> <ul style="list-style-type: none"> - Step_4_-_Evaluate_2024_2.pptx (attached at Step 4) - 2.3.2_Water_stewardship_plan_-_Strategy_plan_-2024_OK.xlsx (attached at 2.3.2)
4.1.3	<i>The shared value benefits in the catchment shall be identified and where applicable, quantified.</i> ✔ Yes

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Comment The values generated:
Environmental Value:
- Reduction of impact on water resources by improving effluent treatment and reducing the volume released;
- Reduction of environmental impacts on rural properties due to ongoing projects with the main stakeholder (ESG Farm and Water Vulnerability Diagnosis);
- Generation of data and knowledge - Creation of a micro-basin study model through the ongoing project in the region;
- Knowledge through Survey of water embedded in tobacco bales.

Reputation:
- Reinforcement of the company's brand in society after engaging stakeholders on ongoing actions;
- Shared vulnerability mitigation plan

Evidence:
- Step_4_-_Evaluate_2024_2.pptx (attached at Step 4)
- 2.3.2_Water_stewardship_plan_-_Strategy_plan_-2024_OK.xlsx (attached at 2.3.2)

4.2 *Evaluate the impacts of water-related emergency incidents (including extreme events), if any occurred, and determine the effectiveness of corrective and preventative measures.*

4.2.1 *A written annual review and (where appropriate) root-cause analysis of the year's emergency incident(s) shall be prepared and the site's response to the incident(s) shall be evaluated and proposed preventative and corrective actions and mitigations against future incidents shall be identified.*


Yes

Comment The site did not have any water related emergency this year
The site carried out training/simulation for emergencies.

Evidence:
- Step_4_-_Evaluate_2024_2.pptx (attached at Step 4)
- 1.3.1-4.2.1_-_plano_abandono_emergência.pdf

4.3 *Evaluate stakeholders' consultation feedback regarding the site's water stewardship performance, including the effectiveness of the site's engagement process.*

4.3.1 *Consultation efforts with stakeholders on the site's water stewardship performance shall be identified.*


Yes

Comment BAT presented the following regarding stakeholders engagement:
- Participation in events and stakeholder engagement actions during 2022 and 2024;
- Consultation with suppliers seeking good practices;
- Stakeholder engagement plan;
- Internal and external actions.
- Waste Watch project.

Evidence:
- Step_4_-_Evaluate_2024_2.pptx (attached at Step 4)
- "4.3.1_-_Coleta_de_dados_dos_Stakeholders.pptx"
- "4.3.1_-_Boas_Práticas_com_Stakeholders.pptx"

4.4 *Evaluate and update the site's water stewardship plan, incorporating the information obtained from the evaluation process in the context of continual improvement.*

4.4.1 *The site's water stewardship plan shall be modified and adapted to incorporate any relevant information and lessons learned from the evaluations in this step and these changes shall be identified.*


Yes

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Comment BAT reported that during the implementation of AWS management in the operation, the lessons learned have guided the constant evolution of the system. Initially, there was a dispersed strategy, with several separate controls, which currently tend to focus on practices that absorb the criteria of the standard in centralized and effective controls (Water Stewardship Plan).
The improvement in the understanding of the shared challenges of water has allowed for the direction of actions in a viable way so that they deliver the best results for all stakeholders.

Evidence:
Plano_Estratégico_site_AWS.pdf

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5	STEP 5: COMMUNICATE & DISCLOSE - Communicate about water stewardship and disclose the site's stewardship efforts	
5.1	<i>Disclose water-related internal governance of the site's management, including the positions of those accountable for legal compliance with water-related local laws and regulations.</i>	
5.1.1	<i>The site's water-related internal governance, including positions of those accountable for compliance with water-related laws and regulations shall be disclosed.</i>	 Yes
Comment	<p>The site disclosed since 2021 the Strategic Plans at the website which contains the water-related internal governance, including positions of those accountable for compliance with water-related laws and regulations (in the section "IV - GOVERNANÇA"). The site also publishes internally through signs inside the factory.</p> <p>Evidence: Step_5_-_Communicate_&_Disclose_2024_2.pptx Plano_Estratégico_AWS_-_SCS_-_2024.pdf https://www.batbrasil.com/pt/sustentabilidade-e-responsabilidade/fabrica-inteligente </p>	
5.2	<i>Communicate the water stewardship plan with relevant stakeholders.</i>	
5.2.1	<i>The water stewardship plan, including how the water stewardship plan contributes to AWS Standard outcomes, shall be communicated to relevant stakeholders.</i>	 Yes
Comment	<p>BAT presents the AWS certification to stakeholders who visit the factory and the Water Strategic Plan and Water Performance Plan are shared in the BAT's Website. The water stewardship plan, including how the water stewardship plan contributes to AWS Standard outcomes, are communicated to relevant internal stakeholders.</p> <p>Evidence: Step_5_-_Communicate_&_Disclose_2024_2.pptx Plano_Estratégico_AWS_-_SCS_-_2024.pdf (Attached in 4.4.1) Relatório_de_Performance_de_água_-_SCS_-2024.pdf https://www.batbrasil.com/pt/sustentabilidade-e-responsabilidade/fabrica-inteligente </p>	
5.3	<i>Disclose annual site water stewardship summary, including: the relevant information about the site's annual water stewardship performance and results against the site's targets.</i>	
5.3.1	<i>A summary of the site's water stewardship performance, including quantified performance against targets, shall be disclosed annually at a minimum.</i>	 Yes
Comment	<p>Data is reported monthly and with annual closing in the CRED360 system, which supports the annual audit by KPMG for the final preparation of BAT's annual ESG Report. A summary of water stewardship performance is published on the website.</p> <p>Evidence: Step_5_-_Communicate_&_Disclose_2024_2.pptx Relatório_de_Performance_de_água_-_SCS_-2024.pdf https://www.batbrasil.com/pt/sustentabilidade-e-responsabilidade/fabrica-inteligente </p>	
5.4	<i>Disclose efforts to collectively address shared water challenges, including: associated efforts to address the challenges; engagement with stakeholders; and co-ordination with public-sector agencies.</i>	
5.4.1	<i>The site's shared water-related challenges and efforts made to address these challenges shall be disclosed.</i>	 Yes

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Comment	<p>BAT disclosed shared challenges at:</p> <ul style="list-style-type: none"> - Pardo committee meeting - engagement with university to disclose ongoing actions by the company. - Project launch articles - Strategic Plan (shared challenges) <p>Evidence: Step_5_-_Communicate_&_Disclose_2024_2.pptx</p>	
5.4.2	<i>Efforts made by the site to engage stakeholders and coordinate and support public-sector agencies shall be identified.</i>	 Yes
Comment	<p>Stakeholder engagement efforts are described in the Stakeholder Engagement Plan.</p> <p>Actions regarding Internal Stakeholders:</p> <ul style="list-style-type: none"> - Disclosure of results related to water performance. - introduction of tools for employees to avoid wasting water. <p>Actions regarding External Stakeholders:</p> <ul style="list-style-type: none"> - Tobacco growers integrated with BAT are regularly visited by agricultural advisors that take BAT's good practices to the municipalities involved. - Actions related to the Interested Parties of the Hydrographic Basin: BAT seeks to act on issues of sustainability in the local and regional community of Santa Cruz do Sul in a strategic way. BAT has a close relationship with various entities on the themes of sustainability and water. Some examples of these entities are: - - AFUBRA (Association of Tobacco Growers of Brazil); - SINDITABACO (Union of Tobacco Industry); - UNISC (University of Santa Cruz do Sul) - CORSAN (Sanitation Company); - Schools; City Halls. <p>Evidence: Step_5_-_Communicate_&_Disclose_2024_2.pptx 1.2.1_1.2.2_-_Plano_de_engajamento_de_partes_interessadas_-_SCS_2024.xl Relatório_de_Performance_de_água_-_SCS_-2024.pdf</p>	
5.5	<i>Communicate transparency in water-related compliance: make any site water-related compliance violations available upon request as well as any corrective actions the site has taken to prevent future occurrences.</i>	
5.5.1	<i>Any site water-related compliance violations and associated corrections shall be disclosed.</i>	 Yes
Comment	In the last year didn't occur compliance violation.	
5.5.2	<i>Necessary corrective actions taken by the site to prevent future occurrences shall be disclosed if applicable.</i>	 Yes
Comment	In the last year didn't occur compliance violation.	
5.5.3	<i>Any site water-related violation that may pose significant risk and threat to human or ecosystem health shall be immediately communicated to relevant public agencies and disclosed.</i>	 Yes
Comment	In the last year didn't occur compliance violation.	

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Photographic Evidence from Audit

✓
Yes



Planting fruit trees in the BAT park.jpeg



Ferti-irrigation.jpeg



Lago dourado.jpeg



BAT Environmental Park.jpeg

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view of the Dourado lake.jpeg



Corsan water treatment plant_.jpeg



Corsan water treatment plant.jpeg

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BAT Sta Cruz do Sul-Corsan water inlet.jpeg



entrance of Dourado Lake.jpeg

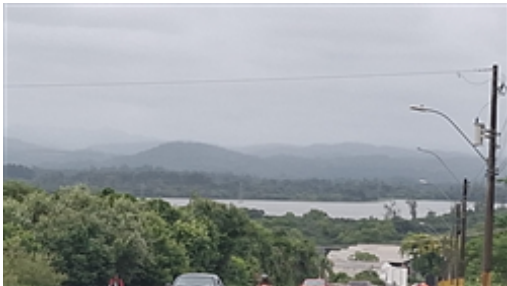


Corsan water treatment plant-.jpeg

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view of the Dourado lake-.jpeg



well 1.jpeg



Visit to Dourado Lake.jpeg

Previous Findings

	<i>All non-conformities raised in the previous audit have been satisfactorily closed.</i>	<div><div>✔</div><div>Yes</div></div>
Comment	The Minor non-conformity are satisfactorily closed out by the time of this 2024 audit.	