

Responsibility and sustainability

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has worked in the Central American tobacco industry for the last 14 years. He joined British American Tobacco in 1994. In 1999 he was appointed as the Brand Manager for the Costa Rica office, taking over in 2001 as Regional Manager of Key Accounts. In 2003, he became Marketing Manager at the Honduras branch, implementing a strategy to protect the company's strategic brands. In January 2005, he was appointed Marketing and Sales Manager for Costa Rica. More recently, he was promoted to his current position of Territory Manager.

Mention Corporate Social Responsibility (CSR) and most people think about donations and social welfare. Yet, although these are perfectly valid, especially in the case of natural disasters, British American Tobacco Central America conceives and applies its CSR policy according to more fundamental principles, and believes that the central issue here is the manner in which it conducts its business, which is to say, its core business.

How does this translate into practice? Can a company that distributes and sells a risky product argue that it is guided by the principles of social responsibility?

The question is as complex to respond to as was the internal process that led to its formulation. But, the answer turns out to be a categorical yes; providing that the organisation has in place, and properly embedded, the following business principles:

- Responsible Product Stewardship (bearing in mind, of course, the risks involved with cigarettes, and their promotion and advertising)
- Mutual Benefit. We need to understand and take account of the needs of all our stakeholders.
- Good Corporate Conduct. We believe our businesses should maintain high standards of behaviour and integrity.

Smoking is associated with significant health risks and, as such, only informed adults, fully aware of the associated risks, should smoke. We believe that minors should not consume tobacco products.

These principles are the basis for our Framework for Corporate Social Responsibility, which guides our approach to doing business.

This framework acquires key significance when fundamental corporate decisions have to be taken such as that to not advertise our products in the mass media; in turn this is a response to our stakeholders' expressed request.

As a result, our promotional activities are increasingly oriented toward face-to-face contact with our consumers, with their formal consent.

No less important is the unilateral decision to increase the size of the health warning on cigarette packets, again, in line with consumer expectations.

We have also designed and carried out campaigns that in different ways generate awareness regarding the social and ethical responsibility to not sell cigarettes to minors. This is illustrated by a recent initiative in all outlets where British American Tobacco products are sold, asking retailers to request identification in case of doubt about the age of the buyer.

We should not overlook other initiatives, such as can be found on our website: www.batcca.com. Through the use of honest and transparent data, the company explains the health risks associated with cigarettes, and the potential illnesses that can be acquired as a consequence of smoking.

Regarding social investment, our priorities are the environment and encouraging socially responsible behaviour among under-18s. These are sensitive issues. Because these are not our fields of expertise, our stakeholders, along with independent third parties, propose and carry out plans of action.

The only partial exception to the aforementioned initiatives are our volunteer programmes through which our staff donate their time and work. For example, our employees enthusiastically participate in forestation activities, part of the Carbon Neutral programme to offset by 100 per cent our CO₂ emissions into the atmosphere.

How did British American Tobacco come up with this set of initiatives? Was it just a matter of inspiration and good will? No. I must insist that this is the result of listening, understanding, and responding to reasonable stakeholder expectations.

With the support of independent third parties, we have taken these expectations into account and committed ourselves to respond to those considered to be reasonable. In this scenario, the principle of 'accountability' is critical: I am socially responsible only if I voluntarily commit myself to comply with what is expected from me and to then periodically report on my progress and the opportunities available.

Bearing in mind the above, we can conclude that the CSR policy of British American Tobacco Central America is not limited to donations and goodwill. Instead, our attention is oriented more toward business sustainability, which in turn is based on our stakeholders' expectations. **F**