Strong Brands Drive New Category Acceleration

Interim Results 2021

Jack Bowles – Chief Executive | Tadeu Marroco – Finance and Transformation Director
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Our vapour product Vuse (including Alto, Solo, Ciro and Vibe), and certain oral products including Velo, Grizzly, Kodiak, Camel Snus and Granit, which are sold in the US, are subject to the Food and Drug Administration (FDA) regulation and no reduced-risk claims will be made to these products without agency clearance.

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Strong Brands Drive New Category Acceleration

Interim Results 2021

Jack Bowles – Chief Executive | Tadeu Marroco – Finance and Transformation Director
Building A Better Tomorrow™

Our Purpose

To reduce the health impact of our business

Our Commitment

To provide adult consumers with a wide range of enjoyable less risky products

To encourage smokers to switch completely to scientifically-substantiated reduced-risk alternatives*

* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.
Delivering Our Purpose is Transforming BAT

From

Cigarettes
Declining Volume
Growing Value

To

Multi-category CPG
Nicotine & Beyond*
Growing Volume
& Value

Creating value for all our stakeholders

- 50 million consumers of non-combustible** products by 2030
- £5bn New Category Revenue by 2025
- Carbon neutral by 2030***
- Eliminate unnecessary single-use plastic & all plastic packaging recyclable^ by 2025***

* Beyond refers to Wellbeing & Stimulation Beyond Nicotine. Target market for consumer acquisition is existing adult smokers/nicotine/beyond nicotine users. ** Consumers of Non-combustible products definition. See Appendix A6. *** Environmental targets, carbon neutral is scope 1 & 2. See Appendix A5. ^ Reusable, recyclable or compostable.
HY 2021: Consumer–Centric Multi–Category Strategy Delivering Strong Growth

- Strong New Category momentum, revenue* up +50%
- Building strong brands - leveraging digital
- Continued progress on ESG

*Constant currency growth. See Appendix A2. ** RGM: Revenue Growth Management tool.
HY 2021: Strong New Category Momentum

New Category Revenue* up +50%
Record H1 NC Consumer Acquisition**, up +2.6m to 16.1m

Global Leadership
ambition
Revenue* up +59%

Fastest Growing THP Brand
ambition
Revenue* up +38%

Global Leadership
ambition
Revenue* up +63%

* Revenue growth at constant rates. See Appendix A2. ** Target market for acquisition is existing adult smokers/nicotine users. Vuse brand represents c.90% of HY21 vapour revenue. Continue to migrate remaining Vype brands during 2021. Velo brand represents over 50% of HY21 Modern Oral markets. Continue to migrate remaining EPOK, LYFT brands during 2021.
## HY 2021: Building A Better Tomorrow™

<table>
<thead>
<tr>
<th>Brand</th>
<th>Non-Combustible Product Consumers</th>
<th>Value Share In Top 5 Markets</th>
<th>Growth</th>
<th>Volume Share In Top 9 Markets</th>
<th>Growth</th>
<th>Volume Share In Top 5 Markets</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bat</td>
<td><strong>16.1m</strong></td>
<td><strong>32%</strong></td>
<td>+2.6m</td>
<td><strong>17%</strong></td>
<td>+3.2pts</td>
<td>+2.8pts</td>
<td></td>
</tr>
<tr>
<td>Vuse</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glo</td>
<td></td>
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<tr>
<td>Velo</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

**Non-Combustible product consumers**

**Value Share In Top 5 markets**

**Growth**

**Volume Share In Top 9 markets**

**Growth**

**Volume Share In Top 5 markets**

**Growth**

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Growth May YTD versus FY20. Source: Company data. *Consumers of Non-Combustible products definition: See Appendix A6. **Top 5 vapour markets: US, Canada, UK, France, Germany. T5 represent c.75% of Vapour industry revenue (closed system). Top 5 Modern oral markets: US, Sweden, Denmark, Norway, Switzerland and now excludes Germany, Top 9 THP markets: Japan, South Korea, Russia, Italy, Germany, Romania, Ukraine, Poland and Czech Republic. T5 represent c.82% Modern Oral industry revenue. T9 represent c.90% of THP industry revenue. Vuse brand represents c.90% of HY21 vapour revenue. Continue to migrate remaining Vype brands during 2021. Velo brand represents over 50% of HY21 Modern Oral markets. Continue to migrate remaining EPOK, LYFT brands during 2021. Share definitions see Appendix A3.
HY 2021 - Accelerating Consumer Acquisition* Across All Three Categories

Number of consumers of Non-Combustible** products

- **Vapour**: 7.5m (+0.9m (13%))
- **THP**: 5.3m (+1.2m (31%))
- **Modern Oral**: 2.2m (+0.7m (45%))
- **Traditional Oral**: 3.0m (Flat)

Includes consumer poly-usage***: 1.9m (+0.2m)

Growth driven by true multi-category performance

When including poly-usage: 18.0m

Includes consumer poly-usage***: 1.9m (+0.2m)

* Target market for acquisition is existing adult smokers/nicotine users. ** See Appendix A6. *** Poly-usage across non-combustible products.

Growth versus FY20. Source: Company data.
HY 2021: Accelerating Consumer Acquisition*

Record 1H21 Performance: +2.6m vs. Dec 20 (c. 2.5x vs. 1 year ago); +4.5m vs. Jun 20

Accelerating & Highest ever 6-monthly growth
c.85% of FY 2020 growth already achieved in 1H21

Growth of consumers of Non-Combustible** products

Growth versus prior period unless otherwise stated. Source: Company data.* Target market for acquisition is existing adult smokers/nicotine users. ** See Appendix A6.
HY 2021: Consumer Conversion* Driving Strong Consumable Volume Growth**


<table>
<thead>
<tr>
<th>Category</th>
<th>2H20 Volume</th>
<th>1H21 Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vuse Pod/Liquid</td>
<td>+59%</td>
<td>+70%</td>
</tr>
<tr>
<td>glo Stick Volume</td>
<td>+45%^</td>
<td>+99%</td>
</tr>
<tr>
<td>Velo Pouch Volume</td>
<td>+56%</td>
<td>+124%</td>
</tr>
</tbody>
</table>
We are Building Brands of the Future

#1 Value Share in 4 of T5** & fastest growing*** in all T5**

1ST Carbon Neutral Global vape brand^

Strengthening Brand Power Globally +12% vs. 1H20

Ambition to become Fastest Growing*** THP Brand

Record glo category share in key markets

Strengthening Brand Power Globally +19% vs. 1H20

Fastest Awareness Growth in the US

Strongest Brand in the Nordics

Strengthening Brand Power Globally +13% vs. 1H20

* To read the Velo advertisement disclaimer in full, please see Appendix A7. ** Top 5 vapour markets: US, Canada, UK, France, Germany. T5 represent c.75% of Vapour industry revenue (closed-system). *** Vuse fastest growing in value share of category in T5 markets and glo ambition to become fastest growing in volume share across key markets. ^ As verified by Vertis based on product Life Cycle Assessment data provided by an independent third party. This assessment takes into account the Group’s purchase of carbon credits through reforestation projects. Vuse brand represents c.90% of HY21 vapour revenue. Velo brand represents over 50% of HY21 Modern Oral markets. Continue to migrate remaining brands during 2021.
**Powered by Consumer-Focused Digitalisation**

**c.1.9 Bn**
Potential media reach from Strategic partnerships (1H21)

**# 1 in**
Branded search traffic across T5* for Vuse

**+142%**
Increase in social followers vs 1H20

**12.1M**
Contactable Adult New Category Consumers

**29M**
Total own e-comm visits

**Innovative deployment of dynamic branding**

**+63% vs 1H20**
Subscriptions
37% of Vuse own e-comm revenue

**+58% vs 1H20**
Strategic** own e-comm revenue

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* Top 5 vapour markets: US, Canada, UK, France, Germany. T5 represent c.75% of Vapour industry revenue (closed-systems). Growth metrics versus 1H20. Vuse brand represents c.90% of HY21 vapour revenue. Velo brand represents over 50% of HY21 Modern Oral markets. Continue to migrate remaining brands during 2021. ** Strategic revenue relates to the revenue from the Group's strategic brands.
Building a Consumer-led Ecosystem Beyond Nicotine

Target Consumer Areas

- Boost & Energy
- Clarity & Focus
- Calm & Relax

13 investments closed to date

Target areas:

- Health and Wellness
- Functional products – e.g. Focus, Energize & Relax
- Science
- Sustainability
- Technology

• R&D collaboration
• c.20% associate investment
Quest: Accelerating Our Transformation

- Deliver Quantum
- Unleash Innovation
- Empowered Organisation
- Shaping Sustainability
- Technology & Digital

Creating infrastructure towards a multi-category platform business
Enhancing our future sustainability
Accelerating change with next-Gen innovation & digital capabilities

Value creation for A Better Tomorrow™
Purposeful, Consumer Centric and Sustainable

Enabling The Enterprise of the Future
**HY 2021: Currency Translation Masks Strong Growth**

<table>
<thead>
<tr>
<th></th>
<th>REPORTED HY 2021 @ Current rates</th>
<th>ADJUSTED HY 2021 @ Constant rates*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>-0.8%</td>
<td>+8.1%**</td>
</tr>
<tr>
<td><strong>New Category Revenue</strong></td>
<td>+40.4%</td>
<td>+50.0%**</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>-120 bps</td>
<td>-70 bps***</td>
</tr>
<tr>
<td><strong>Profit From Operations</strong></td>
<td>-3.7%</td>
<td>+5.4%</td>
</tr>
<tr>
<td><strong>Diluted EPS</strong></td>
<td>-6.0%</td>
<td>+6.1%</td>
</tr>
</tbody>
</table>

*On an adjusted, constant rate basis. See Appendix A1 & A2. ** On a reported, constant rate basis. See Appendix A2. *** Current rate growth.
HY 2021: Strong Results

- **+50%** New Category Revenue*
- **+4.3%** Combustibles Price/Mix**
- **+10 bps** Cigarette & THP Value Share^
- **+5.4%** Adjusted Profit* from Operations
- **+8.1%** Group Revenue*
- **+1.5%** Combustibles BAT Volumes
- **+20 bps** Cigarette & THP Volume Share^
- **+6.1%** Adjusted Diluted EPS*

HY 2021: Accelerating our Transformation

Clear Operational Priorities

**STEP-CHANGE IN NEW CATEGORIES**

**COMBUSTIBLE VALUE GROWTH**

SIMPISHFY THE COMPANY

Strong results in H1 2021

- Accelerating New Category growth*
- Non-Combustible** Consumers +2.6m to 16.1m
- Building strong brands and leveraging digital
- c.£350m increased*** NC investment
- Group Revenue^ up +8.1%
- Combustible value share^^ +10bps
- Quantum savings of £1bn expected 12mths early
- Quantum target raised to £1.5bn by 2022

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Tadeu Marroco
Finance and Transformation Director
Accelerating our Transformation

Strong progress against financial focus areas

1. Releasing funds to support growth agenda
   • £0.9bn total Quantum savings delivered to date
   • Value through combustibles, revenue* up +5.8%

2. Maximising marketing spend effectiveness
   • c.£350m incremental** investment driving accelerated
     New Category revenue growth

3. Generating cash to continue to de-lever the balance sheet
   • On track for c.3x adj. net debt/adj. EBITDA*** and
     >90% cash conversion for FY21

* Growth at constant rates. See Appendix A2. ** Investment in New Categories increase v 1H20. *** Adjusted net debt to adjusted EBITDA at current rates. See Appendix A1.
Revenue: Strong Growth and New Category Momentum

Revenue growth* +8.1%

- Combustible revenue* +5.8%
- New Category revenue* +50%
  - Vapour +59%
  - THP +38%
  - Modern Oral +63%

Strong volume performance

- Accelerating NC volumes
- Combustibles +10bps volume share***

Driving value from Combustibles

- Value share*** +10bps
- +4.3% price/mix*, absorbing geographic mix impact

* Growth at constant rates. For definition see Appendix A3.
** Combustibles revenue contribution net of other revenue growth.
*** Cigarette volume and value share. See Appendix A3.
^ Price/mix defined in Appendix A4.
Accelerating Portfolio Transformation

% of H1 DM/EM revenue in non-combustibles

- Developed Markets (DM): 15%
  - +1 ppts v FY20
- Emerging Markets (EM): 4%
  - +2 ppts v FY20

(c.70% of Group Revenue)

% of H1 Group revenue in non-combustibles

- Group: 12%
  - +2 ppts v FY20

(c.30% of Group revenue)

Source: Company data. % of revenue at current rates. % growth versus FY20.
Vuse: Approaching Global Category Leadership

**Continued strong value share* across T5** Markets  
(c.75% of Industry Revenue)

<table>
<thead>
<tr>
<th>Country</th>
<th>US</th>
<th>Canada</th>
<th>UK</th>
<th>France</th>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly average</td>
<td>24.2%</td>
<td>30.9%</td>
<td>51.2%</td>
<td>15.5%</td>
<td>19.9%</td>
</tr>
<tr>
<td>3Q20</td>
<td>4Q20</td>
<td>1Q21</td>
<td>2Q21</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2Q21</td>
<td>3Q20</td>
<td>4Q20</td>
<td>1Q21</td>
<td>2Q21</td>
<td>3Q20</td>
</tr>
</tbody>
</table>

First global carbon neutral vape brand**

Continued device share^ leadership in T5**

Source: BAT value share of total Vapour - monthly average of quarter share to May 2021. 2Q21 share reflects average of April and May 21. Germany 2Q21 relates to April only. US Marlin, Canada Scan, UK Nielsen, France Strator & Germany Nielsen. *See Appendix A3 for Value share definition. **T5 represents c.75% of total Vapour industry revenue (closed-system). Vuse brand represents c.90% of 41V2 vapour revenue. Continue to migrate remaining Vype brands during 2021. ***As verified by Vertis based on product Life Cycle Assessment data provided by an independent third party. This assessment takes into account the Group’s purchase of carbon credits through reforestation projects. ^volume share of closed systems. See Appendix A3 for share definitions.
Vuse: Approaching Leadership in the US

- Vuse value share up 5.1ppts reaching 30.0% May YTD
- Number 1 device share, with 60.4% May YTD
- Vuse consumable volume up 97%
- Vuse key brand attributes* ahead of main peer
  - Brand I Love, High Quality, Advanced Technology
- US Vapour Industry returning to growth, up c.30%

Vuse value share leadership in 20 states in June 2021
glo: Hyper Continues to Accelerate Share Growth

Record glo Nicotine* Share across key markets
(c.80% of Industry Revenue)

Japan

Russia

Italy

Ukraine

Romania

C.60% Japan volume in Hyper in H1

Consumables average price index >90 vs. peer**

**glo: Hyper Strong Category Share Growth in ENA**

### glo driving national THP Category Share

<table>
<thead>
<tr>
<th>Country</th>
<th>THP Volume Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia</td>
<td>9.0%</td>
</tr>
<tr>
<td>Italy</td>
<td>3.6%</td>
</tr>
<tr>
<td>Ukraine</td>
<td>10.2%</td>
</tr>
<tr>
<td>Romania</td>
<td>18.4%</td>
</tr>
<tr>
<td>Poland</td>
<td>3.6%</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>36.9%</td>
</tr>
</tbody>
</table>

#### H1 glo volume growth rate 6x THP category growth rate

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Russia</th>
<th>Italy</th>
<th>Ukraine</th>
<th>Romania</th>
<th>Poland</th>
<th>Kazakhstan</th>
</tr>
</thead>
<tbody>
<tr>
<td>3Q20</td>
<td>9.0%</td>
<td>3.6%</td>
<td>10.2%</td>
<td>18.4%</td>
<td>3.6%</td>
<td>36.9%</td>
</tr>
<tr>
<td>4Q20</td>
<td></td>
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<tr>
<td>1Q21</td>
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<tr>
<td>2Q21</td>
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</tbody>
</table>

Velo: Maintaining International Leadership

Continued Share Growth Across Key* Markets (c.82% of Industry Revenue)

- **Sweden**: Quarterly average
  - 3Q20: 55.5%
  - 4Q20: 58.8%
  - 1Q21: 61.8%
  - 2Q21: 63.8%

- **Norway**: Quarterly average
  - 3Q20: 94.9%
  - 4Q20: 92.0%
  - 1Q21: 92.5%
  - 2Q21: 95.0%

- **Denmark**: Quarterly average
  - 3Q20: 94.9%
  - 4Q20: 92.0%
  - 1Q21: 92.5%
  - 2Q21: 95.0%

- **Switzerland**: Quarterly average
  - 3Q20: 95.0%
  - 4Q20: 92.5%
  - 1Q21: 92.5%
  - 2Q21: 95.0%

**Accelerating global volume growth, up 124%**

**Gathering insights and learnings from emerging market tests**

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* Key markets: Sweden, Norway, Denmark, Switzerland, US and now excludes Germany. Volume share of Modern Oral category – monthly average of quarter share to May 2021, 2Q21 share reflects average of April and May 21. Includes EPOK/LYFT brands in ENA. Velo brand represents over 50% of HY21 Modern Oral markets.
Velo portfolio - 100% coverage of nicotine segments

Distribution expanded to c.80k outlets, with distribution continuing to build

Over 60% of consumers see Velo as Modern and Innovative*

Velo volume share up 2x in 32 states since Nov 2020 rollout

Combustibles: Delivering Value Growth

- **Combustibles Value Share**: +10bps
- **Combustibles Volume Share**: +10bps
- **Strategic Brand Value Share**: +20bps
- **Combustibles Revenue**: +5.8%
- **Combustibles Price/Mix**: +4.3%
- **SKU rationalisation completed to date**: -17%


The BAT Group does not own all brands featured in this presentation in all markets, e.g. BAT is the owner of Newport, Camel and Natural American Spirit in US only.
## Regions: Over 5% Revenue Growth* in Every Region

<table>
<thead>
<tr>
<th></th>
<th>Revenue*</th>
<th>Cigarette Value Share**</th>
<th>Adjusted Profit from Operations*</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>+9.1%</td>
<td>+40bps</td>
<td>+9.7%</td>
</tr>
<tr>
<td>ENA</td>
<td>+5.9%</td>
<td>-10bps</td>
<td>-3.7%</td>
</tr>
<tr>
<td>APME</td>
<td>+5.8%</td>
<td>-10bps</td>
<td>+2.8%</td>
</tr>
<tr>
<td>AMSSA</td>
<td>+11.5%</td>
<td>-30bps</td>
<td>+4.2%</td>
</tr>
<tr>
<td>Group</td>
<td>+8.1%</td>
<td>+10bps</td>
<td>+5.4%</td>
</tr>
</tbody>
</table>


Source: Company data.
US: Continued Strong Performance

- Total Nicotine value share now 36.5% May YTD
- Vuse approaching value share leadership
- Strong value growth from combustibles enabled by Revenue Growth Management
- Strong growth in premium brands Newport and Natural American Spirit

Group Operating Margin: Strong Operational Performance Funding New Category Investment

H1 2020 Adjusted Operating Margin

Price/mix and Operational Efficiencies: +1.5

Incremental New Categories: -1.6

Transactional FX: -0.6

H1 2021 Adjusted Operating Margin*: 43.0

* On an adjusted current rate basis. See Appendix A1.
Quantum: Over £900m Total Savings Delivered

**Phase 1**
- Organisational design

**Phase 2**
- Operating model / Route to Market
- Processes and Ways of working simplification
- Supply chain optimisation

**Phase 3**
- Centre/HQ redesign

£1bn
Phase 1 and 2 savings expected to be delivered 12 months early

Target increased to £1.5bn* by 2022

**Revenue Growth Management (RGM)**
- Marketing Spend Effectiveness

* 2020-2022 target.
EPS*: Growth up +6.1%

HY EPS* growth benefitting from:
› Operational performance growth
› Reduction in underlying tax rate to 24.8%

Partially offset by:
› Reduced income from Associates

FX translation headwind -8.4%

* Adjusted, diluted, EPS at constant rates. See Appendix A1 & A2.
Cash: Continued Cash Flow Delivery

- Further strong cash flow delivery:
  - Combustibles price/mix growth
  - New ways of working releasing cash from business

- Year-on-year comparison largely impacted by the deferral of excise in the US in H1’20

- Cash flow weighted to H2, as in previous years

- On track to deliver:
  - Another year of strong operating cash conversion >90%
  - De-leverage to c.3x adj. net debt to adj. EBITDA**

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* H1 2020 normalized for US excise deferral. ** Adjusted net debt to adjusted EBITDA at current rates. See Appendix A1.
FY 2021 Guidance: Strong Operational Momentum and Cash flow

>5% Revenue Growth*

Mid Single Figure EPS Growth**

Capital Allocation Priorities
Flexibility increasing at year-end

• Continued strong New Category revenue growth*
• Improved global combustibles volume outlook, driven by Emerging Market recovery
• H2 to reflect geographic & portfolio mix and strong comparator

• Further incremental New Category investment
• Australia excise change (£170m) and highly competitive pricing
• -2% transactional FX headwind on Adj. Profit from Operations
• Continued COVID impact on GTR and associates

• On track for >90% operating cash conversion***
• On track to deliver c.£40bn 5 Year Cumulative Free Cash Flow^ • Adjusted net debt/Adjusted EBITDA c.3x by year-end^^
• Committed to 65% dividend pay-out ratio and growth in GBP terms***

* On a constant rate basis. See Appendix A2. ** Adjusted Diluted EPS on a constant rate basis. See Appendix A1 & A2
2021 - A Pivotal Year

STEP-CHANGE IN NEW CATEGORIES

- New Category revenue* +50%; share gains in all 3 categories
- 16.1m non-combustible product consumers**, up 2.6m
- FY New Category losses expected to reduce
- On track to reach c.3x Adj. Net Debt/Adj. EBITDA***
- Delivering on our 3 operational priorities

Delivering our Purpose to Create Shared Stakeholder & Shareholder Value

From

Cigarettes

Declining Volume
Growing Value

To

Multi-category CPG
Nicotine & Beyond*

Growing Volume
& Value

50 million consumers of non-combustible** products by 2030
£5bn New Category Revenue by 2025
Carbon neutral by 2030***
Eliminate unnecessary single-use plastic & all plastic packaging recyclable^ by 2025***

* Beyond refers to Wellbeing & Stimulation Beyond Nicotine. Target market for consumer acquisition is existing adult smokers/nicotine/beyond nicotine users. ** Consumers of Non-combustible products definition. See Appendix A6. *** Environmental targets, carbon neutral is scope 1 & 2. See Appendix A5. ^ Reusable, recyclable or compostable.
Our Transformation is Accelerating

- Our established multi-category strategy is working
- We are building strong global brands
- Continuing the digitalisation of the whole business at speed
- BAT is changing rapidly – bold, agile, innovative, digitally enabled, diverse and inclusive, powered by our ethos

Creating the Enterprise of the Future
Interim Results 2021:
Q&A

Jack Bowles – Chief Executive | Tadeu Marroco – Finance and Transformation Director
Appendix

A1: Adjusting (Adj.)
Adjusting items represent certain items which the Group considers distinctive based upon their size, nature or incidence.

A2: Constant currency
Constant currency – measures are calculated based on the prior year’s exchange rate, removing the potentially distorting effect of translational foreign exchange on the Group’s results. The Group does not adjust for normal transactional gains or losses in profit from operations which are generated by exchange rate movements.

A3: Share metrics
Volume share: The number of units bought by consumers of a specific brand or combination of brands, as a proportion of the total units bought by consumers in the industry, category or other sub-categorisation. Sub categories include, but are not limited to, the total nicotine category, modern oral, vapour, traditional oral or cigarette. Corporate volume share is the share held by BAT Group/Reynolds (US region). Except when referencing particular markets, volume share is based on our key markets (representing over 80% of the Group’s cigarette volume).
Value share: The retail value of units bought by consumers of a particular brand or combination of brands, as a proportion of the total retail value of units bought by consumers in the industry, category or other sub-categorisation in discussion.
Nicotine share: The retail sales volume/value of the nicotine product sold as a proportion of total specified nicotine product volume/value in that market. In the US covers: Combustibles, vapour and total oral.

A4: Price/Mix
Price mix is a term used by management and investors to explain the movement in revenue between periods. Revenue is affected by the volume (how many units are sold) and the value (how much is each unit sold for). Price mix is used to explain the value component of the sales as the Group sells each unit for a value (price) but may also achieve a movement in revenue due to the relative proportions of higher value volume sold compared to lower value volume sold (mix).

A5: Environmental Targets

A6: Consumers of Non-Combustible Products
The number of consumers of Non-Combustible products is defined as the estimated number of Legal Age (minimum 18 years) consumers of the Group's Non-Combustible products. In markets where regular consumer tracking is in place, this estimate is obtained from adult consumer tracking studies conducted by third parties (including Kantar). In markets where regular consumer tracking is not in place, the number of consumers of Non-Combustible products is derived from volume sales of consumables and devices in such markets, using consumption patterns obtained from other similar markets with adult consumer tracking (utilising studies conducted by third parties including Kantar). The number of consumers is adjusted for those identified (as part of the consumer tracking studies undertaken) as using more than one BAT Brand - referred to as “poly users”.

The number of consumers of Non-Combustible products is used by management to assess the number of consumers using the Group’s New Categories products as the increase in Non-Combustible products is a key pillar of the Group’s ESG ambition and is integral to the sustainability of our business.

The Group's management believes that this measure is useful to investors given the Group's ESG ambition and alignment to the sustainability of the business with respect to the Non-Combustibles portfolio.

A7: Velo advertisement disclaimer (slide 13)
This product is not risk-free and contains nicotine, an addictive substance. Comparison based on an assessment of smoke from a scientific standard reference cigarette (approx. 9mg tar) and components released during use of a Velo pouch, in terms of the average of the 9 harmful components the WHO recommends to reduce in cigarette smoke. 18+ only. This product contains nicotine and is addictive.