Interim Results 2022

New Category Growth
Driving Faster Transformation

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, and Camel Snus, 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.

No Profit or Earnings Per Share Forecasts
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Interim Results 2022

New Category Growth
Driving Faster Transformation

Jack Bowles – Chief Executive | Tadeu Marroco – Finance and Transformation Director
We are Transforming and Delivering

Transforming our business

Delivering robust financial results

Successfully navigating the macro environment

Superior shareholder returns: Dividend growth and £2bn Buyback
H1 2022 - Transforming and Delivering

Transforming our business
• 20.4m adult consumers of Non-Combustible products*
• 45% New Category revenue growth**
• 50%+ (£281m) reduction in New Category losses***
• Strong brands powered by innovation

Delivering robust financial results
• Group revenue up +5.7%; +3.7% at constant FX**
• Reported diluted EPS down -42.9%
• Adjusted diluted EPS up +5.7% at constant FX^*
• Confident in delivering FY22 guidance

Successfully navigating the macro environment
• £1.5bn Quantum savings delivered 6 months ahead of target
• 90bps improvement in adjusted operating margin to 43.9%^
• Robust pricing – achieved c.90% of planned pricing

£3.8bn YTD cash returns to shareholders: £2.5bn Dividends and £1.3bn Buyback

Reducing the health impact of our business. Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive. * See Appendix A6 ** At constant rates. See Appendix A2.
*** Reduction versus H1’21 at constant rates at category contribution level Profit from the sales of brands after deduction of directly attributable costs (including R&D, marketing) and before allocation of overheads. See Appendix A2. ^* On an adjusted constant rate basis. See Appendix A1 and A2. ^^ On an adjusted basis at current adjusted rates. See Appendix A1.
Over 20m consumers of our Non-Combustible* products

30% 2018-2022 Compound Growth Rate

Consumers of Non-Combustible* products

Source: Company data. * See Appendix A6.
Strong New Category revenue momentum

2018-2022 NC Revenue CAGR

H1'19
H2'18
12 months to Jun 2019

H1'20
H2'19
12 months to Jun 2020

H1'21
H2'20
12 months to Jun 2021

H1'22
H2'21
12 months to Jun 2022

New Category revenue (Rolling 12 months trading)

31%

Source: Company data. Rolling 12 months trading New Category revenue to June each year. * Growth versus FY21.

Strong New Category revenue momentum

31%

2018-2022 NC Revenue CAGR

H1’18
H2’18
12 months to Jun 2019

H1’19
H2’19
12 months to Jun 2020

H1’20
H2’20
12 months to Jun 2021

H1’21
H2’21
12 months to Jun 2022

Non-Combustible % of Group Revenue

14.6%

+2ppts*
On track for £5bn New Category revenue and profitability** by 2025

| 50%+ Reduction in New Category losses* in H1 2022 | >£1bn Invested in New Categories in H1 2022 | 10% Reduction in New Category losses* in 2021 |
| 2/3 New Category loss reduction driven by scale and efficiencies | 1/3 New Category loss reduction driven by pricing | 9 New Category countries profitable** |

Continuing to invest in our transformation

* Reduction in losses at category contribution level. H122 reduction versus H121 and 2021 reduction versus 2020. **Profitability at category contribution level: Profit from the sales of brands after deduction of directly attributable costs (including R&D, marketing) and before allocation of overheads.
glo hyper X2 – New smaller, lighter device

PLEASURE REDEFINED, YOUR WAY
LOOKS GREAT, TASTES GREAT

- Dedicated Boost button for maximum taste satisfaction
- Improved LED status indicators
- Convenient iris shutter
glo hyper X2 – now launched in Japan
Vuse Go – New disposable fast approaching #2 in UK
Vuse ePod 2+ – Our first Bluetooth connected device
Velo – Driving growth through innovation and ESG

SMALL CAN BIG PLAN.

MOVE ON TO VELO NICOTINE POUCHES IN A RECYCLABLE CAN.

18+ only. This product contains nicotine and is addictive.
H1 2022 Reported results* impacted by one-off items

- Group Revenue: +5.7%
- Group Operating Margin: 28.6%
- Profit from Operations: -25.0%
- Diluted EPS: -42.9%

Reported results most significantly impacted by c.£1bn impairment of Russian assets

* Results presented on a reported current rate basis.
We are delivering robust financial results

H1 2022 Adjusted

- **Group Revenue**: +3.7%
- **Group Operating Margin**: 43.9%
- **Profit from Operations**: +4.9%
- **Operating Cash Conversion**: 77%
- **Diluted EPS**: +5.7%
- **Cash returned to shareholders**: £3.8bn

Confident in Full Year guidance

* On a constant rate basis. See Appendix A2. ** On an adjusted, constant rate basis. See Appendix A1 & A2. *** On an adjusted current rate basis. See Appendix A1. **** See Appendix A8. ^ Consisting of £2.5 billion of dividends paid to shareholders and £1.3 billion of share repurchases.
Successfully navigating the challenging macro environment

**Quantum**

£1.5bn

Annualised cost savings

**Agility**

- Successfully managing inflation
- Activating Business Continuity Plans
- Ensuring end market supply continuity

**Margin expansion**

43.9%

+90bps

Full Year 2022 – Transforming and Delivering

**Transforming our business**
- Continued New Category growth momentum
- Strong H2 investment plans
- Further New Category loss* reduction

**Delivering robust financial results**
- Revenue growth of 2-4%**
- Mid-Single figure EPS growth***
- Continued strong cash generation

**Successfully navigating the macro environment**
- Leveraging our organisational agility
- Quantum savings in excess of £1.5bn
- Continued pricing power^*

Committed to delivering long term sustainable shareholder value

* Reduction at category contribution level: Profit from the sales of brands after deduction of directly attributable costs (including R&D, marketing) and before allocation of overheads. ** On a constant rate basis. See Appendix A2. *** On an adjusted, constant rate basis. See Appendix A1 & A2. ^ References to pricing power reflect our balanced portfolio across price tiers and low global elasticities for our combustible products. The terms are not intended to reflect any of the Group’s future pricing intentions.
Tadeu Marroco
Finance and Transformation Director
## H1 2022: Robust financial results

<table>
<thead>
<tr>
<th></th>
<th>REPORTED H1 2022 @ Current rates</th>
<th>ADJUSTED H1 2022 @ Constant rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>+5.7%</td>
<td>+3.7%*</td>
</tr>
<tr>
<td>New Category Revenue</td>
<td>+45.4%</td>
<td>+45.0%*</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>-11.7 ppts</td>
<td>+90 bps**</td>
</tr>
<tr>
<td>Profit From Operations</td>
<td>-25.0%</td>
<td>+4.9%***</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>-42.9%</td>
<td>+5.7%***</td>
</tr>
</tbody>
</table>

*Comparison versus H1'21. On a reported, constant rate basis. See Appendix A2. **On an adjusted, current rate basis. See Appendix A1. ***On an adjusted, constant rate basis. See Appendix A1 & A2.
Delivering robust financial results

- **+3.7%**
  - Group Revenue*

- **+4.8%**
  - Combustibles Price/Mix**

- **+10 bps**
  - Cigarette & THP Value Share^

- **£2.3 bn**
  - Free Cash Flow***

- **+45%**
  - New Category Revenue*

- **-4.2%**
  - Combustibles BAT Volume

- **+4.9%**
  - Adjusted Profit from Operations*

- **+5.7%**
  - Adjusted Diluted EPS*

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Strong revenue growth ahead of volume growth across all three New Category brands

- Revenue* up +48%
- Volume up +19%
- Category Share** 34.7%
- Brand Power^ +7%

- Revenue* up +44%
- Volume up +30%
- Category Share** 19.6%
- Brand Power^ +9%

- Revenue* up +37%
- Volume up +10%
- Category Share** 31.4%
- Brand Power^ +5%

Underpinned by science and ESG

Growth versus H1'21. *Revenue growth at constant rates; See Appendix A2. **For share definitions, see Appendix A3. Vapour value share across Top 5 markets: US, Sweden, Denmark, Norway, Switzerland and now excludes Germany. Glo volume share across Top 9 THP markets: Japan, South Korea, Russia, Italy, Germany, Romania, Ukraine, Poland and Czech Republic. Top 5 represent c.80% of Vapour industry revenue (closed system). Velo volume share across Top 5 Modern Oral markets: US, Sweden, Denmark, Norway, Switzerland and now excludes Germany. Glo volume share across Top 3 THP markets: Japan, South Korea, Russia. Top 9 represent c.80% of Modern Oral industry revenue. Top 9 represent c.80% of THP industry revenue. Velo brand represents over 75% of our Modern oral volume. *** To read the Velo advertisement disclaimer in full, please see Appendix A9. ^ Brand Power is based on KANTAR’s proprietary ‘BrandZ’ Framework. It measures consumers’ ‘Share of Heart’ i.e. how likely are they to choose the brand over other brands and is expressed as a share.
Further reduction in New Category losses of £281m*

| Revenue Growth Management | • Prices increased in all 3 New Categories across both devices and consumables  
<table>
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<tr>
<th></th>
<th>• Improved Trade Margins for Vuse**</th>
</tr>
</thead>
</table>
| Reduced Cost of Goods     | • Further scale benefits  
|                           | • c.£120m productivity savings*** delivered  
|                           | • Vuse Cost of Goods per unit down 17% driven by automation |
| Optimised Marketing       | • Marketing Spend Effectiveness  
| Investment                | • Leveraging data and analytics  
|                           | • Reduced Consumer acquisition^ and retention costs  
|                           | • Vuse 35% improvement  
|                           | • glo 30% improvement  
|                           | • Velo 35% improvement |

* Reduction in losses versus H1’21 at category contribution level. Profitability by 2025 at category contribution level: Profit from the sales of brands after deduction of directly attributable costs (including R&D, marketing) and before allocation of overheads. ** Reference to trade margins is to recommended margins based on recommended resale prices. *** Across New Categories. ^Target market for acquisition is existing adult smokers/nicotine users.
Vapour: Vuse extends global leadership despite growth in disposable segment

Vuse value share momentum continues

Growing Vuse revenue faster than volume

+48% Vuse revenue growth*

+19% Vuse volume growth

34.7%
+ 120 bps
Vuse value share of Vapour category**

49.8%
+ 670 bps
Vuse value share of Vapour category (ex-disposables)***

Revenue and volume growth versus H1’21.* Revenue growth at constant rates. See Appendix A2. **Share growth versus FY21. For share definitions see Appendix A3. Vapour value share across Top 5 markets: US, Canada, UK, France, Germany. T5 represent c.80% of Vapour industry revenue (closed-system). *** Value share of closed systems (excluding disposables) across Top 5 markets.
### Vuse growing closed system value share in all T5**

**Continued closed system momentum across T5** Markets  
(c.80% of Industry Revenue)

<table>
<thead>
<tr>
<th>Country</th>
<th>3Q21</th>
<th>4Q21</th>
<th>1Q22</th>
<th>2Q22</th>
<th>Disposables Industry Value Share*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US</strong></td>
<td>42.1%</td>
<td>33.4%</td>
<td>49.2%</td>
<td>37.8%</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>3Q21</td>
<td>83.3%</td>
<td>4Q21</td>
<td>89.0%</td>
<td>Disposables immaterial</td>
</tr>
<tr>
<td></td>
<td>1Q22</td>
<td>31.0%</td>
<td>2Q22</td>
<td>9.2%</td>
<td>Disposables industry Value Share*</td>
</tr>
<tr>
<td><strong>UK</strong></td>
<td>3Q21</td>
<td>15.6%</td>
<td>4Q21</td>
<td>39.9%</td>
<td>59.8% YTD</td>
</tr>
<tr>
<td>France</td>
<td>1Q22</td>
<td>76.8%</td>
<td>2Q22</td>
<td>22.8%</td>
<td>28.8% YTD</td>
</tr>
<tr>
<td>Germany</td>
<td>4Q21</td>
<td>61.7%</td>
<td>1Q22</td>
<td>45.8%</td>
<td>63.9% YTD</td>
</tr>
</tbody>
</table>

Source: BAT value share of total Vapour - monthly average of quarter share to May 2022. BAT value share of closed systems excluding disposables - monthly average of quarter share to May 2022. US Marlin, Canada Scan, UK Nielsen, France Strator & Germany Nielsen. * See Appendix A3 for Value share definition. ** T5 represent c.80% of total Vapour industry revenue (closed-system).
Vuse Go disposable already launched in UK, rapid H2 roll out planned in Europe

- Premium price positioning
- Very limited cannibalisation
- Take-back scheme for devices
- Strong Youth Access Prevention controls with Verify platform for retailers

* Source: BAT value share of total vapour – monthly average of quarter share to May 2022. UK Nielsen. See Appendix A3 for Value share definition.
THP: glo continues to grow rapidly driven by hyper

- **glo volume share momentum continues**
  - **19.6%**
    - + 160 bps
glo volume share of THP category**
  - **3.3%**
    - + 70 bps
glo volume share of total nicotine (FMC+THP)**

Growing glo revenue faster than volume

- **glo revenue growth**: +44%
- **glo volume growth**: +30%

Revenue and volume growth versus H1'21.* Revenue growth at constant rates. See Appendix A2. **Share growth versus FY21. For share definitions see Appendix A3. glo volume share across Top 9 THP markets: Japan, South Korea, Russia, Italy, Germany, Romania, Ukraine, Poland and Czech Republic. Top 9 represent c.80% of THP industry revenue.
### Record YTD glo Nicotine* Share in many key markets
*(c.80% of Industry Revenue)*

<table>
<thead>
<tr>
<th>Country</th>
<th>Share Q3 2021</th>
<th>Share Q4 2021</th>
<th>Share Q1 2022</th>
<th>Share Q2 2022</th>
<th>Share YTD</th>
<th>Change YTD</th>
<th>Category Share YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>7.0%</td>
<td>7.3%</td>
<td>7.0%</td>
<td>7.3%</td>
<td>7.3%</td>
<td>+0.6 ppts</td>
<td>20.5%</td>
</tr>
<tr>
<td>Italy</td>
<td>1.8%</td>
<td>2.8%</td>
<td>1.8%</td>
<td>2.8%</td>
<td>2.8%</td>
<td>+1.0 ppts</td>
<td>15.4%</td>
</tr>
<tr>
<td>Romania</td>
<td>0.7%</td>
<td>1.0%</td>
<td>0.7%</td>
<td>1.0%</td>
<td>0.7%</td>
<td>+0.3 ppts</td>
<td>19.2%</td>
</tr>
<tr>
<td>Poland</td>
<td>1.5%</td>
<td>3.2%</td>
<td>1.5%</td>
<td>3.2%</td>
<td>3.2%</td>
<td>+1.9 ppts</td>
<td>30.2%</td>
</tr>
<tr>
<td>Czech Rep</td>
<td>0.7%</td>
<td>1.8%</td>
<td>0.7%</td>
<td>1.8%</td>
<td>1.8%</td>
<td>+1.0 ppts</td>
<td>12.6%</td>
</tr>
</tbody>
</table>

glo hyper X2 launched in Japan
Modern Oral: Velo continued International leadership*

Maintaining European leadership in a fast growing category

- **69.2%**
  - 30 bps
  - Velo volume share of European Modern Oral category***

- **31.4%**
  - -3.4 ppts
  - Velo volume share of Global Modern Oral category***

Velo revenue growth**

+37%

Velo volume growth

+10%

Growing Velo revenue faster than volume

Growing Velo revenue faster than volume

Velo brand represents over 75% of our Modern oral volume.

Velo volume share across Top 5 Modern Oral markets: US, Sweden, Denmark, Norway, Switzerland and now excludes Germany.

* Velo is volume share leader in 4 of the international top 5 (i.e. excluding the US). ** Revenue and volume growth versus H1’21. Revenue growth at constant rates. See Appendix A2. ***Share growth versus FY21. For share definitions see Appendix A3. Velo brand represents over 75% of our Modern oral volume. Velo volume share across Top 5 Modern Oral markets: US, Sweden, Denmark, Norway, Switzerland and now excludes Germany.
Velo: Continued International leadership*

Continued Share Growth Across Key** Markets
(c.80% of Industry Revenue)

** Key markets: Sweden, Norway, Denmark, Switzerland, US and now excludes Germany. Volume share of Modern Oral category and volume share of total oral category – monthly average of quarter share to May 2022. See Appendix A3 for Volume share definition.

USA
- 3Q21: 10.0%
- 4Q21: 2.0%
- 1Q22: 6.3%
- 2Q22: 1.5%

Sweden
- 3Q21: 61.3%
- 4Q21: 8.9%
- 1Q22: 57.7%
- 2Q22: 10.2%

Norway
- 3Q21: 64.4%
- 4Q21: 18.9%
- 1Q22: 21.1%
- 2Q22: 5.9%

Denmark
- 3Q21: 93.8%
- 4Q21: 85.3%
- 1Q22: 86.2%
- 2Q22: 2.0%

Switzerland
- 3Q21: 91.5%
- 4Q21: 56.3%
- 1Q22: 61.6%

Leader in 15 of 17 European markets

* Volume share leadership in Top 5 markets. Velo is volume share leader in 4 of the international top 5 (i.e. excluding the US).

Quarterly average share of Modern Oral
- Share of total Oral

Quarterly average share of Modern Oral
- Share of total Oral

Quarterly average share of Modern Oral
- Share of total Oral

Quarterly average share of Modern Oral
- Share of total Oral

Quarterly average share of Modern Oral
- Share of total Oral

Quarterly average share of Modern Oral
- Share of total Oral
Velo: Geo expansion driving growth in new markets

UK volume share Leadership achieved

48% volume share*
+19 ppts

- Trade presence increased to c.28k stores
- 2022 Product of the Year winner

Entering South Africa city pilot phase 2

Targeted activation plan with expanded distribution

- 10 pouch mini can
- 5 pouch sachet pack

- > 30% conversion to active user**
- Expanding guided trial leveraging digital
- Building brand presence

Further geographic expansion planned in H2

Reducing the health impact of our business. Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.

* Volume share of Modern Oral category – year to date May 2022. See Appendix A3 for Volume share definition. ** Conversion rates based on phase 1 consumer data.
Combustibles: Delivering value growth

- **+10 bps** Combustibles Value Share
- **-10 bps** Combustibles Volume Share
- **+20 bps** Strategic Brand Value Share
- **+0.6%** Combustibles Revenue
- **+4.8%** Combustibles Price/Mix
- **+30 bps** US value share


The BAT Group does not own all brands featured in this presentation in all markets, e.g. BAT is the owner of Camel and Natural American Spirit in US only.
<table>
<thead>
<tr>
<th>Region</th>
<th>New Category Revenue*</th>
<th>Revenue*</th>
<th>Combustible Value Share**</th>
<th>Adjusted Profit from Operations*</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUROPE</td>
<td>+49.8%</td>
<td>+9.7%</td>
<td>-30bps</td>
<td>+11.7%</td>
</tr>
<tr>
<td>APME</td>
<td>+15.9%</td>
<td>+4.7%</td>
<td>+40bps</td>
<td>-5.4%</td>
</tr>
<tr>
<td>AMSSA</td>
<td>+71.5%</td>
<td>+6.0%</td>
<td>-40bps</td>
<td>+6.5%</td>
</tr>
<tr>
<td>USA</td>
<td>+59.2%</td>
<td>-0.3%</td>
<td>+30bps</td>
<td>+5.5%</td>
</tr>
<tr>
<td>Group</td>
<td>+45.0%</td>
<td>+3.7%</td>
<td>+10bps</td>
<td>+4.9%</td>
</tr>
</tbody>
</table>
US: Continued Vuse strength and robust pricing in a challenging environment

- Vuse now #No.1 value share
  - 19.4% volume growth
  - 60% revenue growth
  - 36.3% YTD May, up 380bps

- Sequential combustible volume share growth since Jan 22

- Premium value share growth, supported by Newport and Natural American Spirit

Strong Group Operating Margin expansion

H1 2021 Adjusted Operating Margin: 43.0
H1 2022 Adjusted Operating Margin*: 43.9

Price/mix** and Operational Efficiencies: +90 bps
Incremental New Categories: 0.9
Transactional FX: (0.5)
Margin improvement: +90 bps

* On an adjusted current rate basis. See Appendix A1. ** See Appendix A4.
**EPS*: Growth up +5.7%**

H1 2022 EPS growth benefitting from:

- Operational performance
- Increase in Associate Income driven by post COVID recovery in ITC
- Share buyback
- FX translation tailwind +2.9%

### H1 2022 EPS Growth Analysis

<table>
<thead>
<tr>
<th>Component</th>
<th>H1 2021</th>
<th>Adjusted profit from operations</th>
<th>Net finance costs</th>
<th>Associates</th>
<th>Taxation</th>
<th>Non-controlling interests</th>
<th>Diluted number of shares</th>
<th>H1 2022 at constant FX</th>
<th>FX impact</th>
<th>H1 2022 at current FX</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>154.2</td>
<td>8.4</td>
<td>-1.5</td>
<td>1.3</td>
<td>-1.1</td>
<td>1.6</td>
<td>163.0</td>
<td>4.4</td>
<td>167.4</td>
<td></td>
</tr>
</tbody>
</table>

*Adjusted, diluted, EPS at constant rates. See Appendix A1 & A2.*
Cash: On track for another year of strong cash conversion in excess of 90%

✔ Further strong cash flow delivery:
  • Continued working capital focus
  • New ways of working releasing cash from business

✔ Cash flow weighted to H2, as normal

✔ Well on track to deliver:
  • Another year of strong operating cash conversion >90%****
  • Adj. net debt to adj. EBITDA** expected within our 2-3x corridor

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Cash Flow Conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1’20</td>
<td>80%</td>
</tr>
<tr>
<td>H1’21</td>
<td>67%</td>
</tr>
<tr>
<td>H1’22</td>
<td>77%</td>
</tr>
</tbody>
</table>

Impact of US excise deferral

FY 2022 Guidance maintained irrespective of the timing of the transfer of our Russian business

2-4% Revenue Growth*

Mid-Single Figure EPS Growth**

* On a constant rate basis. See Appendix A2. ** Adjusted Diluted EPS on a constant rate basis. See Appendix A1 & A2.
We are delivering on our operational priorities

- Continued strong New Category momentum
- Delivering robust financial results
- Continued savings from Quantum

Confident in FY 2022 guidance
Our Faster Transformation is well underway

- We are transforming and delivering
- Driven by our multi-category strategy
- Actively encouraging adult smokers to switch*

Delivering on our Purpose

* To reduced risk products. Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.
We are building A Better Tomorrow™

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
operations
Scope 1&2
by 2030***

Net zero value chain
emissions by 2050***

Eliminate unnecessary single-
use plastic in our packaging &
all plastic packaging recyclable^ by 2025***

Reducing the health impact of our business, based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive. *Beyond refers to Wellbeing & Stimulation. Expected target market for consumer acquisition is adult consumers seeking wellbeing and stimulation solutions in their daily lives. **Consumers of Non-Combustible products definition. See Appendix A6. ***Environmental targets. See Appendix A5. ^Capable of being reusable, recyclable or compostable.
Interim Results 2022: Q&A

Jack Bowles – Chief Executive | Tadeu Marroco – Finance and Transformation Director
## Group Results excluding – Russia/Belarus

<table>
<thead>
<tr>
<th></th>
<th>Group excluding Russia/Belarus H1’22</th>
<th>Group excluding Russia/Belarus H1’21</th>
<th>Growth excluding Russia/Belarus H1’22 v H1’21</th>
<th>Total Group Growth H1’22 v H1’21</th>
<th>Group excluding Russia/Belarus FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume</strong></td>
<td>291bn</td>
<td>301bn</td>
<td>-3.4%</td>
<td>-3.1%</td>
<td>608bn</td>
</tr>
<tr>
<td></td>
<td>(£ Millions)</td>
<td>(£ Millions)</td>
<td></td>
<td>(€ Millions)</td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>12,264</td>
<td>11,861</td>
<td>+3.4%</td>
<td>+3.7%</td>
<td>25,011</td>
</tr>
<tr>
<td></td>
<td>(£ Millions)</td>
<td>(£ Millions)</td>
<td></td>
<td>(€ Millions)</td>
<td></td>
</tr>
<tr>
<td><strong>NC Revenue</strong></td>
<td>1,220</td>
<td>837</td>
<td>+45.7%</td>
<td>+45.0%</td>
<td>1,957</td>
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<tr>
<td></td>
<td>(£ Millions)</td>
<td>(£ Millions)</td>
<td></td>
<td>(€ Millions)</td>
<td></td>
</tr>
<tr>
<td><strong>APFO</strong></td>
<td>5,398</td>
<td>5,160</td>
<td>+4.6%</td>
<td>+4.9%</td>
<td>11,011</td>
</tr>
<tr>
<td></td>
<td>(Millions)</td>
<td>(Millions)</td>
<td></td>
<td>(Millions)</td>
<td></td>
</tr>
<tr>
<td><strong>Consumers</strong></td>
<td>19.0</td>
<td>15.1</td>
<td>+25.8%</td>
<td>+26.7%</td>
<td>17.1</td>
</tr>
<tr>
<td></td>
<td>(Millions)</td>
<td>(Millions)</td>
<td></td>
<td>(Millions)</td>
<td></td>
</tr>
</tbody>
</table>

* On a constant rate basis. See Appendix A2. ** On an adjusted constant rate basis. See Appendix A1 & A2. *** Consumers of Non-Combustible products. See Appendix A6.
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 transnational 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
Targets cover: climate change, water and waste, sustainable agriculture. Full details are available from the latest ESG Report British American Tobacco - Sustainability reporting (bat.com)

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: Free Cash Flow
Net cash generated from operating activities before the impact of trading loans provided to a third party and after dividends paid to non-controlling interests, net interest paid and net capital expenditure.

A8: Operating Cash Conversion
Net cash generated from operating activities before the impact of adjusting items and dividends from associates and excluding trading loans to third parties, pension short fall funding, taxes paid and net capital expenditure, as a proportion of adjusted profit from operations.

A9: Velo advertisement disclaimer (slide 22)
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.
Interim Results 2022

New Category Growth
Driving Faster Transformation

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