A Purposeful and Profitable Pathway to A Better Tomorrow™

Our New Category Journey
Important Information

The information contained in this presentation in relation to British American Tobacco p.l.c. ("BAT") and its subsidiaries has been prepared solely for use at this presentation. The presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

References in this presentation to ‘British American Tobacco’, ‘BAT’, ‘Group’, ‘we’, ‘us’ and ‘our’ when denoting opinion refer to British American Tobacco p.l.c. and when denoting business activity refer to British American Tobacco Group operating companies, collectively or individually as the case may be.

The information contained in this presentation does not purport to be comprehensive and has not been independently verified. Certain industry and market data contained in this presentation has come from third party sources. Third party publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of accuracy or completeness of such data.

Forward-looking Statements

This presentation does not constitute an invitation to underwrite, subscribe for, or otherwise acquire or dispose of any BAT shares or other securities. This presentation contains certain forward-looking statements, including "forward-looking" statements made within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as "believe," "anticipate," "could," "may," "would," "should," "intend," "plan," "potential," "predict," "will," "expect," "estimate," "project," "positioned," "strategy," "outlook," "target" and similar expressions. These include statements regarding our intentions, beliefs or current expectations concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the economic and business circumstances occurring from time to time in the countries and markets in which the British American Tobacco Group (the "Group") operates.

All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors. It is believed that the expectations reflected in this presentation are reasonable but they may be affected by a wide range of variables that could cause actual results to differ materially from those currently anticipated.

In particular, among other statements: certain statements on slides 5, 6, 17, 27 and 33.

Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are uncertainties related to the following: the impact of competition from illicit trade; the impact of adverse domestic or international legislation and regulation; the inability to develop, commercialise and deliver the Group’s New Categories strategy; adverse litigation and dispute outcomes and the effect of such outcomes on the Group's financial condition; the impact of significant increases or structural changes in tobacco, nicotine and New Categories related taxes; translational and transactional foreign exchange rate exposure; changes or differences in domestic or international economic or political conditions; the ability to maintain credit ratings and to fund the business under the current capital structure; the impact of serious injury, illness or death in the workplace; adverse decisions by domestic or international regulatory bodies; changes in the market position, businesses, financial condition, results of operations or prospects of the Group; direct or indirect adverse impacts associated with Climate Change and the move towards a Circular Economy; and Cyber Security caused by the heightened cyber-threat landscape, the increased digital interactions with consumers and changes to regulation.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. The forward-looking statements reflect knowledge and information available at the date of preparation of this presentation and BAT undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on such forward-looking statements.
Important Information

Forward-looking Statements (continued)
Additional information concerning these and other factors can be found in BAT's filings with the U.S. Securities and Exchange Commission ("SEC"), including the Annual Report on Form 20-F and Current Reports on Form 6-K, which may be obtained free of charge at the SEC's website, http://www.sec.gov, and BAT's Annual Reports, which may be obtained free of charge from the British American Tobacco website www.bat.com.

Additional Information
All financial statements and financial information provided by or with respect to the U.S. or Reynolds American Inc. ("Reynolds") are initially prepared on the basis of U.S. GAAP and constitute the primary financial statements or financial records of the U.S. business/Reynolds. This financial information is then converted to International Financial Reporting Standards as issued by the IASB for the purpose of consolidation within the results of the BAT Group. To the extent any such financial information provided in this presentation relates to the U.S. or Reynolds it is provided as an explanation of, or supplement to, Reynolds’ primary U.S. GAAP based financial statements and information.

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
No statement in this presentation is intended to be a profit forecast and no statement in this presentation should be interpreted to mean that earnings per share of BAT for the current or future financial years would necessarily match or exceed the historical published earnings per share of BAT.

Audience
The material in this presentation is provided for the purpose of giving information about BAT and its subsidiaries to investors only and is not intended for general consumers. BAT, its directors, officers, employees, agents or advisers do not accept or assume responsibility to any other person to whom this material is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed. The material in this presentation is not provided for product advertising, promotional or marketing purposes. This material does not constitute and should not be construed as constituting an offer to sell, or a solicitation of an offer to buy, any of our products. Our products are sold only in compliance with the laws of the particular jurisdictions in which they are sold.
Today’s Themes

01 A Multi-Category Portfolio is essential

02 Tobacco Harm Reduction is a journey

03 New Categories are value accretive
Our purpose is to build...

...through reducing the health impact of our business by offering a greater choice of enjoyable and less risky*† products for our consumers

*Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.
†Our vapour product Vuse (including Alto, Solo, Ciro and Vibe), and certain products, including Velo, Grizzly, Kodiak, and Camel Snus, which are sold in the U.S., are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.
Our Objective:

Delivering value for all of our stakeholders
...and we’ve only just begun

100m of 1.1bn

Global consumer numbers for New Categories and Smokers at an Industry Level
Source: Statista 2023, Kantar Incidence & Track Studies
Increasingly a global phenomenon

~60%
Of T-50 markets fully open to New Categories

~30%
Countries restrict 1 or more New Categories

Key global markets remain inaccessible

Source: BAT Data of current market regulations H1 2023
Markets and consumers are not homogeneous

Fundamental Drivers
- Satisfaction
- Identity
- Harm Reduction
- Value
- Convenience

Occasions & Consumption

Regulation & Access
- Accessible NC markets
- Access restricted to one or more NCs
- Highly restricted or inaccessible to NCs

No single solution is capable of meeting all preferences

Source: BAT data & Proprietary Consumer Research
So... we are investing now in a Multi-Category future
10 Beliefs to Challenge
Beliefs to Challenge

1. There is a ‘one size fits all’ solution.
2. THP attracts the most consumers.
3. THP encourages more switching than vaping.
4. Modern Oral is a Scandinavian phenomenon.
5. Nicotine is a substantial cause of disease from smoking.
6. New Categories (NCs) are often a gateway to smoking.
7. NCs are used equally across cohorts.
8. Poly-users tend to smoke just as much.
9. NCs are less profitable.
10. Industry value is declining with cigarette sales.
# Theme 1: Multi-Category

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>There is a ‘one size fits all’ solution</td>
</tr>
<tr>
<td>2</td>
<td>THP attracts the most consumers</td>
</tr>
<tr>
<td>3</td>
<td>THP encourages more switching than <strong>vaping</strong></td>
</tr>
<tr>
<td>4</td>
<td><strong>Modern Oral</strong> is a Scandinavian phenomenon</td>
</tr>
<tr>
<td>5</td>
<td><strong>Nicotine</strong> is a substantial cause of disease from smoking</td>
</tr>
<tr>
<td>6</td>
<td>New Categories (NCs) are often a <strong>gateway</strong> to smoking</td>
</tr>
<tr>
<td>7</td>
<td>NCs are used equally across <strong>cohorts</strong></td>
</tr>
<tr>
<td>8</td>
<td><strong>Poly-users</strong> tend to smoke just as much</td>
</tr>
<tr>
<td>9</td>
<td>NCs are less <strong>profitable</strong></td>
</tr>
<tr>
<td>10</td>
<td><strong>Industry value</strong> is declining with cigarette sales</td>
</tr>
</tbody>
</table>
Belief #1 There is a ‘one size fits all’ solution

FACT

THP and Vapour correlate inversely to Weighted Average Tar levels

Source: Kantar Incidence Study 2022, Retail Audit (suppliers different by market), BAT internal information

Belgium, Bulgaria, Canada, Colombia, Croatia, Czech Republic, Denmark, France, Germany, Greece, Hungary, Italy, Japan, Kazakhstan, Malaysia, Mexico, Netherlands, New Zealand, Poland, Portugal, Russia, Saudi Arabia, Spain, South Korea, Sweden, Switzerland, UK, Ukraine, USA
Belief #2 THP attracts the most consumers

Vapour is the biggest contributor to consumer growth and accelerating

FACT

Source: Kantar Incidence & Track Studies 2022

*Adult users based on 20 Years of Age+ in USA, 18+ in all other markets

T42 Markets: Algeria, Argentina, Australia, Bangladesh, Belgium, Brazil, Bulgaria, Canada, Chile, Colombia, Czech Republic, Denmark, Egypt, France, Germany, Greece, Hungary, Indonesia, Italy, Japan, Kazakhstan, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Nigeria, Pakistan, Poland, Romania, Saudi Arabia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Turkey, UK, Ukraine, USA, Vietnam
Belief #3 THP encourages more switching than vaping

FACT

Vapour* and THP are equally effective at encouraging smokers to switch

Source: Kantar Incidence & Track Studies 2022

* Vapour includes Disposables and rechargeable closed system only
Belief #4 Modern Oral is a Scandinavian phenomenon

FACT

MO will have a critical positive role to play as market expansion and the US accelerate growth.
A Multi-Category Portfolio is Essential to Deliver our Purpose & Industry Transition

1. THP & Vapour correlate inversely to Weighted Average Tar levels
2. Vapour is the biggest contributor to consumer growth and accelerating
3. Vapour & THP are equally effective at encouraging smokers to switch
4. Modern Oral will have a critical positive role to play
Theme 2: THR

1. THP & Vapour correlate inversely to Weighted Average Tar levels
2. Vapour is the biggest contributor to consumer growth and accelerating
3. Vapour & THP are equally effective at encouraging smokers to switch
4. Modern Oral will have a critical positive role to play
5. **Nicotine** is a substantial cause of disease from smoking
6. New Categories (NCs) are often a gateway to smoking
7. NCs are used equally across cohorts
8. **Poly-users** tend to smoke just as much
9. NCs are less profitable
10. Industry value is declining with cigarette sales
Belief #5 Nicotine is a substantial cause of disease from smoking

FACT

Most of the harm from smoking is caused by products of combustion, not nicotine.

“It’s the other chemical compounds in tobacco, and in the smoke created by setting tobacco on fire, that directly and primarily cause the illness and death, not the nicotine.”

DR. SCOTT GOTTLIEB
US FDA COMMISSIONER (JULY 2017)

“Nicotine is not...a highly hazardous drug. The main culprit is smoke and, if nicotine could be delivered effectively and acceptably...without smoke, most, if not all, of the harm of smoking could probably be avoided.”

UK ROYAL COLLEGE OF PHYSICIANS
Nicotine without smoke: Tobacco harm reduction (2016)
**Belief #6** New Categories are often a gateway to smoking

**FACT**

In general, new adult nicotine consumers don’t go on to smoke

% Solus Vapour Entrants switching to FMC*

Globally **

<table>
<thead>
<tr>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.2%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

% of adult population

<table>
<thead>
<tr>
<th>Country</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>2.2%</td>
</tr>
<tr>
<td>France</td>
<td>1.8%</td>
</tr>
<tr>
<td>Canada</td>
<td>1.7%</td>
</tr>
<tr>
<td>Germany</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

Source: Kantar Incidence & Track Studies 2022

*Factory Made Cigarettes

**Top NC Markets: Canada, Denmark, France, Germany, Italy, Japan, Poland, S. Korea, Sweden, Switzerland, UK – excluding USA*
Belief #7 New Categories are used equally across cohorts

FACT

NC penetration correlates inversely to the age cohorts of adult consumers

<table>
<thead>
<tr>
<th>Category use - Age Cohorts</th>
<th>2018</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>AU30</td>
<td>24%</td>
<td>35%</td>
</tr>
<tr>
<td>30-44</td>
<td>21%</td>
<td>28%</td>
</tr>
<tr>
<td>AO45</td>
<td>13%</td>
<td>22%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Solus NC**</th>
<th>Dual FMC-NC**</th>
<th>Solus FMC*</th>
</tr>
</thead>
<tbody>
<tr>
<td>AU30 2018</td>
<td>23%</td>
<td>53%</td>
<td></td>
</tr>
<tr>
<td>30-44 2018</td>
<td>17%</td>
<td>62%</td>
<td></td>
</tr>
<tr>
<td>AO45 2018</td>
<td>3%</td>
<td>73%</td>
<td></td>
</tr>
<tr>
<td>AU30 2022</td>
<td>22%</td>
<td>43%</td>
<td></td>
</tr>
<tr>
<td>30-44 2022</td>
<td>23%</td>
<td>49%</td>
<td></td>
</tr>
<tr>
<td>AO45 2022</td>
<td>16%</td>
<td>62%</td>
<td></td>
</tr>
</tbody>
</table>

“Dual-usage” references a transitional period for adult FMC consumers towards a complete switching to NCs during which adult consumers reduce cigarette consumption and choose to add to it consumption of an NC. AU30: Adult consumer from minimum legal age to 30yrs. AO45: Adult consumer over 45 yrs.

Source: Kantar Incidence & Track Studies 2022
Canada, Italy, Japan, UK, Sweden
Belief #8 Poly-users tend to smoke just as much

**FACT**

The consumer journey often involves poly-usage where cigarette consumption is reduced.

FMC* Average Daily Consumption reduction among Poly-Users vs. FMC Solus

<table>
<thead>
<tr>
<th>Poly-Usage</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMC + THP</td>
<td>92</td>
</tr>
<tr>
<td>FMC + MO</td>
<td>83</td>
</tr>
<tr>
<td>FMC + Vapour</td>
<td>81</td>
</tr>
</tbody>
</table>

*Factory Made Cigarettes

Source: Kantar Incidence & Track Studies 2022 Canada, Denmark, Germany, Italy, Japan, S. Korea, Sweden, UK, USA

*Poly-usage* references a transitional period for adult FMC consumers towards a complete switching to NCs during which adult consumers reduce cigarette consumption and choose to add to it a consumption of one or more NCs.
Most of the harm from smoking is caused by products of combustion, not nicotine.

Vapour is the biggest contributor to consumer growth and accelerating.

Vapour & THP are equally effective at encouraging smokers to switch.

Modern Oral will have a critical positive role to play.

THP & Vapour correlate inversely to Weighted Average Tar levels.

In general, new adult nicotine consumers don’t go on to smoke.

NC penetration correlates inversely to the age cohorts of adult consumers.

Cigarette consumption is declining with poly-usage.

Tobacco Harm Reduction is a bona fide corporate and societal goal.
## Theme 3: Industry Value

1. THP & Vapour correlate inversely to Weighted Average Tar levels
2. Vapour is the biggest contributor to consumer growth and accelerating
3. Vapour & THP are equally effective at encouraging smokers to switch
4. Modern Oral will have a critical positive role to play
5. Most of the harm from smoking is caused by products of combustion, not nicotine
6. In general, new adult nicotine consumers don’t go on to smoke
7. NC penetration correlates inversely to the age cohorts of adult consumers
8. Cigarette consumption is declining with poly-usage
9. NCs are less profitable
10. Industry value is declining with cigarette sales
Belief #9 New Categories are less profitable

FACT

NCs are already positive at Gross Margin level in almost all Categories

Annual Consumer Profitability Index

Source: BAT data: Indexed NC Gross Margin per consumer per annum vs FMC

*World Average based on Top 17 NC markets accounting for ~85% of World’s NCs revenue, based on BAT internal est.  **Europe Top 12 European NC Markets accounting for ~85% of total Europe’s NC revenue, based on BAT internal est. †Factory Made Cigarettes -GMs per unit based on BAT internal estimates. FMC Value for money (2023 @ 22 FX rates), Users & Avg daily consumption data based on NC Track, NC users.  -Annual Gross Margin (excl. Marketing Investment in revenue & Royalties) per user Group
Belief #10 Industry value is declining with cigarette sales

FACT

Total nicotine revenue is growing year-on-year with New Categories driving value accretion

FMC** Volume  INDUSTRY VALUE

-6.3% CAGR +3.4% CAGR

<table>
<thead>
<tr>
<th>Year</th>
<th>FMC** Volume</th>
<th>INDUSTRY VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>£654bn</td>
<td>£8bn</td>
</tr>
<tr>
<td>2022</td>
<td>£613bn</td>
<td>£10bn</td>
</tr>
<tr>
<td>2023 Est</td>
<td>£570bn</td>
<td>£12bn</td>
</tr>
</tbody>
</table>

*Revenue **Factory Made Cigarettes
Source: BAT Outlook
USA, UK, Germany, Canada, Japan, Switzerland, Italy, Denmark, Poland, South Korea, France, Sweden
10 Facts

1. THP & Vapour correlate inversely to Weighted Average Tar levels
2. Vapour is the biggest contributor to consumer growth and accelerating
3. Vapour & THP are equally effective at encouraging smokers to switch
4. Modern Oral will have a critical positive role to play
5. Most of the harm from smoking is caused by products of combustion, not nicotine
6. In general, new adult nicotine consumers don’t go on to smoke
7. NC penetration correlates inversely to the age cohorts of adult consumers
8. Cigarette consumption is declining with poly-usage
9. NCs are already positive at gross margin level in almost all Categories
10. Total nicotine revenue is growing year-on-year with NCs driving value accretion
Today’s Themes

1. A Multi-Category Portfolio is Essential
2. Tobacco Harm Reduction is a journey
3. New Category Products are Value Accretive
Belief #11 Japan is the ‘bellwether’ transformation story

Sweden has successfully delivered a multi-decade Tobacco Harm Reduction policy

Sweden FMC* Incidence 2008 - 2022

*Factory Made Cigarettes
Source: Euromonitor
Video

* This slide includes materials publicly shared by third parties, which do not necessarily reflect BAT’s views and positions - Source: Smoke Free Sweden 2023**. Twitter
**Health Diplomats is a global network of public health experts committed to developing and delivering solutions to global health-related problems.
In Summary

**Today’s Themes**

01. A Multi-Category Portfolio is essential
02. Tobacco Harm Reduction is a journey
03. New Categories are value accretive

**10 Facts**

1. Total revenue contributes to weighted average tax levels
2. Enhanced brand and innovation contribute to consumer growth and accelerating
3. Rebalancing & TLM are equally effective at encouraging smokers to switch
4. Modern Cigar will have a critical position in our portfolio
5. Most of the harm from smoking is caused by products of combustion, not nicotine
6. In general, adult nicotine consumers don’t want to smoke
7. NC consumption continues to increase in the youth cohort of adult smokers
8. Cigarette consumption is declining with parity values
9. NCs are already positive according to latest feedback across all categories
10. Total nicotine revenue is growing year-on-year with NCs driving value accretion

**Delivering Multi-Stakeholder Value**

**High Quality, Sustainable Business Model, Long into the Future**
NC value contribution growing fast in the top 12 markets

Revenue from Non-Combustible products as a % of total revenue in each respective market.

<table>
<thead>
<tr>
<th>Country</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWE</td>
<td>72%</td>
<td>74%</td>
</tr>
<tr>
<td>JAP</td>
<td>47%</td>
<td>52%</td>
</tr>
<tr>
<td>UK</td>
<td>46%</td>
<td>38%</td>
</tr>
<tr>
<td>POL</td>
<td>43%</td>
<td>32%</td>
</tr>
<tr>
<td>FRA</td>
<td>41%</td>
<td>25%</td>
</tr>
<tr>
<td>DEN</td>
<td>40%</td>
<td>26%</td>
</tr>
<tr>
<td>ITA</td>
<td>38%</td>
<td>26%</td>
</tr>
<tr>
<td>S.KOR</td>
<td>23%</td>
<td>16%</td>
</tr>
<tr>
<td>USA</td>
<td>17%</td>
<td>14%</td>
</tr>
<tr>
<td>SWI</td>
<td>16%</td>
<td>10%</td>
</tr>
<tr>
<td>CAN</td>
<td>15%</td>
<td>12%</td>
</tr>
<tr>
<td>GER</td>
<td>5%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Non-combustibles include NC & Traditional Oral

* Revenue from Non-Combustible products as a % of total revenue in each respective market.

FX @21. Constant currency measures are calculated based on the prior year’s exchange rate, removing the potentially distorting effect of translational foreign exchange on the BAT Group’s results. The BAT Group does not adjust for normal transactional gains or losses in profit from operations which are generated by exchange rate movements.
>30% Non Combustible revenue in 23 investment markets

Our non-Combustible products revenue % H1’23*

- FRA
- AUS
- EST
- JPN
- UK
- SWE
- FIN
- DEN
- POR
- SLO
- ITA
- POL
- KAZ
- LIT
- SLK
- KAZ
- GRE
- ICE
- CZE
- UAE
- GUA
- LAT
- D REP
- NOR

>30%
>40%
>50%
>70%

* Revenue from Non-Combustible products (NCs & Traditional Oral) as a % of total revenue in each respective market.
...and we’ve only just begun

100m of 1.1bn

Global consumer numbers for New Categories and Smokers at an Industry Level
Source: Statista 2023, Kantar Incidence & Track Studies
A Purposeful and Profitable Pathway to A Better Tomorrow™

Our New Category Journey