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Reynolds American celebrates families with announcement of new parental leave policy

New policy distinguishes RAI as one of the leading providers of parental benefits packages in the U.S.

WINSTON-SALEM, N.C. – Oct. 22, 2018 – Reynolds American Inc. (RAI), an indirect subsidiary of British American Tobacco p.l.c (BAT), and its companies today announced a new, comprehensive parental leave policy that offers 16 weeks of fully-paid leave for employees who are new mothers or fathers and the ability to take up to eight months of a flexible work arrangement.

The policy applies to all regular, full-time employees, including salaried and hourly workers, following the birth or permanent placement of a child. Taken in full, the policy provides up to one full year of support for parents to bond with, and care for, their new child, while continuing to balance their professional goals.

"We are proud of our employees at the Reynolds American group. Our people are the backbone and strength of the organization, and we are excited to provide them with the support they need to be successful both inside and outside of our walls," said Ricardo Oberlander, Chief Executive Officer, RAI.

Oberlander continued, "We believe that this policy is the right thing to do and will create a healthier work environment. It will increase our ability to attract and retain top talent and lead to the continued success of our company as we transform our industry and our workplace."

The average length of fully-paid parental leave offered to full-time employees is 4.1 weeks¹. RAI's policy greatly exceeds that benchmark, providing all new parents up to 80 days of fully-paid leave and up to 64 additional days over eight months through a flexible work arrangement.

The enhanced policy distinguishes the RAI group as one of the leading providers of a family-focused policy among U.S. companies, and continues the group's commitment to continuously evolving its workplace to meet the changing dynamics of families. This announcement is part of parent company BAT's larger initiative, Parents@BAT, to launch comprehensive support packages for parents across the BAT group's entire global footprint.

About Reynolds American Inc.

Reynolds American and its companies were recently named as one of the top-ranked organizations in FORTUNE's 2018 Best Workplaces for Manufacturing & Production. This follows its certification as a great workplace by the independent analysts at Great Place to Work® for a second year in a row. It has also been honored by Vault as the #1 internship program in the retail and consumer goods category for the past two years in a row.

¹ WorldatWork, "Survey of Paid Parental Leave in the United States", May 2017

Reynolds American is an indirect, wholly owned subsidiary of British American Tobacco p.l.c., and the U.S. parent company of R.J. Reynolds Tobacco Company; Santa Fe Natural Tobacco Company, Inc.; American Snuff Company, LLC; R.J. Reynolds Vapor Company; Niconovum USA, Inc.; and Kentucky BioProcessing, Inc.

- R.J. Reynolds Tobacco Company is the second-largest U.S. tobacco company. R.J. Reynolds' brands include Newport, Camel and Pall Mall.
- Santa Fe Natural Tobacco Company, Inc. manufactures and markets Natural American Spirit products in the United States.
- American Snuff Company, LLC is the nation's second-largest manufacturer of smokeless tobacco products. Its leading brands are Grizzly and Kodiak.
- R.J. Reynolds Vapor Company is a marketer of digital vapor cigarettes under the VUSE brand name in the United States.
- Niconovum USA, Inc. markets innovative nicotine replacement therapy products in the United States under the ZONNIC brand name.
- Kentucky BioProcessing, Inc. conducts research and development related to protein expression and extraction from tobacco plants.

To learn more about Reynolds American and its operating companies, please visit www.reynoldsamerican.com.

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