

The regulatory framework impacting the tobacco- nicotine world

Giovanni Carucci

Vice President, Head of EU Affairs

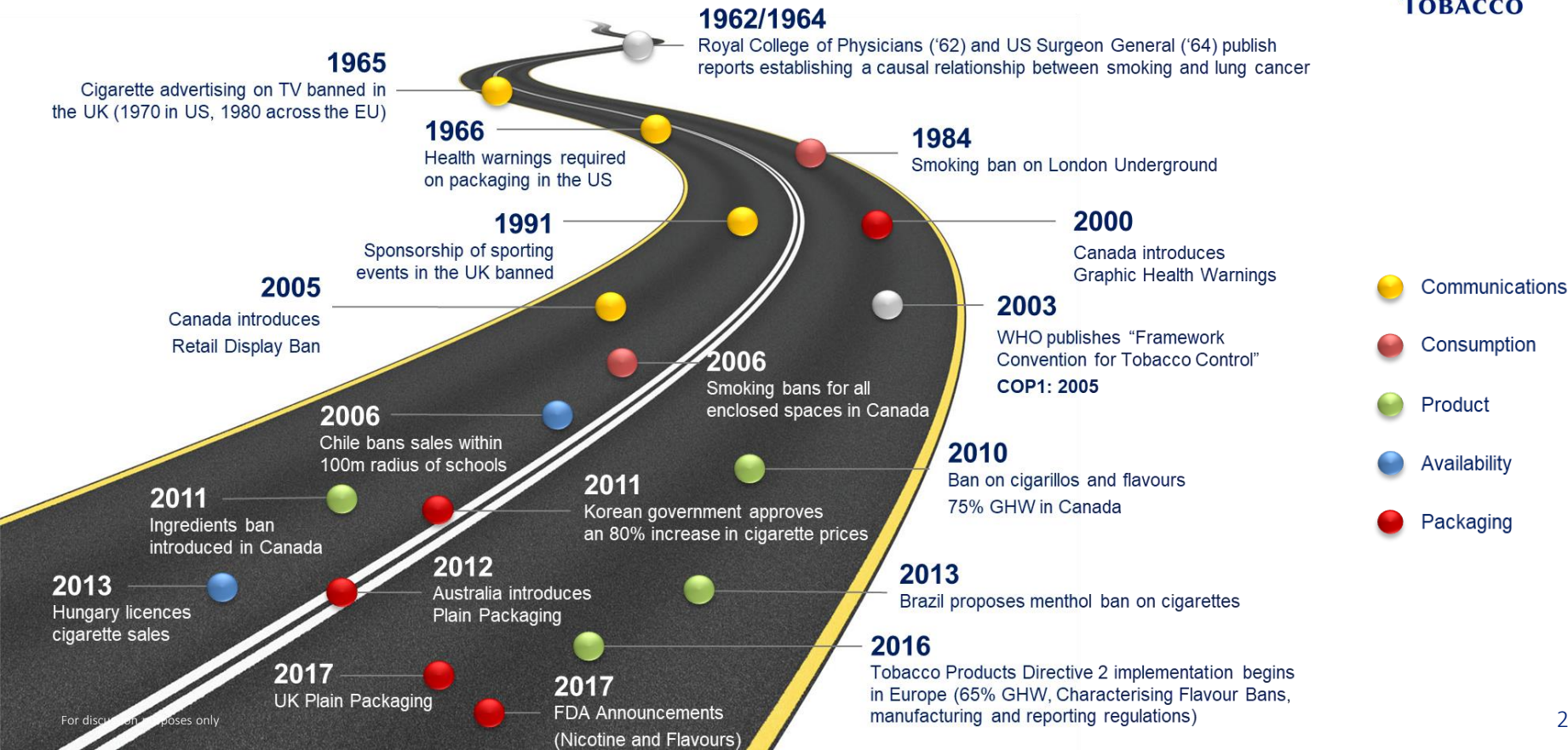
British American Tobacco



Tobacco regulation is accelerating



BRITISH AMERICAN
TOBACCO





Plain Packaging is progressing...



BRITISH AMERICAN
TOBACCO

Countries with laws passed 9

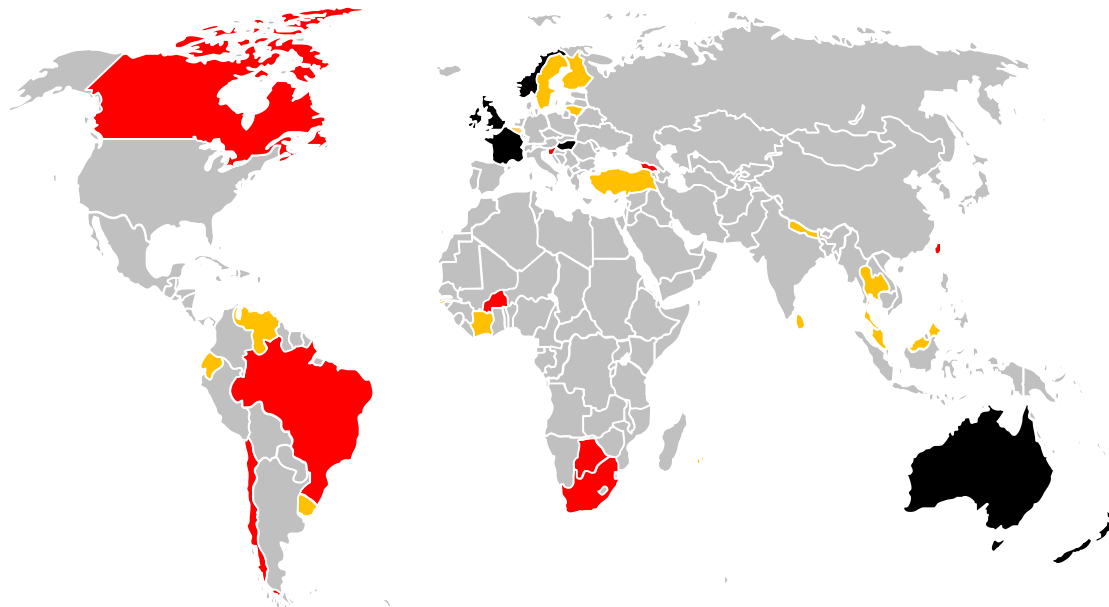
Australia	France	New Zealand
UK	Ireland	Hungary
Norway	Slovenia	Georgia

Countries with draft bills 8

Canada	Chile	South Africa
Brazil	Singapore	Uruguay
East Timor	Tonga	

Countries with draft bills 14

Belgium	Nepal	Sri Lanka
Ecuador	Ghana	Lithuania
Finland	Gambia	Russia
Thailand	Malaysia	Botswana
Turkey	Venezuela	



TPD is not over...



- Track & Trace implementation
- Security Feature implementation



- TNCO and other
- Priority lists
- Additives
- Characterising Flavours



More countries commit to tobacco end-game...



New Zealand
End-game 2025

- *Plain Packaging*
- *Retail licensing*
- *Reducing license numbers*
- *Reducing nicotine*
- *Licensing smokers*
- *Maximum daily purchases*



United Kingdom
End-game 2030

- *Plain Packaging*
- *Retail Display Ban*
- *Total Public Place-Smoking bans*
- *75% excise*



Finland
End-game 2040

- *Plain Packaging*
- *High-fee retail licensing*
- *Limiting retail numbers*
- *Retail Display Ban*
- *Removing flavours*
- *Raising taxes*



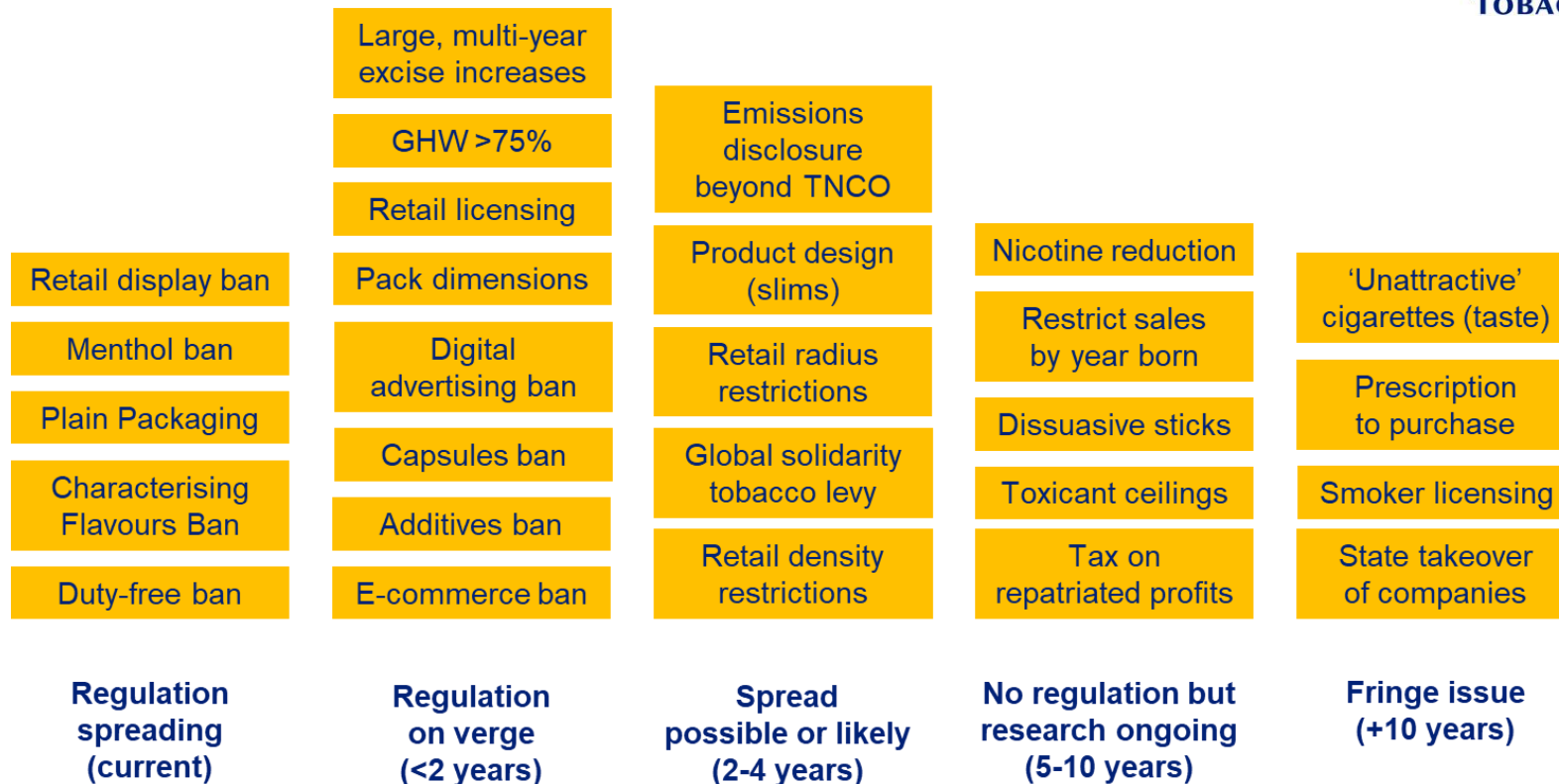
Malaysia
End-game 2045

- *Plain Packaging*
- *Retail licensing*
- *Retail Display Ban*
- *2009+ No Smoking*
- *Total Public Place-Smoking bans*
- *75% excise*

The Anti-Tobacco Agenda is well populated...



**BRITISH AMERICAN
TOBACCO**



And there is the Plastics Directive

Consumption
reduction

50% by 2025
80% by 2030

Marketing
requirements
= Plain Packs

EPR
schemes

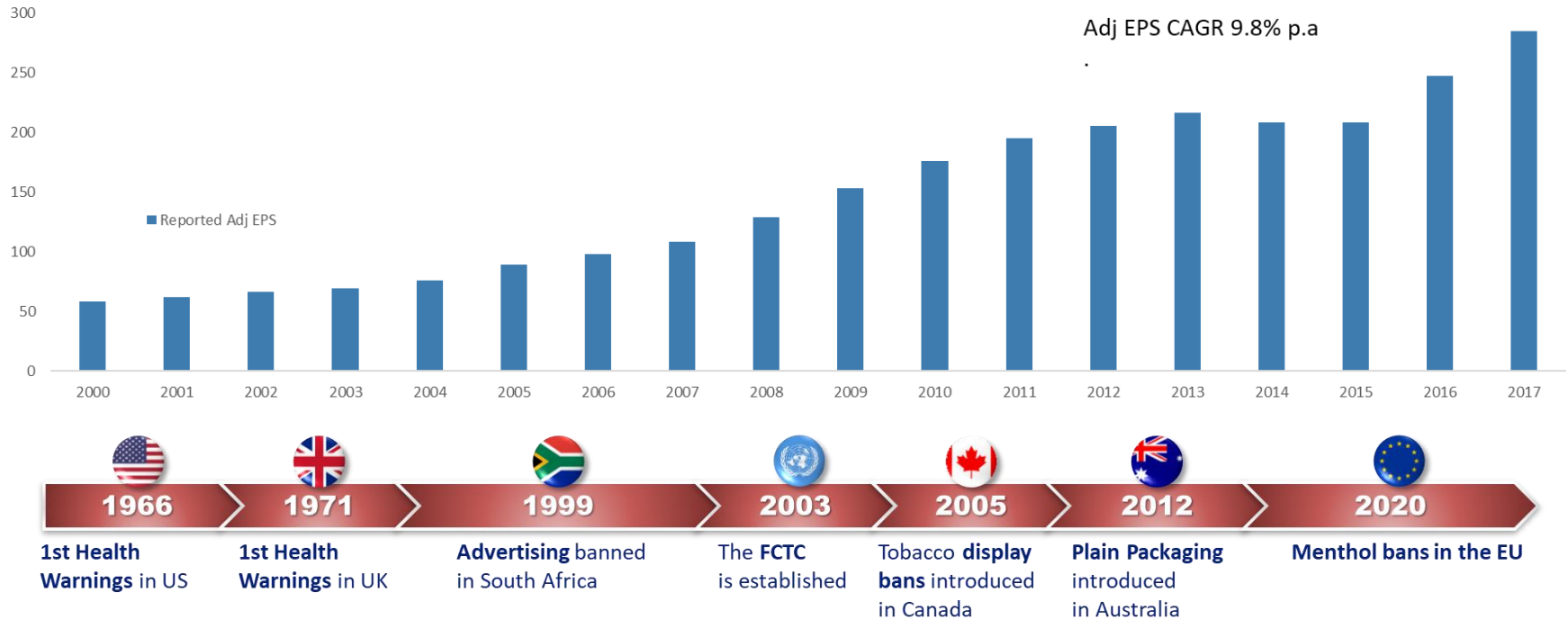
Independent
organisations
EPR

Consumer
awareness





The end of the industry has been foretold many times but...



And our world was changed – our ecosystem in 2010

Cigars



Oral/Snus

Swedish
Match.



Illicit



RYO/MYO



Traditional Tobacco



Shisha/
e-shisha

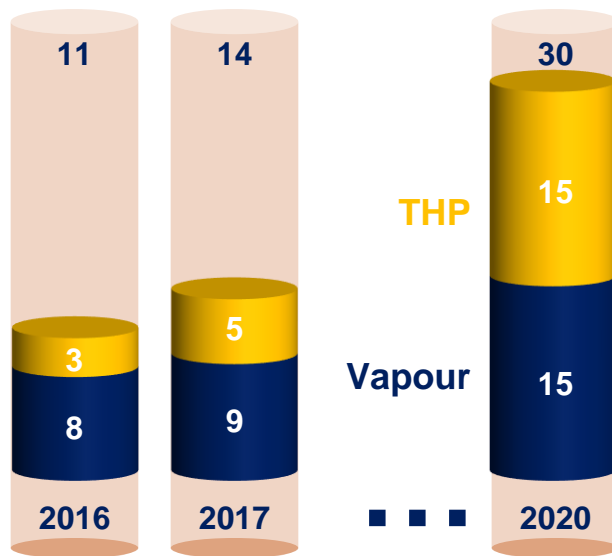


And our world was changed – our ecosystem today



Consumer interests turn into opportunities

2020 NGP Industry CPTO (£bn)



vs. Cigarette NTO est. £300bn

And we adapt our leaf strategy for the emerging challenges





In conclusion



- We believe the combustibles business will remain a fundamental component of our Industry.
- However, we must offer a wide range of choices to consumers. New Generation Products (NGP) will gain space.
- We do not expect NGP to impact farmers for a number of reasons:
 - Our tobacco heating products use high-quality processed tobacco leaf
 - Vapour products rely on extractions of nicotine from tobacco plants

Thank you