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R.J. Reynolds Vapor Company Announces VELO – Expanding Emerging Modern Oral Portfolio and Choice for Adult Tobacco Consumers

Company expands the rollout of VELO as part of its innovative Modern Oral portfolio to meet the evolving preferences of today's adult tobacco consumer with simple, hassle-free, oral nicotine products.

Product expansion furthers RJRVC's commitment to transforming tobacco by leading the charge on responsible innovation in the industry.

WINSTON-SALEM, N.C. – July 8, 2019 – R.J. Reynolds Vapor Company ("RJRVC"), an operating company of Reynolds American Inc., a member of the British American Tobacco Group, today announced that it is expanding its innovative Modern Oral portfolio with VELO, a line of tobacco leaf-free and spit-free nicotine pouches. VELO reflects an understanding of the evolving preferences of today's adult tobacco consumer ("ATC") and their expectation for a range of options to suit their modern lifestyles.

Consisting of high-quality ingredients, VELO addresses key ATC preferences for choice, convenience, and consideration, while providing a flavorful and enjoyable experience. VELO is a tobacco-derived nicotine product that comes in the form of nicotine pouches. VELO contains no tobacco leaf or other tobacco plant matter apart from the nicotine extracted from the tobacco plant. Unlike traditional moist tobacco products that require spitting, VELO is hassle free and can be used by ATCs anytime, anywhere.

VELO is an exciting step forward for RJRVC's Modern Oral product offerings. The company now has an industry-leading portfolio that provides ATCs with alternatives to traditional tobacco through enjoyable product formats and experiences. RJRVC's expansion of VELO, along with the continued expansion of its nicotine lozenge, REVEL, underscores the company's commitment to developing products that compliment modern adult tobacco consumer dynamics, their changing preferences, and their demands for product choice. The Modern Oral category is showing significant growth and VELO is poised to continue the momentum.

"At RJRVC, our teams are working hard to expand our range of nicotine products to provide ATCs with a diverse set of choices. The current expansion of VELO, and the expansion of our dissolvable nicotine lozenge product REVEL earlier this year, are both evidence that we are serious about accelerating transformation in the modern oral space," said Shay Mustafa, Senior Vice President, Oral Business Unit. "These products are examples of the innovation and technology-driven options we will continue to provide in the tobacco industry to meet changing preferences."

For ATCs who have made the decision to use tobacco or other tobacco-derived nicotine products, and are looking for an alternative, RJRVC's Modern Oral category provides ATCs with revolutionary alternatives to traditional tobacco through enjoyable product formats and experiences.

As part of RJRVC's expansion, VELO will be available in more than 70,000 outlets over the next few months. VELO is initially offered in two flavors, mint and citrus, and two nicotine strengths, 2mg and 4mg. Important information regarding the use of this product is available on the branded website, www.velo.com, and contained on the product packaging.

RJRVC stands firm that minors should never use tobacco, in any form, and continues to implement practices and support programs to limit underage use and retail access.

About R.J. Reynolds Vapor Company and Reynolds American Inc.

R.J. Reynolds Vapor Company ("RJRVC") is an operating company of Reynolds American Inc. ("RAI"), a member of the British American Tobacco Group. RAI's operating companies remain committed to responsibly marketing age-restricted tobacco products. RAI's operating companies' marketing communications are designed for, and directed to, existing adult tobacco consumers who are 21 and older. This standard is implemented in a variety of ways. First, direct interactions with consumers via e-mail, direct mail, and consumer engagements are restricted to existing 21+ adult consumers of tobacco products who have opted in to receive communications from RAI's operating companies that manufacture tobacco products. With respect to mass media (print advertising, television, online advertising), RJRVC employs strict guidelines to ensure that the audience viewership is overwhelmingly adult. In addition to restricting the dissemination of marketing communications, RAI's operating companies also impose numerous restrictions on the content of those marketing messages.

To learn more about R. J. Reynolds Vapor Company, please visit www.rjrvapor.com

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