



# REPORTING CRITERIA DOCUMENT 2024:

Principles, Criteria  
and Methodologies



IMPERIAL  
BRANDS

# REPORTING CRITERIA DOCUMENT 2024:

## Principles, Criteria and Methodologies

**This document sets out Imperial Brands' reporting approach, scope and criteria which underpins the PLC Board's commitment to disclose our responsible performance in the Environmental, Social, and Governance (ESG) section of the Annual Report and Accounts (AR&A) and on the corporate website.**

### WE AIM TO:

- Report our activities honestly and give a fair impression of business conduct.
- Provide key stakeholders with appropriate information, as guided by leading frameworks and standards such as the Global Reporting Initiative (GRI).
- Inform relevant investor evaluations and indices.

### COMMITMENT TO REPORTING

As a UK public company, we must disclose specific information in the AR&A, under the UK Companies Act 2006.

In addition, we provide information on how we manage our business responsibly, with key performance measures to show our progress. This helps to demonstrate that our Board of Directors is addressing their environmental, social and governance (ESG) responsibilities towards key stakeholders, including employees, investors, suppliers, customers, consumers, communities, government, and society.

We have a formal approach to ESG reporting which identifies important issues and performance indicators. Resulting information is used by Executive Management to set improvement metrics and targets, which are also endorsed by the PLC Board in the form of the People, Governance and Sustainability Committee. Performance management is then driven and enabled at functional, market and site level.

We periodically undertake an ESG materiality assessment, to review, identify and prioritise the most important sustainability issues for our business and external stakeholders.

In March 2023, we conducted our first Double Materiality Assessment (DMA). This year, as part of our preparation for the upcoming Corporate Sustainability Reporting Directive (CSRD) we have designed our DMA approach to meet CSRD requirements. Our DMA is still in progress and pending sign off from independent auditors. Further details on our DMA results and process can be found in our 2024 ESG Performance Summary.

Our materiality assessment conducted in March 2023, reconfirmed the results of the assessment conducted in 2021 which identified eight ESG priority areas for focus, which we have grouped into three broad categories:

1. Healthier Futures
2. Positive Contribution to Society
3. Safe and Inclusive Workplace

These eight ESG focus areas are critical to achieving our vision and longer-term purpose as we build a strong challenger business, powered by responsibility, focus and choice. We also make our own internal assessments by considering global sustainability issues and relevant social and environmental risks. We reference leading guidelines and indices, which include the Global Reporting Initiative (GRI) Standards and Carbon Disclosure Project (CDP).

### GENERAL REPORTING PRINCIPLES

In developing our reporting, we have been guided by good practice principles. We therefore seek to report information which is:

- Inclusive; relevant to our key stakeholders.
- Material; mutually important to us and our stakeholders.
- Responsive; action based on informed decisions.
- Impactful; effective action addressing mutually important issues.
- Robust; timely, accurate and, where appropriate, subject to verification and assurance.

Where possible we provide year-on-year comparable data with explanations on our performance.

### REPORTING BOUNDARIES AND SCOPE OF REPORTING

Our business is managed and reported on a functional basis.

We manage, gather and report data either as a whole or by function for activities over which we have operational control. We do not report on a legal entity basis. Our reporting includes all activities at manufacturing sites, main offices, Madagascar Farms\* and from sales operations associated with the production and sale of products. Operations not included, as deemed de minimis or being outside of our current reporting scope, relate to the small sales offices and warehouses, which collectively contribute no more than two per cent of each reported indicator.

\*The only tobacco farms within our operational control are in Madagascar.

# OUR PEOPLE AND PLANET AGENDA

An important element of the foundation-building phase of our business strategy has been a refresh of our approach to ESG responsibilities.

Imperial has a long tradition of responsible business with a strong track record of preventing underage<sup>1</sup> access, combating illicit trade and continually reducing its carbon footprint.

Our recent ESG review has focused on prioritising our activities to ensure they fully align with our new strategy, purpose and vision and meet the evolving expectation of stakeholders.

Our ESG strategy represents an exciting opportunity to make a positive difference, as well as be a platform to demonstrate our

strategic risk management of ESG issues.

A full materiality study, which combined both quantitative data-led analysis and qualitative stakeholder interviews, highlighted eight key areas of focus.

**We have grouped these into three broad categories:**

## 1. HEALTHIER FUTURES



### CONSUMER HEALTH

We are committed to strengthening our next generation products (NGP) and making a more meaningful contribution to harm reduction by offering adult smokers a range of potentially less harmful products.



### CLIMATE CHANGE

We are committed to reducing our impact on the climate throughout our value chain. Focusing on both mitigation and adaptation.



### PACKAGING & WASTE

We are committed to minimising waste associated with our products, packaging and production processes.

## 2. POSITIVE CONTRIBUTION TO SOCIETY



### FARMER LIVELIHOODS & WELFARE

We are committed to engaging with our suppliers to support and develop farming communities and promote sustainable agriculture.



### SUSTAINABLE & RESPONSIBLE SOURCING

We are committed to sourcing products and services in a compliant, sustainable and socially conscious manner. We will work with our suppliers to ensure continuous improvements.

**Our ESG strategy remains aligned with the United Nations Sustainable Development Goals (SDGs).**



## 3. SAFE & INCLUSIVE WORKPLACE



### HUMAN RIGHTS

We are committed to raising awareness and improving processes in our operations and supply chains recognising the importance, influence and role we have in promoting and protecting human rights.



### EMPLOYEE HEALTH, SAFETY & WELLBEING

We are committed to achieving world-class occupational health, safety and wellbeing for all our employees.



### DIVERSITY, EQUITY & INCLUSION

We are committed to creating a truly diverse and inclusive organisation renowned for celebrating difference, enabling our people to feel that they belong and be their authentic selves.

We will respect, recognise and value the diversity of our consumers and reflect the communities in which we operate.

1. Underage is defined as consumers under the age of 18 or a higher legal age for purchase.

# REPORTING ENTITIES\*



\*Correct as of 30th September 2024. Entities may have been double counted if site is both a manufacturing site and a sales and marketing entity. Not all entities are required to complete all environmental and Occupational Health and Safety (OHS) campaigns, see individual indicator for scope details.

Where appropriate, we differentiate manufacturing operations as these locations make a greater contribution to the data values for most indicators. Unless stated otherwise, all manufacturing sites under our operational control are in scope. Not all entities detailed above will report both occupational health and safety and environmental data. The full scope of inclusions is detailed under 'scope' for each indicator.

The logistics part of our Group business operates under the legal entity of Logista. Due to commercial sensitivities this entity is managed remotely, and it is responsible for its own data. Logista does not report into Group non-financial data, and this is specified in the scope of individual indicators. We report independently verified information provided by Logista in our Annual Report and Accounts. Logista has provided verified data since financial year (FY) 2014 for absolute Scope 1, 2 and 3 emissions. Further information on Logista can be found at <http://www.grupologista.com>.

Our relative indicators are expressed against tobacco and NGP net revenue, which comprises of tobacco and NGP revenue less duty paid and similar items, excluding peripheral products.

Units for absolute and relative measures can be found in the 'unit' section for each individual indicator.

## INTRODUCING NEW SITES AND SITE CLOSURES

As part of managing daily business, when new sites are opened or existing ones closed, we reflect this in our reporting scope. Any changes in scope are clearly reported within this document, and within the 'scope' section of each reported indicator. Our relative reported performance against tobacco and NGP net revenue helps to normalise any such changes in scope. Occupational health and Safety and environment data for new sites is included into the Group reporting scope once the data collection from sites has been validated in the Non-Financial Reporting (NFR) System. Where possible, historic data may be used to ensure we have a full reporting year worth of data before reporting, where this is not possible an estimate may be used.

Where we have sites that are closing, data will be included in our Group reporting until such time as is impractical to do so. For occupational health and safety data this will include data up until the last day of operational control.

For environmental data this will include data up until the last day of production and/or decommissioning if undertaken by Imperial and until last day of "ownership" including unoccupied sites.

## RESTATING THE GROUP BASELINE

Restating the Group baseline for environmental data may be needed if a material or significant change occurs. If material data errors are detected during the independent assurance process, we make all necessary steps to restate data, including the baseline if needed. Our baseline year is 2017 for all environmental indicators. This has been determined based on the work done to set science-based carbon reduction targets which were approved by the Science Based Targets Initiative. In FY23 we recalculated our Scope 3 in line with the latest guidance from the greenhouse gas protocol and CDP. In FY24 we re-examined our most material category: Scope 3 purchased goods and services, updated the emissions accounting methodology for 2024, gaining external assurance. We also recalculated our purchased goods and services 2017 baseline.



## IMPERIAL BRANDS NFR SYSTEM

The NFR system is the main reporting system for collecting occupational health and safety and environment data, we also collect human rights data in the NFR. The system is subject to administrative support provided by a third-party, Sustainit.

Raw data, in line with NFR data definitions, is entered into the system at site level by contributors, who are often topic specialists in their area. Site level data is then validated on the system, by a senior manager, taking full accountability for timeliness and accuracy of the data.

The system calculates performance indicators from the data entered and can generate reports at any level of the organisation including at local, regional, functional, and Group level to inform performance management processes.

Data collection campaigns are launched through the NFR System, on a monthly, quarterly, or annual basis; further information on campaign frequency can be found in the 'Method' section of each individual indicator. Users must submit data against strict deadlines to meet internal and external reporting requirements.

Once deadlines have passed, campaigns are closed. Following monthly investigation, data checks and clarifications, the data is reported internally. At the end of our reporting year the data is frozen to allow for assurance, and any further changes needed are logged in a change log and can only be implemented once the change threshold for the indicator has been met (2%). The data checking process assesses trends and anomalies monthly.

Amendments may be made as part of the validation and correction process or following the end-of-year independent assurance process. In the unlikely event amendments are significant (>2%), the figures will be restated in the next annual reporting with a footnote in the public disclosures explaining the restatement. In accordance with our alignment to the GHGP, and the SBTi validation of our Net Zero targets, if investments or divestments in a FY breach 5%, we will restate our baseline.

Our environmental reporting year, 1 July – 30 June, covers a 12-month period which consists of 3 months from the previous financial year and 9 months of the current financial year, allowing us enough time for internal consolidation, checking and external data verification. Normalised net revenue indicators relate to the full financial year.

## ASSURANCE

We engage an independent third party to provide limited assurance of selected publicly reported information. This is in line with good practice and to help build trust with our stakeholders.

The assurance exercise is scoped to test select quantitative indicators and whether reporting is accurate and reliable. We focus on performance indicators that are most material to both our organisation and stakeholders. This approach enables the third party to provide a limited assurance opinion on the completeness and accuracy of the reported information in all material aspects.

The assurance and verification process includes data assessment and testing, sample site visits and a number of interviews with management and subject matter experts. Details of assurance activities including the assurance statement can be accessed on our [website](#).

# INDICATORS

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# INDICATORS FOR NON-FINANCIAL REPORTING – REPORTING SPECIFICS AND METHODOLOGY

This section details the methodology for all indicators we publicly disclose in the Annual Report and Accounts, the ESG Performance Summary and the ESG section of the corporate website: Healthier Futures. Not all indicators have been subject to third party data verification. This is clearly stated within the criteria for each indicator.



## EMPLOYEE HEALTH, SAFETY & WELLBEING

### Compliance with Health and Safety Framework

<b>Definition</b>	Our framework follows a Plan-Do-Check-Act approach, and it is measured through 17 key leading indicators. These include policy review and communication, establishing a strategy and defining roles and responsibilities, having access to competent advice, identifying legal requirements, and proving compliance, provision of work equipment, resources, and training, regular review of objectives and targets, completion of audits and risk assessments, and incident management.
<b>Scope</b>	Data for this indicator is currently collected for all sales and marketing entities and all manufacturing sites.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Compliance with the Framework Leading Indicators is recorded quarterly. This data is reported in the NFR system by individual sites and collated at Group level for reporting.
<b>Third party data verification FY24</b>	No

### Operations with ISO 45001

<b>Definition</b>	We approach the improvement of OHS performance through risk management, employee training, performance reporting, audits, and improvement planning. This is structured by the application of a local formal OHS management system, which is subject to an annual independent audit by external certification companies to help drive continuous improvement. We have selected the international standard ISO 45001 as the most appropriate standard for guiding the development of our local OHS systems.
<b>Scope</b>	The scope covers all manufacturing sites including cigarette, other tobacco products (OTP), cigar, tobacco leaf processing and paper operations. It excludes laboratories, main offices, sales and marketing entities, distribution centres, leaf warehouses, farms, and joint ventures.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Through the NFR system, information on the occurrence of ISO 45001 certifications is collated centrally on an annual basis. The central team calculates the percentage by dividing the number of certifications by the number of operating sites within the scope. NFR users at the sites are required to upload the current certificate.
<b>Third party data verification FY24</b>	No



# EMPLOYEE HEALTH, SAFETY & WELLBEING

## Accidents & lost time accidents

<b>Definition</b>	Work-related incidents including physical assaults to employees. 'Work-related' means that the incident occurred in relation to the employees' activities executed on behalf of the company. Travelling to and from work accidents are excluded. Lost Time Accidents are work-related accidents resulting in absence from one or more scheduled workdays or shifts beyond the day or shift the accident occurred. A workday or shift is the specified hours that the employee is required to do on behalf of the company within any 24-hour period. Accidents are work-related accidents resulting in injury, irrespective of whether there was any lost time or not.
<b>Scope</b>	Data for this indicator is collected for all sales and marketing entities, all manufacturing sites, warehouses, offices, and fully contracted workers at Madagascar Farms. Employees include those employed directly by the company whether they are full-time, part-time or on a specific length contract including agency workers under the control of Imperial Brands.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Number
<b>Method</b>	Lost Time Accident and Accident data is entered into the NFR system monthly by local personnel. The system then consolidates the data for the central Group ESG team to review.
<b>Third party data verification FY24</b>	No

## Lost time accident frequency rate

<b>Definition</b>	Lost time accidents are work-related incidents resulting in absence from one or more scheduled workdays or shifts, beyond the day or shift the accident occurred. A workday or shift is the specified hours that the employee is required to do activity on behalf of the company within any 24-hour period. 'Work-related' means that the incident occurred in relation to the employees' activities executed on behalf of the company. This excludes situations such as travelling to and from work.
<b>Scope</b>	Data for this indicator is collected for all sales and marketing entities, all manufacturing sites, warehouses, offices, and fully contracted workers at Madagascar Farms. Lost time accident frequency rate relates to employees who are employed directly by the company whether they are full-time, part-time or on a specific length contract. It does not apply to contractors who are employed by a third party but does include agency workers working under the control of Imperial Brands.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Number of lost time accidents per 200,000 hours
<b>Method</b>	<p>Lost time accident and hours worked data is entered into the NFR system monthly by local personnel. The system then consolidates the data for the central Group ESG team to review.</p> <p>Hours worked is the average number of hours worked multiplied by the average number of employees during the period. Where actual data is available this is used (e.g., clock in/out systems).</p> <p>The lost time accident frequency rate is calculated as follows: (Total number of lost time accidents except while travelling to and from work/number of hours worked) x 200,000 hours.</p>
<b>Third party data verification FY24</b>	Yes





# EMPLOYEE HEALTH, SAFETY & WELLBEING

## Accident frequency rate

<b>Definition</b>	Accidents are work-related incidents resulting in injury, irrespective of whether there was any lost time or not. 'Work-related' means that the incident occurred in relation to the employees' activities executed on behalf of the company. This excludes situations such as travelling to and from work.
<b>Scope</b>	Data for this indicator is collected for all sales and marketing entities, all manufacturing sites, warehouses, offices and fully contracted workers at Madagascar Farms. Accident frequency rate relates to employees who are employed directly by the company whether they are full-time, part-time or on a specific length contract. It does not apply to contractors who are employed by a third party but does include agency workers working under the control of Imperial Brands.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Number of accidents per 200,000 hours
<b>Method</b>	Accident and hours worked data is entered into the NFR system monthly by local personnel. The system then consolidates the data for the central Group ESG team to review. The accident frequency rate is calculated as follows: (Total number of accidents except while travelling to and from work/number of hours worked) x 200,000 hours.
<b>Third party data verification FY24</b>	No

## Fleet Collision Rate

<b>Definition</b>	Work related vehicle collisions involving the Imperial Brands fleet of vehicles including motorbikes, 3 wheeled vehicles such as 'Tuk Tuks', cars, and goods vehicles. 'Work-related' means that the collision occurred in relation to the employees' activities executed on behalf of the company. Travelling to and from place of work collisions are excluded. A workday or shift is the specified hours that the employee is required to do activity on behalf of the company within any 24-hour period. All vehicle accidents are included that result in injury, death, or material damage, however there are several types of accidents that are excluded: acts of God/nature, collisions with animals, hit while parked, fire, theft, vandalism, collisions with debris, glass/windscreen only damage, or vehicle failure. Internal transport collisions such as forklift trucks are excluded.
<b>Scope</b>	Data for this indicator is collected only for sales and marketing entities. Employees include those employed directly by the company whether they are full-time, part-time or on a specific length contract including agency workers under the control of Imperial Brands.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Collisions per million kilometres
<b>Method</b>	Data is entered into the NFR system monthly by local personnel. The system then consolidates the data for the Group ESG team to review. Accident frequency rate is calculated by: (number of collisions x 1,000,000) / kilometres driven.
<b>Third party data verification FY24</b>	Yes



# EMPLOYEE HEALTH, SAFETY & WELLBEING

## Fatalities

<b>Definition</b>	Work related incidents including physical assaults resulting in the death of employees, third party contractors or members of the public. 'Work-related' means that the incident occurred in relation to the employees' or contractors' activities executed on behalf of the company, or a member of the public was killed because of an employee or contractor work activity. Travelling to and from work accidents are excluded as well as other non-work-related death-in-service such as employee death from natural causes or other non-work-related cause.
<b>Scope</b>	Data for this indicator is collected for all sales and marketing entities, all manufacturing sites, warehouses, offices, and fully contracted workers at Madagascar Farms. Fatalities to employees include those employed directly by the company whether they are full-time, part-time or on a specific length contract including agency workers under the control of Imperial Brands. Contractors relates to third parties working at Imperial Brands premises conducting work commissioned by Imperial Brands. Visitors to an Imperial Brands location involved in fatal accidents will be recorded as members of the public.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Number
<b>Method</b>	There is an internal standard outlining the immediate escalation process. Data is entered into the NFR system monthly by local personnel.
<b>Third party data verification FY24</b>	No

## Fleet vehicles fitted with an In Vehicle Monitoring System (IVMS)

<b>Definition</b>	A range of IVMS solutions are available including basic 'App' type monitoring, through to hardware installed in vehicles linked to data gathering and reporting software. Markets should choose the system most suited to their needs. As a minimum, it must record against a driver identifier such as employee or driving license number, the speed, harsh acceleration or deceleration, kilometres or miles driven, driven hours.
<b>Scope</b>	Data for this indicator is collected for all sales entities.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Data is entered into the NFR system on a quarterly basis by local personnel. The system then consolidates the data for the central Group ESG team to review.
<b>Third party data verification FY24</b>	No



# DIVERSITY EQUITY & INCLUSION

## Female Representation in the workforce

<b>Definition</b>	The proportion of employees recorded as female across Imperial Brands Group.
<b>Scope</b>	The scope covers full-time and part-time employees at Imperial Brands companies excluding Logista.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Number of female employees divided by number of all employees. Where employee gender is listed as 'blank' or 'not declared', these are included in the calculation as non-female.
<b>Third party data verification FY24</b>	Yes

## Female employee representation in senior management

<b>Definition</b>	The proportion of senior management employees (Global Grade 3, 4 and 5) recorded as female across Imperial Brands Group.
<b>Scope</b>	The scope covers full-time and part-time employees at senior management level: Global Grade 3, 4 and 5 excluding Logista.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Number of female employees (Global Grade 3, 4 and 5) divided by number of all Global Grade 3, 4 and 5 employees. Where employee gender is listed as 'blank' or 'not declared', these are included in the calculation as non-female.
<b>Third party data verification FY24</b>	Yes

## Female employee direct reports to the Executive Leadership Team (ELT)

<b>Definition</b>	The proportion of direct reports to the ELT recorded as female across Imperial Brands Group.
<b>Scope</b>	The scope covers all direct reports to the ELT across Imperial Brands, excluding administrative or support staff.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Number of female employees reporting to the ELT divided by number of all employees reporting to the ELT – excluding administrative or support staff.
<b>Third party data verification FY24</b>	Yes



# DIVERSITY EQUITY & INCLUSION

## Female Executive Leadership Team (ELT) Members

<b>Definition</b>	The Executive Leadership Team (ELT) comprises the Executive Directors and key members of our senior management team. The ELT is responsible for supporting the Chief Executive with implementation of Group strategy, monitoring the detailed operational performance of all aspects of the business and ensuring the Group achieves its financial and non-financial targets.
<b>Scope</b>	The scope covers all ELT members.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Number of female ELT members divided by the total number of ELT members, excluding the Company Secretary. ELT member adjustments are announced by the Company Secretariat.
<b>Third party data verification FY24</b>	Yes

## Female PLC Board Members

<b>Definition</b>	The Imperial Brands Board manages overall control of Group affairs, including responsibility for: commercial strategy, approval of financial statements, major acquisitions and disposals, authority levels for expenditure, treasury and risk management policies and succession plans for senior executives.
<b>Scope</b>	The scope covers all PLC Board members. The Company Secretary is excluded.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Number of female Board members divided by number of total PLC Board members. Board member adjustments are announced to the Group by Corporate Communications and Company Secretariat.
<b>Third party data verification FY24</b>	Yes

## Ethnic Background PLC Board

<b>Definition</b>	The Imperial Brands Board manages overall control of Group affairs, including responsibility for: commercial strategy; approval of financial statements; major acquisitions and disposals; authority levels for expenditure; treasury and risk management policies; and succession plans for senior executives.
<b>Scope</b>	The scope covers all PLC Board members. The Company Secretary is excluded.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Number of Board members who self-identify as being from a non-white background divided by number of total PLC Board members. Board member adjustments are announced to the Group by Corporate Communications and Company Secretariat.
<b>Third party data verification FY24</b>	Yes





# DIVERSITY EQUITY & INCLUSION

## FTSE Women Leaders Review Combined Executive Leadership Team (ELT) & Direct Reports

<b>Definition</b>	Imperial Brands participates in the FTSE Women Leaders review, an independent, business-led framework supported by Government which sets recommendations to improve the representation of women on the Boards and Leadership teams of the FTSE 350 and 50 of the UK's largest private companies.
<b>Scope</b>	The scope covers all ELT Members and direct reports to the ELT across Imperial Brands, excluding administrative or support staff.
<b>Reporting Period</b>	As of 31 October 2024
<b>Unit</b>	Percentage
<b>Method</b>	Number of female employees and contractors in or reporting to the ELT divided by number of all employees and contractors in or reporting to the ELT – excluding administrative or support staff.
<b>Third party data verification FY24</b>	Yes

## Employee Turnover Rate

<b>Definition</b>	The percentage of employees who have left the business over the financial year either voluntarily or involuntarily.
<b>Scope</b>	This reflects all employees in our Workday system, excluding those employed by Logista.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	The total number of employees who left the company over the reporting period divided by the average of the employee population at the start and end of the reporting period.
<b>Third party data verification FY24</b>	No

## New Employee Hires

<b>Definition</b>	The number of employees who were hired into the company over the reporting period.
<b>Scope</b>	The scope includes all employees in our Workday system, excluding those employed by Logista.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	The number of employees hired for each demographic group divided by the total number of employees hired over the reporting period.
<b>Third party data verification FY24</b>	No



# FARMER LIVELIHOODS & WELFARE

## Leaf suppliers expressing a commitment to support their farmers access a decent standard of living

### Definition

Living income is the annual net income required for a household in particular place to afford a decent standard of living for all members of that household. Elements of decent standard of living include food, water, housing, education, health care, transportation, clothing and other essential needs including provision for unexpected events.

The living income will vary from country to county and even within the same country based on local-specific conditions.

The net income that a household earns can come from multiple sources. This income needs to cover the costs of decent living for it to be considered a living income. In the case of smallholder farmers for example, income can be earned through off farm business and from multiple on farm sales including tobacco crop.

In our supply chain, most of our tobacco is from suppliers that work with smallholder farmers that live in rural areas. It is important to recognise that there is no silver bullet for driving improvements for smallholder incomes and that any individual supplier or industry solely could address issues without other stakeholders. Despite this we and our suppliers have combined efforts with appropriate actions to drive change towards addressing tobacco farmers decent standard of living. A significant step is ensuring our suppliers are committed to improving farmer livelihoods in this way.

### Scope

All leaf suppliers with a contracted farmer base, from whom Imperial Brands sourced tobacco during the period under review. Excluding suppliers with corporate farms as they do not have contracted farmers.

### Reporting Period

2024, based on crop years that ended during the 2023 calendar year

### Unit

Percentage

### Method

The methodology uses supplier self-assessment data from the Sustainable Tobacco Program (STP)<sup>2</sup>.

The total number of leaf suppliers who answer "yes" to the STP self-assessment question "Is your company committed to addressing farmer livelihoods" is calculated as a percentage of the total number of leaf suppliers.

As a further data integrity measure, the STP Secretariat then substantiates the answers to this question by comparing for consistency against the question that requests suppliers to upload a policy or commitment confirming their commitment to addressing farmer livelihoods. Without a policy or commitment uploaded, the supplier is required to answer "no" to the commitment question above.

### Third party data verification FY24

Yes

2. The Sustainable Tobacco Programme (STP) is an industry initiative which aims to help enhance agricultural supply chain due diligence and accelerate positive impacts on social and environmental footprints. Annual self-assessments are completed by suppliers online. This supplier data is substantiated by a third party, the STP Secretariat, which aims at improving data integrity and reflecting its intended purpose.



## FARMER LIVELIHOODS & WELFARE

### Sustainable wood for use as tobacco curing fuel

**Definition**

There are various tobacco leaf curing methods, including air-curing, sun-curing, and flue-curing. The type of curing method is dependent on the tobacco variety. Flue-cured tobacco requires fuels for curing, since the tobacco leaf is dried in curing barns by means of heated air.

Fuels for curing are categorised into biogenic and fossil fuels, as well as other fuels. Biogenic fuels include wood (from sustainable and un-sustainable sources), machine-made bagasse, rice husk, corn cobs, grass, shrubs, tree branches or straw, and handmade bagasse or palm oil kernel shells. Fossil fuels include coal, LPG, and natural gas. Other fuels may include electricity. The focus for this remains only on wood.

A key part of Imperial's commitment to sustainable agriculture means that 100% of the wood harvested for tobacco curing is either sourced from sustainably managed forests or to be matched by managed planting. This is defined as 'Zero-net deforestation' which means allowing no change to the total forest area, with new forests compensating for converted forests

New forests represent planting that is equivalent to what has been harvested on an annual basis.

Sustainable and traceable wood fuel is defined as wood produced through sustainable management practices. Sustainable management practices ensure that the regrowth or regeneration (of forests/wooded land) is equal to, or greater than, the level of extraction/depletion. Sources of sustainable and traceable wood may include, but is not limited to, legal plantations (including on-farm planting, that are sustainably managed), secondary or degraded forests that are sustainably managed, identified, invasive, or exotic species that are not planted on purpose and approved for removal and certified material under recognized schemes, like FSC or PEFC.

Sources of un-sustainable wood may include, but is not limited to, natural forests that are un-sustainably managed, plantations that are a result of the conversion of natural forests, as well as primary forests and forests of high conservation value.

**Scope**

Wood used for curing fuel by suppliers', from whom Imperial Brands sourced tobacco during the period under review, contracted farmers growing tobacco types that require fuel for curing (i.e. Dark Fire Cured and flue-cured Virginia tobacco).

Supplier, community, farmer and Imperial Brands funded tree planting that is equivalent to the wood equivalent harvested to cure the tobacco types in scope.

**Reporting Period**

FY24, based on crop years that ended during the 2023 calendar year

**Unit**

Percentage

**Method**

The methodology uses supplier self-assessment data from the Sustainable Tobacco Program (STP), and forestation projects in Mozambique and Tanzania. The total volume of sustainable wood used from the answers to the STP self-assessment question "Amount of wood from sustainable sources used as curing fuel" and "Amount of wood from un-sustainable sources used as curing fuel" is calculated as a percentage of the total volume of wood required to cure the tobacco.

**Third party data verification FY24**

Yes



## FARMER LIVELIHOODS & WELFARE

### Tobacco growing farmers and their families with improved access to childcare and education

<b>Definition</b>	Farmers and their families in tobacco growing communities have improved access to childcare and education facilities and other projects to address root causes of child labour, for example, supporting the ability to get to schools and increasing attendance. Improved conditions refer to farmers and their families being in a better position after the delivery of the project compared to those prior. Access refers to a means or opportunity to benefit from these projects. This definition may be superseded by local regulations and best practices where relevant.
<b>Scope</b>	All leaf suppliers', from whom Imperial Brands sourced tobacco during the period under review, farmer's and worker's children based in countries in most need of support.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Number
<b>Method</b>	<p>The methodology uses a combination of sustainability data from Maplecroft risk indices, insights from the Sustainable Tobacco Program (STP)<sup>3</sup> and supplier responses to Imperial Brands annual Livelihoods Survey.</p> <p>Relevant Maplecroft risk indices are used to identify Imperial Brands active sourcing countries in most need of support to improve access to childcare and education. Suppliers' farmer's and worker's children, based in these countries, are then considered for Imperial Leaf Partnership projects.</p> <p>The total number of beneficiaries with improved access to childcare and education because of these Imperial Leaf Partnership projects are calculated for this KPI, where the family size of a suppliers' farmer or worker is based on the average family size of the country.</p>
<b>Third party data verification FY24</b>	No

3. The Sustainable Tobacco Programme (STP) is an industry initiative which aims to help enhance agricultural supply chain due diligence and accelerate positive impacts on social and environmental footprints. Annual self-assessments are completed by suppliers online. This supplier data is substantiated by a third party, the STP Secretariat, which aims at improving data integrity and reflecting its intended purpose.





## FARMER LIVELIHOODS & WELFARE

### Tobacco growing farmers and their families with improved access to clean water

<b>Definition</b>	<p>Clean drinking water is defined as water that does not represent any significant risk to health over a lifetime of consumption. Improved sources include, but is not limited to, piped water, boreholes, tube wells, protected dug wells, protected springs, and packaged or delivered water. Access to clean water is assumed as use of an improved water source with a total collection time of a maximum of a 30-minute walk for a round-trip, including queuing, or 1km.</p> <p>This definition may be superseded by local regulations and best practices where relevant.</p>
<b>Scope</b>	All leaf suppliers', from whom Imperial Brands sourced tobacco during the period under review, farmers and their families based in countries in most need of support.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Number
<b>Method</b>	<p>The methodology uses a combination of sustainability data from Maplecroft risk indices, insights from the Sustainable Tobacco Program (STP)<sup>4</sup> and supplier responses to Imperial's annual Livelihoods Survey.</p> <p>Relevant Maplecroft's risk indices are used to identify Imperial's active sourcing countries in most need of support to improve access to clean water. Suppliers' farmers based in these countries are then considered for Imperial Leaf Partnership projects.</p> <p>The total number of beneficiaries with improved access to clean water because of these Imperial Leaf Partnership projects are calculated for this KPI, where the family size of a suppliers' farmer or worker is based on the average family size of the country.</p>
<b>Third party data verification FY24</b>	No

4. The Sustainable Tobacco Programme (STP) is an industry initiative which aims to help enhance agricultural supply chain due diligence and accelerate positive impacts on social and environmental footprints. Annual self-assessments are completed by suppliers online. This supplier data is substantiated by a third party, the STP Secretariat, which aims at improving data integrity and reflecting its intended purpose.



## FARMER LIVELIHOODS & WELFARE

### Tobacco growing farmers and their families with improved access to sanitation and hygiene

<b>Definition</b>	<p>Sanitation is defined as the use of improved facilities which are not shared with other households and where excreta are safely disposed in situ or transported and treated offsite.</p> <p>Improved sanitation facilities are those designed to hygienically separate excreta from human contact and ensure that excreta do not re-enter the immediate environment (at household, field, and accommodation level). Improved sanitation facilities include flush/pour flush to piped sewer systems, septic tanks, or pit latrines, ventilated improved pit latrines, composting toilets, or pit latrines with slabs.</p> <p>This definition may be superseded by local regulations and best practices where relevant.</p>
<b>Scope</b>	All leaf suppliers', from whom Imperial Brands sourced tobacco during the period under review, farmers and their families based in countries in most need of support.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Number
<b>Method</b>	<p>The methodology uses a combination of sustainability data from Maplecroft risk indices, insights from the Sustainable Tobacco Program (STP)<sup>5</sup> and supplier responses to Imperial Brands annual Livelihoods Survey.</p> <p>Relevant Maplecroft's risk indices are used to identify Imperial's active sourcing countries in most need of support to improve access to sanitation and hygiene. Suppliers' farmers based in these countries are then considered for Imperial Leaf Partnership projects.</p> <p>The total number of beneficiaries with improved access to sanitation and hygiene as a result of these Imperial Leaf Partnership projects are calculated for this KPI, where the family size of a suppliers' farmer or worker is based on the average family size of the particular country.</p>
<b>Third party data verification FY24</b>	No

5. The Sustainable Tobacco Programme (STP) is an industry initiative which aims to help enhance agricultural supply chain due diligence and accelerate positive impacts on social and environmental footprints. Annual self-assessments are completed by suppliers online. This supplier data is substantiated by a third party, the STP Secretariat, which aims at improving data integrity and reflecting its intended purpose.



## FARMER LIVELIHOODS & WELFARE

### Leaf suppliers participating in the Sustainable Tobacco Programme

<b>Definition</b>	<p>The Sustainable Tobacco Program (STP) is an industry initiative to enhance agricultural supply chain due diligence and accelerate positive impacts on social and environmental footprints. The framework brings together companies in a collaborative effort to develop innovative solutions that benefit all stakeholders. STP's goal is to improve livelihoods while operating within planetary boundaries and respecting human rights.</p> <p>The STP is governed by a steering committee made up of members. STP is operated and evolved by a secretariat. The committee works with the secretariat to continuously improve the framework.</p>
<b>Scope</b>	All leaf suppliers, from whom Imperial sourced tobacco during the period under review.
<b>Reporting Period</b>	FY24, based on crop years that ended during the 2023 calendar year
<b>Unit</b>	Percentage
<b>Method</b>	The number of leaf suppliers participating in STP (i.e., completing and submitting STP self-assessments) is calculated as a percentage of the total number of leaf suppliers.
<b>Third party data verification FY24</b>	No



# CONSUMER HEALTH



## Net revenue from NGP Products

<b>Definition</b>	Refers to the percentage of net revenue from Next Generation Products (NGP). Net revenue comprising associated revenue less duty and similar items recognised across the Group.
<b>Scope</b>	The scope covers all NGP products including Vapour, Heated Tobacco, and Modern Oral Nicotine across the Group.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Absolute NGP net revenue reported by the Group as at 30 September 2023, less absolute NGP net revenue reported by the Group as at 30 September 2021, divided by the absolute NGP net revenue at 30 September 2021.
<b>Third party data verification FY24</b>	Yes





# PACKAGING & WASTE

## Absolute and Relative Environmental Waste

<b>Definition</b>	A key element of our environmental approach is to minimise both total waste and waste sent to landfill. This is also part of our focus on cost optimisation. In general, waste includes items such as tobacco, paper, packaging materials, glues, cellophane, filter tow, and cardboard. Where possible we seek to reduce, re-use and recycle waste. A small amount of waste is classified as hazardous. Hazardous waste is identified as being potentially harmful to the environment or to humans and its handling is guided by regulation such as the European Regulation on Classification, Labelling and Packaging (CLP Regulation). We also include offensive waste in our definition of hazardous waste, which includes medical or sanitary waste. The handling of waste is dependent on the geographical location.
<b>Scope</b>	The scope covers waste originating from manufacturing sites and main offices under our operational control but excludes waste reused both within our operations and externally.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit for Absolute Waste</b>	Tonnes
<b>Unit for Relative Waste</b>	Tonnes per £million tobacco and NGP net revenue.
<b>Method</b>	Waste data is entered into the NFR system monthly and consolidated ready for the Group ESG team to review. Waste data is reported by 13 waste types: Tobacco, Paper, Cardboard, Wood, Plastic, Glass, Metal, Other Non-Hazardous solid waste, Hazardous Solid, Hazardous Liquid, Operational write-offs, Non-operational write-offs and recalls, Construction Waste. The inputted data is based on weights provided by waste management companies, invoices, and internal computation. Estimated data is based on actual and assured numbers from the previous reporting period. Once available, estimated data is changed to actual data.
<b>Third party data verification FY24</b>	Yes

## Absolute and Relative Environmental Waste to Landfill

<b>Definition</b>	Waste sent to landfill is waste classified under local legislation as non-hazardous that we have been unable to recycle, reuse or incinerate for energy recovery. Factories are reducing the amount of waste they send to landfill by reducing, reusing, recycling and where possible, composting.
<b>Scope</b>	All waste sent to landfill, and incineration without energy recovery is included in our definition of landfilled waste. The scope includes all sites in scope for environmental reporting, excluding our Mali factory with is out of operational control. Hazardous waste, including offensive waste such as medical and sanitary is excluded.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit for Absolute Waste to Landfill</b>	Tonnes
<b>Unit for Relative Waste to Landfill</b>	Tonnes per £million tobacco and NGP net revenue.
<b>Method</b>	Waste data is entered into the NFR system monthly and consolidated ready for the Group ESG team to review.
<b>Third party data verification FY24</b>	Yes



## PACKAGING & WASTE

### Zero Waste to Landfill

<b>Definition</b>	Waste sent to landfill is waste classified under local legislation as non-hazardous waste that we have been unable to recycle, reuse or incinerate for energy recovery. We committed to send zero waste to landfill by 2025. Factories are reducing the amount of waste they send to landfill by reducing, reusing, recycling and where possible, composting. We are unable to use these disposal routes in all countries.
<b>Scope</b>	All waste sent to landfill and incineration without energy recovery is included in our definition of landfilled waste. The scope covers waste originating from manufacturing sites and main offices. Locations within conflict zones were excluded. Hazardous waste, including offensive waste such as medical and sanitary is also excluded.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit for Absolute Waste to Landfill</b>	Tonnes
<b>Method</b>	Waste data is entered into the NFR system monthly and consolidated ready for the Group ESG team to review. In June 2024, no waste was sent to landfill from our in scope sites, achieving this target.
<b>Third party data verification FY24</b>	No

### Landfill waste avoidance

<b>Definition</b>	<p>The conscious and proactive effort to minimise the amount of waste that ends up in landfill.</p> <p>We have committed to send zero waste to landfill by 2025. Factories are reducing the amount of waste they send to landfill by reusing waste, recycling, composting, and incineration (with energy recovery).</p>
<b>Scope</b>	<p>The scope covers all waste from factories and main offices which are reused, recycled, composted, and incinerated (with energy recovery).</p> <p>Excluding: Waste sent to landfill, incinerated without energy recovery, Hazardous waste and offensive waste.</p>
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit</b>	Percentage
<b>Method</b>	Data is entered into the NFR system monthly and consolidated ready for the Group ESG team to review centrally. Landfill waste avoidance data is entered from data sources such as invoices. Calculated as (Total Waste diverted from landfill + waste reused)/(Total waste + Waste reused).
<b>Third party data verification FY24</b>	Yes



## PACKAGING & WASTE

### Waste Recycled

<b>Definition</b>	Waste materials which have been reprocessed into products, materials, or substances whether for the original or other purposes. This includes the reprocessing of organic material but does not include energy recovery and the reprocessing into materials that are to be used as fuels or for backfilling operations. For example: plastic, paper, carton board, cleaning solvents, and pallets sent to third parties to be recycled.
<b>Scope</b>	The scope covers waste originating from manufacturing sites and main offices.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit</b>	Percentage
<b>Method</b>	Data is entered into the NFR system monthly and consolidated ready for the Group ESG team to review.
<b>Third party data verification FY24</b>	No

### Packaging in the EU and the UK that is reusable, recyclable or compostable (%)

<b>Definition</b>	<p>A key element of our environmental approach is ensuring all our packaging is reusable, recyclable, or compostable. We are assessing the recyclability of every packaging type for products sold in the EU &amp; UK to identify where we can improve. Our target is for all our packaging in the EU &amp; UK will be recyclable by 2025.</p> <p>The recycling system we are assessing against is the German sorting and recycling system.</p>
<b>Scope</b>	All packaging for products sold in the EU and UK produced in-house operations. Excluding US Cigar.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit</b>	Percentage
<b>Method</b>	<p>Packaging samples are provided to an external agency which accesses the recyclability (the percentage of total packaging material that can be recovered during the recycling process) of our packaging and certify this. Packaging formats of the same type of product, which are very close to each other (up to 1g difference), are clustered together and get one certificate. Packaging formats are classed as recyclable if they have a recyclability score of &gt;0%.</p> <p>The percentage value is calculated as a percent of our total packaging formats which are recyclable. From the assessment, "EU" or "DE" pathway is selected to cover the German recycling scheme based on the most likely pathway for recyclability calculation.</p> <p>More information can be found <a href="#">HERE</a></p>
<b>Third party data verification FY24</b>	Yes



## PACKAGING & WASTE

### Average recyclability score for products sold in the EU and UK (%)

<b>Definition</b>	<p>A further step on the recyclability of our packaging is, that we have set a target for packaging of products sold in the EU and UK to have an average recycling score of at least 80% by 2030.</p> <p>We are assessing the recyclability of every packaging type on sale in the EU and UK to identify where we can improve. The recycling system we are checking against is the German sorting and recycling system.</p>
<b>Scope</b>	All packaging for products sold in the EU and UK produced in-house operations. Excluding US-Cigar.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit</b>	Percentage
<b>Method</b>	<p>Packaging samples are provided to an external agency which assesses the recyclability (how much material in % of the total packaging has the potential to be recovered during the recycling process) of our packaging. To calculate the percentage, we take the weight of each sales unit and multiply it with the sales volume and the average recycling score for this packaging. The final percentage is the total value of recycled packaging against non-recycled packaging. From the assessment, "EU" or "DE" pathway is selected to cover the German recycling scheme based on the most likely pathway for recyclability calculation.</p> <p>More information can be found <a href="#">HERE</a>.</p>
<b>Third party data verification FY24</b>	Yes

### Sustainably sourced wood fibre in our packaging

<b>Definition</b>	<p>Sustainably Sourced means that all wood fibres used in packaging or print applications are sourced entirely from FSC (Forest Stewardship Council) or PEFC (Programme for the Endorsement of Forest Certifications) certified forests or any other equivalent specification, that has been approved by Imperial. We have committed to source 100% of the wood fibre in our packaging sustainably by 2025. This includes all the types of packaging classified at taxonomy level 2 such as printed items, corrugated items, board and paper or foils excluding tax stamps.</p>
<b>Scope</b>	In scope is all packaging for products sold in the globally produced in-house operations.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit</b>	Percentage
<b>Method</b>	<p>All suppliers supplying wood fibre-based materials used in packaging or print applications are asked to sign an agreement in the reporting period, confirming the material is sourced according to our definition of sustainable sourcing prior to the material being delivered. Calculated based on supplier spend derived from Procurement Dashboard covering 95% of Global Spend.</p>
<b>Third party data verification FY24</b>	Yes





# CLIMATE CHANGE

## Operations with ISO 14001 at the time of reporting

<b>Definition</b>	We approach the improvement of environmental performance through risk management, employee training, performance reporting, audits, and improvement planning. This is structured by application of formal environmental management systems which are subject to an annual independent audit by external certification companies, to help drive continuous improvement. We have selected the international standard ISO 14001 as the most appropriate standard for guiding the development of our environmental management systems.
<b>Scope</b>	The scope covers all manufacturing sites including cigarette, other tobacco products (OTP), cigar, tobacco leaf processing, paper, and tube operations. It excludes laboratories, main offices, sales and marketing entities, distribution centres, leaf warehouses, farms, and joint ventures.
<b>Reporting Period</b>	As of end of financial year 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Through the NFR system, information on the occurrence of ISO 14001 environmental management system certifications is collated centrally on an annual basis. The Group ESG team calculates the percentage by dividing the number of certifications by the number of operating sites within the scope. NFR users at the site must upload the current certificate.
<b>Third party data verification FY24</b>	No

## Absolute and relative energy consumption

<b>Definition</b>	Our operations use energy to generate light, heat, power, cooling, refrigeration and steam, and to run compressors. These originate from a variety of sources including fossil fuels and renewable sources. The electricity we use is sourced from a combination of grid electricity, generators and on-site generation.
<b>Scope</b>	All sites over which we have operational control, including factories, main offices, sales fleets, and the farms in Madagascar. It excludes only sites deemed de minimis, or those outside of our operational control.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit for Absolute Energy Consumption</b>	GWh
<b>Unit for Relative Energy Consumption</b>	KWh per £million tobacco and NGP net revenue
<b>Method</b>	<p>Energy usage data is collated monthly at entity level and entered in the NFR System. The Group ESG team collate and review the data centrally. Energy usage is entered from data sources such as invoices and where not available meter readings and usage-records.</p> <p>When actual data is not available, we use estimates based on the previous reporting period. All estimation methodology is shared as part of the assurance process and updated to actual if the data is available prior to assurance.</p>
<b>Third party data verification FY24</b>	Yes



## CLIMATE CHANGE

### Percentage of purchased grid electricity from renewable sources

<b>Definition</b>	Purchased electricity that is delivered to sites via national grids may be generated from fossil and renewable sources. Renewable sources are where the site has entered into a contractual arrangement with the supplier for traceable renewable electricity or where Renewable Energy Certificates (RECs) have been purchased, mapped to consumption. RECs are purchased from within the same 'market-boundary', as defined by CDP, as the site consuming the electricity, where available, otherwise from a nearby geographical country.
<b>Scope</b>	The scope covers electricity that is generated by a third party and delivered via a national grid system. Electricity generated on-site is out of scope.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit</b>	Percentage
<b>Method</b>	Grid Electricity usage data is collated at site level and entered in the NFR System monthly. The Group ESG team collate and review the data centrally. Electricity usage is entered from data sources such as invoices and where not available, meter readings, and usage-records. Contractual arrangements to identify renewable sources are obtained from Group Procurement, and RECs are obtained from our third-party provider. Calculated as renewable grid electricity/ total grid electricity.
<b>Third party data verification FY24</b>	Yes

### Percentage of energy from renewable sources

<b>Definition</b>	The energy we use is either purchased or generated on-site. Purchased energy is delivered to sites and can be generated renewably, or from fossil fuels. On-site energy generation can be through the use of a generator, or on-site renewables. We purchase renewable energy by entering a renewable energy contract with suppliers, purchasing Renewable Energy Certificates (RECs) or using on-site renewables to generate energy. RECs are purchased from within the same 'market-boundary', as defined by CDP, as the site consuming the electricity, where available, otherwise from a nearby geographical country.
<b>Scope</b>	All energy consumed within our sites and sales fleets, whether purchased or generated on site. Sites considered out of scope are either out of operational control or deemed de minimis.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit</b>	Percentage
<b>Method</b>	Energy consumption is collected monthly at site level and entered into the NFR system. The Group ESG team collate and review the data centrally. Energy consumption is collected from data sources such as invoices and where not available meter readings, stock-records, and usage-records. Contractual arrangements to identify renewable sources are obtained from Group Procurement, and RECs from our third-party provider. Calculated as renewable energy/ total energy consumption.
<b>Third party data verification FY24</b>	Yes



# CLIMATE CHANGE

## Compliance with UK Streamlined Energy and Carbon Reporting (SECR) Regulations

<b>Definition</b>	As a UK listed company, we are required to report on the energy consumption and associated emissions of our 'UK & offshore area', separately, and in comparison to our global energy consumption and related emissions. The 2018 Regulations are designed to increase awareness of energy costs within organisations, provide data to inform adoption of energy efficiency measures and help to reduce impact on climate change. They also seek to provide greater transparency for stakeholders.
<b>Scope</b>	Our scope of reporting against the SECR comprises of energy consumption (Scope 1 & 2) from our UK office and Sales in Bristol, our Nottingham warehouse and office, our London Office and our Liverpool innovation centre.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit energy consumption UK &amp; offshore area</b>	kWh
<b>Unit relative energy consumption</b>	kWh/ £m net revenue
<b>Unit Emissions UK &amp; offshore area</b>	CO <sub>2</sub> e
<b>Relative Emissions UK &amp; offshore area</b>	CO <sub>2</sub> e/ £m net revenue
<b>Method</b>	Data is collected in the NFR system monthly. NFR users are required to enter volume data for the consumption of petrol or gasoline; LPG; and diesel as well as electricity and gas. The Group ESG team collate and review the data centrally. Sales and Marketing entities submit fuel type and litres consumed for this calculation, which is converted to GWh using the DEFRA Lower Calorific Value, and Gas consumption is converted to GWh using the sites lower calorific value. Revenue figures are provided for the financial year by group finance.
<b>Third party data verification 2023</b>	No



# CLIMATE CHANGE

## Absolute & Relative Scope 1 and 2 CO<sub>2</sub> Equivalent Emissions

<b>Definition</b>	As part of our commitment to tackle climate change, we monitor energy and hydro-fluoro carbons (HFC) refrigerant usage to calculate our carbon dioxide equivalent emissions with a view to target reductions. We report in line with the Global Greenhouse Gas Protocol on Scope 1 (direct) and Scope 2 (indirect). In line with the latest guidance, we use two different reporting methodologies to report on Scope 2, location based (using national grid factors) and market based, where we account for the purchase of Renewable Energy Certificates (RECs).
<b>Scope</b>	<p>Our reported emissions include all main sources from manufacturing sites over which we have operational control, our sales fleets, and our main offices. Operations not included are only those deemed de minimis, which relate to the small sales offices, or warehouses which are immaterial to our total Scope 1 (direct) and 2 (indirect) emissions, or where we have no operational control.</p> <p>In compliance with UK Mandatory Greenhouse Gas (GHG) emissions reporting regulations, we report on GHG emissions resulting from our tobacco operations which fall within our operational control.</p> <p>Our Scope 1 emissions comprise of emissions from stationary fuel combustion at our sites, emissions from mobile fuel combustion in our fleet of company vehicles, leakage of refrigerant gases, and process emissions from the Dry Ice Expanded Tobacco process related to tobacco expansion.</p> <p>Our Scope 2 emissions comprise of the indirect emissions resulting from the use of purchased electricity (including green energy), purchased heat and steam for our sites and our sales fleet. We do not account for the biogenic emissions associated with methane and nitrous oxide within our Scope 1 and Scope 2 reporting.</p>
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit for Absolute CO<sub>2</sub>e Emissions from Energy Consumed</b>	Tonnes
<b>Unit for Relative CO<sub>2</sub>e Emissions from Energy Consumed</b>	Tonnes per £million Tobacco and NGP net revenue
<b>Method</b>	<p>Energy usage data is collated at entity level and entered in the NFR System monthly for automated emissions calculation. Group ESG collate and review the data centrally. Energy usage is entered from data sources such as invoices and where not available meter readings, stock-records, and usage-records.</p> <p>We report Scope 1 and Scope 2 CO<sub>2</sub> emissions for which we are responsible using a methodology based on the GHG Protocol Corporate Accounting and Reporting Standard (revised edition). As such, we report on the seven main greenhouse gases and report in terms of tonnes of CO<sub>2</sub> equivalents (t CO<sub>2</sub>e).</p> <p>We report Scope 2 location-based and market-based emissions according to the GHG Protocol Scope 2 Guidance (2015) and CDP guidance.</p> <p>We use UK DEFRA emission factors for stationary combustion and UK Government conversion factors managed by the Department for Business, Energy &amp; Industrial Strategy (BEIS) to inform our carbon reporting. We monitor these guidelines, including updates for conversion factors and make updates to methodology calculations annually for the calendar year. Emission factors for purchased grid electricity (location-based) are obtained from the International Energy Agency (IEA), Association of Issuing Bodies (AIB) and Green-e. AIB factors are used for market-based accounting only.</p>
<b>Third party data verification FY24</b>	Yes



# CLIMATE CHANGE

## Renewable Energy Site

<b>Definition</b>	Imperial Brands defines a site as a renewable energy site (or carbon neutral) if the site uses only renewable energy for its direct operations, excluding minor applications such as emergency systems or unavoidable maintenance to maintain production continuity when they do not exceed 1% of the total energy use of the site. At Imperial Brands, we understand renewable energy sites as an intermediate step in our journey towards being a Net Zero company.
<b>Scope</b>	All sites over which we have operational control.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit</b>	Number
<b>Method</b>	Imperial Brands defines a renewable energy site if the site uses only renewable energy for its direct operations, excluding minor applications such as emergency systems, when they do not exceed 1% of the total energy use of the site. Any energy associated with vehicles not restricted solely to the site are not considered.
<b>Third party data verification FY24</b>	No

## Absolute Scope 3 CO<sub>2</sub> equivalent emissions

<b>Definition</b>	Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. An independent carbon life cycle analysis (LCA) conducted across our value chain identified that around 89% of our total carbon footprint is attributed to our Scope 3 emissions. Some examples of Scope 3 activities are extraction and production of purchased materials, transportation of goods and use of products and services.
<b>Scope</b>	In 2017, we undertook an independent review of all 15 Scope 3 categories of the Greenhouse Gas (GHG) Protocol to determine where our greatest carbon impacts are. The analysis demonstrated that our most significant carbon impacts came from just three categories, re-confirmed with our re-calculation in 2023: Category 1 Purchased Goods and Services which account for around 65% of our Scope 3 emissions; Category 2 Capital Goods which account for 8% and is mainly related to the purchase of new machineries and Category 4 Upstream transportation and distribution which account for around 7% of Scope 3 emissions. Based on our business model, we do not report on Categories 8; 10; 13 and 14. Based on our analysis we have set the following target for Scope 3 emissions which has been verified by the Science Based Targets Initiative in 2024: We commit to reduce absolute Scope 3 emissions by 50% by 2030 from a 2017 baseline year, and to be Net Zero in our entire value chain (Scope 1, 2 & 3) by 2040.
<b>Reporting Period</b>	1 October 2022 to 30 September 2023 for Purchased Goods and Services and Business Travel, 1 October 2021 to 30 September 2022 for all other categories
<b>Unit</b>	Tonnes
<b>Method</b>	We follow the Corporate Value Chain (Scope 3) Accounting and Reporting Standard and its principle of relevance, completeness, consistency, transparency and accuracy. In 2023, we recalculated our Scope 3 baseline, and calculated for the first time our Scope 3 emissions for Financial Year 2022 based on the calculation in the 2017 model that was completed by an independent expert agency. This quantification methodology for data collection multiplies activity data by an emission factor. We use specific life cycle emission factors for our Scope 3 calculation related to fuels and energy consumed in our value chain. In 2024 we continued calculating Purchased Goods and Service emissions, as it is our biggest Scope 3 category, related to Financial Year 2023 figures.
<b>Third party data verification FY24</b>	No



# CLIMATE CHANGE

## Scope 3 CO<sub>2</sub> equivalent emissions – Purchased Goods and Services

<b>Definition</b>	Purchased Goods and Services (PG&S) include upstream emissions from the production of products purchased or acquired by us within the reporting year. Products include both goods (tangible products) and services (intangible products).
<b>Scope</b>	100% of spend of the Purchased Goods and Service category is in scope as per the GHG Protocol. The PG&S categories includes tobacco leaf, non-tobacco material and indirect material purchases. Emissions associated to the transportation of purchased goods and services are reported within Scope 3 Upstream Transportation and Distribution. Any categories of spend that fall into other scopes are excluded. For example, spend on electricity is accounted for in Scope 2 and excluded from Scope 3.1.
<b>Reporting Period</b>	1 October 2022 – 30 September 2023
<b>Unit</b>	Tonnes
<b>Method</b>	<p>Our procurement spend has been mapped to CDP sectoral averages to give us a view of tCO<sub>2</sub>e/£ spent. This calculation has been done to cover 100% of our PG&amp;S spend, as per above scope any spend that falls outside Scope 3.1 has been excluded from the calculation. Where a supplier has submitted to CDP supply chain and has third party verification, we have used this data to replace sectoral averages. As per the CDP report guidance we have multiplied our procurement spend by a separate emission factor for Scope 1 and 2 and Scope 3 upstream, this allows for more direct supplier data as many suppliers struggle to report on Scope 3 emissions.</p> <p>As a global business we have a small percentage of spend that is unclassified. Where this is the case, we have applied an average factor for our PG&amp;S spend.</p>
<b>Third party data verification FY24</b>	Yes

## Key Suppliers with Science Based Targets (SBT)

<b>Definition</b>	Based on the Scope 3 analysis identifying Purchased Goods and Service (PG&S) as our largest category we have set the following targets for our suppliers which have been validated by the Science Based Targets Initiative: “We commit that 50% of our suppliers by spend covering Category 1. Purchased Goods and Services will have science-based targets by 2024”; and “Additionally, we commit that 100% of our suppliers covering Category 15. Investments, will have science-based targets by 2024.”
<b>Scope</b>	100% of spend of the Purchased Goods and Services category is in scope. The PG&S categories include tobacco leaf, non-tobacco material and indirect material purchases.
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	Percentage
<b>Method</b>	Our financial year 2023 spend file for the Purchased Goods and Service category is analysed on a supplier level. We use the following data points for identifying if a supplier has validated, or publicly committed in setting Science Based Targets (SBT): Science Based Target dashboard, CDP response, annual reports (or similar) from suppliers, or direct confirmation from suppliers. The sum of spend with SBT (or commitment) is divided by the total PG&S spend.
<b>Third party data verification FY24</b>	No





## CLIMATE CHANGE

### Absolute and Relative Water Consumption

<b>Definition</b>	Our water consumption figure reflects water withdrawal, both from water provided by suppliers and water we extract from natural sources at our sites. Our total water consumption represents the amount of water that is drawn into the sites within our operational control, from all sources for any use over the course of the reporting year.
<b>Scope</b>	All sites over which we have operational control. Our tobacco farms in Madagascar are excluded. Other sites are excluded according to the de minimis rule, or where we do not have operational control.
<b>Reporting Period</b>	1 July 2023 – 30 June 2024
<b>Unit for absolute water consumption</b>	Cubic meters
<b>Unit for Relative Water Consumption</b>	Cubic metre per £million tobacco and NGP net revenue
<b>Method</b>	Our absolute water consumption represented the total amount of water that is withdrawn into the boundaries of our organisation. Water usage information is collected monthly at entity level using meter readings, invoices, extracted water measurements and usage records, as appropriate for the site. Data is entered into the NFR System for central collation and review by the Group ESG team. Sources of water withdrawals are municipal or mains water, surface water, ground water and rainwater.
<b>Third party data verification FY24</b>	Yes

### Proportion of electric or hybrid vehicles in our fleet

<b>Definition</b>	This refers to the percentage of vehicles within our total business need fleet that are either electric plug-in hybrids or mild hybrids. Business need vehicles are typically driven by sales representatives and other business users who have a business need for a vehicle as part of the role.
<b>Scope</b>	Since 2024 we differentiate between business need and benefit vehicles. This metric only includes business need vehicles as defined above and not benefit vehicles. Benefit vehicles are those driven by employees who are offered a vehicle as part of their salary scheme and are mainly using the vehicle for leisure reasons or to drive to their workplace. In previous years we only collected combined values for business need and benefit vehicles.
<b>Reporting Period</b>	June 2024
<b>Unit</b>	Percentage
<b>Method</b>	We collect the total fleet size as well as its composition, for each site monthly within our non-financial reporting tool. The metric is the sum of electric, plug-in hybrid and mild-hybrid vehicles and is divided by the total fleet size.
<b>Third party data verification FY24</b>	No

# COMMUNITY INVESTMENT

## Community Investment (Allocations)

<b>Definition</b>	On a voluntary basis we seek to support several communities in which we operate and from where we source tobacco. This is through community and sustainability related projects which provide benefits over and above those are brought by our normal commercial operations and transactions. The term 'community investment' covers funds which are allocated to not-for-profit partnerships, community and sustainability related projects and charitable donations.
<b>Scope</b>	<ul style="list-style-type: none"> <li>• The Eliminating Child Labour in Tobacco Growing Foundation (ECLT) and Hope for Justice.</li> <li>• Leaf Partnerships, which predominately addresses farmer viability, rural incomes, and environmental sustainability issues in prioritised tobacco-growing communities.</li> <li>• A reserve for ad hoc allocations and requirements, such as in response to a humanitarian disaster. The allocations are predominately facilitated by the UK Charities Aid Foundation (CAF), which provides banking facilities and verifies charitable organisations. The main exception in the use of CAF is for the Leaf Partnerships, where project costs with suppliers are charged directly against the cost of leaf.</li> <li>• Local market or cluster community investments, approved centrally according to our business approvals process, and in line with our community investment guidance and code of conduct and payments are dealt with at local level.</li> </ul> <p>We refer to allocations rather than actual spend, because the time at which funds are spent within a project may occur later than within the current financial year. The financial value of the Community Investment spend does not include employee time, in-kind contributions, management costs or other community support that may be provided by any budget holder within our Group, at a local level.</p>
<b>Reporting Period</b>	1 October 2023 – 30 September 2024
<b>Unit</b>	£m
<b>Method</b>	<p>The financial value for the Community Investment allocations made within the financial year is extracted from our financial reporting and accounting system by Group Finance and checked against the Business Approval Process system for financial allocation.</p> <p>In kind donations are also recorded on an ad-hoc basis.</p> <p>All allocations are to £m British Sterling and where applicable utilise the Group's defined average exchange rate for the period in question.</p>
<b>Third party data verification FY24</b>	No



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