

ESG INVESTOR WEBINAR

People & Planet

30 September 2024



Disclaimer



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business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this announcement. As a result, you are cautioned not to place any reliance on such forward-looking statements. The forward-looking statements reflect knowledge and information available at the date of this announcement and the Company undertakes no obligation to update its view of such risks and uncertainties or to update the forward-looking statements contained herein. Nothing in this announcement should be construed as a profit forecast or profit estimate and no statement in this

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Chair's Overview

Thérèse Esperdy
Chair



Eight Priorities Aligned to Our Strategy



Healthier Futures



Consumer Health



Climate Change



Packaging & Waste

Positive Contribution To Society



Farmer Livelihoods & Welfare



Sustainable & Responsible Sourcing

Safe & Inclusive Workplace



Human Rights



Employee Health, Safety & Wellbeing



Diversity, Equity & Inclusion

OUR ESG STRATEGY REMAINS ALIGNED WITH UN SUSTAINABILITY DEVELOPMENT GOALS (SDGs)

Underpinned by Robust Governance Framework



ESG agenda is embedded within our operations and governance structure



People, Governance & Sustainability Committee



Refreshed committee to oversee ESG and wider people and governance matters



People, Governance and Sustainability Committee

Reviewing and monitoring people and culture policies, frameworks and practices

- Talent and capability development
- Supporting diversity, equity and inclusion
- Monitoring employee engagement

Executive capabilities and succession planning

- Oversee the recruitment and development of execs
- Support capabilities to deliver strategy

Oversee and develop Board composition and governance

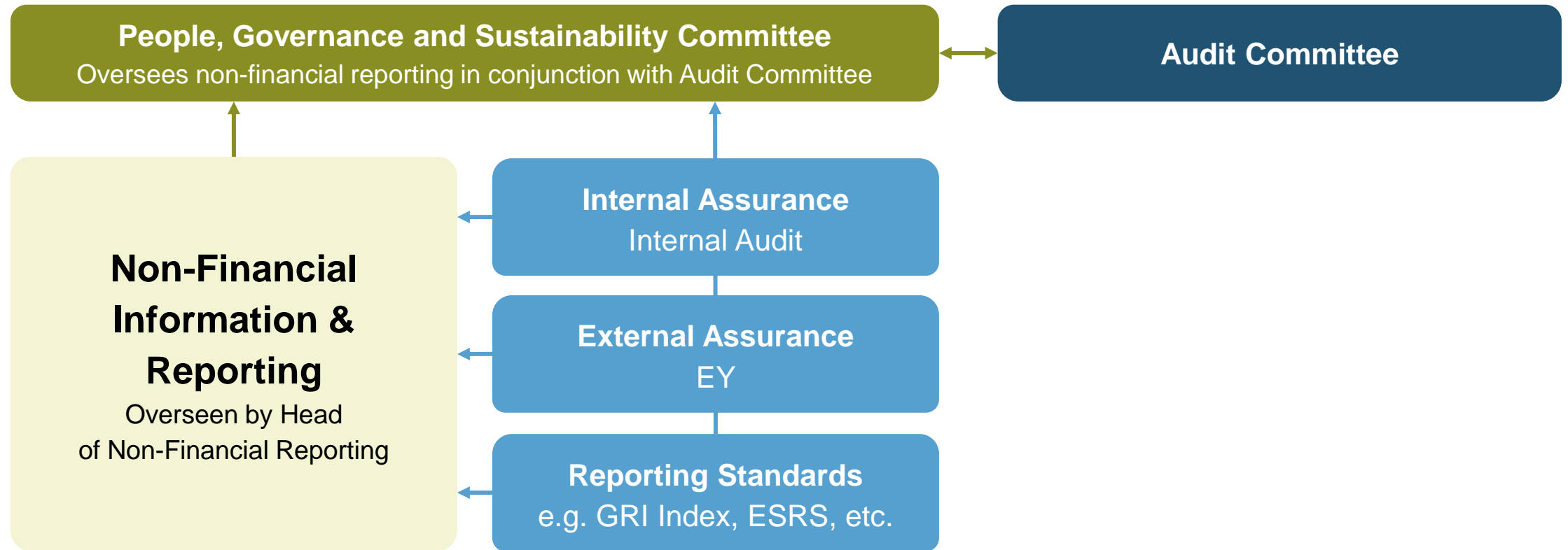
- Building a diverse and experienced Board
- Review and develop corporate governance
- Board effectiveness; evaluations

Monitoring ESG and Ethics and Compliance (E&C) performance and reporting

- Oversee risks and compliance in ESG/E&C
- Monitor employee concerns, e.g. speak-up
- Review non-financial disclosures

Review of Non-Financial Reporting

Review ESG-related disclosures and assurance processes



Preparations underway to meet CSRD reporting requirements

Powered by Responsibility

Refreshed all our policies across the key areas



Code of Conduct

Our Code of Conduct sets out the responsible behaviours we expect from employees in their dealings with colleagues, customers, consumers, suppliers, agents, intermediaries, advisers, governments and competitors.



Supplier Code of Conduct

We expect our suppliers to conduct their business in an ethical and responsible manner and comply with all applicable laws and regulations. Our Supplier Code, based on our Code of Conduct, sets out the behaviours we expect our suppliers to demonstrate.



Speaking Up Policy

We expect all our employees and business partners to act with integrity in accordance with the standards of behaviour described in our Code of Conduct, and we enable reporting of concerns in a safe manner.



Group Human Rights Policy

We are committed to respecting the human rights of our people throughout our operations, and we expect our suppliers and business partners to do the same.



Group Health, Safety and Wellbeing Policy

We want to achieve world class Occupational Health, Safety, and Wellbeing (OHSW) standards throughout our global operations, and everyone at Imperial Brands has a role to play in making this happen.



Creating a Skilled and Diverse Board



Thérèse Esperdy
Chair



Stefan Bomhard
CEO



Lukas Paravicini
CFO



Sue Clark
Senior Independent



Diane de Saint Victor
NED



Ngozi Edozien
NED



Andrew Gilchrist
NED



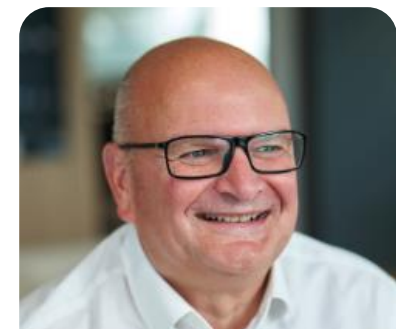
Julie Hamilton
NED



Alan Johnson
NED



Bob Kunze-Concewitz
NED



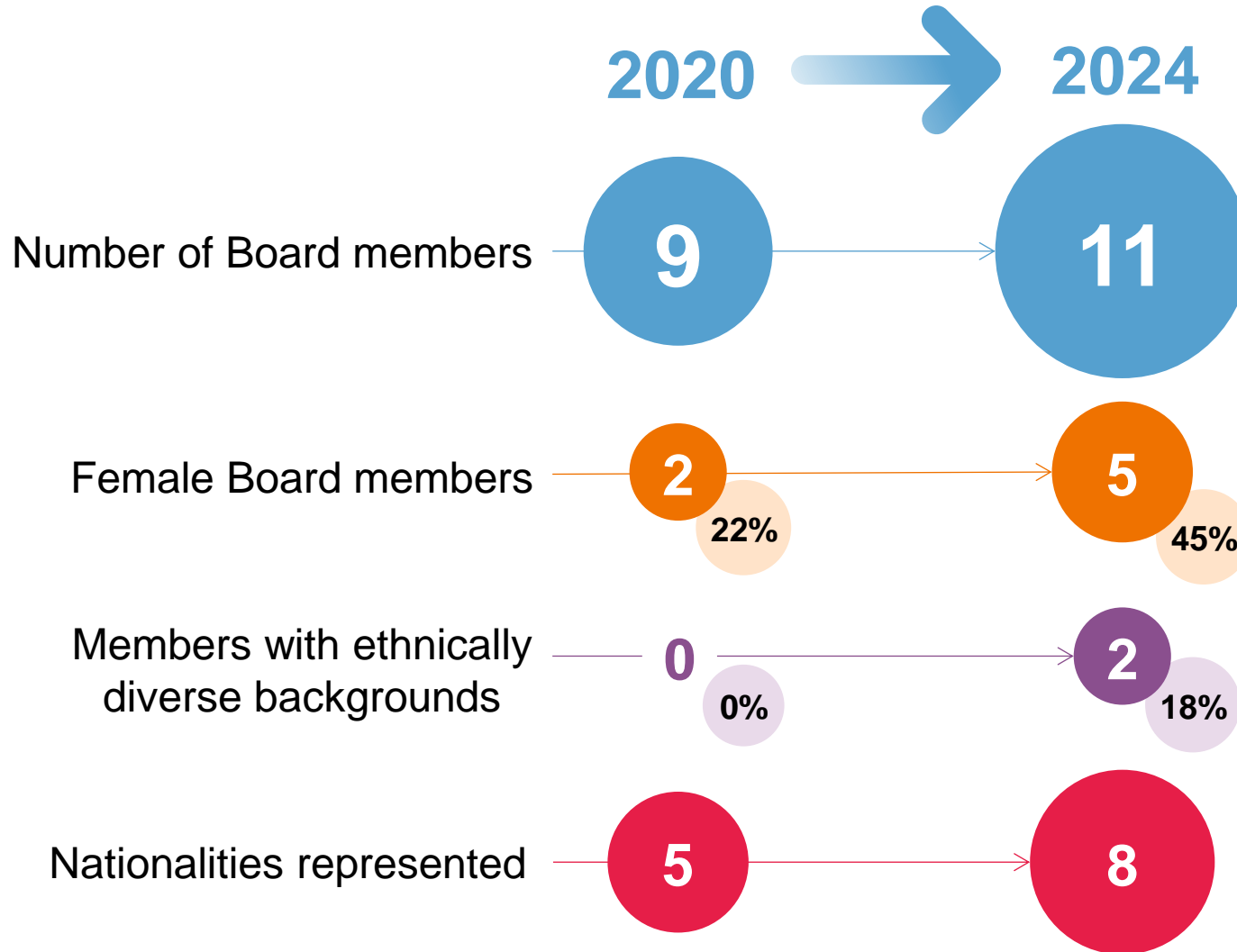
Jon Stanton
NED



Strengthening Board Diversity and Skills



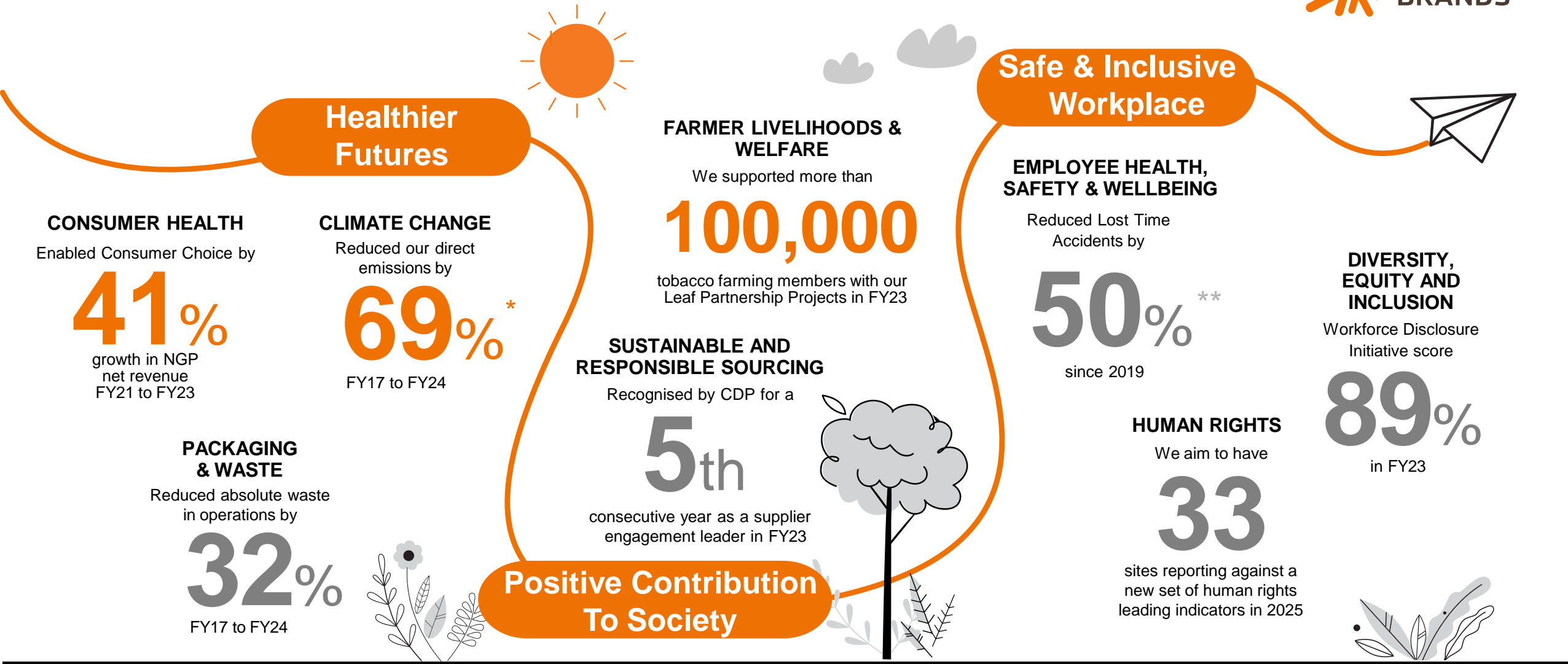
By gender, ethnicity, nationality and expertise



Enhanced Skills and Expertise

- Fast-moving consumer goods
- Innovation and product development
- Global business leadership
- Finance and risk
- People and organisational transformations
- Legal and regulatory risk
- Environmental, social and governance
- Technology and digital

Delivering Against Our Plan



* Scope 1 and Scope 2 market-based emissions (CO2 equivalent tonnes)

** Absolute number of accidents

FY24 metrics subject to substantiation by external auditors

Purposeful ESG

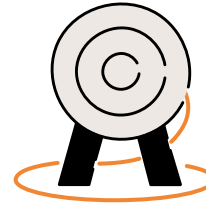
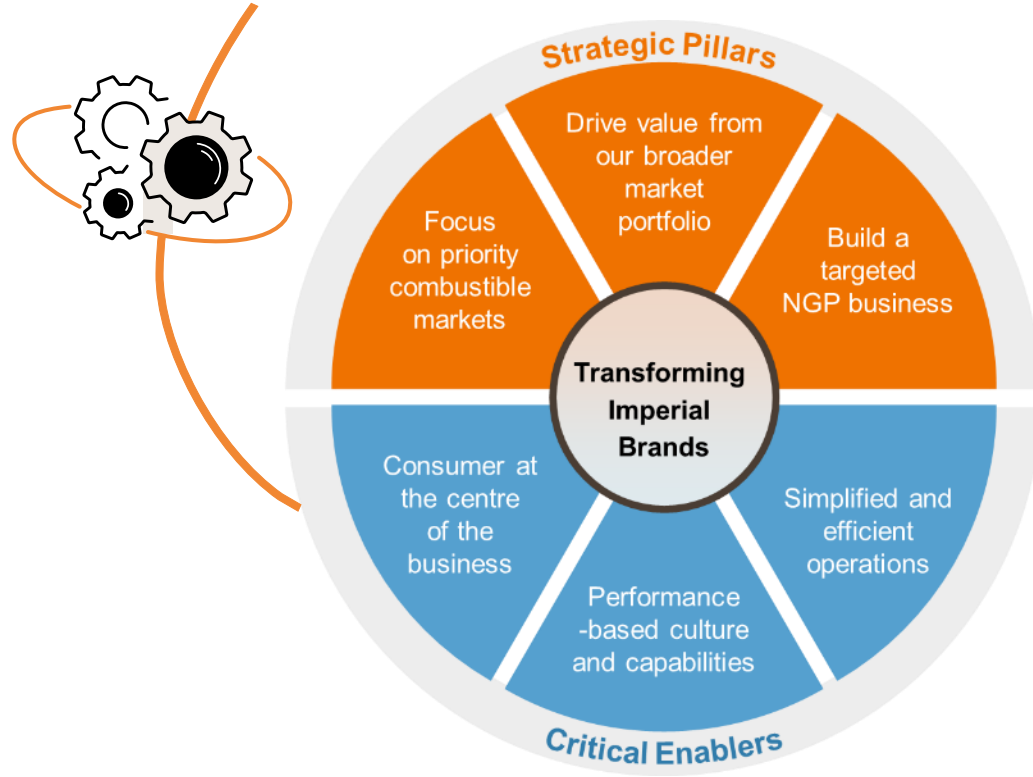
Stefan Bomhard
CEO



Our Purpose, Vision and Strategy: A Challenger



Our ESG approach supports our purpose, vision and strategy



OUR PURPOSE

"Forging a path to a healthier future for moments of relaxation and pleasure"



OUR VISION

"To build a strong challenger business powered by responsibility, focus and choice"



Start with the
Consumer



Collaborate
with Purpose



Take Accountability
with Confidence



Be Authentic,
Inclusive to all



Build
our Future

Our ESG Journey So Far

Forging a path to a healthier future



2021

2022

2023

2024

New strategy launched
Purpose & vision & behaviours unveiled



ESG materiality study completed
Board & Executive governance agreed



ESG strategy signed off by ESG Committee & Board



Internal 'People & Planet' campaign launched



ESG priorities integrated into executive remuneration from FY23



People, Governance and Sustainability Board Committee established
Continuous monitoring by the working groups and ESG committee
Continuous sponsorship and engagement across the organisation



Executive Sponsorship of Each Priority



ESG Committee Chair

Stefan Bomhard
CEO



Consumer
Health



Climate
Change



Sustainable &
Responsible Sourcing



ELT Lead on ESG

Alison Clarke
Chief People and Culture Officer



Employee Health, Safety & Wellbeing



Farmer livelihoods
& welfare



Global Head on ESG

Tony Dunnage
Global ESG Director



Human Rights



Packaging
& Waste



Diversity, Equity
& Inclusion

A Performance Culture Drives ESG Delivery



Performance culture drives ESG delivery

- Performance culture drives challenger mindset
- Culture supports ESG delivery
- Focus on Zero Carbon, Zero Waste and Zero Injuries



Healthier Futures for Consumers



Consumer Health

- Driving transition to potentially reduced risk products
- Meaningful contribution to tobacco harm reduction
- Requires deep understanding of the consumer



Healthier Futures for the Planet



Climate change



Packaging and Waste

- Clear target setting
- Delivering on ESG challenges
- Focus on ESG helps support commercial delivery



Healthier Futures for People and Society



Employee health,
safety and wellbeing



Wider Society:
Farmer Livelihoods

- Zero injury ambition
- Supporting farming communities



Agenda

HEALTHIER FUTURES FOR...

PERFORMANCE CULTURE

Alison Clarke



CONSUMERS

Paola Pocci
Joe Thompson



PLANET

Lukas Paravicini
Benjamin Kristen



PEOPLE AND SOCIETY

Tony Dunnage
Vinay Advani



CONCLUSION Q&A

Stefan Bomhard
All





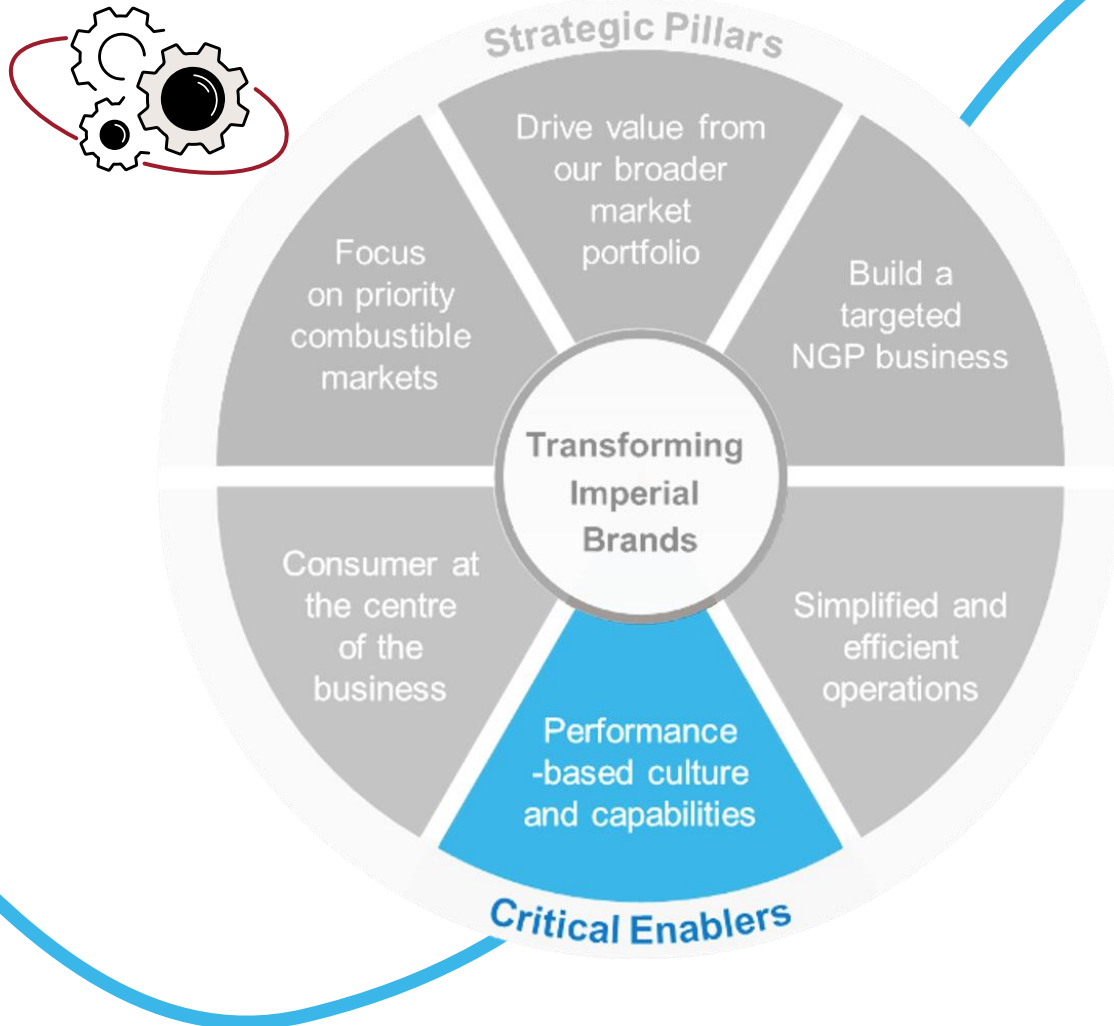
Performance culture drives ESG delivery

Alison Clarke

Chief People and Culture Officer



How Our Performance Culture Drives ESG Delivery





Building Capabilities, Accountability and Collaboration



Capabilities

People, processes, data

- Investment in people
- Cross-functional groups embedded in the business
- Investment in technology and data

Accountability

Measurement, remuneration, audits

- Development of clear goals and KPIs
- Metrics included in LTIPs
- Proactive audits to identify risk

Collaboration

Communities, Zero Heroes, suppliers

- ESG community with champions to support initiatives
- Collaborative action planning
- Building common purpose





Galvanising Our People Through Communication





Becoming More Inclusive to All

A performance approach to diversity, equity and inclusion



Business Employee Resource Groups

1,000+ champions across four BERGs



DiverseABILITY



Gender



Cultural Diversity



LGBTQ+

Leading from the top

**Board
diversity**

45%

female
up from 22% in 2020

18%

minority ethnic
up from 0% in 2020

**Increased ELT
diversity**

45%

female
up from 14% in 2020

27%

minority ethnic
up from 0% in 2020

**Proportion
of senior
women**

36%

+15 ppts



Reflecting our Diverse Customers

Collaborating to drive commercial outcomes



Salesforce Diversity

- Reshaping sales teams in US and Germany
- Better reflect retail communities
- Increased cultural diversity
- Closer retailer relationships

Healthier Futures for Consumers





Consumer-centric approach to tobacco- related harm

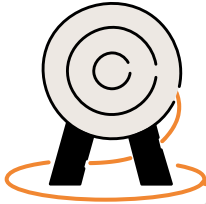
Paola Pocci

Chief Consumer Officer



Forging a Path to a Healthier Future

Building a sustainable and profitable Next Generation Products business



OUR PURPOSE

“Forging a path to a healthier future for moments of relaxation and pleasure”



Our Challenger Approach to Consumer Health

Start with the consumer

A data-driven approach informed by a deep understanding of consumers and our markets

Provide consumer choice

Our role is to provide consumer choice in existing markets

Meeting untapped consumer needs

We seek to build differentiated challenger brands that meet untapped consumer needs

Scientific validation

We validate our potentially reduced risk product offers through rigorous scientific validation



Consumer Choice and Harm Reduction

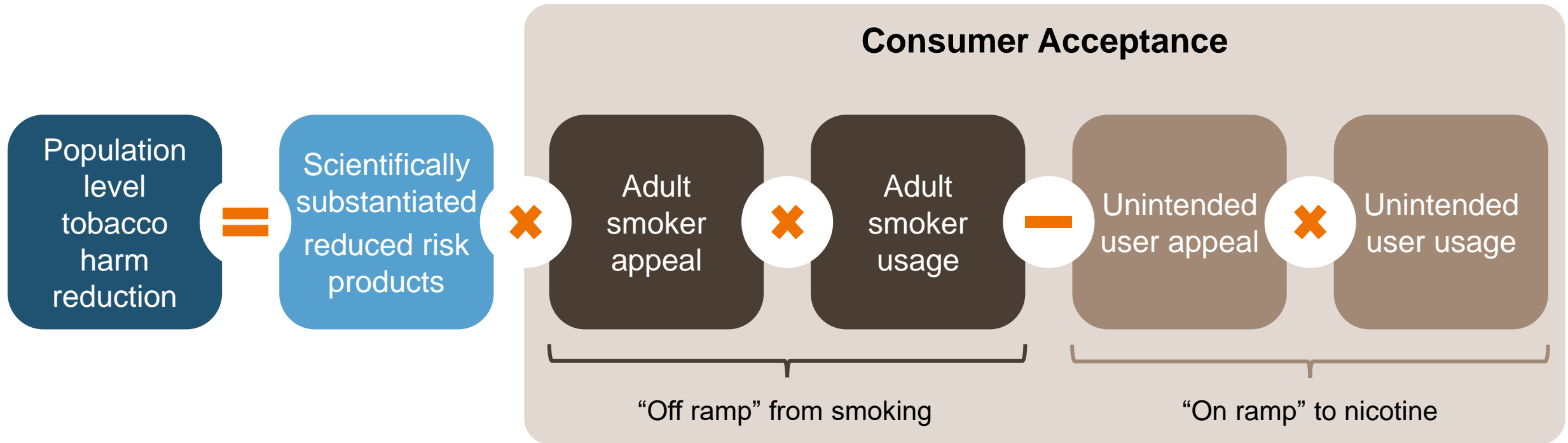
We take a holistic approach to maximise net benefit



- Best health-related outcome is for adult smokers not to smoke or use *any* tobacco or nicotine product
- Next best outcome is transitioning them to potentially reduced harm products
- By increasing NGP choice, Imperial helps to increase adult smoker switching



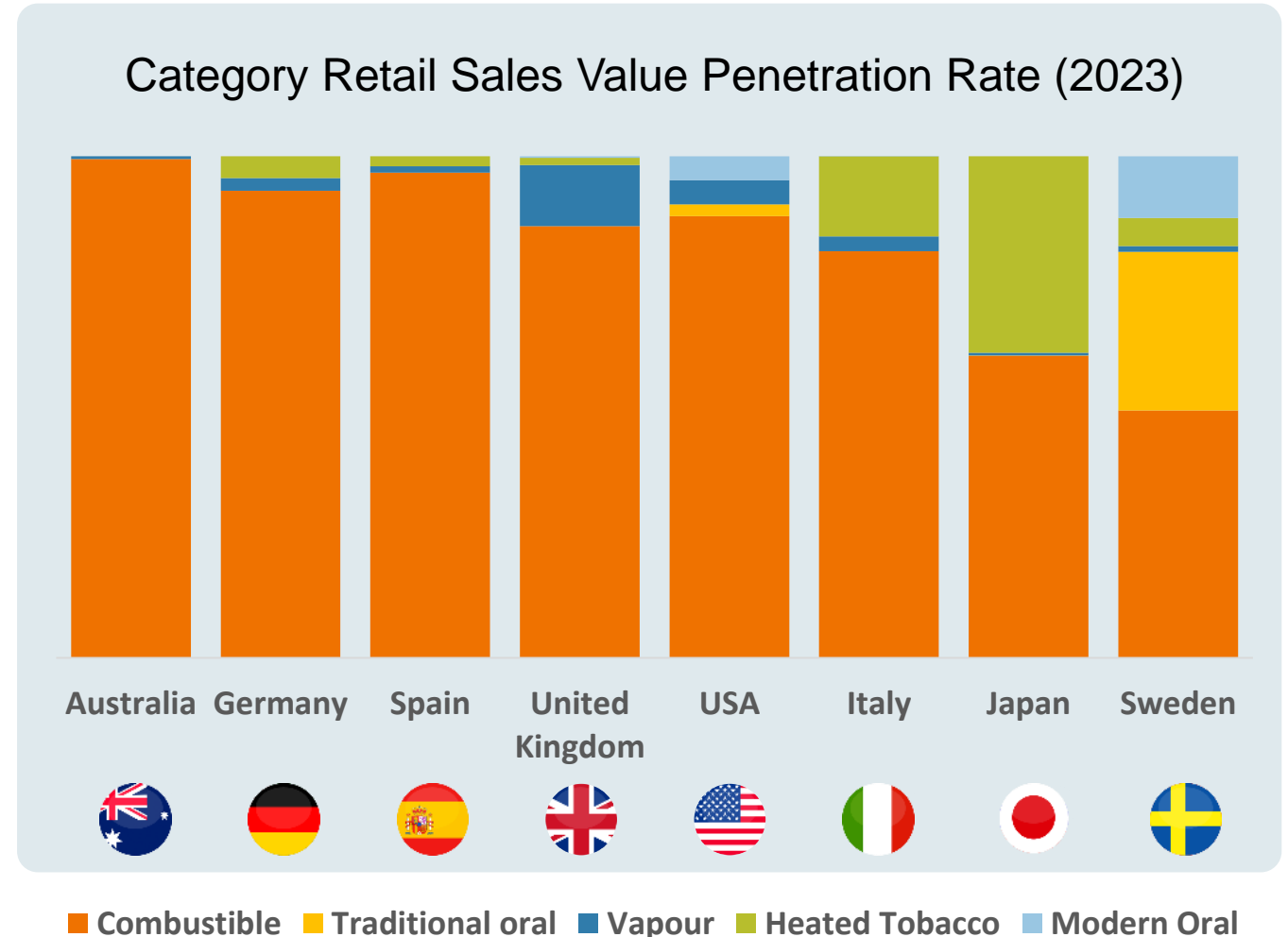
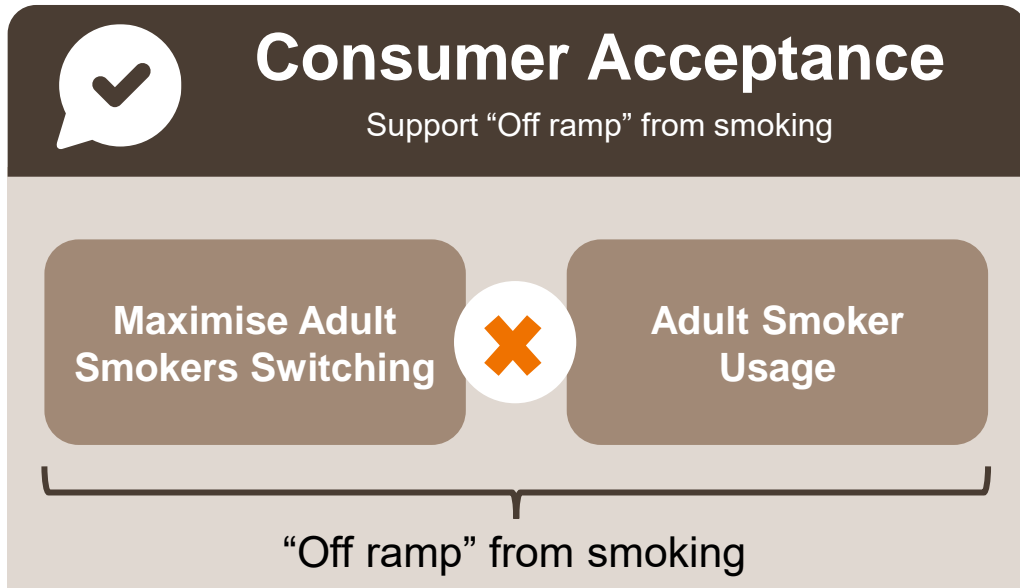
Consumer Choice Must be Provided Responsibly





Providing Product Choice to Drive Consumer Acceptance

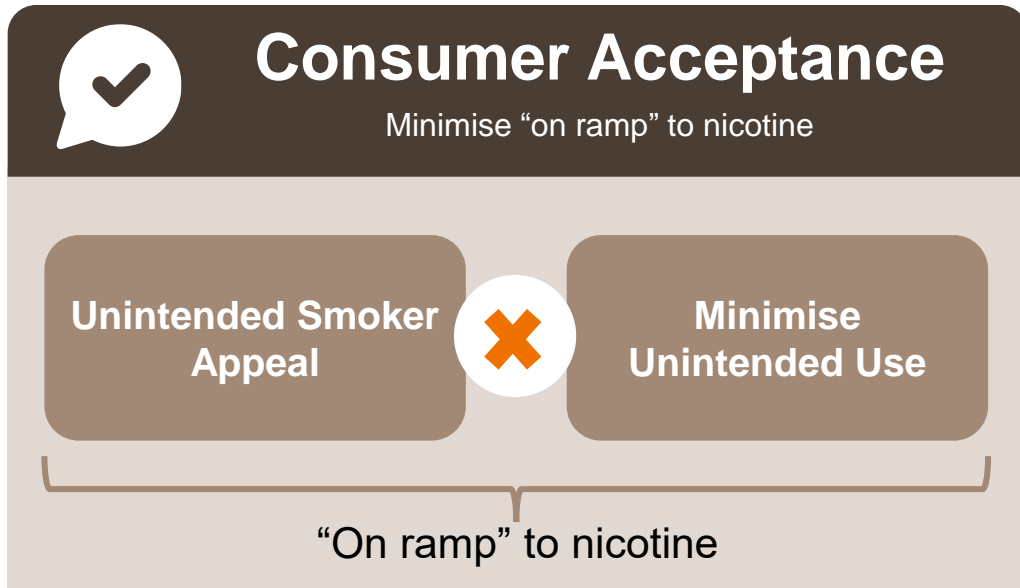
A multi-category approach is critical to meet existing nicotine consumer needs





Under-age People Should Never Use our Products

Our products target existing adult smokers, and we are constantly improving the ways we prevent youth access



We are committed to:

Our responsible marketing code

Working with partners to reinforce message

Ensure regulatory requirements implemented



Scientific validation of our products

Joe Thompson

Director of Group Science and Regulatory Affairs

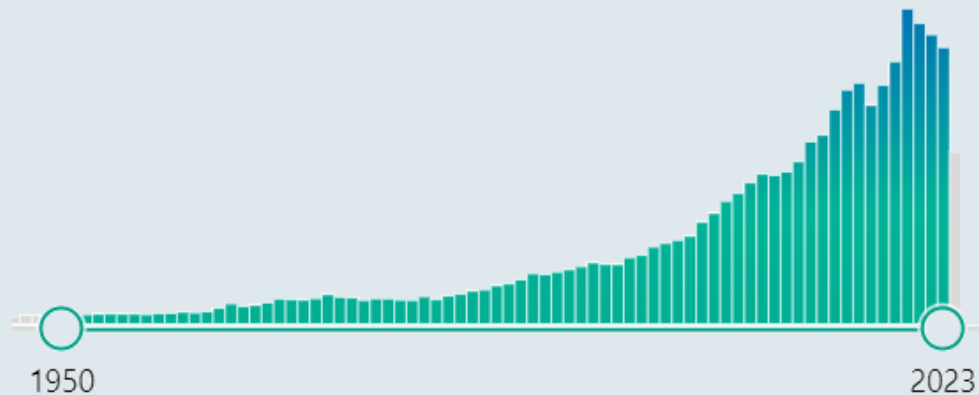


The Scientific Literature Demonstrates Tobacco Harm Reduction (THR) Potential of NGP



Public health bodies support the concept of harm reduction

Over 3,700 scientific publications on NGP in 2023



Ref: <https://pubmed.ncbi.nlm.nih.gov/>

UK, Royal College of Physicians 2024:

“Using e-cigarettes for harm reduction to reduce morbidity and mortality from combustible tobacco is based on clear evidence that e-cigarettes cause less harm to health than combustible tobacco”

UK, Office for Health Improvement and Disparities (OHID) 2018: *“The available evidence suggests that heated tobacco products may be considerably less harmful than tobacco cigarettes and more harmful than e-cigarettes.”*

scientific reports

OPEN An assessment of nicotine pharmacokinetics and subjective effects of the pulze heated tobacco system compared with cigarettes

Simon McDermott¹, Kerstin Reichmann², Elizabeth Mason³, Ian M. Fearon¹, Grant O'Connell² & Thomas Nahde^{1,4}

Nicotine delivery and subjective effects are determinants of the ability of potentially less harmful tobacco products such as heated tobacco products (HTPs) to support adult smokers in switching away from cigarettes, and therefore to support tobacco harm reduction. This open-label, randomised, crossover, clinical study in 24 healthy adult smokers study assessed nicotine pharmacokinetics and subjective effects of the Pulze Heated Tobacco System (HTS; Pulze HTP device and three ID stick variants—Intense American Blend, Regular American Blend and Regular Menthol) compared with subjects' usual brand cigarettes (UBC). C_{max} and AUC, were highest for UBC and significantly lower for each Pulze HTS variant. C_{min} and AUC, were significantly higher for Intense American Blend compared with Regular American Blend, while AUC, was significantly higher for Intense American Blend compared with Regular Menthol. Median T_{max} was lowest (i.e., nicotine delivery was fastest) for subjects' usual brand cigarettes and similar across the ID stick variants, although no between-product differences were statistically significant. All study products reduced urges to smoke; this effect was greatest for cigarettes although this was not statistically significant. Product evaluation scores for each Pulze HTS variant in the domains of 'satisfaction', 'psychological reward' and 'relief' were similar, and lower than those for UBC. These data demonstrate that the Pulze HTS effectively delivers nicotine and generates positive subjective effects, including satisfaction and reduced urge to smoke. This supports the conclusion that the Pulze HTS may be an acceptable alternative to cigarettes for adult smokers while having a lower abuse liability than cigarettes.

Cigarette smoking is a cause of serious diseases including lung cancer, heart disease, and emphysema, and is a leading cause of preventable deaths¹⁻⁴. Globally, smoking is reported to be responsible for more than 7 million deaths per year⁵. In Europe, although smoking prevalence is declining smoking still accounts for up to 25% of all-cause mortality⁶ and leads to approximately 700,000 deaths each year⁷. While nicotine in cigarette smoke is not harmless, it is not the primary cause of the harmful effects of cigarette smoking⁸. Instead, smoking-related harms are caused by smokers inhaling chemical toxicants which are formed during the processes of tobacco combustion and pyrolysis⁹. Around 7000 individual chemicals have been identified in cigarette smoke¹⁰ and many of these are linked to cardiovascular disease, respiratory disease, lung cancer and reproductive/developmental toxicity¹¹. Stopping smoking eliminates exposure to associated toxicants and conveys the greatest possible reduction in disease risk for smokers, and is therefore the best course of action smokers can take to improve their health¹². However, while large proportions of smokers report intending to quit smoking only a small percentage successfully stop smoking each year¹³⁻¹⁵.

In 2001 the US Institute of Medicine issued the report 'Clearing the Smoke', in which it was proposed that 'For many diseases attributable to tobacco use, reducing risk of disease by reducing exposure to tobacco toxicants is feasible'^{16,17}. This laid the foundation for tobacco harm reduction (THR), which relies on the fundamental principle that both the individual- and population-level health impacts of cigarette smoking can be reduced by the development of, and smoker access to, novel nicotine and tobacco products which deliver nicotine but in the reduced presence, or absence, of the chemicals responsible for smoking-related disease. Particularly aimed at

¹ICON PLC, South County Business Park, Leopardstown, Dublin 18, Ireland. ²Imperial Brands PLC, 121 Winterstone Road, Bristol BS3 2LL, UK. ³whatif? Consulting Ltd, The Crispin, Burr Street, Harwell OX11 0DT, UK. ⁴Reemtsma Cigarettenfabriken GmbH, Max-Born-Straße 4, 22761 Hamburg, Germany. ⁵E-mail: thomas.nahde@reemtsma.de

Scientific Reports | (2023) 13:9937

<https://doi.org/10.1038/s41598-023-36259-1>

nature portfolio

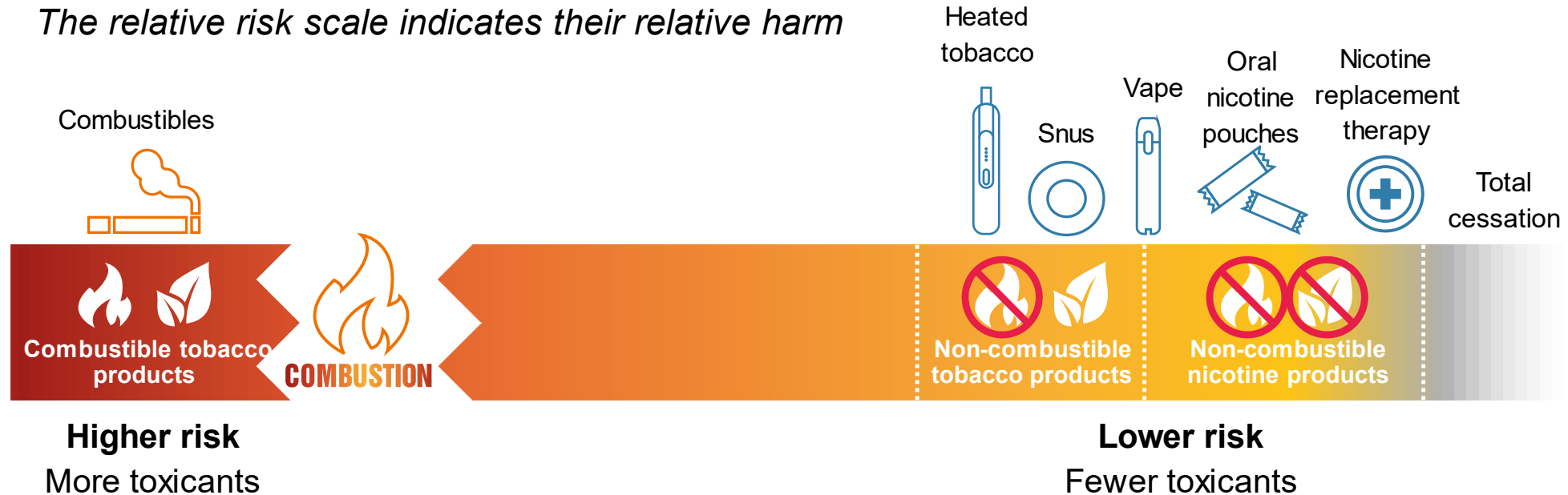


Offering a Choice of Potentially Reduced Risk NGP

Not all nicotine-containing products are equally as harmful as cigarettes



The relative risk scale indicates their relative harm



- Combustion of tobacco is responsible for diseases caused by smoking, not the nicotine
- NGP without combustion have substantially fewer and lower levels of harmful chemicals.
- **BUT** substantially reduced toxicants alone are NOT sufficient to substantiate reduced risk: scientific substantiation of reduced-risk potential is required across different areas.



Our Multi-Stage Scientific Assessment Framework (SAF) Assesses the Potential for Tobacco Harm Reduction



Understanding toxicology and the impact of our NGP on consumer's physiology & behaviour



What's in the aerosol?

Analysis includes aerosol chemistry, risk assessment, product quality, and indoor air quality.



What's the impact on human cells?

Assess product safety and impact on human cells compared to cigarette smoke.



What's happening in consumers?

Assess safety, tolerability, performance and acceptance of product in adult smokers.



What does the consumer do?

Assess how NGP are being perceived and used in the 'real world'.



What is the future potential?

Data modelling to Predicts long-term harm reduction impact of NGP in markets.



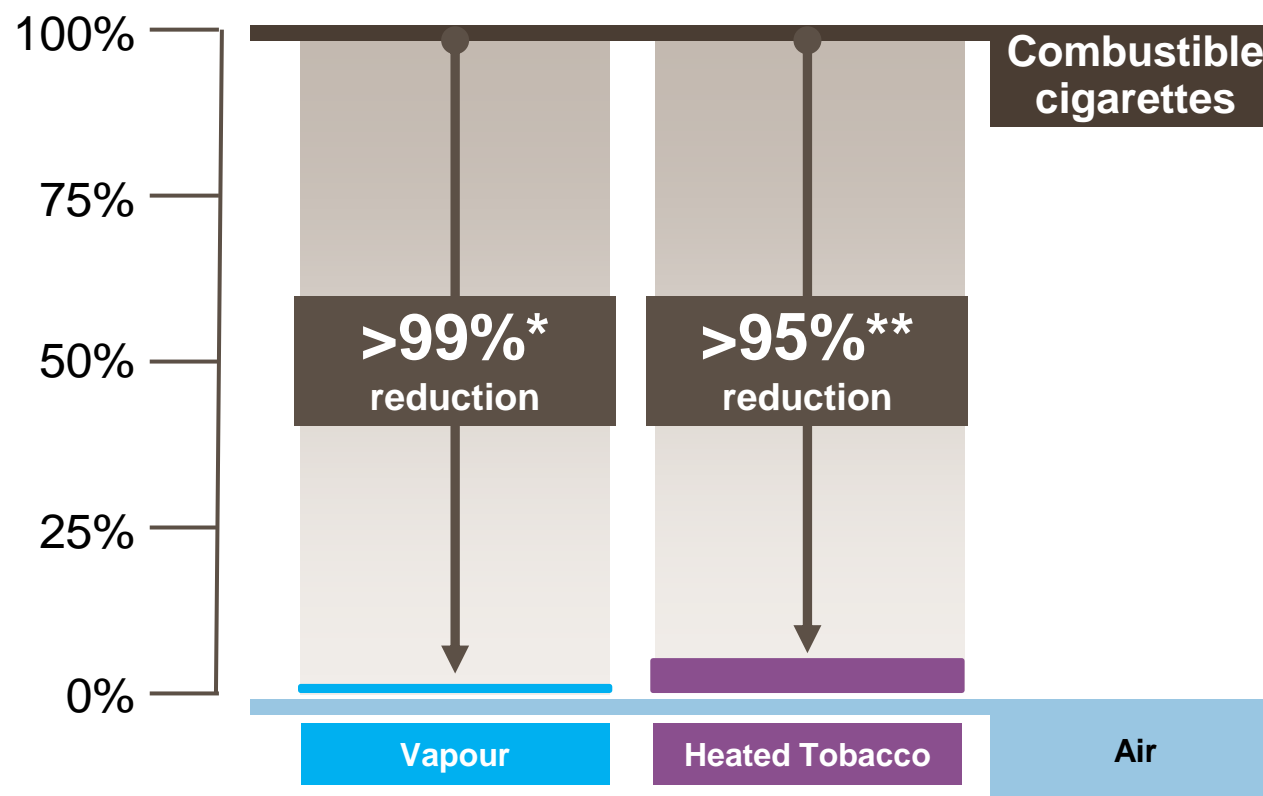
What is happening in real life?

Monitors consumer safety, product quality and harm reduction potential.



Up to 99% Reduction In Harmful Chemicals

Substantiating reduced exposure of consumers to toxicants



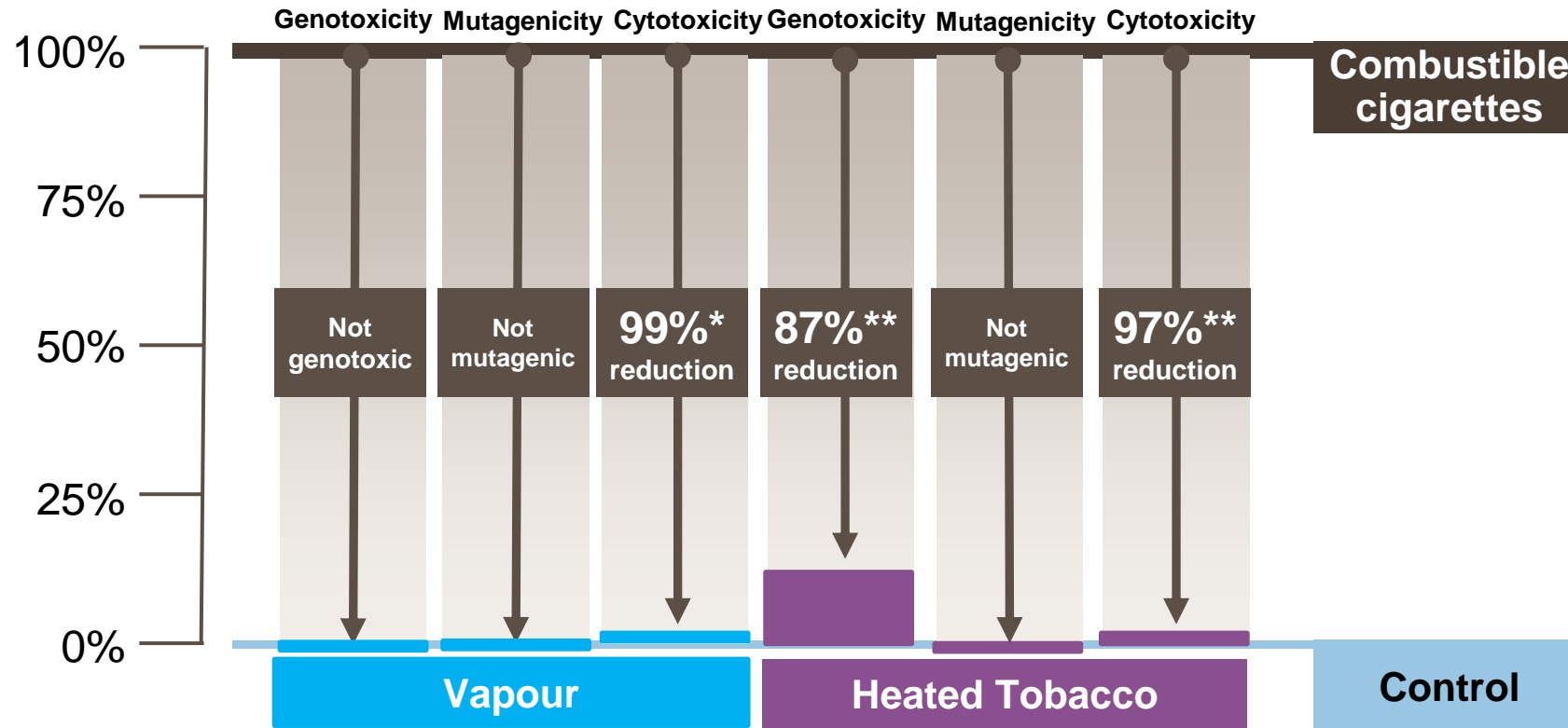
Substantially reduced exposure:

Substantially lower levels of harmful chemicals for both vapour and heated tobacco.



Substantial Reduction in Toxicity in Regulatory Tests

Substantiating the reduced biological impact compared to cigarettes



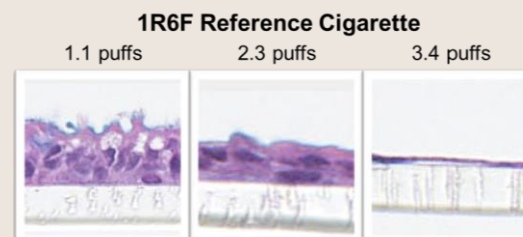
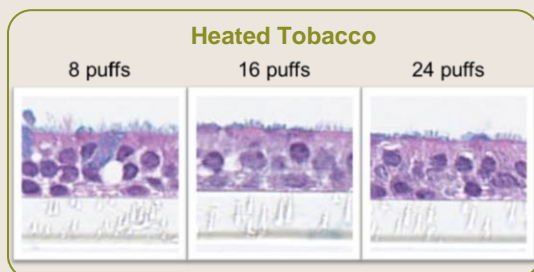
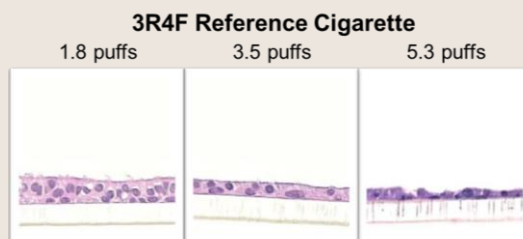
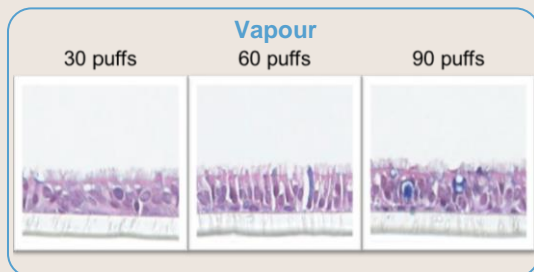
Substantially reduced toxicity:

Reduced levels of harmful chemicals translate into reduced toxicity in regulatory laboratory tests.



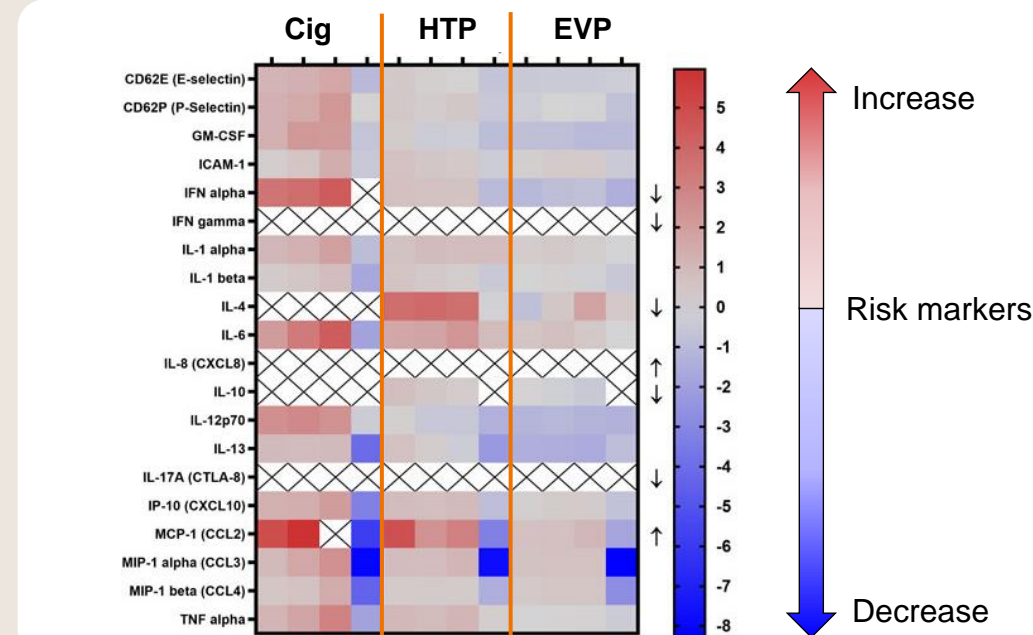
Assessing Long-Term Health Risks

Advanced in vitro toxicology provides a weight-of-evidence approach



Reduced impact on human lung tissue:

Reduced levels of harmful chemicals translate into aerosols show minimal effects compared to cigarette smoke.



Reduced impact on human cardiovascular system:

Substantial reduction in cardiovascular risk markers compared to cigarette smoke.

Source: Czekala et al., 2021; Chapman et al., 2023

Source: Chapman et al., 2024

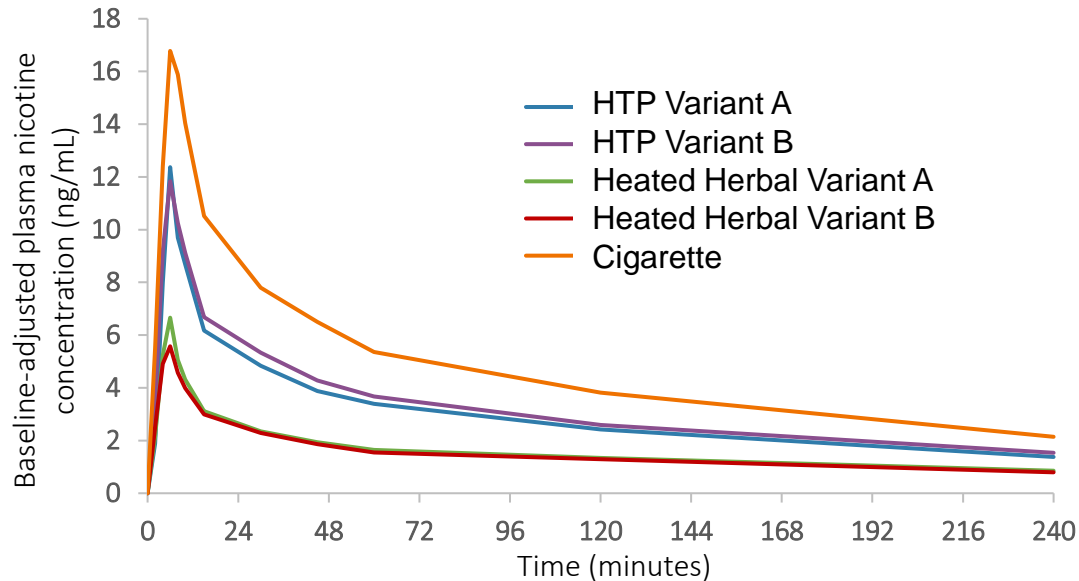


Effectively Delivering Nicotine

Clinical studies demonstrate nicotine delivery at a similar speed to smoking to help consumers switch



Nicotine Blood Delivery



Effective nicotine delivery

Lower levels of nicotine delivery at comparable speed to a cigarette.

Source: Marinas-Lacasta et al., 2024 (internal data, to be published)

Nicotine uptake in the lungs



Product innovation has driven transition from freebase nicotine to nicotine salts, which delivers nicotine more efficiently

Efficient nicotine delivery:

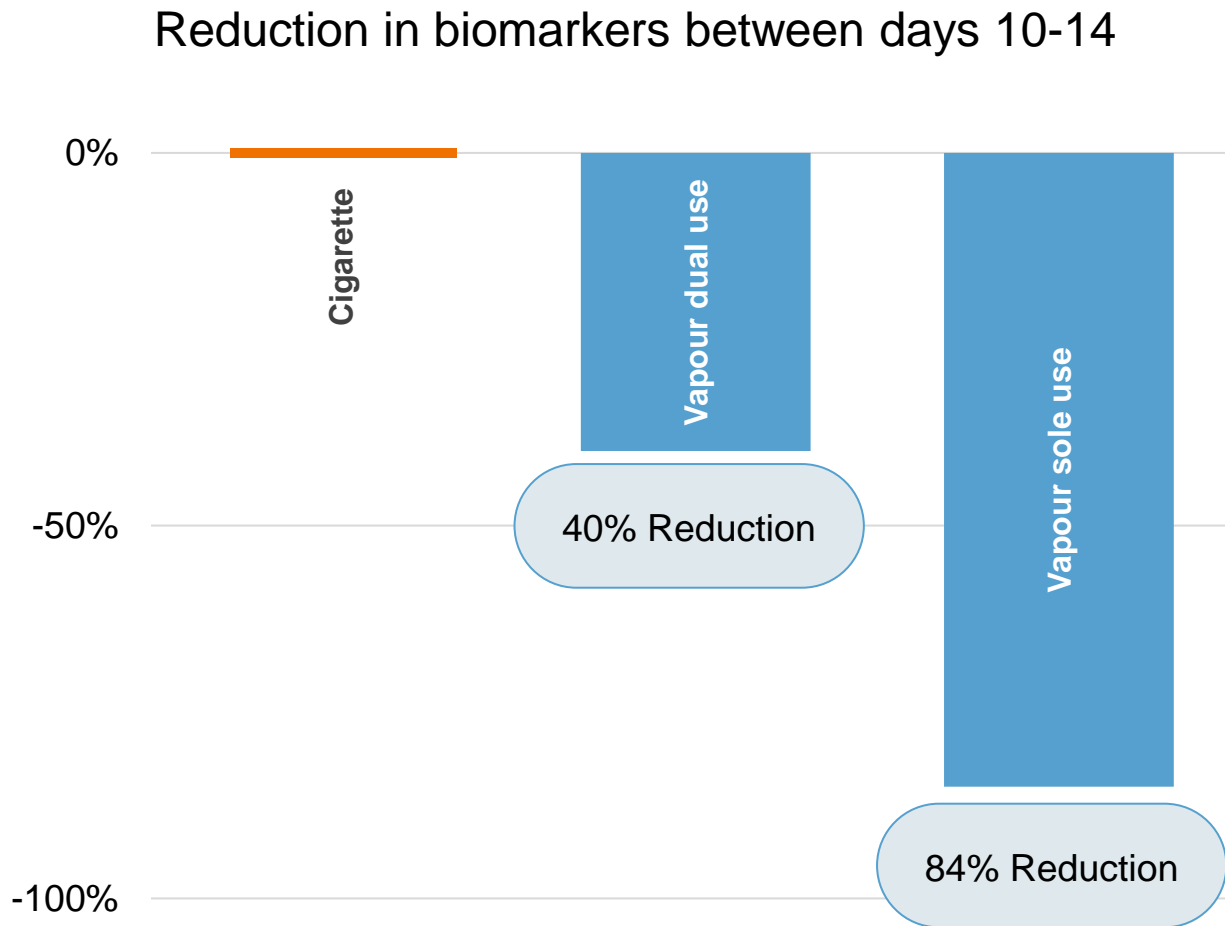
Nicotine salts reach the lungs more efficiently and at a higher speed compared to freebase nicotine.

Source: Wall et al., 2022



Marked Reductions in Biomarkers of Exposure

Both dual use and complete switching have a positive impact



Reduced physiological impact:
Both dual and exclusive use substantially reduce a broad range of biomarkers of exposure compared to cigarette smoke.

Source: Morris et al., 2022



Helping Adult Smokers Transition Away from Smoking

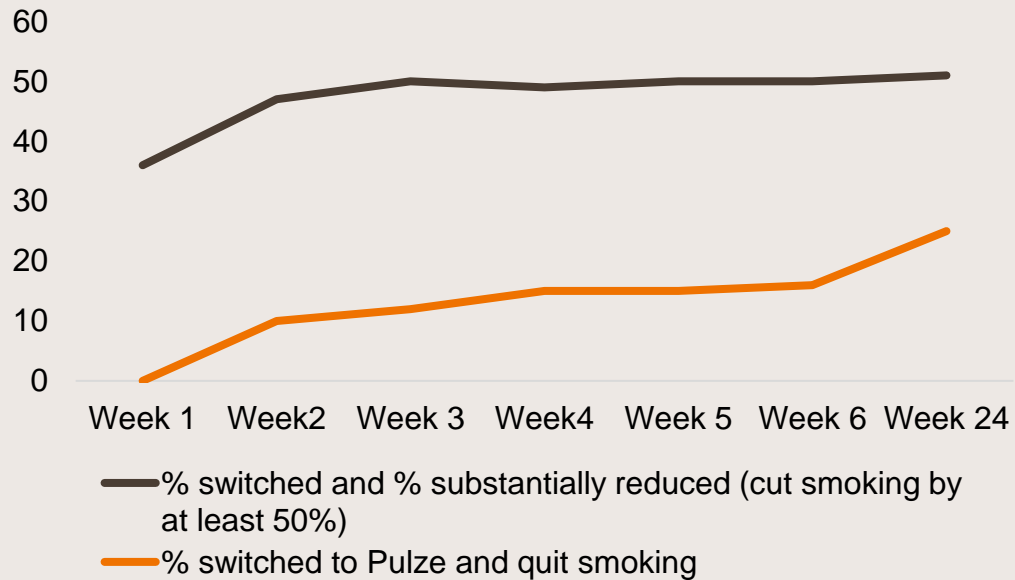


Our in-market studies show up to 50% of consumers fully switch or substantially reduce smoking using our NGP

Substantial switching & smoking reduction: heated tobacco

Numbers of consumers fully transitioning to Pulze & iD increased to 25% in just 24 weeks.

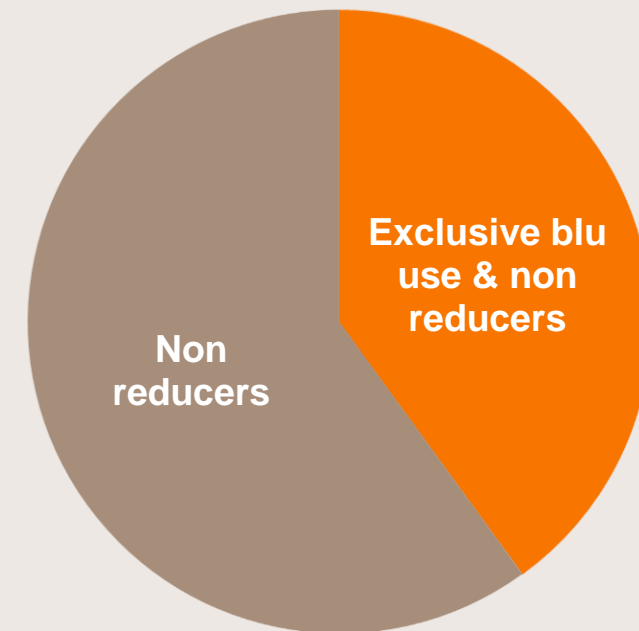
Switched & reduced



Source: Russell et al., 2024 (internal data, to be published)

Substantial switching & smoking reduction: vapour

36% with blu 2.0 and 40% with blu bar after six weeks



Source: Fitzpatrick et al., 2024 (internal data, to be published)



Potential for Public Health Harm Reduction

Population health modelling helps evaluate societal health benefits



Modelling Approach



Data foundation

UK prevalence data on smoking and vaping 2014-2022



Mortality model

Predicts mortality rates based on smoking and vaping status and prevalence



Model robustness

Grounded in dynamic population modeling theory, albeit with assumptions that introduce some uncertainty



Trend analysis model

Projects smoking and vaping prevalence over next 30 years



Comparative analysis

Compares two scenarios: (1) baseline assumes only cigarettes are available; (2) introduces availability of vapour

Analysis

Comprehensive historical data and well-established methodologies for trend analysis

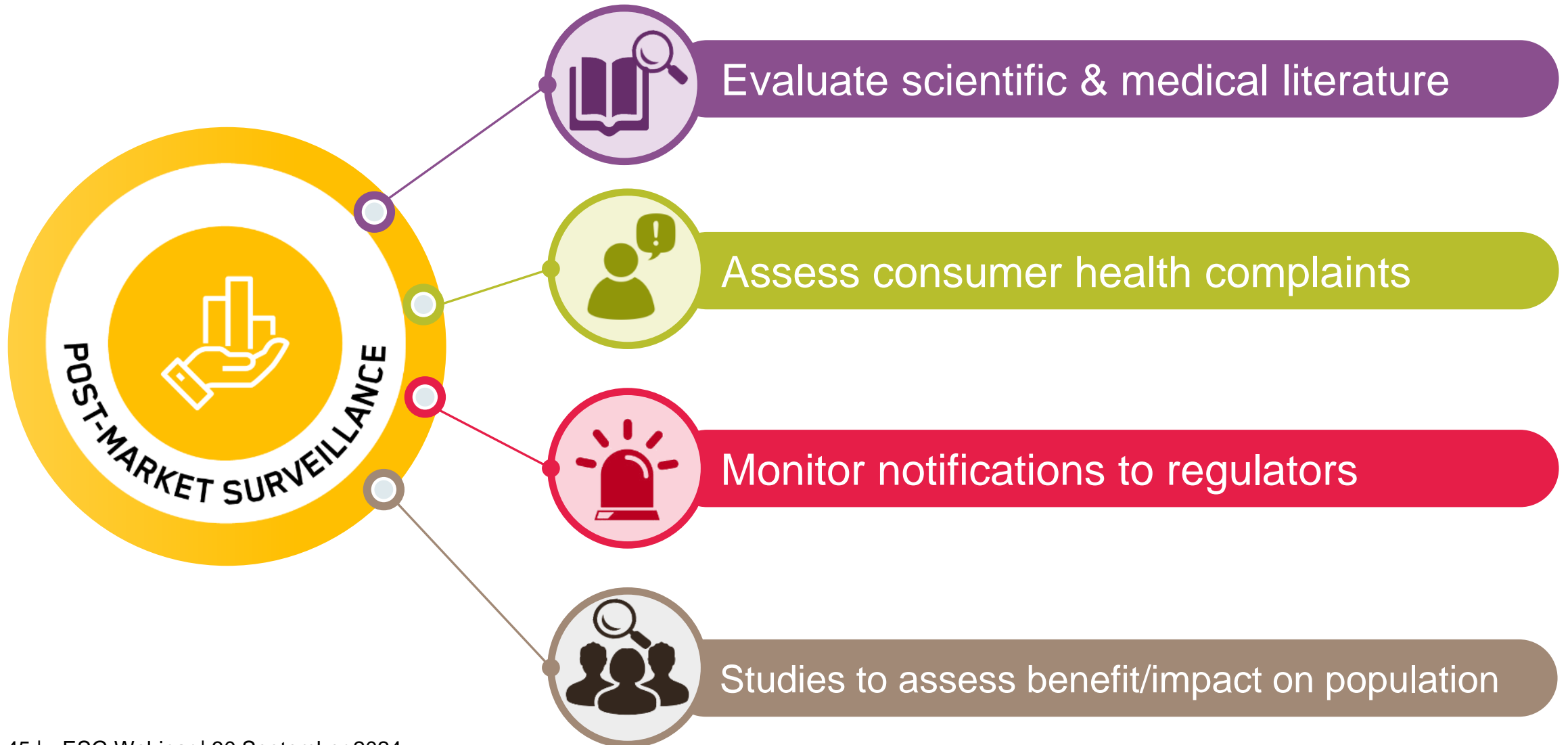
Modelling based on assumptions and is subject to uncertainties (e.g. future regulatory changes)

Enhanced credibility as approach is aligned with current published models

Ongoing validation with long-term data will be crucial for confirming predictions



Continuing to Assess Products Once They Are on The Market





Committed to Meaningful Contribution to Harm Reduction *Through Consumer Choice of Potentially Less Harmful Products*



Access To Choice

(Provide adult smokers with a potentially reduced harm choice)

Proving Harm Reduction Potential

(Substantiating our NGP against our Scientific Assessment Framework)

Unintended Use Prevention

(Strengthening our Responsible Product & Use Framework)

3 GOOD HEALTH AND WELL-BEING



Healthier Futures for Our Planet

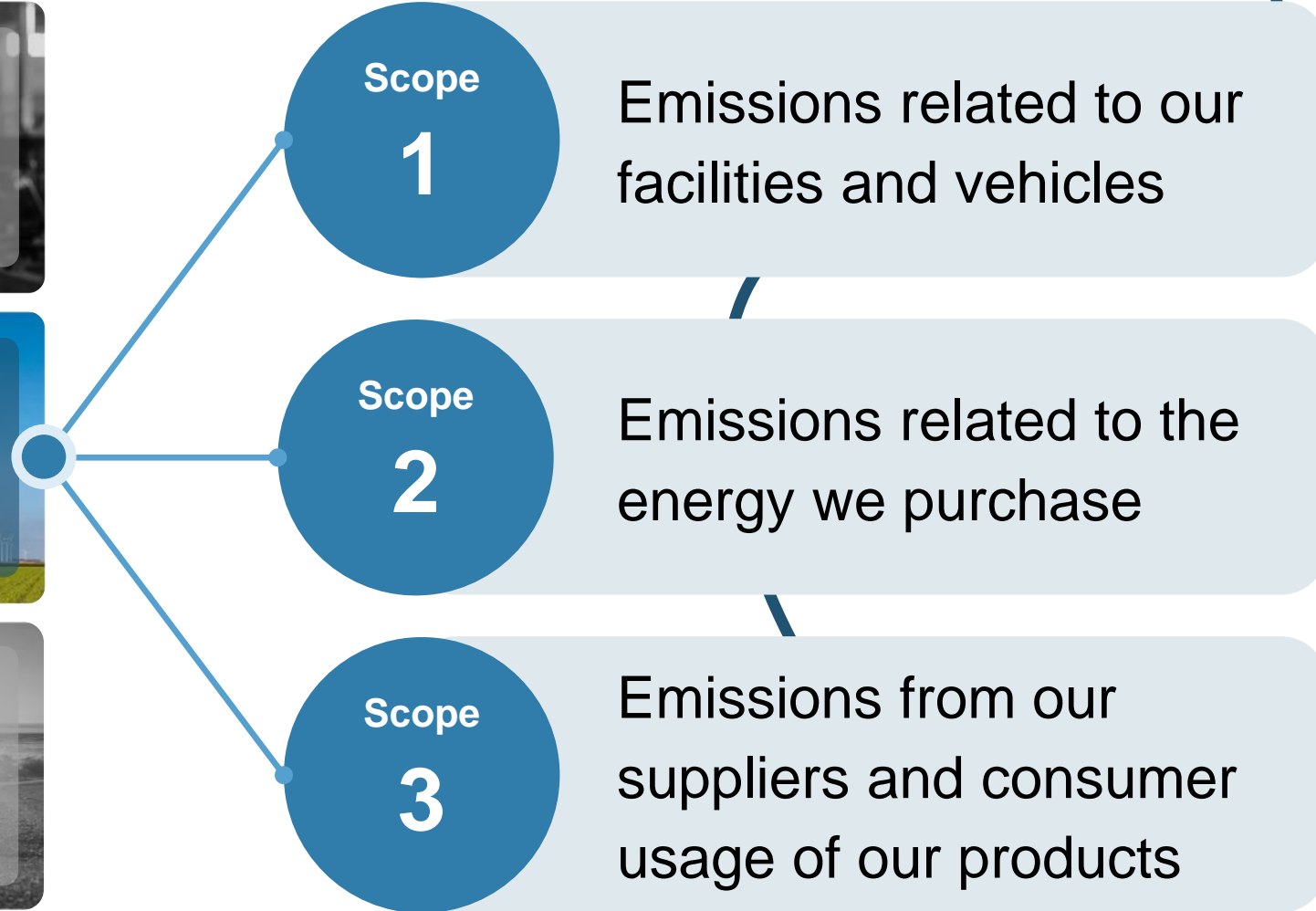




Towards zero carbon



Our Climate Target



**Net Zero
by 2030**

**Net Zero
by 2040**

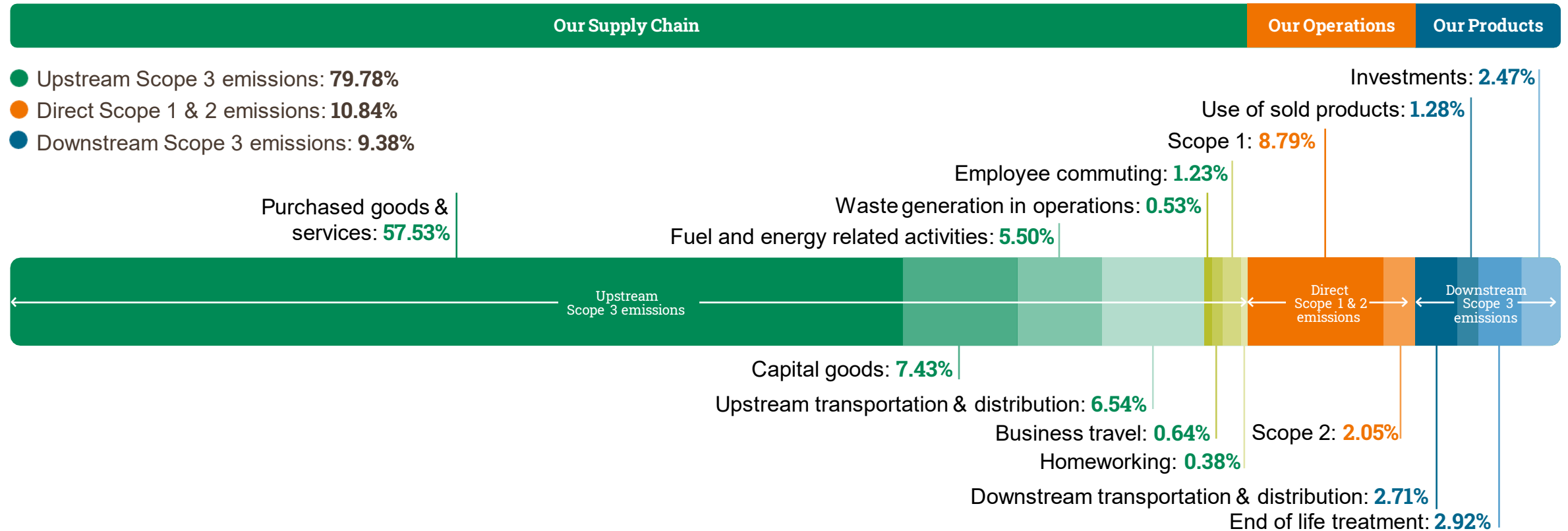


Our Carbon Challenge in Context

Our carbon footprint

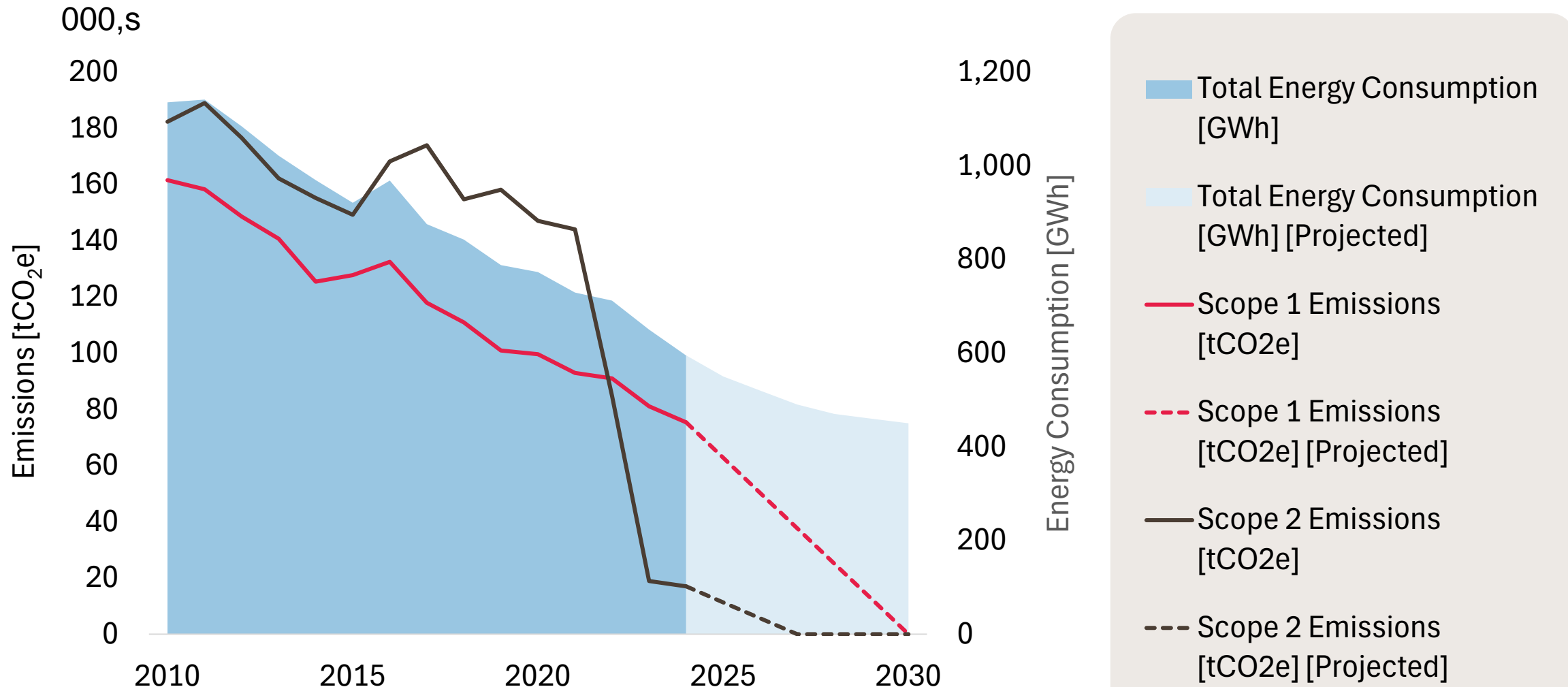


In 2023, total emissions across scope 1, 2 and 3 were 922,865 tonnes of carbon:





Delivering on Our Direct Targets (Scope 1&2)





Monitoring Energy Use Across Footprint

Driving energy efficiency and cost savings

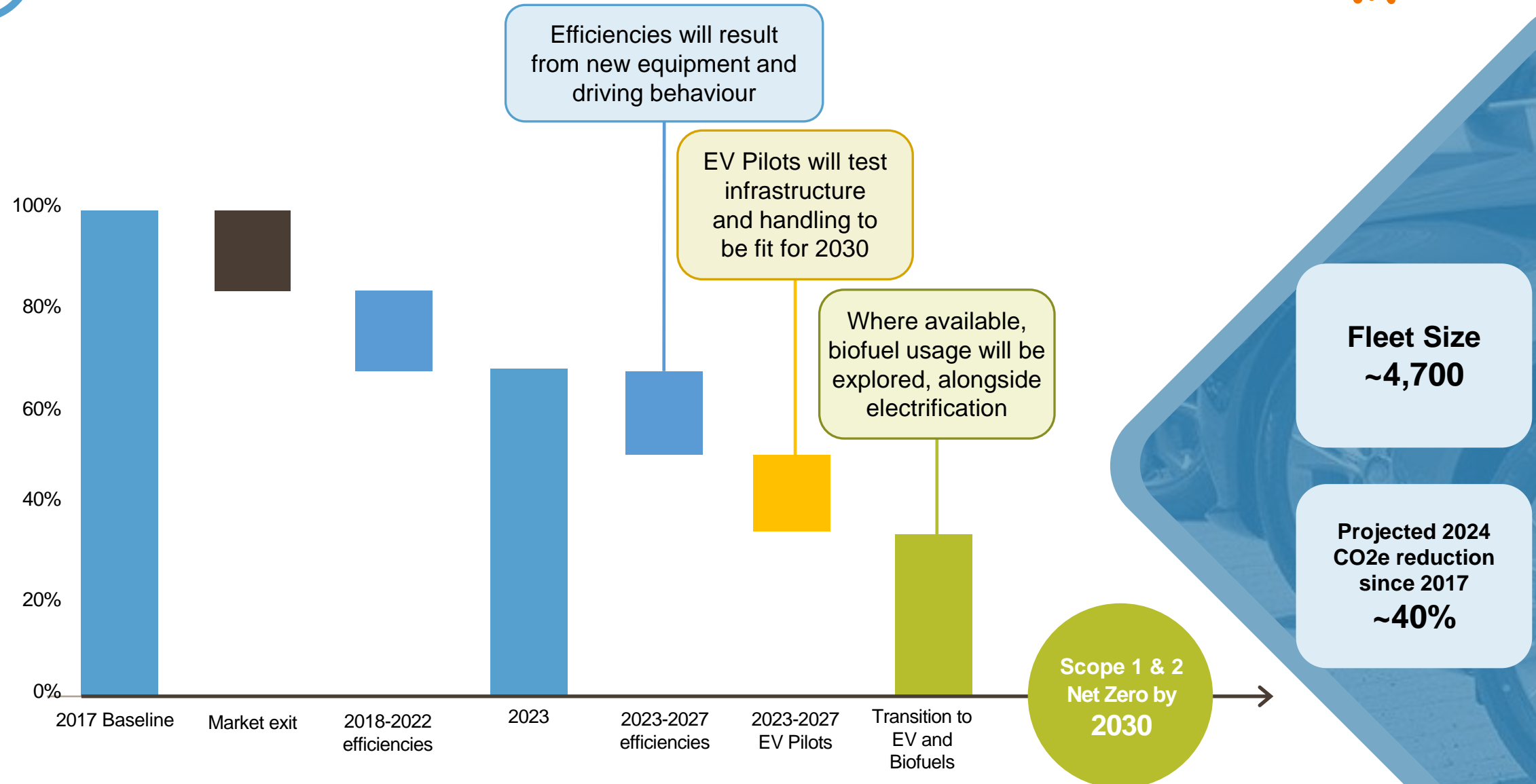


Daily: 1000 kW – approx.
Annually: 120 days of shutdown
 $1000/24 * 120 * 24 = 120,000$
kWh/yr
At approx. 0.2 £/kWh

Annual saving
£24,000
at one site



Carbon Reduction Through Fleet Management





Progress on Our Indirect Targets



Targeting Scope 3 Emissions

- Supplier CDP responses embedded in our FY23 Scope 3.1 calculation for the first time*
- FY24 target to have 50% of purchased goods and services spend covered by science-based targets (tracking at ~47%)
- Partnership with CDP Supply Chain enables more accurate data collection
- In FY25, we will launch Net Zero contract clauses and aim to include in negotiations with major suppliers

**Scope 3.1 relates to carbon emissions from purchased goods and services*





We Have a Plan and it is Delivering



Intermediate Targets

2025



**100% grid electricity
from renewables**

2025



**Reduce total
emissions by 50%**

2030



**100% energy
from renewables**

2030



**Reduce energy
consumption by 25%**

2024 Progress

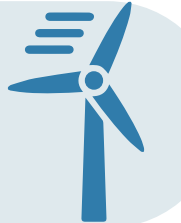
97%

from renewable sources



69%

reduction since 2017



43%

from renewable sources



28%

reduction since 2017





Our Net Zero Ambition



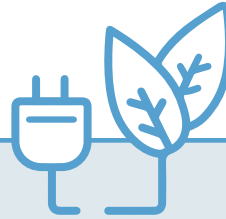
CLIMATE CHANGE

We are committed to reducing our climate impacts across our value chain. Focusing on both mitigation and adaptation.

UN SDGs



We are taking action to combat climate change and its impacts.



2030

Reduce scope 1 & 2 emissions by 100%



2040

Reduce our total carbon footprint emissions by 100%



CLIMATE LEADERS

2021 – 2024



Packaging and Waste

Benjamin Kristen

Head of Packaging



Our Packaging & Waste Targets

We are on track to deliver against our targets



Zero
Waste to landfill in our operations by 2025



ACHIEVED

20% waste reduction
Within our operations by 2030



ACHIEVED

All our EU & UK packaging
Reusable, recyclable, or compostable by 2025 (level 1 & 2)*

94%
ACHIEVED

>80% avg. Packaging
Recycling score** in EU & UK by 2030 (level 1 & 2)*



ON TARGET

100% of all wood fibre
In our packaging will be sustainably sourced by 2025

99%
ACHIEVED

**12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION**





VIDEO: Zero Waste To Landfill in Our Operations

A challenging target we will manage together



Packaging & Waste





Consumer trends within FMCG



SUSTAINABLE DEVELOPMENT
Gen Z cares about sustainability more than anyone else – and is starting to make others feel the same



28% of consumers had actively stopped buying products with ethical or sustainability concerns, this figure rose to **45%** for Gen Z.

Consumers care about sustainability—and back it up with their wallets



McKinsey
& Company

NielsenIQ

6 in 10

shoppers actively changing the way they shop



“Do better”

- ✓ Consumers want to do better
- ✓ They want brand owners to do better
- ✓ and they want the brands to do the heavy lifting



All Our EU & UK Packaging Reusable, Recyclable, Compostable by 2025 (LEVEL 1 & 2)*

Four formats are now recyclable enabling recycling of 1960 tonnes of plastic yearly

Achievements

Formats now recyclable



Improved recycling

Score from 0% to up to 99%

99%

Now recyclable

~1960 tonnes of plastic



Reduced

Plastic consumption by 323 tonnes

323 t

To Be Recyclable





Recycled Packaging: Horizon Brand



Good for consumers

Proven to have had a positive impact on consumers' perception of quality, and on brand choice



Good for business

10% uplift on sales during this activation compared to previous campaigns



Building our future

And, of course, a further step towards a circular economy



Packaging and Waste in NGP

Improving Product Innovation and Consumer Behaviour with NGP



- Packaging and waste initiatives being rolled out across our NGP portfolio
- Investing in NGP innovation
- Product design to improve recyclability (e.g. removable battery)
- Influencing consumer behaviour



Healthier futures for people and society





Employee health, safety and wellbeing

Tony Dunnage
Group ESG Director



Performance Drivers: Processes, Capabilities And Behaviours



Safety practices integrated across the business



Processes

What

Consistently manage health and safety across all locations

How

Reach 100% compliance with health and safety framework



Capabilities

Recognise and influence safe behaviours in the workplace and increase awareness

Behavioural safety training, one-minute lessons, and safety moments



Behaviours

Define key safe behaviours to be followed by employees

I Own Safety rules



Initiatives Driving Improved Focus on Safety



Health & Safety Campaigns

ZERO  **INJURY ASPIRATION**



INTRODUCING THE
'I OWN SAFETY' RULES
A commitment to our culture of care.

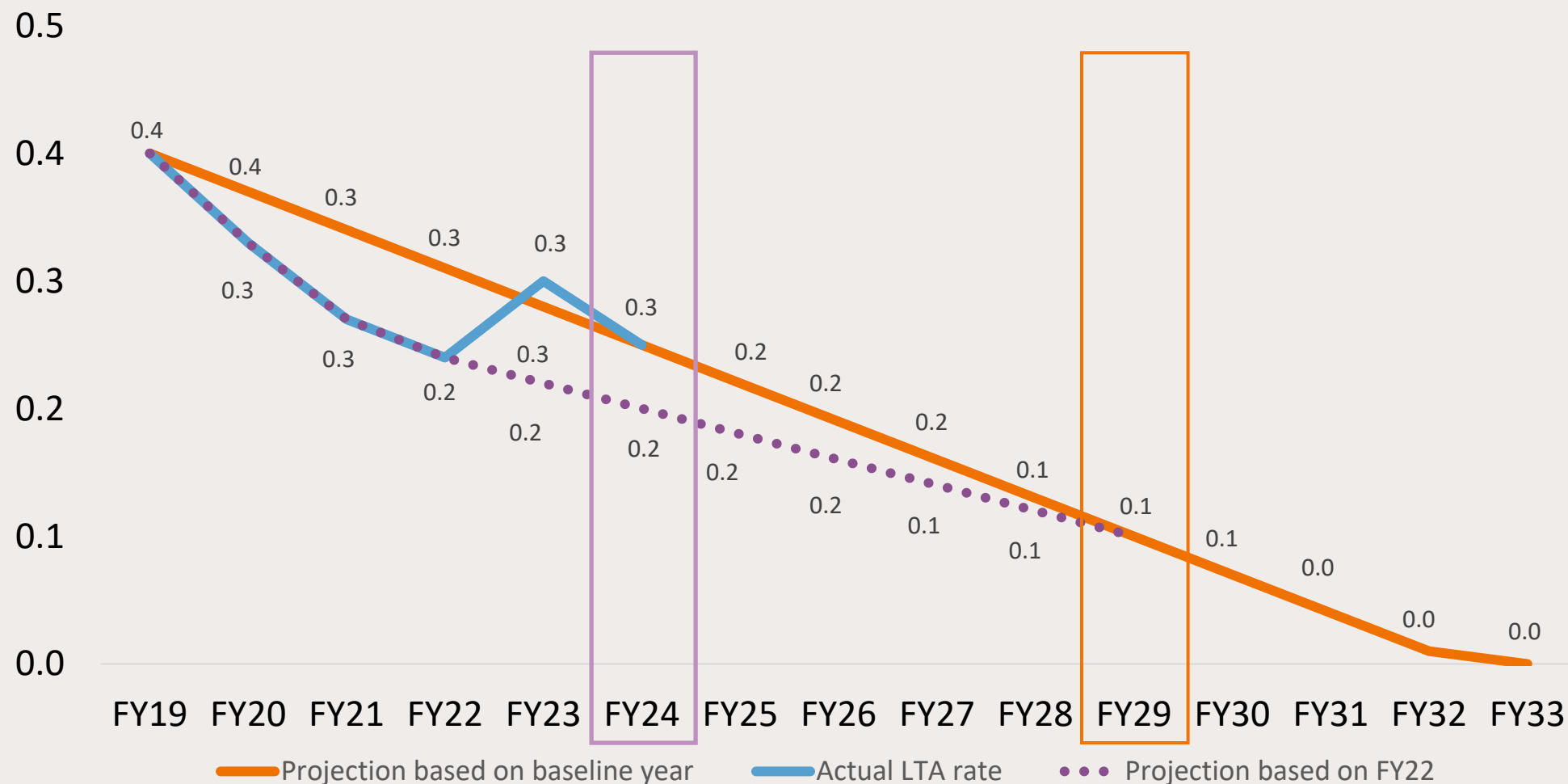
On-The-Ground Initiatives





The Approach is Delivering Results

Group Lost Time Accident (LTA) frequency rate glidepath to FY30





Wider society: farmer livelihoods

Vinay Advani

Head of Leaf Procurement and
Sustainability



Partnership Approach to Leaf Supply

Our suppliers' core competencies are growing and processing tobacco



Source majority of leaf from two global suppliers



Universal
UNIVERSAL CORPORATION

- Mature due diligence processes
- Engagement with farmers
- Business Code of Conduct policies



AllianceOne

- Grievance mechanisms in place
- Child labour policies in place

Underpinned by the 'Sustainable Tobacco Programme'



New Challenges for Tobacco Growers

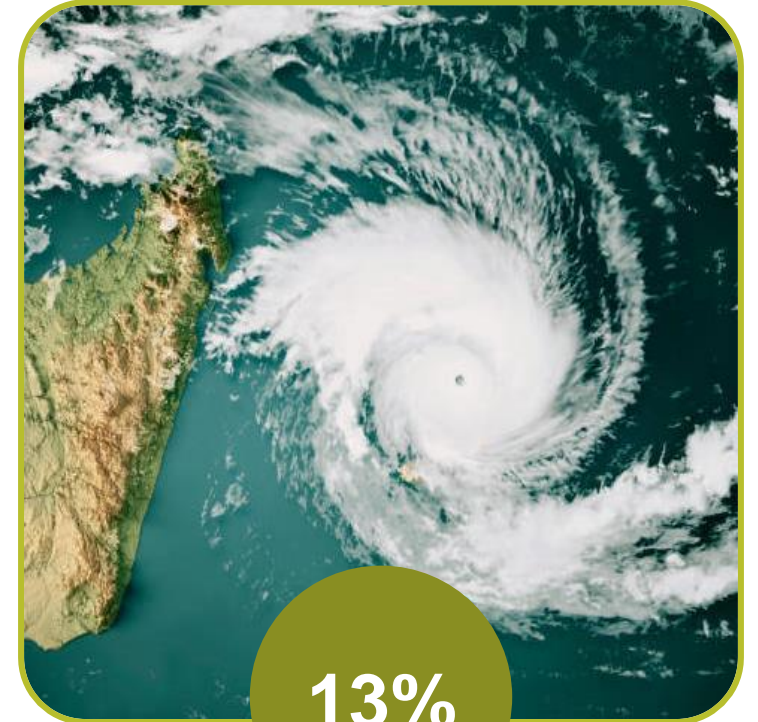


17

countries struggle to retain farmers



Everything on the farm is interconnected

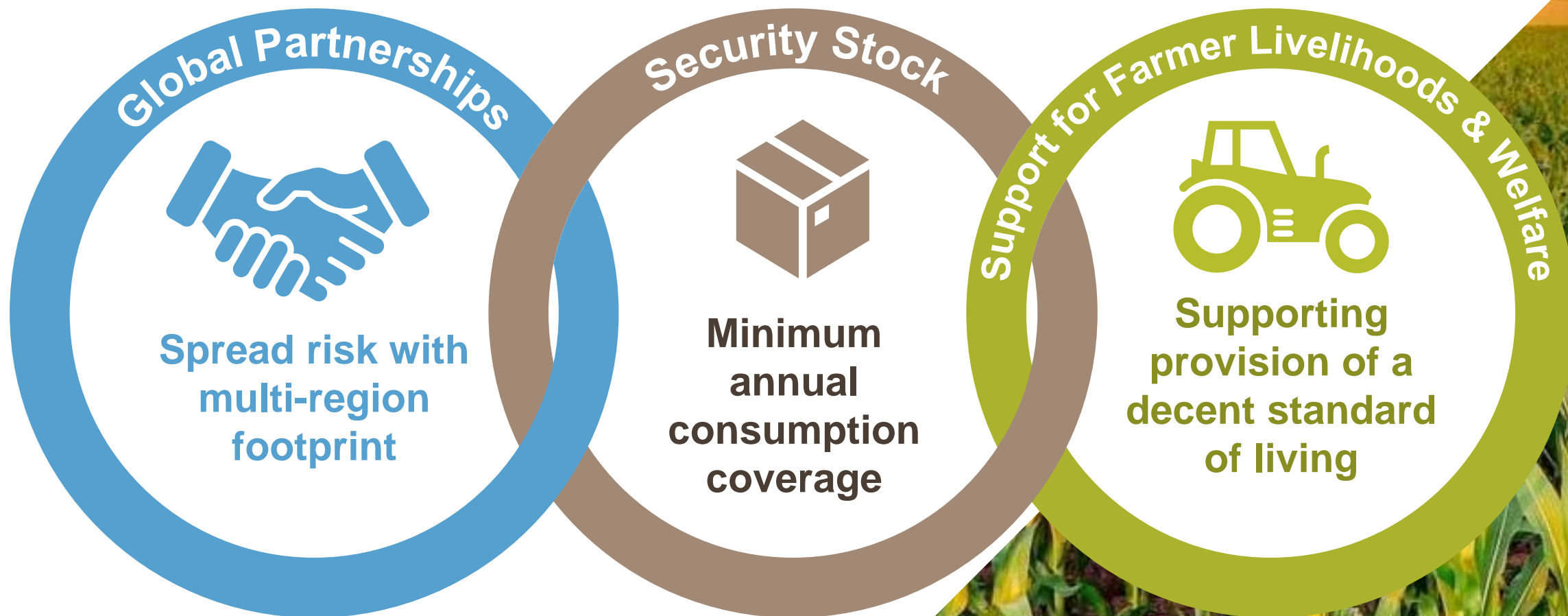


13%

origins impacted by adverse weather events



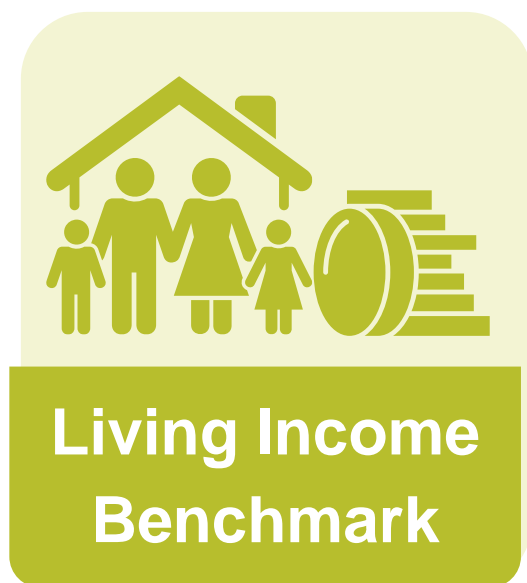
Meeting this Challenge





How is a Decent Standard of Living Measured?

A standard methodology has been formally adopted by the industry



Living Income Benchmark*

“The net annual income required for a household in a particular place to afford a decent standard of living for all members of that household”

A decent standard of living

The Living Income Benchmark is country specific and is compared with overall farm income.



A Decent Standard of Living is Crucial for Farmers



We aim to improve farmers access to projects to **improve financial sustainability** by 2030

We aim to improve access to **basic needs** for 180,000 farmers and their families by 2030

Implementing **sustainable agriculture**, aimed at supporting our suppliers to provide access to 100% sustainable wood by 2025



Committed to support the farmers access a **decent standard of living**





Leaf Partnership

Improved basic needs and financial awareness



166,000



benefiting from
access to clean
water projects

1,000



farmers
benefiting from
income and
productivity
initiatives

96,000



children have
improved
access to
schools /
childcare

3

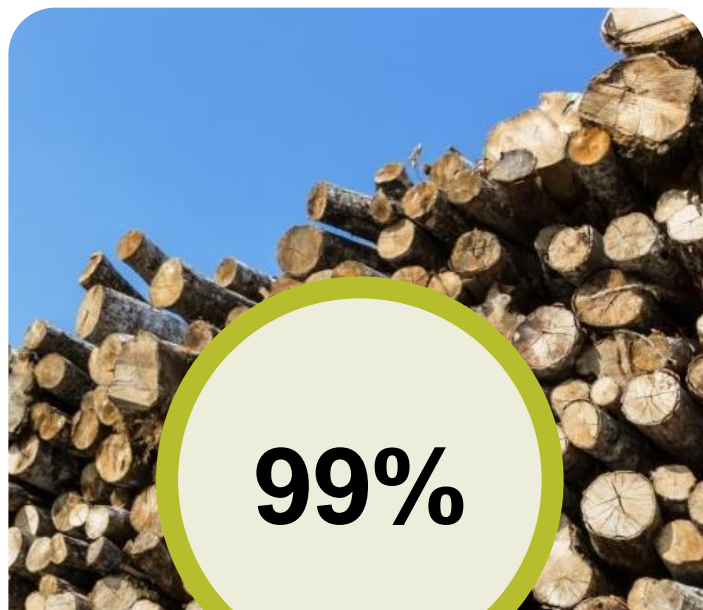


financial
awareness
training courses



Leaf Partnership

Supporting sustainable agriculture



99%

Wood sustainable



95%

Suppliers committed
to sustainable pest
management



25%

More fuel-efficient
tobacco barns



Partnership with Suppliers

Our suppliers are on this journey with us and we rely upon them



Suppliers are part of Sustainable Tobacco Program



100%

Committed to decent standard of living

98%

77%

of volume from suppliers committed to our Net Zero carbon emissions Journey by 2040

Leaf Partnership Projects



**13
Countries**

**14
Suppliers**

Concluding Remarks and Q&A

Good Progress Against Our Priority Areas

Forging a path to a healthier future



Consumer
Health

Enabled
Consumer
Choice
by **41%**
growth in NGP
net revenue
since FY21



Climate
Change

Reduced our
direct
emissions
by **69%***
since 2017



Packaging
& Waste

Reduced
absolute waste
in operations
by **32%**
since 2017



Farmer Livelihoods
& Welfare

We
supported
more than
100,000
tobacco farming
members with
our Leaf
Partnership
Projects in
FY23



Sustainable
& Responsible
Sourcing

Recognised
by
CDP for a
5th
consecutive year
as a supplier
engagement
leader in 2023



Employee
Health, Safety
& Wellbeing

Reduced
Lost Time
Accidents by
50%**
since 2019



Diversity, Equity
& Inclusion

Workforce
Disclosure
Initiative score
89%
in 2023



Human
Rights

We aim to
have
33
sites reporting
against a new
set of human
rights leading
indicators in
FY25

HEALTHIER FUTURES

**POSITIVE CONTRIBUTION
TO SOCIETY**

**SAFE & INCLUSIVE
WORKPLACE**

* Scope 1 and Scope 2 market-based emissions (CO₂ equivalent tonnes)

** Absolute number of accidents

Question and Answer Session

