



IMPERIAL  
BRANDS

# **Imperial Brands** **Capital Markets Day**

26 March 2025

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# Agenda

- Welcome from Chair
- Building on Strong Foundations
- Our 2030 Strategy
- Building Differentiated Consumer Brands
- Panel Q&As
- Break – Tour of Booths
- Driving Sustainable Value in Our Markets
  - USA
  - Europe
  - AAACE
- Strategic Enablers
  - A High-Performance Culture
  - Simplified, Efficient and Data-led Organisation
- Unlocking Our Full Value Potential
- Driving Value Through Our 2030 Strategy
- Panel Q&As



# Welcome from Chair

Thérèse Esperdy







# A Clear 2030 Strategy for Value Creation

- Current strategy has delivered stronger, more consistent results
- Strong foundations in place to deliver 2030 strategy
- Board has undertaken a rigorous review and explored all options for value creation
- Our purpose and vision remain as guiding principles
- **Further opportunities to create value in next strategic phase**

Recent Board visits to  
Czech Republic,  
Germany and USA

# Building On Strong Foundations

**Stefan Bomhard**  
Chief Executive Officer



# Our 2030 Ambitions: The Next Five Years

WE HAVE CLEAR OPPORTUNITIES TO BUILD ON STRONG FOUNDATIONS

**Get even closer to our consumers and build differentiated brands**

**Invest in our people, technology and data to drive growth and efficiency**

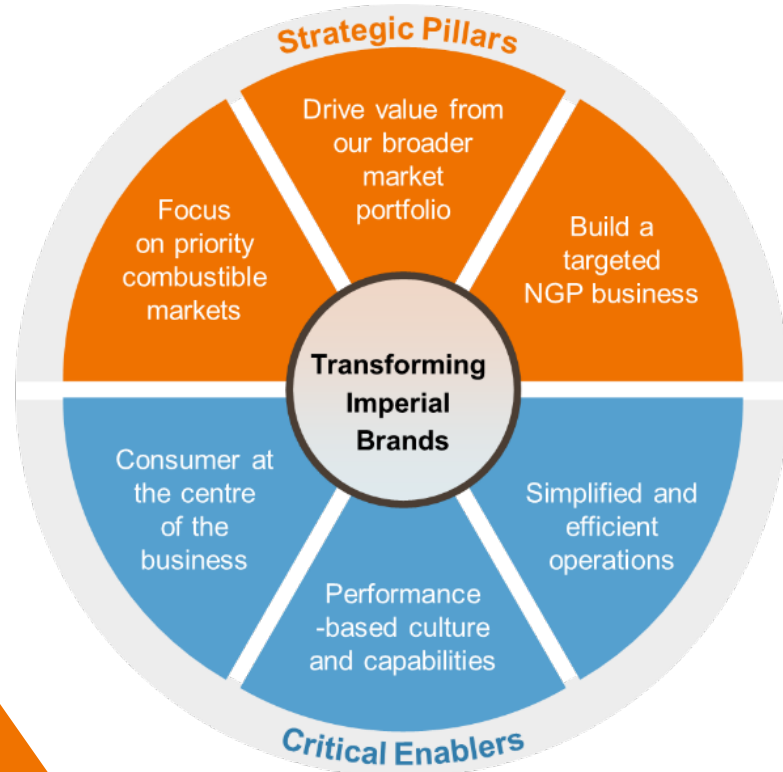
**Generate sustainable value from combustibles**

**Build scale in next generation products**

**Delivering growing cash flows to underpin capital returns to shareholders**

# Our Strategy is Transforming Imperial Brands

DELIVERING A STRONGER AND MORE CONSISTENT PERFORMANCE



## THE LAST FOUR YEARS: WHAT HAVE WE ACHIEVED?

- ✓ Established our role as a focused challenger
- ✓ Created value through enhanced consumer capabilities
- ✓ Embedded a culture of consistent performance
- ✓ Strengthened combustible business
- ✓ Developed a sustainable, growing NGP business
- ✓ Delivered strong returns to shareholders

**Next phase of the strategy will build on these strong foundations**



# Established Our Role as the Industry Challenger

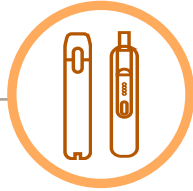
A DISTINCTIVE, CONSUMER CENTRIC AND FOCUSED APPROACH



**Deep consumer intimacy and data-driven**



**Combustibles: laser-focus on growth levers in priority markets**



**NGP: focus on markets and categories where we can win**



**Sales excellence and strong retailer relationships**



**Faster, more agile decision making**

**Next five years: Further leveraging our role as a challenger business. We are confident in our ability to drive transformational upside**

# Enabled by Enhanced Consumer Capabilities

WE START WITH THE CONSUMER

LEVERAGING THE STRENGTHS AND CAPABILITIES OF OUR GLOBAL CONSUMER ORGANISATION

Consumer  
insight



Brand and  
portfolio  
management



Innovation



Revenue growth  
management



**Global Consumer  
Team established  
in 2021**

**New consumer  
understanding and  
capabilities**

**1,000 consumer-  
facing people  
across the  
business**

# Refreshed Team has Broad FMCG Experience

BLENDING DEEP TOBACCO KNOWLEDGE WITH FMCG EXPERTISE

- Broadest FMCG experience of any global tobacco executive team
- 9 out of 11 new to Imperial
- Retained deep tobacco experience
- Strong capabilities in key areas
- Experience of driving global transformation
- c. 75% of ELT-1 and ELT-2 new to role: 50% of these are external hires



# Transforming Imperial Brands Culture

DELIVERING RESULTS THROUGH A PERFORMANCE-BASED CULTURE

## PERFORMANCE-BASED CULTURE

**More rigorous performance management** through monthly business reviews

Culture that **prioritises accountability, collaboration** and challenge

Rewards **delivery of annual plans** while supporting **longer-term transformation and growth**

**Equipping our people** through performance coaching, better data and processes

## DELIVERING A STRONGER PERFORMANCE



A strong operational performance in combustibles and NGP



More consistent financial delivery driving sustainable growth



+8ppts vs. FY21

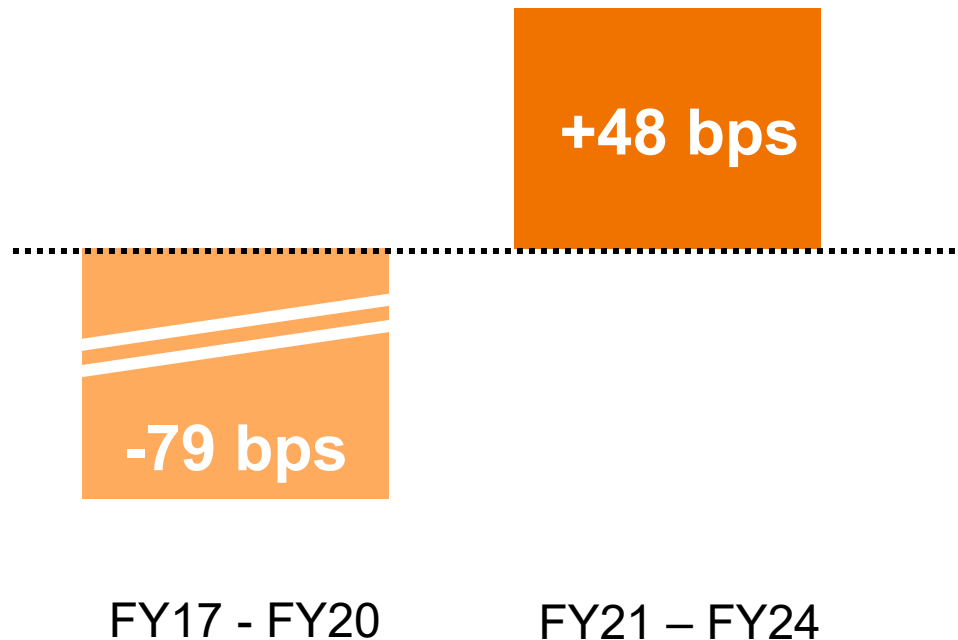
A motivated workforce with benchmark beating engagement score



# Delivering Share Gains in Priority Markets

ACHIEVING OUR OBJECTIVE OF MAINTAINING MARKET SHARE

## AGGREGATE WEIGHTED PRIORITY MARKET SHARE PERFORMANCE



Meeting objective to stabilise share performance

No longer the #1 share donor in the industry

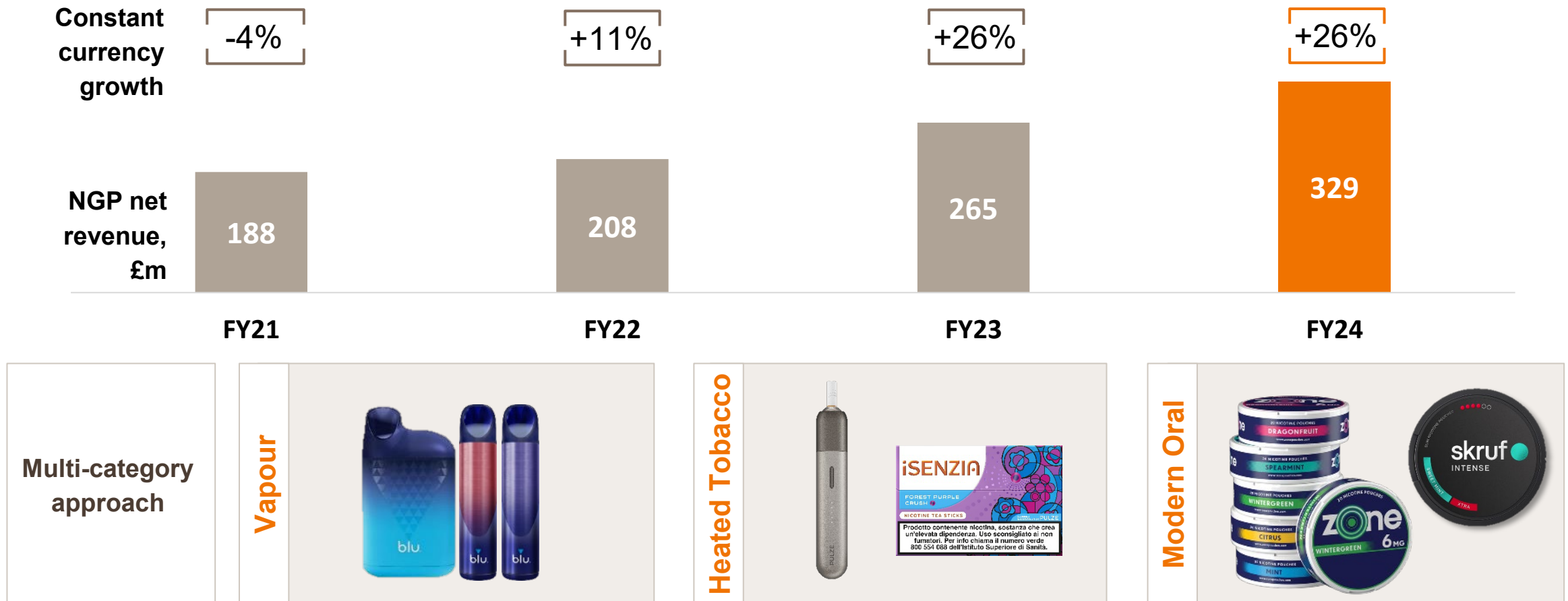
Stronger combustible delivery: pricing and share

Stronger, more consistent financial delivery

# Delivering NGP Net Revenue Growth

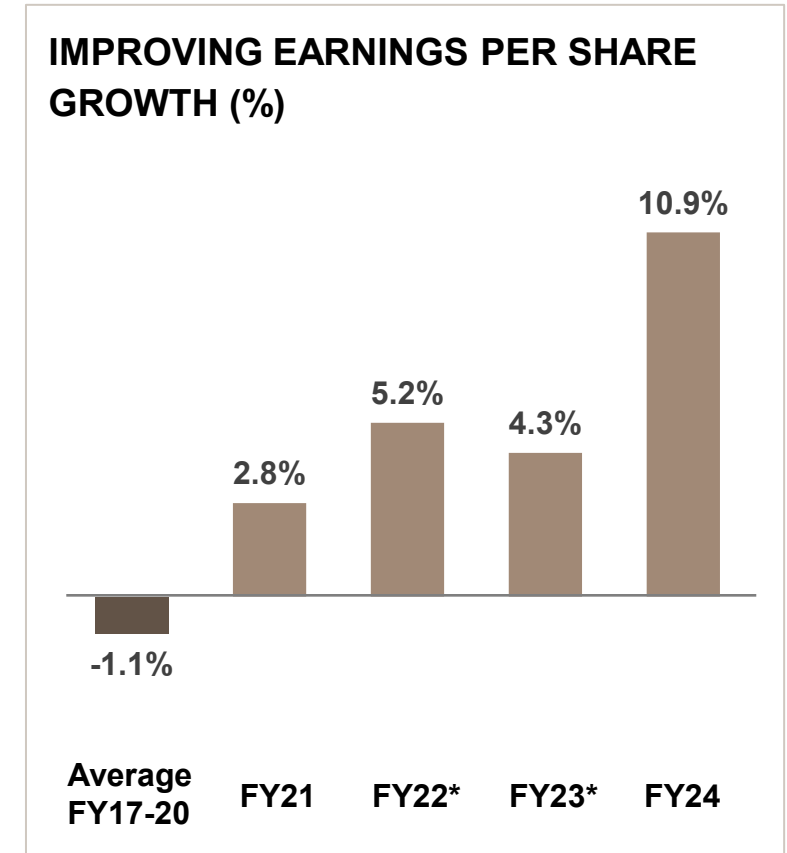
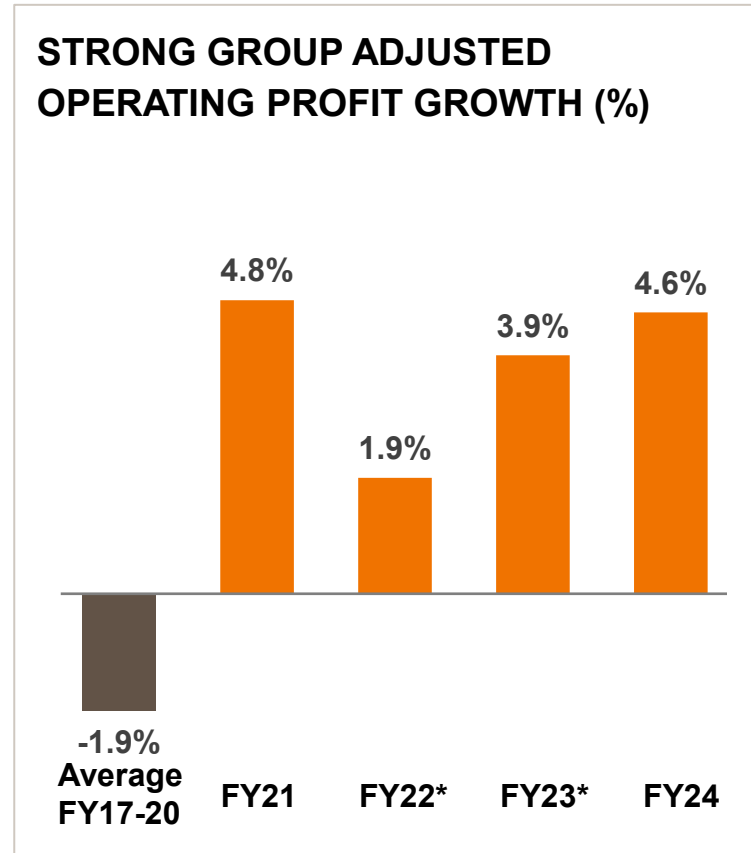
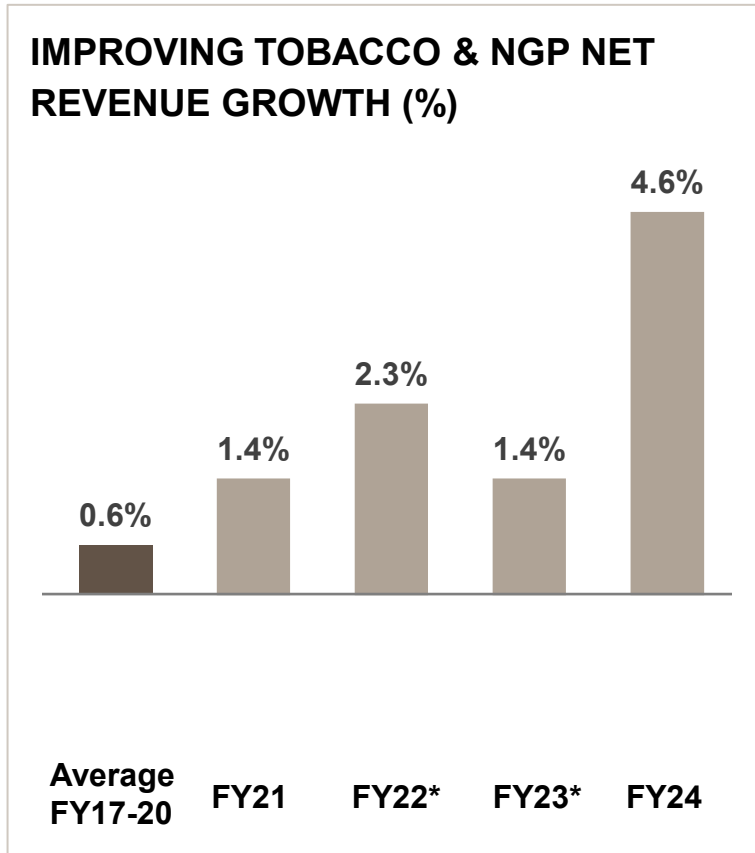
TURNAROUND IN NGP PERFORMANCE IS EVIDENT

## NGP STRATEGY DRIVING NET REVENUE GROWTH



# Improved Financial Delivery

DELIVERING AN ACCELERATION IN FINANCIAL PERFORMANCE



**IMPROVED CASH GENERATION ENABLES OUR FOUR CAPITAL ALLOCATION PRIORITIES**

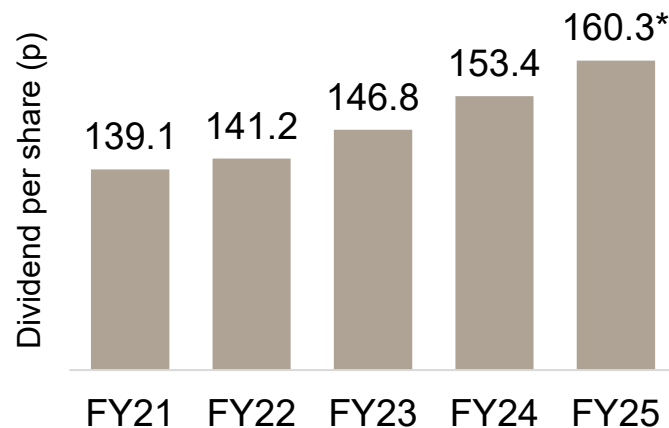
# Delivering Strong Shareholder Returns

CASH GENERATION UNDERPINS CAPITAL RETURNS of £10BN OVER FIVE YEARS

## GENERATING STRONG SHAREHOLDER RETURNS

### Progressive Dividend per Share

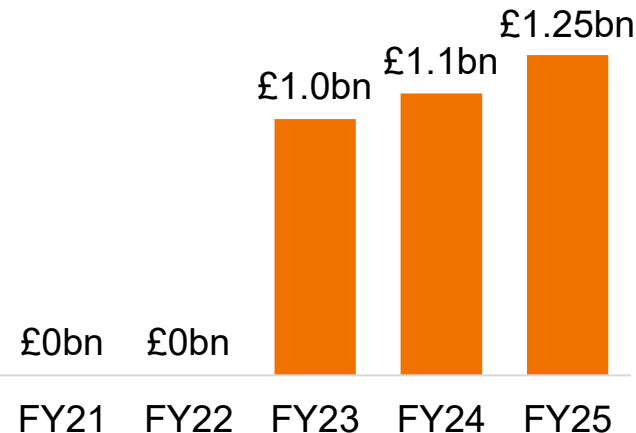
Reflecting underlying performance



**FY25 dividend yield of 6%**

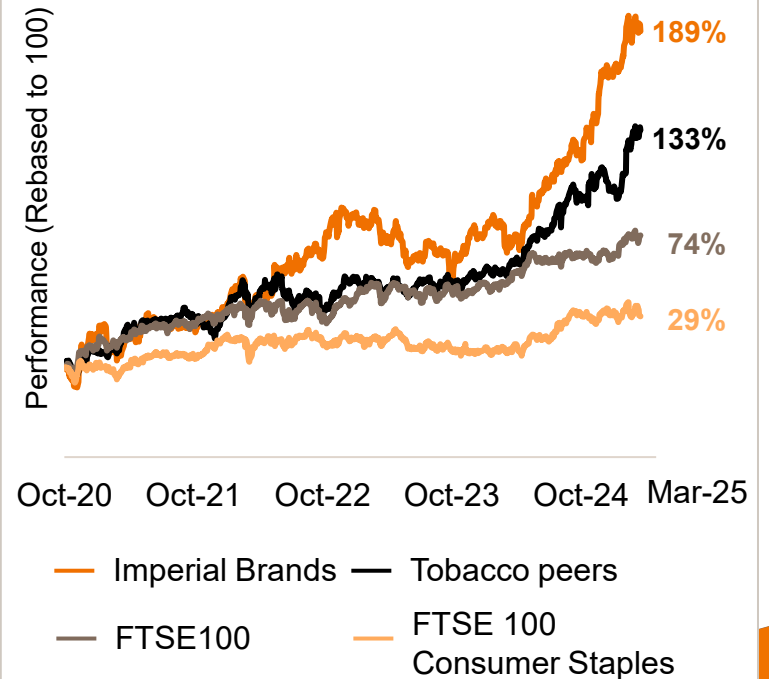
### Surplus Capital Returns

Ongoing share buyback



**% of share capital; FY25 c.6%**

### Total Shareholder Return





# Delivering on our ESG Priorities

OUR PRIORITIES ARE FULLY ALIGNED WITH OUR COMMERCIAL GOALS



**Consumer  
Health**

64% growth in NGP net  
revenues since 2021<sup>A</sup>

**Supporting  
building scale in  
NGP**



**Climate  
Change**

32% reduction in energy  
consumption since 2017\*

**Supporting  
simplified and  
efficient  
operations**



**Employee  
Health, Safety  
& Wellbeing**

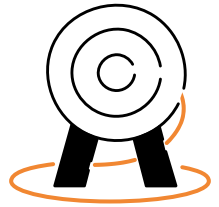
47% reduction in lost time  
accidents since 2019\*\*

**Supporting  
high-performance  
culture**

# Clear Purpose, Vision and Behaviours

THE SAME VISION, PURPOSE AND BEHAVIOURS WILL SUPPORT 2030 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”*

## OUR BEHAVIOURS



**Start with the  
Consumer**



**Collaborate  
with Purpose**



**Take Accountability  
with Confidence**



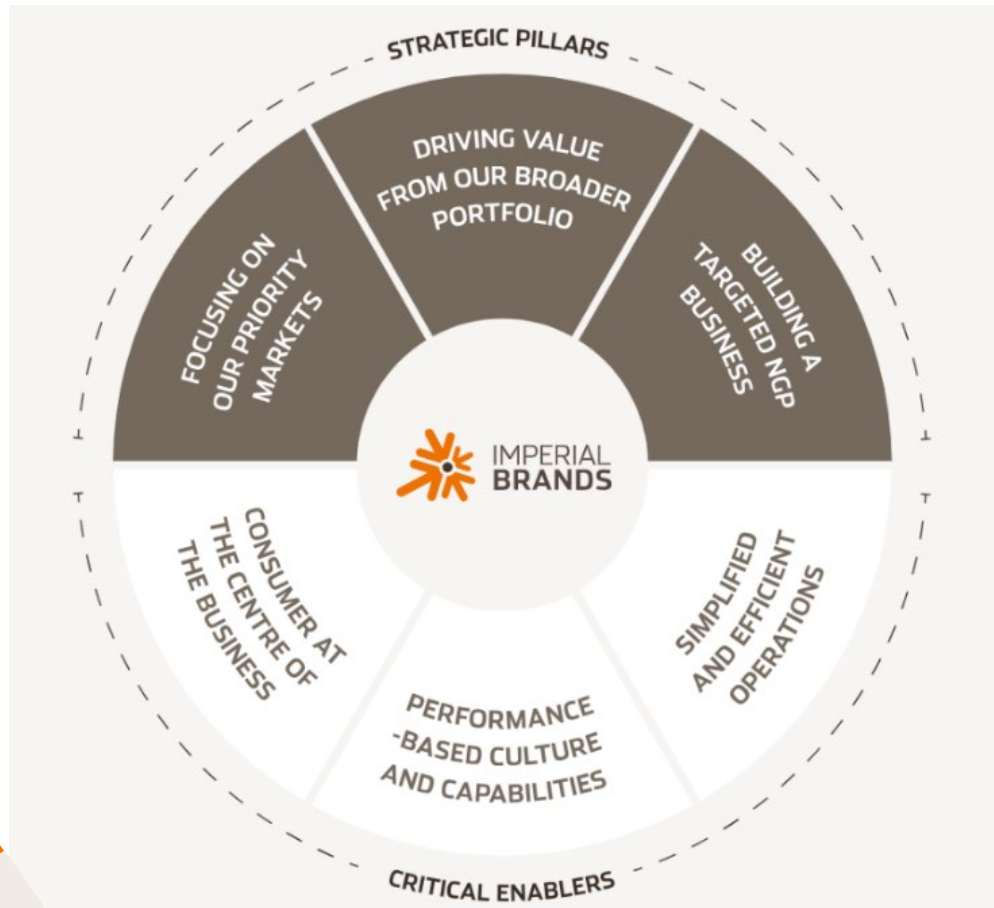
**Be Authentic,  
Inclusive to all**



**Build our  
Future**

# Setting Out Our 2030 Strategy

## 2021-2025 STRATEGY



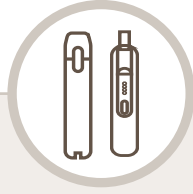
## 2030 STRATEGY



# Our Operational and Financial Ambitions



**Sustained value  
delivery from our  
combustible business**



**Building a meaningful  
business in NGP with  
scale**



**Leveraging our  
consumer capabilities  
as an efficient, data-led  
organisation**



**Significant  
shareholder returns  
through dividends  
and buybacks**

**Low single-digit  
CAGR for  
tobacco net  
revenue growth**

**Double-digit  
CAGR for NGP  
net revenue  
growth**

**3% to 5%  
adjusted  
operating profit  
growth**

**High  
single-digit EPS  
growth**

**£2.2bn to £3bn  
annual free cash  
flow**



# Our 2030 Ambitions: The Next Five Years

WE HAVE CLEAR OPPORTUNITIES TO BUILD ON STRONG FOUNDATIONS

**Get even closer to our consumers and build differentiated brands**

**Invest in our people, technology and data to drive growth and efficiency**

**Generate sustainable value from combustibles**

**Build scale in next generation products**

**Delivering growing cash flows to underpin capital returns to shareholders**

# Agenda

- **Our 2030 Strategy** Murray McGowan – Chief Strategy & Development Officer
  - **Building Differentiated Consumer Brands** Paola Pocci – Chief Consumer Officer
  - **Panel Q&As**
- 
- **Break – Tour of Booths**
- 
- **Driving Sustainable Value in Our Markets**
    - **USA** – Kim Reed, President and CEO, Americas Region
    - **Europe** – Aleš Struminsky, President, Europe Region
    - **AAACE** – Priyali Kamath, President, Africa, Asia, Australasia and Central & Eastern Europe
- 
- **Strategic Enablers**
    - **A High-Performance Culture** Alison Clarke – Chief People & Culture Officer
    - **Simplified, Efficient and Data-led Organisation** Lukas Paravicini – Chief Financial Officer
- 
- **Unlocking Our Full Value Potential** Lukas Paravicini – Chief Financial Officer
  - **Driving Value Through Our 2030 Strategy** Stefan Bomhard – Chief Executive
  - **Panel Q&As**
- 



# Our 2030 Strategy

**Murray McGowan**

Chief Strategy and Development Officer



# Leveraging the Strengths of the Current Strategy

STRATEGY DESIGNED USING KEY PRINCIPLES

## PRINCIPLES OF OUR STRATEGIC REVIEW

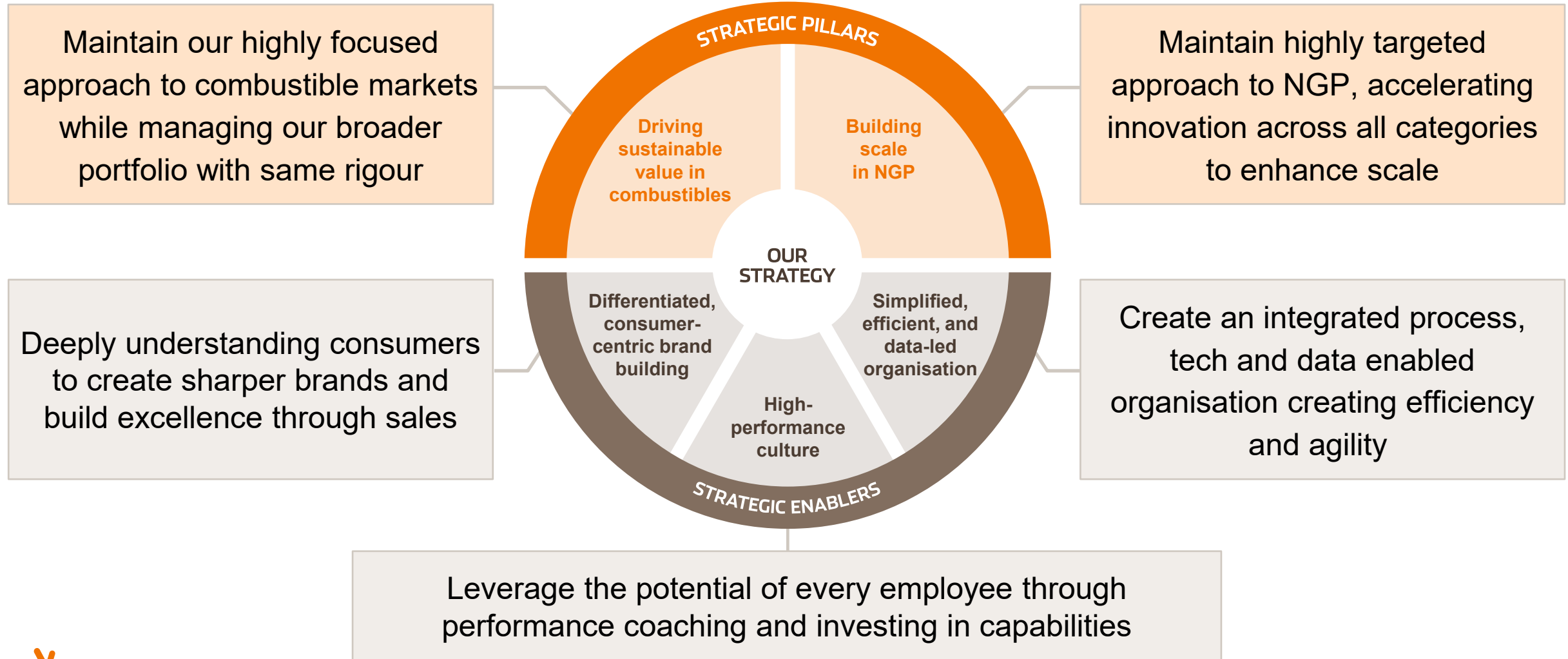
- Rigorous approach
  - Consumer-centric
  - Data-led
- Playing to our strengths – clear playbook
- Learnings from our current strategy
- Enabled by stronger capabilities
- Considered all options to create value



## OUR CHALLENGER MINDSET

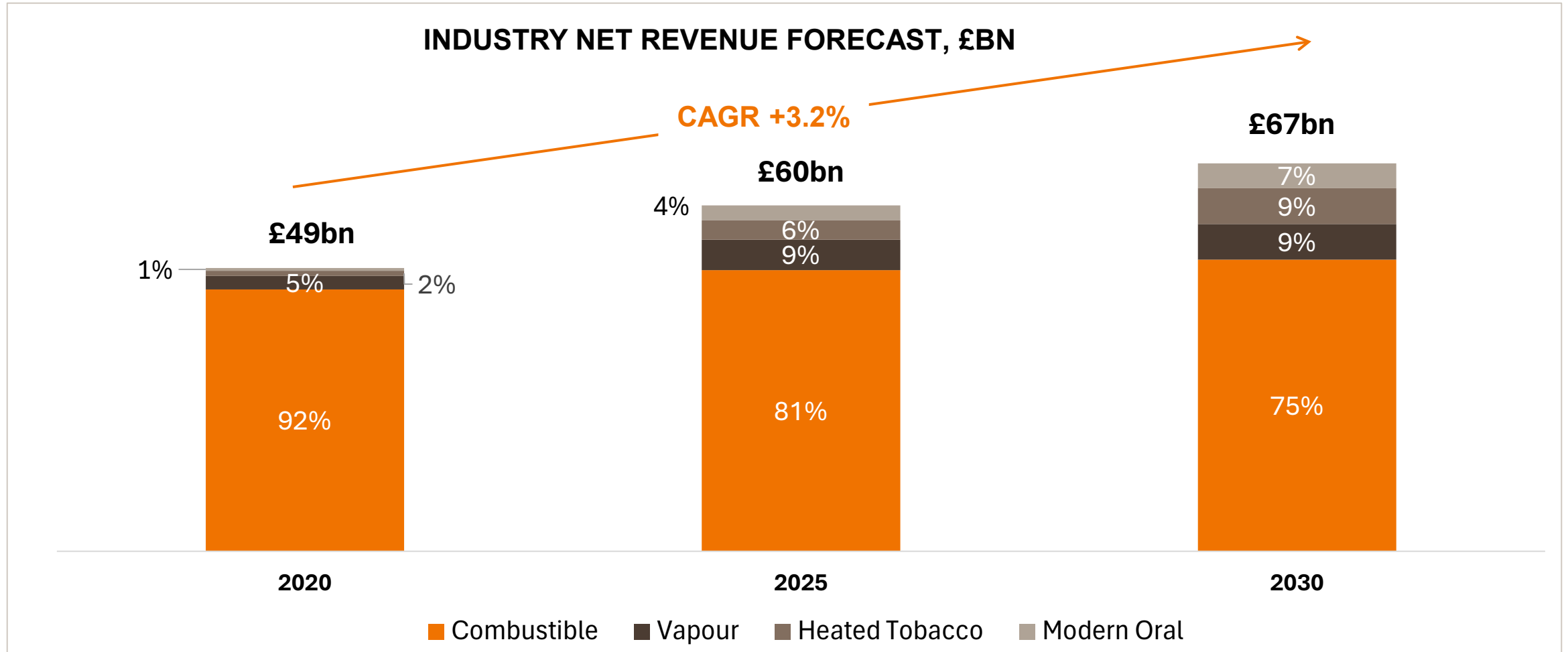
Remain focused on clear areas where **we have a right to win**

# A More Efficient, Focused and Connected Imperial



# Industry Revenue Projections

SUPPORTING LONG-TERM SUSTAINABLE GROWTH AND RETURNS







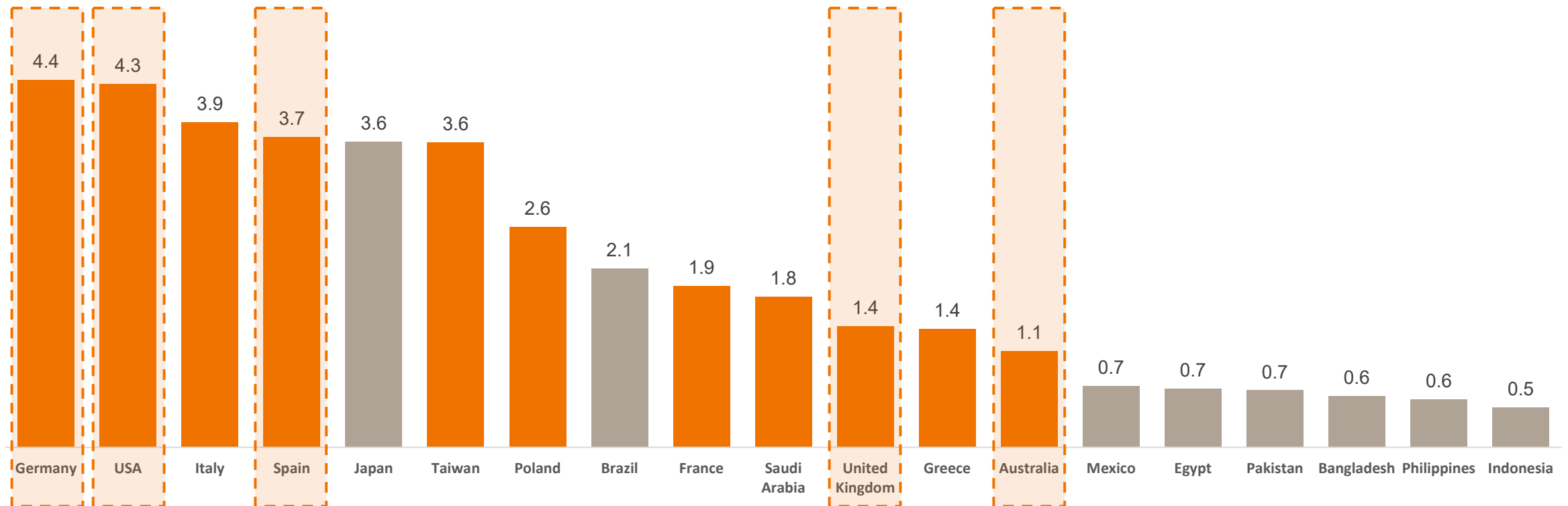
# Cigarette Affordability Remains High

SUPPORTING CONTINUED STRONG PRICING IN IMPERIAL MARKETS

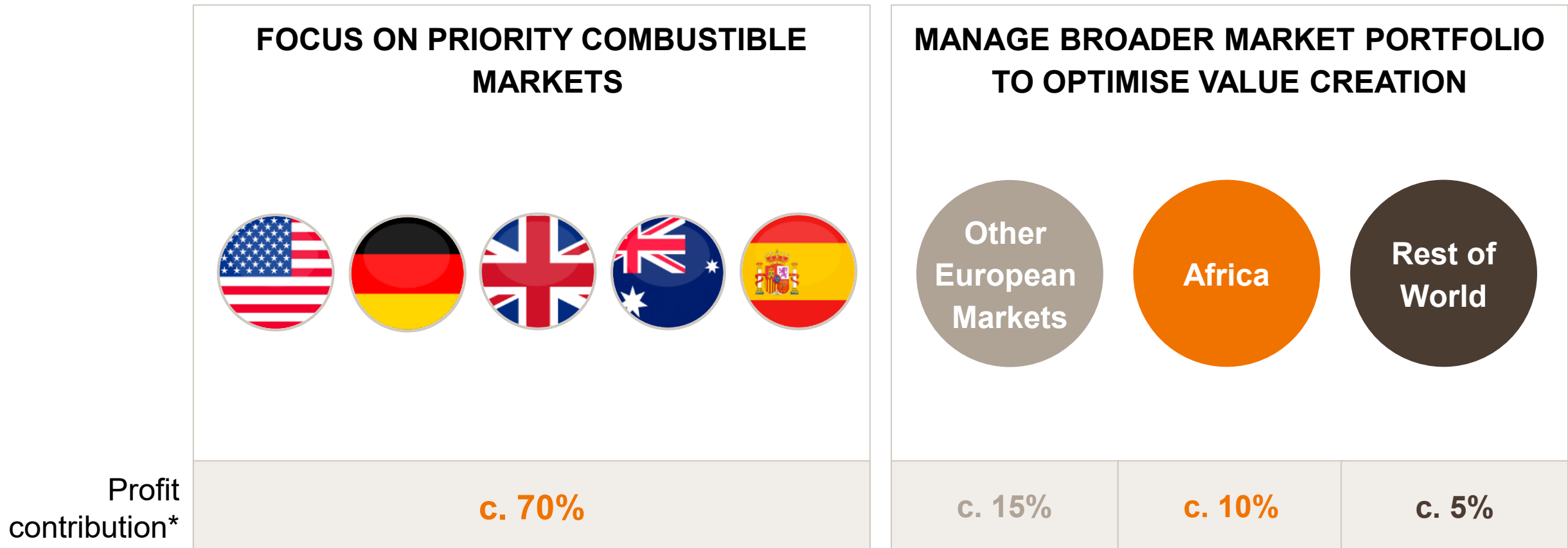
## AFFORDABILITY OF TOBACCO

(# Packs earned per hour of work at average salary)

 Imperial top 5 markets  
 Imperial significant presence



# Driving Value from Combustible Portfolio



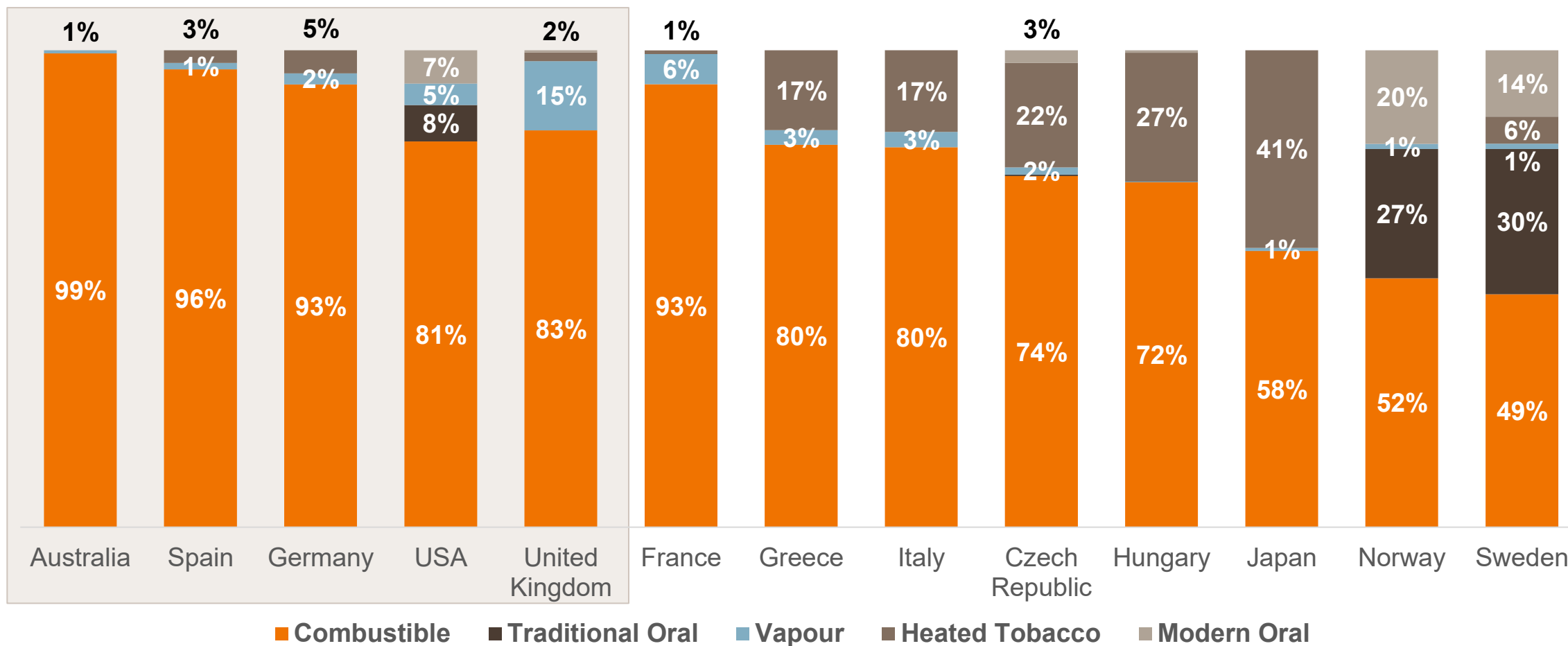
# Priority Markets are c.70% of Operating Profit

	% of IMB Combustible OP	FY24 Market Size <sup>1</sup>	Market Value Outlook <sup>2</sup>	Imperial Share <sup>3</sup>	Gross Margin/'000 SE <i>(Relative to Imperial Average)</i>
USA	c.53%	£35.1bn	↑ 0% to +1%	c.11%	High
Germany		£5.7bn	↑ +2% to +3%	c.18%	High
UK	c.18%	£2.1bn	↓ -6% to -5%	c.38%	High
Spain		£1.6bn	↑ +1% to +2%	c.27%	Average
Australia		£1.8bn	↓ -8% to -7%	c.32%	High

# NGP Preferences Vary by Market

CONSUMER NGP CHOICES VARY BETWEEN MARKETS

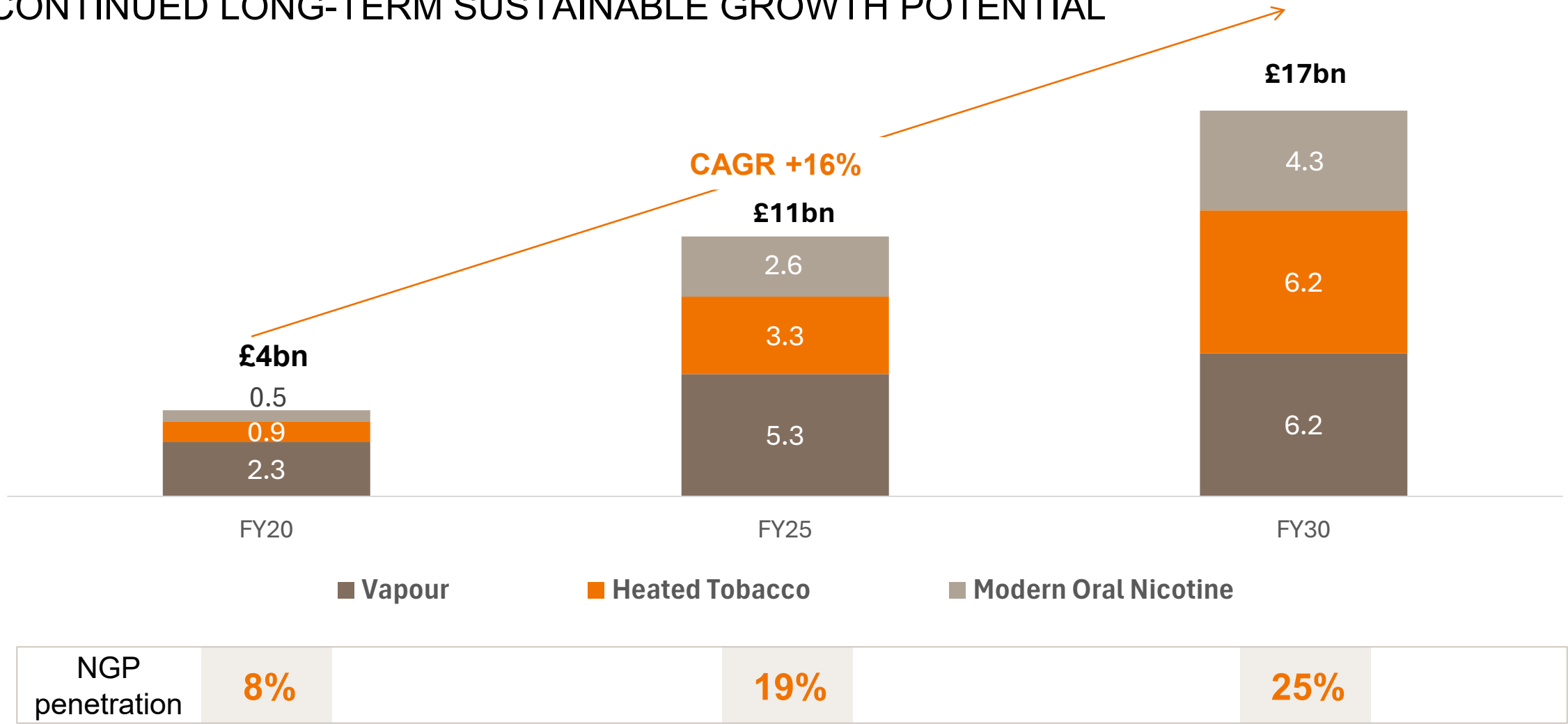
## CATEGORY RETAIL SALES VALUE PENETRATION RATE (2024)



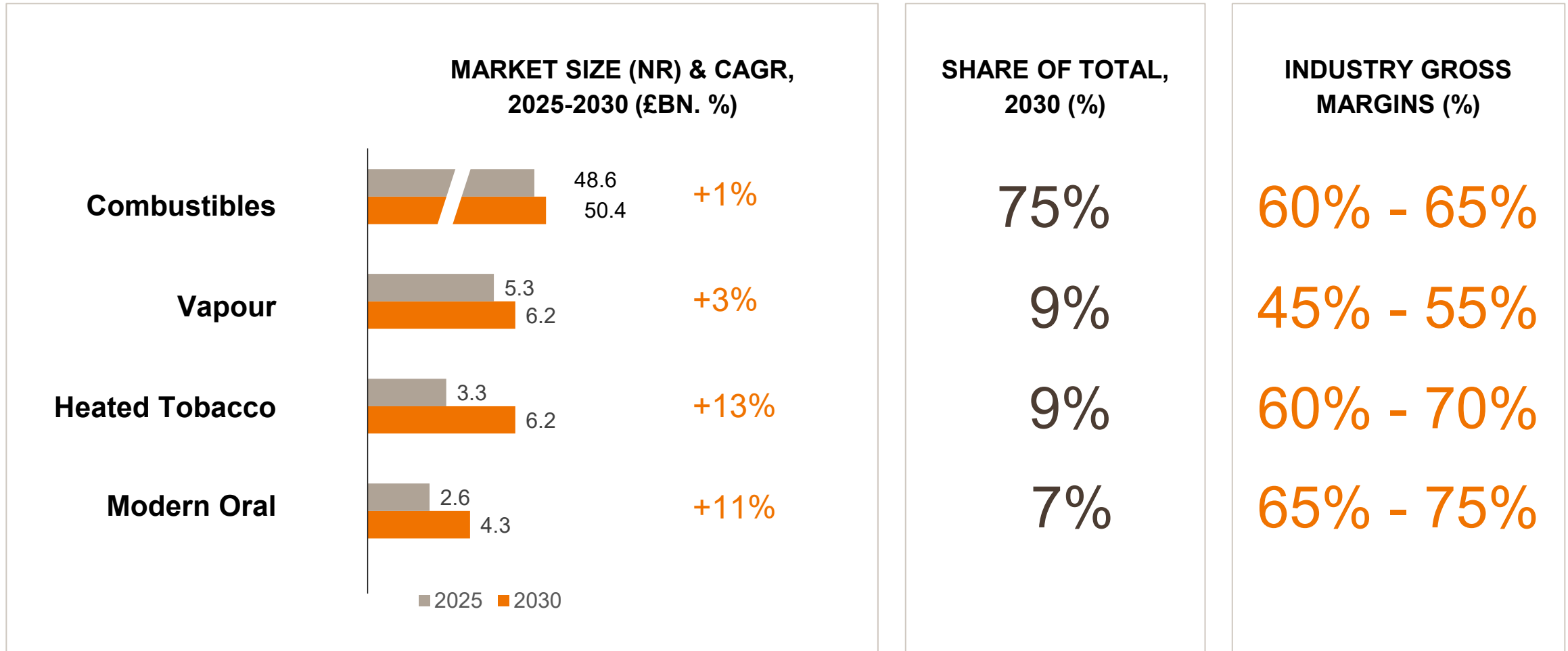
Source: Euromonitor 2024F RSV figures for combustibles (Cigarettes, Fine cut tobacco, Cigarillos, Cigars), Traditional oral, Vapour, Heated tobacco, and Modern oral

# NGP Industry Revenue Projections

CONTINUED LONG-TERM SUSTAINABLE GROWTH POTENTIAL



# NGP Industry Profit Pool Characteristics





# Prioritising the Biggest NGP Opportunities

WE CONTINUE TO FOCUS WHERE WE HAVE THE CAPABILITIES TO WIN

## MARKET ENTRY STRATEGY UNCHANGED

Category is established and Imperial has an existing strong route to market

US modern  
oral nicotine



European vapour



European heated  
tobacco products



European modern  
oral nicotine



Double digit revenue growth  
Increasing gross margins

# Five Operational Levers to Drive Performance

EACH MARKET HAS A CLEAR PLAYBOOK OF 'MUST-WIN BATTLES'

## Combustible brands

- 1 Investing to grow key brands: International and local jewels
- 2 Winning in value segment to meet downtraders
- 3 Maximise potential of the fine cut category

## NGP brands

- 4 Investing to build scale in NGP

## Sales

Sales excellence:

- 5
  - Expanding presence in under-penetrated channels/regions
  - Enhancing key account management
  - Better leveraging technology and data

# Building Differentiated Consumer Brands

**Paola Pucci**

Chief Consumer Officer



# Combustible Brands: A Track Record of Growth

ACHIEVING SHARE OBJECTIVES AND DRIVING VALUE

FY21 – FY24

Cumulative priority  
market share gains

+48bps

Average annual net  
revenue growth\*

+1.8%

MARKET  
SHARE

NET  
REVENUE



Trend



Trend



Trend



Trend



Trend



Trend



0.3%



3.9%



5.2%



7.1%



2.3%



4.0%

# NGP: Category Share and Revenue Growth

BUILDING TARGETED BRANDS AND DRIVING IMPROVING PERFORMANCE

FY21 – FY24

Net Revenue Growth

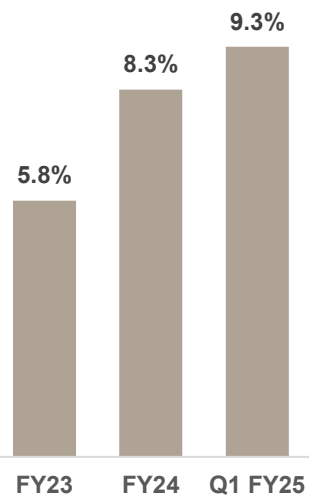
64%

Reduction In NGP Losses

76%

## VAPOUR

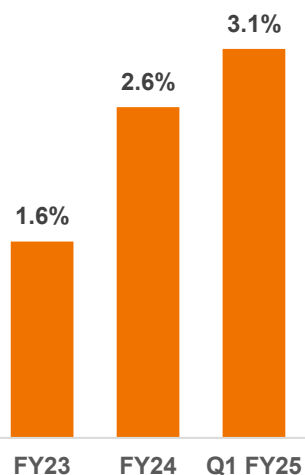
MARKET SHARE



# OF MARKETS  
>20



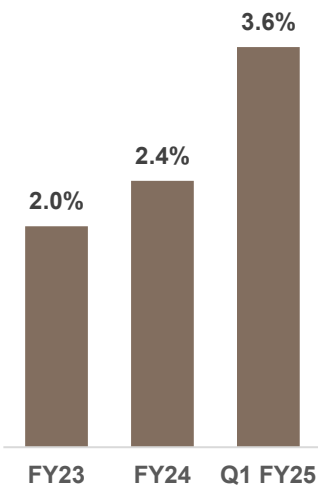
## HEATED TOBACCO



# OF MARKETS  
8



## ORAL NICOTINE



# OF MARKETS  
8



IMPERIAL  
BRANDS

Source: Nielsen, Logista, Haypp, CMR, NDN, MSAi. Vapour (12 markets): RSV share; Heated tobacco (6 markets) and OND (3 markets): volume share

# Opportunity to Enhance Consumer Capabilities

CREATING VALUE BY FURTHER BUILDING THE GLOBAL CONSUMER ORGANISATION



## WHAT WE HAVE DONE...

- **Created** the Global Consumer Organisation (GCO)
- **Placed the consumer at the centre** of the business
- **Established** new brand building and insight capabilities
- **Opened** new innovation centres





# Our Challenger Approach to the Consumer

UNLOCKING COMMERCIAL VALUE THROUGH A DISCIPLINED PLAYBOOK



**Knowing our consumers best with deep insights and intelligence**

**Building differentiated brands**

**Innovation through consumer co-creation**

**Combustibles**

Driving sustainable value

**NGP**

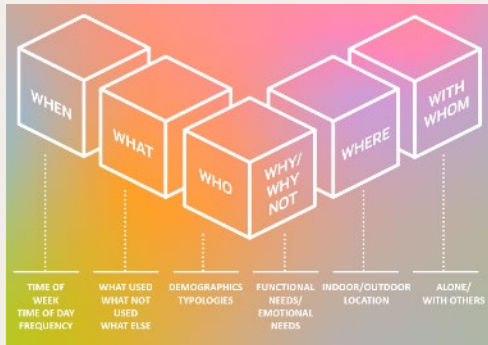
Building strength and scale

# Ensuring We Understand Our Consumers Best

LEVERAGING BREADTH AND DEPTH OF DATA-LED, INSIGHT TOOLS

## Demand Spaces

When and where consumers use our products



## Typologies

Defining **who** we are targeting and sharp targeting of consumers



## Ethnographic research












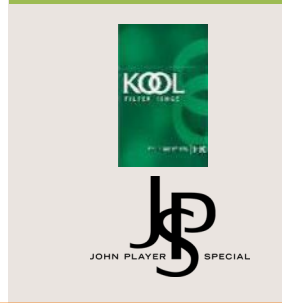







Studying **how** consumers use our products & identifying pain points



Building differentiated brands

# Focusing on Our Consumer Types

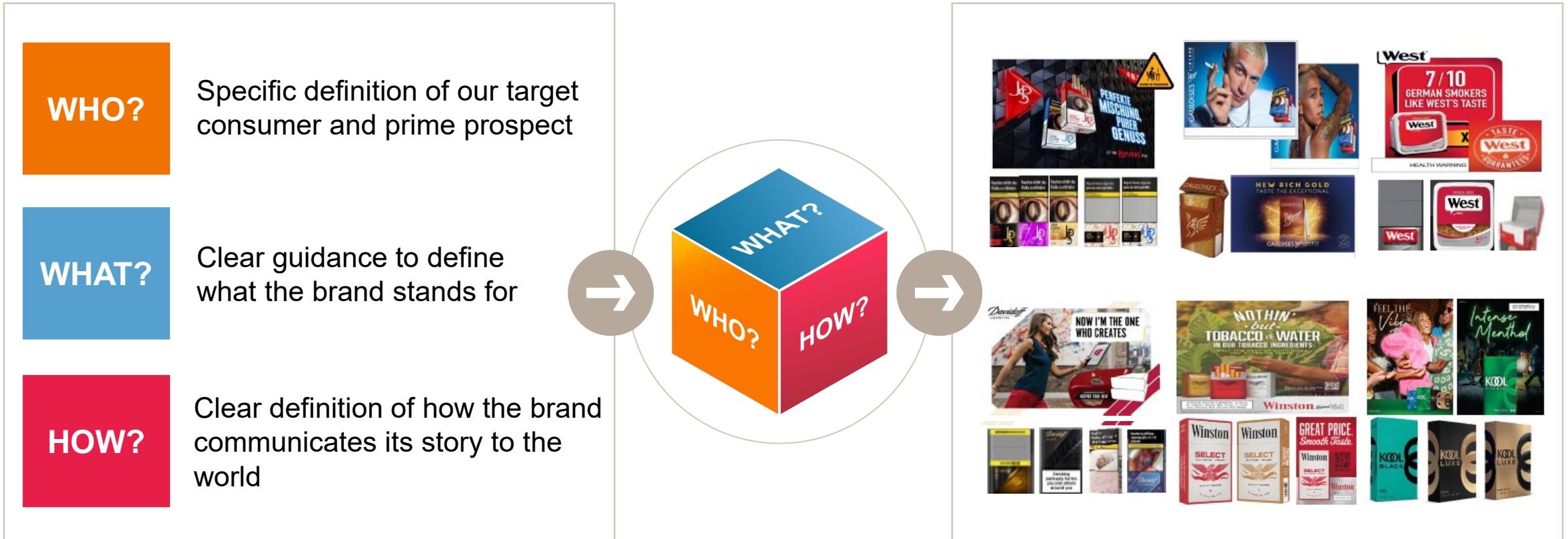
TARGETING FOUR DISTINCT CONSUMER TYPOLOGIES WHERE WE CAN LEAD

							
	Trust Seeker	Optimiser	Informed Traditionalist	Conservative Connoisseur	Progressive Achiever	Recognition Seeker	Creative Pioneer
	15%	12%	14%	15%	15%	14%	15%
Combustibles							
NGP							

# Building Differentiated Brands

WE ARE CREATING SPECIFIC AND CONSISTENT CONSUMER PROPOSITIONS

## OUR BRANDS ARE REFINED USING OUR DISCIPLINED FRAMEWORK





# Innovating Through Co-Creation

IMPROVEMENTS FOCUS ON COMBUSTIBLE AND NGP CONSUMER NEEDS

**CONSUMERS, SCIENCE AND PARTNERS ARE EMBEDDED IN HOW WE INNOVATE**



Creating with consumers



Underpinned by science



Leveraging partnerships

# Driving Performance in Combustibles and NGP

WE USE THE SAME CONSUMER TOOLS ACROSS BOTH CATEGORIES

**Knowing our consumers  
best through deep insights  
and intelligence**



**Building differentiated  
brands**



**Innovation through  
consumer co-creation**





# Combustibles: Leveraging Diverse Brands

USING THE STRENGTH OF OUR BRAND PORTFOLIO TO DRIVE VALUE



# Combustibles: Innovating To Create Value

CONSUMER INSIGHTS DRIVE IMPROVED TASTE AND FORMATS

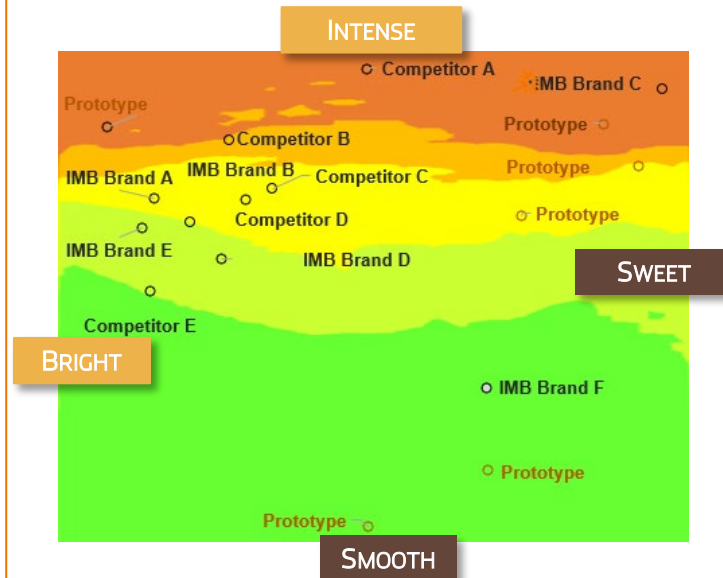
## TASTE

### Consumer Insight

- **Taste is the main driver** of purchase intent
- **Historically, we have focused on one taste segment** per brand/market
- Untapped “**white spaces**” present opportunities to drive brand growth

### Taste Segmentation

Leveraging consumer preference patterns for **strategic product launches**



## FORMATS

### Innovation

### Recent launches

**Odour is a key pain point** for consumers



- Scented varnish strip
- Reduced smell paper
- Fresh seal

**Slimmer formats** are a fast-growing segment



- **92%** of Premium brand smokers like the new JPS format

**New features** are trial generating opportunities



- Crush fusion filter
- Resealable foil
- Special tipping paper

# Combustibles: Our Challenger Approach in Action

## REFRESHING DAVIDOFF FOR OUR TARGET CONSUMERS

### Typology: Target the recognition seeker

- Ambitious, competitive and status-driven
- Socially active, high drive and career focused

### Drive the brand “*Craftsmanship that makes you stand out*”

- High-quality cigarettes, appealing design
- Timeless symbols of craftsmanship

### Focus on the business opportunity

- Drive our premium line
- Keep our proposition modern



- |                           |                   |
|---------------------------|-------------------|
| ✓ Non-traditional colours | ✓ Less smoke      |
| ✓ Reseal/fresh seal       | ✓ Scented varnish |
| ✓ Charcoal                | ✓ Embossed paper  |

# NGP: We Are Taking the Same Approach

## DIFFERENTIATED BRANDS AND TARGETED INNOVATION

### Market Focus

Prioritising markets with an **established category presence** and **existing route to market**



### Our consumer

#### Foundational needs

HEALTH  
SOCIAL  
ENJOYMENT

#### Specific targets

Four typologies:  
conservative  
connoisseur; trust  
seeker; recognition  
seeker; and  
progressive  
achiever



### Brands and products

Differentiated products to **address consumer needs**

Focused  
category  
approach

Vapour



Heated  
Tobacco



**PULZE**  
HEAT TECHNOLOGY

Modern Oral  
nicotine



# Vapour: Authentic Flavours and a Trusted Brand

TARGET CONSUMER: PROGRESSIVE ACHIEVER

## OUR CONSUMERS WANT:

- A trusted brand
- Style over fashion
- Total nicotine satisfaction

## WE PROVIDE:

- 15 years' heritage: long-established brand
- Sophisticated design
- Authentic flavours



## FY24 KEY METRICS

### # OF MARKETS

>20

+2 in FY24

### SHARE GROWTH

+210 bps

### NET REVENUE GROWTH

+14%



# Vapour: Innovating To Drive Consumer Acceptance

POSITIVE CONSUMER FEEDBACK FOLLOWING THE LAUNCH OF BLU BAR/ BLU BOX

## OUR NEXT GENERATION POD SYSTEMS: BLU BAR KIT & BLU BOX KIT

- Preferred flavour profile other vapour products
- Convenient, premium-looking devices
- 1,000 puffs per pod

## ACCELERATED LAUNCHES

- Nov '22: Disposable: 600 puff - **#2** to market\*
- Jan '24: Disposable: 1,000 puff - **#1** to market\*
- Jul '24: Rechargeable: blu bar kit - **#2** to market\*



## BLU BAR KIT

### OVERALL LIKING

**21%** *higher than nearest competitor*

### TASTE LIKING

**19%** *higher than nearest competitor*

### PREFERENCE (1<sup>st</sup> Place)

**40%** *22% higher than nearest competitor*

# Heated Tobacco: Simplicity and Authenticity

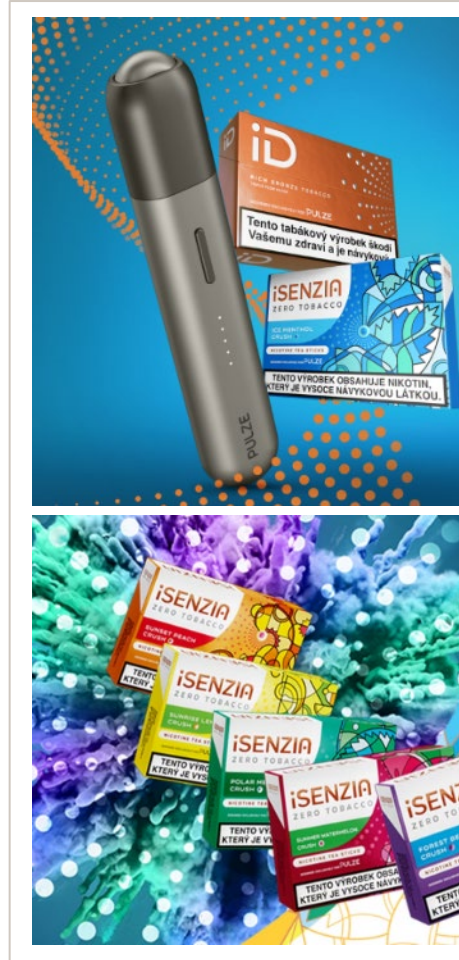
TARGET CONSUMER: TRUST SEEKER

## OUR CONSUMERS WANT:

- Simple and immediate experience
- Authentic tobacco flavour
- Potentially reduced risk

## WE PROVIDE:

- New Pulze 3.0 offers intuitive experience
- iD sticks authentic quality
- Simple and improved user-experience



## FY24 KEY METRICS

### # OF MARKETS

8

+1 in FY24

### SHARE GROWTH

+110 bps

### NET REVENUE GROWTH

+49%



# Heated Tobacco: New and Improved Product

INNOVATING TO MEET THE NEEDS OF OUR TARGET CONSUMERS

## PULZE 3.0 DELIVERS DEEP SATISFACTION THROUGH RICHER FLAVOUR AND ENHANCED NICOTINE DELIVERY

- Smallest 25+ session all-in-one device
- Simple and intuitive to use
- Improved taste experience
- Increased heating zone
- Airflow technology

## ACCELRATED LAUNCHES

- **October 2023:** iSenzia nicotine tea sticks  
**#2** to market\*



## OVERALL TASTE INTENSITY

**+20%** *First two puffs, Pulze 3.0 vs. Pulze 2.0*

## NICOTINE DELIVERY

**+16%** *First two puffs, Pulze 3.0 vs. Pulze 2.0*

## VISIBLE VAPOUR

**+50%** *First two puffs, Pulze 3.0 vs. Pulze 2.0*

# Modern Oral: Brands Meeting Distinctive Needs

TWO DIFFERENT TARGET CONSUMERS ACROSS OND BRANDS

## OUR CONSUMERS WANT:

### SKRUF

#### Conservative connoisseurs

- Respected brands
- Better for the consumer – potentially reduced risk
- Reliable experience

### ZONE

#### Recognition seekers

- Nicotine satisfaction
- Great tasting flavours
- Pouch comfort and discretion



## WE PROVIDE:

- |  |                           |
|--|---------------------------|
| • Strong Nordic heritage                     | • Nicotine intensity      |
| • Fresh natural flavours                     | • Longer-lasting flavours |
| • New pouch with longer delivery and flavour | • Comfortable mouth feel  |

## FY24 KEY METRICS

### # OF MARKETS

**8** +1 in FY24

### FY24 NET REVENUE GROWTH

**+61%**

### OVERALL LIKING\*

**8%** *higher than nearest competitor*

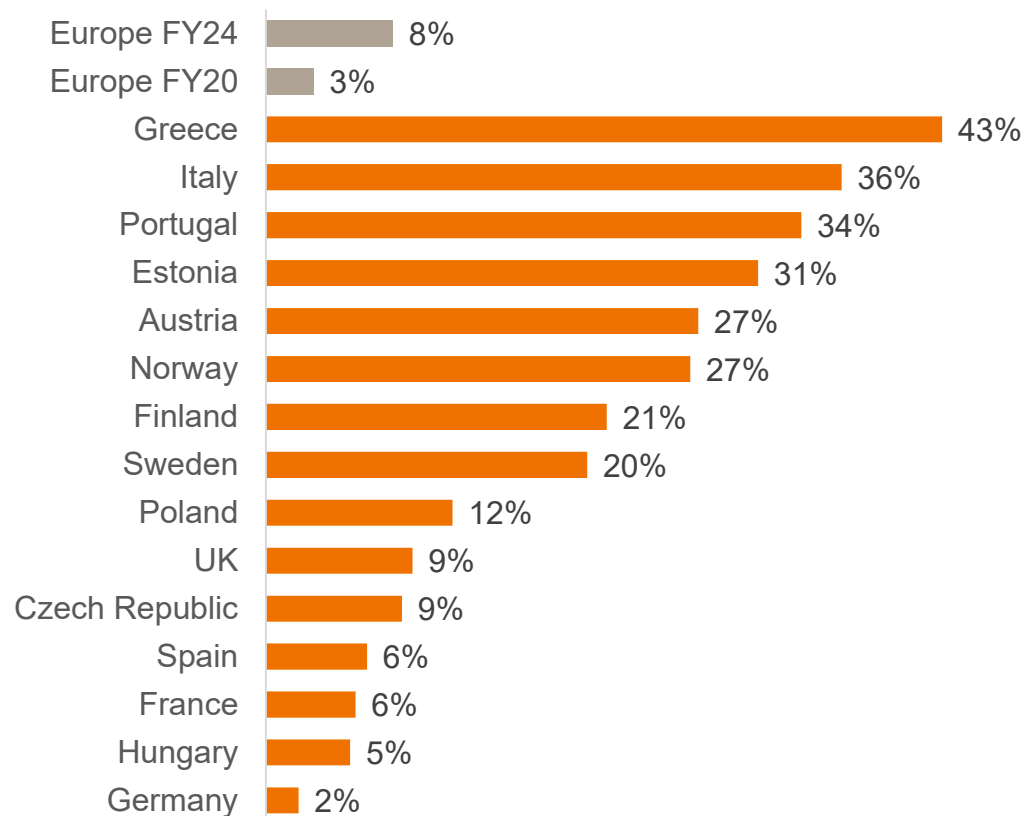
### TASTE (AFTER 7 MINS)\*

**15%** *higher than nearest competitor*

# NGP: Building Scale Towards Profitability

DELIVERING NET REVENUE GROWTH AND IMPROVING GROSS MARGINS

## FY24: NGP as a % of NR BY MARKET



## KEY METRICS

FY24 NET REVENUE  
GROWTH

**+26.4%**

*FY23: 26.4%*

FY21-FY24 AVERAGE  
ANNUAL GROSS MARGIN  
IMPROVEMENT

**+560bps**



# NGP: Attractive Margins in Markets with Scale

BUILDING SCALE IS DRIVING NGP MARGIN ACCRETION

## INDUSTRY GROSS MARGINS

**VAPOUR** 45% - 55%

**HEATED** 60% - 70%

**OND** 65% - 75%

## IMB MARKETS WITH SCALE



## FY24 IMB GROSS MARGINS

FY24 VAPOUR  
GROSS MARGINS\* **c.55%**

HEATED TOBACCO  
GROSS MARGINS\* **c.40%**  
*Currently building scale to enhance margins*

FY24 OND  
GROSS MARGINS\* **c.70%**

# Opportunity to Enhance Consumer Capabilities

WE WILL FURTHER ENHANCE OUR INSIGHTS, BRAND BUILDING AND INNOVATION

## WHAT WE HAVE DONE SO FAR..

- Created the Global Consumer Organisation (GCO)
- Placed the consumer at the centre of the business
- Established new brand building and insight capabilities
- Opened new innovation centres



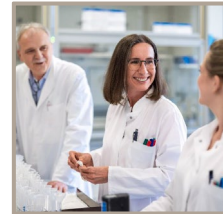
## WHAT WE WILL DO...



**Sharpen** insights on our consumers



Build **more differentiated brands**



Focus innovation to **meet our consumers' needs**





IMPERIAL  
BRANDS

# Q&A



IMPERIAL  
BRANDS

# **Imperial Brands** **Capital Markets Day**

26 March 2025



# Driving Sustainable Value In Our Markets

**Kim Reed**

President & CEO, Americas Region



# Five Operational Levers to Drive Performance

EACH MARKET HAS A CLEAR PLAYBOOK OF 'MUST-WIN BATTLES'

## Combustible brands

- 1 Investing to grow key brands: International and local jewels
- 2 Winning in value segment to meet downtraders
- 3 Maximise potential of the fine cut category

## NGP brands

- 4 Investing to build scale in NGP

## Sales

Sales excellence:

- 5
  - Expanding presence in under-penetrated channels/regions
  - Enhancing key account management
  - Better leveraging technology and data

We have >25 growth initiatives across five operational levers in our five priority markets underpinned by rigorous performance management

# Driving Sustainable Value In The US

## AMERICAS REGION

Net revenue      Adjusted operating profit

£2.8bn      £1.3bn

c. 35% of Group net revenue



# US: Attractive Market and Well-Positioned Brands

LEVERAGING OUR PORTFOLIO TO DRIVE MARKET SHARE AND GROWTH

## ATTRACTIVE MARKET

- Largest global market, excluding China
- Affordability supports pricing to offset volume declines
- Relative market freedom to connect with adult consumers
- Transparent rules-based regulation; illicit vapour lacks enforcement

1. Volume share, MAT FY24
2. 23% volume share of mass market natural leaf category, 17% share of cigar volume includes cigarillos, excludes private label and hand-made cigars
3. Zone national share, FYTD '25

Strong Portfolio

### FMC

Traditional  
Premium

SALEM

Premium  
Value

KOOL Winston

Traditional  
Discount

MAVERICK

Deep  
Discount

SONOMA



**#3 player**  
(10.9% share<sup>1</sup>)

### MMC



SINCE 1912  
**Dutch  
Masters**

**#1 player in  
Natural Leaf<sup>2</sup>**  
(23.0% share<sup>2</sup>)

### NGP



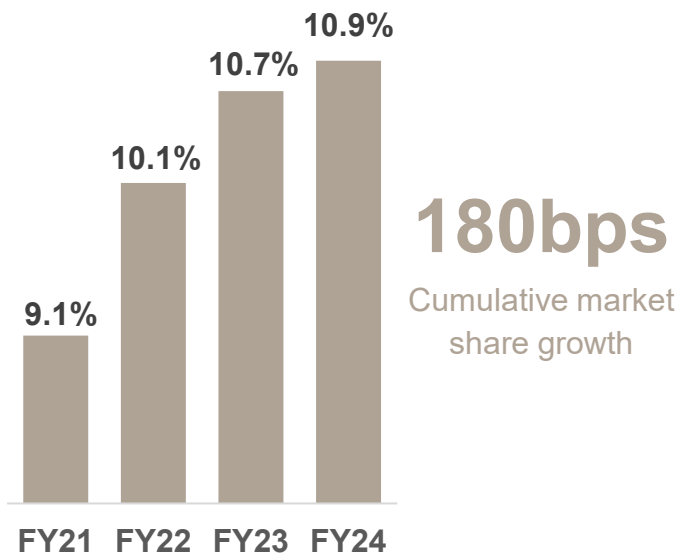
blu

**#5 player in OND**  
(2.7% share<sup>3</sup>)

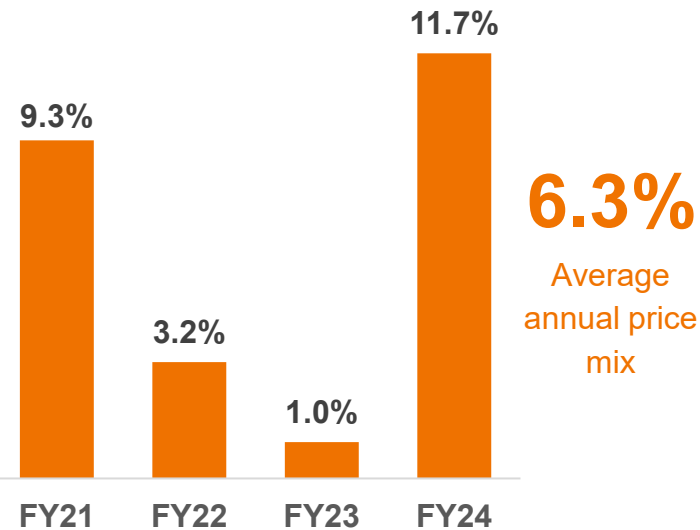
# US: Strong Operational and Financial Delivery

BALANCING MARKET SHARE AND PRICING TO SUPPORT DELIVERY

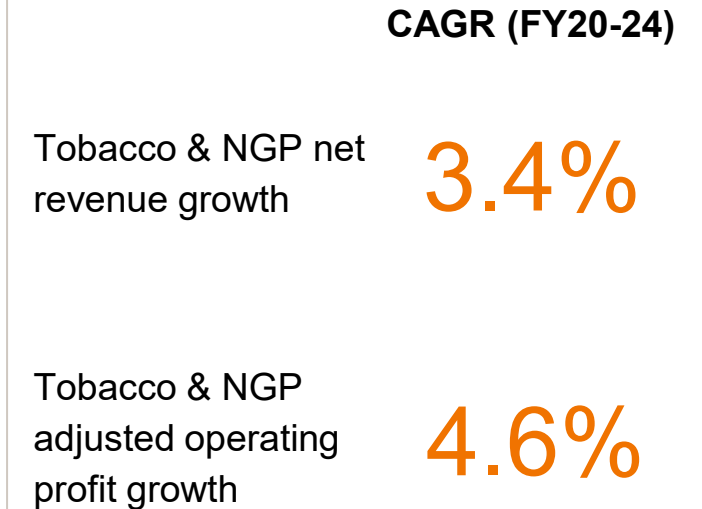
## CIGARETTE MARKET SHARE (%)



## TOGETHER WITH POSITIVE PRICE MIX (%)



## CONSISTENT FINANCIAL DELIVERY



## MARKET SHARE GROWTH AND POSITIVE PRICE MIX

# US: Understanding Winston Consumers

INSIGHTS INFORM THE KEY DRIVERS THAT RESONATE WITH WINSTON CONSUMERS

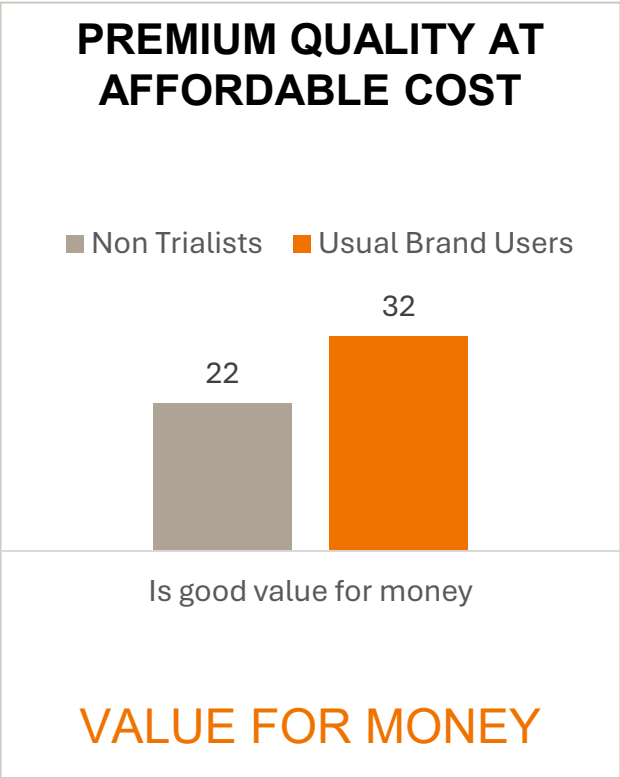
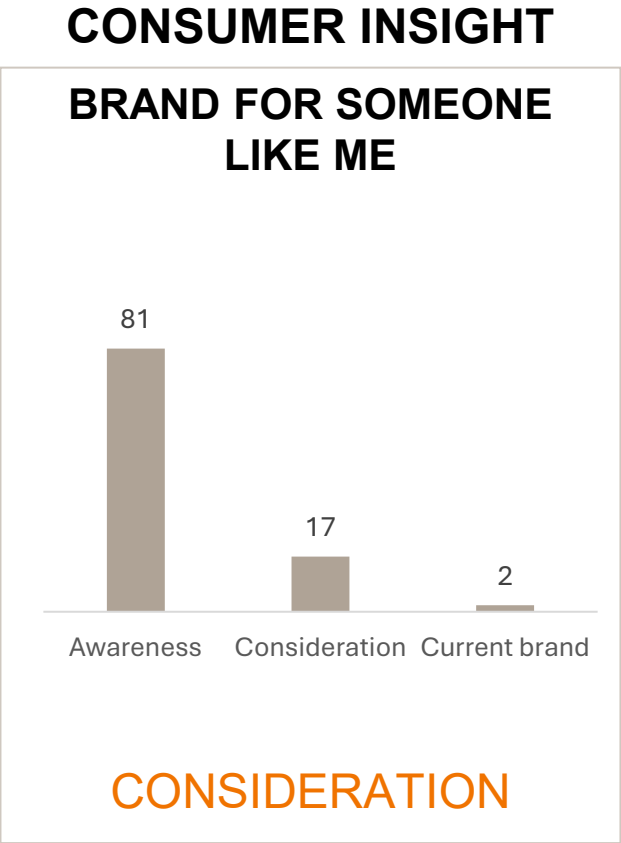
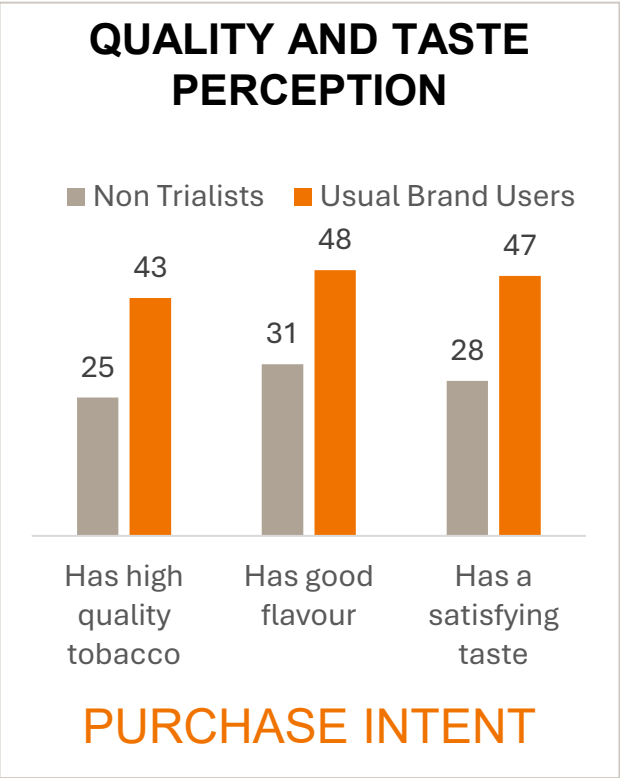
1

Investing to grow key brands




DRIVER FOR





# US: Winston Investment Informed by Insights

ONGOING RESEARCH BASED ON THOUSANDS OF CONSUMER ENGAGEMENTS

## CONSUMER INSIGHTS INFORMING INVESTMENT

Highest Quality,  
Great Taste



A brand for  
someone like me



Premium Quality,  
Affordable Cost



## Leveraging Innovative Retail Partnerships

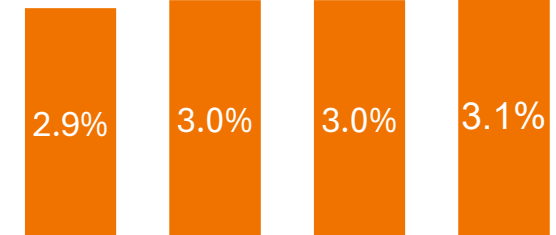


Using improved data to  
support loyalty and drive trial



## WINSTON SHARE OF PREMIUM VALUE SEGMENT

FY21 FY22 FY23 FY24



Growing share  
in premium  
value segment

## FUTURE GROWTH OPPORTUNITIES

- Invest in brand equity and quality
- Deeper engagement through loyalty programmes
- Evolve portfolio to meet consumer needs
- Drive recruitment through Winston Select

# US: Investing in Mass Market Cigars - Backwoods

## LEVERAGING AN ICONIC BRAND THROUGH CONSUMER INSIGHTS

1

Investing to grow key brands



### Innovation with flavours



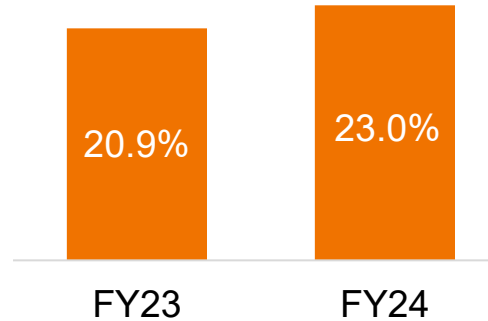
### Activation events



- Iconic heritage premium brand with Backwoods
- Investment in quality, flavours and innovation
- Activation and partnerships: leverage presence with live events

### MARKET SHARE

Backwoods share of natural leaf segment (%)



Return to share growth following post-Covid pressures on consumer spending

### FUTURE GROWTH OPPORTUNITIES

- *Invest in quality to reinforce premium positioning*
- *Further innovation and line extensions*
- *Build Backwoods equity as a lifestyle brand – live events*
- *Leverage wider portfolio, e.g. Dutch Masters*

# US NGP: Modern Oral and Vapour Brands

## ENCOURAGING EARLY PROGRESS WITH ZONE ROLL-OUT

4

Investing to build scale in NGP



### US MODERN ORAL

- Capturing growth in fast-growing segment
- Differentiated offer informed by consumer insight
- Clear consumer target group
- Zone performs well in consumer testing
- Successful initial launch, **#1** moist pouch to market \*

ZONE LAUNCHED 2024  
**>70k** stores

USA NATIONAL SHARE  
**2.7%** 5.3% share in  
Imperial footprint

### FUTURE GROWTH OPPORTUNITIES

- *Expand distribution to build scale*
- *Flavour and strength innovation*
- *Build velocity through consumer loyalty and retail partnerships*



### US VAPOUR

- Strong blu brand recognition
- Undergoing PMTA evaluation
- Lack of regulatory enforcement against illicit
- Limited investment given market uncertainty



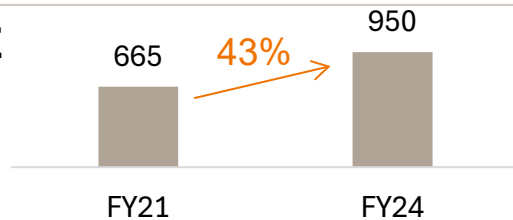
# US: Enhancing Sales Coverage & Effectiveness

5

Sales excellence

## 1. INCREASED SALESFORCE

**196k** store locations



## 2. FOCUSED DEPLOYMENT

- Data-led store prioritisation
- Optimised route planning

## BETTER COVERAGE

FMC **95%** (+5ppt)  
MMC **98%** (+3ppt)

## 3. KEY ACCOUNT MANAGEMENT

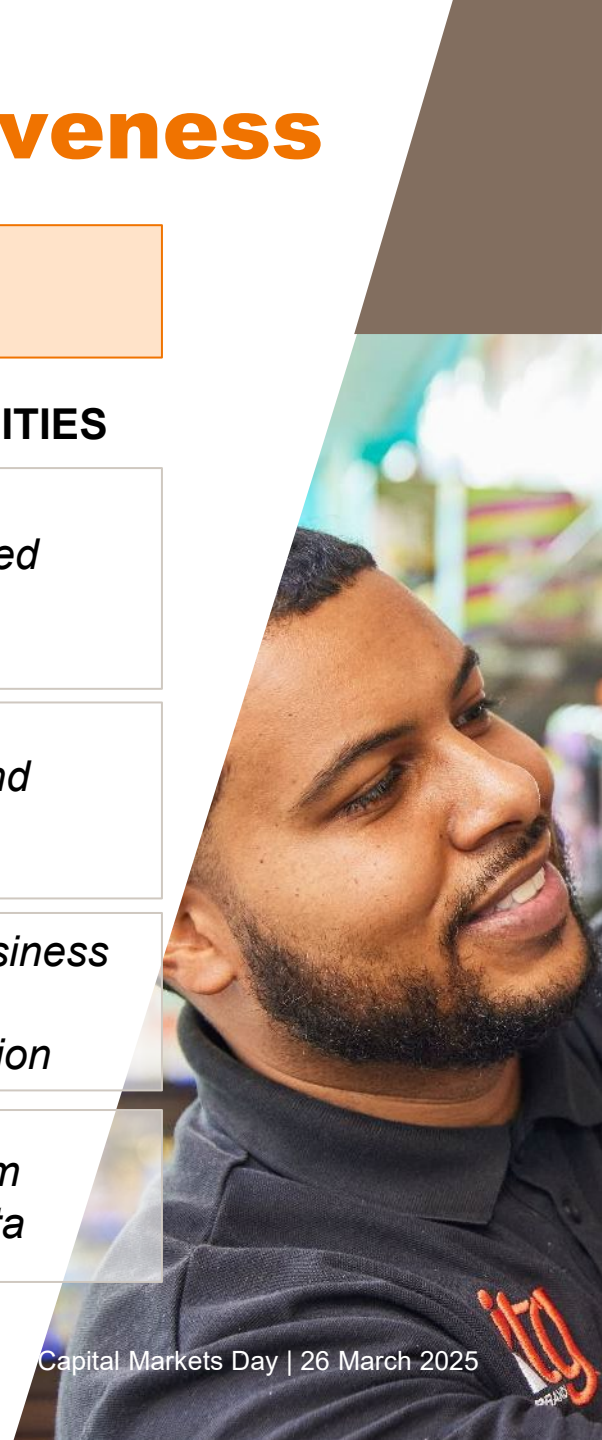
- Significantly strengthened key account management capability

## 4. IMPROVING VISIT EFFECTIVENESS

- Perfect store - visit procedure and assortment optimisation
- Quantification of store performance

## FUTURE GROWTH OPPORTUNITIES

- *Additional investment in targeted salesforce expansion*
- *Further data-led geographic and channel optimisation*
- *Improved joint key account business planning*
- *Focus on customer segmentation*
- *Activation of new sales platform*
- *Leverage consumer loyalty data*





# Driving Sustainable Value In Europe

**Aleš Struminsky**  
President, Europe Region



# Europe Region: Attractive Value Opportunities

FOCUS ON PRIORITY MARKETS: GERMANY, SPAIN AND UK

## EUROPE REGION

>25 markets

Net revenue

£3.4bn

Adjusted Operating Profit

£1.5bn

## PRIORITY MARKETS



c. 60% of Regional net revenue

c. 25% of Group net revenue



# Germany: Attractive Market with Strong Presence

## IMPROVING PERFORMANCE WITH STRONG VALUE CREATION OPPORTUNITIES

### ATTRACTIVE MARKET ENVIRONMENT

- Large profit pool with predictable excise and regulatory regime
- High affordability and stable consumer base
- Attractive market outlook – pricing continuing to offset volume decline
- Continued downtrading towards lower tiers and FCT where Imperial is well positioned
- NGP opportunities over time

Strong Portfolio

Significant player

### FMC

Above Premium

*Davidoff*  
CIGARETTES

Premium

GAULOISES

Value

*JP*  
JOHN PLAYER SPECIAL

Sub-value

PARAMOUNT

**#2 player**  
(20% share<sup>1</sup>)

### FCT

*JP*  
JOHN PLAYER SPECIAL

West®

PARAMOUNT

**#1 player**  
(18% share<sup>1</sup>)

### NGP

blu

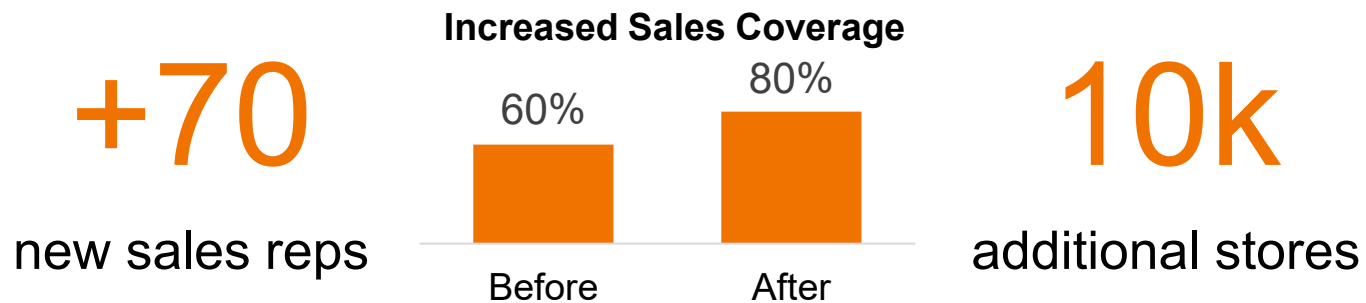
**#3 player**  
(7.2% share<sup>1</sup>)

# Germany: Sales Force Investment Driving Share

LEVERAGING THE POWER OF OUR SALES EXCELLENCE

5

Sales excellence

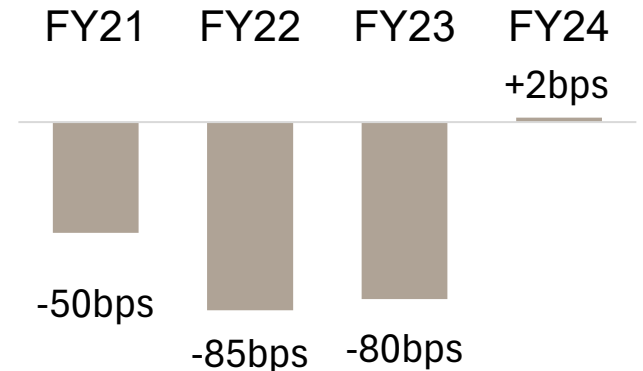


- Recruitment in FY23; FY24 optimising channel coverage
- Sales force productivity improved with better data coverage and analysis
- Improved geographic and channel coverage
- Focus on performance management with aligned incentives

## ***FUTURE GROWTH OPPORTUNITIES***

- *Leverage expanded sales force, improved data, tools and capabilities*
- *Further refinement of geographic and channel coverage*

## **MARKET SHARE STABILISATION**



- Delivering a turnaround in share after a decade of declines
- Strong financial delivery with growth in net revenue and profit

# Germany: Key Operational Levers to Drive Growth

## FURTHER INVESTMENT OPPORTUNITIES TO IMPROVE PERFORMANCE

### 1 Investing to grow key brands

Davidoff  
CIGARETTES

GAULOISES

JP  
JOHN PLAYER SPECIAL

- History of underinvestment reversed through targeted investment and marketing mix optimisation
- Clear brand positioning defined to meet different consumer needs
- **Future:** Apply brand management capabilities to strengthen equity to support future pricing and share performance

### 3 Maximise potential of fine cut segment

PARAMOUNT

- Successful launch of Paramount fine cut in 2022 and cigarettes in 2023:
  - 5% of fine cut
  - 1% share of cigarettes
- Fastest growing brand in value segment
- **Future:** Further refining coverage and promotions to capture downtraders



### 4 Building scale in NGP

blu

- NGP penetration remains low
- Focus on vapour with blu (7.2% share)
- Successful launch of blu bar
- **Future:** blu bar kit to be launched in growing segment



# UK: Focus on Value Creation and NGP Growth

## LEVERAGING OUR PORTFOLIO TO OPTIMISE VALUE

### MARKET CHARACTERISTICS

- More challenging combustible volume environment
- High excise environment impacting affordability
- Limited direct consumer communications so focused on retailer engagement
- High levels of tobacco control
- Non-duty paid products prevalent
- Highly profitable market

Strong Portfolio

### FMC

Premium



Mid



Economy



Value



**#2 player**  
(38% share<sup>1</sup>)

### FCT

Premium



Mid



Economy



Value



**#2 player**  
(38% share<sup>1</sup>)

### NGP



**#4 player**  
(9.4% share)  
Spot volume share  
Jan '25

# UK: Optimising Value in Combustibles

MEETING CONSUMER NEEDS; BALANCING SHARE WITH VALUE CREATION

## 1 Investing to grow key brands

- Leveraging our international and local brands
- Clear portfolio strategy to meet consumer needs across price points
- **Future:** Brand investment and revenue growth management tools to optimise pricing

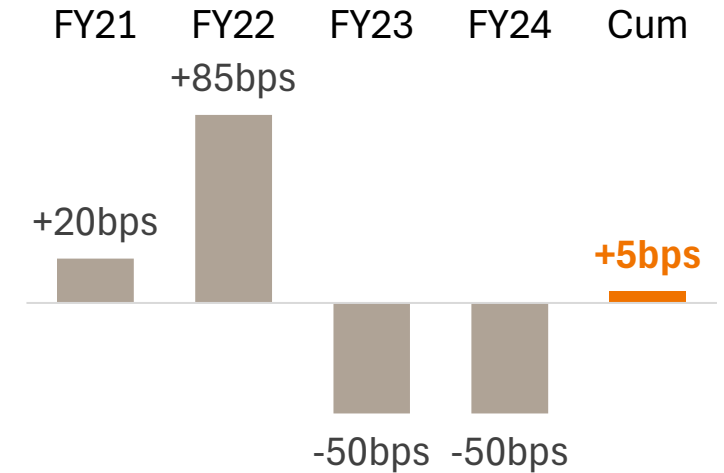


## 2 Winning in value segment to meet downtraders

- Successful launch of Paramount to support growing value segment
- Leveraging our retailer relationships to launch offerings in a dark market, e.g. Paramount
- **Future:** Scaling to achieve fair share in value segment



### CUMULATIVE SHARE UP SINCE 2020



**+5 bps cumulative FY21 to FY24**

- Balancing market share with value creation
- Share stabilised over five-year plan



# UK: Delivering Share Growth in Vapour

INNOVATION MEETING EVOLVING CONSUMER NEEDS AND BUILDING SCALE

## 4 Building scale in NGP



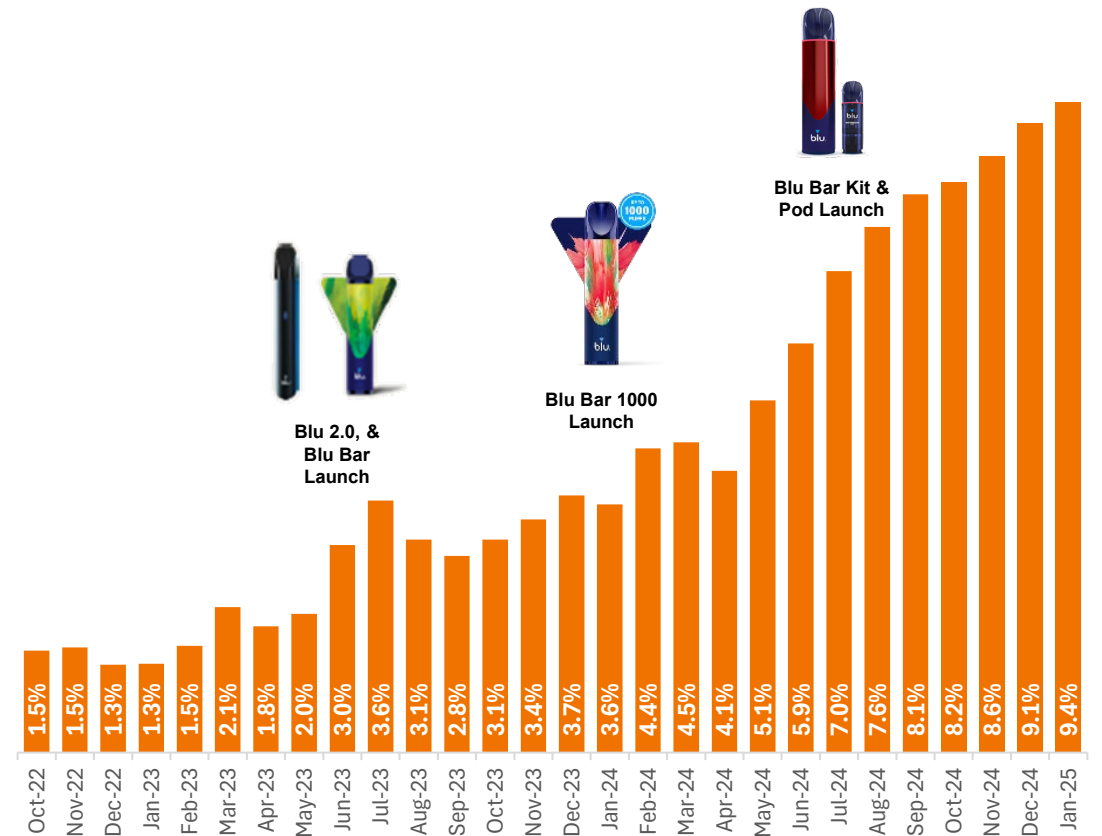
- NGP growth opportunities in a challenging combustibles market
- New product launches supporting revenue and share growth
- Successful launch of blu bar 1,000 puff in January 2024
- blu bar kit launched in July 2024

### FUTURE GROWTH OPPORTUNITIES

- *blu box kit planned for April 2025*
- *Further innovation*
- *Leverage retail partnerships*
- *Focus on fair share in non-traditional channels*



## DELIVERING VOLUME SHARE GAINS IN NGP<sup>1</sup>



# Spain: Attractive Dynamics; Strong Local Brands

## MARKET CHARACTERISTICS AND BRAND PORTFOLIO SUPPORTING GROWTH

### ATTRACTIVE MARKET ENVIRONMENT

- Stable volume outlook and high smoking prevalence (24%)
- Price points remain low: good levels of affordability
- >3 years of price increases following period of price stagnation
- Relatively low NGP penetration, but growing

Significant player

Strong Local Brands

### FMC

Premium



Mid



Subeconomy



**#1 player**  
(29% share<sup>1</sup>)

### FCT



**#2 player**  
(25% share<sup>1</sup>)

### NGP



**#2 player**  
(24% share<sup>1</sup>)

# Spain: Delivering Growth in Share and Value

## LEVERAGING OUR LOCAL JEWEL BRANDS AND OUR NGP PORTFOLIO

### 1 Investing to grow key brands

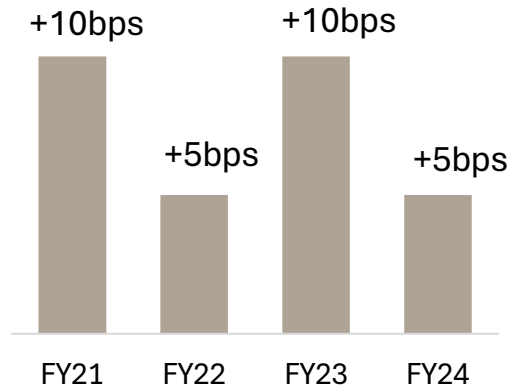
- Local jewel brands performing well driven by deep consumer insights
- Nobel driving high consumer loyalty – successful launch of super slim format
- Ducados performing strongly in the vending channel



#### **FUTURE GROWTH OPPORTUNITIES**

- *Innovation to target specific consumer groups*
- *Reinforce challenger positioning of local jewels*
- *Brand equity investment to support pricing*

#### **MARKET SHARE GAIN**



- Track record of delivering share growth
- Net revenue and profit growth

### 4 Building scale in NGP

- Focus on vapour with blu
- Rapid launches of blu bar, blu bar kit and blu box
- Delivering share gains



#### **FUTURE GROWTH OPPORTUNITIES**

- *Further innovation in flavours and formats*
- *Leverage sales channels*

# Driving Sustainable Value In AAACE

**Priyali Kamath**

President, AAACE Region



# AAACE Region: Attractive Growth Opportunities

PRIORITY MARKET AUSTRALIA AND BROADER MARKET PORTFOLIO

## AAACE Region

**>50 markets**

Net revenue

**£2.0bn**

Adjusted Operating Profit

**£0.8bn**

## PRIORITY MARKETS



**c. 12%** of Regional net revenue

**c. 3%** of Group net revenue

## BROADER MARKET OPPORTUNITIES

- Focused opportunities in selected regions and markets
- Africa, Central and Eastern Europe, and Asia

# Australia: Value Creation in a Shrinking Market

## SUCCESSFUL PROFIT AND CASH DELIVERY IN CHALLENGING MARKET

### CHALLENGING MARKET ENVIRONMENT

- Highly regulated and taxed
- Low affordability driving accelerated volume declines and downtrading
- High levels of tobacco control affecting ability to engage with adult smokers
- Significant illicit trade in combustibles and NGP
- Limited formal NGP market; but regulations changing
- Highly profitable and cash generative

### FMC

Premium



Mid



Value



Floor



**#3 player**  
(28% share<sup>1</sup>)

### FCT

Premium



Mid



Value



Floor

**#1 player**  
(47% share<sup>1</sup>)

### NGP



blu 2.0  
launched in  
pharmacy  
channel  
February 2025



# Australia: Balancing Share and Value Creation

MEETING CONSUMER NEEDS; BALANCING SHARE WITH VALUE CREATION

## 1 Investing to grow key brands

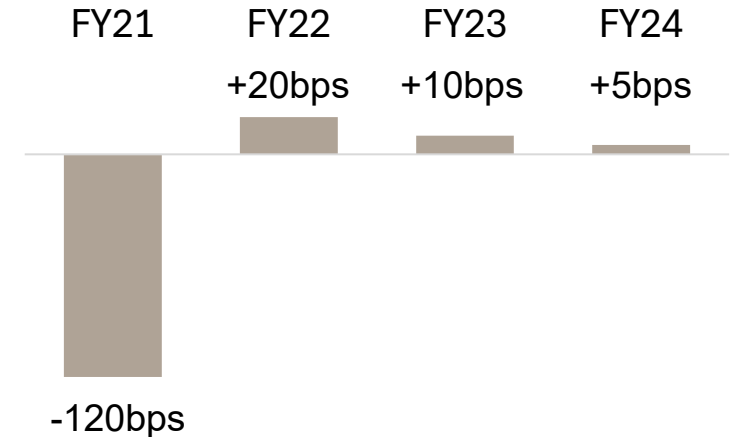


- Portfolio strategy meeting consumer needs across price points
- Delivered a turnaround in JPS share
- Successful launch of L&B: 3.5% share in two years
- Growth in fine-cut with iconic Champion brand
- **Future:** data analytics supporting revenue growth management

## 5 Sales excellence

- Strong retail customer partnerships
- **Future:** leveraging retailer relationships to support consumer engagement and availability

### MARKET SHARE



- Share stabilised
- Balancing market share with value creation
- Consistent financial delivery

# Driving Value from Broader Market Portfolio

BRINGING THE SAME RIGOUR AND FOCUS AS FOR OUR PRIORITY MARKETS



## CONSUMER

### Consumer-centric approach

- Renewed consumer focus
- Deeper insights and intelligence on local consumers
- Sharp consumer focus helping revenue growth management



## BRANDS

### Jewel Brands

- National provenance
- Local heritage
- Resonate with consumers

### International Brands

- Leverage brand awareness
- Strong brand equity and consistent brand campaigns
- More affluent consumer appeal



## CHALLENGER FOCUS

### Potential to Become Future Growth Engines

- Expertise in managing smaller growth markets
- Leveraging expertise with cluster structure
- Disciplined prioritisation
- Same focused approach as for our priority markets

# Driving Growth in Africa Cluster

## FUTURE GROWTH ENGINE BUILDING ON A STRONG TRACK RECORD

### GROWTH TRACK RECORD

**+4.6%**

**Net revenue**  
CAGR FY20-FY24

**+6.4%**

**Adjusted OP**  
CAGR FY20-FY24

Meaningful operating profit contribution; c.10% in FY24



### ATTRACTIVE MARKETS

- Delivering growth through pricing and modest volume declines
- Strong brand portfolio
- Good route to market in markets with leadership position
- Strong local manufacturing footprint

### IMB MARKET POSITIONS

Strong positions\* in several sizeable markets

Morocco	#1
Algeria	#2
Ivory Coast	#1
Burkina Faso	#1
Madagascar	#1

### FUTURE GROWTH OPPORTUNITIES

- *Portfolio optimisation: local jewel and international brands*
- *Driving revenue across the price ladder*
- *Premiumisation and international brands*
- *Improving sales coverage*

**GAULOISES**

# CEE: Growing in Combustibles and NGP

## STRONG TRACK RECORD OF GROWTH

### CEE CLUSTER

**+4.3%**

**Net revenue**

CAGR FY20-FY24

**+7.6%**

**Adjusted OP**

CAGR FY20 – FY24

### KEY NGP MARKETS



Czech



Poland



Hungary

### OPPORTUNITIES IN NGP

- Successful NGP market launches
- Focus on heated tobacco in three CEE markets
- Vape product launches: blu bar 1,000 puff and blu bar kit
- Recent market entry with early success (e.g. Poland, Slovakia)
- Building scale to improve margins

**PULZE**  
HEAT TECHNOLOGY

**iSENZIA**  
ZERO TOBACCO

**blu**



# Strategic Enablers

## A High-Performance Culture

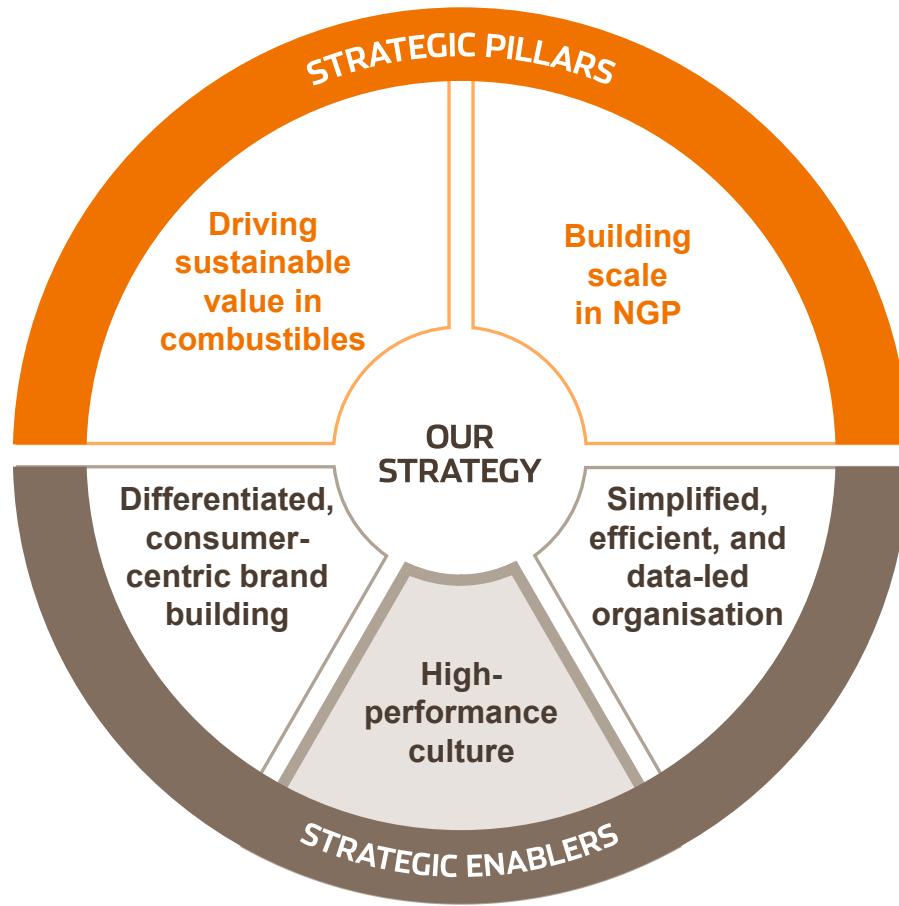
**Alison Clarke**

Chief People and Culture Officer

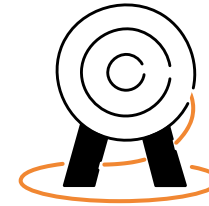


# Driving a High-Performance Culture

WE ARE FURTHER EVOLVING OUR CULTURE TO FULFIL CHALLENGER ROLE



## OUR PURPOSE



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

## OUR VISION

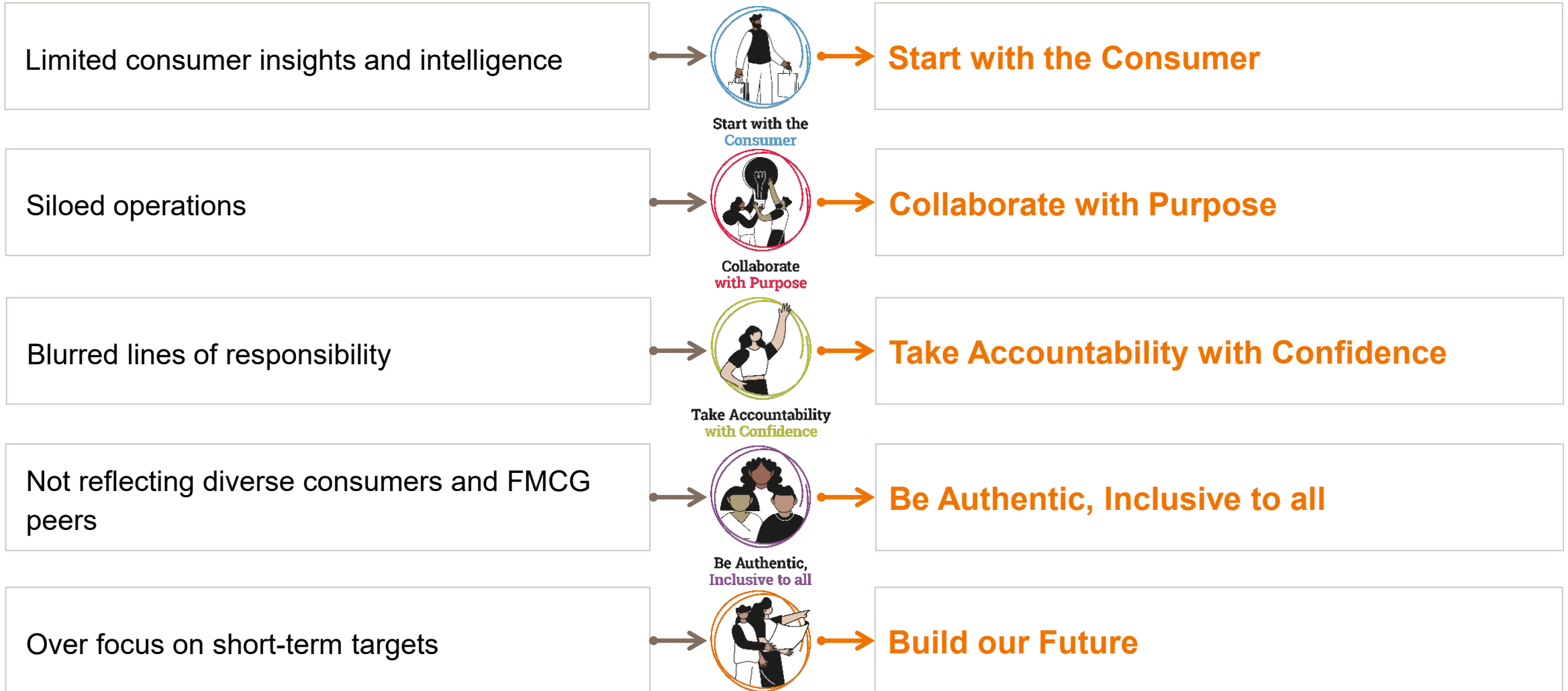


*“To build a strong challenger business powered by responsibility, focus and choice”*




























# Five Key Barriers Blocking Commercial Success

OUR BEHAVIOURS WERE DESIGNED BY OUR PEOPLE



# Our Journey Towards Higher Performance

## STRUCTURED APPROACH TO OPERATIONALISING CULTURE

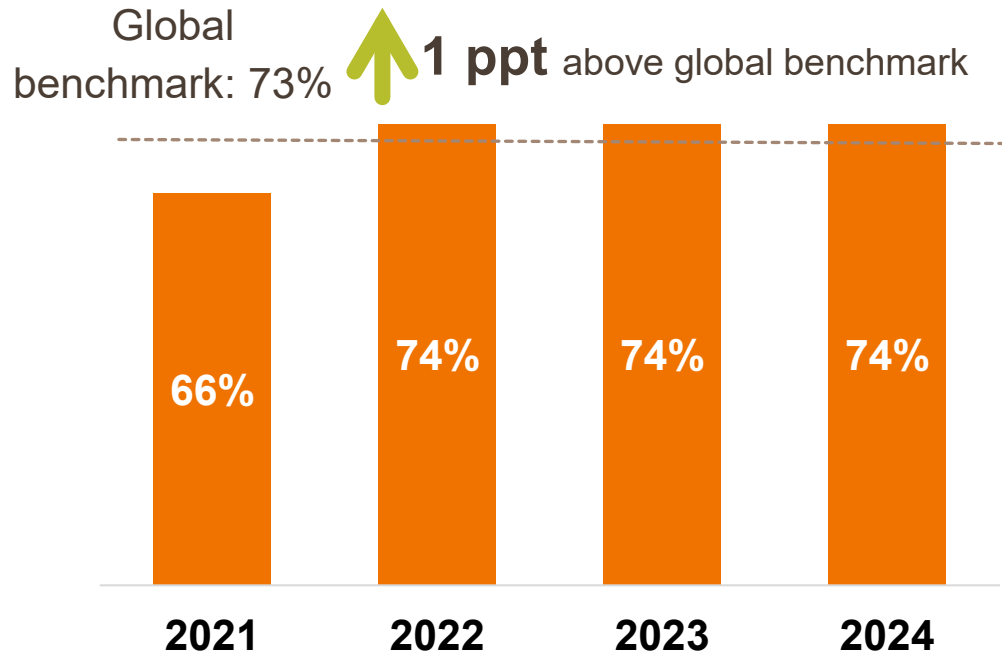
 <p>Start with the Consumer</p>	 <p>Collaborate with Purpose</p>	 <p>Take Accountability with Confidence</p>	 <p>Be Authentic, Inclusive to all</p>	 <p>Build our Future</p>
 Set up Global Consumer Organisation	 Bonus structures linked global performance	 Introduction of regular business reviews	 Enterprise-wide “Connections” programme to embed behaviours	 Incentive structures more aligned to group strategy
 Recruited FMCG talent	 Ways of working to hard-wire cross-functional collaboration	 New regional and cluster structures to drive clarity	 Increased workforce data collection	 Enabling functions refocused for strategic commercial value
 Upskilled existing workforce	 Consultative innovation and brand building processes	 More rigorous individual objective setting	 Created inclusive employer brand to attract and retain talent	 Six-year ERP programme to drive better data
 Consumer immersion for non-GCO colleagues	 Global sales network to share best practice	 Training for 1,000 leaders to become performance coaches	 Established Employee Resource Groups to co-create targeted actions	 Improved business planning to balance long-term supply and demand

# Our Performance Culture is Driven by Data

WE HAVE MAINTAINED CONSISTENTLY HIGH EMPLOYEE ENGAGEMENT

## PERFORMANCE-BASED CULTURE

### Global Engagement Score



## FY24 EMPLOYEE ENGAGEMENT SURVEY

*I have a clear understanding of what is expected of me* 85%

*The people I work with collaborate to get the job done* 83%

*My leader keeps their commitments* 82%

*My people leader provides feedback that helps me improve my performance* 82%

*I see a clear link between my work and Imperial Brands' strategic objectives* 77%

# Where Next For Our Performance-Based Culture?

## BUILDING TOWARDS A HIGH-PERFORMANCE CULTURE



### CONSUMER EXCELLENCE

- Knowing *our* own consumers
- Integrating teams into a high-performing organisation
- Enhancing consumer understanding through deep insight and intelligence
- Integrated systems and data



### SALES EXCELLENCE

- Investment in skills and capabilities
- Better technology and data through sales platforms
- Building a global sales academy



### MANUFACTURING EXCELLENCE

- Doubling-down on efficiency, quality and health and safety
- Data analytics and technology
- Aligning sustainable practices with commercial success
- Delivering cost efficiencies to drive shareholder returns

**COMMITTED TO OUR TRIPLE ZERO ESG GOALS**

# Integrating People, Processes, Technology and Data

THE RIGHT CULTURE AND THE RIGHT TECHNOLOGY ARE KEY TO SUCCESS





# Strategic Enablers Simplified, Efficient, Data-Led Organisation

**Lukas Paravicini**  
Chief Financial Officer



# Our Journey and the Opportunity Ahead

BECOMING A SIMPLIFIED, EFFICIENT AND DATA-LED ORGANISATION



## OUR PAST

- Growth through many acquisitions over multiple years with limited integration
- Multiple legacy systems
- A siloed organisation
- Primarily cost efficiency focus
- Limited expertise in consumer intimacy, new systems and business transformation

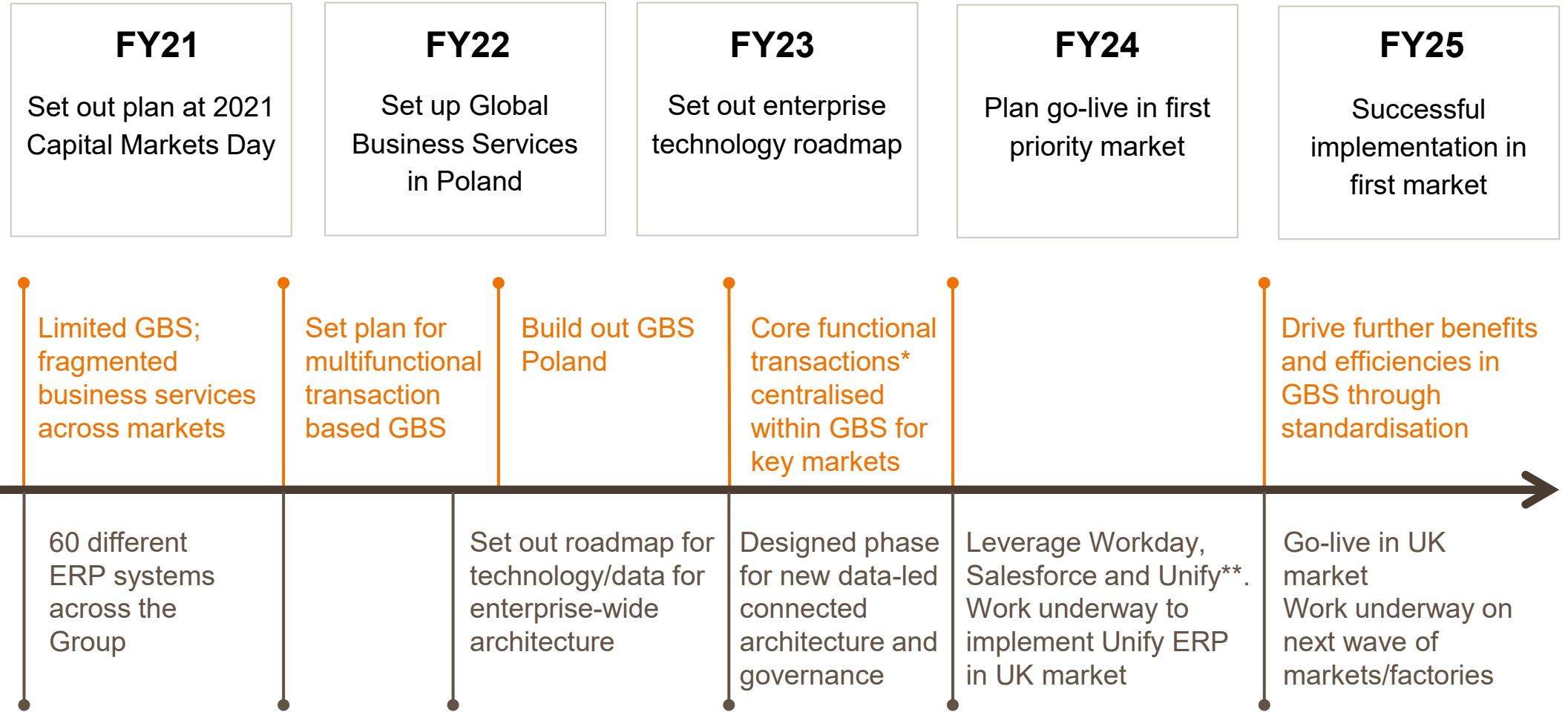
## THE OPPORTUNITY AHEAD



- Further enhance our consumer intimacy
- Resources prioritised on deeply understanding our consumer and growth potential
- Supported by a streamlined, data-led and connected organisation
- An efficient supply chain founded on manufacturing excellence
- Fully integrated business planning

# We Have Already Made Good Progress

## FOUNDATIONS IN PLACE FOR NEXT PHASE OF SELF-HELP

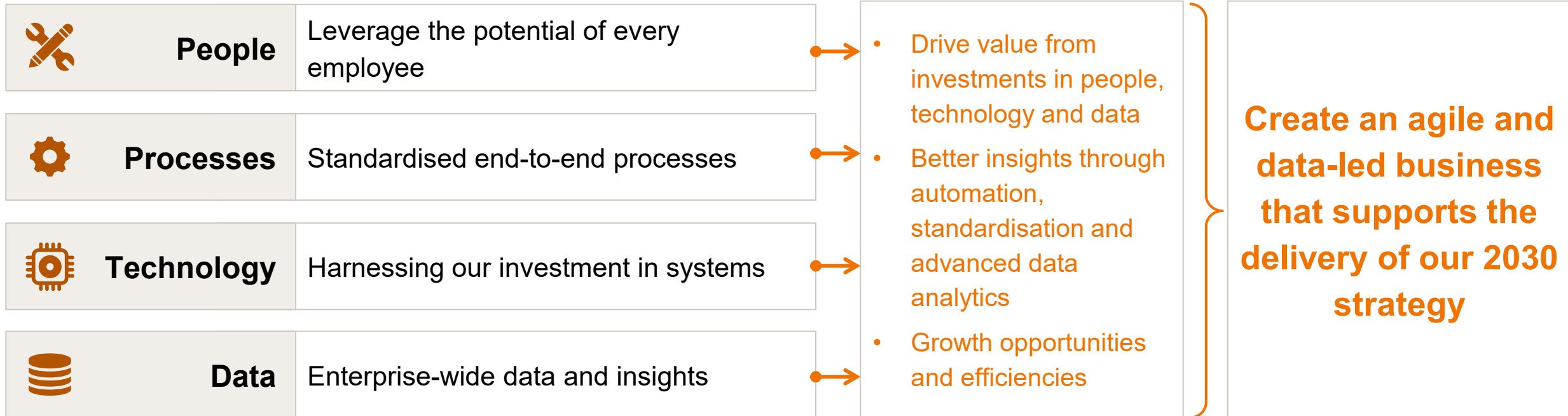


# Investing in Further Self-Help Opportunities and Growth

NEW WAYS OF WORKING TO DELIVER LONGER-TERM SUSTAINABLE GROWTH

## BUILDING AND HARMONISING OUR CAPABILITIES

## 2030 OBJECTIVE



**Becoming even more consumer and data-led  
means we will be better able to capture growth opportunities**

# Investing To Drive Sustainable Growth & Savings

UNLOCKS GROWTH OPPORTUNITIES AND EFFICIENCIES

## Investing in Sustainable Growth and Efficiency Initiatives

### An Agile Data-Led Enterprise



- Leveraging our scale through global business services
- Integrating our people, technology, data and systems for growth and efficiency
- Stronger and more integrated business planning

### Manufacturing Excellence



- Adopting a standardised operating model based on safety, quality, performance
- Improved data and insights to drive productivity; reduced waste; energy optimisation
- Driving efficiencies in our supply chain

### Total cash costs:

*c. £600m*

FY26	FY27	FY28	FY29	FY30
£50m*	£250m*	£250m*	£50m*	-

### Non-cash costs:

*c. £140m total*



# Unlocking Value for 2030 Strategy and Beyond

DELIVERING SAVINGS TO UNDERPIN SUSTAINABLE PROFIT AND CASH GROWTH

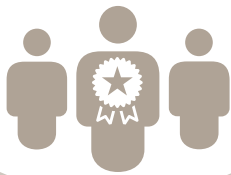


# Unlocking Our Full Value Potential



# A Consistent Formula to Unlock Value

**A clear  
strategy to  
win with  
consumers**



**Driving  
sustainable  
growth in  
cash flows**



**Delivering  
growing  
shareholder  
returns**



# A Clear Five-Year Strategy For Value Creation

## MEDIUM-TERM CAGR GUIDANCE - FY26 TO FY30

**Tobacco & NGP  
net revenue\***

Low-single digit tobacco net revenue growth  
Double-digit NGP net revenue growth

**Group adjusted  
operating profit**

3-5% constant currency growth

**Adjusted EPS**

At least high-single digit constant currency growth

**Cash generation**

Free cash flow of £2.2bn to £3.0bn per annum

# On Track to Deliver our FY25 Guidance

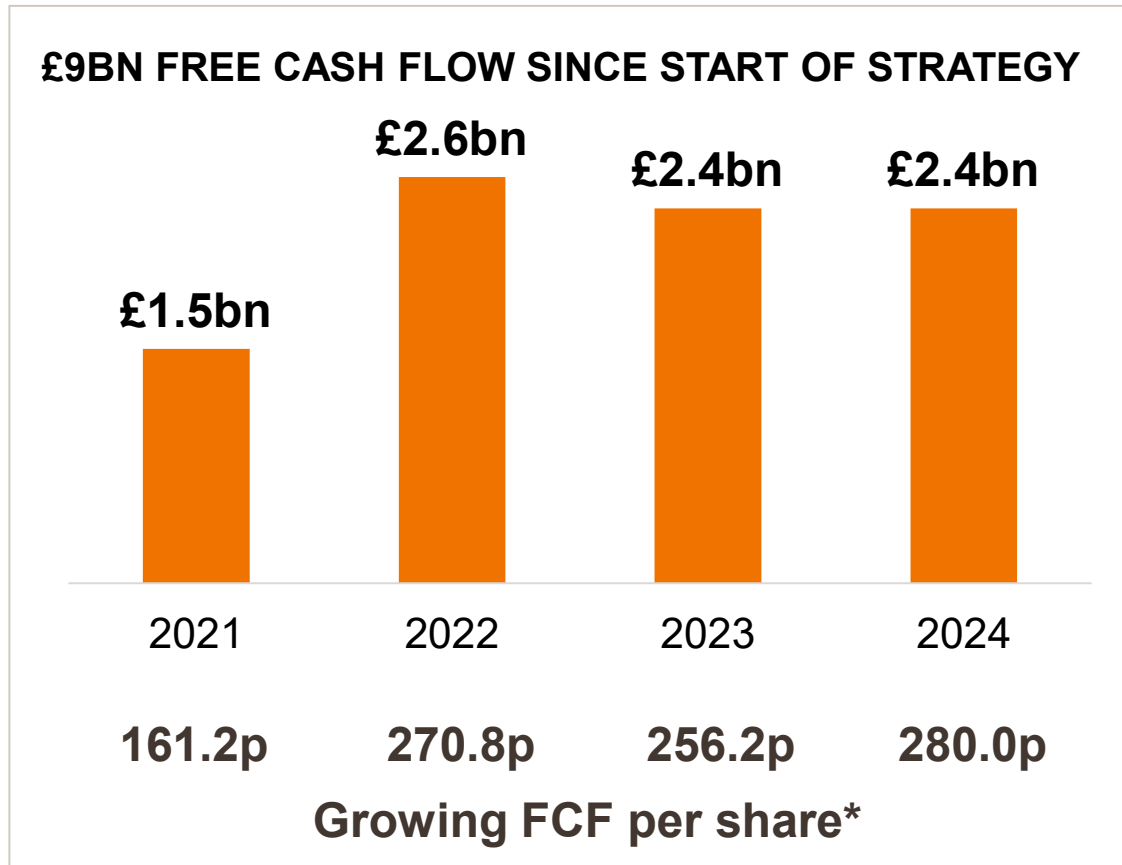
## OUTLOOK FOR FY25\*

- |                |  |
|----------------|--|
| <b>Revenue</b> | • Low-single-digit net revenue growth; double-digit NGP revenue growth   |
| <hr/>          |  |
| <b>Profit</b>  | <ul style="list-style-type: none"><li>• Adjusted operating profit (AOP) growth close to middle of mid-single-digit range</li><li>• Profit drivers: operational gearing, improving NGP margins, self-help opportunities</li></ul> |
| <hr/>          |  |
| <b>EPS</b>     | • At least high-single-digit EPS growth, driven by AOP growth and share buyback  |
| <hr/>          |  |
| <b>Phasing</b> | • Performance weighted to H2. Low-single-digit H1 AOP growth.  |



# Continued Strong Cash Outlook

## RESILIENT CASH DELIVERY



## STRONG CASH FUNDAMENTALS

- Business remains highly cash generative
- Low capital intensity
- Growing adjusted operating cash flow
- Group cash flows optimised through pooling arrangements

**FCF outlook: £2.2bn to £3bn p.a**

# Logista Delivers Valuable Cash Contribution

FURTHER VALUE CREATION OPPORTUNITIES AT LOGISTA

## Logista

### LOGISTA OVERVIEW

- Listed in Madrid; Imperial owns 50.01%
- Distributes tobacco, other convenience products, parcels, pharma and freight across Iberia, France and Italy
- Consistently strong financial performance
- Imperial supports Logista's strategy to diversify in sectors outside tobacco
- Attractive market positions
- Potential for further re-rating and value upside

### LOGISTA VALUE CREATION

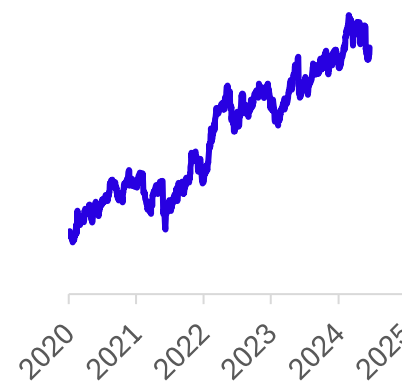
**£0.3bn**

FY24 operating  
profit contribution

**£1.8bn**

FY24 daily  
average working  
capital benefit

**Share price +92%**  
since 1 Oct 2020



# Capital Allocation Remains a Key Value Driver

DISCIPLINED USE OF CASH WITHIN A CLEAR FRAMEWORK

## OUR CAPITAL ALLOCATION PRIORITIES

1

**Investing in the strategy to drive sustainable growth**



- Modest capex needs (£300-350m pa)
- Restructuring for sustainable growth
- Bolt-on M&A

2

**Maintaining a strong and efficient balance sheet**



- Maintain investment grade credit rating
- Net debt to EBITDA around the lower end of 2-2.5x range

3

**Progressive dividend policy growing in line with underlying performance**



- Committed to growing cash returns per share

4

**Surplus capital returns via ongoing evergreen share buyback**



- Balanced approach with dividend returns
- Aim to meaningfully reduce capital base over time

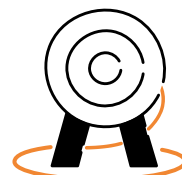
# Driving Value Through Our 2030 Strategy

**Stefan Bomhard**  
Chief Executive Officer



# Our Purpose, Vision and Strategy

CREATING A COMMON HIGH-PERFORMANCE CULTURE FOR IMPERIAL BRANDS



## 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”*

## OUR BEHAVIOURS



Start with the  
Consumer



Collaborate  
with Purpose



Take Accountability  
with Confidence



Be Authentic,  
Inclusive to all



Build our  
Future

# Our 2030 Ambitions: The Next Five Years

WE HAVE CLEAR OPPORTUNITIES TO BUILD ON STRONG FOUNDATIONS

**Get even closer to our consumers and build differentiated brands**

**Invest in our people, technology and data to drive growth and efficiency**

**Generate sustainable value from combustibles**

**Build scale in next generation products**

**Delivering growing cash flows to underpin capital returns to shareholders**



# A Clear Investment Case

GLOBAL CONSUMER GOODS BUSINESS WITH ATTRACTIVE VALUATION

## OPERATIONAL DELIVERY

**Sustainable growth in tobacco**

**Building scale in NGP**

**Becoming more consumer and data-led, simplified**

## FINANCIAL DELIVERY

**Supporting our medium-term guidance**

- Low-single-digit tobacco net revenue growth and double-digit NGP net revenue growth\*
- 3-5% operating profit growth\*
- Free cash flow of £2.2-£3.0bn p.a.
- High single-digit EPS growth\*

## SHAREHOLDER RETURNS

**Progressive dividend**

- Growing annually reflecting business performance
- Dividend yield 6.8%

**Ongoing evergreen buyback**

- £1.25bn underway in FY25
- Guide on quantum each year



# Q&A



IMPERIAL  
BRANDS



# **Imperial Brands** **Capital Markets Day**

26 March 2025