



Thérèse Esperdy
Chair



IMPERIAL BRANDS PLC

121 Winterstoke Road
Bristol BS3 2LL, UK

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Dear Shareholder

ANNUAL GENERAL MEETING OF IMPERIAL BRANDS PLC

I am pleased to invite you to attend our annual general meeting ('AGM' or the 'Meeting') to be held on Wednesday 1 February 2023 at 2.30 pm.

If you requested electronic copies of the Annual Report and Accounts and associated documents or if you did not return the election card previously sent to you, this letter is notification that the Annual Report and Accounts and associated documents have now been published on our website under creating shareholder value-shareholder centre-AGM (www.imperialbrandsplc.com/creating-shareholder-value/shareholder-centre/agm).

If you have requested a printed copy of the Annual Report and Accounts, it is enclosed with this letter together with the associated documents.

Overview of Performance

This has been a year of significant progress for Imperial against a backdrop of unexpected and challenging conditions.

We have strengthened our core combustible business and reshaped our next generation product (NGP) operations.

We have reduced debt to our target range and begun a £1 billion share buyback.

At the same time, we have further upskilled and diversified our Board and executive team, progressed our broader cultural change agenda, introduced new consumer capabilities, and continued to build a simpler and more efficient organisation.

All this has been achieved against the headwinds of the war in Ukraine and the exit from our Russian business, global supply chain disruptions, high inflation and a squeeze on household incomes.

The team remained focused on the methodical roll-out of our strategy and we are emerging as a strong challenger business – our natural role as the smallest of the four global tobacco companies.

On behalf of the Board, I would like to say a big "thank you" to the entire Imperial workforce for their commitment and the way they continue to embrace change with enthusiasm.

A purpose-led approach to ESG

During 2021 alongside our new strategy we began articulating a new purpose: "forging a path to a healthier future for moments of relaxation and pleasure" as well as a clear vision "to build a strong challenger business powered by responsibility, focus and choice". In the past year we have evolved these high-level aspirations into granular objectives for our most material environmental, social and governance (ESG) priorities, and the Board has been engaged in the development of this fresh approach.

Our most important area of focus will continue to be consumer health. Smoking is a cause of serious diseases and, despite these health risks, many people choose to continue to smoke. That is why it is important we are successful in offering attractive, potentially less harmful alternatives to adult smokers. Our NGP operations over the past two years have become more consumer-centric and innovative, and in this year the Board was pleased to authorise an ambitious but disciplined expansion of our footprint.

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and Wales No: 3236483

Registered Office:
121 Winterstoke Road,
Bristol BS3 2LL, UK

Another area where we can support a healthier future is by delivering on our goal to become a Net Zero company by 2040. This year, for the first time, we are publishing a full report detailing our strategy for climate change in line with the requirements of the Task Force on Climate-related Financial Disclosures. Full details can be found on pages 59 to 65 in the Annual Report and Accounts 2022.

Building a more diverse and inclusive business – at all levels – is another important priority. During the year, we brought in new talent from outside the organisation to develop this agenda. I have also been encouraged by the way this team, working closely with our four Employee Resource Groups focusing on gender, disability, sexual orientation and ethnicity, are identifying the key structural issues and developing focused plans.

Underlining our commitment to delivering on our ESG priorities, for FY23 we have introduced metrics on consumer health and climate change for Executive Directors' bonuses (see Directors' Remuneration Report from page 130 in the Annual Report and Accounts 2022). And we will reflect on how ESG can be incorporated into our triennial review of remuneration policy in the coming year.

Upskilling and diversifying the Board

Over the past two financial years, the Board has been substantially strengthened, with two new Executive Directors and four new Non-Executive Directors. These changes have brought a depth of knowledge and capabilities from consumer-facing businesses as well as expertise in strategy, managing international businesses, change management, finance and regulatory affairs. Steven Stanbrook retired from the Board following our Annual General Meeting in February 2022. I would like to thank Steven for his valuable service to the Board over the past six years.

After nearly six years on the Board, Simon Langelier has decided the time is right to step down, which he will do at the conclusion of our 2023 AGM and so will not stand for re-election. I would like to thank Simon for his significant contribution to the Board and its Committees during his tenure.

No new appointments to the Board were announced during the past year. Our focus therefore has been on deepening our knowledge of the business and enhancing our engagement with stakeholders, particularly consumers and employees, to enable us to provide more insightful challenge and improve decision making.

Broadening stakeholder engagement

I have continued to have regular dialogue with our major investors and we recently undertook an investor perception study. Encouragingly, the survey suggests investors are supportive of the new strategy and management, and of the changes we are making to strengthen the business.

During the year, we held Board meetings in London, Bristol, Madrid and Greensboro, North Carolina, giving us many opportunities to meet and have active dialogue with our employees, customers, consumers and suppliers. In August, accompanied by Stefan, I visited Malawi to develop a greater understanding of our evolving approach to improving farmer livelihoods and agricultural sustainability.

A clear example of how the Board carefully considers the needs of different stakeholders in its decision making is our successful exit from Russia. Our approach had to balance the need to ensure the personal security of our Russian team, with the clear expectations of shareholders, our global workforce and wider civil society. While we have now completed the transfer of our Russian business, we continue to support our 600 Ukraine staff, including through a hardship fund which has been used to finance the reconstruction of war-damaged homes.

Prioritising capital allocation

The Board believes capital allocation is a key value lever alongside the delivery of the Group's strategy. Our strategic review in 2021 defined our capital allocation priorities and the Board regularly evaluates progress against these priorities, starting with the investment needs of the business, followed by the appropriate capital structure and the best way to maximise returns to shareholders through a progressive dividend policy and by returning surplus capital.

The business now has the strategy to deliver sustainable growth in cash flows, and the balance sheet flexibility to deliver meaningful and ongoing returns to shareholders. Having reached our target leverage at the end of September 2022, the Board approved the launch of an ongoing buyback programme with a commitment to initially repurchase shares to the value of £1 billion during our 2023 financial year. We are also recommending a 1.5% increase for the final dividend this year, bringing total dividends for the year to £1.3 billion.

Towards a healthier future

While Imperial is not immune to cost inflation and the squeeze on consumer incomes, the strong foundations we have built over the past two years mean we are now more resilient in the face of short-term pressures and better able to deliver sustainable returns for shareholders. Looking to the longer term, we see a shift towards potentially healthier ways of enjoying moments of relaxation and pleasure – and Imperial is increasingly well placed to support consumers on this journey.

Recommendation

Your Board believes that the resolutions contained in the Notice of AGM promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of all resolutions, as they intend to do in respect of their own holdings.

Yours sincerely

A handwritten signature in black ink, reading "Thérèse Esperdy". The signature is written in a cursive, flowing style.

Thérèse Esperdy

Chair

IMPERIAL BRANDS PLC NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO ANY ASPECT OF THE CONTENTS OF THIS DOCUMENT OR THE ACTION YOU SHOULD TAKE YOU ARE RECOMMENDED TO CONSULT AN INDEPENDENT ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

Notice is hereby given that the annual general meeting (the 'AGM') of Imperial Brands PLC (the 'Company') will be held at the Bristol Marriott Hotel City Centre, 2 Lower Castle Street, Old Market, Bristol BS1 3AD on Wednesday 1 February 2023 at 2.30 pm for the transaction of the following business:

BUSINESS OF THE MEETING

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass resolutions 1 to 17 inclusive as ordinary resolutions:

Resolution 1

THAT the Annual Report and Accounts for the financial year ended 30 September 2022 be received.

Resolution 2

THAT the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) set out on pages 130 to 148 of the Annual Report and Accounts for the financial year ended 30 September 2022, be approved.

Resolution 3

THAT a final dividend for the financial year ended 30 September 2022 of 49.32 pence per ordinary share of 10 pence in the capital of the Company payable on 31 March 2023 to those shareholders on the register at the close of business on 17 February 2023 be declared.

Resolution 4

THAT Stefan Bomhard be re-elected as a Director of the Company.

Resolution 5

THAT Susan Clark be re-elected as a Director of the Company.

Resolution 6

THAT Ngozi Edozien be re-elected as a Director of the Company.

Resolution 7

THAT Thérèse Esperdy be re-elected as a Director of the Company.

Resolution 8

THAT Alan Johnson be re-elected as a Director of the Company.

Resolution 9

THAT Robert Kunze-Concewitz be re-elected as a Director of the Company.

Resolution 10

THAT Lukas Paravicini be re-elected as a Director of the Company.

Resolution 11

THAT Diane de Saint Victor be re-elected as a Director of the Company.

Resolution 12

THAT Jonathan Stanton be re-elected as a Director of the Company.

Resolution 13

THAT Ernst & Young LLP ('EY') be re-appointed as auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.

Resolution 14

THAT the Audit Committee (for and on behalf of the Board) be authorised to set the remuneration of the auditor.

Resolution 15

THAT the rules of the Imperial Brands Share Matching Scheme 2023 (the 'New SMS'), a summary of the principal provisions of which is set out in Appendix 2 to this notice and a copy of which is produced to the AGM and initialled by the Chair (for the purposes of identification only), be approved and adopted by the Company and the Directors be authorised to:

- (a) do all acts and things necessary to establish and carry the New SMS into effect; and
- (b) establish schedules to the New SMS or further schemes for the benefit of employees outside the UK, based on the New SMS but modified to take account of local tax, exchange control and securities laws in overseas territories, provided that any shares made available under such schedules or schemes are treated as counting against any limits on individual or overall participation contained in the New SMS.

Resolution 16

THAT in accordance with section 366 of the Companies Act 2006 (the 'Act') the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution has effect are authorised to:

- (a) make political donations to political parties or independent election candidates, not exceeding £100,000 in total;
- (b) make political donations to political organisations other than political parties, not exceeding £100,000 in total; and
- (c) incur political expenditure not exceeding £100,000 in total,

provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000, during the period beginning with the date of the passing of this resolution and ending at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 March 2024.

For the purpose of this resolution the terms "political donations", "political parties", "independent election candidates", "political organisations" and "political expenditure" have the meanings set out in sections 363 to 365 of the Act.

Resolution 17

THAT the Directors be authorised to allot ordinary shares of 10 pence each in the capital of the Company (the 'Ordinary Shares') or grant rights to subscribe for, or convert any security into, Ordinary Shares in accordance with article 7 of the Company's Articles of Association, up to a maximum nominal amount of £14,130,000. This authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 March 2024; and all previous unutilised authorities under section 551 of the Companies Act 2006 (the 'Act') shall cease to have effect (save to the extent that a previous authority is exercisable pursuant to section 551(7) of the Act by reason of any offer or agreement made prior to the date of this resolution which would or might require Ordinary Shares to be allotted or rights to be granted on or after that date).

SPECIAL RESOLUTIONS

To consider and, if thought fit, pass resolutions 18 to 20 inclusive as special resolutions:

Resolution 18

THAT, in accordance with article 8 of the Company's articles of association, if resolution 17 is passed, the Directors be authorised to allot equity securities (as defined in section 560(1) the Companies Act 2006 (the 'Act')) for cash under the authority given by resolution 17 and/or to sell ordinary shares of 10 pence each in the capital of the Company (the 'Ordinary Shares') held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited to:

- i. the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities for a period fixed by the Board:
 - a. to or in favour of holders of Ordinary Shares in proportion (or as closely as may be practicable) to their existing holdings; and
 - b. to holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements as the Directors deem necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, any legal, regulatory or practical problems in, or under the laws of, any territory, or any other matter; and

- ii. the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (i) above) up to a nominal amount of £4,710,000,

such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on 31 March 2024) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Resolution 19

THAT in accordance with the Companies Act 2006 (the 'Act'), the Company is hereby generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 10 pence each in the capital of the Company ("Ordinary Shares") on such terms and in such manner as the Directors may from time to time determine, provided that:

- i. the maximum number of Ordinary Shares that may be purchased under this authority is 94,200,000;
- ii. the minimum price which may be paid for each Ordinary Share is 10 pence (exclusive of all expenses);
- iii. the maximum price which may be paid for each Ordinary Share (exclusive of all expenses) shall not be more than the higher of:

- a. an amount equal to 105 per cent of the average of the middle market prices shown in the quotations for the Ordinary Shares in the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that Ordinary Share is purchased; and
- b. an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the trading venue where the purchase is carried out; and
- iv. the authority hereby conferred shall, unless previously revoked or varied, expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 March 2024 save in relation to purchases of Ordinary Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry, where the Company may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.

All previous unutilised authorities for the Company to make market purchases of Ordinary Shares are revoked, except in relation to the purchase of Ordinary Shares under a contract or contracts concluded before the date of this resolution and where such purchase has not yet been executed.

Resolution 20

THAT a general meeting of the Company other than an annual general meeting of the Company may be called on not less than 14 clear days' notice.

Registered Office:
121 Winterstoke Road
Bristol BS3 2LL
Registered in England and Wales No: 3236483

By order of the Board
John M Downing
Company Secretary

8 December 2022

NOTES

1. Only holders of Ordinary Shares are entitled to attend and vote at this AGM. Members entitled to attend and vote can appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote instead of them. A member may appoint more than one proxy, provided that they do not do so in relation to the same Ordinary Shares. A proxy need not be a member of the Company.

You may appoint your proxy electronically at www.sharevote.co.uk. You will need the Voting I.D., Task I.D. and Shareholder Reference which together make up your personal voting reference number printed on the front of the proxy form enclosed with this notice. Alternatively, if you have already registered with Equiniti's online portfolio service, Shareview, you can submit your proxy form at www.shareview.co.uk by logging onto your portfolio using your usual user I.D. and password. Once logged in simply click "View" on the "My Investment" page, click on the link to vote then follow the on-screen instructions. For further information see the instructions printed on your proxy form.

You can appoint your proxy electronically or by using the form enclosed with this notice: instructions are shown on the form. Proxy forms and the power of attorney or other authority, if any, under which it is signed (or a certified copy of it) need to be received by the Company's registrar, Equiniti Limited, no later than 48 hours before the scheduled start of the AGM or any adjournment of the AGM. Equiniti's address is Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 2:30 pm on 30 January 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

A 'vote withheld' option is provided on the proxy form to enable you to instruct your proxy not to vote on any particular resolution. Note that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

You must inform the Company's registrar in writing of any termination of the authority of a proxy.

A person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the 'Act') to enjoy information rights (a 'Nominated Person') may, under an agreement between them and the shareholder who nominated them, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statements of the rights of members in relation to the appointment of proxies in this notice do not apply to a Nominated Person. Only registered members of the Company can appoint proxies. Nominated Persons are reminded that they should contact the registered holder of their Ordinary Shares (and not the Company) on matters relating to their investments in the Company.

Under section 319A of the Act, a member attending the meeting has the right to ask questions in relation to the business of the meeting. The Company must answer any such questions relating to the business being dealt with at the meeting except if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

2. As at 1 December 2022 (being the latest practicable business day prior to publication of this notice) the Company's issued share capital consisted of 1,012,464,257 Ordinary Shares carrying one vote each (including 70,289,137 Ordinary Shares held by the Company in treasury which do not carry any voting rights). The total number of exercisable voting rights in the Company as at 1 December 2022 was, therefore, 942,175,120.
3. The following documents, which are available for inspection at an agreed time during normal business hours at the registered office of the Company on any weekday (Saturdays, Sundays and public holidays excluded), they will also be available for inspection at the place of the AGM from 1.30 pm on the day of the AGM until the end of the meeting:
 - i. copies of the service contracts of the Executive Directors under which they are employed by the Company and the letters of appointment (and other related documents) of the Non-Executive Directors;
 - ii. the Articles of Association of the Company; and
 - iii. A copy of the proposed rules of the Imperial Brands Share Matching Scheme 2023.
4. Only those shareholders registered in the register of members of the Company as at 6.30 pm on 30 January 2023 (or, in the event of any adjournment, 6.30 pm on the date which is two business days before the adjourned meeting) shall be entitled to attend and/or vote at the AGM in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the register of members after 6.30 pm on 30 January 2023 (or, in the event of any adjournment, 6.30 pm on the date which is two business days before the adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the AGM.

5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Company's AGM to be held on 1 February 2023 and any adjournment(s) of the AGM by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('EUI') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or relates to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in this notice.

For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

6. In accordance with the Company's established practice, all resolutions will be taken on a poll so as to accurately record the decision of all members based on their shareholding interests in the Company.
7. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if more than one, they do not do so in relation to the same Ordinary Shares.
8. It is possible that, pursuant to requests made by members of the Company under section 527 of the Act, the Company may be required to publish on its website a statement setting out any matter relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM or any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the members requesting such website publication to pay its expenses in complying with sections 527 or 528 of the Act and it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on its website.
9. A copy of this notice and other information required by section 311A of the Act can be found on the Company's website (www.imperialbrandspc.com/investors/shareholder-centre/agm.html).
10. You may not use any electronic address provided either in this notice or in any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
11. Under section 338 and section 338A of the Act, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in such business. A resolution may properly be moved or a matter may properly be included in the business of the meeting unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business of the meeting, must be authorised by the person or persons making it, must be received by the Company not later than 21 December 2022, being the date six clear weeks before the meeting, and (in the case of a matter to be included in the business of the meeting only) must be accompanied by a statement setting out the grounds for the request.

EXPLANATORY NOTES

Resolution 1 - Annual Report and Accounts

The Directors of the Company must present the Company's Annual Report and Accounts to the AGM.

Resolution 2 - Directors' Remuneration Report

In accordance with section 439 of the Act, the Company is required to present the Directors' Remuneration Report to shareholders for their approval as a means of providing shareholder feedback to the Company in respect of overall remuneration packages. This vote will be advisory and the Directors' entitlement to remuneration is not conditional on it. The Directors' Remuneration Report can be found on pages 130 to 148 of the 2022 Annual Report and Accounts which is available on the Company's website. No changes are proposed to the remuneration policy approved by shareholders at the AGM held in 2021.

Resolution 3 Declaration of a dividend

A final dividend can only be paid after the shareholders at a general meeting have approved it. A final dividend of 49.32 pence per Ordinary Share is recommended by the Directors for payment to shareholders who are on the register at the close of business on 17 February 2023. If approved, the final dividend will become due and payable on 31 March 2023. In accordance with our policy of paying quarterly dividends, interim dividends of 21.27 pence per Ordinary Share were paid on 30 June 2022 and 30 September 2022 and an interim dividend of 49.31 pence per ordinary share will be paid on 30 December 2022.

Resolutions 4 to 12 - Re-election of Directors

The Company's Articles of Association and the UK Corporate Governance Code require that all Directors retire from office at each AGM and that those wishing to serve again shall submit themselves for election or re-election by the shareholders.

Brief biographies of the Directors standing for re-election can be found in Appendix 1 to this notice, on pages 96 to 99 of the 2022 Annual Report and Accounts and on the Company's website. In the Board's view, these illustrate why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success. Having considered the performance of each Director seeking re-election, the contribution made by each of these Directors and the independence of Non-Executive Directors the Board is satisfied that the performance of each Director seeking re-election continues to be effective and to demonstrate commitment to the role and as such recommends their re-election. In reaching its recommendations the Board also considered both the individual skills and experience brought by each member, the overall skill set and diversity of the Board.

Resolutions 13 and 14 - Re-appointment and remuneration of Auditor

Resolution 13 is proposed for shareholders to approve Ernst & Young's ('EY's') re-appointment and Resolution 14 seeks authority for the Audit Committee (on behalf of the Board) to set EY's remuneration. Further details of the external audit are set out on pages 128 to 129 of the Annual Report and Accounts 2022.

Resolution 15 - New share matching scheme

Resolution 15 relates to the proposed introduction of a new share matching scheme by the Company, the Imperial Brands Share Matching Scheme 2023 (the 'New SMS').

The Company's existing share matching scheme is the Imperial Brands Share Matching Scheme (the 'Existing SMS'). Since its approval by shareholders in January 2013, the Existing SMS has provided eligible employees with the opportunity to invest a portion of their gross bonus in ordinary shares of the Company ('Lodged Shares'). In return for investing a portion of their bonus into Lodged Shares, and provided that the Lodged Shares are retained for a specified vesting period (ordinarily of three years), the participant will receive an award of additional shares on a one for one basis ('Additional Shares').

The Existing SMS is due to reach the end of its 10-year life on 30 January 2023.

The Remuneration Committee of the Company has concluded that shareholder authority should be sought under Resolution 15 for the adoption now of the New SMS to replace the Existing SMS. The terms of the New SMS have been drafted to be materially similar to the Existing SMS but with appropriate changes to bring the New SMS in line with prevailing best practice.

Executive Directors are not eligible to participate in the New SMS.

A summary of the principal terms and vesting criteria of the New SMS are set out in Appendix 2 to this notice.

Resolution 16 - Authority to make donations to political organisations and to incur political expenditure

Neither the Company nor any of its subsidiaries has any intention of making political donations or incurring any political expenditure under the terms of this resolution.

Part 14 of the Act, amongst other things, prohibits the Company and its subsidiaries from making donations to a political party or other political organisation or to an independent election candidate or from incurring political expenditure of more than £5,000 in any 12 month period in the United Kingdom unless authorised by the Company's shareholders.

The Act defines political organisations widely. It includes organisations which carry on activities which are capable of being reasonably regarded as intended to affect public support for a political party or an independent election candidate or

to influence voters in relation to any referendum. As a result, it is possible that the definition may include bodies, such as those concerned with policy review and law reform or with the representation of the business community or sections of it, which the Company and/or its subsidiaries may see benefit in supporting.

Accordingly, the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of the Act through the undertaking of routine activities, which would not normally be considered to result in the making of political donations and political expenditure being incurred. The resolution authorises the Company and its subsidiaries to:

- i. make political donations to political parties, or independent election candidates, not exceeding £100,000 in total;
- ii. make political donations to political organisations other than political parties, not exceeding £100,000 in total; and
- iii. incur political expenditure not exceeding £100,000 in total,

in the period commencing on the date of the resolution and ending at the conclusion of the AGM of the Company held in 2024 or, if earlier, the close of business on 31 March 2024. The overall expenditure under i, ii and iii above shall be capped at £100,000 in total.

For the purpose of this resolution the terms "political donations", "political parties", "independent election candidates", "political organisations" and "political expenditure" have the meanings set out in sections 363 to 365 of the Act.

Resolution 17 - Directors' authority to allot securities

The Directors may only allot Ordinary Shares or grant rights over Ordinary Shares if authorised to do so by shareholders. The authority granted at the last AGM to allot Ordinary Shares or grant rights to subscribe for, or convert any security into, Ordinary Shares is due to expire at the conclusion of the 2023 AGM. Accordingly, this resolution seeks to grant a new authority under section 551 of the Act to authorise the Directors to allot Ordinary Shares or grant rights to subscribe for, or convert any security into, Ordinary Shares and will expire at the conclusion of the next AGM of the Company in 2024 or, if earlier, the close of business on 31 March 2024.

If passed, Resolution 17 would give the Directors authority to allot Ordinary Shares or grant rights to subscribe for, or convert any security into, Ordinary Shares up to an aggregate nominal value of £14,130,000 representing approximately 15 per cent of the Company's existing issued share capital (excluding Ordinary Shares held in treasury) and calculated as at 1 December 2022 (being the latest practicable date prior to publication of this notice).

There is no present intention of exercising this authority. However, it is considered prudent to maintain the flexibility that this authority provides. As at 1 December 2022, the Company held 70,289,137 Ordinary Shares in treasury, which represent approximately 6.94 per cent of the issued share capital (excluding Ordinary Shares held in treasury). The Directors intend to renew this authority annually.

Resolution 18 - Disapplication of pre-emption rights

Under section 561(1) of the Act, if the Directors wish to allot any shares or grant rights over shares or sell shares held in treasury for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of Ordinary Shares for cash without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights.

Resolution 18 asks shareholders to do this and, apart from rights issues or any other pre-emptive offer concerning equity securities, the authority will be limited to the issue of Ordinary Shares for cash up to a maximum aggregate nominal value of £4,710,000 (which includes the sale on a non pre-emptive basis of any Ordinary Shares held in treasury for cash), which is equivalent to approximately 5 per cent of the Company's issued share capital as at 1 December 2022 (being the latest practicable date prior to publication of this notice). The Directors do not intend to issue more than 7.5 per cent of the issued share capital of the Company for cash on a non pre-emptive basis in any rolling three-year period without prior consultation with shareholders. Shareholders will note that this resolution also relates to Ordinary Shares held in treasury and will be proposed as a special resolution.

This resolution seeks a disapplication of the pre-emption rights on a rights issue or other pre-emptive offer so as to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas shareholders. If given, the authority will expire at the conclusion of the next AGM of the Company in 2024 or, if earlier, the close of business on 31 March 2024. The Directors intend to renew this authority annually.

Resolution 19 - Authority to purchase own shares

This resolution is to renew the Company's authority to make market purchases of its own shares. On 6 October 2022, the Company announced that it would undertake a share buyback programme of up to £1 billion in the period from 7 October 2022 to the end of September 2023. The first tranche of this buyback of up to £500 million is expected to end no later than 29 March 2023. Between 7 October 2022 and 1 December 2022 (being the latest practicable date prior to publication of this notice), the Company has purchased 8,232,981 Ordinary Shares of 10 pence, representing 0.87% of shares in issue, for a total consideration of £170,353,412, excluding costs. All Ordinary Shares bought back in that period have been cancelled. The new authority, if granted, will allow the Company to continue the share buyback programme for the balance of the £1 billion. It is

proposed that, under the new authority, the Company be authorised to make market purchases up to an aggregate of approximately 10 per cent of the Company's issued share capital, excluding Ordinary Shares held in treasury. The Directors will continue to exercise this power only when, in the light of market conditions prevailing at the time, they believe that the effect of such purchases will be to increase earnings per share and will be likely to promote the success of the Company for the benefit of its members as a whole. Other investment opportunities, appropriate gearing levels and the overall position of the Company will be taken into account when exercising this authority. Any Ordinary Shares purchased in this way will either be held in treasury or cancelled and the number of Ordinary Shares in issue reduced accordingly. If the Directors consider it appropriate to do so, the Company may hold in treasury any of its Ordinary Shares that it purchases pursuant to the Act and the authority conferred by this resolution as an alternative to cancelling them. This gives the Company the ability to reissue Ordinary Shares held in treasury quickly and cost-effectively and provides the Company with greater flexibility in the management of its capital base. It also gives the Company the opportunity to satisfy employee share plan awards with Ordinary Shares held in treasury. Ordinary Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under employee share plans. Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings, in respect of the Ordinary Shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the Ordinary Shares held in treasury.

The proposed authority would be limited to purchases of up to 94,200,000 Ordinary Shares which is equal to approximately 10 per cent of the Company's issued share capital, excluding Ordinary Shares held in treasury, as at 1 December 2022 (being the latest practicable date prior to publication of this notice). The resolution specifies the maximum and minimum prices at which the Company's Ordinary Shares may be bought.

The minimum price which may be paid for each Ordinary Share is 10 pence (exclusive of all expenses). The maximum price which may be paid for each Ordinary Share is the higher of the amount equal to 105 per cent of the average of the middle market prices shown in the quotations for the Ordinary Shares in the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is purchased and an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the trading venue where the purchase is carried out (in each case exclusive of all expenses).

For information, as at 1 December 2022 (being the latest practicable date prior to publication of this notice) there were outstanding 10,675,195 awards and options to subscribe for Ordinary Shares, representing 1.13 per cent of the Company's issued share capital (excluding Ordinary Shares held in treasury). If both the new authority and the existing authority were exercised in full, the awards and options would represent 1.40 per cent of the Company's ordinary share capital (excluding Ordinary Shares held in treasury).

Resolution 19 will be proposed as a special resolution to provide the Company with the necessary authority. If given, this authority will expire at the conclusion of the next AGM of the Company in 2024 or, if earlier, the close of business on 31 March 2024. The Directors intend to seek renewal of this authority annually.

Resolution 20 - Authority to hold general meetings (other than annual general meetings) on 14 clear days' notice

The notice period required by the Act for general meetings of the Company is 21 clear days unless shareholders approve a shorter period which cannot, however, be less than 14 clear days. AGMs must always be held on at least 21 clear days' notice. At the AGM held on 2 February 2022, shareholders authorised the calling of general meetings other than an AGM on not less than 14 clear days' notice, and it is proposed that this authority be renewed. The authority granted by Resolution 20, if passed, will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. Resolution 20 seeks the approval of shareholders to renew the authority to be able to call general meetings (other than an AGM) on 14 clear days' notice. The flexibility offered by Resolution 20 will only be used where, taking into account the circumstances, the Directors consider this appropriate in relation to the business of the meeting and in the interests of the Company and shareholders as a whole.

APPENDIX 1



A SKILLED AND
DIVERSE BOARD

Find out more at
www.imperialbrandspc.com/about-us/leadership-team

Committee membership

- Ⓟ People & Governance Committee
- Ⓐ Audit Committee
- Ⓡ Remuneration Committee
- ◆ Committee Chair

- 1. Public listed company.
- 2. Private organisation.

BOARD OF DIRECTORS

1. Thérèse Esperdy

Chair  

Appointment

Joined the Board in July 2016, serving as Senior Independent Director from May 2019 and appointed Chair in January 2020.

Career and Experience

Thérèse has significant international investment banking experience having held a number of roles at JP Morgan including Global Chair of JP Morgan's Financial Institutions Group, Co-Head of Asia-Pacific Corporate & Investment Banking, Global Head of Debt Capital Markets, and Head of US Debt Capital Markets. She began her career at Lehman Brothers and joined Chase Securities in 1997 prior to the firm's merger with JP Morgan in 2000.

Skills and Competencies

Thérèse brings to Imperial her excellent international leadership experience from serving on boards of both US and UK listed companies. She brings to bear her astute understanding of our business, the sector we operate in and the concerns of our investors.

External Appointments

- Non-Executive Director, Senior Independent Director and Chair of the Finance Committee of National Grid Plc¹.
- Non-Executive Director of Moody's Corporation¹.

2. Stefan Bomhard Chief Executive Officer

Appointment

Appointed in July 2020.

Career and Experience

Stefan joined Imperial from Inchcape plc, a global distribution and retail leader in the premium and luxury automotive sectors, where he delivered successful transformational change during a five-year tenure as Chief Executive.

Prior to Inchcape, Stefan was President of Bacardi Limited's European region and was also responsible for Bacardi's Global commercial organisation and Global Travel Retail. Previous roles have included Chief Commercial Officer of Cadbury plc and Chief Operating Officer of Unilever Food Solutions Europe. This followed senior management and sales and marketing positions at Diageo (Burger King) and Procter & Gamble.

Skills and Competencies

With a PhD in marketing and significant exposure to multiple consumer sectors in large multinational organisations, Stefan brings excellent brand-building and consumer-led sales and marketing experience to Imperial, notably in other "challenger" businesses (Burger King and Bacardi).

External Appointments

- Non-Executive Director of Compass Group PLC¹.

3. Lukas Paravicini Chief Financial Officer

Appointment

Appointed May 2021.

Career and Experience

Lukas has a proven track record in multinational consumer goods companies around the world. He joined Imperial from agricultural commodities and brokerage group ED&F Man Holdings, where he was Chief Financial Officer. He has also held senior positions at Fonterra, a New Zealand and Australia listed co-operative and the world's largest dairy exporter, with sales in 130 countries. He was Chief Financial Officer from 2013-2017 and Chief Operating Officer, Global Consumer and Foodservice Business from 2017-2018. Prior to that, he spent 22 years with Nestlé in various senior finance and general management roles.

Skills and Competencies

Lukas brings to Imperial broad financial and operational experience in consumer goods companies, and expertise in driving transformational change, including implementing global shared services in large international organisations.

External Appointments

- None.

4. Sue Clark Senior Independent Director

Appointment

Appointed Non-Executive Director in December 2018, Chair of the Remuneration Committee in February 2019 and Senior Independent Director in January 2020.

Career and Experience

Sue has strong international business credentials with over 20 years' Executive Committee and Board-level experience in the FMCG, regulated transport and utility sectors. Sue held the role of Managing Director of

SABMiller Europe and was an Executive Committee member of SABMiller plc. She joined SABMiller in 2003 as Corporate Affairs Director and was part of the executive team that built the business into a top-five FTSE company.

Skills and Competencies

With a background in corporate and regulatory affairs, Sue brings to Imperial international experience in FMCG and regulated businesses and major corporate transactions, as well as expertise in governmental and regulatory relations. Sue is a passionate advocate for the contribution business can make to wider society, which brings valuable insight to Imperial's ESG ambitions.

External Appointments

- Non-Executive Director, Chair of the Remuneration Committee and member of the Nominations Committee of Britvic plc¹.
- Non-Executive Director and member of the Audit, Nominations and Remuneration Committees of Mondi plc¹.
- Non-Executive Director of Tulchan Communications LLP², a leading advisory firm.

5. Diane de Saint Victor Non-Executive Director

Appointment

Appointed November 2021.

Career and Experience

Diane has strong legal, regulatory, M&A, business alliance and ESG experience, having held a number of General Counsel, Company Secretary and other key roles in an international career. She spent 13 years on the Executive Committee, as General Counsel & Company Secretary, of ABB, the global technology company. Prior to joining ABB, she served as a Senior Vice President and General Counsel of Airbus Group from 2004 to 2006 and from 2003 to 2004 as a Vice President and General Counsel at SCA Hygiene Products. She spent a decade working at Honeywell, ultimately holding the post of Vice President and General Counsel International.

Skills and Competencies

Diane brings over 30 years' experience of broad international legal, governance and regulatory expertise gained from a range of senior executive and non-executive positions in multinational organisations, as well as experience of transforming organisations in sectors undergoing change.

External Appointments

- Non-Executive Director of Natixis, SA².
- Non-Executive Director and member of the Audit and HSES Committees, of Transocean Ltd¹.
- Non-Executive Director of C&A².

6. Ngozi Edozien

Non-Executive Director (A) (P)

Appointment

Appointed November 2021.

Career and Experience

Ngozi has over 25 years' experience in finance/private equity, general management and strategy/business development functions with multinational companies in Europe, the US and Africa. She joined McKinsey & Company in 1992, leaving in 1999 to join Pfizer Inc. as Vice President, Pfizer Global Pharmaceuticals (PGP) Strategic Planning and Business Development, a position she held until her appointment in January 2005 as the Regional Director, PGP East, Central and Anglophone West Africa. She served as Head of West Africa for Actis LLP from 2009 until 2014. She spent six years on the Board of PZ Cussons and four years on the Board of Vlisco PLC.

Skills and Competencies

Ngozi brings to Imperial over 30 years' experience in general management, finance, strategy, business development and transformation gained at multinational companies, including in regulated consumer goods, in Europe, the US and Africa.

External appointments

- Non-Executive Director and member of the Finance and Risk Committee of Guinness Nigeria, a listed subsidiary of Diageo¹.
- Non-Executive Director of Stanbic IBTC Holdings PLC¹.
- Non-Executive Director of Barloworld Ltd¹.

7. Alan Johnson

Non-Executive Director (A) (P)

Appointment

Appointed in January 2021.

Career and Experience

Alan has a strong financial background in consumer goods and retail, having held a number of senior finance positions at Unilever in Africa, Europe and Latin America during a 30+ year career, including Chief Audit Executive and Chief Financial Officer of the Global Foods Division.

He was previously Chief Financial Officer and then a Non-Executive Director of Jerónimo Martins SGPS, S.A., a food retailer with operations in Portugal, Poland, and Colombia, until April 2016, and retains a role as the independent chairman of the company's Internal Control Committee. Between July 2018 and September 2020 he was a Non-Executive Director of the UK Department for International Development (DFID) and chaired its Audit & Risk Assurance Committee.

Skills and Competencies

As well as his financial acumen and international experience across mature and developing markets, Alan brings to Imperial experience of risk management and successfully managing business transformations, lending further strength to the Board's governance and effectiveness.

External appointments

- President and Chair of the Board of the International Federation of Accountants².
- Member of the Board and Chair of the Audit Committee of the International Valuation Standards Council².
- Non-Executive Director of William Grant & Sons Ltd².
- Non-Executive Director of DS Smith plc¹.

8. Bob Kunze-Concewitz

Non-Executive Director (P) (R)

Appointment

Appointed November 2020.

Career and Experience

Bob is an experienced marketing professional and has held a number of senior roles at leading FMCG companies. He was appointed Chief Executive Officer of Campari Group, a major player in the global spirits industry, in May 2007 having joined the business in 2005 as Group Marketing Director. Bob previously held positions of increasing responsibility and global reach at Procter & Gamble, including Global Prestige Products Corporate Marketing Director.

Skills and Competencies

With a strong track record of successfully executing brand and marketing strategies at the most senior level, Bob brings to Imperial international brand experience and a profound understanding of delivering for the consumer.

External appointments

- Chief Executive Officer of Campari Group¹.
- Non-Executive Director of Luigi Lavazza S.p.A.²



9. Jon Stanton
Non-Executive Director **A P R**

Appointment
Appointed May 2019.

Career and Experience

Jon has a wide range of international leadership experience, encompassing transformation, M&A and all aspects of finance, principally in the B2B sector.

In 2016 he was appointed Chief Executive of The Weir Group PLC, one of the world's leading engineering businesses, having previously been CFO from 2010. Prior to that he spent 22 years at Ernst & Young, LLP, the last nine years of which were as a partner in its London office, where he led

global board-level relationships. Jon is a Chartered Accountant and a member of the Institute of Chartered Accountants in England and Wales.

Skills and Competencies

Jon brings a breadth of experience, with a first-class international business track record, including significant US exposure, as well as investor relations experience and the financial acuity to challenge constructively at the Board and its Committees.

External appointments

- Chief Executive of The Weir Group PLC¹.

Committee membership

- P** People & Governance Committee
- A** Audit Committee
- R** Remuneration Committee
- ◆** Committee Chair

- 1. Public listed company.
- 2. Private organisation.

APPENDIX 2

Summary of the principal terms of the Imperial Brands Share Matching Scheme 2023 (the "New SMS")

1. Administration

The New SMS will be administered by the Remuneration Committee of the Company (the "Committee").

2. Eligibility and participation

Under the New SMS, selected employees of Imperial Brands PLC and its subsidiaries (the 'Group') (other than executive directors, who are not eligible to participate in the New SMS) may be invited by the Committee to invest any portion of their gross bonus in the acquisition of ordinary shares of the Company ('Lodged Shares'). Alternatively, if permitted by the Committee, eligible employees may also 'pledge' existing Imperial Brands shares that they hold as Lodged Shares – for example, Lodged Shares acquired under a previous New SMS invitation and provided that they are not currently subject to any ongoing retention requirement pursuant to the New SMS. The maximum proportion of an eligible employee's gross bonus that may be invested in Lodged Shares is currently set at one third of the eligible employee's gross bonus, although the Committee may set a different maximum proportion (which may be higher or lower than one third) for different invitations under the New SMS.

Any eligible employee who accepts an invitation to acquire Lodged Shares (a 'Participant') will be granted an award of additional shares ('Additional Shares'). The number of Additional Shares granted to a Participant under their award will be matched on a one for one basis to the number of Lodged Shares acquired or, if permitted by the Committee, 'pledged', subject to any additional basis of allocation being applied (see paragraph 3 below). The Committee may specify a different matching ratio that may be applied for different invitations under the New SMS.

In order for their award of Additional Shares to vest and receive those Additional Shares, the Participant must retain (and not charge, assign or dispose of) the associated Lodged Shares for the duration of the vesting period specified for the Additional Shares, which shall ordinarily be a period of three years.

Benefits under the SMS are not pensionable benefits.

3. Allocation of entitlement to acquire Additional Shares

A Participant will be allocated an entitlement to acquire the Additional Shares on such basis as determined by the Committee as soon as practicable following confirmation of the number of Lodged Shares acquired by or on behalf of or, if permitted by the Committee, 'pledged' by the Participant. The allocation may take into account such factors as the Committee determines appropriate (such as the Participant's length of service or job grade).

4. Performance Conditions

The vesting of an Additional Share may be subject to the satisfaction of performance condition(s) which will be determined by the Committee at the date of allocation.

5. Vesting and lapse of Additional Shares

Subject to the satisfaction of any applicable performance criteria, an Additional Share will vest on the date determined by the Committee at the time the Additional Share was allocated (ordinarily, three years after the date of allocation).

An Additional Share will cease to be capable of vesting and will lapse if the related Lodged Shares are assigned, charged or otherwise disposed of before the Additional Share vests.

The Committee may determine, on a discretionary basis, that any Additional Shares held by a Participant who transfers to a different jurisdiction and who either: (a) suffers a tax disadvantage in connection with their Additional Shares as a result of such transfer; or (b) becomes subject to any restriction on acquiring or dealing in the Additional Shares, shall vest at any point within the three-month period before or after their transfer.

6. Leaving employment

A Participant shall be entitled to retain a time pro-rated proportion of any Additional Shares following their death or cessation of employment by reason of injury, ill-health, disability, redundancy or where the member of the Group or business or part of the business which employs the Participant is sold to a company outside the Group. In such cases, the Participant's time pro-rated Additional Shares will vest on their normal vesting date or, if determined by the Committee, as soon as practicable following the date of the Participant's cessation of employment.

Except in the cases noted above, unless otherwise determined by the Committee and on such additional terms as the Board thinks fit, Additional Shares will otherwise lapse on cessation of employment.

7. Corporate events

Early vesting of a time pro-rated proportion of Additional Shares shall occur in the event of a takeover, reconstruction or delisting of the Company. Alternatively, Participants may be required to exchange their rights to acquire Additional Shares in consideration of the grant of rights to acquire shares in an acquiring company.

8. Adjustment of Awards

If there is any alteration in the share capital of the Company (including a capitalisation or rights issue) any unvested Additional Shares may be adjusted in a manner determined as fair and reasonable by the Committee.

9. Dilution limits

Awards of Additional Shares may be awarded over unissued or existing shares. The number of new shares issued or remaining capable of being issued pursuant to awards of Additional Shares, together with options and awards granted under all of the Company's other employee share schemes, in any period of ten years will not exceed 10% of the Company's ordinary share capital in issue from time to time.

A similar limit of 5% of the Company's ordinary share capital in any period of ten years will apply in respect of new shares issued or remaining capable of being issued pursuant to awards of Additional Shares, together with options and awards granted under all of the Company's other discretionary share schemes.

If awards of Additional Shares are to be satisfied by a transfer of existing shares, these percentage limits will not apply. Insofar as it is necessary to ensure compliance with the guidelines issued from time to time by institutional investors, these percentage limits will apply to awards of Additional Shares satisfied by the transfer of treasury shares.

10. Dividend equivalents

The Committee may determine that the number of vested Additional Shares will be increased to take account of dividends that would have been paid on those vested Additional Shares from the date of allocation until the date of vesting (and assuming the re-investment of dividends in ordinary shares of the Company on the relevant ex-dividend dates). The Committee may, alternatively, determine that a Participant shall receive a cash payment equal to the value of such dividends.

11. Malus and clawback

All awards of Additional Shares are subject to malus and clawback provisions which apply if:

- at any point prior to the third anniversary of the date on which an award of Additional Shares vests:
 - it is discovered that there has been a material misstatement of the Company's financial results for any period;
 - it is discovered that an error of calculation has occurred when assessing any performance conditions;
 - the Participant has committed fraud or misconduct;
 - the Participant has contributed to serious reputational damage to the Group; or
 - the Participant has contributed to a material failure of risk management or to a material downturn in the operational, financial or business performance of the Company; or
- at any point prior to vesting of an award of Additional Shares, the Participant has contributed to an instance of corporate failure (e.g. the appointment of a liquidator or administrator).

any application of malus and clawback may be satisfied by way of a reduction in the amount of any future bonus, subsisting award or future share awards (whether granted under the New SMS or any other discretionary share plan adopted by any member of the Group) and/or a requirement to return any vested Additional Shares and/or make a cash payment.

12. Rights attaching to Shares

Lodged Shares and Additional Shares acquired under the New SMS will rank equally in all respects with ordinary shares of the Company then in issue.

Participants will be entitled to vote and receive dividends on their Lodged Shares while they are subject to the New SMS. A Participant will have no rights in relation to Additional Shares until they vest.

13. Satisfaction of Additional Shares in cash

The Committee may specify in connection with any invitation to a Participant that, instead of acquiring Lodged Shares that Participant shall be invited to agree to hold a cash sum as a notional payment for the acquisition of a notional number of Lodged Shares ('Notional Lodged Shares'). In return for agreeing to hold a cash sum in return for the notional 'acquisition' of Notional Lodged Shares, the Participant will be entitled to receive a cash payment which is equal to:

- i) the market value of a notional number of Additional Shares determined on the same basis as any allocation of actual Additional Shares ('Notional Additional Shares'), less (if the value of the shares has decreased over the Vesting Period) the decrease in value per share of the Notional Lodged Shares; and
- ii) the increase in share price of the Notional Lodged Shares between the date that Notional Lodged Shares are notionally acquired and the date on which the Notional Additional Shares vest.

The Committee intends to grant rights to 'acquire' Notional Lodged Shares and receive Notional Additional Shares only in circumstances where the relevant eligible employee is resident in a jurisdiction where tax or regulatory restrictions prohibit (or make administratively impractical) the acquisition of actual shares.

14. Amendment

The Committee may amend the rules of the New SMS at any time provided that no amendment can be made to the provisions governing: (a) eligibility; (b) individual limits on participation; (c) overall limits on the issue of shares; (d) the basis for determining a Participant's entitlement to, and the terms of, Additional Shares, provided under the New SMS; (e) the adjustments that may be made in the event of any variation of capital; and (f) the amendment provisions, to the advantage of Participants without the prior approval of shareholders in general meeting.

However, there is an exception for minor amendments to benefit the administration of the New SMS, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Participants or for any member of the Group.

15. Operation of the SMS in other jurisdictions

The Company may adopt schedules to the New SMS or establish further schemes based on the New SMS with such modifications as are necessary to comply with or take advantage of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further schemes are treated as counting against any limits on individual or overall participation in the main New SMS.

16. Termination of the SMS

The New SMS will terminate on 1 February 2033 or earlier by resolution of the Committee. Termination of the New SMS will not affect the outstanding rights of Participants. No further Additional Shares will be allocated following termination.

This summary does not form part of the rules of the New SMS and should not be taken as affecting the interpretation of their detailed terms and conditions. The Directors reserve the right up to the time of the 2023 Annual General Meeting to make such amendments and additions to the rules of the New SMS as may be necessary or as they consider appropriate and provided that such amendments do not conflict in any material respect with this summary.

