



CONSUMER HEALTH

COMMITMENT:

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

Links to SDGs



- SDG 3: We are committed to tobacco harm reduction

Behaviours



Start with the Consumer

KPI

NGP net revenue

METRIC

NGP net revenue from tobacco and NGP net revenue

| | |
|----------------------|--------------------|
| Status: On track | |
| Baseline Year (2020) | £201m |
| 2024* | £329m ^A |

FY24 Performance

NGP net revenue has increased by 64% since 2020.

Our consumer health ambitions are underpinned by three pillars:

1. Consumer Choice: Providing adult smokers and nicotine consumers with a range of NGP.
2. Scientific Substantiation: Demonstrating our NGP are potentially harm reduced compared to smoking.
3. Unintended Use Prevention: Ensuring our NGP are used by adult smokers and adult nicotine users only.

Imperial Brands continues to transform, driven by consumer-centric science and innovation and a commitment to make a meaningful contribution to tobacco harm reduction (THR) through our NGP portfolio.

Access to choice

Focusing on consumer choice, we now sell NGP in more than 20 countries and offer potentially harm reduced cigarette alternatives to over 200 million adult smokers and adult nicotine users.

Last year we upscaled our heated, vape and oral nicotine delivery (OND) propositions within existing market footprints.

Our blu vaping portfolio expanded with new formats like blu bar kit and blu bar box, while we continued to responsibly launch new NGP flavours in markets without flavour restrictions.

Aligned with our challenger approach, we also entered the rapidly expanding US tobacco-free oral nicotine pouch market with Zone.

iSenzia – our new tobacco-free heated herbal product – was also launched in several markets.

Scientific substantiation

We continue to substantiate the harm reduction potential of all our NGP relative to cigarettes through our multi-discipline scientific assessment framework.

As part of our meaningful contribution to THR, this research often goes significantly beyond the routine testing required by regulators.

Last year, for instance, we undertook in-market observational studies focusing on providing adult smokers – with no intention to quit – with our heated and vaping propositions.

The studies investigated how adult smokers use our products over time to reduce their smoking or quit cigarettes entirely.


In the Czech Republic, we conducted a study of 300 smokers with no intention to quit and introduced them to our heated products. By the end of the study, half of the consumers had completely switched or cut smoking by at least 50%.

In a similar study conducted in the UK, where adult smokers were offered our blu vapes, we found that one in three had halved their smoking in just three weeks. By week six, up to 40% had either completely switched or cut their cigarette consumption.

Our diverse network of professional scientists is spread across several countries and ISO-certified laboratories. Planning has begun for a new state-of-the-art facility in Hamburg.

We also continue to evolve our innovative Alternatives to Animal Testing (ATAT) programme. This year, using ATAT methods our scientists demonstrated significant reductions in markers of smoking-related disease for our vape and heated products, compared to cigarettes.

Imperial Brands' continuing contribution to the wider body of academic research around NGP includes publishing 31 peer-reviewed papers and presenting 24 scientific posters at conferences over the last five years.

 Please visit our [science website](#) for more information.

We undertake a range of safeguarding activities to protect our consumers by taking care in the product design, manufacture, scientific substantiation and marketing of our NGP.

One such activity relates to governance, in particular the Product Stewardship and Health Group, which is responsible for advising the Board on all consumer safety issues. Please see our [ESG Performance Summary 2024](#) for more information.

Unintended use prevention

We share concerns that the continuing irresponsible marketing and retailing of NGP – and a concerning rise in illicit products – are undermining trust in the category's public health potential.

To address key issues like these, we have accelerated external engagement, education and communication. Over the last year we have:

- Enhanced our contribution to external NGP debates (for example, discussions on the importance of flavours and nicotine misperceptions) by hosting and participating in THR-themed events in Brussels, Miami, Dubai, Warsaw and Athens.
- Successfully piloted a trade-focused education programme to our own sales force and external retailers to upskill their THR and NGP knowledge and to build grassroots capability and advocacy through our internal Science Academy.

We actively participate within international product standards bodies like the International Organization for Standardization (ISO) and the European Committee for Standardization (CEN), and established industry scientific associations like the Cooperation Centre for Scientific Research Relative to Tobacco (CORESTA).

We continue to engage extensively with regulators and public health bodies across the world to advocate for balanced regulation, which offers adult smokers a range of effective alternatives to cigarettes while minimising unintended use.

A. Select 2024 data has been independently assured by Ernst & Young LLP (EY) under the limited assurance requirements of the ISAE 3000 standard. EY's Assurance Opinion is available on our [website](#). Our reporting scope and definitions are detailed in the Reporting Criteria document published on our [website](#).

