GROUP AUDITOR INDEPENDENCE POLICY

We are committed to maintaining the independence, objectivity, and effectiveness of our external Auditor. Strong auditor independence underpins confidence in the integrity of our financial reporting, our governance framework, and our ability to meet regulatory and stakeholder expectations.

This Group Auditor Independence Policy sets out the principles governing the appointment of, and the relationship with, the Group's external auditor, including the provision of audit, audit related and non-audit services.

To fulfil our commitments, we shall:

- Comply with all applicable legal and regulatory requirements, specifically Financial Reporting Council (FRC) Ethical Standard 2024, UK Corporate Governance Code 2024 and ICAEW Code of Ethics 2026.
- Only engage in non-audit services with the Auditor where:
    1. They are explicitly permitted under the FRC Ethical Standard 2024;
    2. An objective, reasonable and informed third party would conclude that auditor independence is not compromised; and
    3. Services have been approved by the Audit Committee.
- Review the Auditor's independence, objectivity, qualifications, resources and audit effectiveness, including internal quality controls and responses to regulatory findings.
- Ensure the annual report and accounts (ARA) auditor independence disclosures are in line with the UK Corporate Governance Code 2024 guidance.

Imperial Brands PLC and its subsidiaries (the "Group") operate a robust governance framework over the services performed by its external Auditor (the "Auditor"), ensuring independence and effectiveness are preserved to support the integrity of the Group's reporting. This Policy reflects the requirements of the FRC Ethical Standard 2024, the UK Corporate Governance Code 2024 and the ICAEW Code of Ethics 2026.

Further details on this policy can be found in the remainder of this document.

Murray McGowan
Chief Financial Officer

8 October 2026

GROUP AUDITOR INDEPENDENCE POLICY

Policy Owner: Group Financial Control **Effective Date: 8 October 2026**

Definitions

"Auditor" – the external audit firm appointed to perform the statutory audit of Imperial Brands PLC and its subsidiaries.

"Audit Committee" – the committee of the Board responsible for oversight of financial reporting and Auditor independence.

"Auditor Independence" – the principle which requires an Auditor to be free from any financial, personal, or business relationships with a client that could compromise their objectivity and impartiality. It ensures that the Auditor's judgment is based solely on audit evidence, allowing them to report fairly to stakeholders (like shareholders or the public) rather than being unduly influenced by Company management. The Group seeks to avoid threats to Auditor independence as defined by the FRC Ethical Standard 2024, including self-interest, self-review, management, familiarity, advocacy, and intimidation threats. Appropriate safeguards must be applied to mitigate any identified threats.

"Affiliates" - in relation to Imperial Brands PLC: (i) any entity that directly or indirectly controls Imperial Brands PLC, provided that Imperial Brands PLC is material to such entity; (ii) any entity directly or indirectly controlled by Imperial Brands PLC; (iii) any entity over which Imperial Brands PLC exercises significant influence, where such entity is material to Imperial Brands PLC; (iv) any entity that exercises significant influence over Imperial Brands PLC, provided that Imperial Brands PLC is material to such entity; and (v) any entity under common control with Imperial Brands PLC, where such entity is material to Imperial Brands PLC.

"Audit services" are those services conducted by the external auditor on the statutory audit of the ARA.

"Audit-related services" are non-audit services largely carried out by the audit engagement team, where the work involved is closely related to work performed in the audit and the threats to auditor independence are deemed clearly insignificant. Such services (other than those required by law or regulation) are still subject to the 70% non-audit services fee cap and still require Audit Committee approval. Examples of audit-related services are:

- Reporting required by law or regulation to be provided by the Auditor
- Reviews of interim financial information
- Reporting on regulatory reporting/government grants
- Reporting on internal financial controls when required by law/regulation
- Extended audit work that is authorised by those charged with governance performed on financial information and/or financial controls where this work is integrated with the audit work and is performed on the same principal terms and conditions.

"Non-audit services" are any services provided by the Auditor other than statutory audit and audit-related services.

Please refer to Appendix A for a list of permitted non-audit services as per the FRC Ethical Standard 2024.

GROUP AUDITOR INDEPENDENCE POLICY

Risks covered by this policy

The risk that Auditor Independence is impaired, or perceived to be impaired, due to inappropriate relationships, provision of non-audit services, fee dependency or conflicts of interest. Such failures could result in regulatory sanctions, financial misstatement, loss of investor confidence, and reputational damage.

Objectives of this policy

To maintain auditor independence in fact and appearance by ensuring strict compliance with applicable ethical standards, clear approval processes, effective safeguards, and transparent reporting.

Scope of this policy

This Policy applies to Imperial Brands PLC and its affiliates, members of the Board, the Audit Committee, senior management and any employees involved in engaging or managing relationships with the external Auditor.

Audit Committee responsibilities

The **Audit Committee** is responsible for establishing and overseeing the framework for maintaining auditor independence. These responsibilities include:

Establish appropriate oversight:

- Approving the remuneration and terms of engagement with the Auditor, including engagement letters, audit fees, and the scope of the audit.
- Annually reviewing and monitoring auditor independence and objectivity;
- Ensure the Group embraces the challenge brought by the external auditor, gives due consideration to points raised and makes changes where appropriate.
- Ensure that the external auditor has full access to Group's employees and records.
- Assessing annually the Auditor's qualifications, expertise, resources and the effectiveness of the audit process including the auditors' internal quality procedures and responses to any regulatory findings.
- Approve all audit, audit related and non-audit services (either directly or through delegated authority to Group management) prior to the commencement of such services. All services require assessment of their impact on independence. Please refer to the 'Non-Audit Services – requirements and approvals' and 'Non-audit services fee cap' sections below for further details.
- Monitor audit, audit-related and non-audit service fees and spend against approved thresholds and caps.
- Report to the Board on how the Audit Committee has met its responsibilities with respect to the external audit.

Appointment of the Group Auditor:

- To conduct an audit tender process and make recommendations to the Board about the appointment, re-appointment, and removal of the external auditor. The Audit Committee must submit two possible audit firm options for the engagement to the Board, together with a justified preference for one of them.
- To ensure that audit services are tendered at least every ten years, with mandatory audit firm rotation at least every twenty years.

- Ensure the Group manages its non-audit relationships with other audit firms to ensure that it has a fair choice of suitable external auditors at the next tender.

Rotation of Audit Partners:

Monitor Auditor compliance with the FRC Ethical Standard 2024 requirements for rotation of audit partners. Ensuring adherence to the following:

- The lead audit partner must rotate after a maximum of five years and may not return to the role for at least five years.
- Partners identified as key audit partners ("KAPs") must rotate after a maximum of five years and may not return for at least five years.
- Other partners identified as key partners involved in the engagement ("KPIEs"), including those involved in the audit of subsidiaries, must rotate after a maximum of seven years and may not return for at least two years.

Roles and responsibilities

Group Finance and Finance Directors are responsible for ensuring that this Policy is implemented effectively for their area(s) of responsibility, including:

- Identifying proposed engagements with the Auditor and seeking approval in advance.
- Providing timely and accurate reporting of auditor fees and engagements.

The **Auditors** are responsible for maintaining a quality control system that provides reasonable assurance that their independence will not be impaired. The Auditor will report annually to the Audit Committee in writing on all aspects concerning its independence, including possible conflicts with this Policy, if any, and confirm its independence.

The **Auditors and Group Finance** are required to comply with the FRC Ethical Standard 2024. This includes reporting on types of services performed and agreed, including related fee spend irrespective of any limit (split by Audit, audit-related and non-audit services).

The **Auditors and all Imperial Brands PLC employees** must comply with the Auditor **hospitality restrictions,** that the Auditor may not offer or accept gifts or hospitality to or from any Director or employee of the Group unless an objective, reasonable informed third party would consider the item strictly **trivial or inconsequential.** For example, working meals/team events, with a clear business purpose and the overall cost is modest and in line with the Imperial Brands Group Travel and Expense Policy. Where there is any doubt whether hospitality is trivial or inconsequential documentation of the judgement should be formalised.

Furthermore, these parties must comply with the **recruitment and employment restrictions,** specifically:

- The Group will not hire individuals from the Auditor who have worked on the Group audit within the preceding two years.
- The Auditor will not hire senior management of the Group, involved in the audit within two years of cessation of employment.

Non-Audit Services (including Audit-related services) – requirements and approvals

GROUP AUDITOR INDEPENDENCE POLICY

Non-audit services (including Audit-related services) may only be provided where explicitly permitted under the FRC Ethical Standard 2024, are closely related to the audit, and where an objective, reasonable and informed third party would conclude that auditor independence is not compromised. For example, regulatory reporting, internal control reporting, solvency reporting, and other mandatory assurance engagements.

Please refer to Appendix A for a list of permitted non-audit services and whether the service fee cap is applicable as per the FRC Ethical Standard 2024.

Any non-audit services undertaken by the Auditor, or any subsidiary Auditor, requires the specific **approval of the Audit Committee** ahead of any engagement taking place.

Prohibited non-audit services as per the FRC Ethical Standard 2024 include:

- Accounting services
- Management services
- IT services – design, provision and implementation of IT systems (including financial IT systems)
- Internal audit services
- Tax services (including advice and services to controlling shareholders)
- Recruitment and remuneration services
- Corporate finance services
- Transaction related services
- Restructuring services (including managerial roles)
- Valuation services
- Actuarial valuation services
- Legal services/Litigation support services

The Audit Committee delegates approval to Group Management where fees for the engagement are below or equal to £100,000 (or local currency equivalent), on the following basis:

Limit	1st Approval	2nd Approval
£0-£50,000	Group Financial Controller	N/A
£50,000 - £100,000	Group Financial Controller	Global Finance Director / Chief Financial Officer
£100,000+	Audit Committee	

All non-audit fees, irrespective of value, will be reported to the Audit Committee.

Non-Audit Services Fee Cap

Non-audit service fees must be capped at 70% of the average audit fees for the preceding three financial years, calculated at both statutory audit and audit network level, in accordance with the FRC Ethical Standard 2024.

All services are subject to the requirement for the audit firm to consult internally on the threats to independence where the fees for non-audit services are expected to exceed the audit fee in any one year.

Please refer to Appendix A for a list of permitted non-audit services and whether the service fee cap is applicable as per the FRC Ethical Standard 2024.

GROUP AUDITOR INDEPENDENCE POLICY

Reporting

The Group's ARA will disclose:

- Results of the Audit Committee's annual assessment of the effectiveness of the Auditor and Auditor's independence.
- Length of tenure of the audit firm, date of the last tender conducted, and provide advance notice of any tendering plans. If a tender process has taken place within the year, the Audit Committee should explain the criteria used to make the selection and the process followed.
- An explanation of how auditor independence and objectivity are safeguarded, if the external auditor provides non-audit services.
- Where a regulatory inspection of the quality of the company's audit has taken place, information about the findings of that review, together with any remedial action the auditor is taking in the light of these findings.
- Details of all remuneration paid to the Auditor in relation to audit and non-audit services during the specified reporting period
- Explanations of any departures from the UK Corporate Governance Code 2024.

Policy disclosure

The Group will disclose this Auditor Independence policy on our external website.

Exception Management and Local Legislative Restrictions

Where this Policy conflicts with local law, any exceptions must be communicated in writing and approved by the Policy Owner. Exceptions granted will be reviewed annually by the Policy owner and the Audit Committee.

Policy review

This policy shall be reviewed on an annual basis or upon any significant changes to risk profile or risk appetite for the risks within the scope of this policy.

Related content

- Audit Committee Terms of Reference
- Financial Reporting Council Ethical Standard 2024
- UK Corporate Governance Code 2024
- ICAEW Code of Ethics 2026

Key Contacts

For further information, please contact Group Finance or Group Company Secretariat.

GROUP AUDITOR INDEPENDENCE POLICY

APPENDIX A – PERMITTED NON-AUDIT SERVICES

Note: All non-audit services are subject to the authorisation requirements detailed above.

1 Services required by law or regulation and exempt from the non-audit services cap

- Reporting required by a competent authority or regulator under law or regulation for example;
    1. Reporting to a regulator on client assets;
    2. in relation to entities regulated under the Financial Services and Markets Act 2000 (FSMA), reports under s166 and s340 of FSMA;
    3. Reporting to a regulator on regulatory financial statements;
    4. Reporting on a Solvency and Financial Condition Report under Solvency II.
- In the case of a controlled undertaking incorporated and based in a third country, reporting required by law or regulation in that jurisdiction where the auditor is permitted to undertake that engagement
- Reports, required by or supplied to competent authorities / regulators supervising the audited entity, where the authority / regulator has either specified the auditor to provide the service or identified to the entity that the auditor would be an appropriate choice for service provider;
- Services which support the entity in fulfilling an obligation required by UK law or regulation, including listing requirements, where: the provision of such services is time critical; the subject matter of the engagement is price sensitive; and it is probable that an objective, reasonable and informed third party would conclude that the understanding of the entity obtained by the auditor for the audit of the financial statements is relevant to the service, and where the nature of the service would not compromise independence;

2 Services subject to the non-audit services cap

- Reviews of interim financial information; and providing verification of interim profits not otherwise required by law or regulation;
- Where not otherwise required by law or regulation, non-audit and additional services, as defined in the FRC Ethical Standard 2024, provided as auditor of the entity, or as reporting accountant, in relation to information of the audited entity for which it is probable that an objective, reasonable and informed third party would conclude that the understanding of the entity obtained by the auditor is relevant to the service, and where the nature of the service would not compromise independence;
- Extended audit or assurance work that is authorised by those charged with governance performed on financial or performance information and/or financial or operational controls, in an entity relevant to an engagement or a third-party service provider, where this work is closely linked with the audit work;
- Reporting on the iXBRL tagging of financial statements in accordance with the European Single Electronic Format for annual financial reports. In situations involving a dual listed entity where iXBRL tagging assurance is required by the laws and regulations of another jurisdiction, then the part of the fee relating to such another jurisdiction is not subject to the fee cap;
- Additional assurance work or agreed upon procedures, authorised by those charged with governance performed on material included within or referenced from the annual report of an entity relevant to an engagement;
- Reporting on government grants;

- Reporting on covenant or loan agreements, which require independent verification, and other reporting to third parties with whom the entity relevant to an engagement has a business relationship in accordance with Appendix C of the FRC Ethical Standard 2024;
- Services which have been the subject of an application to the Competent Authority in accordance with Regulation 79 of The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019 (SI2019/177);
- Generic subscriptions providing factual updates of changes to applicable law, regulation or accounting and auditing standards.