ESG:
PERFORMANCE SUMMARY 2025

IMPERIAL BRANDS

CONTENTS

OUR CHALLENGER APPROACH TO ESG

At Imperial Brands, our Environmental, Social, and Governance (ESG) strategy mirrors our strategic goals as a challenger business. This means staying close to our consumers, focusing on what matters most, and investing in the capabilities that drive agility and impact. We believe ESG is a strategic enabler, that underpins our ambition to become a high-performing, consumer-centric, and responsible business.

Knowing our consumers best

As we continue to scale our Next Generation Products (NGP) business, we are committed to offering consumers potentially reduced-risk alternatives to traditional tobacco products. We combine our science and consumer insights to unlock ways of encouraging smokers to transition to NGP. We also invest in behavioural insights to promote more sustainable consumer choices, such as encouraging the recharging and recycling of vapes and to develop reduced packaging solutions that are both environmentally responsible and acceptable to consumers.

Focusing on priority issues

Our Double Materiality Assessment (DMA) approach ensures we concentrate our efforts on the ESG issues that are most material to both our business and our stakeholders. We defined these priorities by listening to the views of consumers, customers, employees, regulators, and investors. As a result, our ESG commitments are closely aligned with our strategic priorities and commercial objectives, and we can allocate resources where they can deliver the greatest impact. For further information on this process please read the DMA section.

Investing to strengthen our organisational agility

We are investing in technology, data, people, and processes to strengthen our organisational agility. This year, we conducted two real-world behavioural science studies to evaluate the harm reduction potential of our blu vaping product. These studies involved adult smokers incorporating our vape into their daily routines, with the aim of reducing or replacing cigarette use.

By adopting energy-efficient technologies and practices, we have successfully reduced our carbon footprint and generated cost savings. This reinforces our commitment to Net Zero and the responsible use of resources.

We have strengthened supplier oversight by expanding third-party risk assessments through our partnership with Sedex (Supplier Ethical Data Exchange), a global platform that helps companies manage ESG risk across their supply chains. We also promote integrity among our suppliers, asking them to uphold the same standards as us. This ensures ethical practices and a secure, reliable supply chain.

Our Purpose:

To forge a path to a healthier future for moments of relaxation and pleasure.

Our Vision:

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

We work with suppliers to support farming communities in choosing to grow tobacco sustainably for today, tomorrow, and the future.

We conduct regular reviews of our progress and refine our strategies to remain aligned with our objectives. ESG is about conducting business responsibly, ensuring integrity and efficiency without compromising on quality or incurring unnecessary costs.

While challenges remain, we are delivering against our ESG commitments. Our evolving performance culture and increased workforce engagement have been key drivers of this progress. Nonetheless, we recognise that continued effort is essential to fully realise our ESG ambitions.

T. Dunnage
Global ESG Director

In FY25 ESG metrics continue to be part of executive remuneration.
See our 2025 Annual Report and Accounts page 104.

Find out more

We provide further detail on our approach to managing our ESG responsibilities on our corporate website: Healthier Futures.

Our Reporting Criteria document provides further information on ESG-related metrics.

We disclose ESG-related information in alignment with the Global Reporting Initiative (GRI) Standards – Core option, and in accordance with the Sustainable Accounting Standards Board (SASB) framework for the tobacco sector.

Further details are available in our 2025 GRI and SASB Index.

Follow the QR code to take you to our website.

DOUBLE MATERIALITY ASSESSMENT

As part of our work towards alignment with the EU Corporate Sustainability Reporting Directive (CSRD), we conducted a comprehensive Double Materiality Assessment (DMA) to identify and prioritise the Impacts, Risks, and Opportunities (IROs) that matter most across our value chain.

Our value chain spans from the sourcing of raw materials, through to manufacturing, logistics, and distribution, to the marketing and sale of our products.

Material IROs were identified at each stage, reflecting both the financial impact for Imperial Brands and our wider impacts on people and the planet..

The infographic presents an overview of the material IROs identified in our DMA. These are mapped across the value chain to show where they arise and how they connect to our business model and strategic priorities.

The results reaffirmed the materiality of our eight existing ESG priority issues, while also highlighting new and emerging areas of strategic importance. These insights are guiding the next phase of our ESG strategy.

We are actively reviewing all associated metrics and KPIs across our ESG priority issues to ensure they accurately reflect the material IROs identified.

This will support more specific and meaningful target-setting as we move forward.

The DMA process followed four key phases:

1. Value chain mapping

We mapped our value chain, using Datamaran, a leading ESG software provider, to identify potentially material topics across each stage the value chain.

2. Identification of IROs

Using both score-based and survey-based screening, we identified a long list of IROs, guided by internal risk registers, our Task Force on Climate-Related Financial Disclosure (TCFD) risks, and AI-generated insights.

3. Assessment of Material IROs

Subject matter experts (SMEs) assessed the IROs using a structured methodology aligned with the European Sustainability Reporting Standards (ESRS). Submissions were reviewed for consistency, and predefined scoring thresholds were applied to determine materiality.

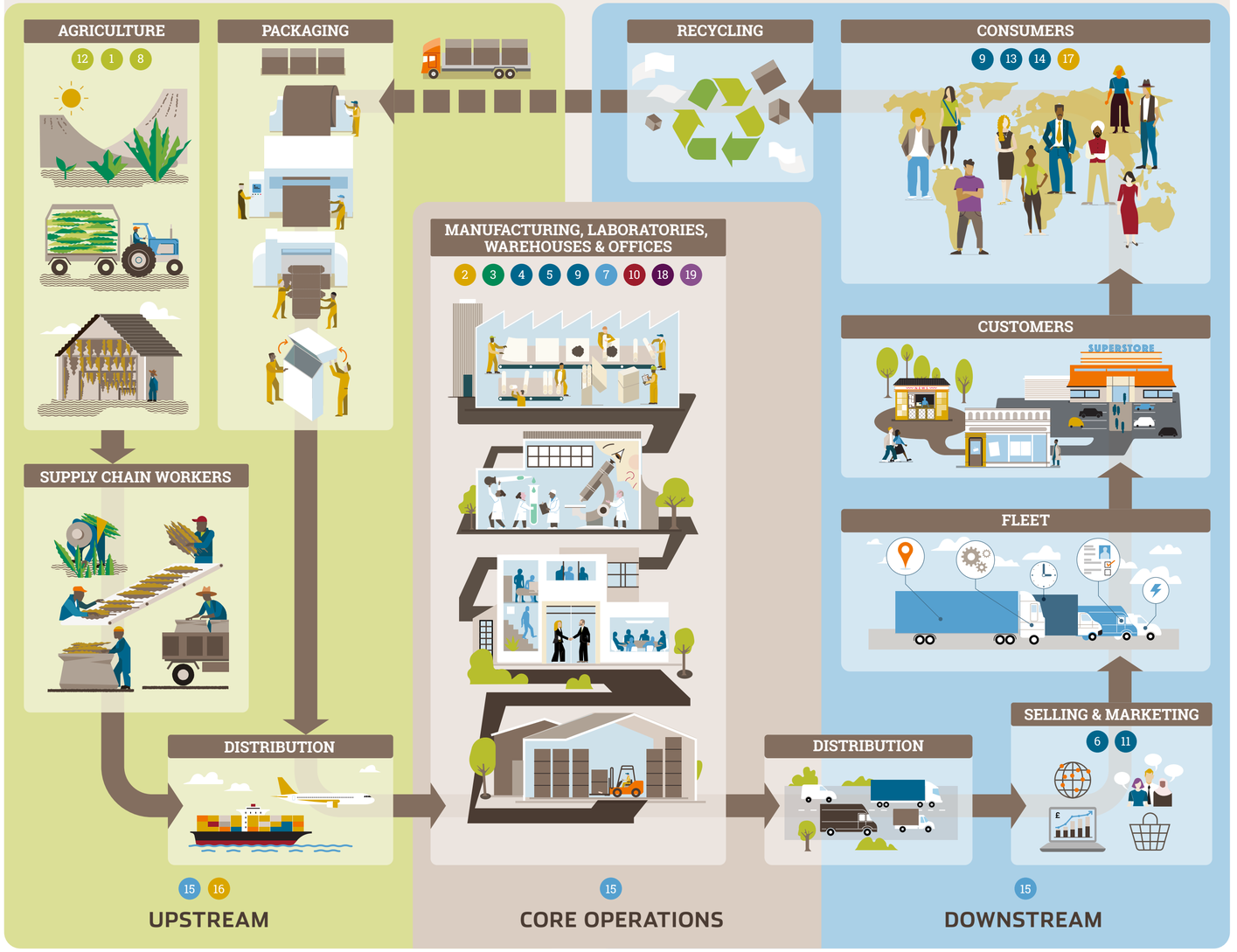
4. Validation and Sign-Off

The shortlist of material IROs was validated through engagement with internal and external subject matter experts.

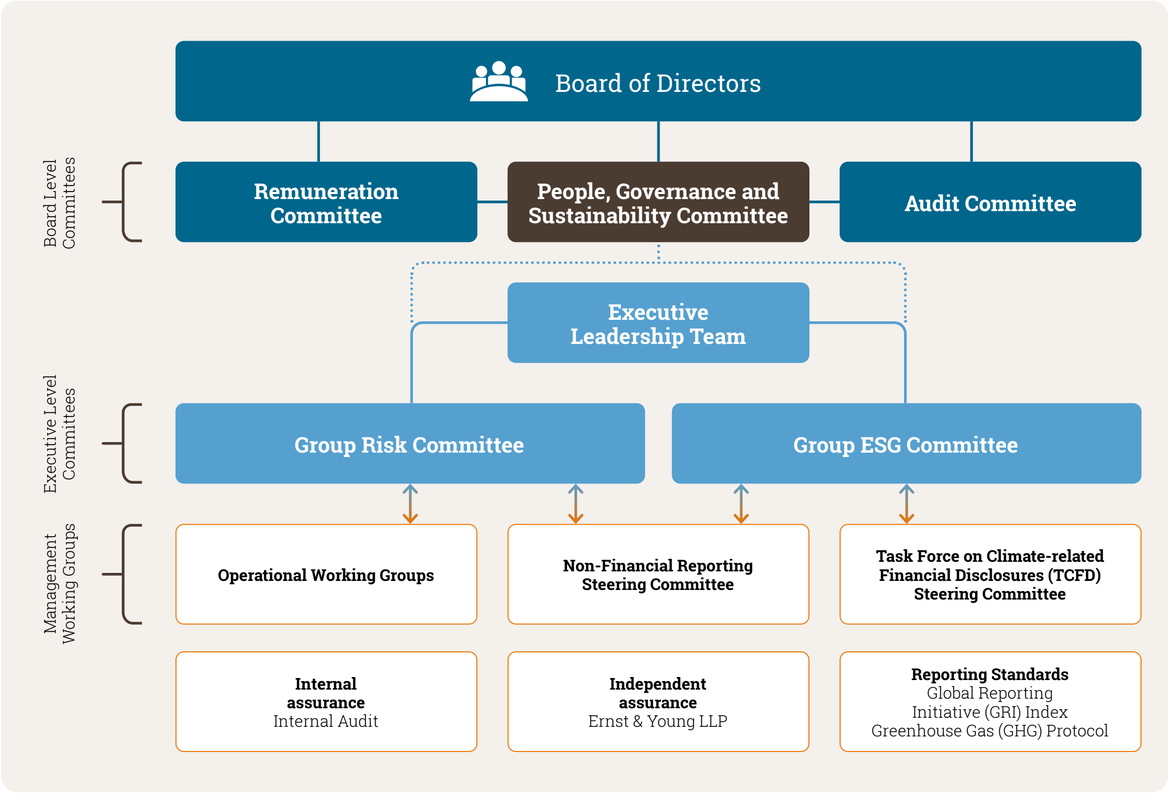
The material IROs map to one or more of our ESG priority issues. For more information see ESG issue section.

ESG Priority Issue	Positive Impact	Negative Impact	Risk	Opportunity
Consumer Health	11	13 14	4 5 6	9
Climate Change		15	7	
Packaging & Waste		16 17	2	
Farmer Livelihoods & Welfare	12		1	8
Sustainable & Responsible Sourcing			3	
Human Rights		18		
Health, Safety, & Wellbeing		19		
Diversity, Equity, & Inclusion	10			

MATERIAL IROs ACROSS THE IMPERIAL BRANDS VALUE CHAIN



ESG GOVERNANCE
POWERED BY RESPONSIBILITY



The People, Governance & Sustainability Committee, chaired by Imperial's Chair and comprising all Non-Executive Directors has accountability for monitoring and reviewing the Group's ESG and ethics and compliance performance and overseeing key risk management and mitigation. Further details are available on our website.

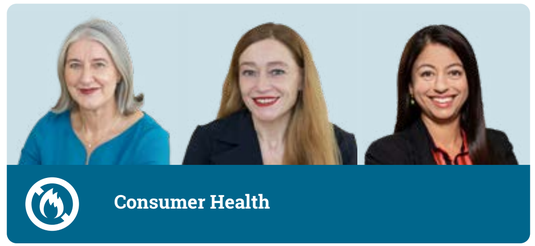
The ESG Committee, comprising of the executive leadership team (ELT), plays a key role in overseeing, advising, and guiding the delivery of our ESG strategy including ensuring progress against the ESG commitments.

Our Code of Conduct is the cornerstone of our governance framework.

It defines the standards of ethical conduct expected of everyone who works for our organisation and guides responsible decision-making across the business. Other codes and policies, including our Supplier Code of Conduct, operate under its overarching principles. Our Supplier Code of Conduct is embedded into our Procurement Policy and processes, which govern how we select and contract with our suppliers.

Our Speaking Up platform is accessible to employees and external stakeholders, including suppliers and farmers. It offers multiple reporting channels and supports anonymous feedback. The Speaking Up Policy is available internally and on our Group website.

ESG SPONSORS
ALIGNED TO EXECUTIVE REMIT


Consumer Health


Climate Change


Sustainable & Responsible Sourcing


Employee Health, Safety & Wellbeing


Farmer Livelihoods & Welfare

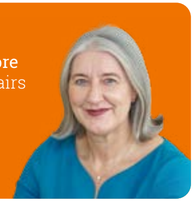

Human Rights


Packaging & Waste


Diversity, Equity & Inclusion

ESG Committee Chair
Lucas Paravicini
Chief Executive Officer

ELT lead on ESG
Deborah Binks-Moore
Chief Corporate Affairs Officer



ESG Committee Secretariat
Tony Dunnage
Global ESG Director

ESG Sponsors Key Responsibilities

Delivery of our ESG targets is supported by active engagement from our senior executives. These sponsors play a critical role in challenging strategic direction, driving integration across the business, and ensuring visible leadership from the top.

The Group ESG Committee meets at least twice a year to foster collaboration, identify synergies, exchange best practices, and shape future strategic direction.

OUR ESG APPROACH SUPPORTS OUR PURPOSE, VISION AND 2030 STRATEGY

Our 2030 strategy builds on a solid foundation and reflects a step-change in our ambition to transform the business.

Our Purpose:

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

Our Vision:

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

Start with the Consumer

Take Accountability with Confidence

Collaborate with Purpose

Be Authentic, Inclusive to all

Build our Future

HOW WE DELIVER ON OUR ESG PRIORITIES

Each of our ESG priorities is aligned with at least one United Nations Sustainable Development Goal (SDGs) and organised under three strategic pillars.

HEALTHIER FUTURES

This pillar directly supports our purpose – forging a path to a healthier future for moments of relaxation and pleasure. We prioritise consumer health by addressing the impacts of tobacco smoking and offer alternatives that are potentially less harmful.

We are also reducing our climate impact by minimising product packaging, and production waste across our value chain, and aim to be Net Zero by 2040.

Our ESG priority areas in this pillar are:

CONSUMER HEALTH

NGP net revenue has increased 83% since 2020.

CLIMATE CHANGE

Reduced our Scope 1 and Scope 2 market-based emissions by 72% since 2017.

PACKAGING & WASTE

Reduced absolute waste across our operations by 36% since 2017.

POSITIVE CONTRIBUTION TO SOCIETY

This pillar underpins our long-term strategy by promoting responsible business practices that strengthen supply chain resilience and sustainability.

We are committed to working with our suppliers to support farming communities, promote sustainable agriculture, and ensure the responsible sourcing of products and services through continuous improvement.

Our ESG priority areas in this pillar are:

FARMER LIVELIHOODS & WELFARE

In FY25 we provided financial support for projects in 12 countries with more than 152,000 beneficiaries.

SUSTAINABLE & RESPONSIBLE SOURCING

We have been recognised by CDP as a supplier engagement leader in 2024 for a 6th consecutive year.

SAFE & INCLUSIVE WORKPLACE

This pillar is a core enabler of our ambition to build a high-performance culture, where everyone is enabled to do their best work, every day.

We are committed to promoting human rights, and fostering a safe, inclusive, and diverse workplace where everyone can thrive and belong.

Our ESG priority areas in this pillar are:

HUMAN RIGHTS

More than 4,900 employees completed Human Rights Digital Learning.

EMPLOYEE HEALTH, SAFETY & WELLBEING

Reduced lost time accidents by 47% since 2019 (absolute numbers).

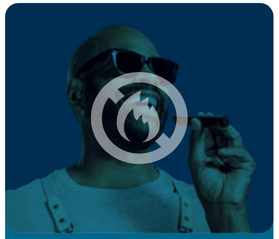
DIVERSITY, EQUITY & INCLUSION

40% female representation on the Board.

OUR ESG AMBITION

POWERED BY RESPONSIBILITY

HEALTHIER FUTURES



CONSUMER HEALTH

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.

OUR PLAN:

Adult Smoker Consumer Choice – Providing potentially harm reduced alternatives for adult smokers.

Scientific Substantiation – Ensuring our products are backed by rigorous scientific evidence.

Unintended Use Prevention – Build upon strategies to prevent product use amongst non-target audiences.

CLIMATE CHANGE

We are committed to reducing our impact on the climate throughout our value chain. Focusing on both mitigation and adaptation.

OUR PLAN:

By 2025, 100% of our purchased grid electricity will come from traceable renewable sources.

By 2030, 100% of energy for our operations will be from renewable sources.

By 2030, we will also reduce energy use by *45%, allowing us to achieve Net Zero in our direct operations.

By 2040 our value chain will be Net Zero emissions (Scope 1,2,3).

PACKAGING & WASTE

We are committed to minimising waste associated with our products, packaging and production processes.

OUR PLAN:

By 2025 our operations will send zero waste to landfill.

By 2025, 100% of our packaging will be reusable, recyclable or compostable (EU & UK).

By 2035, we will reduce waste generated within our operations by 50%.

POSITIVE CONTRIBUTION TO SOCIETY

FARMER LIVELIHOODS & WELFARE

We are committed to engaging with our suppliers to support and develop farming communities and promote sustainable agriculture.

OUR PLAN:

We require our leaf suppliers to express a commitment to supporting their farmers access a decent standard of living.

Support suppliers and their farmers to access sustainable wood for tobacco curing fuel by 2025.

Support suppliers to improve access to basic needs for 180,000 farmers and their families in each of three project categories by 2030.

SUSTAINABLE & RESPONSIBLE SOURCING

We are committed to sourcing products and services in a compliant, sustainable and socially conscious manner.

We will work with our suppliers to ensure continuous improvements.

OUR PLAN:

Continue to use the CDP Supply Chain Programme alongside our internal Supplier Relationship Management (SRM) Connect to improve the collection, quality, and robustness of Scope 3 data. Seek collaboration opportunities with partner suppliers to effectively reduce our Scope 3 emissions.

Integrate the use of SEDEX and SMETA audits into our procurement process to drive continuous improvement.

SAFE & INCLUSIVE WORKPLACE

HUMAN RIGHTS

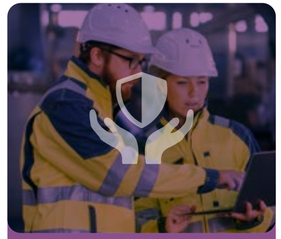
We are committed to raising awareness and improving processes in our operations, and we recognise the importance, influence, and role we have in promoting and protecting human rights.

OUR PLAN:

Implement Human Rights Leading Indicators (HRLI) across our factory sites and main offices.

Continue to increase human rights awareness across the business.

Align our due dilligence process to the EU Corporate Sustainability Due Diligence Directive (CSDDD).



EMPLOYEE HEALTH, SAFETY & WELLBEING

We are committed to achieving world-class occupational health, safety and wellbeing for all our employees.

OUR PLAN:

A "Zero" injury aspiration.

By 2025, achieve 100% compliance with OHSE Framework.

By 2030, reduce the Lost Time Accident (LTA) rate by **75%.

Enable local sites to tailor initiatives addressing local wellbeing needs.

DIVERSITY, EQUITY & INCLUSION

We are committed to creating an inclusive organisation renowned for celebrating difference, enabling our people to feel that they belong and can be their authentic selves. We respect, recognise and value the diversity of our consumers and strive to reflect the communities in which we operate.

OUR PLAN:

Continue to raise awareness and accountability for DEI.

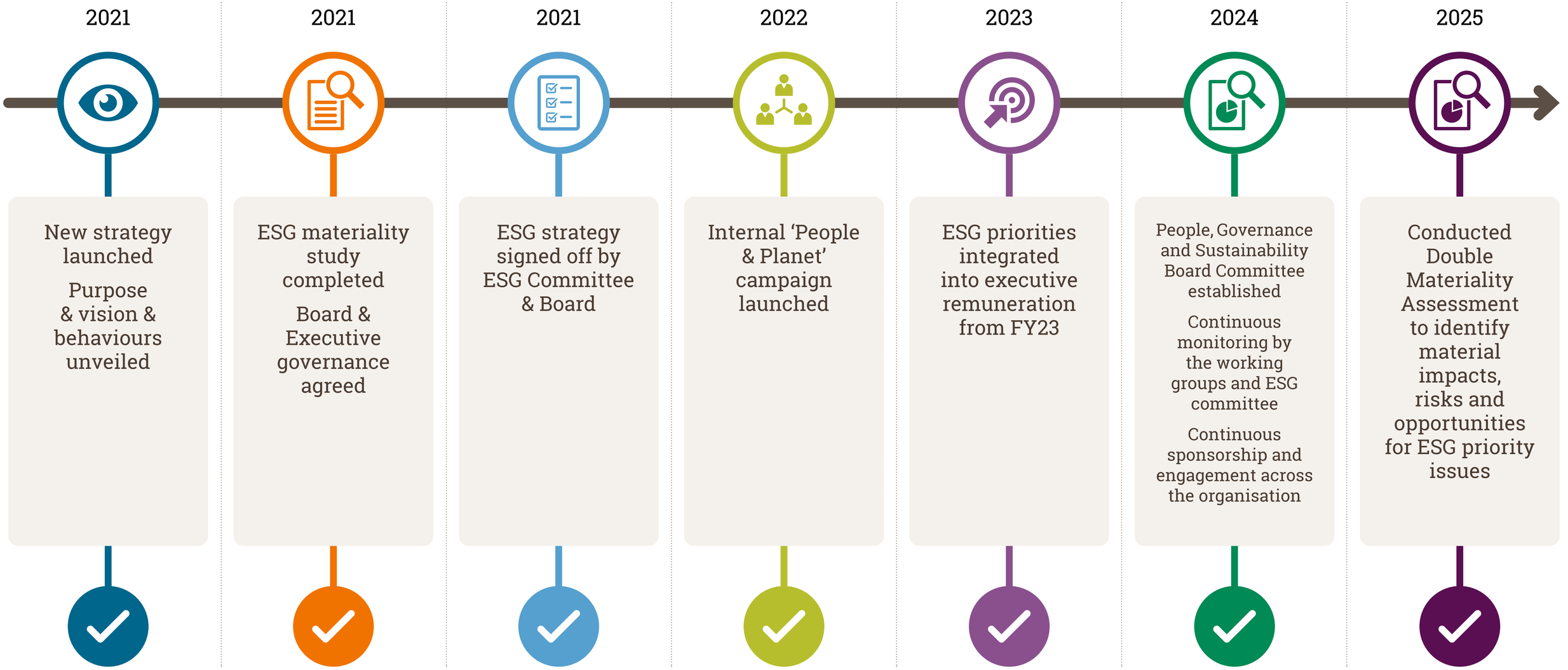
Capture data through the global employee-self identification campaign to measure progress we are making in various DEI metrics.

Improve gender balance in senior management.

*Baseline 2017, **Baseline 2019

DEVELOPED THROUGH A COMPREHENSIVE REVIEW

ESG fully integrated into strategy, vision, purpose and behaviours



ESG PERFORMANCE HIGHLIGHTS

ENABLED CONSUMER CHOICE

by 83%

Growth in NGP Net Revenue since 2020

REDUCED OUR DIRECT EMISSIONS

by 72%
since 2017

REDUCED WASTE IN OPERATIONS

by 36%
since 2017

We supported more than

152,000

beneficiaries through our Leaf Partnership Projects in FY25

We have been recognised by CDP as a

SUPPLIER ENGAGEMENT LEADER

in 2024 for a 6th consecutive year

More than

4,900

employees completing the Human Rights Digital Learning

REDUCED LOST TIME ACCIDENTS

by 47%
since 2019

40%

female representation on the Board

* Scope 1 and Scope 2 market-based emissions (CO2 equivalent tonnes)
** Absolute number of lost time accidents.

CONSUMER HEALTH

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.

SDGs

3 GOOD HEALTH AND WELL BEING

We are committed to tobacco harm reduction.

Governance

Governance bodies:

- Consumer Health Working Group
- Product Stewardship and Health Group (PSHG)
- ESG Committee

Key policies:

- International Marketing Standards
- NGP Policy Positions

ELT Sponsors:

Deborah Binks-Moore
Chief Corporate Affairs Officer

Paola Pocci
Chief Consumer Officer

Priyali Kamath
President, Africa, Asia, Australasia, and Central & Eastern Europe (AAACE) Region

We are continuing to evolve through consumer-focused science and innovation, with a commitment to make a meaningful contribution to tobacco harm reduction through our NGP portfolio. Transitioning consumers from cigarettes to NGP presents a global public health opportunity with the potential to reduce the risks of smoking-related disease for millions of adult individuals who smoke. Our NGP are now available to more than 200 million tobacco/nicotine product users in 20 markets, while our related revenues have increased by 83% since 2020.

We define and measure our contribution to Consumer Health through three core pillars.

Adult Smoker Consumer Choice

Our approach is led by the consumer. We enter markets where adult smoker consumers have already expressed an NGP preference and where we have existing routes to market.

Within our individual NGP markets, consumers tend to express a preference for different categories. For example, in Western Europe vapes are popular. In the US and the Nordics, modern oral nicotine products are popular, and Southern and Eastern Europe consumers tend to prefer heated tobacco products.

We aim to get as close as possible to our target adult consumers to understand their preferences and barriers to switching from combustible tobacco. We then build distinctive brands which appeal to them and focus our innovation to meet our target consumers' key needs.

For example, our blu vape brand is highly focused on providing adult consumers with a trusted product with authentic flavours. In heated tobacco, our Pulze/iD proposition is focused on smokers and former smokers who are looking for a smoke-free experience, similar to a combustible cigarette.

Scientific substantiation

We conduct scientific studies to substantiate the tobacco harm reduction (THR) potential of our NGP compared to combustible cigarettes. See our case study for highlights in 2025.

Our commitment goes beyond regulatory compliance – we aim to advance the broader THR agenda through robust, transparent science.

As adult smoker consumer behaviours, product innovation, and the THR debate continues to evolve, so too does our research approach. In addition to applying our comprehensive scientific assessment framework, we are undertaking a series of innovative in-market studies to evaluate the real-world effectiveness of our NGPs. These efforts are central to our ambition to deliver meaningful, evidence-based contributions to public health.

See our science website for more information.

Unintended use prevention

We recognise societal concerns around some NGP categories and remain firmly committed to preventing unintended use of our products, particularly among youth. Our product portfolio reflects this commitment. As a responsible manufacturer, we do not offer flavours associated with confectionery, baked goods, or candy, and we market our vape products exclusively to adult smokers and nicotine users seeking a broader lifestyle change.

Unintended use by non-target audiences can significantly undermine the public health potential of NGP. To build upon our strategies to prevent unintended use of our products, we actively advocate for robust and consistent regulatory enforcement to strengthen product compliance, reduce illicit trade, and safeguard against misuse.

Our commitment to responsible marketing and sale of our NGP and combustible tobacco products is summarised by our Marketing Principles and underpinned by a group-wide International Marketing Standard for NGP.

Three pillars support our consumer health ambition:

1. Consumer Choice: Offering adult smokers and nicotine users a variety of NGP.
2. Scientific Substantiation: Providing evidence that using our NGPs may reduce harm compared to continuing to smoke.
3. Unintended Use Prevention: Ensuring NGPs are used only by adult smokers and nicotine users.

Material Impact, Risk and Opportunity

Positive Impact	Negative Impact	Negative Impact	Risk	Risk	Risk	Opportunity
Evolving and offering a range of innovative, satisfying NGP that attract adult smokers and existing nicotine users.	Tobacco smoking is a cause of serious disease and negatively impacts public health.	NGP are not risk-free and could therefore negatively impact public health if widely adopted by unintended audiences.	Failure to effectively influence regulatory, scientific, and social discussions about NGP and tobacco harm reduction	NGP product innovation not keeping pace with market and consumer preferences	Improper manufacturing and marketing of smoke-free products by irresponsible industry players	Making a meaningful contribution to public health through tobacco harm reduction via NGP
IRO 11	IRO 13	IRO 14	IRO 4	IRO 5	IRO 6	IRO 9

CONSUMER HEALTH

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.

BEHAVIOURS:

Start with the Consumer

SDGs

3 GOOD HEALTH AND WELL BEING

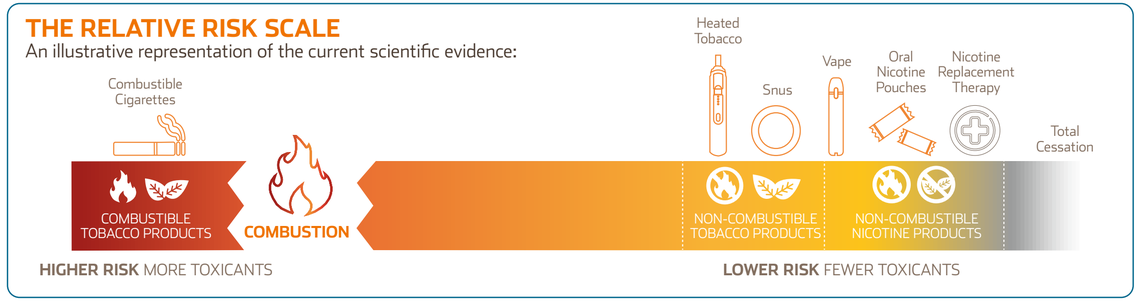
We are committed to tobacco harm reduction.

Our challenger approach to Consumer Health	
Start with the consumer	A data-driven approach informed by a deep understanding of adult smoker consumers and our markets.
Provide consumer choice	Our role is to provide consumer choice in existing markets
Meeting untapped consumer needs	We seek to build differentiated challenger brands that meet untapped consumer needs
Scientific validation	We validate our potentially reduced risk product offers through rigorous scientific validation

For further information please visit the Imperial Brands Science website:

www.imperialbrandsscience.com

The relative risk scale demonstrates the crucial distinction between high-risk cigarettes and other, potentially reduced harm nicotine-containing products that do not involve tobacco combustion.

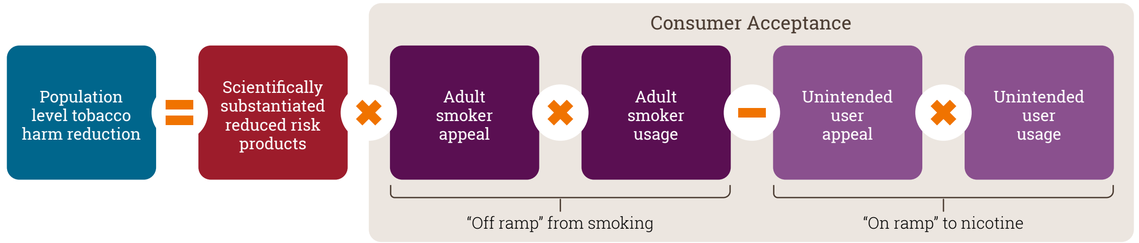


Consumer choice and harm reduction

The most beneficial health outcome for adult smokers is to avoid smoking or using any tobacco or nicotine products altogether. However, for those who continue to smoke, the next best option is to transition to NGP, which may offer a potentially reduced harm alternative to combustible tobacco. This approach supports harm reduction by encouraging informed choices that can lead to improved health outcomes.

As a consumer-centric organisation, we believe that expanding the range of NGP and continuously enhancing product experiences through innovation tailored to consumers' evolving needs can significantly support higher switching rates among adult smokers.

Consumer choice must be provided responsibly



Adult smoker consumer acceptance and satisfaction are critical to enabling effective harm reduction. Encouraging adult smokers to switch to potentially reduced harm nicotine products – a process often referred to as "off-ramping" – can play a key role in this effort.

At the same time, we are aware of societal concerns regarding unintended use of these products, particularly among youth. This type of uptake is commonly described as "on-ramping,". Addressing this issue responsibly is essential to maintaining trust and ensuring that harm reduction strategies remain focused on adult smokers.

At a population level, harm reduction can only be achieved if the 'off-ramp' substantially outweighs the risk of 'on- ramping', which we are committed to helping minimise or eliminate.

As a responsible manufacturer, all our products are aimed at existing adult smokers and nicotine consumers only.

Marketing Principles

1. We only engage with adult smoker consumers of tobacco and nicotine products.
2. Our marketing is honest and transparent.
3. We give our consumers the information they need to make informed choices.
4. We will never encourage people to start smoking or non-smokers to use recreational nicotine products and never discourage consumers of our products from quitting.
5. We comply with the local laws, codes of practice and voluntary agreements which govern the advertising, promotion, and sale of our products.

Regulatory environments

Supportive regulatory environments play a vital role in enabling a meaningful contribution to harm reduction.

We believe that building constructive relationships between industry and regulators is essential for progress. Manufacturers must consistently act with integrity – prioritising responsible product design, transparent scientific practices, and ethical marketing.

CONSUMER HEALTH

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.

SDGs

3 GOOD HEALTH AND WELL BEING

We are committed to tobacco harm reduction.

Our

NGP NET REVENUE

has increased by 83% between FY20 and FY25

83%

Product safety evaluation and THR substantiation

As part of our commitment to being a responsible manufacturer and supporting adult smoker consumers in accessing potentially reduced harm alternatives to smoking, we have developed a comprehensive scientific assessment framework. This multi-stage, multi- disciplinary approach is designed to rigorously evaluate NGP, ensuring they meet high standards of safety, quality, and performance before being offered to adult smoker consumers.

This approach allows us to rigorously validate the safety profiles of our NGP throughout their entire lifecycle. It also enables us to scientifically assess their potential benefits and relative risks compared to traditional cigarettes, with a focus on both individual users and the broader adult smoking population. This ensures our harm reduction efforts are data-driven and based on evidence and responsible product stewardship.

Our innovation approach

We believe true innovation is not only consumer-centric, but consumer driven – so starting with the adult smoker consumer underpins our NGP research and development philosophy. We aim to identify technologies that not only meet adult smoker consumer expectations but also advance our commitment to harm reduction.

This consumer-first mindset inspired the creation of our Sense Hubs and prototyping labs — dedicated spaces where we engage directly with consumers who use our NGP every day to co-create and refine innovations. This approach is transforming the pace, agility, and efficiency of our product development through consumer collaboration.

Consumer Co-creation

We prioritise 'real world' adult smoker consumer insights, data, and co-ideation to maximise product impact.

Preto- and Prototyping

We bring NGP ideas to life more rapidly than ever, co-creating and co-iterating at pace with our adult smoker consumers.

Technology Readiness

We look for technologies that provide sensorial benefits to our adult smoker consumers, as well as increased harm reduction potential.

Platform Approach

We focus on technologies with the potential for long-term deployment across multiple NGP categories.

Case Study
Behavioural studies*

This year, we conducted two new behavioural science studies to further substantiate the harm reduction potential of our blu vaping product. These real-world studies involved adult smokers using blu in their daily lives to reduce or replace cigarette consumption.

Key findings include:

- **Rapid behavioural change:** Within one week, many participants shifted from smoking to vaping blu, with an average reduction in cigarette consumption of nearly 29%.
- **Daily cigarette reduction:** Across both studies, participants smoked almost 30% fewer cigarettes per day after switching to blu.
- **Role of flavours:** Authentic fruit and mint flavours played a vital role in the switching journey. In one study, 29% of users exclusively chose fruit flavours.
- **Sustained use:** Flavours also supported continued use of blu, with 60% of participants indicating they would purchase blu again due to flavour satisfaction.
- **Long-term impact:** At six-month follow-up, 33–40% of participants had switched to vaping to a large extent or completely.

These findings highlight blu's potential to support adult smokers in reducing or quitting cigarette use, an encouraging development for public health. Both studies are scheduled for submission to peer-reviewed journals later this year.

For more information see the Imperial Brand Science website.

* This content relates to scientific information about Imperial Brands PLC's efforts on harm reduction. The purpose of this content is not advertising or marketing, nor is it directed at any specific market. Products are not licensed as cessation products and are not marketed as such.

CLIMATE CHANGE

We are committed to reducing our impact on the climate throughout our value chain, focusing on both mitigation and adaptation.

BEHAVIOURS:

Build our Future

SDGs

Ensure access to affordable, reliable, sustainable, and modern energy for all.

Take urgent action to combat climate change and its impacts.

Governance

Governance bodies:

- Environmental Compliance Working Group
- ESG Committee

Key policies:

- Environment Policy
- Biodiversity Statement

ESG Executive Sponsor:

Tony Dunnage
Global ESG Director

Climate change presents a significant challenge to global stability and long-term business resilience. It is a key concern for our stakeholders and a material issue for our organisation, with the potential to directly impact financial performance, regulatory compliance, and risk management. Relevant risks and opportunities are disclosed in our TCFD report on page 54 to 65 of the 2025 Annual Report and Accounts.

We are committed to achieving Net Zero emissions by 2040 across our entire value chain. To support this ambition, we have set two interim targets for 2030:

1] Achieve Net Zero for Scope 1 and 2 emissions.

2] Reduce absolute Scope 3 emissions by 50% from a 2017 baseline.

This journey not only addresses the climate crisis but also drives innovation and strengthens supply chain collaboration.

In FY25 there was a strong focus on improving energy efficiency, data quality, target resetting, decarbonisation planning and climate risk management.

Energy Efficiency: We rolled out 35 energy standards to all our factory sites. To support this, we conducted both on-site and remote audits and established a monthly tracking process. As a result, we saw an improvement in energy efficiency from 2.2% in FY24 to 3.0% in FY25 across our factory footprint.

Data Quality: We introduced environmental data checklists to improve reporting accuracy, with factory sites now self-attesting the accuracy of their submitted data.

Target Resetting: Having achieved our original 2030 targets for energy and water consumption, we have now set more ambitious goals:

- **Energy:** A revised target of 45% reduction in energy use by 2030, compared to a 2017 baseline, reinforcing our decarbonisation strategy.
- **Water:** A new focus on reducing water use by 25% in our factory sites located in water-scarce regions, by 2030, recognising the critical importance of water availability and quality for business continuity.

Decarbonisation Planning: We updated transition plans for 95% of our factories and 94% of fleet emissions. This was supported by our Environmental Framework for factories and the Fleet Working Group to co-ordinate regional engagement with fleet teams.

Climate Risk Analysis: We undertook a comprehensive update of our climate-related risks and opportunities assessments with a new platform, enabling site-level action planning and early warning systems to strengthen our overall climate resilience.

Progress on our Scope 3 emissions

Achieving our Net Zero goal by 2040 requires us to manage carbon reduction across our Scope 3 emissions, which account for more than 90% of our total carbon footprint.

Our strategy is to prioritise our large suppliers, those with high spend and emissions. We are working with these suppliers to gain a more precise understanding of their most material emission sources.

Suppliers are being engaged both through the CDP Supply Chain Programme and our own internal Supplier Relationship Management (SRM) initiative known as SRM Connect. For additional details, please see page 25.

Purchased Goods and Services is the most material category within Scope 3 emissions, contributing approximately 679,461 tonnes of CO_2e, which represents around 67% of our total carbon footprint. This data has been independently assured to ensure its accuracy and reliability.

We are committed to integrating decarbonisation principles across our operations, ensuring that progress is aligned with cost-benefit considerations wherever possible. This approach is being applied across our two largest energy consumers, our factories and our fleet, where decarbonisation plans are required to include cost assessments and are reviewed and updated at least annually.

Our 5 step plan towards Net Zero

1. Undertake **Energy Efficiency** initiatives
2. Switch to **100% Renewable** grid electricity
3. Transition all other energy types to **Renewable Sources**
4. Achieve **Net Zero** In our operations
5. Become **Climate Positive**, which means saving more greenhouse gas emissions than we are generating

Material Impact, Risk and Opportunity

Negative Impact

Greenhouse gas emissions in our operations and across our value chain contribute to climate change.

IRO 15

Risk

Failure to implement adequate climate adaptation measures in response to climate change may lead to significant disruptions in operations.

IRO 7

CLIMATE CHANGE

We are committed to reducing our impact on the climate throughout our value chain, focusing on both mitigation and adaptation.

BEHAVIOURS:

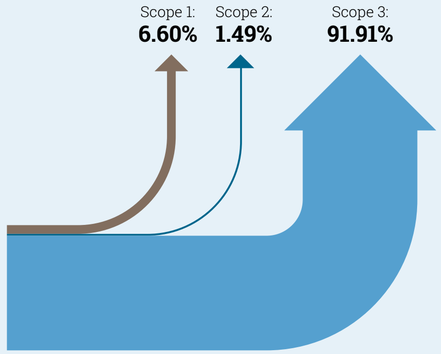
Build our Future

SDGs

Ensure access to affordable, reliable, sustainable, and modern energy for all.

Take urgent action to combat climate change and its impacts.

GHG emissions across our value chain in 2025 (% tCO_2e)



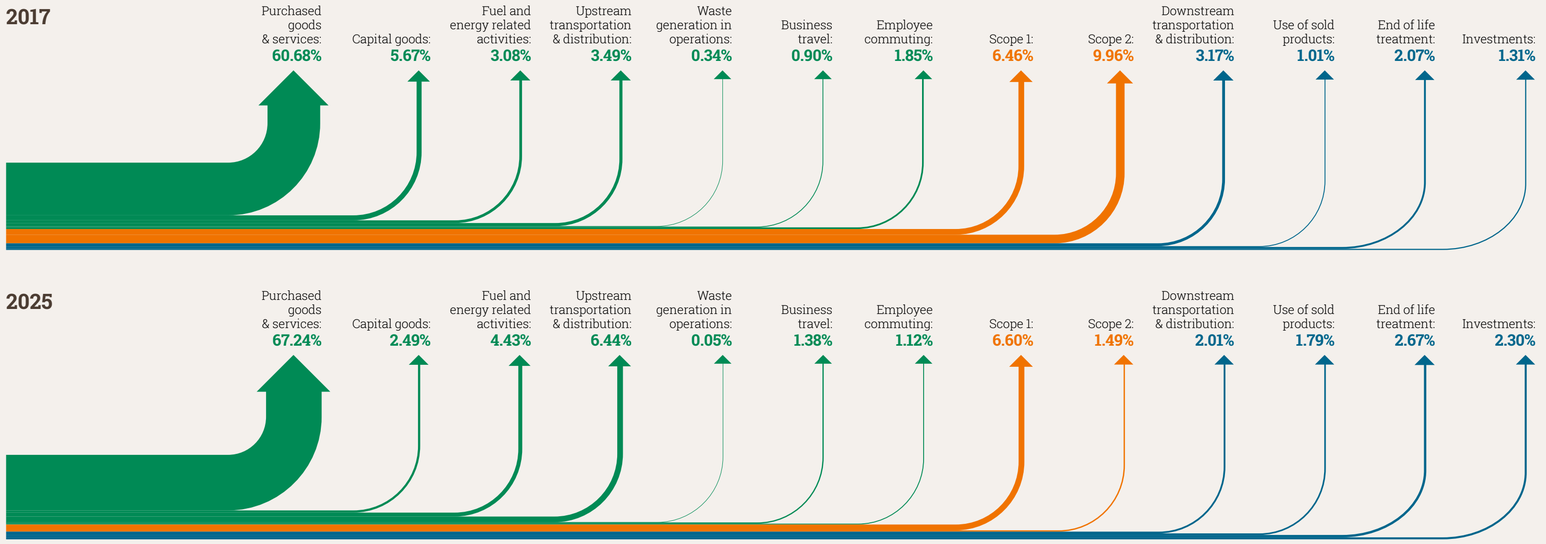
Scope 1: Emissions that arise from stationary fuel combustion at our sites, refrigerant gases and from mobile fuel consumption in our fleet of Company sales vehicles.

Scope 2: Indirect emissions which arise from the use of purchased electricity, heat and steam at our sites.

Scope 3: All other indirect emissions occurring in the value chain as a result of our activities.

A breakdown of our GHG emissions

Our Supply Chain: Upstream Scope 3 emissions: 2017: **76.02%** 2025: **83.14%**
Our Operations: Direct Scope 1 & 2 emissions: 2017: **16.42%** 2025: **8.09%**
Our Products: Downstream Scope 3 emissions: 2017: **7.56%** 2025: **8.77%**



Scope 1 & 2:

We have made significant progress in reducing our Scope 1 and Scope 2 market-based emissions, achieving a 72% reduction since 2017. Our decarbonization efforts focus on energy efficiency and reducing our absolute emissions rather than off-setting emissions.

As we approach our 2030 target for Scope 2 emissions, our focus is shifting to Scope 1 emissions. We have a clear, data-driven view of our key decarbonisation opportunities: gas use in manufacturing and fuel use in our sales fleet. Monthly data collection across all sites and fleets enables performance tracking.

We set short-, mid-, and long-term internal targets, linked to executive remuneration.

Please see our Climate Transition Plan for more details

Scope 3:

We are committed to reducing our Scope 3 emissions by 50% by 2030. Our Scope 3 priorities are guided by materiality.

Our most material categories are:

- Purchased goods and services (PG&S)
- Upstream transportation and distribution
- Fuel and energy related activities

We are addressing our most material Scope 3 categories based on priority and impact.

Supplier engagement: Collaborating with our largest suppliers by spend to improve data granularity via the CDP Supply Chain Programme. In FY25 we expanded the number of strategic suppliers invited to this programme from 250 to 391. To support data-driven decision-making, key CDP scores and climate-related disclosures have been embedded into our Supplier Relationship Management (SRM) Connect programme.

Data assurance: Validating Scope 3 emissions calculation methodologies to ensure transparency and credibility in reporting. In FY24, we obtained independent assurance of our PG&S methodology for the first time. To further enhance the accuracy of our Scope 3 emissions reporting, we are working to source more granular, activity-level data directly from suppliers.

Strategic planning: Developing and reporting against a decarbonisation plan for our material Scope 3 categories.

Our Scope 3 Plan

For FY25–27, we will focus on our most material Scope 3 categories, using a data-led approach to drive decarbonisation.

Key actions include:

1. **Enhancing emissions accounting:** Refine methodologies to establish a robust baseline and current-year data, enabling independent assurance where applicable.
2. **Data analysis and prioritisation:** Conduct a detailed analysis of the data set to identify priority actions that will support decarbonisation across the material Scope 3 categories.
3. **Supplier engagement:** Target high-spend suppliers to join the CDP Supply Chain Programme, encourage them to set science-based targets, and track performance via SRM Connect.
4. **Structured supplier management:** Strengthen engagement through the introduction and monitoring of CDP and Net Zero targets.

CLIMATE CHANGE: TARGETS & PROGRESS

We are committed to reducing our impact on the climate throughout our value chain, focusing on both mitigation and adaptation.

BEHAVIOURS:

Build our Future

SDGs

13 CLIMATE ACTION

Ensure access to affordable, reliable, sustainable, and modern energy for all.

7 AFFORDABLE AND CLEAN ENERGY

Take urgent action to combat climate change and its impacts.

Intermediate Targets		2025 Progress from 2017 base year	
2025	100% grid electricity from traceable renewable sources	97%**	grid electricity from renewable traceable sources
2025	Reduce Scope 1 and 2 market-based emissions by 50%	72%	reduction in Scope 1 & 2 market-based emissions
2030	100% energy from renewables	44%	from renewable energy sources
2030	Reduce total energy consumption by 45%	34%	reduction in energy consumption

2025

100% OF OUR PURCHASED GRID ELECTRICITY

will come from traceable renewable sources

Reduce absolute Scope 1 and 2 GHG emissions by

50%*

2030

100% OF THE ENERGY SOURCED

for our operations from renewable sources

BE NET ZERO

in our direct operations

(Scope 1 and 2 GHG emissions)

REDUCE:

Absolute Scope 3 emissions by 50%*

Energy consumption by 45%*

2040

OUR VALUE CHAIN WILL BE

NET ZERO EMISSIONS

(absolute Scope 1, 2 and 3 GHG emissions)

PERFORMANCE

97%** of our purchased grid electricity was supplied by traceable renewable sources in 2025

34% reduction in energy consumption compared to the 2017 baseline year

72% decrease in total Scope 1 and 2 market-based emissions compared to the 2017 baseline year

* Environmental targets and performance are set against the 2017 baseline year.
** The remaining 3% of non-renewable grid electricity is accounted for by our Taiwan factory, and is planned to be addressed in December 2025, achieving our 2025 goal to reach 100% renewable purchased grid electricity.

CLIMATE CHANGE: PERFORMANCE

Performance Indicator	Unit	2017	2023	2024	2025	Progress	Commentary
Absolute energy consumption[1]	GWh	875	650	595	**577**[A]	●	We set a target to reduce our absolute energy consumption by 45% by 2030 versus a 2017 baseline. We achieved a 34% decrease in energy consumption compared to the base year. We estimate that in FY25 around 60% of this decrease is due to the implementation of efficiency programmes in our factories and fleet.
Relative energy consumption[1]	kWh/£m net revenue	112,801	81,128	72,943	**69,340**[A]	●	
Electricity from purchased renewable sources[1]	%	8	96	97	**97**[A]	●	Where possible we purchase Renewable Energy Certificates (RECs) from within the same market boundary as electricity is being consumed. In markets where RECs are not available within the same market boundary, we purchase from a nearby geographical location. We are regularly reviewing this with the intention to purchase from within the same market boundary once a source becomes available. The remaining 3% of non-renewable grid electricity is accounted for by our Taiwan factory, and is planned to be addressed in December 2025, achieving our 2025 goal to reach 100% renewable purchased grid electricity.
Energy from renewable sources[1]	%	4*	40*	42	**44**[A]	●	In FY25, 44% of our energy was from renewable sources. This is mainly driven by the use of renewable electricity with our RECs scheme. We have set a target to use 100% renewable energy by 2030.
Absolute Scope 1 CO_2e emissions[1]	Tonnes	114,270	81,089	73,437	**66,646**[A]	●	Our Scope 1 emissions arise from stationary fuel combustion at our sites, refrigerant gases, and mobile fuel combustion in our fleet of company sales vehicles. We have seen a 9% decrease in Scope 1 emissions since last year and a 41.7% reduction from our 2017 baseline year. Our focus now is on finding solutions to reduce emissions from our natural gas consumption and global fleet vehicles which account for around 50% and 30% of our Scope 1 emissions respectively.
Absolute Scope 2 CO_2e location-based emissions[1]	Tonnes	161,360	114,059	108,470	**109,293**[A]	●	Our Scope 2 location-based emissions comprise the indirect emissions resulting from the use of purchased electricity, heat and steam at our sites. We have seen a 0.8% increase in Scope 2 location-based emissions since last year and a 32% reduction from our 2017 baseline year, driven by increases in national grid emissions, only partially offset by reductions in electricity consumption achieved through our energy efficiency programme.
Absolute Scope 2 CO_2e market-based emissions[1]	Tonnes	176,176*	20,326*	15,683	**15,064**[A]	●	We report Scope 2 location-based and market-based emissions according to the GHG Protocol Scope 2 Guidance (2015) and CDP guidance. We have seen a 4% reduction in Scope 2 market-based emissions compared to last year and a 91% decrease compared to the 2017 baseline year. This significant reduction in Scope 2 market-based emissions reflects the increase in our use of electricity purchased from traceable renewable sources.
Total absolute Scope 1 and 2 location-based CO_2e emissions[1]	Tonnes	275,630	195,148	181,907	**175,939**[A]	●	We have seen a 36% decrease in our total Scope 1 and 2 location-based emissions from our 2017 baseline. As a result of our Scope 1 reductions, Scope 1 has reduced from accounting for 42% of this indicator in 2017, to 37.9% in 2025.
Relative Scope 1 and 2 location-based CO_2e emissions[1]	Tonnes/£m net revenue	35.5	24.4	22.3	**21.2**[A]	●	
Total absolute Scope 1 and 2 market-based CO_2e emissions[1]	Tonnes	290,446*	101,415*	89,120	**81,710**[A]	●	We have seen a 72% decrease in our total Scope 1 and Scope 2 market-based emissions from our 2017 baseline year. This has been driven by our increased use of electricity purchased from traceable renewable sources, our energy efficiency programme, and volume decreases. We have set a target to be at Net Zero in our direct operations (Scope 1 & 2 market-based) by 2030.
Relative Scope 1 and 2 market-based CO_2e emissions[1]	Tonnes/£m net revenue	37.44*	12.66*	10.93	**9.83**[A]	●	

● Progress on track ● Focus required to accelerate progress ● Intervention required to accelerate progress

(A) Select 2025 data has been independently assured by Ernst & Young LLP (EY) under the limited assurance requirements of the ISAE 3000 standard.
EY Assurance Opinion is available on our website. Our reporting scope and definitions are detailed in the Reporting Criteria document published on our website.
1. Our 2025 environmental data covers the reporting period Q4 2024 to Q3 2025. This is to allow for data collection, validation and external assurance.
We use the industry leading Greenhouse Gases (GHG) Protocol standard to inform our reporting of Scope 1 and 2 emissions.

CLIMATE CHANGE: PERFORMANCE

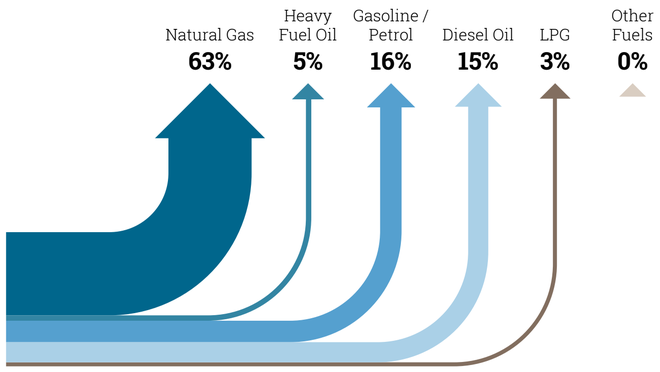
Performance Indicator	Unit	2017	2023	2024	2025	Progress	Commentary
Total Scope 3 CO_2e emissions[1]	Tonnes	1,478,494*	–	981,703	**928,839**	●	In FY24, we updated our Scope 3 calculation methodology for Scope 3 category 1: Purchased Goods and Services and as a result, we also restated our 2017 baseline year* based on this new calculation methodology. In FY25, we have seen a 37% decrease in total Scope 3 emissions compared to the 2017 baseline year. We have set a target to reduce our Scope 3 emissions by 50% by 2030 and Net Zero in our Scope 3 by 2040.
Scope 3 CO2e emissions: Purchased Goods and Services[1]	Tonnes	1,073,384	–	678,527	**679,461[A]**	●	Within Scope 3, the Purchased Goods and Services category is the most material accounting for approximately 67% of total carbon emissions. This year we have obtained independent assurance of this data.
Absolute water consumption in operations[1]	m^3	1,468,626	999,214	903,475	**881,165[A]**	●	We set a target to reduce our absolute water consumption by 30% by 2030 versus a 2017 baseline. In FY24 we achieved a 40% reduction, exceeding the target. We will continue to monitor water consumption going forwards, with a focus on reducing withdrawals at factories in water scarce areas. Our farms in Madagascar are excluded from this metric.
Relative water consumption in operations[1]	m^3/£m net revenue	189	125	111	**106[A]**		
Water consumption in Madagascar farms	m^3	–	–	–	**1,122,189[A]**	●	In FY24, we installed water meters are our farms in Madagascar, allowing us to accurately report water withdrawals. Water is a crucial resource for our commercial farms, only located in Madagascar, and we intend to work closely with them to manage withdrawal and consumption as effectively as possible.

● Progress on track ● Focus required to accelerate progress ● Intervention required to accelerate progress

The charts below offer a breakdown of our total energy consumption in FY25, categorised by energy type, since our baseline year.
Looking ahead, our strategic focus will center on direct energy sources, building upon the substantial progress we have achieved in decarbonising indirect energy sources.

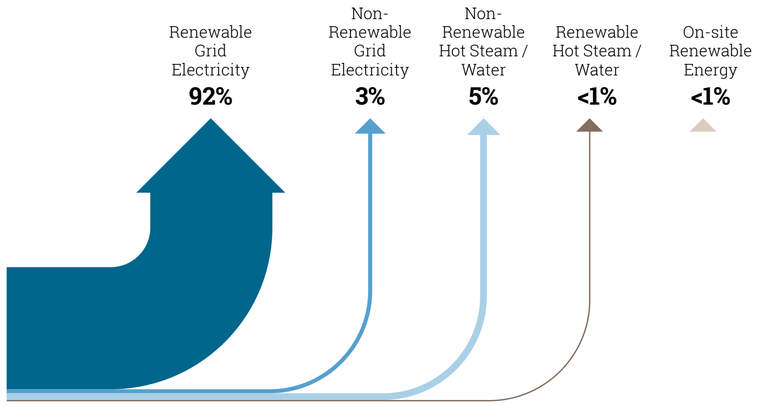
Direct Energy Consumption by Source GWh (%)

GRI Standard 302-1



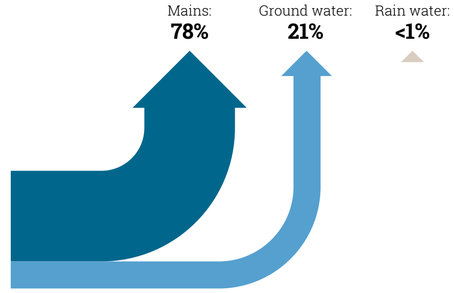
Indirect Energy Consumption by Source GWh (%)

GRI Standard 302-2



Water consumption by withdrawal source (m^3)

GRI Standard 303-3



The chart on the left focuses on our water consumption, emphasising its significance within our broader climate change program. Water conservation remains a key priority for our organisation, and we are committed to continually reducing our consumption.

	Unit	2017	2022	2023	2024	2025
Mains	m^3	1,187,229	809,551	767,607	705,418	**691,040**
Ground Water	m^3	278,566	240,244	229,249	196,006	**188,522**
Rain Water	m^3	2,832	2,010	2,358	2,051	**1,603**
Total	**m^3**	**1,468,626**	**1,051,805**	**999,214**	**903,475**	**881,165**

(A) Select 2025 data has been independently assured by Ernst & Young LLP (EY) under the limited assurance requirements of the ISAE 3000 standard.
EY Assurance Opinion is available on our website. Our reporting scope and definitions are detailed in the Reporting Criteria document published on our website.
1. Our 2025 environmental data covers the reporting period Q4 2024 to Q3 2025. This is to allow for data collection, validation and external assurance.
We use the industry leading Greenhouse Gases (GHG) Protocol standard to inform our reporting of Scope 1, Scope 2 and Scope 3 emissions.
* Restated baseline as a result of updated Scope 3 calculation methodology.

PACKAGING & WASTE

We are committed to minimising waste associated with products, packaging and production processes.

BEHAVIOURS:

Start with the Consumer

SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We aim to ensure sustainable consumption and production patterns.

Governance

Governance bodies:

- Combustible Product Strategy Group
- Product Sustainability Forum
- ESG Steering Committee

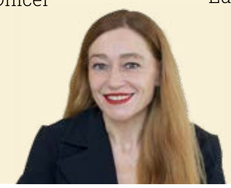
Key policies:

- Environment Policy
- Filter Policy
- NGP Policies

ELT Sponsors:

Sami Naffakh
Chief Supply Chain Officer

Paola Pocci
Chief Consumer Officer



Aleš Struminský
President, Europe Region

Our strategy is consumer-led, aligning with growing public and regulatory expectations for sustainable manufacturing and recyclable packaging.

In 2025, we updated the methodology to consider the weight of packaging in sales volumes, ensuring we target the greatest opportunities for waste reduction and circularity. Based on third-party certifications, 99%[A] of our packaging in the EU and UK by weight of packaging in sales volumes is now deemed recyclable. Formats representing 99%[A] of weight of packaging in sales volumes account for 94%[A] of total formats. The average recyclability score of our packaging is 81.6%.

In FY24, we achieved zero waste to landfill from May onwards. In FY25, we maintained this status, except for two isolated supplier incidents that were swiftly resolved. These incidents resulted in a total of 6.7[A] tonnes of waste being sent to landfill. While such incidents are rare, we acknowledge they can happen. Our commitment remains strong, and we respond swiftly to resolve issues and maintain our high standards. Recognising that achieving absolute zero tonnes every year is not always realistic, we are introducing a small tolerance for this. From FY25 onwards, we will allow up to 0.5% of our 2017 baseline to be sent to landfill annually, enabling us to respond rapidly without compromising our overall goal.

Cigarette butts

We recognise that addressing littering effectively requires a collaborative approach through partnership with key stakeholders including other tobacco manufacturers, government agencies, retailers, and local communities.

As part of our commitment, we participate in Extended Producer Responsibility (EPR) schemes, both voluntarily and in compliance with regulation such as the EU Single-Use Plastics Directive. These schemes contribute to the funding of waste management, litter clean-up operations, and public education initiatives.

Due to current consumer preferences and emissions regulations, a suitable alternative to the traditional cigarette filter has yet to be identified. Nonetheless, we remain committed to innovation and continue to actively explore and evaluate alternative filter materials that meet both regulatory and performance standards.

NGP waste

We are committed to improving the sustainability and recyclability of materials and packaging used in our NGP. We monitor existing environmental regulations and communicate responsible disposal guidance to our consumers.

Our blu kit range of pod-based vapes have been designed to support consumers migrating from disposable systems. They offer the same sensory experience of a disposable with a reusable and rechargeable device. Our new blu bar kit offers the same satisfying sensory experience in a pod-based format, allowing users to retain the device and responsibly dispose of only the used pod.

As part of this effort, we continue to operate “take-back” schemes for vaping devices and pods in selected markets, helping to reduce environmental impact and promote circularity. blu vaping devices and pods can be taken directly – or indirectly through our free take-back schemes – to local waste collection centres, where they are safely processed. Guidance on safe and proper disposal is included within the in-pack literature for all our blu products. The literature includes a link to the blu website where there is detailed information for our consumers.

Case Study: Recyclable materials

Our research shows that while consumers remain uncompromising on product quality, they also place a high value on reducing waste. To address this, we partnered with third-party experts to evaluate the recyclability of our packaging. Where our existing materials fell short, we developed innovative alternatives that maintained – or even improved – quality while enhancing recyclability. We collaborated closely with our suppliers and the local market, always keeping consumer needs in mind. Our research indicates that tobacco consumers desire more sustainable products but are not willing to compromise on quality, freshness, or safety.

We aim to ensure that all our packaging materials in the EU and UK are either reusable, recyclable, or compostable.

In partnership with an external institute, we conducted a full recyclability assessment of our EU and UK packaging formats. This revealed that olive-green MYO buckets, snus cans, and black snus cans were not recyclable due to carbon-based pigments that sorting systems cannot detect.

To address this, we worked with suppliers to reformulate the colours, maintaining their appearance while making them fully detectable and recyclable. Implemented across FY24 and FY25, this initiative has diverted c.1300 tonnes of plastic from landfill or incineration, enabling these materials to re-enter the circular economy.

Material Impact, Risk and Opportunity

Negative Impact:	Negative Impact:	Risk:
Hazardous waste from NGP production processes poses environmental risks	Improper disposal of post-consumer waste leads to environmental pollution	Failure to comply with emerging regulations on extended producer responsibility, single-use plastics, and recycled content.
IRO 16	IRO 17	IRO 2

(A) Select 2025 data has been independently assured by Ernst & Young LLP (EY) under the limited assurance requirements of the ISAE 3000 standard. EY Assurance Opinion is available on our website. Our reporting scope and definitions are detailed in the Reporting Criteria document published on our website.

PACKAGING & WASTE: TARGETS & PROGRESS

Our progress in 2024

100%

100% of all wood fibre in our packaging is from sustainable sources

99.9%

99.9% reduction in waste sent to landfill compared to 2017 baseline year

99%*

99% of our packaging material in the EU and the UK is reusable, recyclable or compostable by weight of packaging in sales volumes

2025

Send
ZERO WASTE
to landfill in our operations

Make
100%
of our packaging reusable, recyclable or compostable in EU and UK

Sustainably source
100%
of the wood fibre in our packaging

2035

REDUCE
waste generated within our operations by
50%

PERFORMANCE

99.9%
99.9% reduction in waste sent to landfill compared to 2017 baseline year

36%
36% reduction in waste across our operations compared to 2017 baseline year

* In FY25 based on third-party certifications, 99%A of our packaging in the EU and UK by weight of packaging in sales volumes is now deemed recyclable. In 2025, we updated methodology to consider the weight of packaging in sales volumes, ensuring our efforts target the greatest opportunities for waste reduction and circularity. Formats representing 99%A of weight of packaging in sales volumes account for 94%A of total formats according to the methodology reported against in 2024.

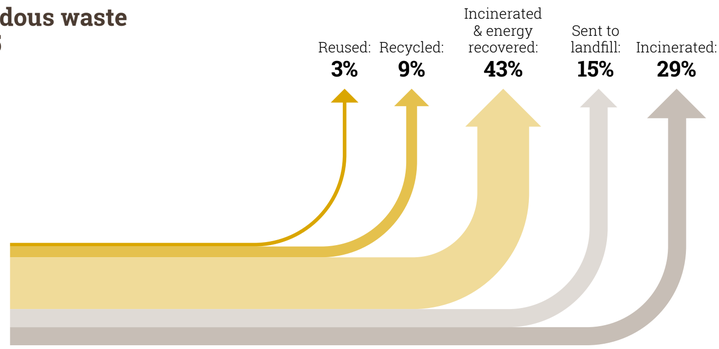
PACKAGING & WASTE: PERFORMANCE

Performance Indicator	Unit	2017	2022	2023	2024	2025	Progress	Commentary
Absolute waste[1]	Tonnes	49,141	41,969	35,744	33,211	**31,599**[A]	●	Our original target was to reduce waste by 20% by 2030 against a 2017 baseline. In FY25, we achieved a 36% reduction in absolute waste, surpassing the target ahead of schedule. Building on this progress, we have set a new target to reduce waste in our operations by 50% by 2035, relative to the 2017 baseline.
Relative waste[1]	Tonnes/£m net revenue	6.34	5.39	4.47	4.07	**3.8**[A]		
Waste to landfill[1]	Tonnes	7,200	8,544	4,442	264	**6.7**[A]	●	In FY24 we achieved zero waste to landfill from May onwards, and in FY25 we maintained this status apart from two isolated supplier incidents that resulted in 6.7 tonnes of waste. While such events are rare, they were swiftly resolved and our commitment to rapid action and high standards remains unchanged. Recognising that absolute zero is not always realistic, from FY25 we have introduced a tolerance of up to 0.5% of our 2017 baseline to landfill annually, ensuring resilience without compromising our overall goal.
Relative waste to landfill[1]	Tonnes/£m net revenue	0.93	1.1	0.56	0.03	**0.001**[A]		
Landfill avoidance rate[1]	%	88	85	91	99	**99.5**[A]	●	A key element of our approach to reducing our environmental impact is to avoid waste sent to landfill, by prioritising reuse, recycling, and composting. Where these are not possible, we incinerate waste with energy recovery, to help maintain zero waste to landfill.
Packaging in the EU and the UK that is reusable, recyclable or compostable by format type	%	-	95	91*	94	**94**[A]	●	We aim to have 100% of our packaging material in the EU and the UK to be reusable, recyclable or compostable by 2025, and have plans to achieve this by December 2025. In 2025, we updated the methodology to consider the weight of packaging in sales volumes, ensuring we target the greatest opportunities for waste reduction and circularity. Based on third-party certifications, 99%[A] of our packaging in the EU and UK by weight of packaging in sales volumes is now deemed recyclable. Formats representing 99%[A] of weight of packaging in sales volumes account for 94%[A] of total formats.
Packaging in the EU and the UK that is reusable, recyclable or compostable by weight of packaging in sales volumes	%	-	96	-	-	**99**[A]	●	
Average recyclability score for packaging sold in the EU and UK	%	-	-	-	84	**81.6**	●	We aim to have an average recycling score of 80% or more by 2030 for packaging of products sold in the EU & UK. A third party assess the recyclability of the packaging and provide certifications which demonstrate that we have exceeded the target set, with a score of 81.6%.
Sustainably sourced wood fibre in our packaging	%	-	97	97	96	**100**[A]	●	We are proud to have achieved our target of sourcing 100% of all wood fibre in our packaging from sustainable sources by 2025. The slight reduction observed in 2024 was due to a change in the calculation methodology, but we remained on track and have now successfully met this goal.

● Progress on track ● Focus required to accelerate progress ● Intervention required to accelerate progress

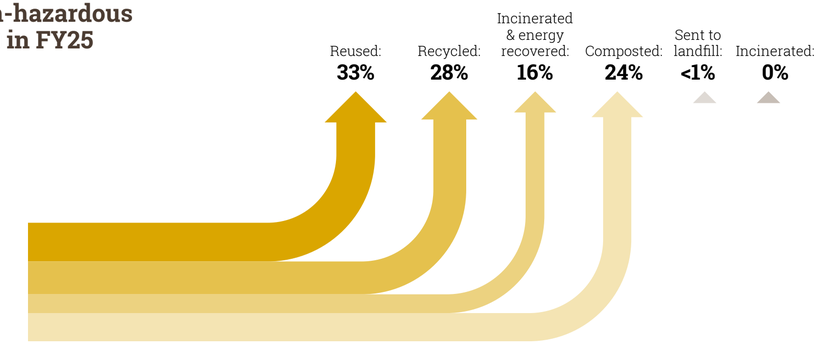
Disposal of hazardous waste (Tonnes) in FY25

GRI Standard 306-2



Disposal of non-hazardous waste (Tonnes) in FY25

GRI Standard 306-2



(A) Select 2025 data has been independently assured by Ernst & Young LLP (EY) under the limited assurance requirements of the ISAE 3000 standard. EY Assurance Opinion is available on our website.
Our reporting scope and definitions are detailed in the Reporting Criteria document published on our website.
1. Our 2025 environmental data covers the reporting period Q4 2024 to Q3 2025. This is to allow for data collection, validation and external assurance. To note: Absolute waste does not include reused waste.

FARMER LIVELIHOODS & WELFARE

We are committed to engaging with our suppliers to support and develop farming communities and promote sustainable agriculture.

BEHAVIOURS:

Collaborate with Purpose

SDGs

Governance

Governance bodies:

- Leaf Compliance Working Group
- ESG Committee

Key policies:

- Human Rights Policy
- Child Labour Policy
- Biodiversity Statement

ELT Sponsors:

Sami Naffakh
Chief Supply Chain Officer

Kim Reed
President and CEO, Americas Region

To serve our consumers long term, it's vital that farmers continue choosing to grow tobacco.

Tobacco farmers face growing challenges including extreme weather events, generational succession issues, and rising inflation.

We work closely with our leaf suppliers to secure supply, support farming communities, and promote sustainable agriculture. This includes:

- Supporting a decent standard of living
- Enhancing farmers' access to basic needs.
- Encouraging income diversification

These initiatives are designed to support farmers in continuing to grow tobacco in ways that are both economically viable and environmentally responsible.

The Sustainable Tobacco Programme (STP)

We work with suppliers to strengthen standards and manage risks in our leaf supply chain, primarily through the STP. The STP is an independently managed industry initiative that verifies annual supplier self-assessments. It enhances supply chain due diligence and supports positive social and environmental outcomes in tobacco-growing communities.

STP provides visibility in two keyways:

1. Suppliers report on actions taken to address identified risks and their impact on the ground.
2. These actions are verified remotely or in the field, informing our strategy and support.

All our tobacco leaf suppliers are expected to participate in the STP.

Decent standard of living

Overall farm net income, including income from outside the farm, is measured against the relevant Living Income Benchmark for that location. This income needs to exceed the benchmark to be considered a living income, ensuring the farmer can afford a decent standard of living.

We encourage our leaf suppliers to be committed to supporting their farmers to access a decent standard of living. At the end of FY25, 100% of the suppliers we purchase tobacco leaf from had expressed this commitment.

Access to basic needs

Leaf Partnership projects are an important part of our commitment to improving farmer livelihoods and welfare. We collaborate directly with our leaf suppliers to complement and amplify their efforts by funding targeted projects.

These range from strengthening farm businesses to improving access to essentials such as childcare, education, clean water, sanitation, and hygiene. In FY25, we provided financial support for projects in 12 countries across all basic needs, with more than 152,000 beneficiaries.

In FY26, we will prioritise projects in education, sanitation, and hygiene to support tobacco- growing communities in key sourcing regions.

Case Study: Upgrading 144 wells in Mozambique

We launched a project in 2024 to upgrade 144 wells in rural Mozambique in partnership with our supplier Universal Leaf Tobacco and their subsidiary Mozambique Leaf Tobacco Limited.

Many rural communities still rely on open wells or surface water, such as rivers or ponds, making them vulnerable to contamination and serious health risks. Upgrading these wells to protected status by sealing wellheads, installing drainage systems, and adding hand pumps strengthens water infrastructure, improves sanitation and safeguards communities' health.

Key Achievements:

- 144 wells upgraded in tobacco-growing communities.
- Over 700 tobacco-growing farmers directly benefitted.
- Over 70,000 wider community members benefitting.

This intervention reflects our continued commitment to improving clean water sources across key tobacco-growing communities and enabling them with access to this essential human right.

Material Impact, Risk and Opportunity

Positive Impact:
Our Leaf Partnership projects support tobacco-growing communities' access to basic needs, improving their quality of life.

IRO 12

Risk:
Potential risks relating to human rights legislation being breached in our tobacco leaf value chain.

IRO 1

Opportunity:
Creating a resilient and sustainable supply chain by supporting tobacco-farming communities through our Leaf Partnership projects.

IRO 8

FARMER LIVELIHOODS & WELFARE
ADDRESSING THE RISK OF CHILD LABOUR

We are committed to engaging with our suppliers to support and develop farming communities and promote sustainable agriculture.

BEHAVIOURS:

Collaborate with Purpose

SDGs

Addressing Child Labour Risks

As in other agricultural sectors, the highest risk of child labour lies in the cultivation stage of our supply chain. This is a complex, multi-stakeholder issue that cannot be addressed in isolation. We work collaboratively with a range of third parties including industry partners, suppliers, and local stakeholders to tackle this risk. We seek to address the risk of child labour through three main activities:

1 The Sustainable Tobacco Programme (STP)

The Human and Labour Rights section of STP is aligned with the relevant ILO core conventions and the principles and guidance contained within the United Nations Guiding Principles (UNGP) on Business and Human Rights.

STP

2 Our Leaf Partnership Projects

Working directly with our suppliers to fund projects that aim to tackle some of the root causes of child labour.

Pride In Every Leaf

3 Eliminating Child Labour in Tobacco Growing Foundation (ECLT)

We are members of the ECLT and support its aims to tackle the root causes of child labour.

eclt foundation

Our aim is to contribute to the elimination of child labour by addressing the risk in our own directly-contracted leaf operations and third-party supply chains.

We work to address the risks of child labour in our third-party supply chain through the STP. The STP has a specific framework on Human & Labour Rights, which features a section on child labour risks, with detailed guidance for participating suppliers.

According to the International Labour Organisation (ILO), the highest concentration of child labour is in agriculture, estimated at 61% globally[1].

Tobacco is mostly grown by independent smallholder farmers on plots of land from 0.5 to 2 hectares in area, where traditional manual methods for activities such as transplanting and harvesting are still applied. The risk of children working below a country's legal minimum age, during school hours, or in potentially health-damaging tasks is highest during these labour-intensive tasks.

Our child labour definition

We do not tolerate child labour. Child labour is defined as work that deprives children of their childhood, potential, and dignity, and is harmful to their physical and mental development. Our policy is consistent with the standards established by ILO Conventions No.138 (Minimum Age), No.182 (Worst Forms of Child Labour), and No.184 (Health & Safety in Agriculture).

Our minimum age for employment to full work is 15 years or the minimum age in accordance with local laws, whichever affords greater protection[2]. No young person below 18 should be involved in any type of hazardous work[3]. Light work may be permitted in accordance with local laws, provided this does not interfere with schooling, health, or personal development.

We consider that decent and safe youth employment above the local legal working age can be an important contribution to young people's development, their future, and for economic opportunities in the communities in which we operate.

Our contracted farmers in Madagascar and Laos

As part of our directly-contracted operations, in Madagascar and Laos we implement our Human Rights Policy, which sets out Imperial's position on child labour. In line with the United Nations Guiding Principles on Business & Human Rights (UNGPs), our due diligence involves identifying, prioritising, and responding to risks in our tobacco-growing communities.

For the most recently completed crop year 2024, 1,535 farmers were directly contracted to grow, harvest, and supply us with tobacco leaf in Madagascar and Laos.

In crop year 2024, our 28 field technicians conducted over 50,000 on-farm visits to the farmers throughout the tobacco-growing season, of which a key purpose is to monitor potential risks. Each of our field technicians are trained in-house before the crop season starts on the key areas, including supporting farmers to address the risk of child labour.

Our field technicians deliver training to each contracted farmer, and we supplement this through village noticeboards, poster campaigns or targeted sessions with wider members of the community.

99% of directly contracted farmers attended training or awareness days in 2024 in Madagascar and Laos

ITC Enduring Value

Our Leaf Partnership programme complements the work our suppliers are already doing, amplifying their impact in tobacco-growing communities, by directly funding specific projects.

We recognise that the risk of child labour is a complex challenge, and our contribution via our suppliers only plays one part in seeking to mitigate and prevent this risk. The following case study is an example of the interventions we deliver in partnership with key suppliers, highlighting some of the work we do to address the risk of children working on farms.

In 2024 we collaborated with our supplier, ITC, to provide clean water kiosks to 786 students across eight government-run schools in India. These kiosks use reverse osmosis technology to supply free, safe and reliable drinking water within the school premises. By simply carrying a refillable water bottle, these students can now enjoy a refreshing drink throughout the school day, which helps them to stay hydrated and focused for learning, sport and play.

In summer months the temperatures in India can peak to over 40 degrees Celsius, so it's important for students to have easy access to clean water. The availability of these kiosks reduces reliance on packaged drinking water and actively promotes the use of refillable bottles, thereby cutting down on single-use plastics. In addition, wastewater generated by the reverse osmosis process is repurposed for cleaning and gardening, ensuring minimal wastage of resources. By integrating health benefits with sustainable practices, this project strengthens community resilience while fostering environmental responsibility among young learners. This project is one of many that has been sponsored as Imperial Brand's contribution to improving access to clean water, within our 2030 ambition targeting basic needs for 180,000 farmers and their families.

Please see our Human Rights Policy and our latest Modern Slavery Statement for more information on our approach to human rights.

1. https://www.ilo.org/resource/other/2024-global-estimates-child-labour-figures
2. ILO Convention 138 establishes that certain developing countries may specify a minimum age of 14
3. Hazardous work must be referenced against the list issued by each country, as established by ILO Convention 182 on the Worst Forms of Child Labour, which has been universally ratified.
4. https://documents1.worldbank.org/curated/en/099000207152223103/pdf/IDU002b5536c0db4104ec3087d809906ec2eae56.pdf

FARMER LIVELIHOODS & WELFARE

We aim to purchase from and engage leaf suppliers who support their farmers to achieve a decent standard of living by:

1. Continuing to enhance due diligence in our leaf supply chain, co-ordinated through our Leaf Compliance and Reporting E-tool (CARE) programme.
2. Continuing to set high expectations for suppliers who contract with farmers.
3. Increasing our support for projects that have a direct impact within the tobacco communities in our supply chain.

OVER 152,000

new beneficiaries in 12 countries supported through our Leaf Partnership projects in FY25.

Forestry

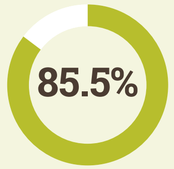
Many of our suppliers' contracted farmers use wood in tobacco production, either as a fuel in the curing of tobacco or for constructing barns required for the curing of tobacco.

We have committed to supporting suppliers to provide their farmers with access to 100% sustainable wood for use as tobacco curing fuel by 2025. The ambition is for 100% of the wood harvested to be sourced sustainably or that the wood used will be matched by managed planting.

Since 2017, our vertically integrated operation in Madagascar has planted 1,300 hectares of commercial forestry, laying the foundation for a more sustainable supply chain. This effort was designed to help us achieve 100% traceable and sustainably sourced wood by 2025.

In FY24, we reported 99% of the wood used for tobacco curing globally came from sustainable sources: 86% fully traceable and sustainable, and 13% supported by matched planting programs. In FY25, we refined our global approach to wood used for tobacco curing: 85.5% is traceable and sustainable, 14.2% untraceable but offset through planting programs, and 0.3% from a region facing unique logistical challenges in gaining traceability.

Despite significant progress, we are not on track to meet our 2025 target of 100% sustainable wood use. We anticipate these challenges will persist, and while we remain committed to improvement, achieving full traceability every year is not realistic.



85.5% of wood used for tobacco curing is sustainably sourced or matched by managed planting.

For a further 14.2%, planting programmes are underway to support sustainable wood in the future.

Recognising this, from FY26, we aim to be Net Deforestation-Free, setting an ambitious goal that allows continuous improvement while adapting to operational realities.

We also provide financial support to forestry initiatives, including Imperial Brands' dedicated programme in Tanzania, which is managed in partnership with a key supplier.

Planting trees sustainably that farmers can access decreases the pressures on the indigenous woodland that is being harvested for use in tobacco production.

There are also economic benefits for farmers in labour saving, reduced cost of wood and transport.

Biodiversity

Responsible stewardship and restoration of natural habitats, soils, and water resources are fundamental to sustainable agriculture. We actively encourage our suppliers to protect and enhance biodiversity within their cultivation areas.

This includes topic areas covered by STP, such as the mapping of sensitive areas, responsible soil management and integrated pest management (IPM) to reduce the use of pesticides and increase micro-flora.

We also support and engage with suppliers in the planting of indigenous trees to encourage and grow local biodiversity by supporting insect and bird life.

100% of leaf suppliers reporting on their due diligence and actions through the Sustainable Tobacco Programme

Water

One or our goals is to support our suppliers on enhancing farmers' access to basic needs. To support this goal, we set a target to reach 180,000 farmers and their families for each one of the three project categories by 2030. One of the project categories is access to clean water, sanitation, and hygiene (WASH).

We achieved the target for access to clean water in FY24 and our focus has now shifted to ensuring the long-term sustainability of this access through continued implementation by our suppliers.

OVER 181,000

tobacco community members benefiting from projects aimed at increasing access to water Programme

FARMER LIVELIHOODS & WELFARE: TARGETS & PROGRESS

Our progress in 2024

100% 100% of leaf suppliers expressing a commitment to support their farmers to access a decent standard of living

100% 100% of our leaf suppliers reporting on their due diligence and actions through the Sustainable Tobacco Programme

2025

Support suppliers to provide access to

100%

SUSTAINABLE WOOD FOR USE AS TOBACCO CURING FUEL[1]

85.5%

85.5%* of wood used was from sustainable, traceable sources.

For a further 14.2%, planting programmes are underway to support sustainable wood in the future.

2030

Support suppliers to improve access to basic needs for

180,000

FARMERS[2] AND THEIR FAMILIES

in each of the project categories

134,955
Childcare and education project beneficiaries

183,091
Clean water project beneficiaries

92,483
Sanitation and hygiene project beneficiaries

1. Based on flue cured and dark fire cured tobacco, which are the tobacco types that require wood for curing
2. Based on suppliers' directly contracted farmers in 2021 sourcing origins that are rated as high risk for poverty according to Maplecroft.
* The remaining 0.3% relates to a region where achieving full traceability presents unique logistical and operational challenges.

FARMER LIVELIHOODS & WELFARE: PERFORMANCE

Performance Indicator	Units	2023	2024	2025	Progress	Commentary
Suppliers participating in the Sustainable Tobacco Programme	%	93	100	**100**	●	In FY25, all of our tobacco leaf suppliers were reporting on their due diligence and actions through the Sustainable Tobacco Programme.
Tobacco farming community members benefiting from new Imperial Leaf Partnership Projects	Number	101,410	128,916	**152,712**	●	Through our Leaf Partnership programme we continue to fund projects aimed at addressing key livelihood and welfare issues in tobacco communities. This number represents the number of new beneficiaries in 13 countries from projects in 2025.
Percentage of leaf suppliers expressing a commitment to support their farmers to access a decent standard of living	%	83	98	**100**	●	We require our leaf suppliers to be committed to supporting their farmers to access a decent standard of living by having clear written commitments and/or policies in place to support the commitment. At the end of FY25, 100% of the suppliers we purchase tobacco leaf from had expressed this commitment.
Sustainable wood for use as tobacco curing fuel[1]						
Percentage of wood sourced from sustainable and traceable sources	%	85*	86	**85.5[A]**	●	Imperial has committed to supporting suppliers and their farmers access sustainable wood for use as tobacco curing fuel by 2025. The ambition is for 100% of the wood harvested to be matched by managed planting.
Percentage of planting programmes to support sustainable wood in the future	%	11**	13	**14.2**	●	In FY25, 85.5% of the wood used for tobacco curing fuel was sourced from sustainable sources and 14.2% represents the percentage of planting programmes in place to support sustainable wood in the future.
Support suppliers to improve access to basic needs for 180,000 farmers[2] and their families in each of the project categories by 2030						
Childcare and education project beneficiaries	Number	36,000	96,666	**134,955**	●	Imperial continues to fund childcare and education projects in tobacco communities. This number represents the total number of cumulative active beneficiaries as of the end of FY25.
Clean water project beneficiaries	Number	155,000	180,004	**183,091**	●	Imperial continues to fund clean water projects in tobacco communities. In FY25 we exceeded the target of 180,000 tobacco community members benefiting from projects aimed at increasing access to clean water. We are working on a new set of KPIs to track progress within this topic area, based on materiality and best practice.
Sanitation and hygiene project beneficiaries	Number	33,000	64,694	**92,483**	●	Imperial continues to fund sanitation and hygiene projects in tobacco communities. This number represents the total number of cumulative active beneficiaries as of the end of FY25.

● Progress on track ● Focus required to accelerate progress ● Intervention required to accelerate progress

1. Based on flue cured and dark fire cured tobacco, which are the tobacco types that require wood for curing.
2. Based on suppliers' directly contracted farmers in 2021 sourcing origins that are rated as high risk for poverty according to Maplecroft.
* Number has been restated following a retesting of supplier data.
**. This is a new number based on the methodology used in FY24 which has been applied to the FY23 data set.
A. 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.

SUSTAINABLE & RESPONSIBLE SOURCING

We are committed to sourcing products and services in a compliant, sustainable and socially-conscious manner. We will work with our suppliers to ensure continuous improvements.

SDGs

We aim to ensure sustainable consumption and production patterns.

Governance

Governance bodies:

- Sustainable and Responsible Sourcing Working Group
- Environmental Compliance Working Group
- Leaf Compliance Working Group
- ESG Committee

Key policies:

- Supplier Code of Conduct
- Code of Conduct
- Global Procurement Policy
- Human Rights Policy
- Speaking Up Policy
- Environment Policy

ELT Sponsors:

Sami Naffakh
Chief Supply Chain Officer

Kevin Massie
General Counsel

Sustainable and responsible sourcing is key to securing the long-term resilience of our supply chain, supporting local communities, and reducing our environmental impact.

Our suppliers are vital partners. Their commitment to quality, innovation, and ethical practices underpins both our commercial performance and our ESG agenda.

Supplier Engagement

This year, we expanded the number of strategic suppliers invited to disclose emissions data via the CDP Supply Chain platform from 250 to 391. This strengthens the transparency and accuracy of our Scope 3 greenhouse gas reporting, deepens supplier engagement and improves the quality and breadth of emissions data.

To embed this data into decision-making, key CDP scores and responses to climate-related questions have been integrated into our Supplier Relationship Management (SRM) Connect programme. This enables us to assess supplier performance and incorporate verified emissions data directly into our Scope 3 calculations.

Since its launch in 2024, the SRM Connect programme has been central to building stronger, data-driven relationships and remains a cornerstone of our supplier engagement strategy.

For more information on our supply chain due diligence process see our Modern Slavery Statement

Sedex

We have continued to expand the use of third-party risk assessments through our partnership with Supplier Ethical Data Exchange (Sedex). Participation with Sedex is a key requirement within our SRM Connect programme, enabling the integration of social, ethical, and environmental assessments into supplier management. This year, our primary focus has been expanding Sedex assessments across our NGP business.

In FY26, our key priorities will focus on expanding Sedex membership and increasing Sedex Members Ethical Trade Audit (SMETA) coverage to enhance transparency and oversight of labour practices and ethical compliance.

We have been recognised by CDP as a supplier engagement leader in 2024 for a 6th consecutive year

Supplier Engagement Leader CDP 2024

Material Impact, Risk and Opportunity

Risk:

Failure to integrate social, ethical, and environmental assessments in the supplier selection process

IRO 3

Case study: Inaugural SRM Connect Conference and Awards 2025

In recognition of the strategic value of partnerships, we brought together 30 of our key suppliers at the SRM 2025 Connect Conference and Awards.

One of the highlights was a panel discussion on building better supplier partnerships to drive innovation and strengthen our relationships for the future.

Our ESG Director led a session, focusing on how closer collaboration with suppliers supports our sustainability goals, critical for both financial and long-term growth.

The event served as a platform to strengthen supplier relationships, promote best practices, and encourage greater transparency and data quality. It also fostered open dialogue and closer collaboration in support of shared sustainability goals.

SUSTAINABLE & RESPONSIBLE SOURCING:
TARGETS & PROGRESS

We are committed to sourcing products and services in a compliant, sustainable and socially-conscious manner. We will work with our suppliers to ensure continuous improvements.

SDGs

We aim to ensure sustainable consumption and production patterns.

Our Procurement Strategy

Covers all third-party spend among all five of our supply chain categories:

1. **Tobacco leaf:** We have a global sourcing footprint, which covers Africa, Americas, Asia and Europe. Of these, our major tobacco sourcing countries include Brazil, India, Spain, China and others in Asia and Sub-Saharan Africa.
2. **Non-tobacco materials (NTM):** The NTM we buy directly include paper, filters, glue and ingredients for cigarette products. Of our direct material supplier base, approximately 85% of our main spend is with 24 suppliers.
3. **Next generation products (NGP):** The NGP supply chain encompasses all the components that go into making NGP including electronics, liquids, and packaging materials.
4. **Indirect goods and services:** We have indirect suppliers who provide services and goods such as IT hardware and software, professional and corporate services and provision of utilities.
5. **Logistics:** We have logistics suppliers both upstream and downstream of our operations.

2025

Expanded use of the

CDP SUPPLY CHAIN PROGRAMME

to enhance data collection and transparency

Integrated use of

SEDEX AND SMETA AUDITS

into our procurement process to drive continuous improvement

Continued to use

SRM CONNECT

to engage with strategic suppliers on sustainability initiatives

2026

Expand

SEDEX COVERAGE

and collaborate with suppliers to resolve critical

SMETA AUDIT

findings

Further expand the use of

SEDEX & SMETA AUDITS

across our NGP supply chain including tier 2 suppliers

Fully embed

CDP SUPPLY CHAIN AND CDP SCORES

in our SRM Connect programme

HUMAN RIGHTS

We are committed to raising awareness and improving processes in our supply chains, and we recognise the importance, influence, and role we have in promoting and protecting human rights.

BEHAVIOURS:

Take Accountability with Confidence

SDGs

We are committed to decent work for all and sustainable economic growth.

Governance

Governance bodies:

- Human Rights Compliance Working Group
- Leaf Compliance Working Group
- ESG Committee

Key policies:

- Human Rights Policy
- Code of Conduct
- Supplier Code of Conduct
- Speaking Up Policy
- Health Safety and Wellbeing Policy
- Fairness at Work Policy

ELT Sponsors:

Sami Naffakh
Chief Supply Chain Officer

Kevin Massie
General Counsel

Human rights are the basic rights and freedoms to which everyone is entitled, regardless of nationality, beliefs, or lifestyle. As a responsible business, we uphold these rights and have zero tolerance for any form of human rights abuse. When potential or actual violations are identified, we act quickly and decisively to address and resolve them.

Human rights due diligence

As part of our commitment to upholding human rights across our operations, we conduct audits to assess compliance with our Human Rights Leading Indicators (HRLI) framework.

In FY25 we conducted audits in six locations adding to the 13 audits we have conducted since 2023. These audits included a review of supporting documentation and validation of monthly self-assessments to produce a report detailing findings, identified gaps, and tailored recommendations. These engagements help to strengthen local teams' understanding and implementation of the HRLI framework.

We have expanded the scope of the HRLI to include manufacturing sites, offices, and local markets. As a result, we have reset our reporting baseline to FY25 and will report progress from FY26 onwards.

We are also seeking to better understand the role of forced labour/human trafficking, in the illicit trade, which is growing in several of our priority markets.

Over 4,900 employees have completed our human rights digital training module

Embedding human rights awareness in high-risk operations

We delivered targeted training and modern slavery workshops, using a real-life case study to engage teams on how to identify modern slavery and broader human rights risks. This supports informed decision-making and reinforces our legal and ethical responsibilities. To reach offline and non-English-speaking teams, we also introduced "Human Rights Corners". These are visual, locally relevant spaces at high-priority sites identified through risk mapping. These promote consistent messaging and help embed human rights into everyday workplace culture. We expanded the rollout of our Human Rights Digital Learning programme to reach more employees across the organisation.

The training provides an overview of human rights principles as the Company's expectations on employees to uphold them. It also helps employees identify potential indicators of modern slavery and outlines the appropriate channels for raising concerns, including informal routes and our Speaking Up service.

In FY26, we will expand access to digital learning and continue rolling out "Human Rights Corners" at priority sites to deepen awareness. Additionally, we will strengthen audit practices by integrating a new site assessment methodology, developed with Slave-Free Alliance, into our audit processes for more robust evaluations.

Case Study: Child Labour Incident and Response in Côte d'Ivoire

In February 2024, a case of child labour was identified during an Empty Pack Survey (EPS) operation in Côte d'Ivoire. Immediate actions were taken, including halting operations, initiating a field investigation, and reporting the incident to relevant internal stakeholders. The investigation confirmed the case, prompting the development of a targeted action plan. A comprehensive action plan was implemented to align with Group standards on human rights and modern slavery.

Key elements included:

- **Supplier Risk Assessment:** A full mapping and risk categorisation of market suppliers was conducted to identify potential vulnerabilities. This enabled targeted engagement and prioritisation of mitigation efforts.
- **Supplier Engagement and Capacity Building:** Suppliers were required to formally acknowledge their commitment to modern slavery standards. Awareness-raising and training initiatives were rolled out across the supply chain and internal teams to strengthen understanding and compliance.
- **Operational Oversight and Controls:** Enhanced monitoring mechanisms were introduced, including random audits and verification procedures during field operations.
- **Third-Party Management:** Alternative operational models were evaluated to reduce risk exposure in specific activities. The selected approach includes structured partnerships with vetted service providers, reinforced by training, fair remuneration, provision of protective equipment, and supervisory checks.

These actions reflect the Group's commitment to continuous improvement in human rights due diligence and responsible business conduct across its operations and supply chain.

19 human rights audits conducted since 2023.

Material Impact, Risk and Opportunity

Negative Impact:
Potential illegal or unethical practices on workers in our core operations.

IRO 18

HUMAN RIGHTS: PROGRESS

Over 4,900

employees have completed the Human Rights digital training module.

2025

Implemented new **Human Rights Leading Indicators** across manufacturing sites and clusters

Continued to increase **human rights awareness** through training and development of new materials in multiple languages

Reviewed our selection of **priority locations** to inform our audit planning process

Aligned our **due diligence process** to the EU Corporate Sustainability Due Diligence Directive

2026

Continue to address human rights through internal reviews, the STP and independent impact assessments

Further deploy Human Rights Corners, new assessment tool and **conduct a further 6 audits** across our operations

Refresh our procurement policy, expand **Sedex** coverage and collaborate with suppliers to resolve critical **SMETA audit findings**

Apply pilot learnings from Greece and Italy audits to **improve methodology**

OUR JOURNEY

EMPLOYEE HEALTH, SAFETY & WELLBEING

Governance

Governance bodies:

- Health and Safety Compliance Working Group
- ESG Committee

Key policies:

- Health, Safety and Wellbeing Policy
- Health and Safety Framework
- Human Rights Policy

ELT Sponsors:

Sami Naffakh
Chief Supply Chain Officer

Kim Reed
President and CEO, Americas Region

Priyali Kamath
President, Africa, Asia, Australasia, and Central & Eastern Europe (AAACE) Region

Aleš Struminský
President, Europe Region

Our integrated approach to health, safety, and wellbeing is underpinned by our long-standing 'I Own Safety' campaign, designed to build awareness, strengthen personal accountability, and empower everyone to speak up when they encounter unsafe conditions.

Building a culture of care

To empower our people to make safe choices, we must create an environment that supports safe behaviours. This involves ensuring people have the necessary knowledge, skills, motivation and resources to work safely.

Our Behavioural Safety Programme focuses on identifying and observing safe and unsafe behaviours in the workplace, followed by constructive feedback to reinforce safe practices or address unsafe ones. The programme promotes engagement, empowerment, and shared responsibility for safety through peer-to-peer "safety" conversations and by embedding behavioural safety into daily operations and existing systems. At the end of FY25, over 31,500 safety conversations had been conducted.

Addressing key risks

Driving-related risks are among the most significant and complex we must address. A robust road safety programme is essential to protect our employees, associates, and other road users. While road conditions and vehicle types vary globally, influencing driver behaviour remains key to reducing risk across all our operations.

We offer driver awareness training to enhance safe driving practices and equip employees with the knowledge to effectively manage road incidents.

At the end of FY25, more than 1,600 sales and marketing employees had completed this training.

In FY26, the focus will be on strengthening the culture of care by implementing standardised global training aligned with our Zero Injury Aspiration strategy. The Behavioural Safety Programme will be expanded to include Sales and Marketing functions, with an emphasis on improving the quality of safety conversations and coaching across Global Supply Chain locations.

Wellbeing

Our employee wellbeing programme is locally managed and offers a broad range of support, including resilience training, employee assistance services, health checks, awareness campaigns, flexible working, family-friendly policies and facilities, as well as workplace celebrations and social events.

Our Wellbeing Plan

- Foster a mentally healthy culture by incorporating these principles into People Leader training.
- Run regular initiatives to raise awareness of mental health issues at work.
- Enable local sites to tailor initiatives addressing local wellbeing needs.

Case study: 'I Choose Safety' campaign

On 28 April 2025, we joined organisations around the globe in celebrating the World Day for Safety and Health at Work.

This year's theme, 'I Choose Safety,' encourages every colleague to reflect on their personal motivations for working safely – whether it's for loved ones, personal passions, or future goals.

Over 25 senior leaders actively participated in this year's "I Choose Safety" campaign, with 17 locations joining the celebrations. Highlights included:

- **Tarnowo Factory:** More than 200 colleagues shared heartfelt reflections on their personal reasons for choosing safety.
- **Jhunan Factory:** Collaborated with the local fire department to conduct a comprehensive fire drill and advanced safety training sessions.
- **Ukrainian Market:** Produced a video featuring sales representatives, showcasing initiatives to enhance road safety and reduce injury rates.
- **Lao Team:** Demonstrated their commitment by posting personal pledges on the "I Choose Safety" wall.
- **Manisa and La Romana Factories:** Created impactful videos that conveyed the importance of safety in the workplace.
- **Morocco Market:** Introduced a "Safety Breakfast" series, covering a range of safety topics over four consecutive weeks.
- **Mali Sales Team:** Delivered a video featuring employees sharing their individual motivations for choosing safety.

The simplicity and relatability of the "I Choose Safety" message resonated across our teams. It served as a powerful reminder that safety is not merely a set of policies or procedures – it is a personal commitment. By sharing our individual stories, we reinforced a culture of care and accountability, bringing us closer to our collective ambition of achieving zero injuries.

Material Impact, Risk and Opportunity

Negative Impact:

Potential work-related injuries and fatalities occur in our core operations

IRO 19

EMPLOYEE HEALTH, SAFETY & WELLBEING:
TARGETS & PROGRESS

Our progress in 2025

100%
Compliance with Health and Safety (H&S) Framework – manufacturing

100%
Compliance with Occupational Health and Safety (H&S) Framework – sales

210
Leaders trained in the Behavioural Safety Programme

2025

100%
COMPLIANCE
with the H&S Framework

2030

75%
REDUCTION
in LTA rate

PERFORMANCE

100%
100% compliance with the H&S Framework

28%
28% reduction in LTA rate compared to our 2019 baseline year

EMPLOYEE HEALTH, SAFETY & WELLBEING: PERFORMANCE

Performance Indicator	Unit	2019	2023	2024	2025	Progress	Commentary
Employee fatalities[1]	Number	2	0	0	**0**	●	There have been no work-related fatalities to employees.
Contractor fatalities[1]	Number	0	1	0	**0**	●	There have been no work-related fatalities to contractors.
Members of the public fatalities involving Imperial Brands vehicles[1]	Number	1	0	0	**0**	●	Road safety remains a priority across all our operations. We are deeply saddened by the deaths of two members of the public, which occurred outside of working hours following road traffic collisions involving our drivers. We extend our heartfelt condolences to the families and loved ones affected by this tragic loss.
Lost time accidents (LTAs)[1,2]	Number	101	57	54	**54**	●	The absolute number of LTAs has remained unchanged compared to the previous year, highlighting the importance of stepping up efforts to drive further improvement.
LTA rate[1,2]	Lost time accidents per 200,000 hours worked	0.40	0.30	0.30	**0.29**[A]	●	Since FY19, LTAs have fallen by 47%, while total hours worked declined by 26%, mainly due to our exit from Russia, Japan and the Premium Cigars business. These regions made up 14% of hours worked but only 2% of LTAs, so the LTA rate did not improve in line with absolute reduction in accidents. The number of LTAs remained unchanged from FY24, reinforcing the need to step up our efforts to achieve the 2030 target of a 75% reduction in LTA rate.
Total number of accidents[1,2]	Number	850	420	318	**524**	●	We have seen a 65% increase in total accidents reported compared to last year, this rise being the result of educational campaigns on reporting, and a 38% reduction compared to the 2019 baseline year.
Accident rate[1,2]	Total accidents per 200,000 hours worked	3.39	2.24	1.75	**2.84**	●	The accident rate increased by 62% compared to last year and reduced by 16% compared to the 2019 baseline year.
Fleet collision rate[1]	Accidents per million kilometres	5.03	2.29	1.82	**1.79**	●	There has been a 1.6% decrease in our vehicle accident rate compared to last year and a 64% decrease compared to the 2019 baseline year. Road safety remains a key priority for us. We adopt global standards for road safety and use our Drive Safe campaign to promote awareness and influence behaviours.
Compliance with the H&S Framework (Manufacturing)[1]	%	–	93	99	**100**	●	We achieved 100% compliance with our framework standards in 2025.
Compliance with the H&S Framework (Sales)[1]	%	–	94	98	**100**	●	We achieved 100% compliance with our framework standards in 2025.

● Progress on track ● Focus required to accelerate progress ● Intervention required to accelerate progress

A. Select 2025 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.
1. Our health and safety data is for the full 2025 financial year.
2. Accidents reported do not include commuting to or from work, or those sustained by third parties such as distributors.
* These operations accounted for approximately 14% of total hours worked but contributed only 2% of overall lost time accidents. Their historically low LTA rates had disproportionately lowered the original baseline, making the previously set 75% reduction target by 2030 potentially unattainable.

EMPLOYEE HEALTH, SAFETY & WELLBEING: PERFORMANCE

	FY19* (baseline year)	FY23	FY24	FY25
Fatalities Work related incidents including physical assaults resulting in the death of employees, third party contractors or members of the public. 'Work-related' means that the incident occurred in relation to the employees' or contractors' activities executed on behalf of the Company, or a member of the public was killed because of an employee or contractor work activity. Traveling to and from work accidents are excluded as well as other non-work-related death-in-service such as employee death from natural causes or other non-work-related cause.	2	1**	0	0
Major Injuries Reportable specified injuries to employee. The types of injuries include among others: fractures, amputations, serious burns and loss of consciousness.	8	4	4	4
Lost Time Accidents Work-related accidents resulting in absence from one or more scheduled workdays or shifts, beyond the day or shift the accident occurred.	101	57	54	54
Accidents Work-related accidents including physical assaults to employees. 'Work-related' means that the incident occurred in relation to the employees' activities executed on behalf of the Company. Traveling to and from work accidents are excluded. "Accidents" are work-related accidents resulting in injury, irrespective of whether there was any lost time or not.	850	420	318	524
Near Misses*** An incident that while not causing harm has the potential to cause injury or ill health.	12,182	10,494	34,118****	16,589

* The 2019 Lost Time Accident (LTA) rate baseline has been recalculated to exclude the Russian and Japanese businesses, as well as the divested Premium Cigars business.
** Contractor fatality
*** We have upskilled our workforce's understanding of the definition of near misses and its reporting. In prior years, the numbers had also included safety observations. From 2023, this figure is exclusive to near misses.
**** Near miss reporting structure was corrected for GSC to match Sales reporting.

DIVERSITY, EQUITY & INCLUSION

We are committed to creating an inclusive organisation renowned for celebrating difference, enabling our people to feel that they belong and can be their authentic selves. We respect, recognise and value the diversity of our consumers and strive to reflect the communities in which we operate.

BEHAVIOURS:

Be Authentic, Inclusive to all

SDGs

5 GENDER EQUALITY

We aim to achieve gender equality and a more inclusive organisation.

Governance

Governance bodies:

- DEI Steering Group
- Business Employee Resource Groups (BERGs)
- Human Rights Working Group
- ESG Committee

Key policies:

- Code of Conduct
- Supplier Code of Conduct
- Human Rights Policy
- Fairness at Work Policy

ELT Sponsors:

Murray McGowan
Chief Financial Officer

Alison Clarke
Chief People and Culture Officer

We are further building on our success to date to best support the delivery of our 2030 strategy with a continued focus on inclusion, equity, and merit-based advancement.

We continue to enable self-identification to better understand our employees and use this data to identify and act on key opportunities, foundational to building a high-performing, innovative culture and driving commercial success.

An inclusive culture

In 2025, we expanded our allyship programme to all employees via self-enrolment. Designed to identify and develop inclusive behaviours, enabling employees to better contribute their ideas and experience. With over 300 colleagues trained to date, survey feedback shows increased confidence and positive impact on workplace culture. An interactive training module was launched in 2024 for all colleagues, with 90% completion rate to date.

Embedding inclusion through policy, practice and process

We continue to utilise external benchmarks to measure progress in creating inclusive policies and practices.

An Inclusion Framework was designed and implemented in FY25, in partnership with business leaders. Structured quarterly reviews are conducted with each region and function, bringing together business partners and subject matter experts to assess inclusion data, survey insights, feedback, and learning metrics.

Initially focused on processes and practices in recruitment, learning, IT and communications, the Inclusion Framework will be expanded to include facilities, performance management, procurement and talent in FY26.

Case study: Creating an inclusive high-performance culture

Our AAACE Region spans 41 diverse markets, with many different, cultures, languages and consumer needs. To best understand and deliver for our customers and our consumers, we've focused on building an employee base that reflects the communities in which we operate – creating an inclusive culture where every colleague can contribute and thrive.

Key actions and outcomes:

- **Leadership accountability:** Inclusive leadership is now a core part of how we measure success. All leaders have clear goals tied to building inclusive teams and fully leveraging diverse talent to deliver business performance. Our employee Inclusion Index is now 4 points above best practice global benchmark.
- **Leadership composition:** The AAACE Senior Leadership Team is now more diverse in composition, through merit based hiring and internal progression, better representing our consumer base
- **Employee awareness and understanding:** More than 80 leaders have completed inclusive leadership training to identify and best utilise the diversity of their employees to support business delivery through the contribution of ideas, experiences and input to richer decision making.

Material Impact, Risk and Opportunity

Positive Impact:
Promoting inclusion and diversity inspires innovation and drives a high-performance culture.

IRO 10

DIVERSITY, EQUITY & INCLUSION: TARGETS & PROGRESS

We are committed to creating an inclusive organisation renowned for celebrating difference, enabling our people to feel that they belong and can be their authentic selves. We respect, recognise and value the diversity of our consumers and strive to reflect the communities in which we operate.

BEHAVIOURS:

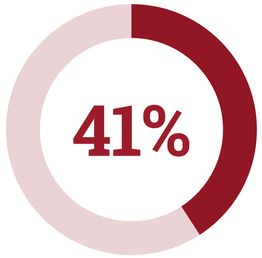
Be Authentic, Inclusive to all

SDGs

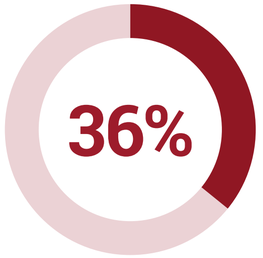
5 GENDER EQUALITY

We aim to achieve gender equality and a more inclusive organisation.

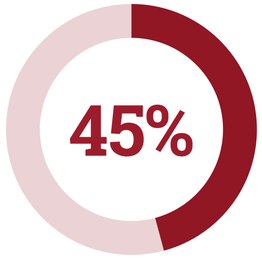
20% of the Board identify as being from an **ETHNIC MINORITY BACKGROUND**



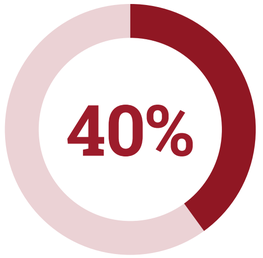
41%of the **WORKFORCE** are female



36% of the **SENIOR MANAGEMENT*** are female



45% of the **EXECUTIVE LEADERSHIP TEAM** are female



40% of the **BOARD** are female

Data correct as of 30th September 2025.
*The proportion of senior management employees (Global Grades 3, 4, 5) recorded as female across Imperial Brands Group, excluding Logista.

DIVERSITY, EQUITY & INCLUSION: PERFORMANCE

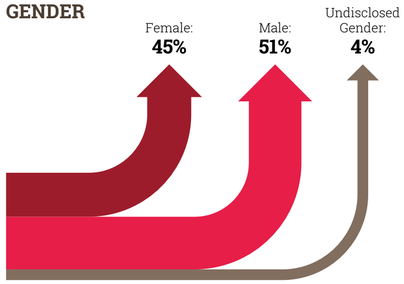
As a UK-listed company, we are providing board and executive management-level diversity and inclusion reporting in compliance with UK Listing Rules UKLR 6.6.6(9).

Performance Indicator	Unit	2022	2023	2024	2025	Progress	Commentary
Female employees in the workforce[1]	%	40	39	41	**41[A]**	●	Female representation has remained broadly consistent across the last four years. FY25: 7,758 female, 11,163 male, 133 not declared.
Female senior management[2]	%	29	31	33	**36[A]**	●	Targeted talent attraction and development plans have seen an increase in female representation at senior management level. FY25: 251 female, 451 male, 3 not declared.
Female Executive Leadership Team (ELT) members	%	33	30	45	**45[A]**	●	Female representation on the ELT has remained stable through FY25 with no changes to members. FY25: 5 female, 6 male.
Female PLC Board members	%	40	40	45	**40[A]**	●	Female representation on the Board at the end of FY25 was 40% (Diane De Saint Victor stepped down during the year). FY25: 4 female, 6 male.
Ethnic background on our Board	%	20	20	18	**20[A]**	●	On 30 September 2025 (end of FY25), 20% of the Board members identified as being from an ethnic minority background.
FTSE Women Leaders Review Combined Executive Leadership Team & Direct Reports	%	24.3	26.7	32.1	**34.5[A]**	●	The FTSE Women Leaders Review is the successor to the Hampton-Alexander Review. It is the UK's independent, voluntary initiative aimed at increasing the representation of women on FTSE 350 boards and leadership teams. The formal reporting date is 31 October 2025. The figure here is our data as of 30th September 2025.
Employee turnover rate[3]	%	30*	16	14	**14**	●	Turnover has remained stable in FY25.

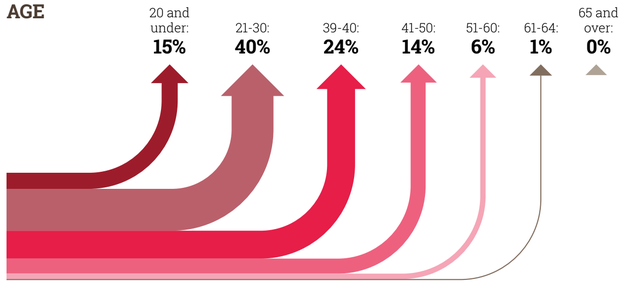
● Progress on track ● Focus required to accelerate progress ● Intervention required to accelerate progress

New Employee Hires for 2025[4] GRI Standard 401-1

GENDER



AGE



Employee Turnover Rate for 2025[4]

GRI Standard 401-1

Group	Total	% Rate
Female	1,141	44.47%
Male	1,391	54.21%
Under 30	1,031	40.18%
30-50	1,054	41.08%
Over 50	481	18.75%

A. Select 2025 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.
1. Based on employees recorded in Imperial Brands Group Human Resources Information Systems, excluding Logista, contractors and casual labour.
2. The proportion of senior management employees (Global Grades 3, 4, 5) recorded as female across Imperial Brands Group.
3. This reflects all employees excluding those employed by Logista.
4. Excludes Logista. The gender and age group figures exclude any individual who has chosen not to disclose their age and/or gender and so will not sum to the total figures.
* Includes divestiture of our Russian business.

FURTHER READING

This summary forms part of our wider ESG reporting, which includes our:

Annual Report and Accounts:

Detailing corporate strategy, financial and non-financial performance as well as information on Risk and ESG performance and our disclosures based on the TCFD requirements.

FIND OUT MORE

Corporate Website: Healthier Futures:

We provide further detail on our approach to managing our ESG responsibilities on our website, and in our ESG strategy document.

FIND OUT MORE

Reporting Criteria Document:

This document sets out our reporting approach, scope and criteria which underpins the PLC Board's commitment to disclose our ESG performance in the Annual Report and Accounts and on the corporate website.

FIND OUT MORE

GRI and SASB Index:

Our ESG reporting is aligned to the Global Reporting Initiative (GRI) Standards and the Sustainable Accounting Standards Board (SASB) framework for Tobacco. This index lists the GRI and SASB Standards we are reporting against, and where the information can be found across our suite of ESG reporting.

FIND OUT MORE

Independent Assurance Statement:

We appointed Ernst & Young LLP to provide limited independent assurance over selected ESG content within the Annual Report for the period ended 30 September 2024. The assurance statement is available on our corporate website.

FIND OUT MORE

Use the QR code to take you to our corporate website: Healthier Futures

IMPERIAL BRANDS