ESG REVIEW

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.

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.

ESG REPORTING FRAMEWORK

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 GRI and SASB Index.

Note: Logista is a publicly-listed company on the Bolsa de Madrid Stock Exchange and operates with commercial independence due to commercial sensitivities. It is responsible for managing its own ESG-related data and, as such, is outside the scope of Imperial's ESG-related KPIs. Logista has developed a three-year ESG strategic plan (2024–2026), outlining specific objectives and actions, which is available on its corporate website.

Further information and data related to each of our material ESG issues is available in our **ESG Performance Summary**

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 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 allocate resources where they can deliver the greatest impact. For further information on this process please read our ESG Performance Summary.

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 blu into their daily routines, with the aim of reducing or replacing cigarette use.

Investing to improve our ESG performance

By adopting energy-efficient technologies and practices, we have successfully reduced our carbon footprint and generated cost savings. This reinforces our commitment to environmental sustainability and responsible resource use. 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. 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 plans to remain aligned with our ESG objectives and business strategy. 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.

For further information on this process please read our **ESG Performance Summary**

HOW WE DELIVER ON OUR ESG PRIORITIES

ESG Governance

The People, Governance & Sustainability Committee, chaired by Imperial's Chair and comprising all Non-Executive Directors, has accountability for ESG performance. 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.

We maintain a zero-tolerance approach to bribery and corruption, as outlined in our Code of Conduct, Supplier Code of Conduct, and Anti-Bribery and Corruption (ABAC) Policy. All online employees complete mandatory ABAC training, and we assess business partners for compliance risks, including ABAC.

> The ESG Committee plays a key role in overseeing, advising, and guiding the delivery of our ESG strategy including ensuring progress against the ESG commitments.

ESG REVIEW CONTINUED

HOW WE DELIVER ON OUR ESG PRIORITIES CONTINUED

Each of our ESG priorities is aligned with at least one United Nations Sustainable Development Goal (SDG) and organised under three strategic pillars: Healthier Futures, Positive Contribution to Society and Safe & Inclusive Workplace.

HEALTHIER FUTURES

This pillar directly supports our purpose – of 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.

Our ESG priority areas in this pillar are:

CONSUMER HEALTH

83%

NGP net revenue increase since 2020

CLIMATE CHANGE

72%

reduced Scope 1 and Scope 2 market-based emissions since 2017

PACKAGING & WASTE

36%

reduced absolute waste across our operations 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

152,000

beneficiaries supported in 12 countries through our Leaf Partnership Programme

SUSTAINABLE & RESPONSIBLE SOURCING

6th consecutive year

recognised by CDP as a supplier engagement leader in 2024

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

4,900

employees completing the Human Rights Digital Learning

EMPLOYEE HEALTH, SAFETY & WELLBEING

47%

reduced lost time accidents since 2019 (absolute numbers)

DIVERSITY, EQUITY & INCLUSION

40%

female representation on the Board*

* As a UK-listed company we are reporting Board diversity in compliance with UK Listing Rules UKLR 6.6.6(9).

HEALTHIER FUTURES: CONSUMER HEALTH

Commitment:

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

LINK TO SDGs

3 GOOD HEALTH AND WELL-BEING

OUR BEHAVIOURS

Start with the Consumer

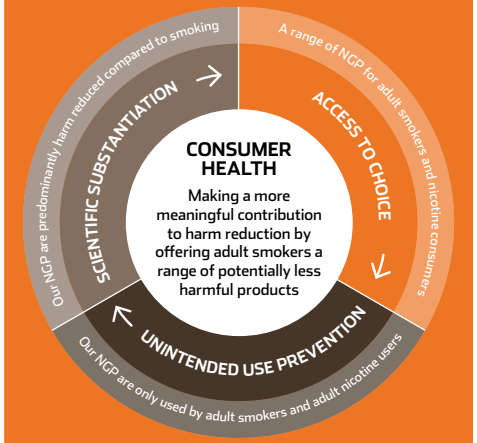
NGP NET REVENUE

Baseline year (2020)	£201m
2025	£368m

FY25 PERFORMANCE

NGP net revenue has increased by 83% since 2020.

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 NGP may reduce harm compared to continuing to smoke.

3. Unintended use prevention
Ensuring NGP are used only by adult smokers and nicotine users.

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 illustrated in the diagram.

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 in 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 further information please read our **ESG Performance Summary**

ESG REVIEW CONTINUED

CONSUMER HEALTH CONTINUED

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.

Unintended use prevention
We recognise societal concerns around vaping 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. For more information on our Marketing Principles, please read our ESG Performance Summary.

For more information on our Marketing Principles, please read our **ESG Performance Summary**

In FY26, we will continue to innovate responsibly by co-creating and collaborating with adult consumers to ensure our NGP align with their evolving needs. We will advance harm reduction science to deepen understanding of the long-term health impacts of NGP, while also addressing public misconceptions through clear, evidence-based education and communication. We will maintain transparent engagement with public health stakeholders and regulators to support pragmatic, evidence-led policies that promote the responsible adoption of NGP.

> We seek to offer adult smokers and nicotine users attractive potentially reduced-risk alternatives, while preventing unintended use, particularly among youth.

Scientific substantiation
We conduct scientific studies to substantiate the tobacco harm reduction (THR) potential of our NGP compared to combustible cigarettes.

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 continue 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 NGP. These efforts are central to our ambition to deliver meaningful, evidence-based contributions to public health.

For more information see our **Science website** at **https://imperialbrandsscience.com/**

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.

* 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.
For more information see our Science website.

ESG REVIEW CONTINUED

HEALTHIER FUTURES: CLIMATE CHANGE

Commitment:

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

LINK TO SDGs

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

OUR BEHAVIOURS

Build our Future

TARGETS AND METRICS

TARGET
45% Reduction in energy consumption by 2030

METRIC
Absolute energy consumption in our operations (GWh)[1]

Status: On track

TARGET
50% Reduction in Scope 1 and Scope 2 GHG emissions by 2025

METRIC
Total absolute Scope 1 and Scope 2 market-based CO_2e emissions (Tonnes)[1]

Status: Achieved

TARGET
100% of our purchased grid electricity will come from traceable renewable sources by 2025.

METRIC
Percentage of electricity purchased from renewable sources (%)[1]

Status: On track

FY25 PERFORMANCE

We reduced energy consumption by 34% and our Scope 1 and 2 market-based emissions reduced by 72% from the base year. This was driven by increased use of traceable renewable electricity, energy efficiency measures, and volume decreases. The final 3% of non-renewable grid electricity, from our Taiwan factory, will transition to renewable sources by December 2025.

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 Task Force on Climate-related Financial Disclosure (TCFD) report on page 54.

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.

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.

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 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.

For further information please read our **ESG Performance Summary and our TCFD report** on page 54

ESG REVIEW CONTINUED

CLIMATE CHANGE CONTINUED

CLIMATE CHANGE

3.0%

improvement in energy efficiency in FY2025

TARGET RESETTING

45%

revised target reduction in energy use by 2030

DECARBONISATION PLANNING

95%

of our factories emissions plans updated

94%

of our fleet emissions plans updated

As a UK-listed company, we are required to report energy consumption and emissions separately for UK and offshore operations, and benchmark these against global totals. Each month, entities across the business submit data via our non-financial reporting system, detailing volumes of petrol, LPG, diesel, electricity, and gas consumed. The Group ESG team is responsible for collating and reviewing this information.

Sales and Marketing entities specifically report the type and quantity of fuel used, which is then converted to GWh using DEFRA's Lower Calorific Value for fuels and the site's specific lower calorific value for gas. Annual revenue figures are sourced from Group Finance to support comparative analysis.

LOGISTA EMISSIONS

Performance indicator	Unit	2023 baseline year	2024	**2025***
Scope 1 emissions*	tCO_2e	138,317	133,123	**110,214**
Scope 2 location-based emissions*	tCO_2e	11,486	11,814	**12,159**
Scope 2 market-based emissions*	tCO_2e	1,150	489	**554**
Total gross Scope 1 & Scope 2 emissions location-based	tCO_2e	149,803	144,937	**122,373**
Total gross Scope 1 & Scope 2 emissions market-based	tCO_2e	139,467	133,612	**110,768**
Energy consumption*	kWh	498,579,101	517,795,325	**446,085,758**
Absolute Scope 3 emissions	tCO_2e	345,591	346,476	**363,192**

* 2025 data is undergoing independent assurance. All previous years' data has been independently assured.

LOGISTA 2025 COMMENTARY

Logista is managed remotely due to commercial sensitivities and is responsible for its own data.

Logista has established 2023 as its new baseline year, reflecting recent acquisitions and an updated methodology for calculating intermodal transport. Energy consumptions encompass electricity, natural gas and diesel.

Logista's 2025 relative Scope 1 and Scope 2 emissions market-based comprise 45 tonnes (2024: 56 tonnes) of CO_2e per £million of 2025 distribution fees (our non-GAAP revenue measure for Logista).

Further information on the scope of **Logista's GHG reporting** is available www.logista.com

SCOPE 1 AND 2 EMISSIONS – UK AND GLOBAL[1, 2, 3]

		2025		2024*	
Performance indicator	Units	**UK and offshore area**	**Global (Excluding UK and offshore area)**	UK and offshore area	Global (Excluding UK and offshore area)
Scope 1 emissions	tCO_2e	**1,550**	**65,096**	1,545	71,892
Relative Scope 1 emissions	tCO_2e/£m net revenue	**0.2**	**7.8**	0.2	8.8
Scope 2 location-based emissions	tCO_2e	**854**	**108,439**	862	107,608
Relative Scope 2 location-based emissions	tCO_2e/£m net revenue	**0.1**	**13.0**	0.1	13.2
Scope 2 market-based emissions	tCO_2e	**-**	**15,064**	0	15,683
Relative Scope 2 market-based emissions	tCO_2e/£m net revenue	**-**	**1.8**	0	1.9
Total Gross Scope 1 and Scope 2 location-based emissions	tCO_2e	**2,404**	**173,536**	2,407	179,500
Relative Scope 1 and Scope 2 location-based	tCO_2e/£m net revenue	**0.3**	**20.9**	0.3	22.0
Total Gross Scope 1 and Scope 2 market-based emissions	tCO_2e	**1,550**	**80,160**	1,545	87,576
Relative Scope 1 and Scope 2 market-based	tCO_2e/£m net revenue	**0.2**	**9.6**	0.2	10.7
Energy consumption	kWh	**11,852,244**	**564,776,758**	11,842,601	583,429,233

1. We have provided reporting in compliance with UK Streamlined Energy and Carbon Reporting (SECR) regulations (being the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the SECR under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.
2. For details on the methodology used for SECR calculations, please see our Reporting Criteria document available on our website.
3. Energy efficiency measures taken in FY25 are reported in our 2025 CDP Climate Change disclosures available on the CDP website.

* 2024 data has been restated to exclude Ireland.

HEALTHIER FUTURES: PACKAGING & WASTE

Commitment:

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

LINK TO SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

OUR BEHAVIOURS

Start with the Consumer

TARGETS AND METRICS

TARGET
100% of our packaging is reusable, recyclable or compostable in the EU and UK by 2025

METRICS
Percentage of packaging which is reusable, recyclable or compostable by packaging format and by weight of packaging in sales volumes

Status:
Requires focus

Baseline year (2022)	**95%[1] 96%[2]**
2025	94%[1,A] 99%[2,A]

1. Percentage by packaging formats.
2. Percentage by weight of packaging in sales volumes.

TARGET
Zero waste to landfill in our operations by 2025

METRIC
Absolute non-hazardous waste sent to landfill (Tonnes)

Status:
Requires focus

Baseline year (2017)	**7,200.0**
2025	6.7[1,A]

TARGET
100% of all wood fibre in our packaging will be sustainably sourced by 2025

METRIC
Percentage of wood fibre in our packaging sustainably sourced (%)

Status:
Achieved

Baseline year (2022)	**97%**
2025	100%[A]

FY25 PERFORMANCE

Based on weight of packaging in sales volumes, 99% of our packaging sold in the EU and UK is now deemed recyclable. We remain committed to achieving zero waste to landfill. 100% of the wood fibre used in our packaging is now sustainably sourced.

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 to reflect 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 tackling littering requires collaboration with stakeholders such as tobacco manufacturers, governments, retailers, and communities. We support this through participation in Extended Producer Responsibility (EPR) schemes, both voluntary and regulatory, like the EU Single-Use Plastics Directive, which help fund waste management, clean-up efforts, and public education. While a viable alternative to traditional cigarette filters has not yet been found due to consumer and regulatory constraints, we remain committed to innovation and continue exploring sustainable filter materials.

ENVIRONMENT POLICY

As a responsible manufacturer, we are committed to minimising our environmental impact and promoting sustainability throughout our value chain. This commitment is outlined in our Group Environmental Policy and reinforced by our Code of Conduct and Supplier Code of Conduct. These documents guide all employees, suppliers, and partners in upholding high standards in carbon reduction, resource efficiency, and biodiversity protection.

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.

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. Three sites in the Central African Republic, Mali and Ukraine are currently out of scope due to ongoing conflicts in these regions.

ESG REVIEW CONTINUED

POSITIVE CONTRIBUTION TO SOCIETY: FARMER LIVELIHOODS & WELFARE

Commitment:

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

LINK TO SDGs

OUR BEHAVIOURS

TARGETS AND METRICS

KPI
100% of our tobacco leaf suppliers participating in the Sustainable Tobacco Programme (STP)

METRIC
Percentage of total leaf suppliers participating in the STP

Status:
Achieved

Baseline year (2022)	96%
2025	100%

TARGET
100% Sustainable wood used as tobacco curing fuel by 2025

METRICS
Percentage of sustainably sourced wood for use as tobacco curing fuel and planting programmes to support sustainable wood in the future

Status:
Requires focus

Baseline year (2023)	85%
2025	85.5%[A]

FY25 PERFORMANCE
All our tobacco leaf suppliers participated in the Sustainable Tobacco Programme (STP).

We are committed to enabling wood used for tobacco curing comes from sustainable sources. In FY25, 85.5%* of the wood used was sourced sustainably and was fully traceable.

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

This target requires focus as we are evolving it to be aligned with our SBTi FLAG (Forests, Land and Agriculture) target-setting ambition.

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 and 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 key ways:

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 commit 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.

Forestry

Many contracted farmers use wood for curing tobacco or constructing barns. We are committed to enabling 100% of this wood comes from sustainable sources by 2025. In FY25, 85.5%[A*] of wood used was from sustainable, traceable sources. For a further 14.2%**, planting programmes are underway to support sustainable wood in the future.

Addressing child labour

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.

* The remaining 0.3% relates to a region where achieving full traceability presents unique logistical and operational challenges. Therefore we have adopted a phased approach focused on continuous improvement over time.

** The volume of wood from managed planting programmes, calculated based on the wood equivalent of hectares planted, expressed as a proportion of the total wood used for curing.

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.

For more information, please read our **ESG Performance Summary**

POSITIVE CONTRIBUTION TO SOCIETY: SUSTAINABLE & RESPONSIBLE SOURCING

Commitment:

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.

LINK TO SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

OUR BEHAVIOURS

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. Please read our case study 'Inaugural SRM Connect Conference and Awards 2025'.

Sedex

We have continued to expand the use of third-party risk assessments through our partnership with the 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.

Our SRM Connect programme remains a cornerstone of our supplier engagement strategy.

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.

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.

SAFE & INCLUSIVE WORKPLACE: HUMAN RIGHTS

Commitment:

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.

LINK TO SDGs

8 DECENT WORK AND ECONOMIC GROWTH

OUR BEHAVIOURS

Take Accountability with Confidence

NUMBER OF EMPLOYEES COMPLETING THE HUMAN RIGHTS DIGITAL LEARNING

2024	2,816
2025	4,985

FY25 PERFORMANCE

At the end of FY25, 4,985 employees had completed the Human Rights Digital Learning.

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.

6

audits were conducted in additional locations in FY25

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. The visuals 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 and the Company's responsibilities in upholding 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.

SAFE & INCLUSIVE WORKPLACE: EMPLOYEE HEALTH, SAFETY & WELLBEING

Commitment:

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

LINK TO SDGs

OUR BEHAVIOURS

Take Accountability with Confidence

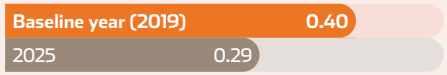
Be Authentic, Inclusive to all

TARGETS AND METRICS

TARGET
75% Reduction in lost time accident (LTA) rate by 2030

METRIC
Lost time accidents per 200,000 hours worked[1,2]

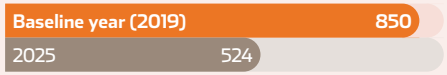
Status:
Requires focus



KPI
Reduction in total number of accidents each year

METRIC
Absolute total number of accidents[1,2]

Status:
Requires focus



FY25 PERFORMANCE

We have seen a 28% decrease in the LTA rate since the 2019 baseline year. However, the number of LTAs remained unchanged from FY24, reinforcing the need to step up our efforts to achieve the 2030 target.

We have seen a 38% decrease in absolute number of accidents since the 2019 baseline year. However, there was an increase of 65% compared to FY24 due to improved reporting as a result of educational campaigns.

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, more than 31,500 safety conversations had been conducted.

Addressing key risks

Driving-related risks are among the most significant and complex ones 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 and reduce 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.

HEALTH, SAFETY AND WELLBEING POLICY

Our Group Health, Safety and Wellbeing Policy reflects our commitment to providing a safe, healthy, and supportive working environment for all individuals involved in our business. We apply a structured 'Plan, Do, Check, Act' approach to set objectives, manage risks, and drive continuous improvement. This includes allocating appropriate resources, delivering targeted training, fostering clear communication, and ensuring compliance with all relevant regulations. Guided by the principles of our Code of Conduct, the policy reinforces our dedication to maintaining a respectful and secure workplace across our global operations.

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.

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.

For more information please read our **ESG Performance Summary**

ESG REVIEW CONTINUED

EMPLOYEE HEALTH, SAFETY AND WELLBEING CONTINUED

HEALTH AND SAFETY PERFORMANCE[1]

Performance indicator	Unit	2019 (base year)	2023	2024	**2025**	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 renewed efforts to drive further improvement.
LTA rate[1,2]	LTAs per 200,000 hours worked	0.4	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. We have seen 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.
Compliance with the Health and Safety Framework (Manufacturing)	%	–	93	99	**100**	We achieved 100% compliance with our framework standards in 2025.
Compliance with the Health and Safety Framework (Sales)	%	–	94	98	**100**	We achieved 100% compliance with our framework standards in 2025.

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.

SAFE & INCLUSIVE WORKPLACE: DIVERSITY EQUITY & INCLUSION

Commitment:

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.

LINK TO SDGs

5 GENDER EQUALITY

OUR BEHAVIOURS

Be Authentic, Inclusive to all

FEMALE REPRESENTATION AT EXECUTIVE LEADERSHIP TEAM (ELT) LEVEL

Baseline year (2021)	33%
2025	45%[A]

FEMALE REPRESENTATION ON THE BOARD

Baseline year (2021)	22%
2025	40%[A]

FY25 PERFORMANCE

45% of the Executive Leadership Team (ELT) are female.

40% of the Board are female.

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 a 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.

FAIRNESS AT WORK POLICY

Our Fairness at Work Policy promotes high standards of conduct and performance, fosters positive working relationships, and a workplace free from harassment and discrimination. It promotes equal opportunities for all employees and applicants, regardless of gender, race, disability, marital status, nationality, sexual orientation, age, religious beliefs, or other unrelated factors. The policy supports fair performance management and includes formal grievance procedures to protect against harassment. Guided by the principles of our Code of Conduct, it reinforces our commitment to integrity, respect, and equal treatment across all areas of employment.

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.

For more information please read our **ESG Performance Summary**

ESG REVIEW CONTINUED

DIVERSITY EQUITY & INCLUSION CONTINUED

DIVERSITY, EQUITY AND 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	2021	2022	2023	2024	**2025**	Commentary
Female employees in the workforce[1]	%	40	40	39	41	**41**[A]	Female representation has remained broadly consistent across the last three 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	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	%	22	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 minority background on our Board	%	10	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	%	21.4	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 reporting date is 31 October 2025.

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.