



# ANNUAL GENERAL MEETING



IMPERIAL  
BRANDS



31 JANUARY 2024



Thérèse Esperdy





# Board Engagement

AGM 31 January 2024





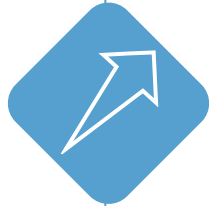
**Stefan Bomhard**

# Strong Progress Against Our Five-Year Plan

DELIVERING ACCELERATION IN ADJUSTED OPERATING PROFIT GROWTH



## PRIORITY MARKET SHARE



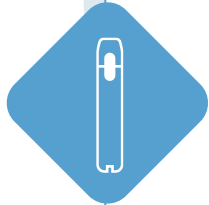
Investment in top five markets has **delivered market share gains**

## STRONG TOBACCO PRICING



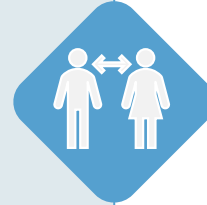
Strong tobacco **price/mix c. 8%**; adjusted operating margins **+150 bps\***

## BUILDING NGP MOMENTUM



Delivered **new launches and increased revenue**

## CULTURAL CHANGE



Continued **cultural and business transformation**

# 2023 – Successful Year of Delivery




BUSINESS PERFORMANCE SUPPORTING ONGOING CAPITAL RETURNS

OPERATIONAL  
DELIVERY


FINANCIAL  
DELIVERY

SHAREHOLDER  
RETURNS


TOP FIVE AGGREGATE SHARE

 **+10 bps**

TOBACCO & NGP NET REVENUE

 **+1.4%**


FY23 DIVIDEND PER SHARE

 **+4.0%**

NGP NET REVENUE

 **+26.4%**  
*Europe NR growth +40.4%*

GROUP AOP

 **+3.9%**

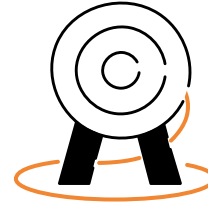
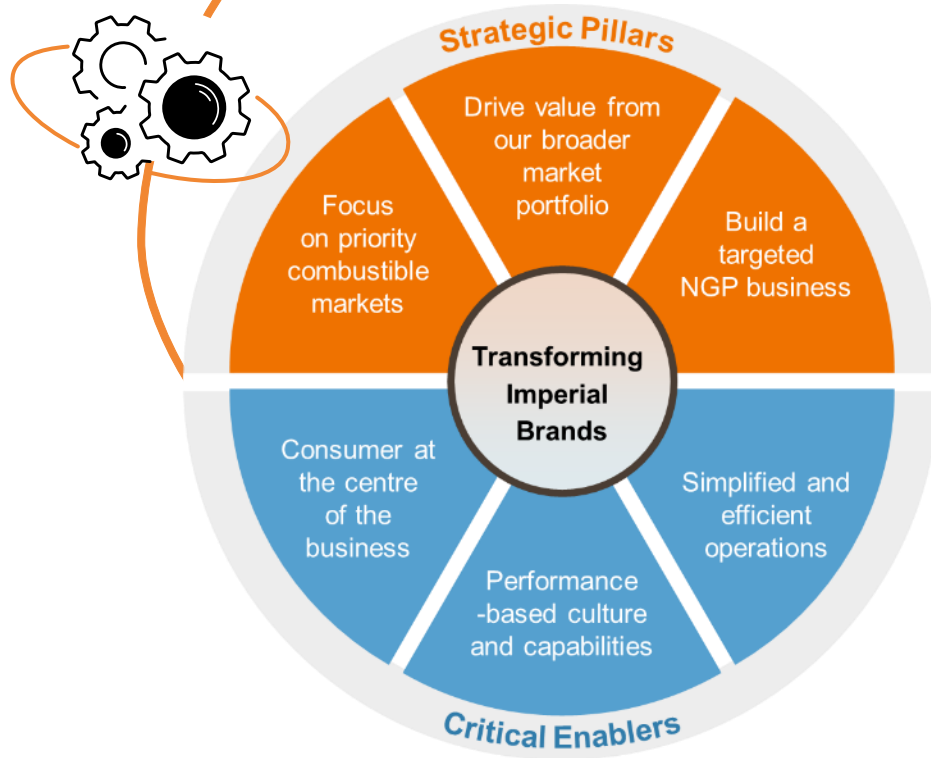
FY24 BUYBACK COMMITMENT

 **£1.1bn**  
*10% increase*

# Our Purpose, Vision and Strategy



CREATING A COMMON HIGH-PERFORMANCE CULTURE FOR IMPERIAL BRANDS



## 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**



Collaborate  
**with Purpose**



Take Accountability  
**with Confidence**



Be Authentic,  
**Inclusive to all**



Build  
**our Future**

# Transforming Imperial Brands



LEVERAGING THE CRITICAL ENABLERS TO DRIVE PERFORMANCE

## CONSUMER AT THE CENTRE OF THE BUSINESS

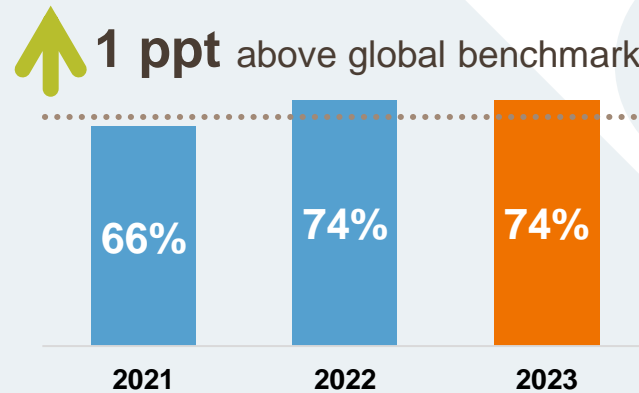
Consumer tracker coverage increased **20%**

Creation of **3** innovation and consumer centres

New product launch time-to-market **halved**

## PERFORMANCE-BASED CULTURE

### Global Engagement Score



Global Business Leaders Engagement\* **84%**  
**+10pps**

**91%** **+10 pps** vs. LY  
participation rate

**>50,000**  
verbatim comments

## SIMPLIFIED AND EFFICIENT OPERATIONS

**£150m** of savings delivered

Global business services model implemented across functions

Global ERP design finalised; replacing 60 legacy systems. Wave 1 pilots underway





# Delivering Against Our ESG Priorities



FORGING A PATH TO A HEALTHIER FUTURE



Consumer Health

Enabled Consumer Choice by **41%** growth in NGP net revenue since FY21



Climate Change

Reduced our direct emissions by **65%\*** since 2017



Packaging & Waste

Reduced absolute waste in operations by **27%** since 2017



Farmer Livelihoods & Welfare

We supported a total of **100,000** tobacco farming members with our Leaf Partnership Projects in FY23



Sustainable & Responsible Sourcing

Recognised by CDP for a **4<sup>th</sup>** consecutive year as a supplier engagement leader in 2022



Employee Health, Safety & Wellbeing

Reduced Lost Time Accidents by **44%\*\*** since 2019



Diversity, Equity & Inclusion

Workforce Disclosure Initiative score **92%** in 2022



Human Rights

All factories report monthly against **21** Modern Slavery Leading Indicators

HEALTHIER FUTURES

POSITIVE CONTRIBUTION TO SOCIETY

SAFE & INCLUSIVE WORKPLACE

\* Scope 1 and Scope 2 market-based emissions (CO<sub>2</sub> equivalent tonnes)

\*\* Absolute number of accidents

# Priorities for FY24

*STRENGTHENING OUR CULTURE, PERFORMANCE AND RESILIENCE*



Focus on maintaining our priority markets aggregate market share

Consolidating our NGP presence in key markets

Leveraging our culture change and further self-help opportunities

Further improvement in profit growth and shareholder returns



# FY24 Priorities Underpin Investment Case



GLOBAL CONSUMER GOODS BUSINESS WITH ATTRACTIVE VALUATION

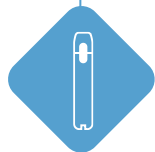
## OPERATIONAL DELIVERY

## FINANCIAL DELIVERY

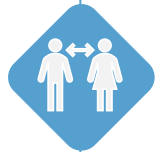
## SHAREHOLDER RETURNS



**REVITALISED TOBACCO BUSINESS**



**BUILDING A SUSTAINABLE NGP BUSINESS**



**FURTHER SELF-HELP INITIATIVES**

## SUPPORTING OUR MEDIUM-TERM GUIDANCE

- Low single-digit revenue growth
- Mid-single digit operating profit growth
- Strong cash conversion



## PROGRESSIVE DIVIDEND

- Dividend growth +4%
- Dividend yield 8.2%
- Payout ratio 53%



## ONGOING BUYBACK

- £1.1bn underway, +10%
- 7% of share capital
- Total FY24 returns: 15% of market cap





# ANNUAL GENERAL MEETING



**IMPERIAL  
BRANDS**



*31 JANUARY 2024*