



Human resources

Aspirational goal

We will be the employer of choice by investing in people.

Target

We will be a certified employer of choice every year in at least 60 countries by focusing on talent management, rewards, and empowerment.

Progress

We were certified as employer of choice in 67 countries (66 with Top Employer and 1 with other local employer certification). In addition, 14 countries hold more than one certification.

Read more about our latest progress on the JT Group's [tobacco business sustainability strategy](#).

Our approach

The JT Group human resources management philosophy

We believe that highly skilled and talented people form the foundation of a company's success and contribute to real sustainable growth. In light of this, the JT Group proactively takes steps to secure long-term engagement and employee satisfaction.



Our employees are assets to the Company, and their skills and spirit are the driving force behind everything we achieve. We are pleased to be an employer of choice, and our positive workplace culture and environment help us to attract, retain, and develop talented individuals. We are also taking further steps to create a diverse and inclusive culture.

To offer all of our employees the best possible experience, we are currently focusing on four areas:

- Talent development and retention
- Talent attraction
- Diversity and inclusion
- Being a responsible employer

Talent development and retention

Today's business environment is evolving rapidly, and COVID-19 adds additional pressures. It requires flexibility and the adoption of new skills, such as remote ways of working.

We have implemented various global and regional learning programs. Many of our courses are offered online, enabling employees to develop new skills even when working from home. We constantly invest in our employees, including at a managerial level, to ensure they flourish in their careers.

Our commitment to talent development and retention is reflected in our internal hire rate for the management positions, which has been above 90% for more than seven years. In 2021, 91.2% of employees were internally promoted. We also hired many talented people from outside the organization.

We believe that engaged employees lead to long-term employee retention, higher levels of productivity, and improved quality of work. Across our Group, the employee turnover rate was 9.9% in 2021.

Agile ways of working

In our international tobacco business, we have adopted the Agile method. This new project, known as Agile@JTI, will transform the way that we attract, develop and retain our people. It will help us to allocate resources and direct our efforts towards the priorities that deliver the greatest value.

The key aims of Agile@JTI are to engage and empower employees, encourage them to focus on a fully customer- and consumer-centric approach and maximize productivity, speed and efficiency throughout the Company. The Agile ways of working also help employees to overcome recurring challenges in their work.

After piloting Agile at our Geneva headquarters in 2020, we began the global roll-out in 2021. The ambition is that everyone in JTI will be trained on and embrace Agile ways of working by 2022, and master its practice by 2023+.



Learning and Development for all employees at all levels

All of our employees can access comprehensive training programs. Fundamental business courses in giving presentations, writing, or time management are available to those in junior positions. More advanced programs such as task execution, negotiation skills, or leadership are aimed at middle-management and senior positions.

In our international tobacco business, all of our employees now have access to 16,000 courses through the recognized video training provider LinkedIn Learning, as well as fully digital mentoring and coaching programs. We also run various cross-regional programs to support and develop young talent. This has enabled our people to continue to develop new skills, even when working remotely.

As a direct response to the COVID-19 pandemic, we offered online health and safety training to more than 7,500 people. On top of this, 590 health and safety leaders received extra training about risk assessment and control measures. This training was also available to employees with a higher risk of being exposed to the virus, including members of our salesforce, cleaning and hygiene staff, and security guards.

In our Japanese operations, we refreshed our learning programs for employees in 2020. Employees are now grouped into five stages of development. At each stage, they participate in training programs on topics such as capability development, understanding roles and responsibilities, and inner reflection. On top of this, we try to boost career development by linking off-the-job training with on-the-job training.

As line managers play a key role in our employees' careers, we hold regular performance and career discussions throughout the year. Regular communication between managers and employees helps to leverage our employees' full potential and boost their development. In 2021, 75% of our JT Group employees participated in the 2020 performance review.

Future business leaders

Our JT/JTI talent partnership program is a key part of our efforts to develop the global capabilities of our employees and train our future business leaders.

The main feature of this program is the JT/JTI Exchange Academy, which takes place every two years. Selected employees from both JT and JTI – our Group's two largest businesses – take part in training sessions and group discussions, all conducted in English.

The Academy took place virtually in 2021, with 27 employees selected to take part. With a focus on cross-cultural collaboration, this six-month learning journey included applying agile methodologies to leadership challenges and presenting to senior executives within our Group.

The program is a great opportunity for employees to network and improve their management skills, by experiencing different working styles and cultures.

Case study

Virtual training for JT Group leaders

Our learning and development program continued to move forward in 2021, in spite of the COVID-19 pandemic. Some of our JT Group leaders took part in a fully customized virtual leadership development program led by the INSEAD business school. With a focus on driving change management initiatives, the six-month 'Light Up' course included self-study, group sessions, personal coaching, business simulations, and personal reflection.



Designed in partnership with INSEAD business school, the 'Light Up' course takes leaders on an intense journey of self-discovery. It prepares participants to drive change and overcome the toughest leadership challenges, while accelerating their personal and professional growth.



Talent attraction

Another priority for us is ensuring that we are chosen by the best talent. Although our operation is worldwide, the Company is not yet well known in some countries and we wish to find ways to connect with talented individuals in these locations.

Attracting and retaining Generation Z* is particularly important, as this age group represents a growing proportion of our new hires, and their unique skills will help drive innovation in the JT Group. From a sustainability perspective, it is critical for us to understand this generation's professional expectations, which are different to those of previous generations.

* Generation born after the late 1990s.

With this in mind, in 2019 our international tobacco business launched its first global internship competition, 'Make It Bright', in which students from 17 countries pitched ideas for positive change to our business. In 2020, we expanded this initiative across 30 countries.

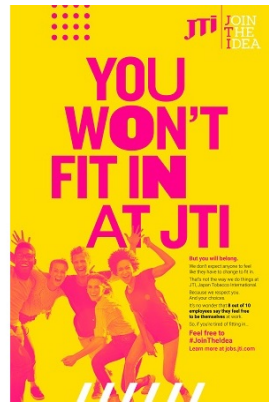
The 2021 competition went even further, with 36 participating countries and more than 8,000 entrants. The winners from each country went head-to-head in the virtual finals to win a six-month paid global internship with JTI in 2022. Winners from the first two years have since become employees.



For me, participating in the 'Make It Bright' challenge was a career- and life-changing experience! It allowed me to spend 10 amazing months as an intern in JTI Italy, and I've recently joined the Ploom Consumer Experience team at the JTI Headquarters. I learn new things every day and I'm excited to continue my career with JTI.



Aleksandra Stepanova,
PLOOM Consumer Experience
Associate and Make It Bright Winner
2020



The tobacco industry is undergoing a major transformation, and we want to make people aware of the new opportunities that our Company offers. In 2018, our international tobacco business launched a new HR Employer Brand ('Join The Idea') and redefined its Talent Value Proposition. This is our promise to create a working environment that addresses four key talent needs – respect, growth, drive, and confidence – so that our employees are free to express themselves, grow, create, and shine.

In 2020, we launched a talent attraction campaign to let candidates know about new career opportunities at our three new Global Business Service Centers (in Warsaw, Poland; St. Petersburg, Russia; and Manila, Philippines).

The campaign reached more than three million professionals, and we received three to four times more applications than during the pre-campaign period. Based on this success, in 2021 we extended the campaign to all of our worldwide operations. We also created comprehensive guidelines and toolboxes to support our local HR teams.

Diversity and inclusion

For us, diversity means all the ways in which current and potential employees define themselves, in terms of age, gender, self-identification, sexual orientation, disability, ethnicity, religion and nationality, as well as by experience and expertise. Inclusion is about treating all employees fairly and respectfully and ensuring that everyone feels

like they are part of the same team.

Establishing a diverse and inclusive workplace is a top priority for us because we would like all of our employees to enjoy their work and to perform to the best of their abilities. We believe this brings a rich mix of viewpoints and perspectives, which can inspire new ideas, lead to solutions to complex issues, and drive our business forward.

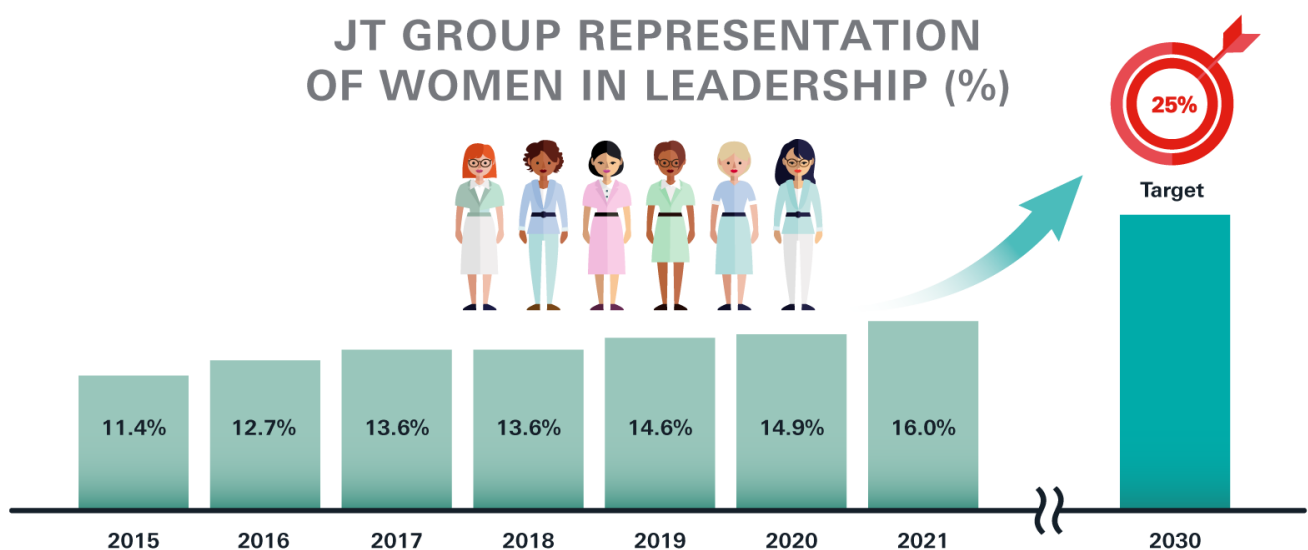


In some respects, we are already highly diverse. Our workforce includes over 100 nationalities, and it is vital for us to create a workplace free from any discrimination, where people can be themselves. However, in order to further strengthen our organization, we wish to increase diversity and inclusion in other respects and within senior management across our Group.

In 2019, our international tobacco business established a practical and ambitious new strategy consisting of three pillars: Gender Equality, New Ways of Working, and LGBT+ Inclusion. We then added two new pillars, Wellbeing and MyGeneration in 2020, followed by Race & Ethnicity in 2021.

Gender equality

We have been focusing on building a gender-balanced workforce and our Board members are heavily involved in working towards this ambition. To further empower women, we hold workshops for top management and line managers, as well as training and seminars for female employees. Our new Group-wide target, specifically representation of women in leadership, is to reach 25% by 2030. We find it desirable that this should be more than 40% over time.



In our Japanese operations, we run various training sessions and seminars to help women to grow in their careers. We are also working to expand our support systems for balancing work and family life.

In addition, we offer opportunities to take part in external training programs and discussions with senior management in order to promote career advancement among female employees. In recognition of our exceptional work in promoting women's success in the workplace, in 2021 our Japanese operations were named a 'Semi-Nadeshiko Brand'.

In our international tobacco business, a Diversity and Inclusion Advisory Council at Board level demonstrates senior management's support for this inclusive and forward-looking approach. Senior leadership have taken special training on identifying the obstacles preventing talented women from advancing their careers.

We have implemented a number of talent management and recruitment measures. These include diverse and balanced interview panels, as well as a 50-50 equal slate of candidates within the final round of our interview process. Additionally, all of our job descriptions go through an AI algorithm that flags gender-biased language, helping us to attract a broader range of candidates.

To foster the professional development of female employees, we launched a one-year sponsorship program targeting female employees, supported by senior leadership. We also established a global Employee Resource Group called "TogetHer". This internal network is fully inclusive and open to all JTI employees. TogetHER includes both men and women as active members. The network is currently focusing on men activating progress, the role of gender in consumer centricity and innovation, as well as raising awareness and communication in the organization.

In 2021, JTI became one of the first multinational companies to receive EY's brand-new Global Equality Standard. This is one of the only global certificates that assesses companies on equal opportunities and equal pay.



In particular, we were commended for our flexible working measures, best-in-class global family leave policy, employee resource groups, wellbeing programs, digital learning and development schemes, and more.

The eight-month assessment process involved consulting JTI employees in 19


different countries, reviewing more than 200 pieces of supporting evidence, and one-to-one interviews with JTI's leadership.


LGBT+ Inclusion

Supporting our LGBT+ employees is vital for us to create a more equal JT Group, in which everyone is empowered to be themselves and do their best. That's why we are committed to creating workplaces which are inclusive of all sexual orientations, gender identities, and gender expressions.

All of our job vacancies in our international tobacco business are now published on myGwork, a global networking hub for LGBT+ professionals and graduates.

Our global LGBT+ Employee Resource Group, with a dedicated internal communication platform (Workplace), facilitates networking and interaction among like-minded people and enhance employees' understanding of LGBT+.

In 2020, Geneva, the headquarters of our international business was one of the first companies in French-speaking Switzerland to be awarded the [SWISS LGBTi Label certification](#) . Based on an extensive audit, this certification recognizes the implementation of our LGBT+ Inclusion strategy.

We have made positive progress in our Japanese operations too, achieving the highest-ranking [Gold status in the PRIDE Index 2021](#)  for the sixth consecutive year.

In 2021, JT and JTI co-signed the UN Standards of Conduct for Business Tackling Discrimination against the LGBTI community. In signing this pledge, we join 300 other companies from around the world committed to tackling LGBT+ discrimination, while becoming the first tobacco company to commit to the Standards. This is another important milestone on our journey to achieving greater equality and inclusion at work, and within the communities in which we operate.



Swiss
LGBTI
Label




New Ways of Working (N-WOW)

Recognizing that different people have different working styles and needs, we promote a workplace environment that allows all employees to fulfill their potential. N-WOW is a movement to boost flexibility and employee retention. We do this largely by removing many of the barriers and management styles of the past and bringing them in line with a modern, multigenerational workforce.

In July 2021, our international tobacco business launched its global N-WOW policy and adopted a hybrid way of working that focuses on outcomes rather than time spent in the workplace. Employees now have the flexibility to work up to 50% of their time per month away from the office, benefit from flexible core hours, and work up to 10 days abroad, among other measures which redefine where and how work is done.

In our Japanese operations, we introduced full-time flexible working and no-limit remote working in February 2020. These new ways of working will continue beyond the end of the pandemic.

A family-first approach

In 2020, we launched [a new family leave policy](#)  for our international tobacco business, which came into effect in January 2021. The policy grants 20 weeks of paid family leave, regardless of gender, sexual orientation, age, or location, when an employee becomes a parent via natural birth, surrogacy, or adoption. The policy goes above and beyond the standard national requirements in more than 80% of the countries where JTI is present.



We also provide childcare facilities and financial support with childcare costs. In recognition of this, JT has been certified as a childcare-supporting company by the Japanese Ministry of Health, Labor, and Welfare.

In some countries with an aging population,

we offer support for employees who care for older people. For instance, in the U.K., we allow employees to take time off to look after senior family members. Equally, in our Japanese operations, employees can take days off when needed, and the Company offers financial support for professional nursing care.

Wellbeing

In light of COVID-19, wellbeing has become more important and relevant than ever before. So, in 2020, we launched our Global Wellbeing employee volunteering program. The aim of this initiative is to support the physical, mental, emotional, and financial wellbeing of our people and the communities in which we operate.

MyGeneration

We value the diverse perspectives that each generation brings to the workplace and our vision is to support age-diverse teams, creating optimum conditions for collaboration, knowledge exchange, and mutual respect. The launch of the MyGeneration pillar leverages the strengths of each generation and builds an inclusive culture. In 2020, two groups were created at the headquarters of our international business in Geneva. Each group will work on cross-functional projects including multi-generational focus groups and 'Sales Experience' sessions, as well as social events.

In 2020, with a heightened focus on Race and Ethnicity, we created a global employee working group dedicated to equal opportunities and equity for all our employees.

Race & Ethnicity

Our Race & Ethnicity pillar supports our journey to become a fully inclusive business. Our vision is to break down barriers and create a safe environment that allows people of all races and ethnicities to thrive in the workplace, diversifying all levels of the business, including leadership.

As part of our commitment to achieving this mission, our Diversity & Inclusion team is working with a group of volunteers who



make up embRACE, an employee resource group focused on race and ethnicity. This community of racially and ethnically diverse employees, and allies aims to empower employees through an open, positive and proactive dialogue.

Being a responsible employer

Engaging with employees

As a responsible employer, engaging employees is crucial. Our aim is to foster a positive and productive working environment, and to maintain constructive relationships with unions.

To evaluate the level of engagement of our employees, and to identify areas for improvement, we carry out an annual Employee Engagement Survey at a regional or department level and a Group-wide survey every three years.

The feedback we receive from employees helps us to understand our strengths, progress, and areas for improvement. It also helps us to maintain our reputation as a top employer.

Highlights from our 2021 JTI employee engagement survey

In our international tobacco business, our annual employee engagement survey helps us to collect employees' feedback regularly. This in turn empowers our line managers and teams to reveal challenges and needs for improvement, and take action in a timely manner.

We use the results of the survey to create and implement action plans, which are carefully tailored to the needs of the relevant business unit. Some of our key findings are listed below.



Strengths:

- 89% response rate
- 87% of employees responded favorably to the question “How happy are you working at JTI?”
- 84% of employees are excited about the Company’s future
- Employees are clear about the vision, and how they contribute to it, with 81% saying they are confident in our leadership team

Areas for improvement:

- 7% don’t feel well supported by the Company in terms of well-being, while 14% gave a neutral answer to this question
- Employees feel treated with respect, but are less positive about collaboration across the business

Overall, employees said they are satisfied with working for the company, so they are engaged and motivated.



Despite a challenging year, JTI continued to demonstrate the power of putting people first.

Successful policies implemented over the years meant that the company was able to continue fully engaging and motivating employees, showcasing why they are so deserving of their certification. This was demonstrated by their continued presence in top regional ratings, and their certification as a Global Top Employer since 2015. JTI has shown it is committed to continuously improving HR policies that affect its 40,000+ employees worldwide.



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David Plink,
CEO, Top Employers Institute

Freedom of association and trade unions

The JT Group supports freedom of association and the right to collective bargaining, even in countries where these freedoms are not a legal prerequisite. This means we are committed to open and constructive relations with trade unions and works councils. If one of our sites ever has to cease activities due to the operating environment it faces, we work closely with unions to ensure affected employees are treated fairly and beyond the minimum legal requirements.

We have a long history of positive industrial relations. Across the JT Group, industrial relations are based on individual countries' labor laws, and we aim for open and constructive relations with trade unions and works councils. Dialogue with trade unions generally takes place within the jurisdiction of our local operations, and typical engagements cover aspects of company management, strategy, and planning, as well as operational issues.

In line with EU legislation or regulations, we also have a voluntary European Works Council agreement in place. Our European Works Council operates as an employee information and consultation body for transnational issues relating to our operations in Europe. The Council has regular meetings each year and is made up of employee representatives and members of management.

Related links

Investing in people

Human resources

JT Group health and safety



JT Group health and safety

Our employees have the right to be protected from work-related injuries and illnesses. It is our responsibility to provide them with a safe working environment and to promote a culture that prioritizes health and safety.

We strive for zero harm among our employees and to carry out all our business activities in a safe manner.

Our global health and safety mission reflects our vision of zero workplace injuries. We aim to provide leadership in the development and implementation of global standards and



programs to properly manage and mitigate health and safety risks arising from our business activities. It's also important to us to build awareness and develop a sustainable safety culture across the business.

We focus on creating safe workplaces, building safety competence, and developing a Group-wide safety culture. Our standards on health and safety usually exceed legal requirements. In addition, their scope extends beyond our employees to cover contractors and visitors to our operations.

We have processes in place to identify and minimize risks, prevent incidents, and continuously improve safety. We work to prevent occupational health hazards such as exposure to noise, dust, hazardous chemicals, and ergonomic risks. We make sure that health and safety standards are respected when designing work processes and machinery. We ensure safe working environments by setting up specific microclimates and monitoring them. This typically includes air quality, temperature, humidity, and proper lighting, based on the tasks to be carried out.

We also promote health and safety awareness through dedicated training and communication campaigns. We run different programs to help protect the health of our employees while at work. In addition to protecting them from endemic diseases, we also have a number of initiatives in place to support their wellbeing.

Aspirational goal

We will be the employer of choice by investing in people.

Target

In line with our vision of zero workplace injuries, we will reduce injury rates by 25% by 2023 and 50% by 2030. (Baseline year: 2015).

Progress

Health and safety performance in our tobacco business

Recordable injury rate* declined 53.9% from 0.72 in 2015 to 0.33 in 2021.

		2015	2016	2017	2018	2019	2020	2021
Recordable Injury Rate (per 200,000 working hours)	Employees	0.72	0.64	0.67	0.50	0.49	0.29	0.33

* Recordable injury rate = recordable injuries/200,000 hours worked. Some data from newly acquired business has been excluded, as newly acquired business needs 18 months to integrate the JT Group health and safety standards.

Read more about our latest progress on the JT Group's [tobacco business sustainability strategy](#).

Our health and safety performance as a Group

Recordable injury rate* declined 53.9% from 0.72 in 2015 to 0.33 in 2021.

		2015	2016	2017	2018	2019	2020	2021
Number of fatalities	Employees	1	2	0	1	1	3	0
	Contractors	1	1 (only JTI)	2	0	0	0	1
Lost-time injury rate (per 200,000 working hours)	Employees	0.34	0.39	0.38	0.24	0.24	0.20	0.22
	Supervised workers		0.16	0.30	0.23	0.15	0.07	0.11
Occupational illness rate* ¹ (per million working hours)	Employees	0	0	0.08	0.02	0.01	0.37	2.06

Other important KPIs

% of cigarette and tobacco-related factories certified to ISO 45001 (OHSAS 18001)* ²	78.9 %	77.8%	74.4 %	76.9 %	79.5 %	70.0 %	71.8 %
Number of vehicle accidents* ³	112 2	1151	66	85	71	64	65
Vehicle accident frequency rate* ³ (excludes property damage, accidents per million kilometers)	4.84	3.87	0.23	0.21	0.16	0.19	0.20

We no longer report the number of lost-time incidents or the lost-time incident rate, as this data is now covered by the recordable injury rate and lost-time injury rate.

We regret that one contractor died as a result of work accident in 2021. We try to learn from every accident and remain committed to achieving zero fatalities.

*1 Data scope: 2015: only JT. 2016 and 2017: JT and Japanese domestic Group companies. From 2018: the entire JT Group. 2020 and 2021: The increases from 0.01 in 2019 to 0.37 in 2020 and 2.06 in 2021 are due to COVID-19 work related cases. Read more [about our data scopes](#) and [external verification](#).

*2 Data scope: 2020 only JTI

*3 The number of vehicle accidents and the vehicle accident frequency rate in 2015 and 2016 include damage to property, because the data is not available in our international tobacco business. The data in 2015 covers only our international tobacco business. From 2016, it covers JT and JTI.

Read more the way we define, calculate, and consolidate data in [the Basis of reporting](#).

Our Health & Safety Policy

Our Health & Safety Policy is driven by the following guiding principles:

- **People come first**
The health, safety and wellbeing of our employees, their families and the communities in which we operate are at the heart of everything we do.
- **Nothing we do is worth an injury**
We aim to create an injury-and illness-free workplace where everyone goes home safe and healthy after each day's work and where business results shall never conflict with safety performance.
- **Safety is everyone's responsibility**
Everyone shares the responsibility for a safe and healthy workplace, and we each have a role to play to make it happen.
- **We do the right thing**
All our offices, sales operations and factories shall always comply with all national and local laws and regulations. Where local legislation and regulatory framework does not provide adequate controls, we will adopt our own standards to protect the health and safety of our employees, contractors and visitors.

Efforts to reduce the risk of traffic accidents

The level of risk varies from location to location, but the highest risks across the JT

Group are driving vehicles, riding motorcycles (driver safety), and working with machinery, as well as slips, trips, and falls.

To mitigate these risks and prevent injuries, we conduct risk assessments throughout the whole supply chain. This helps us to identify hazards, implement appropriate measures, and ensure that our approach helps us to protect our employees. We also focus on raising awareness among employees and thoroughly embedding our safety culture in our day-to-day work.



In 2019, we rolled out a new driver safety policy and implementation guidelines across our international tobacco business. Considering the growing number of female employees, the policy also includes maternity protection for female drivers. Focusing on driver behavior, the new guidelines require local offices to conduct a risk assessment to identify high-risk drivers. They must also send periodic progress reports and action plans. In 2020, we completed a Driver Safety Compliance Assessment. The results showed that our markets comply with 80% of our global guidelines on average. In 2021, this average has increased to 85%.

In 2020 and 2021, we trained 1,380 and 2,361 employees respectively. Due to the pandemic, some of the training was carried out remotely (online driver risk assessment and coaching sessions), but we also organized 'on the road' training for high-risk drivers where possible. Our plan is to train a further 4,000 drivers in 2022.

In 2020, despite the onset of COVID-19, we launched a global tool to facilitate risk assessment at local offices. This tool had been piloted in Egypt, where trying to reduce vehicle accidents is challenging due to poor infrastructure and traffic management, nationwide. Feedback from local health and safety managers and employees had been very positive. The tool is now available in several countries, including Egypt, Lebanon, Jordan, Philippines, Indonesia, Nigeria, Turkey, and Poland, reaching more than 3,800 drivers.

In the sales division of our Japanese operations, we have set 'prevention of vehicle accidents during sales activities' as a priority issue within our Occupational Health and Safety Plan.

Case study

Stand for Health: driving towards a safer future in Iran

In 2018, a project was launched in Iran to make day-to-day work safer for employees who drive vehicles as part of their job.

The Iran team started by analyzing the root cause of previous accidents, pinpointing factors such as adverse weather, technical faults to dangerous driving. They then used this information to prepare training materials for area managers to use in driver safety training sessions. Following this initial training, all vehicle users continue to take part in weekly safety stand-up meetings to ensure continuous improvement.

The 'StandForHealth' initiative has proved to be very successful, with accidents among our drivers in Iran down by 67% and no high-severity incidents reported since 2018. It has also helped us to increase the life cycle of local vehicles, reduce repair costs and spend less time on accident-related paperwork.



Ensuring the same standards around the world

As part of our drive to expand the business geographically, we have made acquisitions in new markets. Most of these acquired businesses operate in developing countries, with a raft of societal and economical challenges. We recognize this and feel responsible for improving the working environment. We therefore introduce our policies firmly and immediately after each acquisition. We also visit the sites and support local managers to ensure that our policies are endorsed and embedded across the Group.

Particularly in these countries, health and safety issues pose a serious risk to local communities, our employees, contractors, and our business continuity. For this reason, we take a systematic and risk-based approach to acquired businesses from the outset.

The Health and Safety team at our headquarters conducts a risk assessment for potential new countries to check whether their standards meet ours. Following an acquisition, we support local offices to identify key risks, develop and implement 18-month action plans, and align policies with our standards.

To improve driver safety in Bangladesh, for example, where road conditions and driver behavior are particularly challenging issues, we are moving all staff from motorbikes to cars.

H&S ACQUISITIONS APPROACH



Our response to COVID-19

People come first. The safety and wellbeing of our employees, contractors, their families, and the communities in which we operate are at the heart of every decision we make.

At the JT Group, we implemented a number of measures to reduce the impact of COVID-19. We have taken a risk-based approach, identifying the highest risks to our Company and making it a priority to take relevant action.

We analyze the impact on business from various perspectives. Since the COVID-19 outbreak began in January 2020, we recognized the virus as a threat to our employees and the business community. Our corporate security and health and safety experts immediately started to create daily reports and risk assessments related to the impact of the virus on employee travel, health and safety, and supply chains. This gave management access to the latest information and speeded up decision-making.

We also provided best practices for business continuity during the pandemic. These included health and safety guidelines for different environments, including offices, factories, and sales, in dozens of countries. We supported business units worldwide by procuring and shipping personal protective equipment where needed.

In addition, we offered online health and safety training to more than 7,500 people. For health and safety leaders, we provided extra training on specific risk assessment and control measures. This training was also available to employees at a higher risk of exposure, including members of our sales force, our cleaning and hygiene staff, and security guards.

We have a long-standing corporate culture of encouraging flexible hours and remote working right across the Company. Fortunately, these practices enabled most of our office-based employees to seamlessly work from home soon after the COVID-19 outbreak began.

We also provided detailed travel security advice for employees when borders were rapidly closing, with severe and often unannounced restrictions on travelers.



We take a science-based approach to identifying the highest risks to our employees. Our COVID-19 policies and guidelines are accessible to all employees worldwide through our health and safety platform, ensuring



a constant flow of clear and scientifically accurate information. Using new online technologies, we have increased collaboration across risk functions to make sure our people have the information and tools they need to protect themselves and their loved ones.

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Alicia Olo Martinez
Director, Global Health and Safety,
Corporate Security, JT International



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Through all the challenges of 2020 and 2021, our culture was revealed to be our greatest strength. In the moment when we needed it most, we came together as one to support each other and adapt to the ever-changing environment we found ourselves in. While 2022 will certainly

remain unpredictable, we will continue to provide timely advice to ensure that our employees are safe.

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Yann Stephan
Vice President, Corporate Security, JT
International

COVID-19 vaccination program

In 2021, at all 20 of our sites in Japan, we offered COVID-19 vaccinations to all JT Group employees and their families etc. In total, this gave around 20,000 people the opportunity to receive the vaccine.

In our international operations, we also offered workplace vaccinations where possible, in line with local government guidelines and regulations. We actively encouraged employees to get vaccinated if legally appropriate, and produced an employee information booklet about the vaccine.

By the end of 2021, although vaccine availability varies by country, 80% of JTI employees (over 36,000) had been vaccinated: well above the average national vaccination rate in most locations. This is a significant achievement, which highlights the success of our vaccination campaigns.



Employee wellbeing in focus

We care deeply about employee wellbeing because we want our employees to feel comfortable and motivated every day. We run a variety of wellbeing programs across the Group, such as ergonomic assessments and ensuring general occupational hygiene.

To design these programs, we gather wellbeing data from our local offices. In 2018, we expanded our data scope by introducing new rules requiring all local offices to report their occupational health cases to our headquarters. This will allow us to understand our global risks and develop a consistent approach to them, while strengthening our existing protection measures.

Local managers are responsible for investigating reported issues and identifying the causes. If the issues are attributed to the work or workplace, we take appropriate measures immediately to protect employees' wellbeing and prevent recurrences.

We communicate the importance of health check-ups to our employees and put in place initiatives to facilitate them. In Japan, through these check-ups, we identified several lifestyle-related risk factors which can cause chronic conditions such as diabetes. We therefore launched a platform where employees can view the results of their check-up and receive relevant wellbeing tips. This will raise employee awareness of lifestyle-related risk factors, and ultimately reduce absenteeism rates.

In our Japanese operations, in addition to occupational safety and health activities, we are building a comprehensive health support system under the leadership of our CEO. For example, we have assigned health staff at 11 key locations in Japan, to help employees to take care of their physical and mental health.

Since the onset of COVID-19, we have continued to offer employees one-to-one interviews with health staff via video call. We have also continued to run online programs focusing on sleep, diet, and exercise.

Supporting employees' mental health

In our Japanese operations, we recognize the importance of mental health in the workplace and is working to prevent mental illness. We have set up an in-house consultation desk, where employees can speak to specialists and counselors. We also provide telephone and interview counseling through external specialized institutions, as well as mental health training for supervisors

and self-care seminars. As a result of these efforts, the incidence of mental health problems remains at a low level.

These programs have had a positive impact on employee productivity and the absenteeism rate in Japan, which has recently been below 1%.

We are pleased to announce that JT was named as a [“White 500”](#) company for the sixth year running in 2022. This award is presented by Japan’s Ministry of Economy, Trade, and Industry. It recognizes large enterprises that are making outstanding progress towards better wellbeing among their employees.



Case study

Boosting employee wellbeing while supporting a good cause

Our Japanese operations have been participating in the 'Table for Two' program, which donates the equivalent of one meal to a developing country for every meal purchased by employees at the cafeteria in Tokyo.

In light of COVID-19, working from home became the norm for employees in 2020 and 2021, and use of the cafeteria decreased. However, we found a new way to keep the program running, while encouraging employees to keep fit at the same time. In both May and October 2021, the Company donated one meal for every 8,000 steps taken per person per day. A total of 6,224 employees in our Japanese operations stepped up to the challenge.

Read more about our [community investment initiatives](#).



About our reporting

Our referenced guidelines(GRI), notes on data (BoR), and scope of our data (*A-E).

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