

JT Group Sustainability Report FY2014 – GRI G4 Content Index

JT Group Sustainability Report FY2014 contains Standard Disclosures from the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines. Our reporting is not yet in accordance with the GRI G4 'Core' Guidelines and we have not made disclosures in all areas. We aim for our FY2015 report to be in accordance with GRI G4 'Core'.

The identification of the material Aspects is based on a materiality assessment in our international tobacco business only.

Due to the diverse nature of the JT Group, we do not have Group-wide figures for all information presented in this report. As a result, we use the following notation to show the scope of the data and information reported:

***A** = the entire JT Group including subsidiaries
(i.e. international tobacco, Japanese domestic tobacco, pharmaceutical, beverage and processed food businesses)

***B** = solely Japan Tobacco Inc. (JT)
(includes Japanese domestic tobacco, pharmaceutical, and beverage businesses, and excludes processed food business, international tobacco business, and subsidiaries of all businesses)

***C** = Japan Tobacco Inc. (JT) and Japanese domestic group companies
(includes subsidiaries of Japanese domestic businesses, excludes international tobacco business)

***D** = Japan Tobacco Inc. (JT) and Japan Tobacco International (JTI)

***E** = solely Japan Tobacco International (JTI)
(our international tobacco business)

General Standard Disclosures

#	General Standard Disclosures	Location (pages)	Additional information	Disclosure status
Strategy and analysis				
G4-1	Statement from the most senior decision-maker of the organization	CEO statement (p.4-5)		Disclosed
Organizational profile				
G4-3	Name of the organization	Corporate profile (p.6-7); About this report (p.58-59)		Disclosed
G4-4	Primary brands, products, and services	Corporate profile (p.6-7)		Disclosed
G4-5	Location of the organization's headquarters	Corporate profile (p.6-7)		Disclosed
G4-6	Number of countries where the organization operates, and names of countries where the organization has significant operations	Corporate profile (p.6-7)		Disclosed

#	General Standard Disclosures	Location (pages)	Additional information	Disclosure status																				
G4-7	Nature of ownership and legal form	Corporate profile (p.6-7); About this report (p.58-59); Annual Report (p.143)	Detailed information is presented in our Annual Report FY2014: http://www.jt.com/investors/results/annual_report/index.html	Disclosed																				
G4-8	Markets served	Corporate profile (p.6-7)		Disclosed																				
G4-9	Scale of the organization	Corporate profile (p.6-7); Annual Report (p.7, 78, 138)	<p>Presented subsets of employees' data exclude locations not currently on our SAP HR Management System.</p> <p>The following financial information can be found in our Annual Report FY2014:</p> <ul style="list-style-type: none"> - Net sales (p.80). - Total capitalization broken down in terms of debt and equity (p.7, 79). - Total assets (p.7, 78). - Beneficial ownership (including identity and percentage of ownership of largest shareholders) (p.138). 	Disclosed																				
G4-10	Workforce information	Corporate profile (p.6-7); Equality and diversity (p.30-31)	<table border="1"> <thead> <tr> <th>JT Group employees by type of contract and gender</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Permanent</td> <td>34,550</td> <td>10,383</td> <td>44,933</td> </tr> <tr> <td>Temporary full time</td> <td>2,062</td> <td>1,644</td> <td>3,706</td> </tr> <tr> <td>Temporary part time</td> <td></td> <td>n/a</td> <td>6,200</td> </tr> <tr> <td>Supervised workers (*C)</td> <td></td> <td>n/a</td> <td>1,477</td> </tr> </tbody> </table> <p>Data as of the end of 2014, excluding locations not currently on our SAP HR Management System. Currently, the gender breakdown of temporary part time employees and supervised workers cannot be provided as it is deemed legally inappropriate.</p>	JT Group employees by type of contract and gender	Male	Female	Total	Permanent	34,550	10,383	44,933	Temporary full time	2,062	1,644	3,706	Temporary part time		n/a	6,200	Supervised workers (*C)		n/a	1,477	Disclosed
JT Group employees by type of contract and gender	Male	Female	Total																					
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G4-10			<p>Employees per region and gender (*A)</p> <table border="1"> <thead> <tr> <th>Region</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Japan</td> <td>18,915</td> <td>3,732</td> <td>22,647</td> </tr> <tr> <td>South and West Europe</td> <td>1,821</td> <td>1,119</td> <td>2,940</td> </tr> <tr> <td>North and Central Europe</td> <td>3,755</td> <td>1,768</td> <td>5,523</td> </tr> <tr> <td>CIS+*</td> <td>5,849</td> <td>2,245</td> <td>8,094</td> </tr> <tr> <td>Other</td> <td>6,272</td> <td>3,163</td> <td>9,435</td> </tr> </tbody> </table> <p>*Commonwealth of Independent States</p> <p>The data in the table 'Employees per region and gender' includes permanent and temporary full time employees.</p> <p>No substantial portion of our work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. There are no significant variations in employment numbers.</p>	Region	Male	Female	Total	Japan	18,915	3,732	22,647	South and West Europe	1,821	1,119	2,940	North and Central Europe	3,755	1,768	5,523	CIS+*	5,849	2,245	8,094	Other	6,272	3,163	9,435	Disclosed
Region	Male	Female	Total																									
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G4-11	Percentage of total employees covered by collective bargaining agreements	Human rights in the workplace (p.27)	Currently we can only disclose the percentage of eligible employees covered by collective bargaining agreements in our Japanese domestic businesses.	Partially disclosed																								
G4-12	Organization's supply chain	Our key issues and impacts (p.8-9); 2014 at a glance - Responsible supply chain (p.11); Responsible supply chain (p. 32-39); Supply chain management (p.33)		Disclosed																								
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	Corporate profile (p.6-7); About this report (p.58)		Disclosed																								

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G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	Environmental management (p.41)	The JT Group Environment Charter reflects the precautionary principle. It requires that we reduce our environmental impacts in all the countries we operate in – as well as across our entire value chain. As an essential part of the Charter, our Environmental Policy outlines some of the key elements of our approach: <ul style="list-style-type: none"> - Reduce environmental impacts and optimize the use of natural resources at all stages of our activities, taking into account potential impacts on biodiversity, and encourage suppliers to understand and abide by our Environment Charter. - Reduce environmental impacts of products and services in their development phase, taking into account potential impacts on biodiversity. 	Disclosed
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	2014 at a glance (p.10); Memberships and endorsements (p.18); Anti-bribery and corruption (p.22); Tackling illegal trade (p.23); Child labor prevention (p.38); CDP - update (p.43); Resource efficiency – water and waste (p.44); Tobacco - regulatory landscape (p.49); Tobacco – responsible marketing (p. 50-51); The bigger picture (p.56)		Disclosed
G4-16	List memberships in associations and national or international advocacy organizations	Memberships and endorsements (p.18); Pharmaceutical – product responsibility (p.52)		Disclosed
Identified material aspects and boundaries				
G4-17	a. List all entities included in the organization’s consolidated financial statements or equivalent documents b. Report whether any entity included in the organization’s consolidated financial statements or equivalent documents is not covered by the report	About this report (p.58); Annual Report (p.2)		Disclosed
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries b. Explain how the organization has implemented the Reporting Principles for Defining Report Content	Our key issues and impacts (p.8-9); Our material issues (p.19); About this report (p.58)	Identification of GRI G4 Aspects is based on the materiality assessment conducted by our international tobacco business only. In the next report we will expand the materiality assessment to the whole of JT Group and set Aspect boundaries accordingly.	Disclosed

#	General Standard Disclosures	Location (pages)	Additional information	Disclosure status
G4-19	Material Aspects identified in the process for defining report content	Our key issues and impacts (p.8-9); Our material issues (p.19)		Disclosed
G4-20	For each material Aspect, report the Aspect Boundary within the organization		Although we have identified relevant Aspects based on the materiality assessment conducted by our international tobacco business, within our report we have disclosed data and information on each Aspect at a Group level, where applicable.	Partly disclosed
G4-21	For each material Aspect, report the Aspect Boundary outside the organization		For the purposes of this report the Aspect boundaries outside of the organization are determined by the scale of the impact of our international tobacco business, i.e. customers and directly contracted tobacco farmers, unless otherwise stated.	Partly disclosed
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	Workplace health and safety (p.25)	We have changed the way we report fatalities. Third party fatalities, resulting from an incident involving a JT Group asset (such as a facility or a vehicle being driven for business purposes), are no longer included in our fatalities statistics but we will continue to report on third party fatalities qualitatively. Therefore, we have restated the 2013 number of fatalities in our international tobacco business from 3 to 1.	Disclosed
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	Our material issues (p.19); About this report (p.58)	There are no significant changes in our Scope of reporting.	Disclosed
Stakeholder engagement				
G4-24	List of stakeholder groups engaged by the organization	Stakeholder engagement (p.17)		Disclosed
G4-25	Basis for identification and selection of stakeholders with whom to engage	Strategy and approach (p.15); Stakeholder engagement (p.17)		Disclosed
G4-26	Organization's approach to stakeholder engagement	Stakeholder engagement (p.17)		Disclosed
G4-27	Key topics and concerns that have been raised through stakeholder engagement	Stakeholder engagement (p.17); Engagement with governments and regulators (p.18); Our material issues (p.19)		Disclosed
Report profile				
G4-28	Reporting period for information provided	About this report (p.58-59)		Disclosed

#	General Standard Disclosures	Location (pages)	Additional information	Disclosure status
G4-29	Date of most recent previous report	About this report (p.58-59)		Disclosed
G4-30	Reporting cycle	About this report (p.58-59)		Disclosed
G4-31	Contact point for questions regarding the report or its contents	About this report (p.58-59)		Disclosed
G4-32	GRI Content Index	GRI G4 Content Index		Disclosed
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report	About this report (p.59)		Disclosed
Governance				
G4-34	Governance structure of the organization, including committees of the highest governance body	JT Group governance (p.16); Annual report (p.50-63)		Disclosed
Ethics and integrity				
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	JT Group and sustainability (p.14-15); How we do business (p.20-23); Our people (p.25,27); Responsible supply chain (p.32-33); Environmental management (p.41); Tobacco – smoking and health (p. 47); Tobacco – regulatory landscape (p.49); Tobacco - responsible marketing (p.50); Pharmaceutical – product responsibility (p.52-53); Beverage and processed food – product responsibility (p.54-55)		Disclosed

Specific Standard Disclosures

<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>	<i>Disclosure status</i>																	
Economic																					
Indirect economic impacts	DMA	Tobacco supply chain - long-term farmer profits (p.36-37); Agricultural Labor Practices, including child labor prevention (p.37-38)		Disclosed																	
	G4-EC8 - Significant indirect economic impacts, including the extent of impacts	Tobacco supply chain - long-term farmer profits (p.36-37); Agricultural Labor Practices, including child labor prevention (p.37-38)	Our most significant indirect economic impacts are within our tobacco supply chain.	Disclosed																	
Procurement practices	DMA	Supply chain management (p.33)		Disclosed																	
	G4-EC9 - Proportion of spending on local suppliers at significant locations of operation		Currently we do not collect this supplier data globally. We are adapting our data collection processes to allow us to report on this indicator in the future.	Not disclosed																	
Environmental																					
Materials	DMA	Tobacco supply chain - sustainable wood (p.39)	The use of sustainable wood by farmers in our tobacco operations has been identified as material within this Aspect. We use mass data where available. Otherwise, we use purchase value in US\$ to extrapolate the wood weight.	Disclosed																	
	G4-EN1 - Materials used by weight or volume	Tobacco supply chain - sustainable wood (p.39)	<p>Currently we collect information on the tonnage of wood used to flue-cure tobacco (in Brazil and Zambia). In future reports we will expand the coverage to other countries where we source tobacco directly from contracted farmers where wood is used for constructing air-curing barns.</p> <table border="1"> <thead> <tr> <th>Sustainable wood (tons of total wood used)</th> <th>Country</th> <th>2012</th> <th>2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Flue-cured wood used by directly contracted farmers</td> <td>Brazil</td> <td>170,000</td> <td>189,000</td> <td>180,000</td> </tr> <tr> <td>Zambia</td> <td>40,000</td> <td>67,230</td> <td>70,000</td> </tr> <tr> <td>Total</td> <td>210,000</td> <td>256,230</td> <td>250,000</td> </tr> </tbody> </table>	Sustainable wood (tons of total wood used)	Country	2012	2013	2014	Flue-cured wood used by directly contracted farmers	Brazil	170,000	189,000	180,000	Zambia	40,000	67,230	70,000	Total	210,000	256,230	250,000
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Energy	DMA	Tobacco supply chain - sustainable wood (p.39); Energy and GHG Emissions (p.42)		Disclosed																																																					
	G4-EN3 - Energy consumption within the organization	Energy and GHG Emissions (p.42); Environmental, health and safety data measurement (p.59)	<table border="1"> <thead> <tr> <th></th> <th>FY2009</th> <th>FY2011</th> <th>FY2012</th> <th>FY2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Energy consumption in TJ (*A)</td> <td>11,550</td> <td>11,119</td> <td>11,187</td> <td>10,468</td> <td>10,096</td> </tr> <tr> <td colspan="6">Total energy consumption in TJ (*A) in 2014 by source</td> </tr> <tr> <td>Non-renewable fuel consumed (A)</td> <td colspan="5">6,074</td> </tr> <tr> <td>Renewable fuel consumed (B)</td> <td colspan="5">599</td> </tr> <tr> <td>Electricity, heating, cooling and steam purchased for consumption (C)</td> <td colspan="5">3,611</td> </tr> <tr> <td>Self-generated electricity, heating, cooling and steam (D)</td> <td colspan="5">2</td> </tr> <tr> <td>Electricity, heating, cooling and steam sold (E)</td> <td colspan="5">190</td> </tr> <tr> <td>Total energy consumption (A+B+C+D-E)</td> <td colspan="5">10,096</td> </tr> </tbody> </table> <p>Our standards are based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). We calculate energy consumption at our sites and locations where we have direct operational control. Where such information is not available, we use extrapolations based on actual data from a similar site or location to provide estimated consumption.</p>		FY2009	FY2011	FY2012	FY2013	2014	Energy consumption in TJ (*A)	11,550	11,119	11,187	10,468	10,096	Total energy consumption in TJ (*A) in 2014 by source						Non-renewable fuel consumed (A)	6,074					Renewable fuel consumed (B)	599					Electricity, heating, cooling and steam purchased for consumption (C)	3,611					Self-generated electricity, heating, cooling and steam (D)	2					Electricity, heating, cooling and steam sold (E)	190					Total energy consumption (A+B+C+D-E)	10,096				
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Water	DMA	Resource efficiency – water and waste (p.44)		Disclosed																																																					
	G4-EN8 - Total water withdrawal by source	Resource efficiency – water and waste (p.44)	<p>Currently we do not collect the breakdown of water withdrawal by source at Group level. We are adapting our systems to allow us to consolidate the data and report on this indicator in the future.</p> <p>Our main assumptions relate to the volume of water withdrawn in the absence of invoices or meters, for example groundwater withdrawal. In these cases, sites and locations provide an extrapolated value based on a spot-flow measurement, or an estimated value where flow is variable.</p> <p>The majority of data for 2014 is reported data from sites based on meter readings, invoices, or estimates.</p>	Partly disclosed																																																					

<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>	<i>Disclosure status</i>																		
Biodiversity	DMA	Biodiversity (p.45)		Disclosed																		
	G4-EN12 - Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas		We are in the process of assessing the impact of our worldwide operations on biodiversity. Once we understand our impacts better, we can establish additional measures to protect biodiversity, if required, and report on our progress.	Not disclosed																		
GHG emissions	DMA	Energy and GHG Emissions (p.42)		Disclosed																		
	G4-EN15 - Direct GHG emissions (Scope 1)	Energy and GHG Emissions (p.42); Environmental, health and safety data measurement (p.59)	Additional data not disclosed in the report:	Disclosed																		
	G4-EN16 - Energy indirect GHG emissions (scope 2)	Energy and GHG Emissions (p.42); Environmental, health and safety data measurement (p.59)	<table border="1"> <thead> <tr> <th>JT Group GHG emissions</th> <th>FY2009 (base year)</th> <th>FY2011</th> <th>FY2012</th> <th>FY2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Scope 1 GHG emissions (CO₂e 1,000 tons)</td> <td>418</td> <td>414</td> <td>408</td> <td>391</td> <td>383</td> </tr> <tr> <td>Scope 2 GHG emissions (CO₂e 1,000 tons)</td> <td>485</td> <td>421</td> <td>422</td> <td>408</td> <td>406</td> </tr> </tbody> </table>	JT Group GHG emissions	FY2009 (base year)	FY2011	FY2012	FY2013	2014	Scope 1 GHG emissions (CO ₂ e 1,000 tons)	418	414	408	391	383	Scope 2 GHG emissions (CO ₂ e 1,000 tons)	485	421	422	408	406	Disclosed
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	Scope 2 GHG emissions (CO ₂ e 1,000 tons)	485	421	422	408	406																
G4-EN17 - Other Indirect GHG emissions (Scope 3)	Energy and GHG Emissions (p.42); Environmental, health and safety data measurement (p.59)		Disclosed																			
G4-EN18 - GHG emissions intensity	Energy and GHG Emissions (p.42); Environmental, health and safety data measurement (p.59)		Disclosed																			
G4-EN19 - Reduction of GHG emissions	Energy and GHG Emissions (p.42); Environmental, health and safety data measurement (p.59); http://www.jt.com/csr/environ/data/index.html	<p>We measure Group-wide GHG emissions using the WRI/WBCSD Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard for Scope 3 as guidance. We use operational control approach to determine the scope and boundaries of our reporting.</p> <p>The main assumptions used in the calculation of our Scope 1 and 2 GHG emissions relate to data gaps and estimations, for certain locations which are currently unable to provide this data. These uncertainties have been identified and managed through extrapolations, using intensity and relevant benchmark data, e.g. production, floor area, Full Time Equivalent (FTEs), etc.</p> <p>For GHG reporting, in Japan we use conversion factors set by the Japanese Act on the Promotion of Global Warming Countermeasures, 2009 (in Japanese only). In accordance with the Act, we adopt supplier-specific conversion factors for electricity.</p> <p>In our international tobacco business, we use the following conversion factors:</p> <ul style="list-style-type: none"> - Scope 1: emissions factors for vehicle fuel use are taken from DEFRA 2012 and Global Warming Potentials (GWP) for refrigerants are taken from IPCC 2006. - Scope 2: we use supplier-specific emissions factors where a business decision has been made to purchase a low-carbon energy supply. Where this is not the case, International Energy Agency 2009 emissions factors are used in relation to purchased electricity, heating and steam. - Scope 3: emissions factors come from a variety of sources, including emissions factors from third party databases and our own life cycle assessments. 	Disclosed																			

<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>	<i>Disclosure status</i>																			
Effluents and waste	DMA	Resource efficiency – water and waste (p.44)		Disclosed																			
	G4-EN22 - Total water discharge by quality and destination		Additional data not included in the report: Total water discharged in 2014 (*A, thousand m3) 7,459 Currently we do not collect water discharge data by quality and destination on a Group basis. We are adapting our data collection processes to allow us to report on this indicator in the future.	Partly disclosed																			
	G4-EN23 - Total weight of waste by type and disposal method	Resource efficiency – water and waste (p.44)	Our sites dispose of their waste based on the following waste hierarchy: reduce, reuse, and reclaim (reclamation being recycling and then recovery). If these methods are not feasible, a site will dispose of its waste (disposal being incineration without recovery, or landfilling).	Disclosed																			
Supplier environmental assessment	DMA	Supply chain management (p.33-34); Energy and GHG Emissions (p.42)	We are in the process of adapting the scope and coverage of our supplier assessment globally and will report on our progress in our FY2015 report.	Partly disclosed																			
	G4-EN32 - Percentage of new suppliers that were screened using environmental criteria			Not disclosed																			
	G4-EN33 - Significant actual and potential negative environmental impacts in the supply chain and actions taken			Not disclosed																			
Labor practices and decent work																							
Employment	DMA	Working with our employees (p.29)		Disclosed																			
	G4-LA1 - Total number and rates of new employee hires and employee turnover by age group, gender and region		<table border="1"> <thead> <tr> <th>New employees hire and turnover by gender (*A) in 2014</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Total number of new employees</td> <td>2,566</td> <td>1,208</td> <td>3,774</td> </tr> <tr> <td>Rate of new employees hire</td> <td>0.07</td> <td>0.10</td> <td>0.08</td> </tr> <tr> <td>Total employees turnover</td> <td>2,637</td> <td>1,073</td> <td>3,710</td> </tr> <tr> <td>Employees turnover rate</td> <td>0.07</td> <td>0.09</td> <td>0.08</td> </tr> </tbody> </table>	New employees hire and turnover by gender (*A) in 2014	Male	Female	Total	Total number of new employees	2,566	1,208	3,774	Rate of new employees hire	0.07	0.10	0.08	Total employees turnover	2,637	1,073	3,710	Employees turnover rate	0.07	0.09	0.08
New employees hire and turnover by gender (*A) in 2014	Male	Female	Total																				
Total number of new employees	2,566	1,208	3,774																				
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<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>							<i>Disclosure status</i>	
Employment			New employees hire and turnover by age (*D) in 2014								
				<30	30-50	>50	Total				
			Total number of new employees	1,803	885	54	2,742				
			Rate of new employees hire	0.33	0.05	0.01	0.09				
			Total employees turnover	1,168	1,722	820	3,710				
			Employees turnover rate	0.21	0.09	0.11	0.12				
			New employees hire and turnover by region (*D) in 2014								
				Japan	South and West Europe	North and Central Europe	CIS+	Other	Total		
			Total number of new employees	215	288	438	894	907	2,742		
			Rate of new employees hire	0.02	0.10	0.08	0.11	0.14	0.09		
Total employees turnover	383	338	484	1,496	1,009	3,710					
Employees turnover rate	0.04	0.11	0.09	0.18	0.15	0.12					
G4-LA2 - Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Working with our employees (p.29)	As of the end of 2014, significant locations include our JT head office in Tokyo, Japan and our international tobacco business head office in Geneva, Switzerland.	JT head office in Tokyo							Disclosed	

<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>	<i>Disclosure status</i>																												
Employment			International tobacco business head office in Geneva	Disclosed																												
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Labor/ management relations	DMA	Human rights at the workplace (p.27); Working with our employees (p.29); Agricultural Labor Practices (p.37)		Disclosed																												
	G4-LA4 - Minimum notice periods regarding operational changes, including whether these are specified in collective agreements		We do not currently collect this information globally.	Not disclosed																												
Occupational health and safety	DMA	Workplace health and safety (p.25-26); Agricultural Labor Practices (p.37)		Disclosed																												

<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>	<i>Disclosure status</i>
	G4-LA6 - Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Workplace health and safety (p.25-26); Agricultural Labor Practices (p.37)	<p>We do not collect information on the breakdown of our safety statistics by region and gender. We will investigate if we can collect data by gender in the future.</p> <p>Our health and safety reporting covers all operating companies, based on operational control. Contractors and workers who are not under our direct supervision are not included in our LTI rate. However we do monitor and report fatalities of these individuals occurring within our premises and/or operations. We also report any third party fatalities resulting from an incident involving a JT Group asset (such as a facility or a vehicle being driven for business purposes).</p> <p>Current safety metrics include:</p> <ul style="list-style-type: none"> - Number of fatalities, which includes employees, supervised workers, contractors and third parties. - Number of Lost Time Incidents (LTIs), which includes: employees and contractors, and in some instances supervised workers. - Lost Time Incident Rate: LTIs per 200,000 hours worked for employees and in some instances supervised workers. - Number of vehicle accidents covering vehicles used by our employees on company business in our international tobacco business. - Vehicle Accident Frequency Rate: number of vehicle accidents per million kilometers in our international tobacco business. 	Partly disclosed
	G4-LA7 - Workers with high incidence or high risk of diseases related to their occupation		We do not currently monitor this information at a Group level. We are investigating the feasibility of reporting this metric in the future.	Not disclosed
Training and education	DMA	Employee development and talent management (p.28)		Disclosed
	G4-LA11 - Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Employee development and talent management (p.28)	We do not currently collect information on the breakdown of employees receiving regular performance and career development reviews by gender and by employee category on a Group basis. We are adapting our data collection processes to allow us to report on this indicator in the future.	Partly disclosed
Diversity and equal opportunity	DMA	Equality and diversity (p.30)		Disclosed
	G4-LA12 - Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Equality and diversity (p.30); Annual Report (p.52-55,150-151)		Disclosed

<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>	<i>Disclosure status</i>
Equal remuneration for women and men	DMA			Not disclosed
	G4-LA13 - Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation		We do not currently monitor this information at a Group level.	Not disclosed
Supplier assessment for labor practices	DMA	Supply chain management (p.33); Tobacco supply chain – Agricultural Labor Practices, including child labor prevention (p.37-38)	We are in the process of adapting the scope and coverage of our supplier assessment arrangements globally and will report on our progress in our FY2015 report.	Partly disclosed
	G4-LA14 - Percentage of new suppliers that were screened using labor practices criteria			Not disclosed
	G4-LA15 - Significant actual and potential negative impacts for labor practices in the supply chain and actions taken			Not disclosed
Labor practices grievance mechanisms	DMA	Code of Conduct (p.21)		Disclosed
	G4-LA16 - Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	Code of Conduct (p.21)		Partly disclosed
Human rights				
Investment	DMA			Not disclosed
	G4-HR1 - Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		We do not currently monitor this information at a Group level.	Not disclosed
Non-discrimination	DMA	Human rights in the workplace (p.27)		Disclosed
	G4-HR3 - Total number of incidents of discrimination and corrective actions taken	Human rights in the workplace (p.27)		Disclosed

<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>	<i>Disclosure status</i>
Freedom of association and collective bargaining	DMA	Human rights in the workplace (p.27)		Disclosed
	G4-HR4 - Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights		We do not currently monitor this information at a Group level. We are adapting our data collection processes to allow us to report on this indicator in the future.	Not disclosed
Child labor	DMA	Tobacco supply chain – Agricultural Labor Practices, including child labor prevention (p.37-38)	We have assessed child labor to be material only in our tobacco supply chain.	Disclosed
	G4-HR5 - Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	Tobacco supply chain – Agricultural Labor Practices, including child labor prevention (p.37-38)		Disclosed
Forced or compulsory labor	DMA	Tobacco supply chain – Agricultural Labor Practices, including child labor prevention (p.37-38)	We have assessed forced and compulsory labor to be material only in our tobacco supply chain.	Disclosed
	G4-HR6 - Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor		We do not currently monitor this information at a Group level. We are adapting our data collection processes to allow us to report on this indicator in the future.	Not disclosed
Assessment	DMA	Code of Conduct (p.21); Human rights in the workplace (p.27)	We do not currently have a systematic assessment in our own operations. We are currently working on how to assess and address human rights impacts within our company.	Partly disclosed
	G4-HR9 - Total number and percentage of operations that have been subject to human rights reviews or impact assessments		We do not currently monitor this information at a Group level. We are adapting our data collection processes to allow us to report on this indicator in the future.	Not disclosed
Supplier human rights assessment	DMA	Supply chain management (p.33); Tobacco supply chain – Agricultural Labor Practices, including child labor prevention (p.37-38)	Human rights assessments are part of the implementation of our Agricultural Labor Practices in countries where we directly contract tobacco farmers. We are in the process of adapting the scope and coverage of our supplier assessment arrangements globally and will report on progress in our FY2015 report.	Partly disclosed
	G4-HR10 - Percentage of new suppliers that were screened using human rights criteria			Not disclosed

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Human rights grievance mechanisms	DMA	Code of Conduct (p.21); Human rights in the workplace (p.27)		Disclosed
	G4-HR12 - Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	Code of Conduct (p.21); Human rights in the workplace (p.27)		Partly disclosed

Society

Local communities	DMA	Tobacco - Long term tobacco farmer profit (p.36), Agricultural Labor Practices (p.37), The bigger picture (p. 56-57)		Disclosed											
	G4-S01 - Percentage of operations with implemented local community engagement, impact assessments, and development programs	Responsible supply chain (p.32); Tobacco - Long term tobacco farmer profit (p.36); Agricultural Labor Practices (p.37)	<p>In addition to the implementation of our Agricultural Labor Practices, we also delivered 30 Grower Support Programs (GSP) in Brazil, Malawi and Zambia in 2014.</p> <table border="1"> <thead> <tr> <th>Country</th> <th>Number of GSP</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Brazil</td> <td>9</td> <td> <ul style="list-style-type: none"> - Crop Protection Association (CPA) Training to 1,950 farmers - Construction support and materials donation to a family farm school - Provision of 10 scholarships </td> </tr> <tr> <td>Malawi</td> <td>7</td> <td> <ul style="list-style-type: none"> - Completion of two classroom blocks in Ntcheu - Materials donation of maternal health solar fridges - Construction of prefabricated school and materials donation - Provision of 49 Scholarships at Mwica, Bunda and Blackford Colleges - Construction of a dam reaching 65 farmers - Materials donation to two schools </td> </tr> <tr> <td>Zambia</td> <td>14</td> <td> <ul style="list-style-type: none"> - Construction of schools in Chipata and Kaoma and in-kind and materials donation to these schools - Construction of Chitwa mother shelter in Kaoma - Materials donation for well-being, including 12 solar fridges for health centers in Kaoma and Chipata and 12 hospital beds for Chitwa mother shelter - Providing nine boreholes (six in Chipata and three in Kaoma) - Child labor awareness project in three of our grower communities in Chipata </td> </tr> </tbody> </table>	Country	Number of GSP	Description	Brazil	9	<ul style="list-style-type: none"> - Crop Protection Association (CPA) Training to 1,950 farmers - Construction support and materials donation to a family farm school - Provision of 10 scholarships 	Malawi	7	<ul style="list-style-type: none"> - Completion of two classroom blocks in Ntcheu - Materials donation of maternal health solar fridges - Construction of prefabricated school and materials donation - Provision of 49 Scholarships at Mwica, Bunda and Blackford Colleges - Construction of a dam reaching 65 farmers - Materials donation to two schools 	Zambia	14	<ul style="list-style-type: none"> - Construction of schools in Chipata and Kaoma and in-kind and materials donation to these schools - Construction of Chitwa mother shelter in Kaoma - Materials donation for well-being, including 12 solar fridges for health centers in Kaoma and Chipata and 12 hospital beds for Chitwa mother shelter - Providing nine boreholes (six in Chipata and three in Kaoma) - Child labor awareness project in three of our grower communities in Chipata
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Anti-corruption	DMA	Code of Conduct (p.21); Anti-bribery and corruption (p.22-23); Tobacco - regulatory landscape (p.49)		Disclosed																														
	G4-S04 - Communication and training on anti-corruption policies and procedures	Code of Conduct (p.21); Anti-bribery and corruption (p.22-23)	<p>Our anti-bribery and corruption policies and procedures, including Gifts, Hospitality and Entertainment (GHE), are outlined in our Codes of Conduct, which we communicate to all employees. Mandatory training on our Codes of Conduct is provided to all our employees. We also require all commercial partners in our international tobacco business to act in accordance with our standards.</p> <table border="1"> <thead> <tr> <th rowspan="2">Employees trained on the JT Group Code of Conduct, including anti-bribery, in 2014 (*C)</th> <th colspan="3">Employee category</th> </tr> <tr> <th>Management</th> <th>Non-management</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Number of employees</td> <td>2,767</td> <td>11,229</td> <td>13,996</td> </tr> <tr> <td>% of employees</td> <td>99.8%</td> <td>99.4%</td> <td>99.5%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th rowspan="2">Employees communication and training in our international tobacco business</th> <th colspan="3">Employee category</th> </tr> <tr> <th>Management</th> <th>Non-management</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Number of employees that the GHE policies and procedures have been communicated to</td> <td>5,979</td> <td>18,103</td> <td>24,082*</td> </tr> <tr> <td>% of employees that the GHE policies and procedures have been communicated to</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table> <p>*Excludes employees' data from our recent acquisition in Egypt, which will be fully integrated in 2015.</p>	Employees trained on the JT Group Code of Conduct, including anti-bribery, in 2014 (*C)	Employee category			Management	Non-management	Total	Number of employees	2,767	11,229	13,996	% of employees	99.8%	99.4%	99.5%	Employees communication and training in our international tobacco business	Employee category			Management	Non-management	Total	Number of employees that the GHE policies and procedures have been communicated to	5,979	18,103	24,082*	% of employees that the GHE policies and procedures have been communicated to	100%	100%	100%	Disclosed
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G4-S05 - Confirmed incidents of corruption and actions taken	Code of Conduct (p.21)	There were no confirmed incidents of corruption in 2014.	Disclosed																															
Public policy	DMA	Engaging with governments and regulators (p.18); Tobacco regulatory landscape (p.49)		Disclosed																														
	G4-S06 - Total value of political contributions by country and recipient/beneficiary	Engaging with governments and regulators (p.18); Tobacco regulatory landscape (p.49)	We did not provide any financial or in-kind political contributions in 2014.	Disclosed																														

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Anti-competitive behavior	DMA	Anti-competitive behavior (p.22)		Disclosed
	G4-S07 - Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Anti-competitive behavior (p.22)		Disclosed
Compliance	DMA	Code of Conduct (p.21)		Disclosed
	G4-S08 - Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations (related to accounting fraud, workplace discrimination, or corruption)		In 2014 we did not receive any fines or non-monetary sanctions for non-compliance with laws and regulations related to accounting fraud, workplace discrimination or corruption.	Disclosed
Supplier assessment for impacts on society	DMA	Supply chain management (p.33); Tobacco supply chain – Agricultural Labor Practices, including child labor prevention (p.37-38)	We are in the process of adapting the scope and coverage of our supplier assessment arrangements globally and will report on our progress in our FY2015 report.	Partly disclosed
	G4-S09 - Percentage of new suppliers that were screened using criteria for impacts on society			Not disclosed
Product responsibility				
Customer health and safety	DMA	Tobacco - smoking and health (p.47); Tobacco - product innovation (p.48)		Disclosed
	G4-PR1 - Percentage of significant product and service categories for which health and safety impacts are assessed for improvement		Assessment for improvement of the health and safety impacts of all tobacco products is embedded in our product development process. All pharmaceutical products are also assessed in accordance with market-relevant pharmaceutical-related laws and regulations. All beverage and processed food products are produced in accordance with the Food Sanitation Law in Japan.	Disclosed

<i>Material Aspect</i>	<i>DMA and indicator</i>	<i>Location (pages)</i>	<i>Additional information</i>	<i>Disclosure status</i>
Product and service labeling	DMA	Tobacco - smoking and health (p.47); Tobacco – regulatory landscape (p.49); Tobacco – responsible marketing (p.50-51); Beverage and processed food - product responsibility (p.55)		Disclosed
	G4-PR4 - Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes		Within JT and Japanese domestic operations, there were no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling in 2014.	Partly disclosed
Marketing communications	DMA	Tobacco – responsible marketing (p.50-51); Pharmaceutical - product responsibility (p.53); Beverage and processed food - product responsibility (p.55)		Disclosed
	G4-PR6 - Sale of banned or disputed products	Tobacco - smoking and health (p.47); Tobacco – regulatory landscape (p.49)		Disclosed
	G4-PR7 - Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Tobacco – responsible marketing (p.50-51)	In 2014 we had no incidents of non-compliance with regulations concerning marketing communications, including advertising, promotion, and sponsorship. We do not monitor breaches of voluntary codes.	Disclosed
Compliance	DMA	Code of Conduct (p.21); Tobacco - smoking and health (p.47); Tobacco – regulatory landscape (p.49); Tobacco – responsible marketing (p.50-51)		Disclosed
	G4-PR9 - Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		In 2014 we did not receive any fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Disclosed