# Our Global Tobacco Marketing Principles

Tobacco products carry risks to health. These risks distinguish tobacco from most consumer goods and they place upon the industry a real responsibility. It's a responsibility for which the JT Group expects to be held accountable, together with governments and the rest of society.

The JT Group therefore supports the implementation of practical, effective and proportionate regulation which governs the marketing of tobacco products, while preserving the JT Group's right to communicate with adults who use those products.

However, whatever the level of regulation that applies to its marketing activities, the JT Group is committed to marketing its tobacco products and brands responsibly. All the JT Group marketing activities are based on the JT Group's four Global Marketing Principles, which are set out below:

- Minors should not smoke and should not be able to obtain tobacco products;
- The JT Group does not market its products to minors and does not market its products in order to
  encourage anyone to take up smoking or to discourage anyone from quitting;
- The JT Group markets its products to adult smokers in order to maintain brand loyalty and to encourage adult smokers of competitor brands to switch to its products;
- Adult smokers should be appropriately informed about the health risks of smoking before they make the
  decision to smoke

The JT Group applies these principles to the marketing of all of its tobacco products and tobacco brands.

# In practice

The JT Group complies with all national laws and regulations concerning the advertising and promotion of its products. In addition, the JT Group applies these Global Marketing Principles when applicable laws and regulations are less strict, do not deal with the particular issue, or do not exist.

Some examples of how we apply these principles in practice are set out below.

# Age verification

The JT Group is committed to youth smoking prevention and participates with other tobacco companies and retail associations in ongoing programs to prevent minors from obtaining tobacco products.

Age verification is an important element of every marketing program through which the JT Group is in direct contact with consumers of tobacco products in order to advertise or promote its brands:

- Age verification is required when the JT Group is in face-to-face contact with consumers of tobacco products or when the JT Group is in remote contact with such consumers, for example, through its dedicated brand websites;
- Age verification must be completed before a consumer of tobacco products is exposed to any advertising
  or promotional content or product samples.

Examples of age verification methods include visual inspection, inspection of government-issued proof of identity bearing a date of birth and a photograph and a conclusion by a reliable third-party provider of verification services that the personal identifying information is not falsified.

### Advertising and promotion

The JT Group's advertising and promotion in any medium or advertising channel is directed only toward existing adult users of tobacco products. For example, the JT Group does not:

- Use imagery or fonts which appeal to minors, feature or mention celebrities, or depict anyone who is under
   25 years old, appears to be under 25 years old, or is presented as being under 25 years old;
- Imply that smoking contributes to sporting or athletic success, sexual success or to social or professional success:
- In principle, advertise its tobacco products and tobacco brands on television, radio or in cinemas;
- Advertise in printed publications distributed to the general public unless there are reliable, third-party data
  establishing that at least 75% of the publication's readers are adult and the number of minors who read it
  constitutes less than 10% of all minors in the country of circulation;
- Permit, pay to or accept payment from third parties for the placement of products, advertisements, or branded objects in any mass medium entertainment produced by a third party and intended for the public such as motion pictures, television programs, theatrical productions, live or recorded music, video games, or Internet postings, such as videos and blogs;
- Contribute to or sponsor events or activities to promote a brand to consumers unless the event has no
  particular appeal to minors and at least 75% of the attendees or audience is adult;
- Place advertisements, brand names, brand logos, or brand elements on objects particularly marketed to or used by minors, including without limitation toys and clothing in child sizes.

The JT Group denies minors access to advertising and promotional material in advertising channels or media wherever it is possible to do so. The JT Group excludes minors and non-users of tobacco products from participation in promotional offers and programs wherever this is permitted by law.

The JT Group only sends direct mail, email and text messaging and only grants access to advertising and promotion content on its dedicated brand or other publicly accessible websites to consumers who:

- Provide information which allows the JT Group to verify that they are adults who live in the market targeted by the website, direct mail, email or text message;
- Are current users of tobacco products;
- Agree to the terms and conditions set out by the JT Group before access to the website is granted, or agree to receive branded direct mail, email or text messages from the JT Group.

The JT Group provides verified adult consumers of tobacco products with an option to decline further access at any time and respects their choice. Similarly, they have the option of declining further receipt of branded direct mail, email or text messages. The JT Group also excludes minors and non-users of tobacco products when it may legally do so.

### Sampling

The JT Group distributes solicited product samples only where this is permitted by law and only to adult consumers of tobacco products whose age has been verified. The JT Group provides product samples and products in exchange for competitors' products in person only to existing adult consumers of tobacco products whose age has been verified. The JT Group does not distribute unsolicited product samples by mail.

The JT Group employees or agents engaged in sampling or providing products in exchange for competitors' products must themselves be adults.

#### Market research

The JT Group does not conduct market research involving or in relation to minors. The JT Group has no interest in information about minors' consumption of tobacco products. The JT Group does not market tobacco products to minors.

### **Health warnings**

The JT Group places health warnings on all packaging of cigarettes and other tobacco products for retail sale, even if it is not required to do so by law.

The JT Group also puts clearly visible health warnings on all advertising and promotional materials except, where permitted by law, on:

- Advertising smaller than 250 cm<sup>2</sup> used on any surface at point of sale; and
- Promotional items where advertising, brand elements and brand logos cover less than 25 cm<sup>2</sup>.

### **Product claims**

The JT Group makes no health claims, relative or absolute, express or implied, for its products.

Product claims relating to the design, composition, smoking characteristics, packaging or other aspects of the JT Group's tobacco products and tobacco brands must be substantiated by scientific, technical or consumer research.

For more information regarding the core principles which define JTI's attitude toward smoking, see <u>Our Tobacco Principles</u>.