

# JT GROUP SUSTAINABILITY STRATEGY

## THE OBVIOUS CHOICE

### 4 STRATEGIC FOCUS AREAS FOR TOBACCO BUSINESS

#### PRODUCTS AND SERVICES

We will be a total tobacco company offering consumers an even greater choice of products by focusing on quality, innovation, and reduced risk potential.

##### **Reduced-Risk Products (RRP)**

We will lead in providing the widest range of consumer choice in the Reduced-Risk Product category.

#### PEOPLE

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

##### **Zero Injuries**

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)

##### **Community Investment**

Between 2015 and 2030 we will invest 600 million U.S. dollars to help make communities inclusive and resilient, with our employees contributing 300,000 volunteering hours.

##### **Employer of Choice**

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

#### SUPPLY CHAIN

We will reduce environmental and social risks, and enable transparent and responsible practices across our supply chain.

##### **Greenhouse Gas Emissions**

We will reduce greenhouse gas emissions from our own operations by 35% and from our direct leaf supply chain by 40%, between 2015 and 2030.

##### **Water and Waste**

We will reduce water withdrawal by 15% and waste by 20%, in relation to our own operations, between 2015 and 2030.

##### **Forestry**

We will replace all wood from natural forests used in the tobacco curing process of our directly contracted growers with renewable fuel sources by 2030.

##### **Agricultural Labor Practices**

We will implement our Agricultural Labor Practices (ALP) program in all sourcing countries by 2025.

##### **Supplier Screening**

We will screen all key suppliers against environmental, social, and governance criteria by 2023.

#### REGULATORY ENVIRONMENT AND ILLEGAL TRADE

We will ensure the Company is included in policymaking leading to fair and balanced regulation and enhance our cooperation with governments to combat illegal trade.

##### **Engagement**

We will always protect our ability to participate in public policy debate with the aim to achieve balanced regulation that meets societal concern and supports business growth.

##### **Illegal Trade**

We will engage in dialogue with law enforcement agencies, with the goal to exchange intelligence regarding illegal tobacco products, in order to support the reduction of illegal tobacco products.

\* The targets are for JT Group's tobacco business, except for Community Investment which is a group-wide target