



Human Rights Approach

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A. Our Policy and Commitment

We are committed to respecting all internationally recognized human rights across our global operations as expressed in the International Bill of Human Rights, which encompasses the Universal Declaration of Human Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

We adhere to the JT Group Human Rights Policy and JTI Human Rights Commitment, which follow the framework provided by the UN Guiding Principles on Business and Human Rights (UNGPs), the Organisation for Economic Co-operation and Development (OECD) Guidelines and the UN's Food and Agriculture Organization (FAO) guidance on responsible agricultural supply chains. By following these principles we can monitor, influence and improve business practices within our own operations and those of our suppliers and partners.

These principles also extend to the avoidance of practices that infringe on the rights of others and to addressing the adverse impacts of our global operations. We have a responsibility not only to respect human rights, but also to advance and promote these rights in all the areas where we operate.

B. Our Value Chain

We go to great lengths to enshrine human rights within our own operations and value chain from farm to consumer, including all JTI brands, employees, and worldwide business partners. Our partners include our customers, suppliers, growers, and any other parties with whom we have a commercial relationship.

Our value chain is intertwined with hundreds of thousands of rightsholders, from growers to sales employees, from factory to office workers. We operate in vastly diverse environments worldwide, including in some contexts where human rights risks may be higher than others.

[JT Group Principles in Leaf Tobacco Production](#)

C. A Five-pillar Approach

Our human rights approach is based on five pillars: Embed, Identify & Prioritize, Respond, Measure, and Report. This circular due diligence model is in line with the UNGPs, the Organization for Economic Co-operation and Development (OECD) guidelines, and the UN's Food and Agriculture Organization (FAO) guidance on responsible agricultural supply chains.

This approach provides a consistent, efficient and systematic way of conducting due diligence to prevent, mitigate and remedy any adverse impacts on human rights based on our own activities and those connected to us through our business relations.

a. Embed

To respect human rights, we first have to place them at the forefront of our company culture.

We are dedicated to embedding human rights into our company culture and values. To enhance our employees' understanding of the human rights implications of business decisions, we provide regular training and continuously share information. Our commitment to respecting human rights is guided by the JT Group Human Rights Policy and the JTI Human Rights Commitment, which are central to our efforts. To foster a global culture of equality, respect, and human rights, we have introduced a company-wide human rights e-learning module. Accessible to all JTI employees via desktop and mobile in 37 languages, this platform offers a dynamic and interactive learning experience. Instead of lengthy training sessions, employees engage with bite-size content and gamification, enhancing both engagement and retention. This training empowers employees to identify potential human rights impacts and prevent abuses within our workforce and supply chain. By using practical, everyday examples, we aim to instill a deeper understanding of these critical issues.

Our human rights e-learning training received significant recognition, earning 4 Gold and 2 Silver Awards by the Digital Impact Awards, the Internal Communication and Engagement Awards and the Global ACE Awards. The Gold awards were received for the following categories: Best Internal Activation, Best Digital Employee Communication, Best Internal Communications Campaign and Best Innovation.

b. Identify and Prioritize

Human rights due diligence is an integral part of our business – it aligns us with the framework of the UN Guiding Principles on Business and Human Rights, and enables us to identify actual and potential human rights risks across our own operations and those of our suppliers and partners.

Human Rights Impact Assessments

We conduct human rights impact assessments to identify and assess actual and potential human rights risks. The assessments focus on the greatest risk to people, both within our own company and through business relationships with our suppliers. As a result, we aim to address the identified risks to the rights-holders, meet our stakeholder expectations on respecting human rights, and mitigate against the overall risks to people and the business.

Supply Chain Impact Assessments

These assessments provide a comprehensive understanding of the human rights impacts within our tobacco supply chain business and the challenges that tobacco growers face in their communities.

In-depth Assessments

These assessments are similar to our Supply Chain Impact Assessments, yet they are conducted under the umbrella of the industry-wide Sustainable Tobacco Program.

Living Income Baseline Assessments

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We have so far implemented our Innovative Living Income Calculator in all the countries where we source tobacco directly from growers.

Self-assessment Questionnaires

Following the same methodology as our human rights impact assessments, the self-assessment questionnaires became a valuable tool for conducting remote human rights due diligence during the COVID-19 pandemic and we are continuing to apply it for our medium risk countries.

Our approach to prioritizing countries for in-person human rights impact assessments is based on a context risk evaluation. These assessments are conducted in countries where the greatest risks to people may lie, where human rights may be weakly enforced or violated, and where JTI's operational footprint is most significant.

Every 3 years, in line with our continuous due diligence approach, we carry a review of our high-risk markets to ensure we focus our efforts where the risk for potential human rights risks is higher. Previous criteria included the number and type of JTI operations in each country, historical data on human rights cases in our operational grievance mechanism or Agricultural Labor Practices program, the health and safety performance of JTI operations in each country, and our salient issues. In our most recent review, we have added additional categories such as gender split to the methodology. This continuous improvement approach to the process over the years gives a more accurate picture of potential risks in each country.

To further improve our human rights due diligence work, we have enhanced the inclusion of human rights in our internal audit methodology. Our internal auditors receive guidance on how to further integrate human rights into their standard audit. Human rights elements are now integrated into the internal audit process, to ensure that we embed responsible business practices into the business and have an additional means to identify potential blind spots. Prior to a human rights impact assessment, Internal Audit share relevant human rights findings from their audits with our human rights team, which helps create a more targeted and effective impact assessment.

Our existing programs – Agricultural Labor Practices (ALP), Achieving Reduction of Child Labor in Support of Education (ARISE) and Grower Support Programs (GSP) – fit perfectly within our five-pillar strategy: ALP supports the identification part of the cycle, while ARISE and GSP support our response. The ARISE and GSP programs are specifically designed to improve the livelihoods of those within the communities where we operate by overcoming issues such as access to education or to safe drinking water. Our investments include building boreholes and water distribution points, investing in solar projects, and refurbishing structures that provide basic social services.

Since 2018, we have conducted twelve human rights impact assessments, eight supply chain impact assessments, and completed eighteen self-assessment questionnaires.

C. Respond

Human rights impact assessments are a means to an end, not an end in themselves. We need to act appropriately on the information generated from the assessments, in order to meet our responsibility to respect human rights. We develop action plans to address issues identified through human rights impact assessments and self-assessment questionnaires. These plans enable us to drive improvements and integrate human rights into our existing management processes in a consistent manner.

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More than 30 human rights liaisons across our markets have been appointed to manage the action plans. The responsibility of this network is to ensure that action plans are managed and implemented by each country, and respect for human rights is firmly established in the business.

The human rights liaisons are selected by local management to coordinate the implementation of the action plans locally, with regular support from our head office on specific points within the actions plan as well as training materials on the UN Guiding Principles on Business and Human Rights.

d. Measure

We are committed to continually measuring the effectiveness of, and improving where possible, our approach to respecting human rights. For that, we have developed targets related to people and human rights to help drive our ambition and better track progress.

The action plans resulting from our human rights impact assessments have defined responsibilities, clear timelines for implementation, and key performance indicators to monitor progress. We use a digital tool to track performance, which allows us easy access to timely data and means of verification.

e. Report

We are transparent about the progress we have made and lessons learnt. Our understanding of the United Nations Guiding Principles (UNGPs) is to “know and show” that we are aware of the potential human rights-related risks to which we may be connected, and that we are taking appropriate steps to manage those that occur. The UNGPs encourage corporate transparency to the benefit of a broad set of stakeholders and we are committed to this level of transparency and disclosure.

We publish all our human rights correspondence with Human Rights Watch, the UN Human Rights Council, the US Department of Labor and The Guardian newspaper, as seen below.

To coincide with the 10th anniversary of the United Nations Guiding Principles on Business and Human Rights, JTG published its first standalone Human Rights Report in 2021, which examines the potential human rights risks arising from our worldwide operations.