



Environment



Environmental issues are of increasing societal concern and have brought many challenges to our society. For instance, today, we are facing the consequences of climate change, such as melting ice caps, rising sea levels, and changing weather patterns. We all need to address these issues and, as a global organization, we recognize that we have a key role to play in reducing our environmental impact.

As with most industries, the environment has a direct impact on our business. We also know that our operations impact the environment, through resource usage, emissions, and waste generation, but we strive to minimize this impact.

By implementing sustainable business practices, we are able to conserve resources, reduce waste, manage costs, and meet the growing consumer demand for more sustainable products – bringing benefits to both the environment and our business.

This approach is explained in [the JT Group Environment Policy](#).

Environmental management

Environment and our operations

Environment and our products

Environmental data / External verification

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Our JT Group Environment Plan 2030 sets objectives and targets to address our key environmental risks and opportunities across three focus areas: Energy and Emissions, Natural Resources, and Waste.

It considers not only our operations, but also our value chain. The plan contains longer-term objectives for energy and emissions, along with quantified targets to achieve by 2030.

We will track performance and progress towards our objectives and targets, and we will revisit the plan periodically to ensure that it remains relevant to our business and stakeholders.

JT Group Environment Plan 2030

OUR CHOICE. OUR FUTURE.

Energy and emissions

	Energy	Emissions
Objective	Transition our operations to net zero carbon energy supply.	Reduce our greenhouse gas emissions to support the Paris Agreement on global climate change with the aim to achieve net zero carbon emissions from our operations.
Targets	We will double the proportion of renewable electricity that we use to 25% by 2030 and 100% by 2050.	We will reduce greenhouse gas emissions from our own operations by 32%. We will reduce emissions associated with our purchased goods and services by 23%. This will be achieved through a 40% reduction from our direct leaf supply chain and reductions in our non-tobacco materials, such as packaging.

Natural resources

	Water	Forestry
Objective	Support global water stewardship by reducing our water withdrawal and by encouraging water risk management in our supply chain.	Ensure a sustainable wood supply for our product supply chains and further contribute to forest conservation and rehabilitation.
Targets	<p>We will reduce water withdrawal associated with our tobacco business by 15%.</p> <p>To better understand water risk and use in our supply chain, by 2022, we will implement a water risk management process in our manufacturing supply chain.</p>	<p>To further focus our efforts on sustainable forest management, we have assessed the drivers for deforestation and forest degradation in communities where we source tobacco and developed steadily implement action plans for improved wood resource use, forest conservation, and forest rehabilitation.</p> <p>We will replace all wood from natural forests used in the tobacco curing process of our directly contracted growers with renewable fuel sources.</p>






Waste

	Waste
Objective	Further reduce the environmental impacts of waste associated with our processes and products.
Targets	<p>We will reduce the environmental impact of our products and packaging through:</p> <ul style="list-style-type: none"> ■ Design solutions ■ Facilitating responsible collection and disposal ■ Consumer awareness and education <p>More specifically, we will reduce our packaging (including plastic) and ensure that the remaining is 88% reusable or recyclable by 2025, rising to 100% by 2030. In total, recycled content will account for 20% of our tobacco business packaging by 2025.</p> <p>We will reduce waste associated with our tobacco business by 20%.</p>

Baseline year for all targets is 2015. Target year is 2030 unless stated otherwise. The overall plan is to be reviewed every five years.

Read more about our progress toward quantified targets [here](#)  .

JT Group Environment Plan 2030*1

	Target	Progress in 2020
Energy 	We will double the proportion of renewable electricity that we use to 25% by 2030 and 100% by 2050.	By the end of 2020, 21.7% of the electricity we used during the year came from renewable sources.
Emissions 	We will reduce greenhouse gas emissions from our own operations by 32%, by 2030.	Since 2015, we have reduced greenhouse gas emissions from our own operations by 23.8%.
	We will reduce emissions associated with our purchased goods and services by 23%, by 2030.	Since 2015, we have reduced greenhouse gas emissions associated with our purchased goods and services by 21.9%.
	This will be achieved through a 40% reduction from our direct leaf supply chain and reductions in our non-tobacco materials, such as packaging, by 2030.	Since 2015, we have reduced greenhouse gas emissions from our direct leaf supply chain by 6.0%.
Water 	We will reduce water withdrawal associated with our tobacco business by 15%.	Since 2015, we have reduced water withdrawal associated with our tobacco business by 14.9%.
Forestry 	We will replace all wood from natural forests used in the tobacco curing process of our directly contracted growers with renewable fuel sources.	Based on our 2020 sustainable tree planting activities in Tanzania, Zambia and Brazil, we estimate that we are on a path to achieve consolidated 41% renewable wood sourcing by 2027.*2
Waste 	We will reduce our packaging (including plastic) and ensure that the remaining is 88% reusable or recyclable by 2025, rising to 100% by 2030. In total, recycled content will account for 20% of our tobacco business packaging by 2025.	We will start reporting progress from 2022. Read more about our initiatives and programs to improve the environmental impact of our products and packaging on JT.com .
	We will reduce waste associated with our tobacco business by 20%.	Since 2015, we have reduced waste associated with our tobacco business by 13.8%.

*1 Baseline year for all targets is 2015. Target year is 2030 unless stated otherwise. The overall plan is to be reviewed every five years.

*2 Reduction from 59% in 2019 to 41% in 2020 can be attributed to lower tree planting and survival rates versus planned. Efforts and dedicated programs are in place to achieve 100% renewable wood supply by 2030.



Environmental management

In our more complex operations, we align our approach to environmental management with the internationally recognized standards ISO 14001 and ISO 50001.* In our smaller and less complex operations in Japan, we have implemented our own 'JT Green System', which promotes a simple and consistent approach.

ISO 14001 encourages businesses to think more broadly about environmental issues – not only those associated with their direct operations, but throughout their entire value chains. ISO 50001 provides a framework for our energy management system and helps us to continually improve our energy performance.

We are also working to streamline and better integrate our environmental and energy management systems with other business considerations, such as quality, occupational health and safety, and business continuity.

To objectively review our approach to environmental management and our overall performance, we use external disclosures and ratings agencies, such as CDP and the Dow Jones Sustainability Indices (DJSI).

ISO 14001 certification

We use ISO 14001 as the framework for our environmental management systems to manage significant environmental aspects, mitigate risks, and optimize opportunities. We track the proportion of our cigarette and tobacco-related factories that are certified to ISO 14001. Data for the current and past certification of our factories can be found [here](#).

*ISO 14001 and ISO 50001 are the internationally recognized standards for environmental management systems and energy management systems, respectively. These standards do not prescribe absolute performance requirements. Rather, they provide us with a framework to help build effective management systems that deliver continual improvement in environmental and energy performance.

DJSI/Corporate Sustainability Assessment by S&P Global

Climate change is the single biggest and most urgent environmental challenge of our time. We strongly believe that as a global company, we have a key role to play in tackling climate change.

To evaluate the sustainability practices of large companies, the Corporate Sustainability Assessment (CSA) was created, which is carried out by S&P Global. We achieved a perfect score this year for the 'Environmental reporting' and 'Climate Strategy' in the environmental dimension.

In 2020, for the first time, the CSA also included 'Packaging' as an assessment pillar applied to Tobacco industry. We were recognized as an industry leader in this area. We are further strengthening our commitment to packaging and product material sustainability, through packaging reduction initiatives and the introduction of new targets relating to recyclability and recycled content of our packaging.

Read more on [Dow Jones Sustainability Indices and S&P Global CSA](#).

CDP A List and Supplier Engagement Leader

In 2020, we achieved a place on CDP's prestigious 'A List' for tackling climate change as well as acting to protect water security for the second consecutive year. In addition, CDP recognized us as a global leader in engaging our supply chain in addressing climate change. This marks our second recognition for CDP Supplier Engagement Leader following 2019.



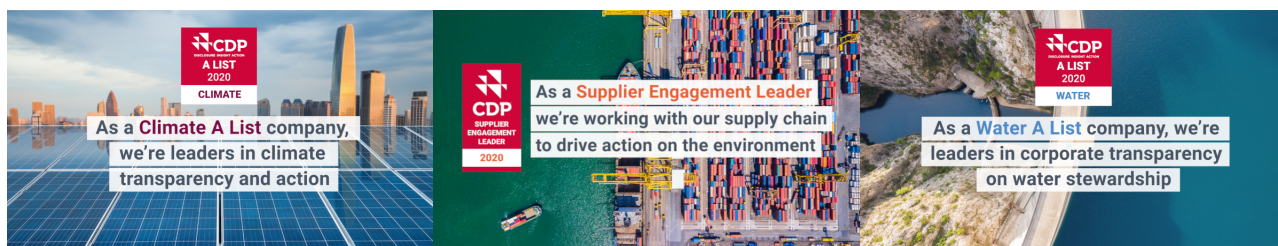
We are delighted to be included in the CDP's 'Climate A List' and 'Water A List' for the second consecutive year. This clearly reflects our continued efforts to reduce our environmental footprint

and our transparency in disclosing information.

”

Kazuhiro Yamashita

Member of the board,
Chief Sustainability Officer,
Compliance and General Affairs
(As of 31 December, 2021)



You can find submissions here: [CDP Climate 2020](#)  , [CDP Water 2020](#)  .

A greener approach to procurement

Green procurement is critical to improving environmental performance. We appointed our first Sustainability Procurement Manager within the Global Supply Chain (GSC) division of our international tobacco business. The purpose of this role is to lead sustainability related initiatives, mainly for packaging and other relevant categories, support sustainability activities to achieve the JT Group Sustainability targets, and engage with suppliers on sustainability topics through close collaboration.

In our Japanese operations, we have green procurement guidelines to ensure that the products and services we purchase cause minimal environmental impact. These guidelines include lists of green products and services, such as stationery, computers, and transportation services. We review and update the guidelines periodically, based on the availability of new products and services, and monitor how many of the listed products and services we purchase.

Our green procurement approach is not only about purchasing goods and services. We also encourage and work with our suppliers to improve their overall environmental management and performance. Energy efficiency is one of the key criteria for the purchase of goods and services in our Global Supply Chain division. In 2020, we initiated the Green Mobility Program in our international tobacco business, to help decarbonize our fleet and purchase greener fleet vehicles.

Building environmental awareness and expertise

Across the Company, we strongly believe in the importance of raising awareness of environmental issues among all employees. To do this, we run training and awareness campaigns every year, and we regularly publish articles and updates on our Company intranet.

To improve the environmental performance of our operations, we have appointed personnel responsible for environmental management at each of our business sites. These employees are trained in environmental management systems and the relevant regulatory requirements. We also offer a more advanced course for staff who are responsible for internal auditing and reporting environmental data.

In addition, our internal auditors go through a certification process to ensure that we apply a consistent approach across the JT Group.

As a further step to raise awareness of environmental issues and our sustainability initiatives, we hold annual 'Sustainability Days'. One of the focus areas is the environment: there are always many activities and events at a global and local level, including information sessions on emissions, resources, and waste.



Related links

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verification



Environment and our operations

Energy, emissions, and climate change

Natural resources

Waste

Case studies



We strive to further reduce the environmental impact of our operations, focusing on the most significant environmental risks and opportunities for our business and stakeholders. These currently include climate change, the sustainable use of resources, and responsible waste management.

Energy, emissions, and climate change

Climate change is the biggest environmental challenge facing society and our business. The effects of climate change, such as global warming and changing weather patterns, could have serious implications for our supply chain given our products are mainly agriculture-based and also for our own operations.

We are committed to tackling this issue and we are reducing our greenhouse gas (GHG) emissions to support the Paris Agreement on global climate change, with the longer-term aim of achieving net zero carbon emissions from our operations.

Task Force on Climate-related Financial Disclosures (TCFD)

The potential for financial impact associated with climate change is now well known, and concern is growing about its mid to long-term impact on business operations and financial market stability. We officially endorsed the recommendations of The Task Force on Climate-related Financial

Disclosures (TCFD) in December 2020.

A key aspect of the TCFD recommendations relates to the identification, assessment and management of climate-related risk and their integration into overall risk management. With this in mind, in 2019, we began conducting climate scenario analysis. Our first round of analysis was based on two scenarios: a global temperature increase of two and four degrees Celsius. To limit within two degrees from industrial revolution era till the end of this century is the required target from Paris agreement and four degrees are expected figure if GHG reduction efforts continued in pace of business as usual in the world.

Two main risk factors were identified: 'potential cost increases due to the raising of carbon taxes by governments to further reduce GHG emissions' and 'the impact on leaf tobacco growing due to changes in environmental conditions'. Our conclusion was that we could mitigate these risks by continuing to implement climate-related initiatives and programs across our value chain, so that our business operations would not be materially disrupted by financial impacts.

In 2020, we piloted country-based Climate Scenario Analysis in our international tobacco business. The analysis is intended to provide more granular detail on climate-related risk for consideration in risk management.

During the next stage, we will further develop our scenario analysis and improve our governance system on this topic. We will continue to use the results of the analysis to enhance engagement with our stakeholders and corporate value. Based on the climate-related risks and opportunities identified, we will continue to strengthen the resilience of our business strategy and optimize the way we disclose the information.

Greenhouse gas emissions from our own operations

In our Group Environment Plan 2030, we have committed to reduce greenhouse gas (GHG) emissions from our own operations by 32% (2030 versus 2015). We are on track to achieve the target. To date, this is through a combination of energy and emissions reduction initiatives, increasing the proportion of the energy we use that comes from renewable sources and production impacts. Going forward, the main programs to achieve the target relate to further improvements in energy efficiency, renewable energy, and vehicle fuel type and efficiency.

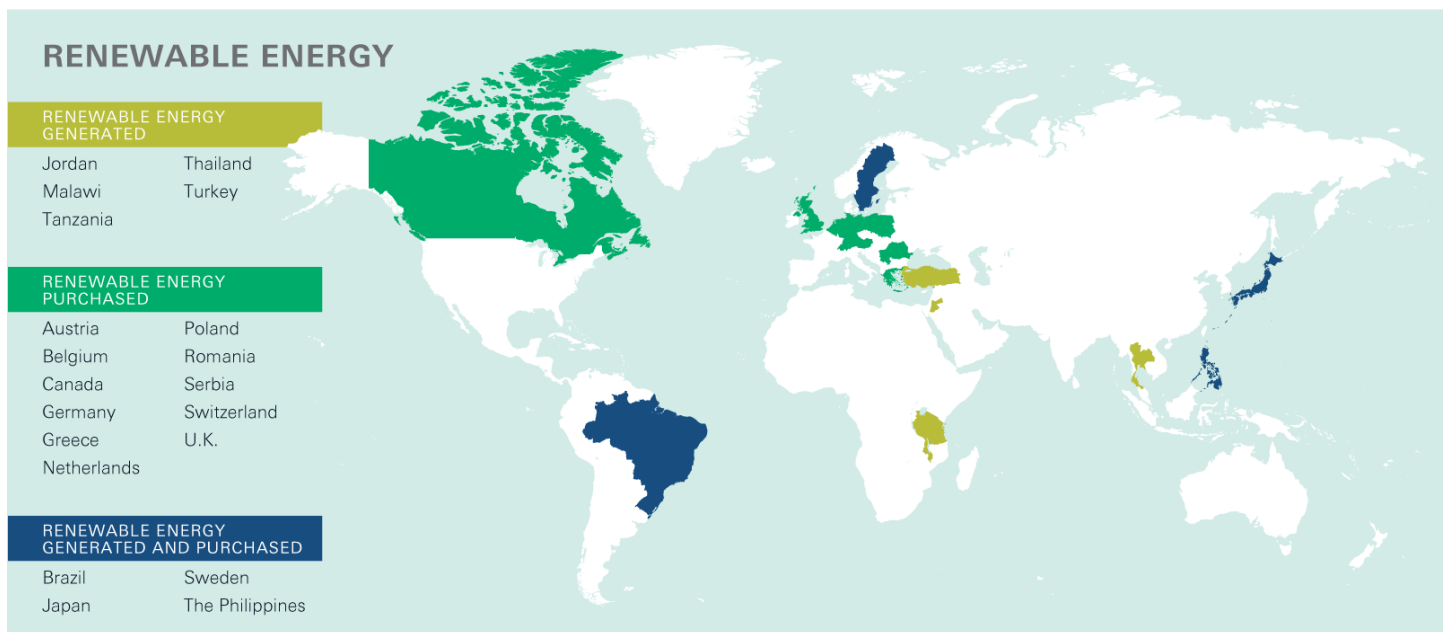
As part of our efforts to meet our energy and emissions target, we will double the proportion of renewable electricity that we use to 25% by 2030, in support of our goal of reaching 100% by 2050.

In our direct operations, the renewable electricity target will be achieved through on-site generation and the sourcing of third-party renewable energy.

We are continuously working to identify renewable energy opportunities. Where possible, and where it makes business sense, we have invested in renewable energy generation opportunities and will continue to invest in opportunities that increase our use of renewable resources. Renewable energy opportunities are included in our business planning and in our feasibility study for the 2030 Science Based Target. We also identify the options to purchase zero or low-carbon energy tariffs and green energy certificates.

Progress toward quantitative target

We are well on the way to achieving our 2030 renewable electricity target. By the end of 2020, 43% of electricity used in our international tobacco business came from renewable sources (either purchased or generated on-site). Overall, 22% of the electricity we used in 2020 came from renewable sources. Moving forward, we have plans in place which will further increase the proportion of renewable electricity we use.



Through our Energy Opportunities Scheme, our factories have identified over 220 no- or low-investment projects between 2015 and 2020. These avoid over 8,000 tons of GHG emissions and represent a cost saving of over 1.6 million U.S. dollars, with an average payback of three months.

Vehicle emissions are another important consideration for us, and we encourage all of our locations to select alternative, more environmentally friendly fleet vehicles. Within our international tobacco

business, we have launched our Green Mobility Program, designed to reduce emissions associated with our fleet.

Greenhouse gas emissions in our supply chain

As part of the JT Group Environment Plan 2030, we are committed to reducing emissions associated with our purchased goods and services by 23% between 2015 and 2030. We aim to achieve this through a 40% reduction in emissions from our direct leaf supply chain and reductions in non-tobacco materials such as packaging.

We continue focusing our efforts on improving curing efficiency, through barn furnace upgrades and new heat exchange designs. These not only optimize tobacco leaf quality, but also reduce wood fuel consumption. In addition, we are addressing the production of wood resources required for tobacco curing through dedicated agroforestry programs and tree-growing initiatives in Tanzania and Zambia, for instance.

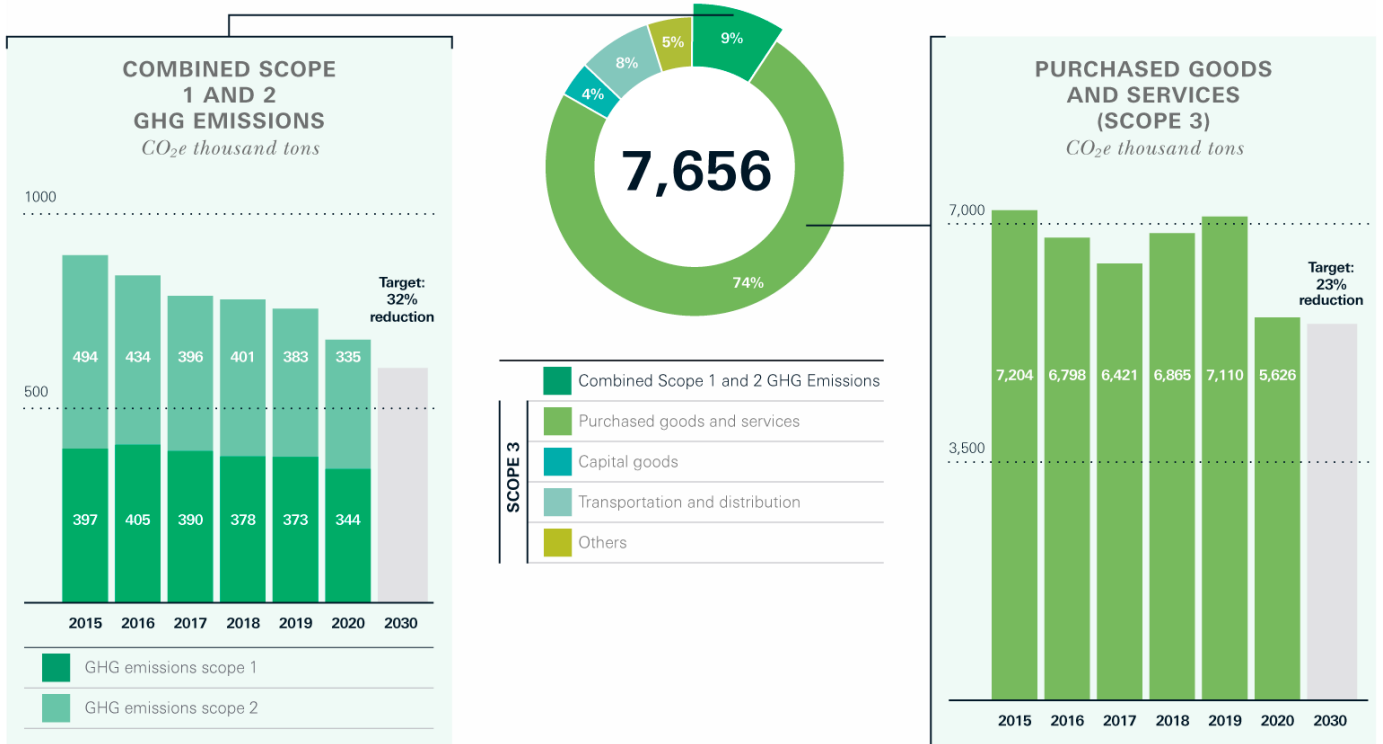
In Japan, we have a long-standing relationship with tobacco growers, which brings benefits to our suppliers, our business and our planet. By working closely with leaf growers and a machinery supplier, we developed an innovative new drying machine to improve fuel efficiency in the tobacco curing process. This has had a positive effect on our environmental impact, as it helps to reduce greenhouse gas emissions and non-renewable energy use. It also helps growers to save costs and improve quality, directly impacting our business and improving the environmental impact associated with our tobacco value chain. By the end of 2020, our leaf growers were using a total of 777 drying machines across Japan. In future, we will expand the program by implementing a new curing system to make the process even more sustainable.

Another initiative to reduce leaf-related emissions is further optimizing the use and management of crop inputs, particularly fertilizers. This includes customized fertilization programs that consider alternative, less carbon-intensive product sourcing. We will also be working with suppliers to reduce the amount of packaging associated with our non-tobacco materials.

Progress toward quantitative target

In 2020, GHG emissions related to Purchased Goods and Services decreased by 22%. We achieved it through reduction in leaf related emissions as well as emissions associated with our non-tobacco materials such as packaging. We expect that the impact of our initiatives to reduce leaf-related emissions will be seen more from 2022 onwards, with curing barn upgrades and the higher proportion of renewable wood used for curing in Zambia and Tanzania.

GHG EMISSIONS IN OUR VALUE CHAIN IN 2020
CO₂e thousand tons



Science Based Targets (SBT)

We have set a long-term GHG emission reduction target, which was approved as a science based target (SBT) by the Science Based Targets initiative (SBTi).

Read the [press release](#) (February 2019)

Natural resources

Water

Societal demand for water is increasing globally and water-related issues such as availability, quality, flooding, drought, or regulatory changes can have a major impact on society and our business.

Our tobacco and food manufacturing activities all use water. However, our main operation, the tobacco business, is not water-intensive. The water that is required for tobacco crops comes predominantly from rainfall.

As part of our approach to good water stewardship, we committed to carry out water risk assessments at 100% of our factories. In 2020, we completed the first risk assessments at all of our factories and we are now starting our program of re-assessments. Our water risk assessments consider water availability and quality, changing legislation, natural disasters such as flood and drought, and future water stress. From the assessments, we develop action plans to reduce risk and improve overall water management and security.

In the JT Group Environment Plan 2030, we commit to supporting global water stewardship by reducing our water use and encouraging water risk management in our supply chain. We have set a target to reduce our tobacco business-associated water withdrawal by 15% by 2030 vs 2015.

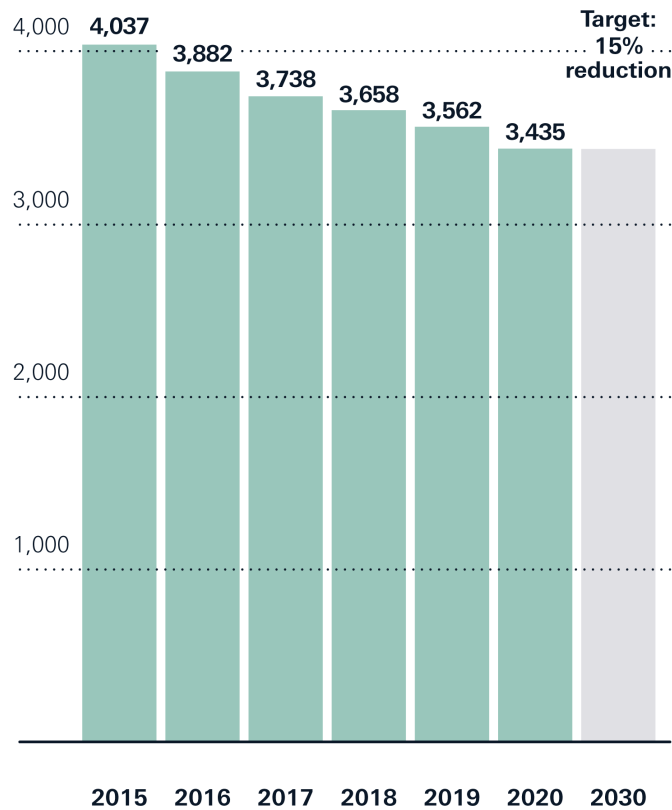
We plan to achieve the target by using less freshwater for factory site irrigation, reducing water use in our processes, improving leak control, using more recycled water, and improving cleaning practices.

Progress toward quantitative target

Based on the 2020 results, we are ahead of what was planned. Since 2015, we have reduced water withdrawal associated with our tobacco business by almost 15%. We achieved this by implementing water efficiency improvement programs and changing production volumes.

WATER WITHDRAWAL BY TOBACCO BUSINESS

Thousand m³



Water risk in our supply chain

Many of our raw materials require water in their production, and water is an important resource for many of our suppliers. To better understand water usage and water-related risk in our supply chain across the Group, we plan to implement a water risk management process by 2022.

We have piloted an assessment approach, using our non-tobacco material supply chain. The next steps will be to discuss our findings with our suppliers and look at how to roll out the approach to other parts of our supply chain.

Forestry

Ensuring a sustainable wood supply and further contributing to forest conservation and rehabilitation are key objectives set out in [the JT Group Environment Plan 2030](#).

Our Agroforestry Programs address sustainable forestry, wood use, and management. In Malawi and Zambia, we encourage growers to build 'live barns' by planting trees that will form the main structure of a Burley curing barn within three years. This helps conserve vital wood resources and reduces grower barn maintenance effort and costs. In Brazil, Tanzania, and Zambia, where we contract growers that require wood as a fuel source for curing, we promote best forestry practices, validated through dedicated forestry R&D, striving to achieve 100% renewable wood supply by 2030.



To monitor the effective establishment of woodlots, estimate wood production at small-scale farm level, as well as verify our and growers' forestry target progress, we are using a remote-sensing, high-resolution satellite imagery monitoring platform. Data is captured at field level by our Agronomy Technicians via the AgroMobility mobile application and then uploaded to the monitoring platform.

To further understand and quantify the relevance of wood resources for sustainable tobacco production, we have assessed the drivers of deforestation and forest degradation in communities where we source tobacco in Tanzania and Zambia. Quantitative and qualitative results from these surveys confirmed that our efforts to address the drivers of deforestation and forest degradation in our direct leaf supply chain are in the right direction. We focus our efforts on high-impact measures aligned with our tobacco business sustainability strategy such as improving tobacco production, improving curing efficiency and producing renewable wood resources.

Future outlook

Within the JT Group Environment Plan 2030, we have a target to replace all wood from natural forests in the tobacco curing process of our directly contracted growers with renewable fuel sources by 2030. To achieve this, we are implementing measures to reduce wood consumption in tobacco curing through barn improvements and upgrades in Zambia, Tanzania, and Brazil.

In 2020, we reduced our wood consumption rate by 9% vs. 2019. Through dedicated agroforestry programs, based on basic and scientific forestry research, we are seeing improvements in tree seedling production and woodlot establishment. This will ultimately lead to optimal tree growth and wood production, bringing benefits not only to sustainable tobacco production, but also to the environment and local communities.

Waste

From a societal and stakeholder perspective, waste, and particularly plastic waste, is of increasing concern. From a business perspective, all waste has a direct cost (handling and disposal) and an indirect cost (e.g. resource and processing costs).

Waste management is a key component of our Environment Plan 2030, and we have set targets for waste reduction. Across the JT Group we apply a 'Reduce, Reuse, Recycle' approach. We have also set targets for waste reduction as reducing waste helps to conserve resources, which in turn helps to minimize our environmental impact and cut business costs.

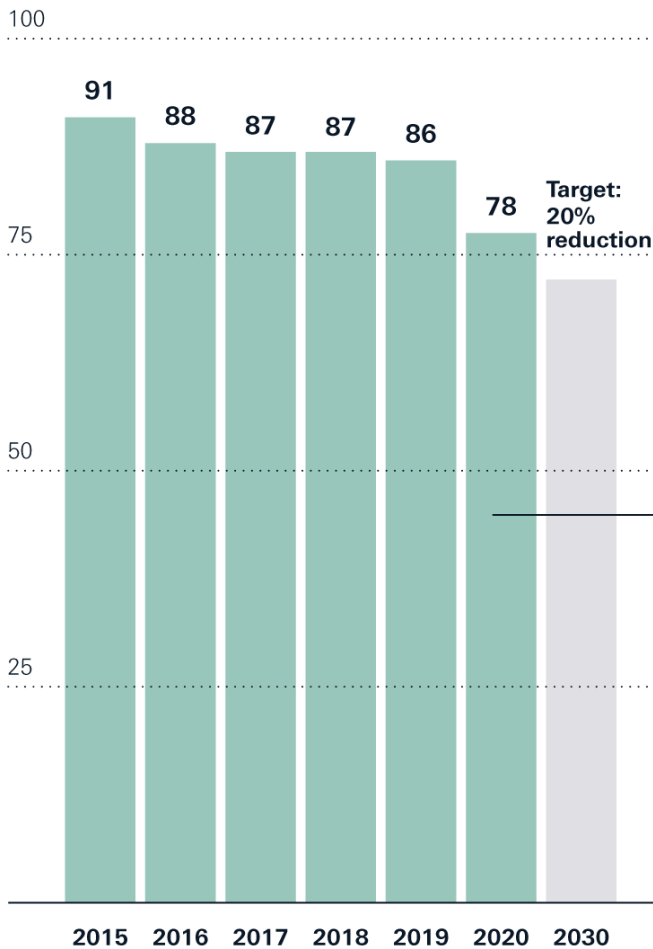
By 2030, we will reduce waste associated with our tobacco business by 20% vs 2015. We will do this by improving resource efficiency and rolling out innovative solutions across different sites.

Progress toward quantitative target

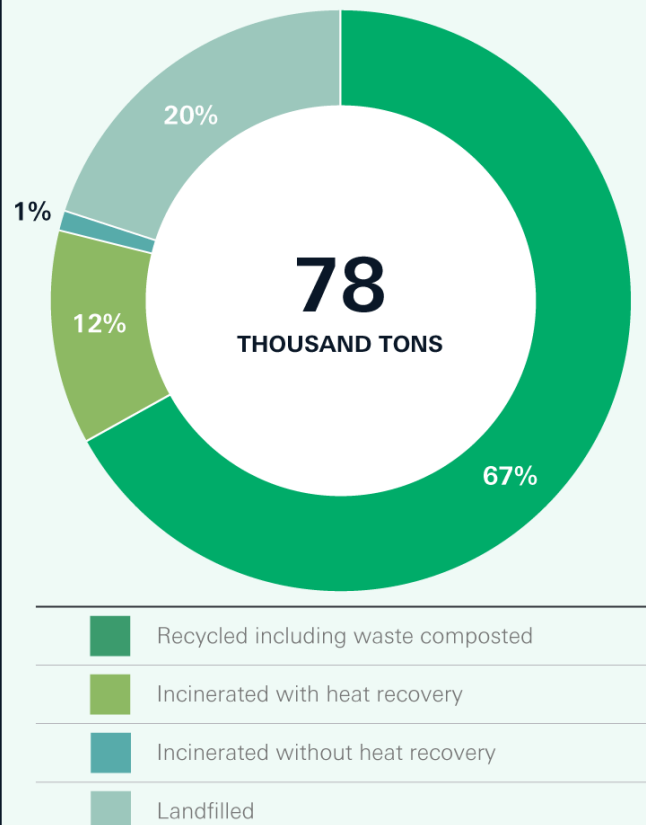
Based on the 2020 results, we are on track to achieve our waste reduction target, thanks to a combination of waste reduction programs and the impact of production volume change. Since 2015, we have reduced waste associated with our tobacco business by 14%. Going forward, we are working on further reducing secondary packaging and tobacco waste, along with other waste-reduction initiatives such as reusing materials (e.g. tobacco packaging) and yield improvements.

WASTE GENERATED BY TOBACCO BUSINESS

Thousand tons



BREAKDOWN OF WASTE GENERATED BY TOBACCO BUSINESS IN 2020 (%)



Product and packaging waste

One of our objectives in the JT Group Environment Plan 2030 is to reduce the environmental impacts of waste associated with our processes and products. Waste associated with our processes is described above. Waste associated with our products includes packaging. To improve the environmental credentials of our products and packaging, we follow a '3R' approach (reduce, reuse, recycle). We also have dedicated teams across the business working on packaging and product-related initiatives.

Read more on [Environment and our products](#).

Case studies

Sustainability is deeply embedded within our operations. We work hard to minimize our environmental impact by focusing on energy efficiency, GHG emission reduction, water efficiency, and waste reduction. Many programs and initiatives are already in place, both globally and locally. These include everything from the way we source raw materials to the way we ship finished products. Read more about our local and global activities:

[In our Japanese business operations \(Japanese website\)](#) 

[In our international tobacco business](#) 

Case study

Recognition for our greenhouse gas emissions reduction

Our efforts to address climate change are recognized externally. In 2020 we were included in the 'A List' by CDP Climate Change, in recognition of our leading position in managing climate related risks and opportunities.

The JT Kansai factory (tobacco manufacturing) received two awards from Kyoto City and the Kyoto prefecture government for its emission reduction initiatives. The factory is proactively tackling the reduction of greenhouse gas (GHG) emissions by implementing projects such as high-efficiency freezer installation and eco-friendly compressor use.

In December 2019, Nihon Syokuzai Kakou, a subsidiary of our processed food business, was selected as a leading company and awarded by the government of Miyazaki prefecture for its effort to reduce GHG emissions. The Japanese working philosophy known as *Kaizen*, which involves all employees, is based on an ethos of continual improvement, and which we believe helps us to achieve strong ongoing results.

Our factory in Jordan was awarded the 'Environmental Stewardship Award' by the Ministry of the Environment in Jordan and the World Bank, as the first tobacco factory in the world to use direct solar steam generation. A rooftop-mounted collector, steam storage, and a steam-driven absorption chiller provide the site with energy and building heating and cooling. The system covers 85% of the plant's annual steam consumption and helps reduce its CO2 emissions by 12% or 500 tons a year, the equivalent of 500 return flights from Paris to New York. The factory's ultimate ambition is to be 100% carbon neutral.

We continuously strive to further reduce our environmental impact by combining technology-driven innovation with the Japanese philosophy of *Kaizen*, meaning 'continuous improvement'.

Related links

Environment

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Environmental
management

Environment and
our operations

Environment and
our products

Environmental
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verification

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Environment and our products

We are constantly searching for ways to further reduce environmental impacts along our value chain. We do this through improved product design and development, responsible procurement, efficient delivery of our products and services, and by adopting innovative technologies and ways of working.

We will reduce the environmental impact of our products and packaging through :

- Design solutions
- Facilitating responsible collection and disposal
- Consumer awareness and education

More specifically, we will reduce our packaging (including plastic) and ensure that the remaining is 88% reusable or recyclable by 2025, rising to 100% by 2030. In total, recycled content will account for 20% of our tobacco business packaging by 2025.

While reducing the environmental footprint of our products is the goal set forth in the JT Group Environment Plan 2030 and necessity, it also helps us to meet consumer expectations and ensure the long-term sustainability of our business.

For the goals set forth in the Tobacco Business Sustainability Strategy, Read about [Products and services.\(Environment\)](#).

Progress to date

Across the Group, we have been focusing on embedding sustainability in product development for many years. To strengthen our commitment, we have created a Sustainability Program Team in our international tobacco business to ensure that we reduce environmental impact of our products and services.

Within our international tobacco business, we have colleagues dedicated to packaging strategy, innovation, and sustainability. They focus on improving the sustainability of packaging through reduction, simplification, or substitution, to improve re-use and recyclability. We are also working to reduce the overall amount of fossil fuel-derived plastic that we use in our packaging. For example, in

Germany, we have redesigned our Winston MYO 'make-your-own' (made by filling a filter tube with cut tobacco) packaging to contain between 10% and 16% less plastic. This is a first step towards improving the sustainability of our MYO offering.

The aim of all of these steps is to minimize the environmental impact of our products and packaging. We will continue to address this challenge by focusing on design, consumer awareness and education, and responsible waste collection and disposal.

These commitments run across our whole portfolio, and are changing the way we produce both Ready-Made Cigarettes and our Reduced-Risk Products (Products with the potential to reduce the risks associated with smoking.).

We have already launched various initiatives, including the following.

Responsible recycling and disposal schemes for Reduced-Risk Products

As alternatives to traditional combustible products, e-cigarettes (E-Vapor) and tobacco vapor products (T-Vapor) are gaining popularity with consumers around the world. Although our industry is changing, our commitment to consumer choice remains.

That's why we offer Reduced-Risk Products in many markets. In contrast to traditional combustible products, Reduced-Risk Products present new and specific challenges from an environmental perspective, such as electronic waste.

We take our responsibility to protect the environment very seriously, and we want our recycling and disposal schemes to meet the specific needs of each market. In 2019, we published internal guidelines for Waste Management and Recycling across the Company. This guidance helps markets to determine and implement appropriate initiatives.*E

To encourage consumers to safely recycle or dispose of our products, we offer convenient return schemes in some of our markets. These are adapted to local needs, as the following best practice examples show.

Case study

Ploom - Return scheme in Japan

In 2019, we collected around 400 kg of used Ploom devices, capsules, and cartridges by introducing convenient collection boxes at around 300 shops selling Ploom in Tokyo.

This program was a significant extension of a 2017-2018 pilot scheme, in which we sent out collection boxes to more than 250,000 people.

In 2020, this program was expanded to include the tobacco industry and we continue to be one of the participating companies, and it was successfully launched throughout Japan in 2021.



Key achievements in 2019

- Collection boxes introduced in around 300 shops
- Around 400 kg of used devices, capsules, and cartridges returned

Case study

Logic - Return scheme in Switzerland

In Switzerland, online customers can order a Logic box, made from FSC-certified paper, to collect their used pods. They can then send these boxes to us free of charge for disposal.

We also set up 'pod points' in shops selling Logic products across Switzerland, giving consumers the option to return their used products in person.

After collection, the items are disposed of properly according to Swiss Standards.



Key achievements: March - December 2020

- 1,992 individual boxes sent to consumers
- 754 boxes returned

Reducing the environmental impact of Ready-Made Cigarettes

Litter from tobacco products is an issue that calls for collective action to educate adult consumers to act responsibly. To approach this, we have rolled out various initiatives, including the following.

Case study

'Pick up and you will love your city' in Japan

In Japan, we run the 'Pick up and you will love your city' campaign in collaboration with over 4,000 organizations, including local governments, NGOs, and volunteer groups, as well as local citizens.

Since the launch of this initiative in 2004, we have organized more than 2,000 litter-picking events, involving 1.9 million participants.

We want to change participants' mindsets to 'I will not throw anything away', through their experience of picking up litter.



Key achievements since 2004

- + 2,000 events
- + 1.9 million participants
- + 4,000 organizations

Case study

Tackling littering in Switzerland

Our partnership with IGSU/local interest group for a clean environment

AMBASSADORS FOR A CLEAN
ENVIRONMENT TACKLE
ATTITUDES TO LITTERING IN
SWITZERLAND

Packaging

Read about reducing [the environmental impact of packaging.](#)

The EU Single-Use Plastics Directive

Read about [our approach.](#)

Case study

Minimizing Winston packaging plastic waste in Germany

In Germany, our consumers can now purchase products that generate less plastic waste, thanks to a few big changes we made during 2020.

Our main focus was reducing the amount of plastic used in our Winston packaging. As a first step, we made the boxes thinner and slightly smaller. Secondly, we introduced refill packs. Finally, we removed the plastic handles from our boxes. Thanks to these steps, we significantly reduced our plastic use in 2020 compared to 2019.



Key achievements in 2020

- 78 tons of plastic saved from Winston boxes
- 9 tons of plastic saved by removing Winston box handles

Translation: 16% LESS PLASTICK? A GOOD START #FORREAL

Case study

JTI UK – #IGiveAButt campaign

Research commissioned by JTI UK found that most smokers don't want to litter, but often don't know what to do with their cigarette butts. The #IGiveAButt campaign was devised to remind smokers to dispose of their litter responsibly in the nearest bin. Working alongside an award-winning design agency we also created the #IGiveAButt Stub Tidy, which is compact, easy to clean, and sustainable – designed to get cigarette butts from A to B when there is no bin in sight.

The campaign was piloted in September 2020 with a series of outdoor advertisements across London, and nationally in conjunction with the Daily Mail and the Metro – where online readers were able to request a free #IGiveAButt Stub Tidy.

A total of 14,616 #IGiveAButt Stub Tidies were given away as part of the pilot. We followed up with 5,000 recipients of the #IGiveAButt Stub Tidy and found that, as a result of the campaign, 60.5% had changed their behavior and no longer drop their cigarette butts on the ground.



Key achievements in 2020

- 60.5% of smokers less likely to drop their cigarette butts on the ground
- 14,616 #IGiveAButt Stub Tidies distributed as part of the UK pilot

Case study

Nordic Spirit - Sustainably made nicotine pouches and traditional snus

Nordic Spirit meets the growing consumer demand for nicotine pouches, along with the expectation for ever-more sustainable products.

Nordic Spirit is produced in Vargarda, Sweden, using 100% renewable energy sourced from external vendors. 4% of this energy is generated by a hydroelectric power plant on a local river. Nordic Spirit production also supports the local community – its rapid expansion has provided local job opportunities both at the manufacturing facilities and for sub-contractors.

Nordic Spirit's customer base includes many eco-conscious adults. The nicotine pouches offer these consumers a flexible, discreet, and sustainable nicotine experience that fits easily into their lifestyle.



Key achievements in 2020

- In Sweden, our entire Nordic Spirit portfolio is produced using 100% renewable energy.

sales of tobacco or vaping products or encourage smoking or vaping among consumers.

About our reporting

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

[Read more >](#)

Related links

Environment

Environmental management

Environment and our operations

Environment and our products

Environmental data / External verification



Environmental data / External verification

Energy



GHG



Water



Waste



ISO 14001



Environment data verification statement

[Independent Assurance Statement for the JT Group](#)

Environmental data

Group-wide Scope 1 and 2 GHG data, some Scope 3 GHG data, energy, proportion of renewable electricity, water withdrawal, water discharge and waste-related data have been externally assured. The calculation methodology and scope are outlined in our [Basis of Reporting](#).

Energy

Energy Consumption (Terajoules)	2015	2016	2017	2018	2019	2020
Fossil fuels purchased and consumed	6,162	6,407	6,221	5,998	6,062	5,637
Electricity (non-renewable) purchased	3,431	3,040	2,948	3,047	2,872	2,580
Steam / heating / cooling and other energy (non-renewable) purchased	134	103	78	78	70	68
Total renewable energy purchased or generated	710	907	1,070	1,135	1,181	1,475
- Total renewable electricity purchased or generated	103	236	385	424	467	714
- Total renewable energy purchased or generated excluding electricity	607	671	685	710	714	762
Total energy sold	-105	-107	-112	-114	-133	-116
Total	10,332	10,351	10,205	10,143	10,051	9,643

Energy Consumption Breakdown (Terajoules)	2015	2016	2017	2018	2019	2020
Non-renewable fuel consumed	6,141	6,361	6,153	5,938	6,050	5,637
Renewable fuel consumed	606	669	684	709	713	761
Electricity, heating, cooling and steam purchased for consumption	3,688	3,426	3,474	3,584	3,400	3,345
Self-generated electricity, heating, cooling and steam	2	2	5	26	21	17
Electricity, heating, cooling and steam sold	-105	-107	-112	-114	-133	-116
Total	10,332	10,351	10,205	10,143	10,051	9,643

Proportion of renewable electricity (%)	2015	2016	2017	2018	2019	2020
Total	3%	7%	12%	12%	14%	22%

GHG

GHG emissions (1,000 tons CO ₂ e)	2015	2016	2017	2018	2019	2020
CO ₂	364	368	358	350	350	321
HFCs	34	37	32	28	24	23
Total (Scope 1)	397	405	390	378	373	344
Scope 2	494	434	396	401	383	335
Total (Scope 1 + 2)	892	839	786	778	756	679
Purchased goods and services	7,204	6,798	6,421	6,865	7,110	5,626
- Purchased tobacco	4,880	4,638	4,219	4,725	5,537	4,105
Direct leaf supply	1,381	1,297	1,522	1,378	1,567	1,299
Third-party tobacco materials	3,498	3,341	2,697	3,347	3,970	2,806
- Others	2,325	2,159	2,202	2,140	1,573	1,521
Capital goods	391	358	422	481	393	322
Fuel-and-energy-related activities (not included in Scope 1 or 2)	132	123	129	122	120	118
Upstream transportation and distribution	319	346	360	328	337	317
Waste generated in operations	27	25	28	29	27	22

GHG emissions (1,000 tons CO ₂ e)	2015	2016	2017	2018	2019	2020
Business travel	265	264	242	232	223	65
Employee commuting	62	61	64	58	54	50
Upstream leased assets	0	0	1	1	1	0
Downstream transportation and distribution	309	262	293	321	295	310
Processing of sold products	2	2	2	1	1	1
Use of sold products	32	33	43	43	42	48
End of life treatment of sold products	89	75	105	106	108	90
Downstream leased assets	1	1	1	1	1	1
Franchises	2	1	1	2	6	5
Total (Scope 3)	8,835	8,347	8,112	8,589	8,718	6,977

Water

Water withdrawal by source (1,000 m ³)	2015	2016	2017	2018	2019	2020
Fresh surface water	1,398	1,575	1,466	1,570	1,631	1,712
Brackish surface water/seawater	0	0	0	0	0	0
Rainwater	46	47	53	47	41	31
Groundwater	5,790	5,805	5,623	5,735	5,731	5,688
Produced/process water	0	0	0	0	0	0
Municipal supply	3,629	3,374	3,382	3,359	3,030	2,871
Wastewater from another organization	0	0	0	0	0	0
Total	10,864	10,802	10,523	10,712	10,432	10,302

Water discharge by destination (1,000 m ³)	2015	2016	2017	2018	2019	2020
Fresh surface water	2,418	2,403	2,649	2,805	2,863	2,864
Brackish surface water/seawater	0	0	3	18	30	16
Groundwater	1	2	1	0	1	13
Municipal/industrial treatment plant	3,393	3,161	3,064	3,085	2,856	2,885
Wastewater from another organization	0	0	0	0	0	0
Total	5,813	5,566	5,717	5,908	5,749	5,777

Waste

Waste generation (1,000 tons)	2015	2016	2017	2018	2019	2020
Recycled including waste composted	100	97	97	96	98	95
Incinerated with heat recovery	12	11	10	10	12	10
Incinerated without heat recovery	7	6	6	7	5	5
Landfilled	21	21	21	21	17	16
Total	140	135	133	134	133	126

ISO 14001 certified (Scope: Cigarette and tobacco-related factories {including Group factories})

	2015	2016	2017	2018	2019	2020
Total factories	41	40	43	43	46	47
Certified factories	34	32	33	34	36	36
Certified (%)	83%	80%	77%	79%	78%	77%

Related links

Environment

Environmental
management

Environment and
our operations

Environment and
our products

Environmental
data / External
verification