



Respecting human rights

Commitment



Strategy



Governance



Salient issues



Due diligence



Impact assessments and questionnaires



Stakeholder engagement



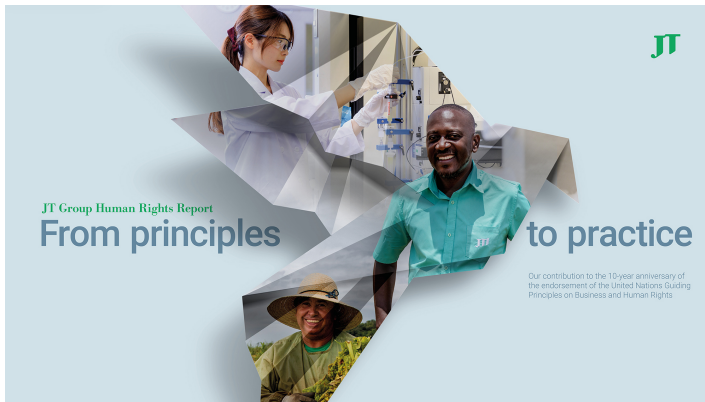
Going forward



We operate in parts of the world where human rights are at risk, and we are therefore exposed to human rights-related issues, such as forced labor, child labor, bribery, and corruption.

Our sustainability strategy is driven by [three absolute requirements](#) that are at the heart of everything we do. One of these requirements is respecting human rights.

JT Group Human Rights Report




To coincide with the 10th anniversary of the United Nations Guiding Principles on Business and Human Rights, we are publishing our first standalone Human Rights Report which examines the potential human rights risks arising from our worldwide operations. The report identifies [nine salient human rights issues](#) and the steps we are taking to remedy them.

[JT Group Human Rights Report](#) 

Our commitment

JT Group Human Rights Policy

We respect human rights across our value chain and recognize the Universal Declaration of Human Rights, the International Bill of Human Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. Our [JT Group Human Rights Policy](#) , which was approved by the JT Board of Directors, follows the framework provided by the UN Guiding Principles on Business and Human Rights. This means working to avoid infringing the rights of others and addressing any adverse impacts of our global operations.

Our commitment to human rights is reinforced by our Board of Directors through our [Code of Conduct](#). Our Reporting Concerns Mechanism helps us ensure that we listen to and act on the grievances of those whose human rights might be impacted by our activities. Through this legitimate, fair, and accessible mechanism, we encourage employees and suppliers to speak up on human rights, without fear of retribution, about any concerns they may have.

Our suppliers and growers throughout the world are obliged to respect human rights by adopting and maintaining internationally recognized labor standards regarding child labor, rights of workers, and workplace health and safety. They do this in line with:

- [JT Group Responsible Procurement Policy](#) >
- [JT Group Supplier Standards](#) 
- [Agricultural Labor Practices \(ALP\)](#) 

To address our human rights issues, markets put in place their own customized corrective measures through human rights action plans. We also have global programs that can be applied by the local

markets to ensure a consistent approach across the Group. Read more:

[Code of Conduct](#)

[JT Group health and safety](#)

[Agricultural Labor Practices](#)

[Our ARISE \(Achieving Reduction of Child Labor in Support of Education\) program](#)

[Community Investment](#)

[Diversity and inclusion](#)

UK Modern Slavery Act

JTI UK, the JT Group's U.K. subsidiary, has been publishing a Modern Slavery Act Statement yearly since 2017.

[JTI UK Modern Slavery Statement \(JTI UK Website\)](#) 



The UN Guiding Principles on Business and Human Rights make the pathway clear: companies have a responsibility to respect the rights of those they impact through their business operations and supply chains. That is especially important during a global pandemic. Our commitment to respecting human rights and to conducting due diligence never wavered during the COVID-19 crisis. Our people, our

suppliers, and our communities make us who we are, and it is vital that we continue to care for them, hear their voice, and respect their human rights.

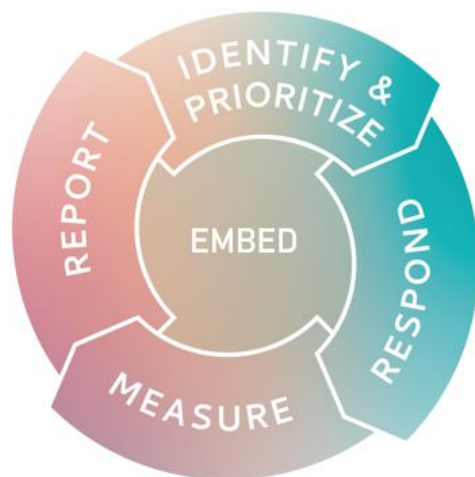
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Charlie Watson,
Director, Human Rights, JT
International


Our human rights strategy

Our approach

Our human rights strategy is based on five pillars. This circular approach provides a systematic way of conducting ongoing due diligence and is in line with the UN Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development (OECD) guidelines, and the Food and Agriculture Organization (FAO) guidance on responsible agricultural supply chains.



- 1 Embed
- 2 Identify and Prioritize
- 3 Respond
- 4 Measure

Read more on 'Strategy' in our [Human Rights report](#) .


Our progress

Embed

Since 2016 we have been continuously providing trainings in the entire group. The contents of our very first e-learning on respecting human rights was totally aligned to the UN Guiding Principles, and was implemented from 2016 to 2019. The e-learning has been provided in 25 languages to all our employees, regardless of their employment status, such as directly or indirectly employed, and full or part-timers.

In the digital world, where attention spans are short and content easily disregarded, we have taken a different approach to e-learning.

In 2021, we laid the groundwork to launch a digital human rights e-learning campaign which focuses on behavioral change. The objective is to increase awareness and understanding of human rights risks and to empower our employees to do the right thing with regards to ethical behaviors. It offers employees bite-sized training modules via a new human rights e-learning platform.

For our most recent approach, please read more on 'Culture change through training' in our [Human Rights report](#) .

Identify and prioritize

From 2020, with our ability to conduct in-person Human Rights Impact Assessments disrupted by the pandemic, we had to adapt. One of the ways we did this is by expanding the human rights self-assessment questionnaires.


We applied a smart mix of self-assessment questionnaires and on-site Human Rights Impact Assessments. The questionnaires cover a broad spectrum of human rights issues and aim to identify the greatest potential risks in our operations, which include

[our nine salient human rights issues.](#)

In 2021, we upgraded the self-assessment questionnaire by enhancing its focus on the newly established salient issues. We also included questions related to how our markets were implementing new COVID-related guidelines and controls.

In 2021, the self-assessment questionnaire was launched in five new markets: Angola, Cambodia, Jordan, Nigeria, and Romania.

Read more:


- 'Our assessments' in our [Human Rights report](#) 
- [Human rights impact assessments: key findings](#) >

Respond

We develop human rights action plans for each country that has undertaken an assessment, each with an agreed timeline. Human Rights Champions were appointed within these countries, as part of a network. 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 Champions manage the implementation of the action plans locally. Our head office provides the Champions with training materials on the UN Guiding Principles on Business and Human Rights, as well as support with specific points within the action plans.

Read more:

- 'Role of local governance' in our [Human Rights report](#) 
- [Human rights impact assessments: key findings](#) >

Measure

We have been measuring the effectiveness of our Action Plans, which includes an individual set of key performance indicators to measure the effectiveness of our improvements over time. Our Human Rights Champions track the implementation of each action item and report on a quarterly basis to the human rights team to measure progress.



There are various ways to measure the effectiveness of our responses in our leaf supply chain. One

of them is the number of issues which we observe during subsequent crop cycles. Read more on [our approach](#).

Read more on [Progress toward quantitative target](#)

Report

Our understanding of our obligations under the UN Guiding Principles 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 UN Guiding Principles encourage corporate transparency to the benefit of a broad set of stakeholders. We are committed to this level of transparency and disclosure.

- [JT Group Human Rights Report](#) 
- [Integrated Report](#) >
- [Our human rights correspondences](#)  with Human Rights Watch, the UN Human Rights Council, and The Guardian.

Governance

Our CEO and the Board of Directors play a key role in formulating the JT Group Sustainability Strategy, which has respect for human rights at its core. They oversee and are accountable for the effectiveness of this strategy, as they are committed to the Group achieving its sustainability targets. The Chief Sustainability Officer is responsible for driving sustainability across the Group, including respect for human rights.

While our CEO and Board of Directors are accountable for the strategy, governance, and reporting of adherence to the JT Group Human Rights Policy, each local business unit is responsible for operational implementation and has an appropriate management system to apply human rights initiatives. This is driven by our dedicated human rights team, which is also responsible for raising awareness and improving engagement internally.

To secure an effective due diligence system, it is critical to link impact assessments to effective governance structures that ensure accountability for acting on the findings. The Human Rights Champions Network plays a vital role to facilitate the sharing of guidance and best practice on human rights by those closest to the issues on the ground.

Read more on 'Board oversight and governance' in our [Human Rights report](#)  .

To advance the rights of our stakeholders, it is important that we listen to the advice, concerns, and criticisms of people outside the JT Group. Therefore, we have continued to take counsel from our Human Rights External Advisory Board.

Human rights external advisory board^{*E}

Our Human Rights External Advisory Board plays a vital role in providing us with a broad external perspective in the human rights area. Made up of international experts on business and human rights, the Board advises us on all issues that the members consider relevant for the implementation of our human rights strategy. The panel of experts guides us with their expertise and challenges us where they believe we need to improve, helping to strengthen our efforts to deliver on our human rights commitments.

Board members include:

- Paul Bowden (Professor of Law, The Nottingham Law School)
- Donna L. Westerman (Sustainable Purchasing Leadership Council)
- Rona Starr (Association for Professional Social Compliance Auditors)
- Jonathan Drimmer (Partner, [Paul Hastings](#) (a leading international law firm))
- Richard Karmel (London Managing Partner, Global Sustainability, [Mazars](#) (a leading international audit, tax and advisory firm))

Salient human rights issues

To strengthen the focus of our policies and programs on human rights areas that matter most, it is crucial to have an understanding of our respective salient human rights issues.

According to the UN Guiding Principles Reporting Framework, “a company’s salient human rights issues are those human rights that stand out because they are at risk of the most severe negative impact through the company’s activities or business relationships.”

The concept of salience focuses on the risk to people, not to the business, and impacts are prioritized according to their severity and likelihood.

We created our first group human rights risk maps to assist us in developing JT Group Human Rights Policy in 2016. As external and internal environments have evolved, we have reviewed our group salient issues in 2021. This resulted in the identification of nine salient issues associated with our own operations, value chain and new business relationships.

Going forward, our plan is to corroborate these salient issues with rights-holders on the ground. This will enable us to better understand and focus our efforts and resources on those issues perceived most at risk in each market. We will do this by integrating them into our Human Rights Impact Assessment methodology and self-assessment questionnaires.

Our nine salient issues

Identification of salient issues

In order to identify the salient human rights issues for the JT Group, the assessment was conducted in two aspects, Severity and Likelihood, in line with the UN Guiding Principles on Business and Human Rights. Firstly, we identified the full range of human rights that could potentially be negatively impacted by our activities or through its business relationships. We then prioritized potential negative impacts by using severity and likelihood framework.

Severity assessment

Severity of human rights impacts were assessed by their scale, scope, and irremediability, which means how grave the impact would be, how widespread the impact would be, and how hard it would be to put right the resulting harm. Based on that framework, we identified the severity of each human rights issue using a scoring system for risk mapping.


Likelihood assessment

In assessing the likelihood of human rights issues in the JT Group, the following steps were taken. We analyzed the operations of our entire value chain (in over 130 countries) across five categories; Leaf sourcing, Processing, Manufacturing, Office, and Sales and Marketing. We determined magnitudes of risk for each operational category in each country. We then quantified each risk using environmental and social country indices published by a leading global risk analytics company, and using country indices published by international organizations.

Risk mapping

These mapping exercises were carried out for all three of our businesses; tobacco, pharmaceuticals, and processed food. In the consolidated map of those businesses, the issues of high severity and high likelihood were finally identified as salient in the JT Group.

- Child labor
- Environmental impacts
- Fair wage
- Forced labor
- Harassment and gender impacts
- Health and safety
- Health risk
- Non-discrimination and equality
- Working hours

Read more on 'Salient issues' in our [Human Rights report](#)  .

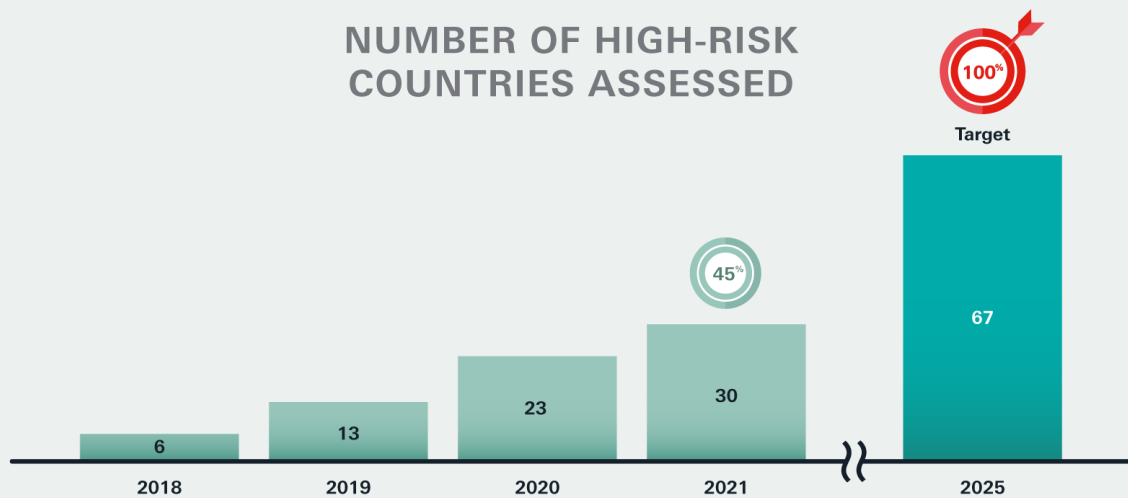
Our human rights due diligence

In line with the UN Guiding Principles, we have made human rights due diligence an essential and integrated part of our business. This enables us to identify and assess actual and potential human rights risks, as stated in our JT Group Human Rights Policy.

Embedding human rights due diligence – which is in part informed by our widely applied Human Rights Impact Assessments – is our responsibility. It helps us to prevent adverse impacts on people and ensure the highest standards of behavior are upheld within our business and value chain.

Progress toward quantitative target

NUMBER OF HIGH-RISK COUNTRIES ASSESSED




We have committed to assessing 100% of high-risk countries by 2025.

In addition to the high-risk countries identified, we completed the assessment in Japan where our headquarters and many subsidiary companies are located, given its scale of businesses; tobacco, pharmaceuticals, and processed food. We also conducted the assessment in Switzerland, headquarters of our international tobacco business, and also in China and Thailand for our processed food business.

In our tobacco business, we assessed five new markets in 2021: Angola, Cambodia, Jordan, Nigeria, and Romania. In total, we completed 10 Human Rights Impact Assessments and 17 self-assessment questionnaires across our entire value chain. We also conducted one [Supply Chain Impact Assessment \(SCIA\)](#), one Grower Livelihoods Assessment and used our leverage to conduct a supplier human rights workshop. By the end of the year, 30 out of 67 (45%) high-risk countries had been assessed. This reflects our commitment to prioritizing assessments in countries where the greatest risks to people lie. It also shows our willingness to go into countries with histories of human rights allegations and assess the on-the-ground reality.

Read more:

- 'Our assessments' in our [Human Rights report](#) 
- [Human rights impact assessments: key findings](#) >

Human rights impact assessments and self-assessment questionnaires

Our Human Rights Impact Assessments focus on impacts to people within our main operations and value streams. Key activities during an impact assessment include visiting and observing farming, processing, manufacturing, and sales and distribution operations. During the assessments, we conduct a series of interviews with employees and workers, as well as representatives of suppliers, clients, and partners.

At the end of the assessment, we report on the findings and discuss recommendations for improvement with local management. Our head office then works closely with the local team to address any issues raised and improve the situation.

Adapting our approach to ensure continuity

Our commitment to conducting human rights due diligence as part of our Human Rights Policy never wavered during the pandemic. To ensure continuity and protect everyone involved, we tailored our approach in our assessments.

Read more on our new approach on [COVID-19 human rights response](#)  .

Human rights impact assessments: key findings

The following list of key findings includes one human rights risk identified in each of our assessments, to demonstrate the wide range of issues our stakeholders may face.

Read more about key findings and how we are addressing them by selecting a country

Asia, Americas

Bangladesh (2019)

Brazil (2020)

China (2019)

Colombia (2020)

Dominican Republic (2018)

India (2019)

Indonesia (2020)

Japan (2016/2017)

Kazakhstan & Kyrgyzstan (2019)

Malaysia (2018)

Mexico (2018)

Myanmar (2018)

Thailand (2019)

Thailand (2020)

Vietnam (2020)

Africa, Middle EastEurope

Egypt (2019)

Ethiopia (2019)

Lebanon (2020)

Malawi (2019)

Morocco (2020)

South-Africa (2020)

Tanzania (2018)

Tunisia (2020)

Turkey (2020)

UAE (2020)

Zimbabwe (2019)

Switzerland (2017)



Case study

Using leverage with our leaf merchants in Zimbabwe

Case study

Eliminating highly hazardous pesticides criteria 1 in our supply chain

Case study


Migrant Workers in Japan

Japan's Technical Intern Training Program was further sensitized to the risk of forced labor by a recent [US Trafficking in Persons Report](#). Since we started Human Rights Impact Assessments in our Japan operation (tobacco, pharma, and processed food businesses - including China and Thailand), migrant workers have been identified as the most vulnerable stakeholders who need our special attention.

Read more on how we have addressed a focus on migrant workers in our [Human Rights report](#).


Stakeholder engagement

To further strengthen our external engagement, we have partnered with Business for Social Responsibility (BSR) and Mazars. These organizations provide technical support with our ongoing human rights due diligence approach and overall human rights strategy.

Read more on 'Engagement' in our [Human Rights report](#)  .

Protecting and respecting employee rights during the pandemic


Our human rights external advisory board was very positive about our response to COVID-19. The Board has provided feedback and recommendations to our response to the pandemic from a human rights standpoint, which we will reflect upon in the next phase of implementation.

Read more on how we have responded to the pandemic in our [Human Rights report](#)  .

Read more about how we have responded to the pandemic from the perspective of [Community Investment](#) and [Health & Safety](#).

Going forward

In terms of our global sustainability strategy, we have identified priority areas for each business segment. Moreover, we have defined a set of targets we aim to achieve by 2030. Our targets are a key component of our commitment to conduct our business in a responsible manner and mitigate our nine human rights salient issues. We keep our existing targets under review with an intention to strengthen these commitments over time.

Read more on our strategy, targets, and progress in our [Human Rights Report](#)  .

Our work to promote and respect human rights will evolve and adapt to the changing economic and political context of the countries where we operate. Our approach to human rights due diligence is ongoing, as the risks to human rights may change over time. We will continue to act where actions are necessary and focus on our human rights priority areas.

We will continue to prioritize countries based on a set of risk-based criteria in order to assess our most high-risk countries first. Going forward, we are committed to assessing actual and potential human rights risks in at least six countries each year and will continue to embed respect for human rights within the business.

About our reporting

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

[Read more >](#)

You might also like...

Human
resources

JT Group health
and safety

Investing in
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