



Environment Policy Standard

Valid as of 01 April 2022

CONTENTS

A. Purpose and Benefits	3
B. Corporate Standards	3
C. Scope	4
D. Corporate Standards Management	4
E. Related Corporate Policies and Other References	4
F. Terms and Definitions	5

A. Purpose and Benefits

The environment is everyone's responsibility. At JTI, we are committed to minimizing the social and environmental impact of our value chain, products and services. We are focused on protecting the environment, minimizing resource use, and respecting people, communities and biodiversity.

Our commitment is outlined in the JT Group Environment Plan 2030 and the Tobacco Business Sustainability Strategy, which also set out our specific objectives and targets for energy and emissions, natural resources and waste.

The JTI Environment Policy sets out our framework for improving environmental performance and reducing our environmental footprint and must be followed when making business decisions. This Standard explains how JTI translates that Policy into action and should be read in conjunction with the Policy.

As stated in the Policy: Given that JTI operates in countries with different legislative requirements, different political regimes, varying infrastructures and changing consumer demands, this Policy and hence this Standard set out the minimum expectations that JTI will adhere to and where allowed so to do.

B. Corporate Standards

To continually improve environmental performance and reduce our environmental footprint, JTI will:

Assess environmental related risks and opportunities

Identify environmental risks and opportunities significant to our business. These include climate change, sustainable use of water and other resources, renewable wood production and forestation, pollution prevention and responsible waste management. Set objectives and targets to reduce the risks and realize the opportunities.

Implement effective management systems

Develop systematic approaches to manage assets and operations, address environmental risks and opportunities, promote environmental protection, ensure the necessary resources are made available, and continually improve overall environmental performance.

Ensure compliance in countries and regions where it operates

Comply with environmental regulatory requirements, or JTI internal environmental standards, whichever are the more stringent.

Manage change associated with our business

Proactively identify and address environmental risks or opportunities that could occur from changes associated with the business, through due diligence, planning and integration.

Address its value chain, and engage with its growers, suppliers, service providers and other key business partners

Strive to reduce impacts to environment along the JTI value chain through, amongst others:

- good agricultural practices and forestry standards
- improved product and packaging design and development
- responsible procurement
- efficient delivery of our products and services
- adoption of innovative technologies and approaches.

JTI requires its suppliers and service providers to abide by our Business Partner Standards and align with commitments in the JTI Environment Policy.

Reduce the environmental impact of our products and packaging

Innovate to reduce the environmental impacts of our products and packaging by, amongst other things:

- reducing the amount of plastic used
- introducing new product and packaging materials
- increasing the proportion of recycled content in our packaging
- reducing overall weight of waste generated
- promoting reuse and recycling.

Involve employees and improve their awareness and competency in relation to environmental issues

Educate and train employees, involve them and seek their commitment to address environmental issues, and encourage them to take personal responsibility for environmental protection.

Engage with our stakeholders

Monitor, measure and communicate environmental performance to internal and external stakeholders. This is at a frequency and granularity necessary to ensure JTI remains on-track with its targets and commitments, enable course corrections to be made, as needed, and to build trust and to promote continual improvement. Consult with key stakeholders on environmental issues, to ensure that JTI is focused on relevant and material environmental topics. Reduce the environmental impact of JTI products and packaging at end of use, through the facilitation of responsible collection and disposal and consumer awareness and education.

C. Scope

This Standard is relevant to all JTI operations and all JTI employees across all geographies.

D. Corporate Standards Management

- Accountability → JTI CFO
- Responsibility → Corporate Sustainability VP
- Contact → Corporate Sustainability Environment Director

E. Related Corporate Policies and Other References

- JTI Environment Policy

- JT Group Environment Plan 2030
- Tobacco Business Sustainability Strategy
- JTI Business Partner Standards
- Environment Definitions Manual
- EHS Management Systems Standards (EHS and Energy)
- Environmental Risk Control Standards

F. Terms and Definitions

Biodiversity: The variety of plant and animal life in the world or in a particular habitat.

Natural resources: In the JT Group Environment Plan 2030, “natural resources” is taken to mean water and forestry/wood, collectively.

JTI operations: Research & Development, Global Supply Chain, markets, Business Support Centers and other global / corporate functions.