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FOR IMMEDIATE RELEASE

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JT Strengthens Commitment to Climate Action with Approved Science Based Target

Japan Tobacco Inc.'s (JT) (TSE:2914) long-term Greenhouse Gas (GHG) emission reduction target has been approved as a Science Based Target (SBT) by the Science Based Target initiative (SBTi). SBTi is an international partnership between CDP (formerly the Carbon Disclosure Project), the UN Global Compact (UNGC), the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) which mobilizes companies to set SBTs in the transition to a low-carbon economy.

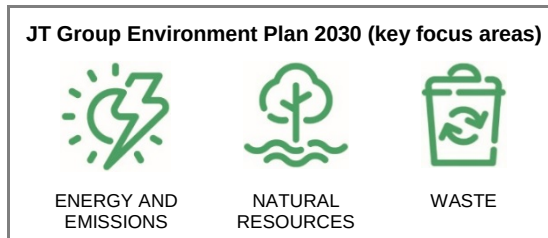
Our approved target, developed in line with the Paris agreement on Climate Change, is to reduce absolute Scope 1ⁱ and Scope 2ⁱⁱ GHG emissions by 32% and absolute Scope 3 Category 1ⁱⁱⁱ GHG emissions by 23% by 2030^{iv}. This journey towards a zero-carbon future will be achieved by reducing our energy usage, as well as increasing the proportion of electricity sourced from renewable sources, while constantly looking at innovative ways to achieve and exceed our target.

“We are proud that SBTi has approved our target.” Chigusa Ogawa, Senior Vice President, Sustainability Management, said. “As a Group, we strive to foster a sustainable environment for our business and for future generations. Climate change remains a key environmental challenge for us, as it can have a direct impact on our value chain and the society at large. As a global business, we recognize the opportunity – and the importance – to be part of the solution”, Ms. Ogawa added.

Beyond 2020

We have been strengthening our approach towards reducing our environmental impact under the JT Group Long-Term Environment Plan 2020^v, which was established in 2014. In 2017, the initial target to reduce GHG emission by 20% was already achieved and exceeded – three years ahead of schedule. Our new target approved as a SBT demonstrates our ongoing commitment to tackle climate-related issues.

We are now establishing the JT Group Environment Plan 2030, in which our SBT fits as one of the key targets. Further details will be published in the JT Group Sustainability Report FY2018 which will be issued in May 2019.



For more information on JT Group initiatives for climate change, please visit [CDP Stories of Change](https://www.jt.com/sustainability/people_planet_society/planet/environment/).

ⁱ Direct GHG emissions from corporate activities, such as burning of fossil fuels at factories.

ⁱⁱ Indirect GHG emissions from consumption of purchased electricity, heat, or steam.

ⁱⁱⁱ Other indirect emissions, including from the manufacture of products bought from other companies.

^{iv} From a 2015 base-year.

^v For the details, please see https://www.jt.com/sustainability/people_planet_society/planet/environment/

Reference Information

<SBT : Science Based Targets>

SBT is the concept by which companies set a GHG emission reduction target in line with the Paris agreement. SBTi, formed in 2015 by CDP, the UN Global Compact (UNGC), the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), validates targets submitted by companies to confirm if they are science-based. Once validated, companies can declare that the target is science-based and in line with the Paris agreement.



<JT Group Emissions Reduction>

JT Group has reduced its Total Scope 1 & 2 emissions by 21% (2017 vs 2009 base year) and also reduced emissions associated with its purchased goods and services (Scope 3, Category 1) by 13% (2017 vs 2011 base year).

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Japan Tobacco Inc. is a leading international tobacco company with operations in more than 130 countries. With over 63,000 employees, it manufactures and sells some of the world's best-known brands including Winston, Camel, MEVIUS and LD. The JT Group is committed to investing in Reduced-Risk Products (RRP) and currently markets its tobacco vapor products under the Ploom brand and various e-cigarette products under the Logic brand. The Group is also present in the pharmaceutical and processed food businesses. For more information, visit <https://www.jt.com/>.

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