



Supply chain management



Tobacco leaf sourcing

We have a unique way of securing tobacco leaf. We source approximately half of our global leaf supply through directly contracted small-scale growers, with the other half also coming from direct contract, but from third-party suppliers.

[Read more >](#)

Respecting human rights

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 Labour Organization's Declaration on Fundamental Principles and Rights at Work.

[Read more >](#)



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Tobacco leaf sourcing

Our leaf supply sourcing model

We have a unique way of securing tobacco leaf. We source approximately half of our global leaf supply through directly contracted small-scale growers, with the other half also coming from direct contract, but from third-party suppliers.

We take full responsibility for the relationship with our directly contracted tobacco growers and can make a positive and measurable impact on their wellbeing and livelihoods.

69,000+

directly contracted tobacco growers

600+

our agronomy technicians

6+

visits per grower per crop

10

countries where we have leaf operations

Various information on tobacco leaf sourcing can be found at the following links.

Read more about our Tobacco leaf sourcing on [JT International website](#).

Read more about our Responsible procurement on [JT International website](#).

Empowering growers and communities

Our direct contracting model is rooted in a deep respect for growers. By working closely with them, we build trust, ensure fair pricing, and provide tailored agronomy support to enhance productivity

and quality. This approach directly uplifts rural economies and strengthens farming communities, ensuring their prosperity and resilience.

Grower living income

Target

In our tobacco business, the ambition is for all our leaf growers to achieve a living income. By 2025, we will implement our Living Income Calculator in 100% of our direct tobacco leaf supply chain origins.

Progress

We completed implementing our Living Income Calculator in our direct tobacco leaf supply chain origins.

How do you address the risk of child labor on third-party tobacco farms?

We collaborate with the ECLT Foundation, other tobacco companies, suppliers, and the International Tobacco Growers' Association to eliminate child labor. This collaboration is essential for co-developing solutions and achieving large-scale impact.

ECLT aims to create thriving agricultural communities free of child labor through high-impact projects and technical advocacy. These efforts align with the Sustainable Tobacco Program to leverage strengths and synchronize efforts for greater impact.

Since 2011, ECLT has helped remove over 370,000 children from child labor and financially empowered over 170,000 families.

Learn more about their work and impact on [ECLT's website](#). 

Achieving Reduction of Child Labor in Support of Education (ARISE)

Our flagship program ARISE - Achieving Reduction of Child Labor in Support of Education - has been committed to tackling child labor in our tobacco growing communities since 2012. Initially developed by JTI, the International Labour Organization (ILO), and non-profit organization Winrock International, ARISE aims to end child labor in communities where JTI sources tobacco leaf. Today it continues to drive positive change by implementing robust solutions to prevent and address child labor.

Through ARISE, we educate children, families, farmers and communities about the need to end child labor. We listen to their concerns and help them understand the long-term benefits of educating children. We provide families with the chance to develop skills and find new ways to earn an income. We train farmers and communities so they can find new ways of working and change cultural beliefs that put children at risk. We provide schools with resources, teachers with training, and governments with information so they can create relevant laws and enforce them. Our activities align with national, regional and local government policies to improve regulatory frameworks in support of improving labor practices, specifically reducing and eliminating child labor.

Read more about the [ARISE program](#) 

Human rights in grower communities

Target

By 2025, our tobacco business will monitor 100% of farms in its direct tobacco leaf supply chain origins on human rights including child labor, and annually disclose related KPIs, prevention and remediation actions.

Progress

We conducted human rights monitoring through checking compliance with Agriculture Labor Practices (ALP) and other standards in our direct tobacco leaf supply chain origins. All the recognized breaches have been addressed through corrective action plans. We will continue to address human rights issues among growers by continuing this initiative and combining it

with Human Rights Impact Assessments and other means. In addition, the status of the relevant KPIs and prevention and remediation actions are as follows.

(Relevant KPIs)

- Number of confirmed extreme breaches: 7
- Total number of corrective actions implemented: 7
- Total ratio of corrective actions implemented: 100%

(Status of prevention and remediation actions implemented)

- Number of community members and teachers participating in ARISE* child labor education and awareness activities: 25,932
- Number of households with improved incomes as a result of socio-economic empowerment: 1,709
- Number of government policies or plans developed, revised or amended as a result of ARISE engagement: 2
- Number of identified at-risk children, withdrawn or prevented from child labor and enrolled in education: 9,019

Please see the [ARISE program](#)  website for details.

* ARISE (Achieving Reduction of Child Labor in Support of Education): The JT Group's original support program for eliminating child labor in communities of directly contracted growers, developed in cooperation with non-profit organization Winrock International and the International Labour Organization (ILO)

Do you collaborate and share best practice with other industry players?

In cases where our agronomy technicians identify labor-related issues, they report their observations to our local management, or directly to the growers depending on the nature of the issue.

During country-level SCDD Governance Committee meetings, we will use our 4-step framework to prepare an appropriate response and help our growers address root causes. To ensure a

streamlined and consistent approach, we continuously map synergies between our SCDD process and the ALP program with the Sustainable Tobacco Program (STP), an industry-wide platform enabling businesses to collaborate on human rights, environmental issues, and other sustainability challenges, and to encourage sustainable agriculture through a continuous improvement process.

Supplier screening and supply chain due diligence

Target

The JT Group will screen all key suppliers against ESG criteria.

Furthermore, by 2025, our tobacco business will proactively manage ESG risks with all its critical suppliers, to ensure a sustainable business continuity. By 2028, all tobacco supplying entities will achieve a Supply Chain Due Diligence maturity score* >90%, verified by an independent third party.

* Supply Chain Due Diligence maturity score: Calculated based on supplier responses to questions on the five steps of the supply chain due diligence cycle (identify, prioritize, respond, measure, and communicate)

Progress

The JT Group as a whole screened 99.6% of its key suppliers against ESG criteria. We will continue to follow up with suppliers for whom screening has not been completed.

In terms of individual businesses, we have made steady progress in the tobacco business on planning and implementing ESG performance assessments of our critical suppliers. We also worked to improve suppliers' understanding of supply chain due diligence and the accuracy of their reporting.

How do you identify labor-related issues on tobacco farms?

We require directly contracted growers and third-party leaf suppliers to implement and monitor our Agricultural Labor Practices (ALP). ALP sets out the minimum labor standards we expect to be met on farms and any non-adherence is recorded through a farm visitation program.

We also conduct Supply Chain Impact Assessments, which can identify labor related issues, if present.

Read more on ALP in our [booklet](#). 

Ensuring leaf provenance and traceability

Through direct engagement with growers and third-party suppliers, we maintain a transparent supply chain. This clarity allows us to better monitor quality, compliance, and sustainability practices, ensuring every leaf meets our high standards and aligns with our ethical values.

Promoting sustainability principles

Our focus on agronomy, extension services, and sustainability initiatives demonstrates our commitment to robust environmental stewardship. From soil health to water conservation, we support practices that protect natural resources for future generations. This is complemented through the work we do to uphold human rights, labor standards, and implement effective governance at every step of our procurement process.

Driving responsible partnerships

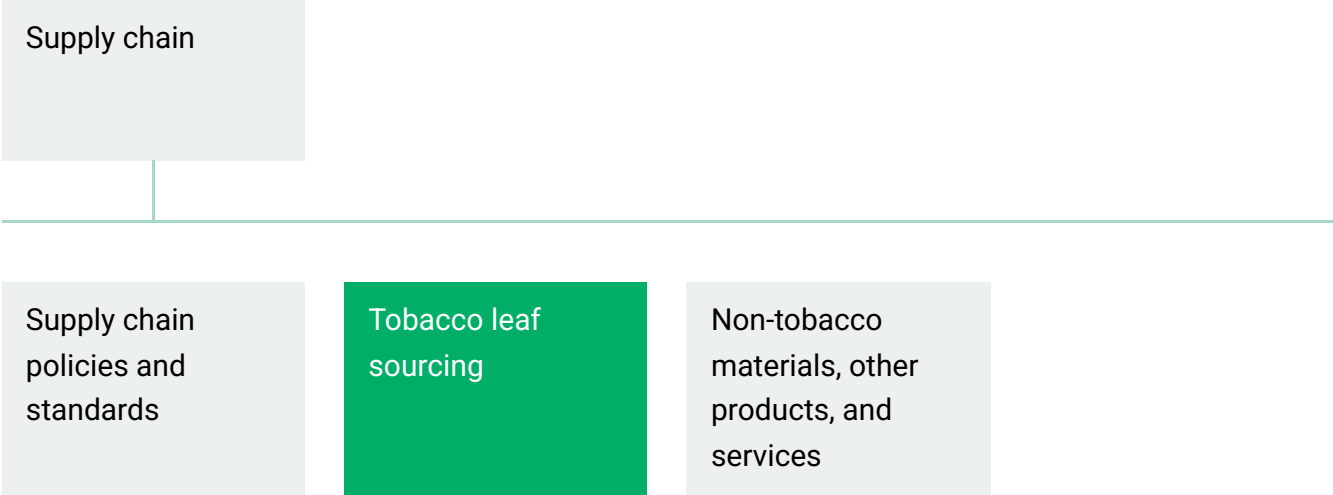
Whether directly with growers or via third-party suppliers, we want to partner with those who share our vision for ethical practices. We hold them accountable to the same high standards that we set for ourselves.

A win-win approach

Our approach to leaf procurement is a reflection of who we are as a company: a global business that prioritizes integrity, sustainability, and respect for all stakeholders. By integrating responsible procurement into our core operations, we ensure long-term value for growers, suppliers, consumers, and the planet.

Related links

Supply chain



Supply chain
policies and
standards

Tobacco leaf
sourcing

Non-tobacco
materials, other
products, and
services

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Respecting human rights


Commitment 

Strategy 

Governance 

Salient issues 

Due diligence 

Impact assessments and questionnaires 


Going forward 

Our stance

Respecting human rights is essential in conducting our business based on our management principle, the 4S model. We also believe that respecting human rights is fundamental to the JT Group Materiality, which is the core of sustainability management. We operate in vastly varied environments around the world, including, inevitably, in some territories where human rights are at risk. It's important that we address these risks proactively by seeking to understand our impacts and striving to respect human rights.

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 Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our [JT Group Human Rights Policy](#)  , which has been 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 [Codes 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 any 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:

[Codes of Conduct](#)

[Health and safety](#)

[Agricultural Labor Practices](#)

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

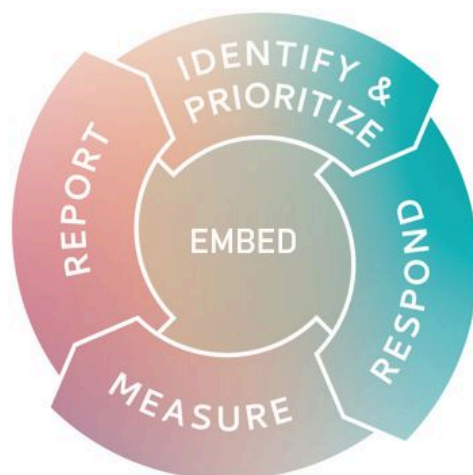
[Community investment](#)

[Diversity, equity and inclusion](#)

Our human rights strategy

Our approach

Our human rights approach 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 for Multinational Enterprises, and the OECD-FAO (Food and Agriculture Organization) Guidance for Responsible Agricultural Supply Chains.



- 1 Embed
- 2 Identify and prioritize
- 3 Respond
- 4 Measure
- 5 Report

Our progress

Embed

To create a global culture around equality, respect and human rights, we have continually provided training programs for the entire Group since 2016.

In 2022, the tobacco business launched a new global human rights e-learning module. The platform was made accessible to all tobacco business employees via desktop and mobile and in 37 languages. It offers a new way of learning about human rights through dynamic and interactive bite-size content. The training program helps enable employees to spot human rights impacts and prevent abuses that may occur in our workforce and supply chain, working to instill a better understanding of how these issues play out in practice, using practical everyday examples.

Rather than completing a lengthy training session in one sitting, employees can learn about human rights through bite-size content and gamification. This method is effective for improving engagement and promoting better retention of information. In 2023, this e-learning was recognized with 4 Gold Awards and 2 Silver Awards by the Digital Impact Awards, the Internal Communications 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.

Identify and prioritize

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

Human Rights Impact Assessments

Our Human Rights Impact Assessments focus on impacts to people within our main operations and value streams. On-site visits are just one component of these assessments to analyze human rights

conditions throughout our value chain, and we also conduct a series of interviews with site managers, employees and workers, as well as representatives of suppliers and partners in some cases. At the end of an assessment, we report 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.

Across the JT Group, Human Rights Impact Assessments have been completed in the 16 countries shown below. In Japan, in addition to the tobacco and processed food businesses, Human Rights Impact Assessments have been conducted at the sites of corporate functions.

Tobacco business: Indonesia, Bangladesh, Ethiopia, Tanzania, Mexico, Poland, Egypt, Myanmar, Kazakhstan, Dominican Republic, Malaysia, Kyrgyzstan, Switzerland and Japan

Processed food business: Japan, China and Thailand

Self-assessment questionnaires

Our self-assessment questionnaire follows the same methodology as our Human Rights Impact Assessments, and this smartly designed survey targets our lower-ranked high-risk countries that have not been prioritized for Human Rights Impact Assessments in the short term. During the COVID-19 pandemic, the self-assessment questionnaire became a valuable tool for conducting remote human rights due diligence, and we are continuing to apply it for our medium-risk countries.

Across the JT Group, we have completed evaluations using self-assessment questionnaires in 18 countries.

Assessments for the tobacco leaf supply chain

These assessments provide a more comprehensive understanding of the human rights impacts within one specific part of our value chain - our tobacco supply chain - and the challenges that tobacco growers face in their communities. We also conduct similar in-depth assessments with the same goal under the umbrella of the industry-wide Sustainable Tobacco Program.

As of the end of 2024, we have completed living income assessments in all 10 of our direct tobacco leaf supply origins: Bangladesh, Brazil, Ethiopia, Japan, Malawi, Serbia, Tanzania, Turkey, USA, and Zambia.

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, with ALP supporting the identification part of the cycle, and ARISE and GSP supporting our response. The ARISE and GSP programs are specifically designed to improve the livelihoods of those within the communities where we procure tobacco leaf by overcoming issues such as access to education or safe drinking water. Our investments include building boreholes and water distribution points, investing in solar projects, and refurbishing structures that provide basic social services.

Read more:

- [Our human rights due diligence >](#)
- [Supply chain due diligence \(SCDD\) programs >](#)

Respond

We develop human rights action plans for every country and site that has undertaken an assessment, each with a clear timeline agreed upon by the human rights team in our head office, the leadership of the country or site, and related functions and interested parties such as partner companies.

Read more:

- [Human rights impact assessments and self-assessment questionnaires: Key findings >](#)

Measure

We have been measuring the effectiveness of our action plans. Each country and site tracks the implementation of its action items and reports to the human rights team to measure progress.

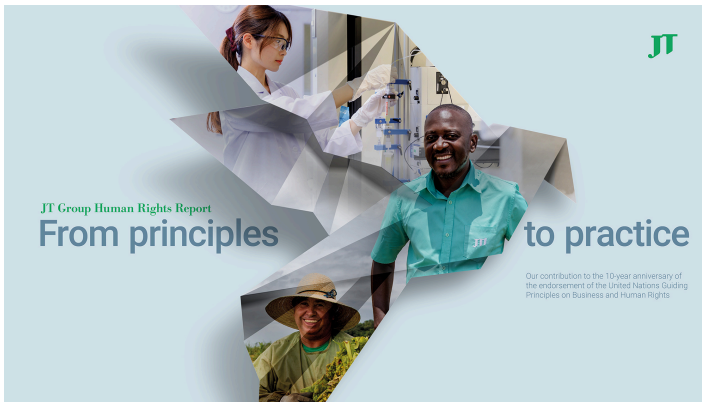
There are various ways to measure the effectiveness of our responses in our leaf supply chain. One of them is the number of issues which we observe during subsequent crop cycles.

Read more:

- [Sustainable farming practices and farmer livelihoods >](#)


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.



In 2021, to coincide with the 10th anniversary of the UN Guiding Principles on Business and Human Rights, we published the first standalone JT Group 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](#) 

- [Integrated Report](#) 
- [Our human rights correspondence](#)  with Human Rights Watch, the UN Human Rights Council, and The Guardian.
- [JTI UK Modern Slavery Statement \(JTI UK website\)](#)  published by JTI UK, the JT Group's UK subsidiary, yearly since 2016

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 in place 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.

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 External Human Rights Advisory Board.

External Human Rights Advisory Board

In our tobacco business, the External Human Rights 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 expertise and challenges us where it believes improvement is needed, 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 (Paul Hastings (a leading international law firm))
- Richard Karmel (Mazars (a leading international audit, tax and advisory firm))

Supply chain due diligence committees

These committees work across the leaf operations to ensure meaningful processes are developed and implemented to act on assessment findings. Led by senior management, the committees are crucial to ensuring that we meet our long-term improvement objectives.

External experts

These experts work together with support from organizations such as Business for Social Responsibility (BSR), providing us with technical support as we strive for continual improvement in our human rights strategy and our approach to due diligence.

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 the JT Group Human Rights Policy in 2016. As external and internal environments have evolved, we reviewed the Group’s salient issues in 2021. This review resulted in the identification of nine salient issues associated with our own operations, value chain and new business relationships.

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 from 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 our business relationships. We then prioritized potential negative impacts by using a framework structured on severity and likelihood.

Severity assessment

The severity of human rights impacts was assessed by the scale, scope, and irremediability of the impacts, 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 our value chain, 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 the level 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 country indices published by international organizations.

Risk mapping

These mapping exercises were carried out for all three of our businesses; tobacco 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

Knowing our salient issues has been vital to prioritizing our work. However, this list is not exhaustive. We know there are other important and novel human rights issues in our value chain. We must keep our salient issues under review in order to remain focused on what matters most.

In 2023, the tobacco business administered a review, and 10 salient issues were identified associated with its own operations, value chain and new business relationships.

Read more:

- “Salient issues” on the [JT International website](#) 

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.

In promoting initiatives based on the concept of “prioritize,” we conduct assessments in countries where the greatest risks to people lie. We also review the classification of high-risk countries from time to time considering changes in business and social environments.

In 2017, pilot Human Rights Impact Assessments were conducted in Japan, where the JT Group’s

headquarters are located, and Switzerland, where the headquarter functions of the tobacco business are located. For the tobacco business, as of the end of 2024, Human Rights Impact Assessments have been completed in 14 countries, and evaluations using self-assessment questionnaires have been conducted in 18 countries.

Also in 2017, pilot Human Rights Impact Assessments were conducted in the processed food business in Japan. We also conducted assessments in China and Thailand for our processed food business in 2019.

From 2023 to 2024, Human Rights Impact Assessments were conducted for sites in our processed food business as well as corporate functions in Japan.

For details of the key findings, please see the section below.

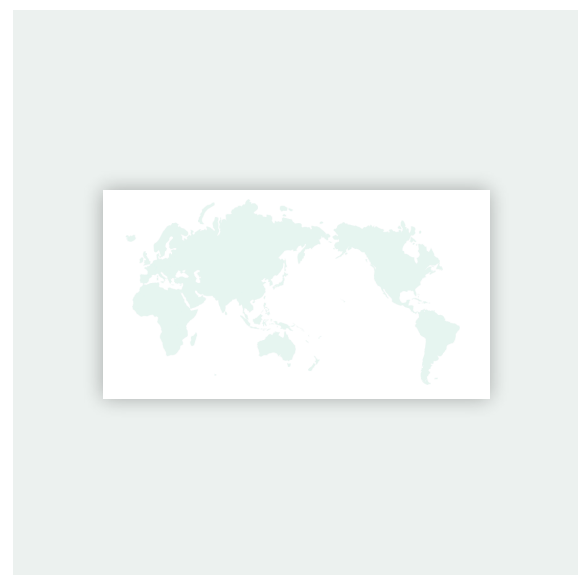
Human Rights Impact Assessments and self-assessment questionnaires: Key findings

Read more on key findings which include one human rights risk identified in each of our assessments, to demonstrate the wide range of issues our stakeholders may face.

For our tobacco business, please refer to “Human rights impact assessments” on the [JT International website](#).

For our processed food business, please see below.

- China (2019) 
- Thailand (2019) 
- Japan (2024) 



Case study

Supplier engagement - Processed food business

Business partners are essential for the JT Group to conduct its business and achieve sustainable growth. With this in mind, we believe it is important to engage in dialogue to understand the progress in their human rights-related initiatives and difficulties they may face so that we can appropriately cooperate with them.

In 2024, we spoke with 14 major business partners to understand their ongoing human rights efforts and the human rights conditions of Tier 2 suppliers and beyond. We will continue holding these dialogues in 2025 and strive to make progress in respecting human rights across our entire value chain.

Case study

Migrant workers in Japan

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

Going forward

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.

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