Towards Harmonious Relationships with Local Communities

- Disaster Relief Activities in Areas Hit by the Great East Japan Earthquake
- Social Contribution Activities across the World

As a good corporate citizen maintaining harmonious relationships with society, the JT Group will fulfill its corporate responsibility through making meaningful contributions to the communities in which it operates.



Contributing to Local Community Development

JT Group believes that it is important to foster harmonious relationships with the local communities in which we operate and support local community development. Our business operations focused on the domestic market until our establishment as a corporation in 1985. However, our business operations have become increasingly global since 1999 and have so far expanded to cover 120 countries around the world. To contribute to the development of the local communities where we operate, the JT Group is tackling the key challenges faced by each community.

In Japan, we are engaging in a variety of social contribution activities, including street cleanup campaigns, the JT Forest initiative for forest conservation, a financial support program for non-profit organizations (NPOs) and support for culture and arts.

Outside Japan, Japan Tobacco International (JTI), which acts as the core of the JT Group's international tobacco business, is conducting social contribution activities, mainly focused on supporting culture and arts and assisting the lives of less-advantaged people in the local commu-

Since the Great East Japan Earthquake occurred in March 2011, the JT Group as a whole both domestic and overseas has worked together to provide disaster relief.

JT Group will continue to engage in a variety of social contribution activities in and outside Japan, with a view to fostering harmonious relationships with the local communities to contribute to their development.



speak at the JT Forum



players engage in matches before the audience



Volleyball coaching by JT Marvelous

Disaster Relief Activities in Areas Hit by the Great East Japan Earthquake

Since immediately after the Great East Japan Earthquake of 2011, the JT Group has conducted a variety of disaster relief activities, including monetary and relief goods donations by the whole JT employees. In this section, we describe the JT Group's major disaster relief activities.

URL www.jti.co.jp/announce/support JT Group's activities relating to the Great East Japan Earthquake (Japanese)

JT Group's Relief Activities

Since the Great East Japan Earthquake occurred on March 11, 2011, the JT Group has worked as one in conducting relief activities

Immediately after the earthquake, we donated relief goods such as our products of beverages and processed foods as well as winter clothes and prepared on-site meals in accordance with the needs of the disaster areas. In addition, JT and Torii Pharmaceutical, a JT subsidiary, donated a total of ¥350 million.

About 7,100 JT Group employees made donations, and the JT Group implemented a matching-gift program, in which it donated the same amount of money as the total sum of donations by the employees. Including the money donated through the matching-gift program, the total came to approximately ¥121 million. "JT Volunteers to Support East Japan," a volunteer team comprised of JT Group employees, has been started since June 2011 and the team was dispatched to the disaster areas a total of 14 times.

JT Marvelous, the women's volleyball team, and JT Thunders, the men's volleyball team, organized fundraising and charity events. The Tobacco & Salt Museum operated by JT, donated part of its revenue from the sale of goods for the reconstruction of damaged local museums and other facilities. Outside Japan, JTI, which acts as the core of the JT Group's international tobacco business, established the Japan Disaster Relief Fund. Donations totaling approximately USD 5.9 million (approximately ¥480 million) made by JTI employees and suppliers in about 120 countries around the world have been distributed through the JTI Foundation to the disaster areas for post-earthquake reconstruction.

On-Site Meal Preparation by TableMark

Immediately after the earthquake, TableMark Co., Ltd. started dispatching employees to the disaster areas to prepare their products of freshly-boiled wheat noodles and hot meals for local residents. In addition, TableMark donated frozen noodles, cup instant noodles and snack foods to large evacuation centers, hospitals and nursing homes. In March and April 2011, TableMark donated about 50,000 servings of food in the disaster areas.

Activities by "JT Volunteers to Support East Japan"

JT has dispatched "JT Volunteers to Support East Japan," a volunteer team comprised of JT Group employees, to the disaster areas since June 2011. In cooperation with relevant organizations, such as disaster volunteer centers, JT Volunteers to Support East Japan has been conducting activities to assist restoration and reconstruction work, such as removing debris from damaged community centers and salmon farms, transporting relief goods, cleaning photographs and letters recovered from among debris and help-

ing to organize regional recovery events. This volunteer team was dispatched 14 times to the disaster areas, with the participation of a total of 300 volun-



The JTI Japan Disaster Relief Fund

Immediately after the Great East Japan Earthquake of March 2011, JTI established the Japan Disaster Relief Fund, and raised a total of nearly USD 6 million to assist victims of the catastrophe. The funds have been administered by the JTI Foundation, whose mission is to help victims of disasters across the world, cooperating with organizations that specialize in disaster relief or disaster-risk reduction. In collaboration with renowned organizations including Peace Winds Japan, AAR Japan and NICCO, the Fund has supported a variety of humanitarian projects – ranging from the delivery of food and essential non-food items, the provision of cash grants, supplying vehicles for people with disabilities - to financing community-based economic recovery projects in Japan's most affected prefectures. The JTI Foundation will continue sup-

porting medium- and long-term recovery projects, including the reconstruction and rehabilitation of community centers and other facilities vital for local communi-



Support for the fishing industry

More information about the JTI Foundation and its partners and projects worldwide, can be found at URL www.jtifoundation.org

43 CSR Report 2012 CSR Report 2012 44

Social Contribution Activities across the World

The JT Group is committed to a number of initiatives that positively contribute to the development of the communities in which it operates.

JT Group companies in Japan consistently support their local communities, with the aim of demonstrating 'good corporate citizenship', and sustaining a harmonious relationship with Japanese society as a whole.

Japan Tobacco International (JTI), a tobacco business operating in more than 120 countries worldwide, also plays a key role in supporting the development of the local communities in which it operates.

JTI focuses on two specific agendas: improving the quality of life of the less advantaged, and promoting the arts.

Efforts to the Harmonious Coexistence across Japan

JT's business establishments in Japan conduct various social contribution activities to maintain harmonious relationship with society.

Among these, JT has been engaged in cleanup activities in the neighborhood of its establishments for years as a member of communities. Sales offices, manufacturing sites and group companies' establishments across Japan conduct cleanup activities participated by employees. In addition, employees take part in cleanup activities held at various community events.

JT, along with local communities, conducts the "JT Forest" initiative to revitalize the forest of Japan. The JT Forest has expanded to nine sites, ranging from Hokkaido in the north to Kagoshima in the south; where JT and local stakeholders cooperate in the reforestation.

Moreover, JT focuses on "NPO Support Project" to support NPOs across Japan. The project is designed to support activities of NPOs in cooperation with communities. Since the launch in FY1999, the cumulative amount of financial assistance of the project has surpassed one billion yen, with the number of recipient organizations totaling 882.

Furthermore, JT engages in supporting arts and culture including development of musicians and professional orchestras, organizing JT Forum cultural events, operation of the Tobacco and Salt Museum and operating the Affinis Arts Foundation. Meanwhile, JT Thunders, the men's volleyball team, and JT Marvelous, the women's volleyball

team, provide volleyball coaching across Japan in order to contribute to the promotion and development of community sports activities.



JT Forest activities

Social contribution activities URL www.jt.com/csr/social

Related pages p13-14

Feature 2: From Forest Conservation and Development

Combating Hunger with the 'Caritas Georgia' Soup

Bringing relief, aid and comfort to the elderly is one of the cornerstones of our Corporate Philanthropy policy. JTI works closely with Caritas Georgia to assist poor and disad-

vantaged older persons. In 2011, JTI lent its support to the Caritas 'Soup Kitchen' in Tbilisi, which provides 185 elderly individuals registered with the State Social Program with a daily serving of nutritious hot food.



The JTI-supported Soup Kitchen

Supporting Cultural Heritage at the Mariinsky Theatre

Russia's Mariinsky Theatre, whose origins date back to 1783, is an historic venue for opera and ballet in St. Petersburg, currently under the artistic direction of the world fa-

mous maestro Valery Gergiev. JTI is the Theater's long-term partner, and supports its two major annual programs - the Moscow Easter Festival and the Stars of the White Nights Festival.



© Natasha Razina / Mariinsky Theatre

Promoting Literacy and Knowledge with Emmaüs

JTI is committed to promoting adult literacy. In France, JTI supports Association Emmaüs, which works with disadvantaged individuals in the community to combat the causes of exclusion. Since 2004, JTI France has assisted Emmaüs' Literacy Centers to develop new programs for illiterate adults,

helping them to flourish as more independent citizens through its educational curriculum, and artistic and cultural workshops.



Promoting Culture and Art at the Rijksmuseum

JTI supports the Netherland's famous Rijksmuseum - one of the nation's largest and most visited cultural heritage spaces. JTI Netherlands provides funding for the Museum's

exhibitions, 'special' held every summer - including the Museum's 2011 collaboration with renowned artist Ed Kiefer in an experimental event inspired by Rembrandt's famous 'Night Watch' painting.



An Fd Kiefer installation at the Riiksmuseum's

Aiding the Elderly with Prague's Život90

Since its foundation in 1990, the Czech civic association Život90 has been recognized as the country's primary relief agency for Prague's elderly citizens. In 2009, JTI launched a long-term program of support for Život90 with a fundrais-

ing performance at the National Theatre. JTI also supports a number of Život90's individual projects, including its rehabilitation centers, and the telephone help-line at its 'Portus House' community center.



A social worker at the telephone help-line

Engaging with Japanese Art and Technology in Poland

Bringing Japanese culture to the world is a central tenet of our Corporate Philanthropy policy. Since 2009, JTI has partnered with the Museum of Japanese Art and Technology Manggha, based in the historic Polish city of Krakow. JTI provides financial and organizational support for events that attract more than 100,000 visitors annually. Recent JTI - partnered events at the venue include the Open Academy of Japanese Cinema and the Butoh Dance Festival.



The Museum of Art and Technology, designed by prominent Japanese architect Arata Isozaki

Building Businesses in South Africa's Poorer Commu-

JTI supports the South African 'Kasi Phezulu' project, which promotes enterprise in townships and other disadvantaged locations. The initiative focuses on businesses including shops and taverns that are often at the heart of struggling communities. It aims to transform these into 'community'

hubs' that help to empower local people. 'Kasi Phezulu' has assisted 4,000 enterprises to date - with JTI widely recognized as a 'Partner of Choice' by the businesses and community leaders it serves.



Building partnerships with

Reconnecting Seniors with the Digital World

Since 2007, JTI-Macdonald has partnered with reBOOT Canada – a charity that refurbishes donated computers for reuse by non-profit organizations. With the support of JTI-Macdonald, the related reCONNECT project provides seniors at over 100 centers across Canada with up-to-date

technology, equipment and training. Seniors are taught how to communicate with their families using the internet - by e-mail and webcam - empowering them to use this technology to enhance the quality of their lives.



Seniors at a Toronto reCONNECT centers

Partnering with the Busan International Film Festival

JTI is a partner of Korea's Busan International Film Festival (BIFF), which promotes the development of new cinematic talent, and is one of Asia's most significant film festivals. During the nine days of the 2011 Festival - attended by 190,000 people - BIFF focused on showcasing new films and first-time

directors Asian origin.



BIFF official opening ceremony

45 CSR Report 2012

Tobacco & Salt Museum (Japan)

JT opened the Tobacco & Salt Museum (Shibuya Ward, Tokyo) in 1978 in order to help people learn about tobacco and salt, both of which have been intertwined with human history and culture and have a long history of their own as an industry. This museum has its roots in the effort started in 1932 by the Ministry of Finance's monopoly bureau to systematically collect tobacco-related historical artifacts. It not only displays artifacts but also pours efforts into research on cultural and industrial history relating to tobacco and salt.

Permanent exhibits provide wide-ranging knowledge concerning history and culture related to tobacco and salt. Regarding tobacco, the museum displays smoking devices, product packages and commercial posters of earlier eras so as to familiarize visitors with the history of tobacco spanning from the beginning of the custom of smoking and the first arrival of tobacco in Japan to the present day. As for salt, the museum mainly provides information about the characteristics of salt, salt resources around the world and the history of salt-making in Japan. Each exhibit is structured so as to facilitate updating of information.

Special and feature exhibits shed light on cultures and customs relating to tobacco and salt in various regions and eras by displaying a broad range of objects, including handicraft, design and photographs.

Each summer, the museum organizes the "Summer Salt Seminar" in which children learn about salt from experiments and exhibits.

Tobacco & Salt Museum URL www.jti.co.jp/Culture/museum_e



Exhibit of salt resources around the world

Street Cleanup Activity at Business Establishments (Japan)

As part of its effort to contribute to local communities, the JT Group has been engaging in street cleanup activity in the neighborhoods of its business establishments across Japan. The JT Group has also organized cleanup campaigns involving local residents, and JT Group employees have participated as volunteers in cleanup activity organized by local communities.

JT's Chiba Area Sales HQ has been organizing a campaign named "a volunteer street cleanup anyone can join" three or four times each year since 2009. In the campaign of September 2011, a record 216 volunteers participated. The Chiba ASHQ is hoping to develop this campaign into a volunteer community activity with widespread citizen participation.

At JT's Kyoto ASHQ, 24 employees and family members participated in a town beautification campaign organized by Kyoto City and its cooperative body in July 2011 to clean the streets of this ancient capital around the time of the annual Gion Festival. The employees and family members, together with other volunteers, collected rubbish as they strolled along a 2-kilomter- route for about an hour.

JT subsidiaries are also engaging in street cleanup activity. At Torii Pharmaceutical Ltd., the head office, branch offices and the Sakura Plant (Sakura City, Chiba Prefecture) participate in such activity. Employees at the head office participated in the "Clean Day" campaign, which was organized by the administrative authority. Each year, employees at the Sakura Plant and branch offices take part in street cleanup activity around November 1, the anniversary of the company's foundation.

The JT Group will continue to foster harmonious relationships with the local communities in which it operates through conscientious activities like this.



Street cleanup activity by the Chiba Area Sales HO



Street cleanup activity by the Kyoto Area Sales HQ