# **Universal Standard Disclosures**

# 1 The organization and its reporting practices

2-1 Organizational details

| Location (page number or response) |
|------------------------------------|
| Japan Tobacco Inc.                 |
| Integrated Report FY2022           |
| >History of the JT Group p.20-21   |
| >Shareholder information p.130-131 |
| Integrated Report FY2022           |
| >Shareholder information p.130-131 |
| Integrated Report FY2022           |
| >At a glance P.6-7                 |

2-2 Entities included in the organization's sustainability reporting

| Disclosure                                       |
|--|
| Annual Securities Report                         |
| issued on March 24, 2023                         |
| See under A. Company Information                 |
| I. Overview of the Group, 3 Business description |
| About our reporting   JT Global Site             |
| 1  |

#### 2-3 Reporting period, frequency and contact

| Disclosure                           |  |
|--------------------------------------|--|
| About our reporting   JT Global Site |  |

# 2-4 Restatements of Information

| Disclosure  |
|---|
| JT Group health and safety   JT Global Site – Our health and safety     |
| performance as a group  |
| Recordable Injury Rate (per 200,000 working hours) in 2020 has been     |
| restated from 0.30 to 0.29 due to the recalculation.                    |
|   |
| Environmental data / External verification   JT Global Site – Regarding |
| the GHS emissions data, in accordance with the GHG Protocol, we have    |
| made adjustments to past fiscal year results due to organizational      |
| transfers and acquisitions.   |

2-5 External Assurance

| Disclosure                             |  |
|--|--|
| About our reporting   JT Global Site   |  |
| External verification   JT Global Site |  |
|  |  |

### 2. Activities and workers

2-1 Organizational details

| Location (page number or response) |
|------------------------------------|
| Japan Tobacco Inc.                 |
| Integrated Report FY2022           |
| >History of the JT Group p.20-21   |
| >Shareholder information p.130-131 |
| Integrated Report FY2022           |
| >Shareholder information p.130-131 |
| Integrated Report FY2022           |
| >At a glance P.6-7                 |

2-2 Entities included in the organization's sustainability reporting

# Disclosure

Annual Securities Report issued on March 24, 2023

See under A. Company Information

I. Overview of the Group, 3 Business description

About our reporting | JT Global Site

2-3 Reporting period, frequency and contact

| Disclosure                           |  |
|--------------------------------------|--|
| About our reporting   JT Global Site |  |

2-4 Restatements of Information

# Disclosure JT Group health and safety | JT Global Site - Our health and safety performance as a group Recordable Injury Rate (per 200,000 working hours) in 2020 has been restated from 0.30 to 0.29 due to the recalculation. Environmental data / External verification | JT Global Site - Regarding the GHS emissions data, in accordance with the GHG Protocol, we have made adjustments to past fiscal year results due to organizational transfers and acquisitions.

2-5 External Assurance

Disclosure
About our reporting | JT Global Site

External verification | JT Global Site

2-6 Activities, value chain and other business relationships

| Disclosure   |
|--|
| Integrated Report FY2022                                       |
| >At a glance, p6-7   |
| Company overview   JT Global Site – Geographic locations where |
| products and services are offered                              |
| Integrated Report FY2022                                       |
| >Business and strategies p46-87                                |
|  |
| Our supply chain:  |
| Tobacco   JT Global Site                                       |
| Pharmaceuticals   JT Global Site                               |
| Processed food   JT Global Site                                |
| Sectors served - Company overview   JT Global Site             |
| About our reporting   JT Global Site                           |
| Stakeholder engagement   |
| About our reporting   JT Global Site                           |
| See under 'Changes in structure, size, or ownership'           |

| ployees |
|---------|
|         |

| Disclosure             |                           |             |               |
|------------------------|---------------------------|-------------|---------------|
| Total number of employ | ees – <mark>Factsh</mark> | eets_FY2022 | .pdf (jt.com) |
| Type of contract       | Male                      | Female      | Total         |
| Permanent (full- and   | 35,801                    | 12,135      | 47,936        |
| part-time)             |                           |             |               |
| Temporary full-time    | 3,437                     | 1,260       | 4,697         |
| Temporary part-time    | n/a                       | n/a         | 5,373         |
| *C                     |                           |             |               |
| Temporary part-time    | 908                       | 243         | 1,151         |
| *E                     |                           |             |               |
| Supervised workers     | n/a                       | n/a         | 1,423         |
| *C                     |                           |             |               |

Employees by type of contract and gender as of the end of 2022 <u>Company overview | JT Global Site</u> <u>About our reporting | JT Global Site</u>

# 2-8 Workers who are not employees

| Disclosure                   |  |
|------------------------------|--|
| Annual Securities Report     |  |
| Issued on March 24, 2023     |  |
| >page 14 Status of employees |  |

#### 2-9 Governance structure and composition

| Disclosure                           |
|--------------------------------------|
| Integrated Report FY2022             |
| >Governance p88-113                  |
| Corporate Governance - JT Global Web |
| Our leadership - JT Global Web       |
|                                      |

2-10 Nomination and selection of the highest governance body

| Disclosure               |
|--------------------------|
| Integrated Report FY2022 |
| >Governance p88-113      |

Corporate Governance - JT Global Web

Disclosure 2-11 Chair of the highest governance body

Disclosure

Integrated Report FY2022

>Governance, Board of Directors p104-105

Our leadership - JT Global Web

Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts

| Disclosure                           |
|--------------------------------------|
| Integrated Report FY2022             |
| >Governance p88-113                  |
| Corporate Governance - JT Global Web |
| Our leadership - JT Global Web       |

Disclosure 2-13 Delegation of responsibility for managing impacts

| Disclosure                           |
|--------------------------------------|
| Integrated Report FY2022             |
| >Governance p88-113                  |
| Corporate Governance - JT Global Web |
| Our leadership - JT Global Web       |

Disclosure 2-14 Role of the highest governance body in sustainability reporting

| Disclosure   |
|--|
| Integrated Report FY2022   |
| >Governance p88-113  |
| >See also Materiality and sustainability p43 for Sustainability Advisory |
| Forum  |
| Corporate Governance - JT Global Web                                     |
| Our leadership - JT Global Web   |

2-15 Conflicts of interest

| Disclosure                               |  |
|--|--|
| Integrated Report FY2022                 |  |
| >Governance                              |  |
| Corporate Governance – JT Global website |  |

2-16 Communication of critical concerns

| Disclosure                               |
|--|
| Our code of conduct – Reporting concerns |

2-17 – Collective knowledge of the highest governance body

# Disclosure Integrated Report FY2022

>Governance p88-113

 $>\!$  See also Materiality and sustainability p43 for Sustainability Advisory Forum

2-18 Evaluation of the performance of the highest governance body

#### Disclosure

Integrated Report FY2022

>Governance:

Evaluation of the board of directors p98

Executive Remuneration p100-103

2-19 Remuneration Policies

Disclosure

Integrated Report FY2022

>Governance:

Executive Remuneration p100-103

2-20 Process to determine remuneration

| Disclosure  |
|---|
| Integrated Report FY2022                          |
| >Governance:                                      |
| Advisory Panel on Nomination and Compensation p97 |
| Executive Remuneration p100-103                   |
|   |

Shareholders-AGM\_JT Gobal Web

2-21 Annual total compensation ratio

| Disclosure  |
|---|
| Annual Securities Report                                      |
| Issued on March 24, 2023                                      |
| See under 'Remuneration for Members of the Board and Audit &  |
| Supervisory Board Members' highest paid individual            |
|   |
| See also the financial statements and notes to the account,   |
| 'Remuneration and Salary' for employees as well as 'Status of |

employees' for total number of employees and average remuneration at JT Inc

2-22 Statement on sustainable development strategy

Disclosure Integrated Report FY2022 >Top management messages, The JT Group Purpose, Value creation P22-35 >Materiality and sustainability, CSO message P38-45 >Business and strategies P48-87

2-23 Policy commitments

| Disclosure                              |
|---|
| For governance:                         |
| Integrated Report FY2022                |
| >Governance p88-113                     |
| Corporate Governance - JT Global Web    |
| Our leadership - JT Global Web          |
|   |
| For respecting human right:             |
| Respecting human rights - JT Global Web |
| JT Group Human Rights Policy            |

JTG\_Human\_Rights\_Report\_2021.pdf

See also tobacco business supply chain for supplier due diligence and supplier screenings: <u>Tobacco supply chain - JT Global Web</u>

For a list of JT Group policies, visit: Our policies - JT Global Web

Compliance (jt.com)

2-24 Embedding policy commitments

| Disclosure  |
|---|
| For governance:   |
| Integrated Report FY2022  |
| >Governance p88-113   |
| Corporate Governance - JT Global Web                                  |
| Our leadership - JT Global Web  |
|   |
| For respecting human right:   |
| Respecting human rights - JT Global Web                               |
| JT Group Human Rights Policy  |
| JTG_Human_Rights_Report_2021.pdf                                      |
|   |
| See also tobacco business supply chain for supplier due diligence and |
| supplier screenings:  |
|   |

Tobacco supply chain - JT Global Web

2-25 Process to remediate negative impacts

 Disclosure

 Our code of conduct – Reporting concerns

 Supply chain | JT Global Site

2-26 Mechanisms for seeking advice and raising concerns

### Disclosure

Our code of conduct – Reporting concerns Supply chain | JT Global Site

2-27 Compliance with laws and regulations

#### Disclosure

FY22 annual securities report – 38. Contingencies During 2022, there were no significant monetary fines or nonmonetary sanctions for non-compliance with environmental laws and

regulations.

Our Code of Conduct | JT Global Site

2-28 Membership associations

Disclosure

Stakeholder engagement | JT Global Site

2-29 Approach to stakeholder engagement

# Disclosure

Stakeholder engagement | JT Global Site

Our initiatives for stakeholder engagement are described throughout the sustainability content.

# 2-30 Collective bargaining agreements

# Disclosure

A total of 63 companies have a union in our Group, and 91.5% of eligible employees (only in JT and Japanese domestic group companies) are covered by collective bargaining agreements. Due to legal requirements in certain countries, we can't know whether employees are unionized, and thus cannot provide the information regarding employees in our international tobacco business.

#### 3. Governance

#### **Disclosures on material topics**

3-1 Process to determine material topics

Disclosure

Integrated Report FY2022

>Materiality and sustainability, CSO message P38-45

Materiality and sustainability - JT Global Web

3-2 List of material topics

Disclosure

Integrated Report FY2022

>Materiality and sustainability, CSO message P38-45

Materiality and sustainability - JT Global Web

# Topic Standard Disclosures

201: Economic Performance (2016)

3-3 Management of material topic

|          | -  |
|----------|--|
| Disclos  | ure  |
| Material | ity  |
| Tax prac | ctices   JT Global Site                    |
| Integrat | ed Report 2022_E (jt.com)                  |
| >        | Message from the CEO p.22-27               |
| ≻        | Financial information and others p.116-131 |

> Improving our social impact p.86

#### 201-1 Direct economic value generated and distributed

#### Disclosure

Integrated Report 2022\_E (jt.com)

>Financial performance review P.12-13

>Long term consolidate financial data P. 124-125

201-2 Financial implications and other risks and opportunities

# Disclosure Environment and our operations | JT Global Site – TCFD Disclosure Integrated Report 2022\_E (jt.com) : p. 80-81

201-3 Defined benefit plan obligations and other retirement plans

| Disclosure |   |
|------------|---|
|            | _ |

FY22 Annual Securities Report – Post-employment benefits

# 202: Market Presence (2016)

3-3 Management of material topic

| Disclosure                               |
|--|
| Materiality                              |
| This is our standard operating procedure |

202-1 Ratios of standard entry level wage by gender compared to local minimum wage

| Disclosure              |                      |                     |
|-------------------------|----------------------|---------------------|
|                         |                      |                     |
| Significant             | Ratios of standard   | entry level wage by |
| operations              | gender compared to I | ocal minimum wage   |
| JT Tokyo HQ             | Male                 | 151.4%              |
|                         | Female               | 151.4%              |
| JTI Trier               | Male                 | 146.5%              |
|                         | Female               | 146.5%              |
| JTI UK                  | Male                 | 131.6%              |
|                         | Female               | 131.6%              |
| Basis of Reporting   JT | Global Site          |                     |

# 203: Indirect Economic Impacts (2016)

| Disclosure                    |  |
|-------------------------------|--|
| Materiality                   |  |
| Supply chain   JT Global Site |  |

203-1 - Infrastructure investments and services supported

| Disclosure  |
|---|
| As part of our Global Leaf CAPEX projects, we invested 25.18 million    |
| U.S. dollars in infrastructure-related projects in our integrated leaf  |
| origins (Bangladesh, Brazil, Ethiopia, Japan, Malawi, Serbia, Tanzania, |
| U.S., and Zambia). In addition, we invested 1.48 million U.S. dollars   |
| in infrastructure-related projects across all vertically integrated     |
| origins, as part of our Grower Support Programs.                        |

203-2 - Significant indirect economic impacts

| Disclosure                    |  |
|-------------------------------|--|
| Supply chain   JT Global Site |  |

#### 205: Anti-corruption (2016)

3-3 Management of material topic

| Disclosure   |
|--|
| Materiality  |
| Integrated Report 2022_E (jt.com) p.88-113                         |
| JT Group Anti-Bribery Policy   About the JT Group   JT Global Site |
| Anti-bribery and corruption  |

205-2 Communication and training about anti-corruption policies and procedures

| Disclosure                  |  |
|-----------------------------|--|
| Anti-bribery and corruption |  |

205-3 Confirmed incidents of corruption and actions taken

| Disclosure                     |  |
|--------------------------------|--|
| Total number of reported cases |  |
|                                |  |

# 206: Anti-competitive Behavior 2016

3-3 Management of material topic

| Disclosure                                  |
|---|
| Materiality                                 |
| Integrated Report 2022_E (jt.com) p.88-113  |
| Compliance risk management   JT Global Site |

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

| Disclosure   |
|--|
| FY22 Annual Securities Report                                      |
| Consolidated Financial Statements, Notes to Consolidated Financial |
| Statements, Contingencies  |

# 207: Tax 2019

| Disclosure   |
|--|
| Materiality  |
| Integrated Report 2022_E (jt.com) p.88-113                           |
| The 4S model, Materiality, Sustainability strategy, SDGs   JT Global |
| Site   |
|  |

207-1 Approach to tax

Disclosure

Tax practices | JT Global Site

#### 207-2 Tax governance, control, and risk management

Disclosure

JT Group Tax Policy | About the JT Group | JT Global Site

#### 207-3 Stakeholder engagement and management of concerns related to tax

#### Disclosure

JT Group Tax Policy | About the JT Group | JT Global Site

#### GRI 303: Water and Effluents 2018

3-3 Management of material topic

Disclosure

Materiality

Integrated Report 2022\_E (jt.com) P.38-43, P 78-79

Environment and our operations | JT Global Site

# 303-1 Interactions with water as a shared resource

Disclosure

Environment and our operations | JT Global Site Basis of Reporting | JT Global Site

#### 303-2 Management of water discharge-related impacts

 Disclosure

 Environment and our operations | JT Global Site

 Basis of Reporting | JT Global Site

#### 303-3 Water withdrawal

| Disclosure  |
|---|
| Environmental data / External verification   JT Global Site |

303-4 Water Discharge

Disclosure

Environmental data / External verification | JT Global Site

#### 303-5 Water Consumption

| Disclosure  |
|---|
| CDP_Water_2022.pdf (jt.com) p.9                             |
| Environmental data / External verification   JT Global Site |
|   |

# GRI 403: Occupational Health and Safety 2018

#### 3-3 Management of material topic

#### Disclosure

Materiality

JT Group health and safety | JT Global Site

#### 403-1 Occupational health and safety management system

| · ·                            | ,        | 5           | , |  |
|--------------------------------|----------|-------------|---|--|
| Disclosure                     |          |             |   |  |
| JT Group health and safety   J | T Global | <u>Site</u> |   |  |

403-2 Hazard identification, risk assessment, and incident investigation

| JT Group health and safety   JT Global Site | Disclosure                                  |  |
|---|---|--|
|   | JT Group health and safety   JT Global Site |  |

403-3 Occupational health services

Disclosure

JT Group health and safety | JT Global Site

Basis of Reporting | JT Global Site

403-4 Worker participation, consultation, and communication on occupational health and safety

| JT Group health and safety   JT Global Site - | Disclosure                                    |
|---|---|
|   | JT Group health and safety   JT Global Site - |

403-5 Worker training on occupational health and safety

| Disclosure |
|------------|
|            |

JT Group health and safety | JT Global Site

403-6 Promotion of worker health

| Disclosure                                  |  |
|---|--|
| JT Group health and safety   JT Global Site |  |

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

| Description of our approach to preventing and mitigating significant   |
|--|
| occupational health and safety impacts that are directly linked t  |
| business.  |
| Health and safety on the farm is essential to our business. Our Lea<br>Production Technicians work closely with our directly contracte                                       |
| growers to improve health and safety. We do so through ou<br>Agricultural Labor Practices (ALP) program. We apply the sam<br>standards when working with our leaf merchants. |
| Exposure to hazardous substances and green tobacco sickness pose   |
| particular risk to tobacco farming, so we take steps to prevent th   |
| through our ALP program. We also follow industry best practices see  |
| by CORESTA:  |
| Sustainability in Leaf Tobacco Production   CORESTA  |
| Responsible Use of Crop Protection Agents (CPAs) in Tobacco Lea  |
| Production   CORESTA   |
| Identification and Elimination of Highly Hazardous Pesticides (HHP   |
| in Leaf Tobacco Production   CORESTA   |
| Agricultural Labor Practices and Leaf Supply Chain Due Diligence   |

403-8 Workers covered by an occupational health and safety management system

#### Disclosure

Occupational health and safety management system covers employees, supervised workers, and third-party contractors.

403-9 Work-related injuries

| Disclosure                                  |
|---|
| JT Group health and safety   JT Global Site |

403-10 Work-related ill health

#### Disclosure

JT Group health and safety | JT Global Site Basis of Reporting | JT Global Site

# GRI 302: Energy (2016)

3-3 Management of material topic

| Disclosure                                      |
|---|
| Materiality                                     |
| Environment and our operations   JT Global Site |

#### 302-1 Energy consumption within the organization

Disclosure Environment and our operations | JT Global Site Environmental data / External verification | JT Global Site Basis of Reporting | JT Global Site

#### 302-4 Reduction of energy consumption

| Disclosure  |
|---|
| CDP_Climate_2022.pdf (jt.com) p.76-77                       |
| Integrated Report 2022_E (jt.com) P.78-81                   |
| Environmental data / External verification   JT Global Site |
| Basis of Reporting   JT Global Site                         |
|   |

# GRI 304 Biodiversity 2016

3-3 Management of material topic

 Disclosure

 Materiality

 Integrated Report 2022\_E (jt.com)

 P.79

 Environment and our operations | JT Global Site

304-2 Significant impacts of activities, products, and services on biodiversity

Disclosure
Environment and our operations | JT Global Site
>Biodiversity

304-3 Habitats protected or restored

| Disclosure                                |
|---|
| JTI sustainability website - biodiversity |
| >Our stories                              |

#### GRI 305 Emissions 2016

3-3 Management of material topic

| Disclosure                                      |
|---|
| Materiality                                     |
| Integrated Report 2022_E (jt.com) P.38-43       |
| Environment and our operations   JT Global Site |
|   |

305-1 Direct (Scope 1) GHG emissions

| Disclosure                                      |  |
|---|--|
| Environment and our operations   JT Global Site |  |
| Basis of Reporting   JT Global Site             |  |

Environmental data / External verification | JT Global Site

305-2 Energy indirect (Scope 2) GHG emissions

#### Disclosure

Environment and our operations | JT Global Site

Basis of Reporting | JT Global Site

Environmental data / External verification | JT Global Site

305-3 Other indirect (Scope 3) GHG emissions

| Disclosure  |
|---|
| Environment and our operations   JT Global Site             |
| Basis of Reporting   JT Global Site                         |
| Environmental data / External verification   JT Global Site |
|   |

305-4 GHG emissions intensity

Disclosure

CDP\_Climate\_2022.pdf (jt.com) P.70-71

305-5 Reduction of GHG emissions

| Disclosure                                      |
|---|
| Environment and our operations   JT Global Site |
| Basis of Reporting   JT Global Site             |

Environmental data / External verification | JT Global Site

# GRI 306: Waste 2020

3-3 Management of material topic

| Disclosure                                      |  |
|---|--|
| Materiality                                     |  |
| Integrated Report 2022_E (jt.com) P.38-43       |  |
| Environment and our operations   JT Global Site |  |
| EP2030_FY22_EN.pdf (jt.com)                     |  |

306-1 Waste generation and significant waste-related impacts

| Disclosure  |
|---|
| Environment and our operations   JT Global Site             |
| Environmental data / External verification   JT Global Site |
|   |

306-2 Management of significant waste-related impacts

| Disclosure                                      |
|---|
| Environment and our operations   JT Global Site |
| Environment and our products   JT Global Site   |
| Basis of Reporting   JT Global Site             |

#### 306-3 Waste generated

| Disclosure                          |  |
|-------------------------------------|--|
| Waste generation                    |  |
| Basis of Reporting   JT Global Site |  |

306-4 Waste diverted from disposal

 Disclosure

 Waste generation

Basis of Reporting | JT Global Site

306-5 Waste directed to disposal

Disclosure

Environmental data / External verification | JT Global Site

Basis of Reporting | JT Global Site

# GRI 308: Supplier Environmental Assessment 2016

3-3 Management of material topic

 Disclosure

 Materiality

 Supply chain policies and standards | JT Global Site

308-1 New suppliers that were screened using environmental criteria

Disclosure

Supply chain | JT Global Site

308-2 Negative environmental impacts in the supply chain and actions taken

| Disclosure   |                |  |
|--------------|----------------|--|
| Supply chain | JT Global Site |  |

### GRI 401: Employment 2016

3-3 Management of material topic

| Disclosure   |
|--|
| Materiality  |
| https://www.jt.com/investors/results/integrated_report/pdf/2022/ |
| integrated2022_E_all.pdf p.36-43, 82-85                          |
| Human resources_JT Global Site                                   |

401-1 New employee hires and employee turnover

| Disclosure                                 |       |        |       |  |
|--|-------|--------|-------|--|
| New employees hires and turnover by gender |       |        |       |  |
| By Gender                                  | Male  | Female | Total |  |
| Total number<br>of new<br>employees        | 4,245 | 1,658  | 5,903 |  |
| New<br>employee hire<br>rate               | 10.8% | 12.4%  | 11.2% |  |
| Total<br>employee<br>turnover              | 4,699 | 1,672  | 6,371 |  |
| Employee<br>turnover rate                  | 12.0% | 12.5%  | 12.1% |  |

New employees hires and turnover by age group

| By age       | >30   | 30-50 | >50 |
|--------------|-------|-------|-----|
| Total number | 2,178 | 3,191 | 137 |
| of new       |       |       |     |
| employees    |       |       |     |

| ( ) · ·  |       |       |       |
|--|-------|-------|-------|
| (only in JT  |       |       |       |
| and JTI)   |       |       |       |
| New  | 33.2% | 10.2% | 2.3%  |
| employee   |       |       |       |
| hire rate  |       |       |       |
| (only in JT  |       |       |       |
| and JTI)   |       |       |       |
| Total  | 1,236 | 3,171 | 1,969 |
| employee   |       |       |       |
| turnover*  |       |       |       |
| Employee   | 18.9% | 10.2% | 32.9% |
| turnover   |       |       |       |
| rate*  |       |       |       |
| *Some Japanese Group companies are excluded. The denominator     |       |       |       |
| of the "employee turnover rate by gender" and "employee turnover |       |       |       |
|  |       |       |       |

rate by age" are different.

Basis of Reporting | JT Global Site

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

|                |            | be disclosed in J | uly, 2023) |           |
|----------------|------------|-------------------|------------|-----------|
| luman resource |            | ite.              |            |           |
| T headquarter  | s in Tokyo | I                 |            |           |
| Benefits       | Permanent  | Temporary         | full-time  | Temporary |
|                | employees  | employees         |            | part-time |
|                |            | Commissioned      | Contract   | employees |
|                |            | Personnel         | employees  |           |
| Bereaved       | Υ          |                   |            |           |
| family         |            |                   |            |           |
| compensation   |            |                   |            |           |
| program        |            |                   |            |           |
| Regular        | Y          | Y                 | Y          | Y         |
| health         |            |                   |            |           |
| examination    |            |                   |            |           |
| Medical leave  | Y          | Y                 |            |           |
| system         |            |                   |            |           |
| Parental leave | Y          | Y                 | Y          | Y         |
| Retirement     | Y          |                   |            |           |
| provision      |            |                   |            |           |
| Stock          | Y          |                   |            |           |
| ownership      |            |                   |            |           |

## Tobacco business headquarters in Geneva

| Benefits       | Permanent | Temporary | Temporary    |
|----------------|-----------|-----------|--------------|
|                | employees | full-time | part-time    |
|                |           | employees | employees    |
| Life insurance | Y         | Y         | Y (Prorated) |
| Healthcare     | Y         | Υ         | Y            |
| Disability and | Y         | Y         | Y (Prorated) |
| invalidity     |           |           |              |
| coverage       |           |           |              |
| Parental leave | Υ         | Y         | Y (Prorated) |
| Retirement     | Y         | Υ         | Y (Prorated) |
| provision      |           |           |              |
| Stock          | Υ         |           |              |
| ownership      |           |           |              |

We also provide more benefits related to well-being work-life balance to our employees. Our tobacco business, for instance, positions compensation levels in the 75th percentile against companies with which

we compete for talent. Regarding initiatives in our Japanese operations and tobacco business, please see <u>Human resources\_JT Global Site.</u>

Basis of Reporting | JT Global Site

At the end of 2022, significant locations included our JT headquarters in Tokyo, Japan, and our tobacco business headquarters in Geneva, Switzerland.

#### GRI 402: Labor/Management Relations 2016

| Disclosure   |
|--|
| Materiality  |
| We comply fully within the framework of local law in our places of |
| operation.   |
| operation.   |

402-1 Minimum notice periods regarding operational changes

| Disclosure   |
|--|
| In February 2022, Japan Tobacco Inc. announced that 2,868          |
| employees had agreed to take voluntary retirement under a          |
| program announced in February 2021, with the aim of                |
| strengthening the competitiveness and profitability of our tobacco |
| business. Most of these employees have left the company by the     |
| end of March 2022.   |
|  |

#### GRI 404: Training and Education 2016

3-3 Management of material topic

Disclosure

Materiality

Talent development and retention

#### 404-1 Average hours of training per year per employee

Talent development and retention - Learning and development for all employees at all levels

All our employees can access comprehensive learning and development programs and initiatives covering leadership and/or functional skills - at basic or advanced level. Our learning and development portfolio is fully digitalized so it is accessible to staff in all the locations where we work.

Average hours per employee of training and development: 81.50 hours (\*D) Average amounts spent per FTE on training and development: 53,000 Yen (\*D)

404-2 Programs for upgrading employee skills and transition assistance programs

 $\underline{\mbox{Talent development and retention}}$  - Learning and development for all employees at all levels

404-3 Percentage of employees receiving regular performance and career development reviews

| Percentage of employee receiving regular performance and career |       |                    |       |
|---|-------|--------------------|-------|
| development rev   | iews  |                    |       |
| By gender   | 2022  | By employee 2022   |       |
|   |       | category           |       |
| Male  | 97.0% | Executive officers | 100%  |
| Female  | 94.2% | Management         | 97.3% |
|   |       | (excluding         |       |
|   |       | Executive          |       |
|   |       | Officers)          |       |
| Employees 98.1%   |       |                    |       |
|   |       | (excluding         |       |
| management)   |       |                    |       |

#### GRI 405: Diversity and Equal Opportunity 2016

# Disclosure

Materiality

Diversity, equity and inclusion

# 405-1 Diversity of governance bodies and employees

| Basis of Reporting   JT Global Site                           |  |  |  |  |
|---|--|--|--|--|
| Executive officers by gender and age group at the end of 2022 |  |  |  |  |
| Male  | Female   | Total  |  |  |
| 0%  | 0%   | 0%   |  |  |
| 7%  | 2%   | 9%   |  |  |
| 89%   | 2%   | 91%  |  |  |
| Employees by gender and age group at the end of 2022          |  |  |  |  |
| Male  | Female   | Total  |  |  |
| 10%   | 5%   | 15%  |  |  |
| 55%   | 16%  | 71%  |  |  |
| 11%   | 3%   | 14%  |  |  |
|   | by gender and a<br>Male<br>0%<br>7%<br>89%<br>nder and age gro<br>Male<br>10%<br>55% | SolutionSolutionSolutionSolutionMaleFemale0%0%0%2%89%2%nder and age group at the end ofMaleFemale10%5%55%16% |  |  |

Employees by position and gender at the end of 2022

| Positions                         | Male             | Female             | Total                   |
|-----------------------------------|------------------|--------------------|-------------------------|
| Executive                         | 92.8%            | 7.2%               | 100%                    |
| Officer                           |                  |                    |                         |
| Management                        | 80.3%            | 19.7%              | 100%                    |
| (excluding                        |                  |                    |                         |
| Executive                         |                  |                    |                         |
| Officers) *                       |                  |                    |                         |
| Employees                         | 74.2%            | 25.8%              | 100%                    |
| (excluding                        |                  |                    |                         |
| Executive                         |                  |                    |                         |
| Officers and                      |                  |                    |                         |
| Management)                       |                  |                    |                         |
| *Management is                    | defined as perso | ns in positions of | supervision or          |
| manual a subscription of a second |                  |                    | and a second the second |

management according to national legislation in Japan and in our tobacco business, the Vice President and Director-level employees are categorized as Management.

405-2 Ratio of basic salary and remuneration of women to men

| Significant locations               | Employee category | Ratio of the annual<br>base salary of<br>women to men |
|-------------------------------------|-------------------|---|
| T                                   | Executive Officer | 85.5%   |
|                                     | Management        | 91.9%   |
|                                     | Employee          | 79.1%   |
| JTI Geneva                          | Vice President    | 87.0%   |
| headquarters                        | Director          | 94.0%   |
|                                     | Manager           | 96.0%   |
|                                     | Associate         | 116.0%  |
| JTI UK                              | Director          | 112.0%  |
|                                     | Manager           | 96.0%   |
|                                     | Associate         | 93.0%   |
| Basis of Reporting   JT Global Site |                   |   |

#### 406: Non-discrimination 2016

3-3 Management of material topic

# Disclosure

Materiality Integrated Report 2022\_E (jt.com) p.88-111 Human resources | JT Global Site – Diversity and inclusion Our Code of Conduct | JT Global Site Basis of Reporting | JT Global Site

406-1 Incidents of discrimination and corrective actions taken

Human resources | JT Global Site – Diversity and inclusion Our Code of Conduct | JT Global Site Basis of Reporting | JT Global Site In 2022, 5 alleged cases of workplace discrimination were reported. Out of 5 cases, 4 cases were unsubstantiated and, for one substantiated case, the corrective measure included the termination of a JTI employee.

#### GRI 407: Freedom of Association and Collective Bargaining 2016

| 3-3 Management of material topic                              |
|---|
| Disclosure  |
| Materiality   |
| Human resources   JT Global Site – Freedom of association and |
| trade unions  |
| Supply chain   JT Global Site                                 |
|   |

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

Leaf supply chain - Raw material sourcing | JT Global Site The right to exercise freedom of association and collective bargaining is at significant risk in a number of countries where we directly or indirectly source tobacco leaf. We assess and mitigate those risks through our Leaf Supply Chain Due Diligence, which includes our Agricultural Labor Practices program.

# GRI 408: Child Labor 2016

| 3-3 Management of material topic                           |
|--|
| Disclosure   |
| Materiality  |
| Our policies   JT Global Site                              |
| Supply chain   JT Global Site                              |
| Leaf supply chain - Raw material sourcing   JT Global Site |
| Respecting human rights   JT Global Site                   |
| Integrated Report 2022_E (jt.com) p.68-69                  |
| HUMAN RIGHTS   JT International sustainability website     |
| SUPPLY CHAIN   JT International sustainability website     |
| ARISE - Preventing and Helping Eliminate Child Labor       |
| (ariseprogram.org)   |

408-1 Operations and suppliers at significant risk for incidents of child labor

Supply chain | JT Global Site Leaf supply chain - Raw material sourcing | JT Global Site -Agriculture Labor Practices (ALP) and Leaf Supply Chain Due Diligence (SCDD) Integrated Report 2022\_E (jt.com) p.68-69 HUMAN RIGHTS | JT International sustainability website SUPPLY CHAIN | JT International sustainability website ARISE - Preventing and Helping Eliminate Child Labor (ariseprogram.org) Operations and suppliers having significant risk for incidents of child labor have been identified in a number of countries where we directly or indirectly source tobacco leaf. We assess and mitigate those risks through our Leaf Supply Chain Due Diligence, which includes the Agricultural Labor Practices program, the ARISE program - Achieving Reduction of Child Labor in Support of Education, the Grower Support Programs and Good Agricultural Practices, as well as communication and training, and the Eliminating Child Labor in Tobacco-Growing (ECLT) Foundation.

### GRI 409: Forced or Compulsory Labor 2016

3-3 Management of material topic

| Disclosure   |
|--|
| Materiality  |
| Integrated Report 2022_E (jt.com) 87                       |
| Respecting human rights   JT Global Site                   |
| Leaf supply chain - Raw material sourcing   JT Global Site |
| Integrated Report 2022_E (jt.com) p.68-69                  |
| HUMAN RIGHTS   JT International sustainability website     |
| SUPPLY CHAIN   JT International sustainability website     |
|  |

409-1 Operations and suppliers at significant risk of forced or compulsory labor

Respecting human rights | JT Global SiteSupplier screeningHUMAN RIGHTS | JT International sustainability websiteSUPPLY CHAIN | JT International sustainability website

#### GRI 413: Local Communities 2016

3-3 Management of material topic

Disclosure Materiality

Improving our social impact | JT Global Site

413-1 Operations with local community engagement, impact assessments, and development programs

Basis of Reporting | JT Global Site

Improving our social impact | JT Global Site

Community investment programs:

In 2022, through long-term partnerships with various

stakeholders, we are currently implementing 522 community programs that contribute to the development of inclusive and sustainable societies across 65 countries.

To measure the social impact of our efforts, we use the Business for Societal Impact (B4SI) Framework provided by Corporate Citizenship. We encourage more accurate reporting and measurement to ensure all of our programs deliver social impact according to our policy.

# GRI 414: Supplier Social Assessment 2016

3-3 Management of material topic

| Disclosure                    |
|-------------------------------|
| Materiality                   |
| Supply chain   JT Global Site |
|                               |

414-1 New suppliers that were screened using social criteria

Supply chain | JT Global Site

Responsible procurement | JTI Sustainability website

Supply chain due diligence in farming communities |

JTI Sustainability website

414-2 Negative social impacts in the supply chain and actions taken

Disclosure

Supply chain | JT Global Site

Responsible procurement | JTI Sustainability website

Supply chain due diligence in farming communities | JTI Sustainability website

# GRI 415: Public Policy 2016

3-3 Management of material topic

Disclosure

JT Group Materiality and Sustainability

Compliance risk management

Our code of conduct

# 415-1 Political contributions

In compliance with Political Funds Control Laws in Japan, JT refrains from making political contributions. None of JT's subsidiaries made political contributions in any jurisdiction in 2022, except a non-tobacco subsidiary in Japan, which made a political contribution that amounted to low-single-digit million Yen, at its own discretion, in compliance with all relevant Japanese laws.

# 416 Customer Health and Safety 2016

| Disclosure                                   |
|--|
| Materiality                                  |
| Integrated Report 2022_E (jt.com) p.38-43    |
| Products and services (RRP)   JT Global Site |
| Tobacco   JT Global Site                     |

Pharmaceuticals | JT Global Site Processed food | JT Global Site

416-1 Assessment of the health and safety impacts of products and service categories

Products and services (RRP) | JT Global Site Tobacco | JT Global Site Pharmaceuticals | JT Global Site Processed food | JT Global Site

Integrated Report 2022\_E (jt.com) p.56-77

# 416-2 Incidents of non-compliance concerning health and safety impacts of products and services

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# 417 Market and Labelling 2016

3-3 Management of material topic

Disclosure

Materiality

Tobacco | JT Global Site

Pharmaceuticals | JT Global Site

Processed food | JT Global Site

417-1 Requirements for product and service information and labeling

Tobacco | JT Global Site Pharmaceuticals | JT Global Site

Processed food | JT Global Site

417-2 Incidents of non-compliance concerning product and service information and labeling

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417-3 Incidence of non-compliance concerning marketing communications

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Financial Statements, Contingencies