



## Human resources

We believe that highly skilled and talented people form the foundation of a company's success and contribute to real sustainable growth. In light of this, the JT Group proactively takes steps to secure long-term engagement and employee satisfaction.

Our employees are assets to the Company, and their skills and spirit are the driving force behind everything we achieve. We are pleased to be an employer of choice, and our positive workplace culture and environment help us to attract, retain, and develop talented individuals. We are also taking further steps to create a diverse and inclusive culture.

With this in mind, we are currently focusing on these four areas:

- Engaging with employees
- Talent development and retention
- Talent attraction
- Diversity, equity and inclusion

[Read more >](#)

We believe that our employees have the right to be protected from work-related injuries and illnesses. We are therefore responsible for providing a safe working environment and promoting a culture which prioritizes health and safety.

We focus on creating safe workplaces, building safety competence, and developing our safety culture. We align our health and safety standards with international requirements and always We focus on creating safe workplaces, building safety competence, and developing our safety culture. We align our health and safety standards with international requirements and always meet - and usually exceed - legal requirements. Their scope extends beyond our employees to cover contractors and visitors to our operations.

[Read more >](#)





## Improving our social impact

Through our community investment programs, we contribute to the sustainable development of society by helping to make communities more inclusive and sustainable. At the same time, these programs provide volunteering opportunities for our employees to engage with local communities and develop a variety of soft skills. To assess how effective our approach is, we have set a community investment target. We are also reporting on our Group-wide contributions to communities and our progress against our target.

[Read more >](#)



# Human resources

## The JT Group human resources management philosophy

We believe that highly skilled and talented people form the foundation of a company's success and contribute to real sustainable growth. In light of this, the JT Group proactively takes steps to secure long-term engagement and employee satisfaction.

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## Our approach

### Aspirational goal

We will be the employer of choice by investing in people.



# Target

We will be a certified employer of choice every year in at least 60 countries by focusing on talent management, rewards, and empowerment.

# Progress

We were certified as employer of choice in 61 countries with Top Employers certification. 19 out of these countries also hold other accreditations.

Read more about our latest progress on the JT Group's [tobacco business sustainability strategy](#).

To offer all our employees the best possible experience, we are focusing on four areas:

Engaging with employees



Talent development and retention



Talent attraction



Diversity, equity and inclusion



## Engaging with employees

As a responsible employer, we see engaging with employees as crucial. Our aim is to foster a positive and productive working environment, and to maintain constructive relationships with unions.

We measure the effectiveness of our people-come-first culture through an annual employee engagement survey at a regional or department level and a Group-wide survey every three years. The feedback we receive from employees helps us to understand our strengths, progress, and areas for improvement. It also helps us to make the JT Group an even better place to work, for talent acquisition and retention.

# Highlights from our 2022 JT Group-wide engagement survey



In 2022, we conducted a Group-wide employee engagement survey targeting more than 50,000 employees worldwide - using, for the first time, the same questions across all our JT Group businesses globally. The survey response rate was 92%, which is 17% higher than the external benchmark. Overall, the Employee satisfaction (ESAT) score (“How happy are you working at this company?”) was 77, below the Global Top 10% benchmark of 81. We can infer that the impact of major internal and external changes in the working environment, such as transformation in Japan and changes in working patterns due to COVID-19 pandemic have contributed to the low ESAT scores. Given this result, we recognize that improving employee engagement is an urgent issue and will implement initiatives at executive level with a focus on clear and transparent communication.

## Freedom of association and trade unions

The JT Group supports freedom of association and the right to collective bargaining, even in countries where these freedoms are not a legal prerequisite. This means we are committed to open and constructive relations with trade unions and works councils.

We have a long history of positive industrial relations. Across the JT Group, industrial relations are based on individual countries' labor laws, and we aim for open and constructive relations with trade unions and works councils. Dialogue with trade unions generally takes place within the jurisdiction of our local operations, and typical engagements cover aspects of company management, strategy, planning, and operational issues. If one of our sites ever has to cease activities, we work closely with unions to ensure affected employees are treated fairly and often go beyond the minimum legal requirements.

In line with EU legislation or regulations, we also have a voluntary European Works Council agreement in place. Our European Works Council operates as an employee information and consultation body for transnational issues relating to our operations in Europe. The Council has regular meetings each year and is made up of employee representatives and members of management.

## Talent development and retention

We believe there is no limit to what can be achieved. We provide freedom and opportunity to learn and develop every day. We want everybody to adopt a continuous learning mindset that helps achieve goals and advance to new, higher levels of performance.

We have implemented various global and regional learning programs to upskill our diverse employees. Many of our courses are offered online, enabling employees to develop new skills even remotely. We constantly invest in our employees, including those at managerial level, to ensure they flourish in their careers.

Our commitment to talent development and retention is reflected in our internal hire rate for management positions, which has been above 90% for more than eight years. In 2022, 94.2% of management vacancies were filled by internally promoted candidates. We also hired many talented people from outside the organization.

We believe that providing many different development and career opportunities combined with flexible ways of working is essential to improve employee engagement, which leads to long-term employee retention, increased productivity, and improved quality of work. Across our Group, the total employee turnover rate was 12.1% and the voluntary employee turnover rate\* was 4.5% in 2022.

\*The voluntary employee turnover rate in our Group does not include retirement and early retirement.

## Learning and development for all employees at all levels

All our employees have access to comprehensive learning and development programs and initiatives covering either basic or advanced leadership and/or functional skills. Our learning and development portfolio is fully digitalized so it is accessible to our people in all the locations where we operate.

Employees of our tobacco business can choose individual or team development options. They have access to 16,000 video courses through LinkedIn Learning, and can take part in targeted microlearning masterclasses, selected courses from recognized business schools, and core training

programs which also include gamified solutions and learning simulations options. We also run various cross-regional leadership development programs to support and accelerate the development of young talent. Our collaborative learning programs (coaching and mentoring) are growing in popularity and in 2022, 1,325 employees were matched with either a professional coach or an internal mentor. All of these initiatives enable our people to continue to develop and master their skills.

In Japan, we refreshed our learning programs for employees in 2020. Employees are now grouped into five stages of development. At each stage, they participate in training programs on topics such as capability development, understanding roles and responsibilities, and inner reflection. On top of this, we try to boost career development by linking off-the-job training with on-the-job training.

## Performance appraisal and career development

Line managers play a key role in our employees' careers and hold regular performance and career discussions with their teams throughout the year. Regular communication between managers and employees helps to leverage our employees' full potential and boost their development.

In Japan, evaluations are conducted once or twice a year depend on position grades. The evaluation consists of two main components: an employee's personal performance achievements linked to function/team goals and an evaluation focused on individual progresses and behaviors. In addition to the evaluation cycle, career planning interviews with line managers are conducted once a year for all employees. In addition, in order to improve the quality of communications, we encourage to have 1on1 meetings frequently and to discuss about various topics such as work progress, their career, and personal life. As part of this initiative, we have introduced "1-on-1 meeting training" as one of JT training programs.

In 2022, 96.2% of our JT Group employees participated in the performance review. In addition, our employees can request 360-degree development feedback.

## Talent attraction

A priority for us is ensuring that we are chosen by the best talent. Although our operation is worldwide, the Company is not yet well known in some countries and we wish to find ways to connect with talented individuals in these locations.

Attracting and retaining Generation Z (people born after the late 1990s) is particularly important, as this age group represents a growing proportion of our new hires, and their unique skills will help drive innovation in the JT Group. From a sustainability perspective, it is critical for us to understand this generation's professional expectations, which are different from those of previous generations.



With this in mind, in 2019 our tobacco business launched “Make It Bright”, its first global internship competition, with students from 17 countries pitching ideas for positive change to our business. The success of this first edition led to the initiative being expanded in 2021 to 36 countries with 8,000+ students participating. The 2022 competition was launched in October 2022 with a new campaign, a refreshed look and feel, and more flexibility for students to participate with their ideas about the workplace of tomorrow. The winners from each country went head-to-head in the final in May 2023 to win a six-month paid internship with JTI, with several winners becoming full-time employees.

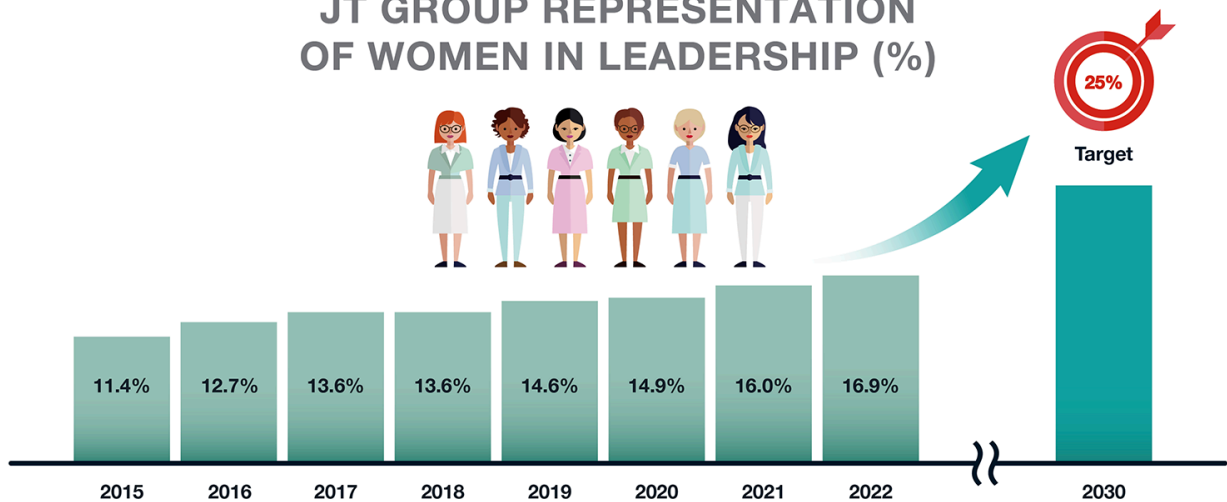
## Diversity, equity and inclusion

Motivated employees with diverse talent are the bedrock of our success. JT Group has employees of over 100 nationalities, and establishing a diverse, equitable and inclusive workplace for all our employees to enjoy their work and perform to the best of their abilities is therefore a top priority for us. We respect different backgrounds and values, such as age, gender, sexual orientation, disability, ethnicity, religion, and nationality, as well as experience and expertise. We believe that diverse workforce brings a rich mix of viewpoints and perspectives, which can inspire new ideas, lead to solutions to complex issues, and drive our business forward. Our continuous efforts to promote diverse, equitable and inclusive culture in our workplace have been recognized by numerous awards externally.

## Gender equality

We have been focusing on building a gender-balanced workforce and our Board members are heavily involved in working towards this ambition. To further empower women, we hold workshops for top management and line managers, as well as training and seminars for female employees. Our new Group-wide target, specifically representation of women in leadership, is to reach 25% by 2030. We find it desirable that this should be more than 40% over time.

## JT GROUP REPRESENTATION OF WOMEN IN LEADERSHIP (%)



In Japan, we run various training sessions and seminars to help women to grow in their careers. We are also working to expand our support systems for balancing work and family life. In addition, we offer opportunities to take part in external training programs and discussions with senior management in order to promote career advancement among female employees.

In our tobacco business, we make gender equality a formal business priority. We are committed to increasing the representation of women in leadership positions as well as reaching gender parity at all levels. The world's population is balanced, so we shouldn't be any different.

Our global gender equality strategy aims to provide both women and men equal access to growth and opportunities in our workplace. We are investing in a number of initiatives to accelerate the advancement of women and spark progress towards gender equality globally. Senior leadership have taken special training on identifying the obstacles preventing talented women from advancing their careers.

We have implemented a number of talent management and recruitment measures. These include diverse and balanced interview panels, as well as a 50-50 equal gender slate of candidates within the final round of our interview process for leadership positions.

## Global Equality Standard

In 2021 JTI was one of the first companies in the world to receive Ernst & Young's new Global Equality Standard, which measures equal opportunities and equal pay in the workplace.



In particular, we were commended for our flexible working measures, best-in-class global family leave policy, employee resource groups, well-being programs, digital learning and development schemes, and more.

## LGBTIQ+ inclusion

Supporting our LGBTIQ+ employees is vital if we're to create a more equal company, in which everyone is empowered to be and do their best. As part of our LGBTIQ+ Inclusion, we develop strategies, professional development opportunities and LGBTIQ+ inclusive policies in order to create workplaces which are inclusive of all sexual orientations, gender identities, and gender expressions.

PRIDE at JTI is a universal global community with more than 700 LGBTIQ+ colleagues and allies coming together in celebration, unity and solidarity. Our PRIDE employee resource group raises awareness, offers peer-to-peer support, and holds all of us accountable in all matters that affect the LGBTIQ+ community.

In 2020, the Geneva headquarters of our tobacco business was one of the first companies in French-speaking Switzerland to be awarded the Swiss LGBTI Label certification.

In Japan, we have made positive progress too, achieving the highest-ranking Gold status in the PRIDE Index 2023 for the eighth consecutive year.



Swiss  
**LGBTI**  
Label



## Race and ethnicity

Racism has never been tolerated at JT Group and there are measures in place to prevent and mitigate any form of discrimination. We promote an inclusive culture where everyone can be themselves at work without risk of discrimination or harassment due to their race, religion, ethnic background, origin, gender, age, disability, sexual orientation, marital status, or any other protected characteristic.

## New Ways of Working (N-WOW)

Enabling new ways of working (N-WOW) is a key value for our company, and increasingly necessary in today's world. N-WOW represents a movement to boost flexibility and retention, largely by removing many of the barriers and management styles of the past and bringing them in line with a modern multigenerational workforce.

In July 2021 our tobacco business set out the N-WOW global guidance, which became a global policy in July 2022 and adopted a hybrid way of working that focuses on outcomes rather than time spent in the workplace. Employees now have the flexibility to work up to 50% of their time per month away from the office, benefit from flexible core hours, and work up to 10 days a year abroad, among other measures which redefine where and how work is done.

In Japan, we introduced full-time flexible working and no-limit remote working in February 2020. Our approach towards new ways of working is still evolving.

## A family-first approach

In 2020, we launched a new family leave policy for our tobacco business, which came into effect in January 2021. The policy grants 20 weeks of fully paid leave to all employees, regardless of gender, sexual orientation, age, or location, when an employee becomes a parent through giving birth, surrogacy, or adoption.

In Japan, we have provided paid parental leave, paid spouse maternity leave, part-time working options for childcare, and financial support with childcare costs. In addition, we have childcare facilities at two factories and a private space in an office for nursing mothers to express breast milk for their babies and to change their diapers. In recognition of this, we have been certified as a childcare-supporting company by the Japanese Ministry of Health, Labour and Welfare.

In addition to childcare, in some countries with an aging population, we offer support for employees who care for older people. For instance, in the U.K., we allow employees to take time off to look after senior family members. Similarly, in Japan, employees can take days off when needed and have part-time working options for nursing care. The Company offers financial support for professional nursing care.

We will continue to work on expanding programs to foster employees' well-being.



Read more about our tobacco business initiatives on [JT International sustainability website.](#) 

## Related links

People

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Human  
resources

Health, safety,  
and well-being of  
employees

Improving our  
social impact

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# Health, safety, and well-being of employees

We believe that our employees have the right to be protected from work-related injuries and illnesses. We are therefore responsible for providing a safe working environment and promoting a culture which prioritizes health and safety.

We focus on creating safe workplaces, building safety competence, and developing our safety culture. We align our health and safety standards with international requirements and always meet - and usually exceed - legal requirements. Their scope extends beyond our employees to cover contractors and visitors to our operations.



We have processes to identify and minimize risks, prevent incidents, respond to emergency situations and continuously improve safety. We work to control occupational health hazards such as exposure to noise, dust, hazardous chemicals, and ergonomic risks. We ensure that health and safety standards are respected when designing work processes and machinery. We provide safe working environment by setting up specific microclimates and monitoring them. This typically includes air quality, temperature, humidity, and proper lighting, based on the tasks to be carried out.

We also promote health and safety awareness through dedicated training and communication campaigns. In addition, we run programs to help protect the health of our employees while at work and while traveling for business. We also have several initiatives to support their well-being.

## Aspirational goal

We will be the employer of choice by investing in people.

## Target

In line with our vision of zero workplace injuries, we will reduce injury rates by 25% by 2023 and 50% by 2030. (Baseline year: 2015).

## Progress

### Health and safety performance in our tobacco business

Recordable injury rate\* declined 46.9% from 0.72 in 2015 to 0.38 in 2022.

		2015	2016	2017	2018	2019	2020	2021	2022
Recordable injury rate (per 200,000 working hours)	Employees	0.7 2	0.6 4	0.6 7	0.5 0	0.4 9	0.2 9	0.3 3	0.3 8

\* Recordable injury rate = recordable injuries/200,000 hours worked. Due to the consolidation of global operations of the tobacco business since January 1, 2022, data of certain business sites are not included as it will take up to 18 months to integrate occupational health and safety standards.

Read more about our latest progress on the JT Group's [tobacco business sustainability strategy](#).

## Our health and safety performance as a Group

Recordable injury rate\* 46.9% from 0.72 in 2015 to 0.38 in 2022.

		2015	2016	2017	2018	2019	2020	2021	2022
Number of fatalities	Employees	1	2	0	1	1	3	0	2
	Contractors	1	1 (JTI )	2	0	0	0	1	0
Lost-time injury rate (per 200,000 working hours)	Employees	0.3 4	0.3 9	0.3 8	0.2 4	0.2 4	0.2 0	0.2 2	0.2 3
	Supervised workers		0.1 6	0.3 0	0.2 3	0.1 5	0.0 7	0.1 1	0.1 2
Occupational illness rate* <sup>1</sup> (per million working hours)	Employees	0	0	0.0 8	0.0 2	0.0 1	0.3 7	2.0 6	2.4 3
<b>Other important KPIs</b>									
% of cigarette and tobacco-related factories certified to ISO 45001 (OHSAS 18001)* <sup>2</sup>		78. 9%	77. 8%	74. 4%	76. 9%	79. 5%	70. 0%	71. 8%	60. 5%
Number of vehicle accidents* <sup>3</sup>		112 2	115 1	66	85	71	64	65	42
Vehicle accident frequency rate* <sup>3</sup> (excludes property damage, accidents per million kilometers)		4.8 4	3.8 7	0.2 3	0.2 1	0.1 6	0.1 9	0.2 0	0.0 8




We no longer report the number of lost-time incidents or the lost-time incident rate, as this data is now covered by the recordable injury rate and lost-time injury rate.

We regret that two employees died as a result of a work accident in 2022. We try to learn from every accident and remain committed to achieving zero fatalities.

\*1 Data scope: 2015: only JT. 2016 and 2017: JT and Japanese domestic Group companies. From 2018: the entire JT Group. 2020: the increase from 0.01 in 2019 to 0.37 in 2020 is due to COVID-19 work related cases. Read more about [our data scopes](#) and [external verification](#).

\*2 Data scope: 2020 only JTI

\*3 The number of vehicle accidents and the vehicle accident frequency rate in 2015 and 2016 include damage to property, because the data is not available in our international tobacco business. The data in 2015 covers only our international tobacco business. From 2016, it covers JT and JTI.

Read more about the way we define, calculate, and consolidate data in the [the Basis of reporting](#). 

## Our Guiding Principles

The following guiding principles drive our Health and Safety Policy:

- **People come first**  
The health, safety, and well-being of our employees, their families, and the communities in which we operate are at the heart of everything we do.
- **Safety is everyone's responsibility**  
Everyone shares the responsibility for a safe and healthy workplace, and we each have a role to play in making it happen.
- **Nothing we do is worth an injury**  
We aim to create an injury- and illness-free workplace where everyone goes home safe and healthy after each day's work and where business results shall never conflict with safety performance.
- **We do the right thing**  
All our offices, sales operations and factories should always comply with all national and local laws and regulations. However, where the local legislation and regulatory framework do not provide adequate controls, we will adopt our standards to protect the health and safety of our employees, contractors and visitors.

# Our commitment to health and safety

We have a publicly available Health & Safety Policy that establishes our overall intentions and direction for maintaining health, safety, and well-being in the work environment. It provides a framework for action and for setting our Health and Safety objectives and targets.

In our international tobacco business, all locations must have their own Health and Safety Policy.

These Policies must:

- Reflect (Endorse) the Corporate Health and Safety Policy and Principles
- Include commitments to the prevention of injuries and illnesses, compliance with local legal and our corporate requirements, workers' (and unions) consultation and participation on safety matters, and continuous improvement
- Address the key health and safety risks to be managed and prioritize the action plans for identified areas of improvement
- Be regularly (yearly) reviewed and revised as necessary, endorsed, and signed by senior management, communicated to all staff and contractors, and made available to any other interested parties.

As well as delivering the corporate strategic programs addressing the highest health and safety-related business risks, every location should:

- record incidents and include local specificities and risks in their three-year plans
- establish emergency response plans specific to each site\*
- set and communicate local Health & Safety objectives and targets

To achieve their goals, local organizations must implement a health and safety management system consistent with local legal and ISO 45001 international standards.

\* These must include, but are not limited to, safety injuries, medical emergencies, fires, epidemics, hazardous materials/chemicals incidents, floods, power outages, and for some locations, earthquakes and typhoons or hurricanes

## Reducing the risk of traffic accidents

The level of risk varies from location to location. Still, the highest risks across our international tobacco business are posed by driving vehicles, riding motorcycles, working with machinery, and slips, trips, and falls.

We conduct risk assessments throughout the supply chain to mitigate these risks and prevent injuries. This helps us identify hazards, implement appropriate measures, and ensure that our approach helps protect our employees. We also focus on raising awareness among employees and thoroughly embedding our safety culture in our day-to-day work.



In 2019, we rolled out a new driver safety policy and implementation guidelines across our organization. Considering the growing number of female employees, the policy also includes maternity protection for female drivers, e.g., special safety belts and additional rest time.

Focusing on driver behavior, the new guidelines require local offices to conduct a risk assessment to identify high-risk drivers. They must also send periodic progress reports and action plans to Corporate Health and Safety.

In 2020, we completed a global driver safety compliance assessment. The results showed that our markets and leaf origins complied 80% on average with our global guidelines. In 2021, this increased to 85%. These assessments also allow us to identify best practices that are then integrated into a new "On the Road Safety Standard" as part of a continuous improvement process. The new standard will be published Q2 2023.

In 2022, we trained 2,194 employees. Due to the pandemic, some driver risk assessments and training were conducted remotely, but we also organized 'on the road' training for high-risk drivers where possible. We plan to train a further 4,300 drivers in 2023.

In the sales division of our Japanese operations, we have set 'prevention of vehicle accidents during sales activities' as a priority issue within our Occupational Health and Safety Plan.

**Ensuring consistency of standards around the world**

As part of our drive to expand the business geographically, we have made acquisitions in new markets. Most of the acquired businesses operate in developing countries, with a raft of societal and economical challenges. We recognize this and feel responsible for improving the working environment. We, therefore, introduce our policies firmly and immediately after each acquisition. We visit the sites and support local managers to ensure that our policies are endorsed and embedded across all locations of the company.

Health and safety issues in developing countries pose a serious risk to local communities, our employees, contractors, and our business continuity. For this reason, we take a systematic and risk-based approach to acquired businesses from the outset.

The Health and Safety team at our headquarter conducts a risk assessment for potential new countries to check whether their standards meet ours. Following an acquisition, we support local offices in identifying key risks, developing, and implementing 18-month action plans, and aligning policies with our standards.

Special attention is given to integrating Health and Safety criteria in business processes, such as the procurement of vehicles and offices' leasing, and to providing adequate Safety training to all employees through our Health and Safety Academy.

To improve driver safety in Bangladesh, for example, where road conditions and driver behavior are particularly challenging issues, we are moving all staff from motorbikes to cars.

### H&S ACQUISITIONS APPROACH





# Employee well-being in focus

Employee well-being is essential to us to develop and retain motivated employees and enable them to fulfill their potentials. We run a variety of well-being programs across the company, such as ergonomic assessments and ensuring general occupational hygiene.

To design these programs, we gather well-being data from our local offices. In 2018, we expanded our data scope by introducing new rules requiring all local offices to report their occupational health cases to our headquarters. This will allow us to understand our global risks and develop a consistent approach to occupational health, while strengthening our existing protection measures.

Local managers are responsible for investigating reported issues and identifying the causes. If the issues are attributed to the work or workplace, we take appropriate measures immediately to protect employees' well-being and prevent recurrences.

Since the onset of COVID-19, we have continued to offer employees one-to-one interviews with health staff via video call. We have also continued to run online programs focusing on sleep, diet, and exercise.

## Supporting employees' mental health

In our Japanese operations, we recognize the importance of mental health in the workplace and are working to prevent mental illness. We have set up an in-house consultation desk, where employees can speak to specialists and counselors. We also provide telephone and interview counseling through external specialized institutions, as well as mental health training for supervisors and self-care seminars. As a result of these efforts, the incidence of mental health problems remains at a low level.

These programs have had a positive impact on employee productivity and the absenteeism rate in Japan, which has recently been below 1%.

We are pleased to announce that JT was



named as a “White 500” company for the seventh year running in 2023. This award is presented by Japan’s Ministry of Economy, Trade, and Industry. It recognizes large enterprises that are making outstanding progress towards better well-being among their employees.

In our international tobacco business, use a confidential employee assistance program and well-being solution. It provides information on mental, physical, social and financial well-being, as well as 24/7 access to phone consultations for work–life strategies and referrals to counselling.

We have also trained mental health first aiders across our business to offer support to employees who wish to discuss any matter of concern.

## Case study

# Boosting employee well-being while supporting a good cause

In Japan, we have been participating in the TABLE FOR TWO program since 2010. In 2020 we set up a company-wide walking challenge program. It's a sponsored walk run in collaboration with the global non-profit organization TABLE FOR TWO, and using the health management portal site Pep Up. This initiative has created a range of opportunities to promote health, contribute to society, and revitalize our company organization.

We've run this event in each of the three years since its inception - and twice in 2022: in May and October. 6,009 of our employees nationwide took part. For every 8,000 steps one of our employees completes in a day, we donate one meal to a developing country. In the 2022 financial year, we raised 1,858,860 yen for TABLE FOR TWO.

### Feedback from employees on the walking challenge program

- 79% reported that they were satisfied with this program.
- 71% said it helped them reduce stress, improve their fitness, and improve communication with others.
- 82% reported that they continue walking after this program.

Read more about our [community investment initiatives](#).



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### About our reporting

Our referenced guidelines(GRI), notes on data (BoR), and scope of our data (\*A-E).

[Read more >](#)

### Related links

People

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Human resources

Health, safety, and well-being of employees

Improving our social impact



# Improving our social impact

For our Group to grow sustainably, it is vital for us to contribute to the sustainable development of our society. [Our Community Investment Policy](#) determines a common goal across the JT Group: “To contribute to the development of inclusive and sustainable communities”. We believe that everyone should have the opportunity to participate in society, and that inclusive societies are better for business. In line with our community investment policy, and as a responsible local community member, we work with a wide range of stakeholders to resolve social issues.

## Our focus areas

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. Our offices around the world carry out programs aligned with our JT Group community investment policy and the following United Nations Sustainable Development Goals (SDGs): Reduced Inequalities (goal 10), Sustainable Cities and Communities (goal 11), Life on Land (goal 15), and Partnerships for the Goals (goal 17).

Through our programs, we are focusing on three specific issues:

1. Reducing inequalities, e.g., helping underprivileged people gain access to food and education.
2. Improving community resilience in disaster-prone areas, e.g., providing access to clean water.
3. Protecting the environment, e.g., protecting and reinvigorating forests and green public spaces.

We also offer volunteering opportunities, enabling employees to engage with our communities, develop new skills, and gain a sense of pride and satisfaction.

Global community investment functions help to implement the programs and ensure that they comply with our strategy and guidelines.



## Aspirational goal

We will be the employer of choice by investing in people.

## Target\*

Between 2015 and 2030 we will invest 600 million U.S. dollars to help make communities inclusive and resilient, with our employees contributing 300,000 volunteering hours.

\* This is a Group-wide target.

## Progress

In 2022, we invested about \$51 million and volunteered 29,240 hours.

Since 2015, we have invested cumulatively 450 million U.S. dollars in our communities, and employees have volunteered 193,521 hours on company time.

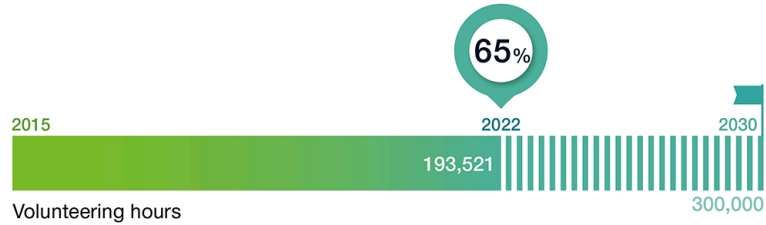


### Value of JT Group investments in the community




**193,521**  
hours

### Hours volunteered by JT Group employees



## Measurement and management

To measure the social impact of our efforts, we use the [Business for Societal Impact \(B4SI\)](#)  Framework provided by Corporate Citizenship. In 2022, we invested 51 million U.S. dollars (10% charitable donations, 87% community investment, and 3% Commercial Initiatives) in corporate community investment in countries where we operate. We encourage more accurate reporting and measurement to ensure all of our programs deliver social impact according to our policy.



\* B4SI is the global standard in measuring and managing corporate social impact.

## Contributing to our communities

### TOTAL VALUE OF INVESTMENTS IN THE COMMUNITY IN 2022



TOTAL  
**51** million  
U.S. DOLLARS

---

47.0 million U.S. dollars Cash

---

3.6 million U.S. dollars Management costs

---

0.6 million U.S. dollars Time contribution by employee volunteering

---

0.2 million U.S. dollars In-kind

---



**0.4** million  
BENEFICIARIES



**572**  
ORGANIZATIONS  
SUPPORTED



**29,240**  
HOURS VOLUNTEERED  
ON COMPANY TIME  
(a total of 10,535 employees  
volunteered)

## Our initiatives

### Reducing inequalities

We're committed to ensuring that the most vulnerable and excluded people can participate in society and have their voices heard. That's why we work with charities that support adult education, people with disabilities, older people, and other disadvantaged members of society.

In many communities, the things that most of us take for granted - clean water, food, literacy, education - are not readily attainable. We want to change that as best we can for the communities we interact with around the world.

In 2022, we supported 388 programs related to reducing inequalities in 60 countries where we operate. 9 countries reported impact data according to the Business for Societal Impact (B4SI)\*Framework for programs related to "reducing inequalities".





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Case study

## OrchLab: making a difference by making music



Our UK team has joined forces with the world-renowned [London Philharmonic Orchestra](#)  to bring the joy of creating music to adults with disabilities. This unique project, called OrchLab, is supported by pioneering assistive technology harnessed by Drake Music, experts in music, technology, and disability.

OrchLab offers innovative digital instruments, bespoke workshops, training and events, and [an interactive website](#)  where participants can watch performances, take part in musical activities, and communicate with other members. The aim of the project is to enhance participants' well-being through music-making that is truly accessible to all.

OrchLab has worked intensively with 150 disabled adults since it began in 2017. In 2022, 22 people took part in an average of 26 hours of musical workshops, with 75% of participants reporting positive impacts on their skills, quality of life or well-being.

In 2022 we celebrated our second in-person OrchLab Festival Day, bringing 67 participants together to try out new OrchLab instruments and share the experience of making music with others.

## Improving community resilience

Our company has built expertise in disaster management over the years, due to the environmentally vulnerable geolocation of Japan. In 2022 we supported a total of 83 programs in 39 countries, benefiting 211,630 people worldwide.

In regions prone to disaster, the strength and sustainability of communities doesn't rely solely on their ability to respond to disasters in the short term - it also depends on their resilience.

Community resilience means being able to adapt positively after a disaster, bouncing back so that they can continue to develop and grow stronger over the long term.

In our tobacco business, we help communities achieve this largely through the work of the JTI Foundation and markets-driven programs. We engage closely with partners and charities that respond to disasters, helping to revitalize communities so they can be more resilient in the future.

Read more about the JTI Foundation on [JT International sustainability website](#). 

## Case study

# Winds of change

Peace Winds Japan (PWJ) is an international non-governmental organization dedicated to supporting people in distress and those threatened by conflict, poverty, or other turmoil. Although headquartered in Japan, PWJ operates around the world.

In Japan, we have partnered with PWJ since 2016 as part of our disaster management policy. In 2022, our collaboration was extended for three more years to foster the development of search and rescue teams and to support PWJ's response to disaster-stricken areas all around the world in the event of a disaster.



Over the next three years we're supporting initiatives in the following areas:

- Training and developing search and rescue (SAR) teams, including some that work with search-and-rescue dogs
- Building a collaborative structure with SAR partner organizations overseas in readiness for future disasters, through joint training
- Strengthening relationships with stakeholders in Japan by:
  - Setting up support agreements with local governments and hospitals at risk of being affected by disaster
  - Building partnerships with supporting organizations and medical personnel
- Strengthening logistics capabilities and developing lifesaving equipment
- Organizing a logistics system and practical training for the setup of a multi-institutional field hospital

- Coordinating emergency supply transportation and rapid support activities in response to local information from PWJ in the event of a disaster

We hope that this initiative will help strengthen resilience-building all around the world. We will continue to work with a wide range of stakeholders to resolve issues in the area of disaster prevention as a priority within our community investment pillar.

## Protecting the environment

We try to reduce the environmental impact of our operations wherever we can, through environmental programs that benefit both communities and our employees. In 2022, we supported 49 environmental programs in 33 countries where we have a business presence.

It is important that we measure the impact of our actions so that we can continually improve our programs. In 2022, 8 country reported impact data according to the Business for Societal Impact (B4SI) Framework for programs related to environmental protection.

In Japan, we are actively supporting the sustainable maintenance of nine forests. Employees have the opportunity to volunteer in these forests and help to preserve these precious natural habitats. In 2022, 363 employees volunteered their time. Many of these employees reported that volunteering had a significant impact on their behavior towards the environment and their job satisfaction.



### Feedback from employees volunteering at JT forest

- 99% would like to change their behavior and move towards a more sustainable use of natural resources
- 97% reported that volunteering helped them to gain skills that are useful in their daily work

## Other initiatives

# The JTI global water, sanitation, and hygiene (WASH) initiative

## Target

We are investing up to 15 million US dollars to enable adequate and affordable access to safe and clean water, sanitation and hygiene for one million people by 2025.

In a spirit of solidarity between mature and emerging markets, the top ten markets in JTI set up a fund to help new and developing markets make communities more inclusive and resilient. Not only does this create a better balance of community investment presence across the company, it also gives a significant boost to communities in need of help.



The JTI Global water, sanitation and hygiene (WASH) initiative focuses on providing and/or improving access to safe water and sanitation in communities that struggle with this issue. Since 2019, local teams have launched six projects as part of this initiative: one in Mexico, one in Ethiopia, and four in Bangladesh. We are working with international and local organizations that specialize in WASH-related projects, and we promote innovative concepts that offer the best solutions for local communities and their needs.

## Volunteering opportunities



Volunteering brings mutual benefits for employees, our business, and the community. It also enables our teams to make a positive impact in the communities where they live and work by sharing their skills and knowledge.

We actively encourage our employees to take part in volunteering activities. We do this by organizing programs and events, or by providing the necessary resources (funds through corporate matching, employee time, in kind, or employee donations).

In spite of Coronavirus restrictions, our volunteering activities continued throughout 2022, with 10,535 employees worldwide spending 29,240 hours of company time supporting community programs. Where necessary, we adapted our approach to keep employees and local communities safe.

Our many volunteering opportunities also support our HR initiative to build employees' engagement and skills. In 2022, we conducted surveys for employees who participated in Company volunteering activities related to "reducing inequalities" (one of the three focus areas of our community investment program). A total of 2,047 employees reported that these activities had helped them to gain skills that were useful in their day jobs, as well as increased job satisfaction and a stronger interest in volunteering.

## Case study

# Walking healthy to contribute to the society

TABLE FOR TWO (TFT) is a global initiative to fight food imbalance through a unique meal-sharing program. Established in Japan in 2007, it partners with corporations, restaurants, schools and other establishments to serve healthy meals. In Japan, we have been participating in the TFT program since 2010. The Company donates the equivalent of one meal to a developing country for every TFT menu meal purchased by employees at the cafeteria in Tokyo.

In light of COVID-19, employees have been working from home, and the use of the cafeteria has declined. However, we have found a new way to continue contributing to TFT, while encouraging employees to interact with each other and maintain their health at the same time.

In this new program, for each employee who walks at least 8,000 steps in a day, the Company donates one meal (20 yen). When we introduced this program in 2020, about 2,000 employees participated. In 2022, a total of 6,009 employees participated the program in May and October and we were able to donate 1,858,860 yen to TFT. As an added benefit, this program helped to build team spirit and interaction between colleagues, while also improving employee awareness and attitudes toward social contribution.

### Feedback from employees on the walking challenge program





- 77% reported that volunteering changed in their behavior such as increased volunteering or being more vocal advocate of the company.
- 64% reported that volunteering changed their personal impact such as self-confidence, job satisfaction and pride in the company.
- 63% reported that volunteering improved their job-related competencies such as communications, teamwork or leadership skills.

## Related links

People

Human  
resources

Health, safety,  
and well-being of  
employees

Improving our  
social impact