



MODERN SLAVERY ACT STATEMENT



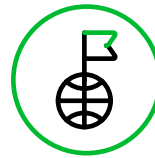
1 January – 31 December
2025

Our Business and Supply Chain

JTI UK is an indirect subsidiary of Japan Tobacco Inc. (JT), which is listed on the Tokyo Stock Exchange (TSE: 2914), and forms part of Japan Tobacco International (JTI), which is a leading international tobacco company (wholly owned by JT) and a major player in the e-cigarette, heated tobacco and nicotine-containing pouches categories, with offices and factories in more than 70 countries and products sold in more than 130 countries. JTI employs over 46,000 people globally and owns 39 factories.

JTI UK has its head office in London and employs around 580 people. Our employees work in a wide range of roles and environments in UK. JTI UK acts as the sole distributor of tobacco, heated tobacco, e-cigarette and nicotine-containing pouches products in the UK for JTI. The tobacco products and heated tobacco sticks which JTI UK distributes are manufactured in JTI owned factories including those in Romania and Poland. The e-cigarette devices, e-liquids and ancillary products which JTI UK distributes are manufactured in China. The nicotine-containing pouches are produced in Sweden and Poland. The heated tobacco devices which JTI UK distributes are manufactured in China.

JTI UK's supply chain forms part of and leverages the global JTI supply chain network. Further information about JTI's tobacco leaf supply, processing and manufacturing, as well as our approach to human rights and labour practices in our business, can be found on the "[Our Tobacco Products](#)", "[Our Reduced-Risk Products](#)" and "[Sustainability](#)" pages of jti.com and our [JT Group Integrated Report](#).



Our global supply chain has three categories of suppliers:

- 1. Tobacco leaf**
- 2. Non-tobacco materials, other products and services**
- 3. Reduced-risk products**

For each category, we have a clear set of standards in place to ensure that we are working with suppliers who adhere to the same high ethical standards that we do.



1. Tobacco leaf supply chain

Tobacco leaf sourcing is a key part of our supply chain. We have been working closely with our directly contracted tobacco leaf growers and third-party leaf merchants to build security of supply and enhance leaf provenance.

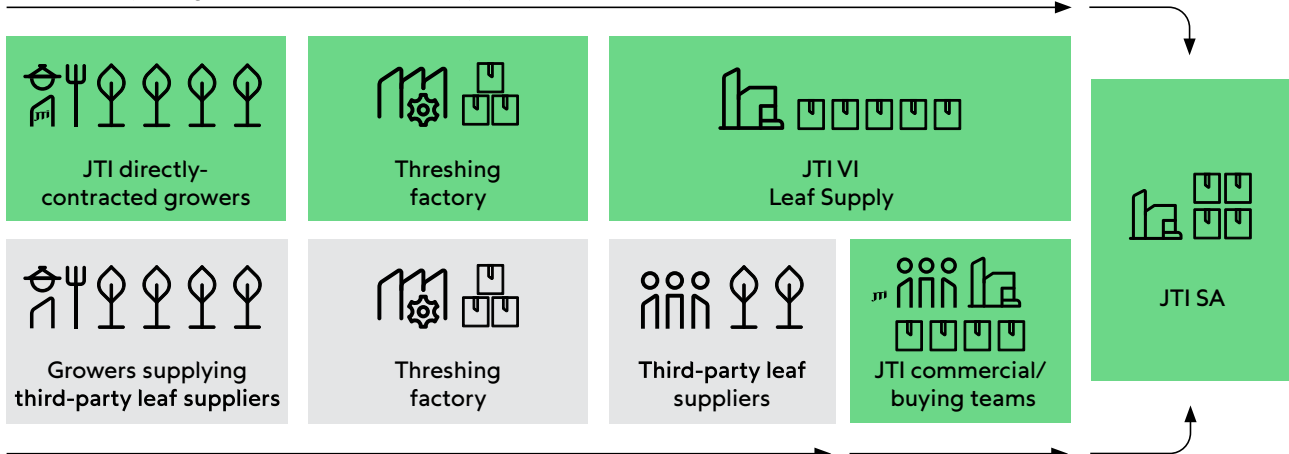
We procure approximately half of our planned tobacco leaf requirements through direct contracts with growers and the remaining half from third-party leaf merchants. Although we source leaf from more than 28 countries, the vast majority still comes from eight key global suppliers. In 2025, we worked with more than 70,000 directly-contracted tobacco leaf growers in Bangladesh, Brazil, Ethiopia, Japan, Malawi, Serbia, Tanzania, Turkey, the US, and Zambia.

Our direct contracting model provides a high level of traceability and verifiable provenance, as it establishes a direct relationship with growers and enables structured oversight of agricultural, social, and environmental practices. This approach allows us to monitor sourcing conditions closely and to maintain clear visibility over the origin of the tobacco leaf at farm level. In addition to direct sourcing, third-party leaf merchants represent a key component of our supply chain. We prioritise working with merchants that operate transparent and efficient supply chains. In the vast majority

of cases, our leaf merchants source tobacco leaf directly from contracted growers, meaning that a direct contractual relationship exists between the merchant and the grower. This structure enhances transparency and accountability and supports clear traceability of the leaf’s origin, including its environmental and social footprint. Growers engaged by leaf merchants also typically receive guidance on crop management and good labour practices.

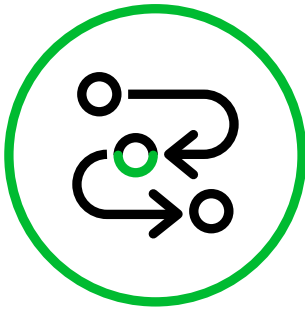
In some countries, leaf can be sourced in a different way, for example in India at auction. This can make it challenging to determine the provenance of the leaf and implement Agricultural Labour Practices. In these cases, we work with the leaf merchants and other stakeholders to find a way to implement a robust and relevant supply chain due diligence process.

JTI vertically-integrated tobacco leaf supply



Third-party tobacco leaf supply

JTI process
 Third-party supply process



2. Non-tobacco materials, other products and services supply chain

We partner with over 25,000 suppliers for non-tobacco materials, and other products and services. Supplier certification (the process is elaborated on later on in this report) is a key part of our supply chain management as it helps ensure we know who we are working with. Our suppliers' risk management and procurement system centre, ATAI, covers both supplier information management and supplier screening. Non-tobacco suppliers are subject to our Supplier Screening process.

3. Reduced-risk products supply chain

The electronic devices in the RRP category are designed and developed by our R&D teams, and are produced by third-party contract manufacturing companies, in collaboration with our RRP sourcing team.

Given the technological innovation necessary for the development and manufacturing of these products, our teams work in close collaboration with our contract manufacturers to build a resilient supply chain while integrating sustainability into sourcing decisions.

Governance

We have built a governance structure to ensure firm oversight of the JT Group Human Rights Policy and JTI Human Rights Commitment by our management.



At the same time, a broad network of actors directly leads its implementation. While the JT Group Board of Directors and JT Group CEO are accountable for the strategy, governance, and reporting of adherence to the JT Group Human Rights Policy, the JTI CEO has approved of the JTI Human Rights Commitment, with the JTI CFO upholding executive ownership. The Corporate Sustainability and Leaf Global Supply Chain teams own the human rights strategy and its targets and are accountable for the implementation of the due diligence programme.

At the country level, General Managers and Factory Leads are accountable, while Local Human Rights Liaisons under Legal teams are responsible for coordinating the implementation of the action resulting from human rights assessments. Local Supply Chain Due Diligence Committees are responsible for overseeing the development and implementation of country-level strategy and policies on sustainability, including advancing the respect for human rights.

For more details: [Governance](#)

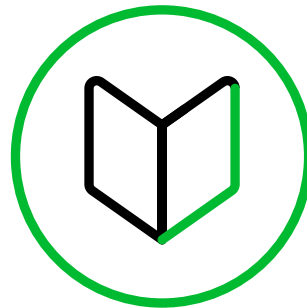
Policies and Procedures

JTI UK is committed to maintaining consistently high business and ethical standards and respecting all human rights. As such, freedom from modern slavery is an integral part of the way in which we conduct our business. These standards, and our commitment to human rights are laid out in our policies. They apply to every individual working for or on behalf of JTI UK, including all the companies within JTI.

Our policies are regularly reviewed and updated to ensure they continue to meet the high expectations we have for our business. In order to ensure the highest levels of sustainability and integrity across the supply chain, all our suppliers are required to comply with our **JT Group Supplier Standards**. We select suppliers based on quality, service, and cost. This is reflected in our **JT Group Responsible Procurement Policy**.

Our contracted leaf growers and merchants are also subject to the **JT Group Principles in Leaf Tobacco Production**. Although we work with many different suppliers, our leaf Supply Chain Due Diligence process provides us with a 360° view of the entire supply chain at farm level. This process includes:

- Supply Chain Impact Assessments
- **Agricultural Labour Practices (ALP)** programme
- **ARISE** (Achieving Reduction of Child Labour in Support of Education) programme
- Grower Support Programmes
- Working with the Eliminating Child Labour in Tobacco-Growing (ECLT) Foundation



JT Group Human Rights Policy

Our JT Group Human Rights Policy follows the framework provided by the UN Guiding Principles on Business and Human Rights

(UNGPs) to monitor, influence, and improve business practices within our own operations and those of our suppliers and partners. This means acting with due diligence to avoid infringing on the rights of others and addressing the adverse impacts of our global operations. We not only have a responsibility to respect human rights we also have the ability to advance and promote these rights in all the areas we operate.

JTI Code of Conduct

Our **JTI Code of Conduct** ensures that we conduct business ethically and are a responsible corporate citizen. The Code provides guidance to employees to uphold a culture of integrity in all that we do. Our Code of Conduct applies to all individuals worldwide in an employment relationship with any JTI entity, as well as external staff, such as temporary personnel, even if not employed directly by JTI.

“Our Code of Conduct lights the way, helping us live up to our shared standards and rest easy knowing we did the right thing each day.”

Eddy Pirard, JTI’s President and CEO

Our Code of Conduct is a digital, easy-to-read document, including a decision-making guide to assist employees in making the right choices. It is available in 42 languages, and we provided printed booklets for those with limited internet access. To ensure that our Code of Conduct is communicated effectively throughout the entire organisation, we run various communication campaigns, initiatives and training courses for all employees. We also use an interactive Code of Conduct video in multiple languages to guide our employees to make the right choices.

JTI Supplier Standards

JTI aims to achieve high standards of integrity across its business operations and its supply chain. Our supplier standards (**JTI Supplier Standards**) define the requirements for suppliers providing goods and services to JTI. We require suppliers to comply with the JTI Supplier Standards and to also ensure that their suppliers involved in providing goods and services to JTI comply with the JTI Supplier Standards. We expect suppliers (and their suppliers) to have policies, employee communications, due diligence processes and control systems to implement these standards within their business operations and supply chains.

Human rights and labour standards are integrated into the JTI Supplier Standards. We typically require our suppliers and other business partners worldwide to respect child rights by adopting and maintaining internationally recognised labour standards on child labour. Those requirements are embedded in the JT Group Human Rights Policy, the ALP and JTI Supplier Standards, which are included into our contracts and communicated to our business partners. We regularly inform our suppliers about up-to-date information on the supply chain related policies and expectations; as an example, in 2025, all JTI leaf merchants were formally notified about the latest 2025 JTI Supplier Standards and required to comply with this new edition of the standards.

Since 2021, JTI UK includes sustainability in our tender process as one of the criteria we use to decide which goods and services we procure and which suppliers we work with. This supports the UK Market ambition to become more sustainable in all that we do. Tenders also include questions on Human Rights, about areas such as good employment practice and the key steps organisations are taking to mitigate modern slavery risks in their operations and supply chains.

Supplier Screening Process

Supplier certification

Supplier certification is a key part of our supply chain management with both directly contracted farmers and leaf merchants, as it helps ensure we know who we are working with. As mentioned above, our suppliers' risk management and procurement system centre, ATAI, covers both supplier information management and supplier screening.

Non-tobacco materials, other products, and services and Reduced Risk Products

Non-tobacco suppliers are subject to our Supplier Screening process, through this process we aim to ensure that we apply enhanced due diligence.

Before entering a commercial relationship, our suppliers go through an onboarding process where they are requested to comply with the JTI Supplier Standards and are screened for economic sanctions. In addition, our key suppliers have a questionnaire and certification process. As part of the certification process, we conduct an appropriate due diligence on our business partners to help ensure the level of compliance checks and controls are proportionate to the potential risk of a business partner. This process allows us to learn more about the supplier and understand gaps versus our standards. In particular, it highlights potential risks relating to compliance, human rights, including child labour, environment, and health and safety. If risks are identified through this process, we offer support and collaboration on how to mitigate the risks and make necessary improvements. Our key suppliers are actively continuously monitored for change of risk over time.

When selecting global indirect suppliers, we also consider their ESG performance as part of their scorecard. We review our procurement practices through annual reviews of strategic/critical suppliers for risk and ESG impact, with improvement plans being implemented where remediation is required.

In 2023, building on the efforts made to reach the supplier screening target which aimed to screen all key suppliers against ESG criteria, we strengthened our ESG risk management process for non-tobacco materials, other products, and services. The objective was to ensure business continuity by managing ESG risks for

all our critical suppliers. In 2025, we continued to evaluate the sustainability performance of the suppliers in scope using a global leading sustainability rating platform which provides an assessment based on four main criteria: environment, labour and human rights, ethics and sustainable procurement. We review the results of this monitoring, and take follow-up actions, including on-site audits, when required, and document the entire process.



The devices in our Reduced-Risk Products portfolio belong to the electronics industry which is known for its multiple and complex challenges, ranging from unpredictable economic changes and supply chain disruptions to lack of transparency and various labour and environmental risks. To best address those risks, we have become a member of the **Responsible Business Alliance** ("RBA"), the world's largest industry coalition dedicated to responsible business conduct in global supply chains. We commit to the **RBA Code of Conduct** which prohibits child labour throughout the manufacturing process. We leverage the standards and tools developed by RBA, in particular the **Validated Assessment Program** ("VAP") as the industry's recognised tool for onsite verification and effective independent third-party audits. Further to the requirements set in our Business Partner Standards, we require all our suppliers manufacturing our devices to undergo audits under VAP and put in place a corrective action plan to address the identified non-conformances. The most recent audits at our suppliers' sites have not identified non-conformances pertaining to child labour.

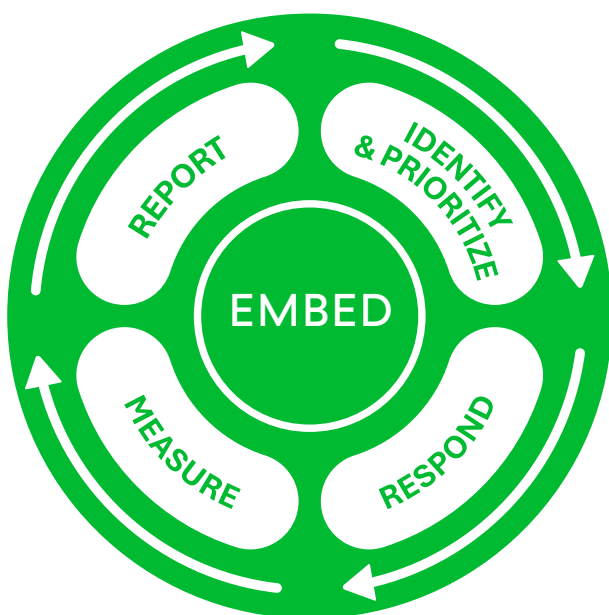
Risk Management

We operate in vastly varied environments around the world, including, inevitably, in some territories where human rights are at risk. JTI does not tolerate modern slavery in any of its forms – such as forced labour, slavery, servitude and human trafficking and is committed to tackling it through a range of initiatives including our global human rights programme.

Our human rights approach is based on five pillars: Embed, Identify & Prioritise, Respond, Measure, and Report. This circular due diligence model is in line with the UNGPs, the Organisation for Economic Co-operation and Development (OECD) guidelines, and the UN's Food and Agriculture Organisation (FAO) guidance on responsible agricultural supply chains.

This approach provides a consistent, efficient and systematic way of conducting due diligence to prevent, mitigate and remedy any adverse impacts on human rights based on our own activities and connected to us through our business relations.

In addition, we continue to conduct ongoing risk analysis and mapping in relation to the supply chain of our portfolio of e-cigarette and e-liquid products. Our commitment to human rights is also reflected in our **JT Group Human Rights Policy** and **Governance** and reinforced in both the **JTI Code of Conduct** and our **Reporting Concerns Mechanism**.



1. Embed
2. Identify and prioritise
3. Respond
4. Measure
5. Communicate and report

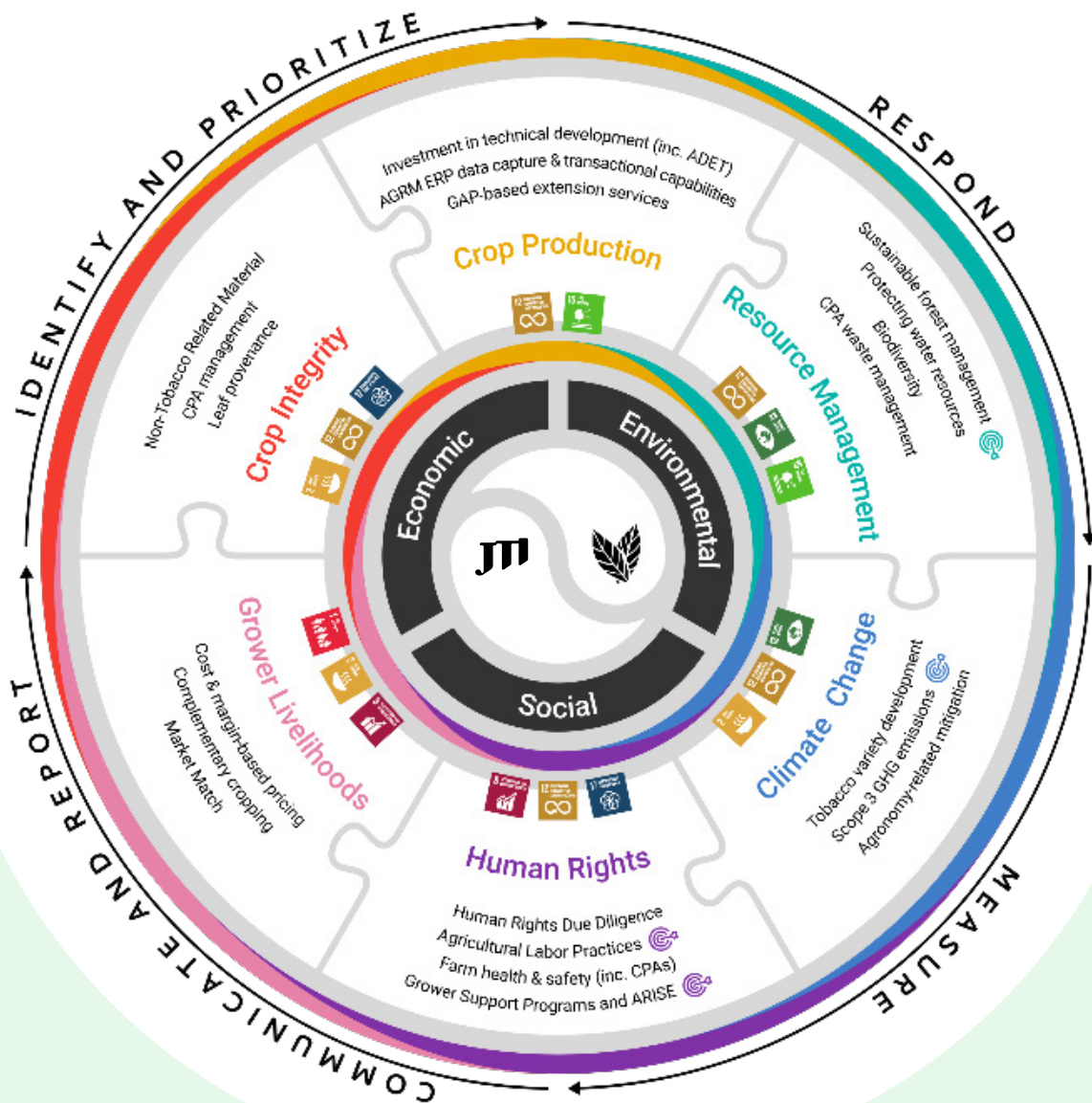
Leaf Supply Chain Due Diligence

Our Leaf Supply Chain Due Diligence (“SCDD”) process is also based on a five-step framework:

Identify, Prioritise, Respond, Measure, Communicate and Report on respect for human rights. Together with our Agricultural Labour Practices programme, the SCDD helps us identify and address issues on tobacco farms on a daily basis.

The SCDD is a continuous process spanning one crop season to another using various tools such as LifeCycle Assessments, Supply Chain Impact Assessments, and Self-Assessments under the Sustainable Tobacco Programme umbrella.

The SCDD process aims to follow the OECD and Food and Agriculture Organisation Guidance for Responsible Agricultural Supply Chains, the OECD Guidelines for Multinational Enterprises, as well as rules and principles of the ILO (International Labour Organisation) Fundamental Conventions and the UNGPs.



Supply Chain Impact Assessments provide a comprehensive understanding of the human rights impacts within one specific part of our value chain (our tobacco supply chain) business and the challenges that tobacco growers face in their communities.

In-depth Assessments are similar to our Supply Chain Impact Assessments, yet they are conducted under the umbrella of the industry-wide **Sustainable Tobacco Programme**.

Living Income Baseline Assessments: In 2025, we achieved full implementation of our Living Income Calculator across all direct tobacco leaf supply chain origins, fulfilling the target we set ourselves in 2023.

Using the Living Income Calculator and baseline assessments, we assess potential living income gaps across our direct supply chain each year. These insights help us understand the drivers affecting growers' livelihoods and prioritise support where it is needed most. Rather than applying one-size-fits-all solutions, we tailor grower support programmes to the gaps identified, ensuring actions are relevant, respectful, and responsive to growers' needs and aspirations.

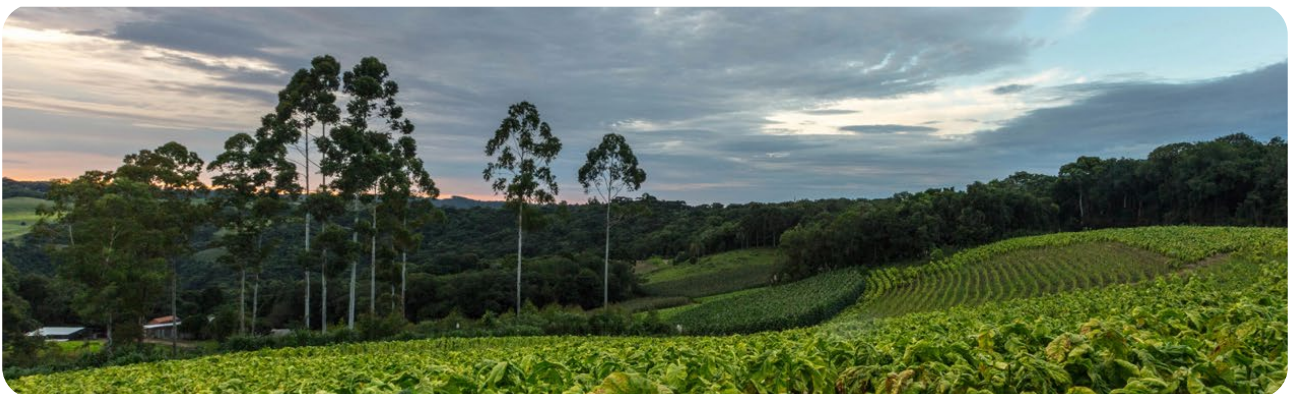


Agricultural Labour Practices

Our Agricultural Labour Practices ("ALP") are standards based on the ILO Core Conventions and related recommendations. They consist of three pillars: Ending child labour, Respecting the rights of workers, and Driving workplace health and safety.

As part of our continuous improvement approach, the ALP programme aims to allow us and our suppliers to identify potential labour challenges on tobacco farms and help improve labour practices. This is an integral part of the SCDD process and also contributes to the social aspects of grower communities and supports sustainable agriculture overall. Adherence to the ALP minimum standards at farm level should be monitored continuously through observation by Agronomy Technicians and/or others who visit farms.

For more information please see the standard: **Agricultural Labour Practices Standard**

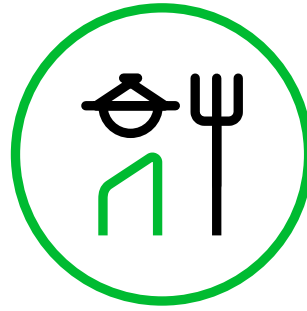


JTI Critical Issues Framework

JTI operates a farm visitation programme across all origins where tobacco is sourced from directly contracted growers. The programme is implemented by JTI's vertically integrated origins and incorporates ALP monitoring as an integral component.

In line with the SCDD cycle, any observation identified by an agronomy technician during a farm visit triggers the response phase. The nature of the response is determined by the type and severity of the observation.

In this regard, the updated JTI ALP standard has been published in 2025, including the Critical Issue Framework.



A Critical Issue is defined by JTI as any incident or circumstance that presents an immediate threat to life, liberty, or limb. Besides an Extreme Breaches procedure that has been in place for many years, this Framework includes Prompt Action Issues.

A Prompt Action arises wherever there is an immediate or prolonged risk to life or limb of an individual or group, due to ignorance or malpractice by them or by others. An immediate action should be taken to ensure the person(s) at risk are made safe without delay.

An Extreme Breach arises wherever there is a severe risk to life, liberty, or limb due to purposeful actions or exploitation by other(s).

Forced labour and human trafficking are some of the most serious Extreme Breaches of ALP. JTI teams on the ground are expected to understand the variety of indicators (or "clues") that signify potential forced labour or human trafficking, and to monitor them in a way that highlights where two or more indicators combine to point to a situation of potential forced labour and/or human trafficking. Extreme Breaches may also include hazardous work by children.



Human rights due diligence process

Guided by the UN Guiding Principles, we've made human rights due diligence a core part of our business, as outlined in our JT Group Human Rights Policy and JTI Human Rights Commitment. This process helps us spot and evaluate real and potential risks, drawing on our human rights impact assessments to prevent harm and uphold top standards across our operations and value chain.

Every 3 years, in line with our continuous due diligence approach, we carry a review of our high-risk markets to ensure we focus our efforts where the risk for potential human rights risks is higher. Previous criteria included the number and type of JTI operations in each country, historical data on human rights cases in our operational grievance mechanism or Agricultural Labour Practices programme, the health and safety performance of JTI operations in each country, and our salient issues. In our most recent review, we have added additional categories such as gender split to the methodology. This continuous improvement approach to the process over the years gives a more accurate picture of potential risks in each country.

Human Rights Impact Assessments (HRIAs) are conducted to identify and assess actual and potential human rights risks. The assessments focus on the greatest risk to people across our core operations and value streams, involving site visits to farming, processing, manufacturing, and sales operations, plus interviews with employees, workers, and reps from suppliers, clients, and partners. Afterward, we share findings and improvement recommendations with local management, collaborating with our head office to tackle issues and enhance conditions. As a result, we aim to address the identified risks to the rights-holders, meet our stakeholder expectations on respecting human rights, and mitigate against the overall risks to people and the business.

We have conducted 13 human rights impact assessments across our entire value chain, in: Bangladesh, Dominican Republic, Egypt, Ethiopia, Indonesia, Kazakhstan, Kyrgyzstan, Malaysia, Mexico, Myanmar, Poland, Tanzania and Turkey, alongside Japan and Switzerland.

Our approach to prioritising countries for on-site assessments is based on a context risk evaluation. Human rights impact assessments are conducted in countries where the greatest risks to people may lie, where human rights may be weakly enforced or violated, and where JTI's operational footprint is most significant.

Read more about the assessment's key findings and how we are addressing in our website:

[JTI Human Rights Assessments](#).

Self-assessment questionnaires follow the same methodology as our Human Rights Impact Assessments, and this smartly designed survey targets our lower-ranked high-risk countries that have not been prioritised for Human Rights Impact Assessments in the short term. During the COVID-19 pandemic, the self-assessment questionnaire became a valuable tool for conducting remote human rights due diligence, and we are continuing to apply it for our medium-risk countries. So far, we have conducted 18 self-assessment questionnaires across our value chain.



Risk Management of JTG salient human rights

To strengthen the focus of our policies and programmes on human rights areas that matter most, it is crucial to have an understanding of our respective salient human rights issues. Salient

human rights issues are the human rights at risk of the most severe negative impact through the Company's activities and business relationships.

In 2023, we identified ten salient issues:

1. Child labour
2. Conflict minerals
3. Diversity, equity & inclusion
4. Gender impact
5. Health risk
6. Living income & wage
7. Modern slavery
8. Nature & climate change
9. Workplace health & safety
10. Working hours

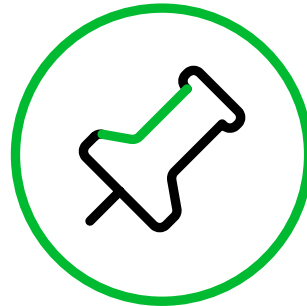
You can read more about our human rights salient issues [here](#).

Identifying Salient Issues

The salience assessment focused on severity and likelihood of impacts, in line with the UN Guiding Principles on Business and Human Rights. First, we identified the full range of human rights that could potentially be negatively affected by our activities or through our business relationships. We then prioritised potential negative impacts using a severity and likelihood framework.

Assessing Severity

The severity of human rights impacts was assessed by the scale, scope, and remediability of the impacts – which means how serious the impact would be, how widespread the impact would be, and how hard it would be to put right the resulting harm. Using this framework, we identified the severity of each issue using a scoring system for risk mapping.



Assessing Likelihood

In assessing the likelihood of human rights issues in our value chain, the following steps were taken. We analysed the operations of our entire value chain (in over 130 countries) across five categories: Leaf sourcing, Processing, Manufacturing, Office, and Sales and Marketing. We determined a magnitude of risk for each operational category in each country. We then quantified each risk using environmental and social country indices published by a leading global risk analytics company and using country indices published by international organisations.

Mapping Risk

In a consolidated risk map, ten issues of high severity and high likelihood were finally identified as salient.

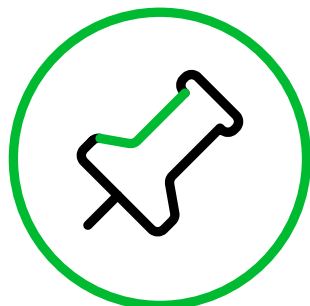
We have identified the areas above as salient, and therefore prioritised. Yet while we currently prioritise the identified salient risks through focused efforts and collaborative engagements, the full scope of human rights risk is continuously managed through our human rights due diligence cycle and programme.

Child labour elimination framework

Our vision is to eliminate child labour in our global operations and supply chains. Child labour is an unacceptable practice that has no place in our supply chain. It is, however, a complex problem that requires a comprehensive and collaborative approach to solving it.

Our child labour elimination framework consists of a mission, commitment, and strategic levers to deliver on our vision. The ARISE programme plays a key role within this framework to prevent and remediate child labour risks identified in our supply chain.

Our child labour elimination framework reiterates our commitment to respect and support child rights, in accordance with the Convention on the Rights of the Child, the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, and relevant ILO Conventions such as Convention 138 on Minimum Age for Admission to Employment and Convention 182 on The Elimination of the Worst Forms of Child Labour. We base our approach on the internationally agreed definitions provided in these Conventions.



ARISE programme

In our tobacco growing communities, our flagship programme **ARISE** – Achieving Reduction of Child Labour in Support of Education – has been implemented to tackle child labour since 2012. Initially developed by us, the International Labour Organisation (ILO), and non-profit organisation Winrock International, ARISE aims to end child labour in communities where we source tobacco leaves. Today, ARISE continues to drive positive change by implementing robust solutions to prevent and address the root causes of child labour.

ARISE’s approach to eliminating child labour is anchored in two complementary pillars: prevention and response. Prevention remains the core of the programme, addressing root causes such as low awareness, limited access to schooling, economic pressures, and weak community protection systems. Through these area-based interventions, ARISE strengthens community capacity and reduces the likelihood of child labour.

In parallel, ARISE is formalising and scaling its response work through a global Child Labour Case Management System (“CLCMS”). In 2025, the Global CLCMS Framework and accompanying Guide were finalised to provide countries with structured, practical guidance on establishing, implementing, and monitoring the effectiveness of the system. The approach is designed to be adaptable, enabling each operating country to tailor implementation to its local social and cultural context.

The system ensures that identified cases receive timely and appropriate support, supported by clear identification processes, safe immediate actions, formal referral pathways, defined governance, and systematic documentation, and follow up. During 2026, we will be working on ongoing digitalisation of case management tools to enhance transparency and comparability across countries.

Today, as a result of ARISE, more than 66,800 children are enrolled in formal education, and we have assisted governments to develop more than 80 policies that support children thanks to more robust protection systems.

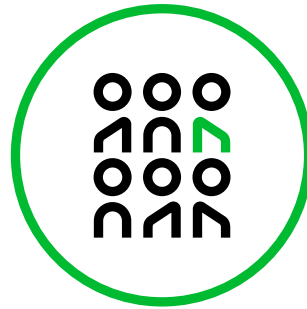
Development of our Risk Management Approach

We ensure robust governance to embed human rights across our global operations. Oversight of our policies involves the JT Group Board, CEOs, and local teams. External experts, advisory boards, and committees guide and refine our strategy.

Made up of international experts on business and human rights, the External Human Rights Advisory Board advises us on all issues that the members consider relevant for the implementation of our human rights strategy. The panel of experts guide us with their expertise and challenge us where they believe we need to improve, helping to strengthen our efforts to deliver on our human rights commitments.

We have implemented several key changes to our due diligence strategy based on the Advisory Board's expert guidance and recommendations. These changes included:

- Developing our new country-level prioritisation matrix, after the Board identified a need to add a "salient issues" lens to the prioritisation criteria
- Creating a smart self-assessment questionnaire as a means of engaging with more countries on human rights
- The Board supporting JTI in the approach to market assessments and action plans
- The Board advising JTI to continue pursuing a step-by-step approach in increasing human rights-related disclosure
- The Board supporting proper analytics tracking in the setting up of the human rights e-learning



An example to further improve our human rights due diligence work, we have enhanced the inclusion of human rights in our internal audit methodology. Our internal auditors receive guidance on how to further integrate human rights into their standard audit. Human rights elements are now integrated into the internal audit process, to ensure that we embed responsible business practices into the business and have an additional means to identify potential blind spots. Prior to a human rights impact assessment, Internal Audit share relevant human rights findings from their audits with our human rights team, which helps create a more targeted and effective impact assessment.

Supply Chain Due Diligence (SCDD) and Action Taken

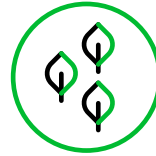
Supply Chain Impact Assessments (SCIAs)

To date, we have conducted eleven supply chain impact assessments. As detailed above, the assessments provide a comprehensive understanding of the human rights impacts within our tobacco supply chain and tobacco growing business, and the challenges that tobacco growers face in their communities.

Since 2022, as also detailed above, we have also initiated similar in-depth assessments with the same goal under the umbrella of the industry-wide Sustainable Tobacco Programme.

Our sourcing base changes from year to year due to new acquisitions or closures, demand to supply impact, and climate change. In spite of these changes, we have made strong recent progress:

In Indonesia, for the first time, the SCIA included our third-party clove suppliers as well as tobacco suppliers. In 2023, we completed the final report and action plans by third-party suppliers relating to our participation in November 2022 in an industry-wide workshop in Surabaya, Indonesia, to map opportunities for collaboration. Representatives from the ECLT (Eliminating Child Labour in Tobacco Growing) Foundation also took part in the meeting.



We are proud to have fully implemented our Agricultural Labour Practices (ALP) programme in all sourcing countries with direct contracting systems in 2025, enhancing workers' rights and safety. This achievement reflects our commitment to proactively manage sustainability risks and sustainable farming practices.

As part of our continuous improvement approach and as referenced above, the ALP programme aims to allow us and our suppliers to identify potential labour challenges on tobacco farms and help improve labour practices. This is an integral part of the SCDD process and also contributes to the social aspects of grower communities and supports sustainable agriculture overall.



The Sustainable Tobacco Programme (STP)

To help ensure a streamlined and consistent approach, we continuously map synergies between our SCDD process and the ALP programme with the **Sustainable Tobacco Programme (STP)**, an industry-wide platform enabling businesses to collaborate on human rights (including child labour when dealing with third-party suppliers e.g. leaf merchants), environmental issues, and other sustainability challenges, and to drive sustainable agriculture through a continuous improvement process.

Leaf merchants are expected to submit annual reports in relation to human and labour rights and wider due diligence progress, in the SCDD report and industry wide STP self-assessments questionnaires.

Depending on the risks and priorities, we (individually or with other STP member companies) conduct in-depth assessments on the ground versus key ESG priorities and suppliers are required to implement action plans to prevent and mitigate the effects of child labour based on the findings. Progress vs action plans is periodically updated by leaf merchants and submitted to STP.

Since 2019, we have been working with other manufacturers, leaf merchants, external experts, and various organisations and service providers to further develop STP. Participants work together on eight themes, including Human and Labour Rights.

All our tobacco leaf merchants and vertically-integrated origins are expected to submit STP self-assessments for each crop season. These assessments cover all eight of the STP's themes:

1. Water
2. Human and Labour Rights
3. Livelihoods
4. Climate Change
5. Soil Health
6. Crop
7. Natural Habitats
8. Governance

The countries and themes for the assessments are selected following a risk matrix.

In 2025, JTI participated in 7 focused in-country assessments. For those assessment that were completed, depending on the findings, action plans were shared by leaf merchants. Action plans based on the assessments are required to be developed

and their progress is monitored. In country assessments are executed by independent service providers, that are selected for each country through a separate process.

In last year's report, we addressed a specific instance of child labour discovered on a leaf merchant's tobacco farm after an STP in-depth assessment, describing the process followed. We had then notified the responsible party of our findings, emphasising the need to adhere to internationally recognised human rights standards including prohibitions on child labour. The leaf merchant had initiated and established corrective actions by preparing and sharing with us and the STP Secretariat, a formal action plan, detailing steps including campaign programmes to eliminate and prevent the use of child labour in their operations. Specific care had been put into consideration to avoid negative impacts of corrective actions on rights holders. This leaf merchant was not part of the UK business' supply chain.

Throughout 2025 we continued constructive dialogue with the leaf merchant concerned. The dialogue included sharing of their policies, regular action plan updates and evidence focusing, amongst other priorities, on full compliance with zero tolerance for child labour. The leaf merchant has also established a website where they communicate their social and environmental commitments to broader public.

We continue working individually and via STP with the supplier on this subject matter. Follow-up field assessment via independent assessors is scheduled for 2026 to ensure the continued effectiveness of their measures.

The STP secretariat is continuously improving risk assessments, both at country and leaf merchant level. This will enable smart use of data and support the dialogue for improvement of JTI's supply chain due diligence process and pre-competitive industry collaboration.

ECLT Foundation

We work collaboratively alongside other major tobacco companies, suppliers, the International Tobacco Growers' Association and the ILO as part of the **Eliminating Child Labour in Tobacco-Growing ("ECLT") Foundation**.

The ECLT Foundation is an independent Swiss not-for profit organisation whose mission is to promote the elimination of child labour in agricultural communities, including in the tobacco-growing sector. Multi-stakeholder initiatives ("MSIs") such as the ECLT are essential to bringing together governments, companies, and civil society to collaboratively eliminate child labour in agriculture, including in tobacco growing. By combining voluntary measures with mandatory policies, MSIs drive the transformative action needed to end child labour.

The ECLT Foundation works to catalyse the power of States, business and communities in collective action to eliminate all forms of child labour in agriculture. The ECLT Foundation engages with States because gaps in governance, such as lack of quality education and inadequate social protection are often central causes of child labour. Effective engagement and collaboration with the State is essential for our efforts to make a positive difference in the fight against child labour.



The second pillar of the ECLT Foundation's work involves supporting business to eliminate child labour. It supports JTI and its other member companies in terms of skills transfer, scaling up of action and projects like the roll out of child labour case management systems. Finally, the ECLT Foundation works at community level: promoting education, encouraging savings, and piloting new approaches to improve farmer incomes and livelihoods.

A strong example of ECLT Foundation's successful work in 2025 comes from Mozambique and Tanzania where the Foundation delivered technical assistance and support to the two governments to carry out tripartite review and update of their national lists of hazardous work for children. These lists, mandated under ILO Convention 182 on the Worst Forms of Child Labour, define the specific tasks across economic sectors, including tobacco, that are prohibited for children because they pose risks to health, safety, or moral development. Periodic review is not optional; it is a binding obligation for ratifying States. Results from this work include:

- Two national lists of hazardous tasks reviewed and updated (Mozambique and Tanzania)
- Full tripartite consultation processes facilitated in both countries
- Multi-stakeholder engagement convened, including: government ministries, workers' and employers' organisations, private sector actors, international organisations and civil society representatives, and
- Revised hazardous task lists finalised and currently in final stages of governmental approval.

Reporting Concerns Mechanism

We have an established grievance procedure in the UK to reflect the ACAS Code of Practice.

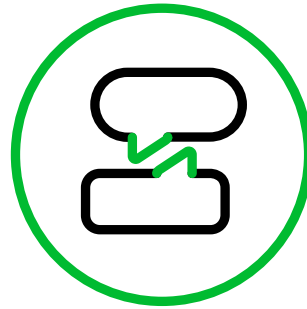
In addition, we have a global concerns reporting mechanism called Your Voice, established in 2008.

Your Voice is JTI's main mechanism for reporting concerns, which was again upgraded in 2024. Your Voice is accessible 24/7 worldwide, either via a secure **portal** run by an independent provider, in more than 75 languages with a computer or phone, or via the dedicated email address **onebehaviour@jti.com**

Every reported concern is recorded and treated confidentially. All substantiated instances of misconduct are addressed appropriately, and retaliation against anyone reporting a concern is not tolerated.

For the communities in our directly contracted supply chain, we are also putting in place a grower centric operational-level grievance mechanism that will be available in ten countries by 2027.

We believe that everyone should be able to raise concerns and have their voice heard, in their own language, and even if they do not have access to a Company computer or the Company network. That is why we ensure secure access to the reporting system for all of our employees and business partners at all times and from anywhere. Reporting concerns mechanisms play a critical role in opening channels for dialogue, problem solving, investigation, and, when required, providing remedy. They enable workers and other rights-holders to raise complaints freely and obtain effective resolutions. They can also help identify country-specific solutions and pre-emptive action.



Your Voice key principles:

- Concerns raised in good faith will be followed up and dealt with impartially and in confidence
- The identity of the reporting person is kept confidential and protected at all times
- Zero tolerance for retaliation

Human Rights Assessments - Our Key Findings and How We Address Them

JTI conducts Human Rights Assessments to identify and assess the nature and extent of actual and potential human rights risks. Below are examples of some of our key findings from some of the Assessments that took place between 2020 and 2025, and our responses.



Brazil, 2020

International tobacco business

Human rights category: Working hours

Human Rights Self-Assessment

Questionnaire: July 2020

Action Plan (resulting from assessment) launched: May 2021

Year of the closure of the Action Plan: 2023

FINDING: JTI Brazil did not specify its overtime policy directly in Employee Contracts. This was not a local legal requirement. There are, however, information resources to inform employees, and regular registration of overtime through various systems. Employees receive a monthly report where they can approve or reject potential overtime hours.

JTI BRAZIL HAS: published and communicated a detailed overtime guidance to employees in July 2021. This guidance outlines clearly to employees what the regulation is on overtime when it can take place, how employees are remunerated and that it must be voluntary, not mandatory. Employees have been proactively informed via a communication campaign.



Indonesia, 2024

International tobacco business

Human right categories:
Harassment & gender impact

Type of JTI Operations:
Factory, Office, Sales & Distribution

Year of Assessment: 2023

Year of the launch of the Action Plan: 2024

KEY FINDINGS: The necessity of establishing a taskforce dedicated to preventing sexual harassment, in compliance with local legislation.

JTI INDONESIA HAS: set up the Harassment Taskforce following national guidelines by MoM Decree 88/23 including the development of a prevention guideline that was communicated to all employees in the country through email and trainings.



China, 2024

International tobacco business

Human right categories: Youth Access Prevention / Responsible Marketing

Type of JTI Operations: Office

Year of Assessment: 2024

Year of the launch of the Action Plan: 2024

KEY FINDINGS: JTI China to implement enhanced training measures on JTI Marketing Principles for all its new hires and establish periodic refresher sessions with customer facing teams.

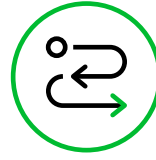
WHAT WE WILL DO: JTI China will implement formalised training protocols to ensure that annual refresher sessions for Sales staff are conducted systematically and consistently.

To read more about key findings and how we are addressing them, please see: [JTI Human Rights Assessments Map](#)

Stakeholder Engagement

We partner with internal and external stakeholders to create widespread change, investing in global and local collaborations to sustain our impact. Since 2002, as part of the ECLT Foundation Board, we've backed efforts to eliminate child labour, working with peers, the ITGA, and suppliers to build child-labour-free farming communities, while the Sustainable Tobacco Programme advances better practices and human rights standards.

In addition to what is detailed elsewhere in this report, we share insights with over 40 companies through the BSR Human Rights Working Group, and since 2017, our External Human Rights Advisory Board has shaped our strategy, including the JTI Human Rights Commitment. Internally, our teams drive progress by implementing action plans from due diligence in high-risk areas, focusing on employees, children, growers, suppliers, and vulnerable groups like women, migrants, and LGBTQI+ individuals.



Action Plans

To address our human rights issues, markets put in place their own customised corrective measures through human rights action plans. We also have global programmes that can be applied by the local markets to ensure a consistent approach across the Group.

We develop human rights action plans for each country that has undertaken an assessment, each with an agreed timeline. More than 30 Human Rights Champions were appointed within these countries, as part of a network. The responsibility of this network is to ensure that action plans are managed and implemented by each country, and respect for human rights is firmly established in the business.

The Human Rights Champions are selected by the local management, typically from departments where human rights risks are relevant. The Champions manage the implementation of the action plans locally, on top of their usual roles. Our head office provides the Champions with training materials on the UNGPs, as well as support with specific points within the action plans.

In 2024, we reviewed JTI's list of high-risk countries to ensure we prioritise our due diligence efforts adopting a risk-based approach in the countries which have the potential greatest risk to people.

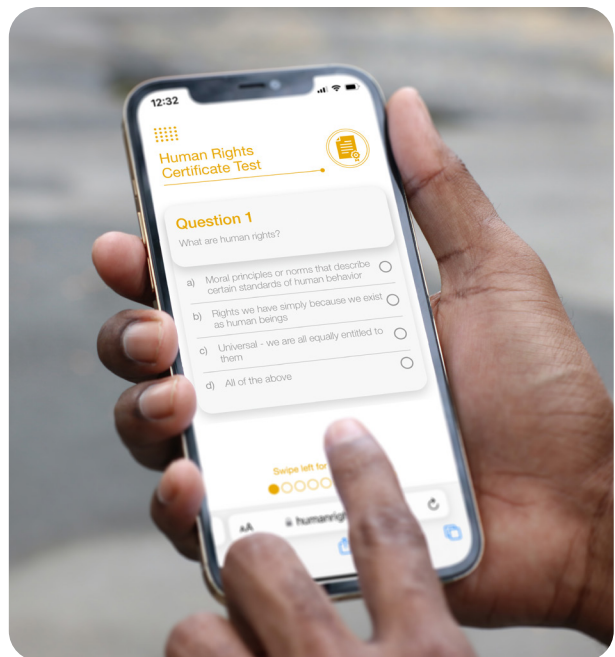
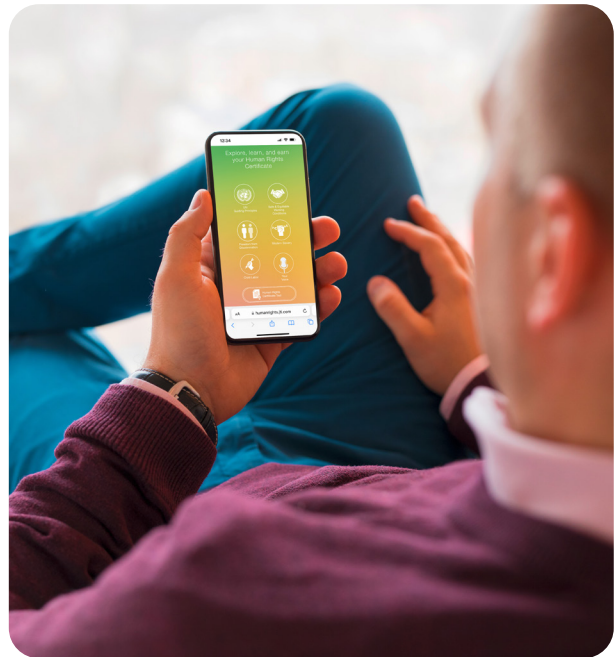
Employee Training and Awareness Raising

We are working hard to embed human rights thinking in our Company culture, and to improve employees' understanding of the human rights implications of business decisions. To do this, we provide regular training and continuously share information about human rights and the JT Group Human Rights Policy.



To create a global culture around equality, respect and human rights, we launched a company-wide human rights e-learning module. The platform was made accessible to all JTI employees via desktop and mobile and in 38 languages. The platform offers a new way of learning about human rights through dynamic and interactive bite-size content. The training helps to enable employees to spot human rights impacts and prevent abuses occurring in our workforce and supply chain, working to instil a better understanding of how these issues play out in practice, using practical everyday examples. One of the main modules was focused on modern slavery risks. We will continue to roll out this training programme to all our employees worldwide.

The JTI human rights e-learning portal allows users to take a modular approach to learning. Upon entry to the site, employees are presented with a dashboard hosting several modules focusing on our salient human rights issues. Within each of these modules are numerous sub-categories. Users can complete the modules in any order they like and will be able to drop into and out of modules and sub-categories, making for a more personal experience that caters to people's busy lifestyles. Rather than completing a lengthy training session in one sitting, employees can learn about human rights through bite-size content and gamification. This method is effective in improving engagement and promoting better retention of information.



Measuring Effectiveness

We are committed to continually measuring the effectiveness of, and improving where possible, our approach to respecting human rights and tackling modern slavery in all its forms. Since we started our HRIAs in 2018, we have been measuring the effectiveness of our Action Plans and activities implemented. See the examples of our findings and how we have been responding in [Our Key Findings and How We Address Them](#) above.

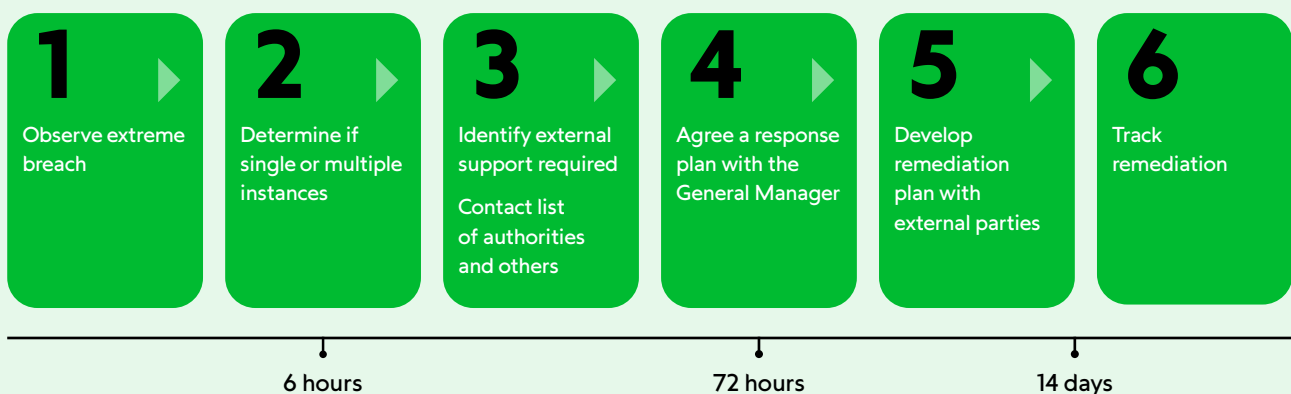
Each Action Plan we develop includes an individual set of key performance indicators to measure the effectiveness of our improvements over time. More broadly, as we expand our HRIAs globally, we will measure the overall effectiveness of our HRIA responses collectively.

There are various ways to measure the effectiveness of our responses in our leaf supply. One of them is the number of ALP issues which we may observe during subsequent crop cycles. In the case of modern slavery, should we observe what we call extreme breaches, which include the worst violations of workers' rights, such as slavery, forced labour, human trafficking, violence, or severe physical, mental, or sexual abuse, these will be tracked and addressed. These can be difficult for a tobacco leaf technician to identify, or to know how to address – especially if the issue is associated with criminal activity. Responding to extreme breaches therefore requires care and, in many cases, support from the police and/or other authorities or NGOs.

In 2025, we investigated potential extreme breaches that were recorded by our Agronomy Technicians in the JTI AgroMobility App (the application for data collection for the enterprise resource planning system). If cases are confirmed as an extreme breach swift corrective action follows. We expect suppliers to implement a management process setting out how they will respond to an extreme breach. These processes must incorporate three elements:

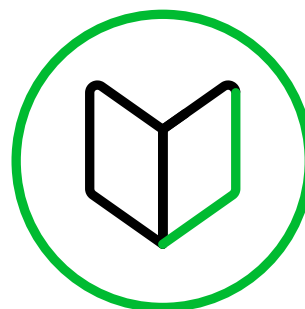
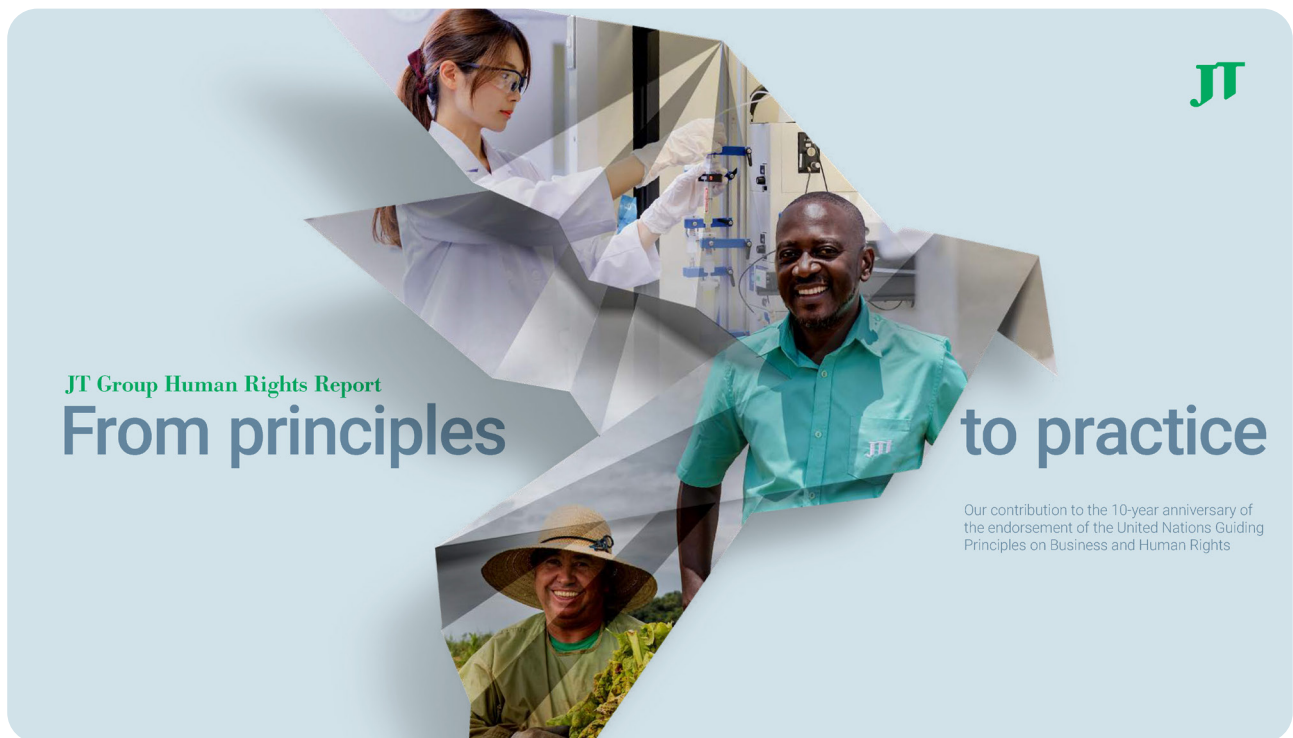
1. **Protection for the victim and rapporteur (the person who reports potential breaches);**
2. **A clear escalation route, timeline, and remediation plan; and**
3. **Access to specialist support for those involved.**

Example of an Extreme Breach management procedure



Reporting and Communicating

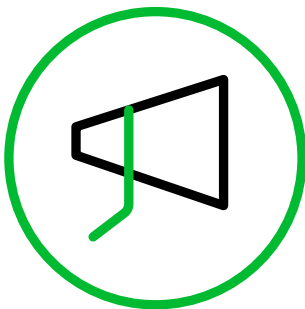
To coincide with the 10th anniversary of the United Nations Guiding Principles on Business and Human Rights, JTG published its first standalone **Human Rights Report** in 2021, which examined the potential human rights risks arising from our worldwide operations. The report identified our salient human rights issues, including child labour, environmental impacts, and fair wages, and the steps we are taking to remedy them.



Our **2025 JT Group Integrated Report** also communicates our approach to human rights in detail.

Shaping Tomorrow Today

Ensuring fairness, justice, and respect for human rights is non-negotiable. While we have made significant progress in our efforts to identify and eradicate modern slavery and other human rights impacts, we still have much work to do. We know the challenge remains significant, but we are fully committed to being a part of the solution to bring about sustainable development for all.



Our work to integrate the UNGPs into our business operations, identify and eradicate modern slavery and other human rights impacts is a continuing, collaborative and evolving process, and one which we are committed to achieve. Our work to respect human rights continues to evolve and adapt to the changing regulatory context within the countries where we operate. Our approach to human rights due diligence is ongoing, as the risks to human rights may change over time. We will continue to act where necessary and focus on our human rights salient issues.

In 2026, we will continue to focus our sustainability efforts on where we can have the greatest impact. We prioritise risk-based due diligence in countries based on a set of risk-based criteria in order to assess our most high-risk countries first. We will work to further embed our five-step due diligence cycle within our business as a management system and will continue to align our activities with the United Nations Guiding Principles on Business & Human Rights.

While we are driving change in our own business, we know many human rights challenges are systemic and cannot be solved by any one company alone. Multi stakeholder collaboration and dialogue with stakeholders are a central part of our human rights approach. Achieving widespread change across entire supply chains requires the work of many different organisations, so we collaborate with peer companies and expert organisations to help us identify and respond to human rights impacts. Through these platforms, we also call for industry and governments to collaborate and develop effective, systemic solutions that help address the root causes of child and forced labour.

This statement has been approved by the board of directors of JTI UK on 26th May 2026.

Stephane Berset, Managing Director

For and on behalf of JTI UK