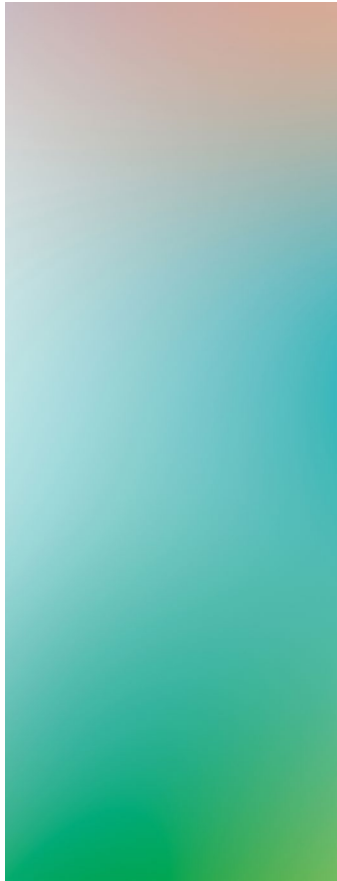


SUPPLIER STANDARDS



JTI AIMS TO ACHIEVE THE HIGHEST STANDARDS OF INTEGRITY ACROSS ITS BUSINESS OPERATIONS AND ITS SUPPLY CHAIN

1. Introduction

- 1.1. JTI aims to achieve the highest standards of integrity across its business operations and its supply chain. To meet this objective the cooperation of JTI suppliers is indispensable.
- 1.2. These Standards define the requirements for suppliers and their own suppliers providing products and services (e.g. software, technology or data) to JTI. Tobacco leaf growers are subject to the JTI Agricultural Labor Practices requirements.
- 1.3. In order to ensure JTI's suppliers business operations and supply chains compliance with these Standards, JTI expects suppliers to implement:
 - a) Policies and procedures,
 - b) Training and communication
 - c) Appropriate due diligence and monitoring.

These should be reasonable and proportionate to the nature, size and complexity of their business.

- 1.4. For identification purposes, Suppliers which are registered businesses will be requested to provide their D-U-N-S® number from Dun & Bradstreet or the following information:
 - a) Registered business name
 - b) Business registration number
 - c) Business legal structure
 - d) VAT and/or Income tax number
 - e) Registered company address

Suppliers need to provide the following bank details:

- a) Bank account holder name
- b) Bank account number
- c) Bank name and address

The bank account must be in the name of the supplier (or any of its affiliates) and the bank must be located in the country where the supplier (or any of its affiliates) is registered.

- 1.5. Key suppliers are required to complete a supplier certification as a pre-condition to doing business with JTI.
In addition, Key suppliers are required to provide the current names of significant owners with legal or beneficial ownership above 20%, or otherwise are in a position to exercise control over decision-making.

2. Compliance with laws, regulations and JTI Supplier Standards

- 2.1. Suppliers shall comply with all applicable laws and regulations.
- 2.2. Suppliers shall comply with these Standards.
- 2.3. Suppliers shall promptly report to JTI at onebehavior@jti.com if they are the subject of any investigations, inquiries, enforcement proceedings, or criminal offences by governmental agencies.

3. Anti-bribery and corruption

- 3.1. JTI will not tolerate any form of bribery or corruption, in any of its business activities. JTI expects suppliers to comply fully with this position as a condition of doing business with JTI.
- 3.2. Suppliers shall not offer or accept any form of bribe, or engage in any other activity which may constitute a breach of any anti-bribery and corruption laws applicable to suppliers or JTI. This includes the following:
 - a) Anything of value given to a person in return for a business advantage
 - b) Anything of value given to a person to reward/induce improper performance by that person
- 3.3. Suppliers shall not make facilitation payments. Facilitation payments are a form of bribery where a public official is given anything of value to perform (or speed up the performance of) an existing duty.
- 3.4. Exchange of excessive gifts, hospitality or entertainment could be considered a form of bribery if offered to gain or retain a business advantage. Suppliers shall not offer or accept any gifts, hospitality, or entertainment on behalf of JTI without JTI's prior written approval. In all circumstances, the purpose and value of the gifts, hospitality or entertainment must be appropriate, reasonable and proportionate.

4. Preventing financial crime

- 4.1. JTI will not tolerate any form of Financial Crimes, including tax evasion, facilitation of tax evasion, money laundering and terrorist financing. JTI expects suppliers to comply fully with this position as a condition of doing business with JTI.
- 4.2. Suppliers, including any person associated with the supplier (e.g. directors, employees, representatives, subcontractors or any other person supplying or acting for or on behalf of the supplier) shall not engage in any activity, practice or conduct which may constitute a breach of any applicable laws prohibiting Financial Crime.

5. Conflicts of interest

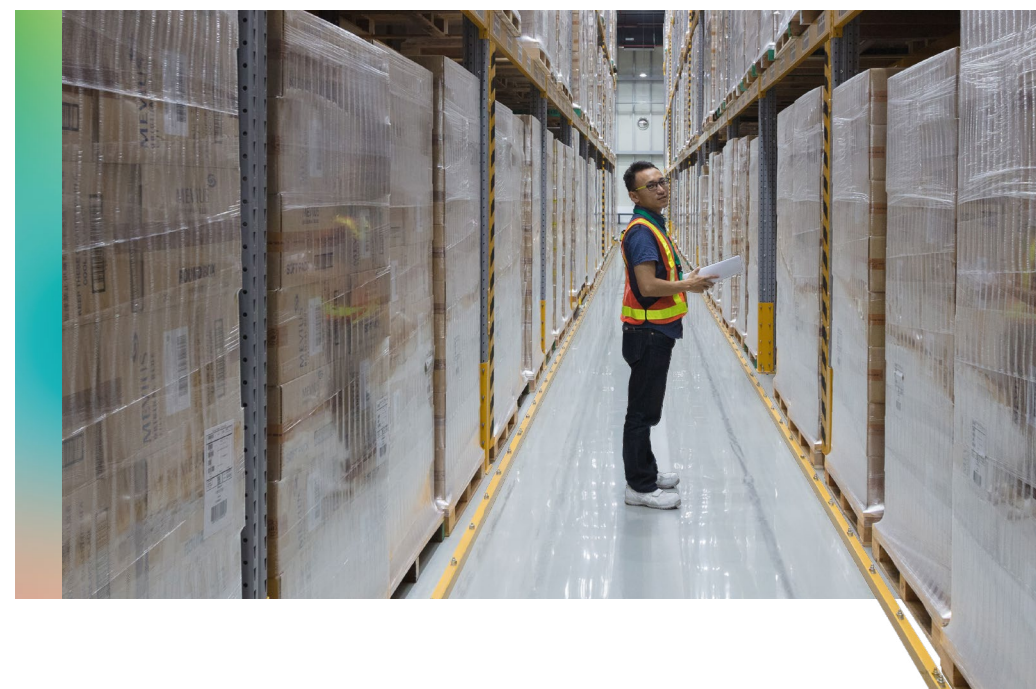
- 5.1. Suppliers must avoid any situation that could result in a conflict of interest with a JTI employee, i.e. avoid a situation where the JTI employee's business judgement or decision making is influenced by that business relationship.
- 5.2. Any actual or potential conflict of interest must be promptly reported to JTI at onebehavior@jti.com.

6. Economic sanctions

- 6.1. Suppliers shall ensure that they comply with all applicable economic sanctions.
- 6.2. In order to comply with economic sanctions, JTI will screen the supplier, and, as needed, its significant owners, against economic sanctions lists.

7. Export controls

- 7.1. Suppliers are responsible for obtaining and maintaining the relevant export licences and authorisations for products supplied to JTI.



8. Fighting illegal trade

- 8.1. JTI aims to prevent all forms of illegal trade in tobacco products including the illegal diversion of JTI brands into other markets, thereby securing our supply chain and expects suppliers to safeguard their business operations and supply chains against association with any form of illegal trade. This includes the illegal manufacture, import, export, purchase, storage, sale, diversion or possession of Tobacco, cigarettes and e-cigarettes in contravention of national or international legislation.

9. Responsible marketing

- 9.1. Suppliers retained to conduct tobacco products market research, marketing or promotional activities shall comply with JT's Global Marketing Principles.

10. Data Security & Data Privacy

- 10.1. JTI requires suppliers to protect personal data in compliance with all applicable privacy and data protection laws. Personal data provided by or on behalf of JTI should only be processed or otherwise used, accessed, and disclosed as permitted by and strictly in accordance with the contractual terms and conditions agreed with JTI.
- 10.2. JTI requires suppliers to have technical and operational measures in place to secure the confidentiality, integrity and availability of personal data.



11. Human rights

JTI is committed to conducting business consistently with internationally recognised human rights standards. Our suppliers play an important role in helping us to achieve this. These Supplier Standards ensure that we work only with suppliers who conduct their operations in a way that promotes respect for the fundamental human rights of their workers and of their subcontractors.

Suppliers shall ensure respect for internationally recognised human rights in their operations and supply chains.

Suppliers are encouraged to refer to the UN Guiding Principles on Business and Human Rights to develop policies and processes appropriate to their size and operating context, such as:

- A policy to meet their responsibility to respect human rights
- A due diligence process to identify, prevent, and mitigate risks related to human rights
- A grievance and remediation process to address concerns related to human rights breaches and provide remedy in case of harm to employees and other affected stakeholders
- Regular and transparent public reporting on such processes, identified impacts and actions taken

11.1. We expect our suppliers to commit to and comply with the following international labor standards adopted by the International Labour Organization (ILO), and to be diligent to enforce relevant prohibitions in their operations and supply chains:

- a) Forced Labor [contrary to ILO Conventions 29 and 105] is prohibited in all forms (including slavery, servitude, passport retention, recruitment fees, human trafficking and exploitation). Suppliers undertake not to source any supplies from providers using forced labor.
- b) Child Labor is prohibited. Suppliers must comply with ILO Convention 138 (minimum age of employment) and ILO Convention 182 (eliminating all forms of child labor), if local legislation does not impose more stringent requirements. Suppliers undertake not to source any supplies from providers using child labor.
- c) Suppliers shall treat their workers with dignity and respect and will not condone inappropriate behaviour by its employees including physical punishment, threats of violence, and sexual, psychological or verbal harassment.
- d) Suppliers shall provide a fair workplace with equality of opportunity [in accordance with ILO Conventions 100 and 111]. Suppliers shall not discriminate in hiring or employment, (including by way of wages, benefits, promotion, disciplinary measures, termination or retirement), on the basis of any protected characteristics such as race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, disability, political opinion, union membership, marital or familial status.

- e) Suppliers shall ensure that working hours and remuneration comply with local legislations and relevant international standards including ILO Conventions 1, 14, 95 and 132. Where local industry standards or international conventions are higher than applicable legal requirements, we expect suppliers to meet the standards most favourable to workers.
- f) Suppliers shall respect their employees' right to freedom of association and collective bargaining in ILO Conventions 87 and 98, without penalty or interference.
- g) Supplier shall respect Environment, Health and Safety requirements as set forth in this document.

12. Environment, Health & Safety

- 12.1. Suppliers shall ensure safe and healthy working conditions for their employees, suppliers and visitors.
- 12.2. Suppliers shall have in place policies and management systems that ensure that environmental, health and safety hazards and risks are identified and assessed, and either eliminated or appropriately managed.
 - a) Suppliers shall seek to optimize the use of resources, materials and utilities and to minimize waste, wastewater and air emissions.



13. Compliance review

- 13.1. JTI reserves the right to periodically review suppliers' compliance with these Standards. This may be carried out by JTI employees or third parties appointed by JTI.
- 13.2. Suppliers shall grant JTI or a third party appointed by JTI, upon reasonable notice, access to their premises, employees and relevant documentation to enable an effective review to take place.
- 13.3. Where shortfalls are identified, suppliers shall cooperate with JTI to agree on and implement timely and appropriate corrective action. In case of a breach of these Standards or contractual agreements, JTI may take action against the supplier, including suspending or terminating the contractual agreements.

14. Whistleblowing program

- 14.1. JTI expects its suppliers to establish or maintain a program for reporting concerns arising within their own business and to take corrective action to address these concerns. The program should protect those raising concerns in good faith against any form of retaliation.

15. Reporting violations of the Supplier Standards and the JTI Code of Conduct

- 15.1. JTI expects its suppliers to report concerns to JTI in relation to compliance with these Standards or the JTI Code of Conduct, so that any issues can be promptly identified, assessed and addressed.
- 15.2. Concerns can be raised with the procurement manager at JTI or addressed in confidence via the Your Voice portal or at onebehavior@jti.com.
- 15.3. Alternatively, suppliers may contact JTI's Chief Compliance Officer:
Tel: +41 22 703 07 77
Case Postale 1656
1 Mont Blanc
1211 Geneva
Switzerland

Appendix

References in the Supplier Standards to internationally recognised human rights standards are to be understood as references to the following:

- 1.1. The International Bill of Human Rights, consisting of:
 - a) The Universal Declaration of Human Rights ("[UDHR](#)")
 - b) The International Covenant on Civil and Political Rights ("[ICCPR](#)") and its two Optional protocols
 - c) The International Covenant on Economic, Social, and Cultural Rights ("[ICESCR](#)")

The following additional sources are also referenced in the Supplier Standards:

- 1.2. [The UN Guiding Principles on Business and Human Rights](#)
- 1.3. International Labour Organization ([ILO](#)) Conventions:
 - a) Freedom of Association and Protection of the Right to Organize Convention, 1948 ([No. 87](#))
 - b) Right to Organize and Collective Bargaining Convention, 1949 ([No. 98](#))
 - c) Forced Labour Convention, 1930 ([No. 29](#))
 - d) Abolition of Forced Labour Convention, 1957 ([No. 105](#))
 - e) Minimum Age Convention, 1973 ([No. 138](#))
 - f) Worst Forms of Child Labour Convention, 1999 ([No. 182](#))
 - g) Equal Remuneration Convention, 1951 ([No. 100](#))
 - h) Discrimination (Employment and Occupation) Convention, 1958 ([No. 111](#))
 - i) Protection of Wages Convention, 1949 ([No. 95](#))
 - j) Hours of Work (Industry) Convention, 1919 ([No. 1](#))
 - k) Weekly Rest (Industry) Convention, 1921 ([No. 14](#))
 - l) Holidays with Pay Convention (Revised), 1970 ([No. 132](#))

JTI references:

- 1.4. [JTI Code of Conduct](#)
- 1.5. [JT Group Human Rights Policy](#)
- 1.6. [JTI Global Marketing Principles](#)
- 1.7. [JT Group Environment Policy](#)

THANK
YOU