

Tobacco Sector

2019 Key Findings



14 companies in the sector

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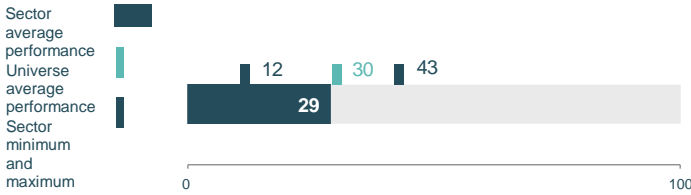
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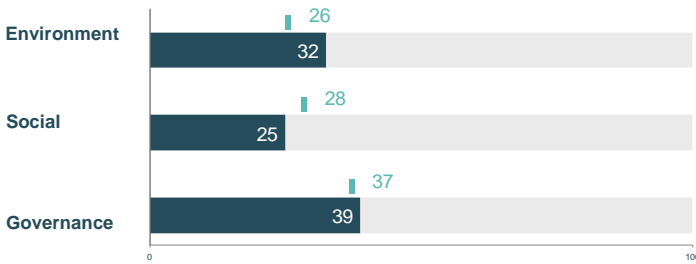
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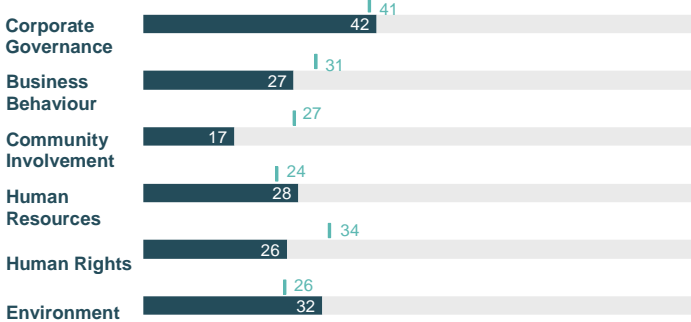
Key Findings 2019 – Tobacco sector



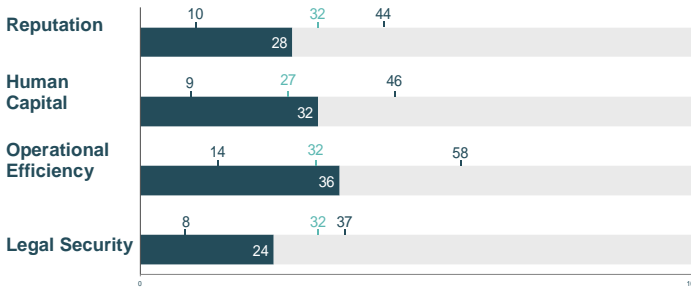
ESG PERFORMANCES – Sector & Universe



DOMAIN PERFORMANCES – Sector & Universe



RISK MITIGATION – Sector & Universe



TAKEAWAYS

- ▶ Child Labour in Global Tobacco Production
- ▶ Product Safety - A financial storm for the Tobacco Industry
- ▶ Environmental impact and Tobacco's lifecycle.
- ▶ The Trojan Horse – The Tobacco Industry and marketing strategies

TOP PERFORMERS

- Europe: Imperial Brands (43/100)
- North America: Philip Morris International (33/100)
- Asia Pacific: Japan Tobacco (35/100)
- Emerging Markets: British American Tobacco Malaysia (36/100)

MOST IMPROVED since 2018

- Europe: Swedish Match (+7)
- North America: Vector Group; Philip Morris International (+1)
- Asia Pacific: No progress
- Emerging Markets: Hanjaya Mandala Sampoerna (+6)

MOST MATERIAL DRIVERS

ADVANCED (60-100)	
ROBUST (50-59)	
LIMITED (30-49)	<ul style="list-style-type: none"> • Board of Directors • Corruption • Fundamental labour rights • Anti-competitive practices • Health and safety • Social and economic development • Labour standards in the supply chain
WEAK (0-29)	<ul style="list-style-type: none"> • Elimination of child labour and forced labour • Biodiversity • Information to customers • Reponsible lobbying • Reorganisation • Management of the negative societal impact linked to tobacco consumption • Product safety • Fundamental human rights

CARBON FOOTPRINT

Share of companies in each level of carbon footprint



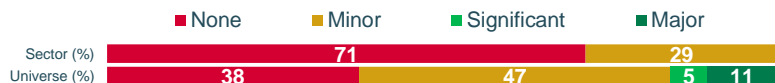
ENERGY TRANSITION

Share of companies in each level of energy transition performance



SUSTAINABLE GOODS & SERVICES

Share of companies in each level of involvement in goods and services contributing to sustainable development



CONTROVERSIES RISK MITIGATION

Share of companies in each performance level in terms of controversy risk management



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About this document

This document is an extract of the Vigeo Eiris 2019 Report on the Tobacco General sector.

The full report contains:

- More detailed information on performances and impacts highlighted here (data for each zone, historical evolution on 3 years of global performance and on each criterion, top performers on each domain, etc.)
- Detailed description of each takeaway on risks and opportunities
- The overview of methodological framework applied to the sector (weights of criteria, nature of stakeholders' expectations and their vulnerability on each topic).
- Detailed description of the methodology of all Vigeo Eiris research lines.

If you are interested in knowing more, please contact our customer services team at: investorscustomer.service@vigeo-eiris.com.

About Vigeo Eiris

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organisations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organisations.

Vigeo Eiris offers a wide range of services:

- ▶ For investors: decision-making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more)
- ▶ For companies & organisations: supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more)

Vigeo Eiris methodology and rating services adhere to the highest quality standards. With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, New York, Rabat, Santiago and Stockholm.

The Vigeo Eiris Global Network, comprising 4 exclusive research partners, is present in Brazil, Germany, Israel and Japan. For more information: www.vigeo-eiris.com

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