

## Our Views: Important Issues in the Tobacco Industry

Millions of people around the world choose to use and enjoy our tobacco products every day. In meeting this demand we understand that there is societal concern in a health context and that we have an important duty of care.

We understand there are a number of core issues that are important in the tobacco industry and to stakeholders.

### Smoking and Health

Smoking is a cause of serious diseases in smokers, including lung cancer, heart disease and emphysema. We agree that governments and public health authorities around the world should provide clear and consistent messages about the health risks of smoking. Adults should be guided by those messages when deciding whether or not to smoke. Children should never smoke.

### Addiction

Cigarette smoking is addictive and it can be very difficult to stop.

While some people may find it difficult to stop smoking, it is important they understand that they are able to stop if they choose to do so. Millions of people have stopped smoking, the majority without assistance.

To reduce the health risks of smoking, the best step to take is to stop smoking. For smokers who have decided to stop, information published by public health authorities is available.

### Why people smoke

We manufacture and sell a range of high quality cigarettes and other tobacco products for millions of adult consumers worldwide.

People smoke for many and varied reasons. The cited pleasures of smoking include the distinctive taste and flavour of smoke. Smokers also smoke to relax or to aid concentration.

We believe that adults should have the freedom to smoke whilst being aware of the associated risks to their health. It is the role of governments to provide the public with clear and consistent messages about these risks. We do not challenge these messages and support reasonable regulation of tobacco products.

### Adult Choice

We believe that the decision to use tobacco products is a choice for adults. We do not want children to smoke or to use tobacco products. We support penalties for retailers who sell tobacco products to children.

Preventing children from using tobacco products is an issue for us and wider society. We play our part by not directing the marketing of our products to anyone under the age of 18, or higher minimum age where specified locally, or to non-smokers.

We adhere to regulation and our International Marketing Standards. We also support governments and the retail trade with information to discourage the sale of tobacco products to children.

## Ingredients

We do not add anything to our products to make it more difficult for smokers to stop smoking, to make our products attractive to children or to increase the level or change the chemical form of nicotine in tobacco smoke.

Ingredients may be added to tobacco products during manufacture. Ingredients (for example, flavourings typically used in food) are used in very small quantities in some brands to enhance their overall flavour characteristics and aroma, giving brand variants their own distinctive style, in line with consumer preferences.

The term 'ingredient' also applies to substances in the non-tobacco materials that are used to make our products. These materials include the cigarette paper, the filter, the adhesive that seals the paper and the ink that colours the tipping.

Many governments regulate the ingredients which may be added to tobacco products and we comply fully with these regulations. Even in countries where no regulations exist, we make sure that we conform to similar standards.

We assess the appropriateness and acceptability of the ingredients we use. We employ a panel of experienced toxicologists to carry out risk assessments on ingredients and to judge the suitability of these ingredients for inclusion in our products.

We make regular submissions to governments' competent authorities on the ingredients used in our tobacco products which are sold in their jurisdictions.

## Potentially Reduced Exposure Products

We recognise that it is possible to reduce certain constituents in tobacco smoke. This may in turn reduce the exposure of smokers to these constituents. However, smokers should not assume that this results in any reduced risk. No cigarette is safe.

No government authority has adopted regulatory standards by which one cigarette could be regarded as having less risk than any other. It is our view that the relevant government authorities should define the objective criteria and predictive tests by which products can be judged to have potentially reduced risk.

We have been an active participant in the development of potentially reduced exposure products for many years. We intend to continue to develop products that might be regarded by government authorities as having potentially reduced risk. Although our work is commercially confidential we want to share our knowledge and expertise with governments that seek to make progress in this area. We believe that a workable and effective regulatory framework cannot be developed without knowledge and experience of tobacco products.

## Our approach to research and its funding

Our scientific research and development programmes are undertaken to improve our knowledge of tobacco, our products, smoking and tobacco use, and the diseases associated with smoking.

We also monitor research in all areas relevant to a tobacco company, including mechanisms of the diseases associated with smoking. We consider requests for funding and make some limited contributions in this area. We do not seek to influence the results or the publication of such research.

One of the uses we make of this knowledge is to develop potentially reduced exposure products (PREPs) that might be regarded by government authorities as having potentially reduced risk. We intend to be an active and effective participant in developments in this area. We continue to seek dialogue with governments and other relevant authorities as well as industry experts to define objective criteria and predictive tests by which these products can be judged.

Some scientific researchers refuse to accept tobacco companies' funding. This is a matter of regret as we believe the area continues to require the attention of independent, academic science

### Product testing without animals

We do not commission or conduct research involving animals, and would not undertake such research unless formally required to do so by governments or by recognised regulatory authorities.

### Health Warnings

We support tobacco regulation that is reasonable, proportionate and evidence based. We recognise that it is the role of governments to provide the general public with clear and consistent messages about the health risks to smokers that are associated with their smoking. We do not challenge those messages. We comply with all regulations and requirements concerning health warnings.

It is our policy that a clearly visible health warning will appear on packs and advertising of all tobacco products manufactured and/or marketed by Imperial Tobacco, including on any outer packaging intended to be presented to the consumer.

### Alternative products

We understand that smoking causes disease and therefore as a responsible manufacturer we have a duty to investigate alternatives with the potential to reduce the risks for adult consumers wanting another choice.

When it comes to reduced risk products we have chosen to steer away from any modified or 'heated' tobacco products and focus solely on alternatives that deliver nicotine but which do not contain tobacco. This is the category of e-vapour products (EVPs). Whilst it is possible to reduce certain constituents in tobacco smoke and in turn reduce the exposure of smokers to these constituents, smokers should not assume that this results in any reduced risk. For us the category of e-vapour products (EVPs) therefore presents a stronger alternative offering for the consumer.

We are seeking to serve these consumers through our standalone non-tobacco subsidiary known as 'Fontem Ventures'.