

29 June 2018

Beatriz Balbin Chief Special Procedures Branch United Nations Human Rights Office of the High Commissioner OHCHR

REF: OL OTH 22/2018

IMPERIAL BRANDS PLC

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Dear Ms Balbin

I am writing in response to your letter dated 22 May 2018, regarding tobacco farming in Zimbabwe.

We purchase very small quantities of tobacco from Zimbabwe through third party supplier companies. The amount is equivalent to two per cent of our annual global tobacco sourcing requirement and one per cent of the tobacco grown in Zimbabwe. Nevertheless, we have a responsibility to respect the human rights of all communities involved in our supply chain, and we take this responsibility very seriously.

Child labour is unacceptable and we continue to make every effort to stop it happening in our supply chain through our Sustainable Tobacco Programme (STP), our leaf partnership projects and our active support of the Eliminating Child Labour in Tobacco Growing (ECLT) Foundation.

We work with our suppliers to improve supply chain standards and expect our suppliers' work practices to reflect our own high standards. Our Code of Conduct sets out the responsible behaviours we expect from everyone who works for us and with us. We expect our suppliers to conduct their business in an ethical and responsible manner and comply with all applicable laws and regulations. Our Supplier Code of Conduct sets out the behaviours we expect our suppliers to demonstrate at all times.

## **Human Rights Due Diligence**

In 2016 we commissioned an independent Human Rights Impact Assessment (HRIA) to better understand human rights in the context of our global supply chain. This was guided by a six-stage due diligence process, based on the UN Guiding Principle on Business and Human Rights. Over 900 entities were assessed across our operations, our tobacco leaf supply chain and across our first tier Non-Tobacco Material (NTM) supply chain.

Our main approach to due diligence is focused on setting the required policies and standards, and monitoring the effectiveness and compliance with these requirements. Our PLC Board of Directors has overall responsibility, with any major concerns or non-conformances reported into the Audit Committee, as required by our governance framework.

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Our STP addresses a broad spectrum of potential human rights issues including working conditions, fair remuneration, working hours, child labour, respect, non-discrimination and health and safety, as well as freedom from forced labour. We are currently developing a global human rights policy which will further strengthen our commitment and approach.

## **Health and Safety**

We have an Occupational Health, Safety and Environment (OHSE) Policy which seeks to ensure that we provide excellent care for our employees and everyone involved in our business. It is a commitment that we will work together to: minimise the adverse impact of our products and activities on the natural environment; prevent injury and ill health to the people who work for us and with us; and always strive for improvement beyond legal expectations.

For our tobacco suppliers, this is enforced through the STP and we require all our tobacco suppliers to participate in the programme. The STP defines our standards for our leaf tobacco purchases and facilitates continuous improvement through a measurement framework involving a combination of self-assessment, third party review and our own engagement with suppliers.

The STP has been designed to help the supply of tobacco leaf meet future environmental sustainability challenges, raise labour standards and provide greater levels of detail on where to focus improvement. The programme specifically addresses child labour and working with and handling hazardous materials.

## **Supply Chain Standards**

We insist on high supply chain standards and are committed to purchasing tobacco from socially and environmentally responsible suppliers. We stop purchasing from any supplier who persistently fails to deliver our required performance standards.

We only purchase leaf from suppliers with a contracted grower base. This ensures that we are confident that our expectations around compliance are being met. The traceability we gain from the contracted grower base ensures that farmers contracted are receiving the relevant training, safety awareness and social awareness around acceptable labour practices, including child labour.

Our suppliers have confirmed that growers in Zimbabwe receive instruction on how to safely store, use and dispose of agrochemicals, including fertilisers and crop protection agents (CPAs).

## Hazardous Child Labour

We consider child labour to be work that can harm children's wellbeing, hinder their education, development and future livelihoods. We refer to the main international and legal instruments related to child labour that are contained in the Conventions of the International Labour Organisation (ILO) and the Convention on the Rights of the Child (UNCRC).



In supplier communications and training we define hazardous activities to be in relation to activities including harvesting, topping, and suckering; operating moving vehicles or machinery with moving parts; handling and applying CPAs or fertilisers; working long hours that interfere with health and well-being; and working in extreme temperatures.

To ensure that children are protected, and for better reference and clarity, we see benefit in having a universal definition of hazardous work for children under 18 that is specific to tobacco growing. We are pleased that the ECLT and the ILO Public Private Partnership are working together on this purpose and wait to be guided on the outcome, which through scientific review and stakeholder engagement will provide an authoritative reference for what constitutes hazardous working.

I trust this is of help. Further information on our approach to tackling child labour is available on our corporate website: <a href="www.imperialbrandsplc.com">www.imperialbrandsplc.com</a>, where we have also published in full our Code of Conduct, our Supplier Code of Conduct and the results of our HRIA.

Yours sincerely

Mrs Surinder Sond

Group CR and Environment Manager