

European Business & Nature Summit

GS11 — Engaging with biodiversity throughout the supply chain

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7 & 8 November 2019

#BusinessNatureSummit



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Eduardo Reinhardt Franchini

Agronomy Technical Manager, Japan Tobacco International



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Brief Summary



The group is actively creating opportunities through **reducing environmental impacts** across its value chain **by promoting best practices** and sustainable stewardship on biodiversity. JTI is **working with farmers** to help them understand the importance of **efficiently managing natural resources** and the environment.



Sustainability - Core of Our Strategy



We're committed to Sustainability because we believe it's the obvious choice



Partnership JTI & Life

The objective of project is, through a partnership with LIFE Institute, use a **methodology to measure the negative and positive impacts on the natural capital (biodiversity)** in order to contribute to the maintenance of ecosystem services.

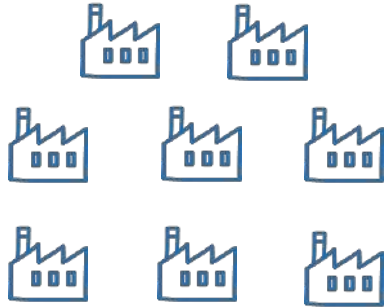


Objectives

- Learn on impacts on natural resources of JTI leaf branches and tobacco leaf growers.
- Evaluate, diagnose and identify strategic opportunities for building a sustainable supply chain regarding responsible practices, environmental impact management and business sustainability.
- Improve the environmental management with focus on environmental impact priorities.



LIFE - JTI Project: Evaluation Scope



8 Factory Units



12.751 Growers

Ecoregion
Hydrographic Region
Tobacco Type
Area class

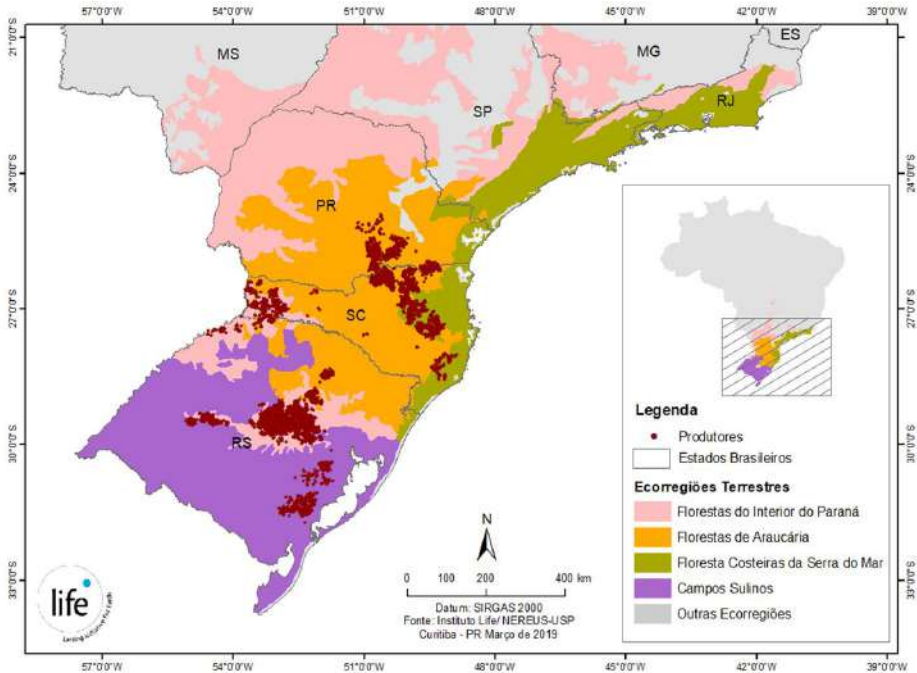


253 Growers Group

Supply Chain



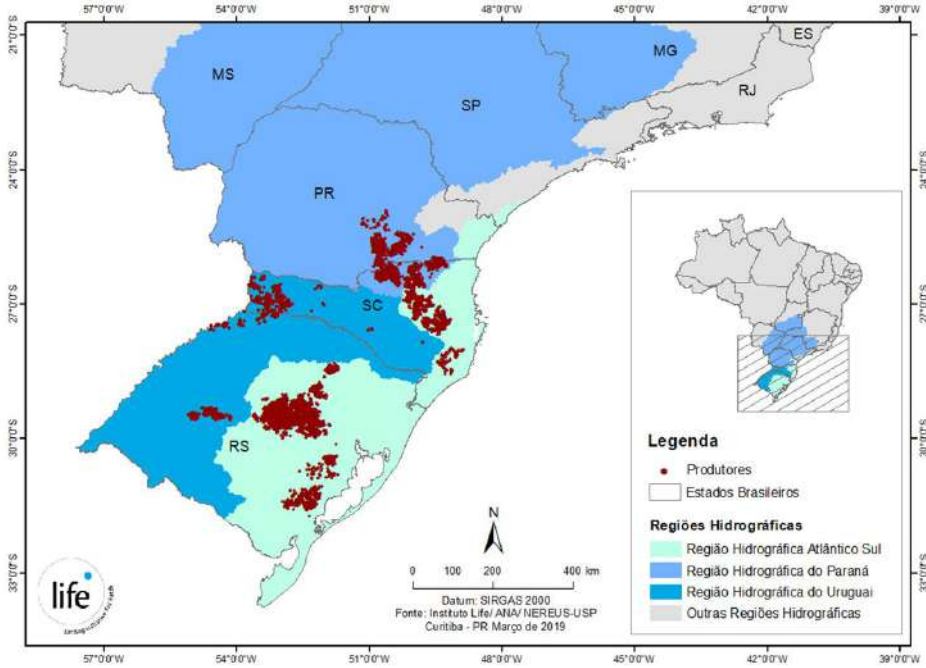
Custom Maps – Integrated Tobacco Growers



Distribution by Ecoregion



Custom Maps – Integrated Tobacco Growers



Distribution by Hydrographic Region



Result Analysis

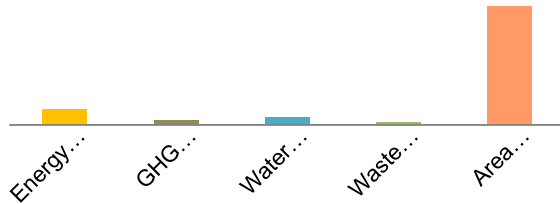
Biodiversity and Ecosystem Services Action Plan



Business Decision-making – Practical Examples

One group of **500 tobacco leaf growers in a Paraná Hydrographic Region and Araucaria Forest Ecoregion** we could make clear how we have driven some efforts on conservation, based on our impacts.

Impact analysis by environmental aspect



Most relevant environmental impact:

Area occupation
Analysed by size, hydrographic severity and ecoregion fragility



Action to compensate impact:

Area conservation
Adopt and conserve a natural area in the Araucaria Forest Ecoregion

JTI Conservation Project: Araucaria Connection

- Preparation of a 300 hectares restoration plan for Permanent Preservation Areas (APP) in the Atlantic Forest in the Araucaria Forest Ecoregion;
- Implementation of restoration of Atlantic Forest in National Forest of Irati;
- Mobilization of rural landowners where Permanent Protection Areas have been restored.



Impact analysis x business decision-making

- Follow **mitigation hierarchy** for all projects aiming to achieve no overall negative impact on biodiversity or on balance a net gain.
- Mapping our production areas by ecological and hydrographic regions, **we identify higher risk areas** where impacts are potentially bigger; therefore, **we can adapt our practices to emphasize conservation.**
- On other operations, through **measurable indicators** the methodology indicates **improvement opportunities** and **highlights processes**, which have consistently contributed to our environmental performance. Action results are weighted to make explicit areas of improvement and positive contributions to the **sustainable development of our business.**
- Guiding our **investments to focused areas** we contribute to local **sustainable development** of communities where we operate **preserving our natural resources** and their **environmental services.**



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Session 5

Thank you!
Muchas gracias!

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