

End plastic pollution: Towards an international legally binding instrument*

The United Nations Environment Assembly,



GLOBAL PLASTICS TREATY

02 MAR 2022 | PRESS RELEASE | ENVIRONMENTAL RIGHTS AND GOVERNANCE

**Historic day in the
campaign to beat plastic
pollution: Nations commit
to develop a legally
binding agreement**

Plastics Policies & WHO FCTC

Cigarette filters → banned SUPs

Exclude tobacco industry (TI) from policy development

TI should not be allowed to promote CSR via EPR

TI must pay for harms caused (taxes, charges)

October 13, 2022
Volume XII, Number 286

NATIONAL LAW REVIEW

EU to Make Changes to Its Sustainability Reporting Rules and Impose New Obligations on Non-European Companies

Global | Publication | June 2022

US SEC proposes new
ESG disclosure rules for
funds and advisers

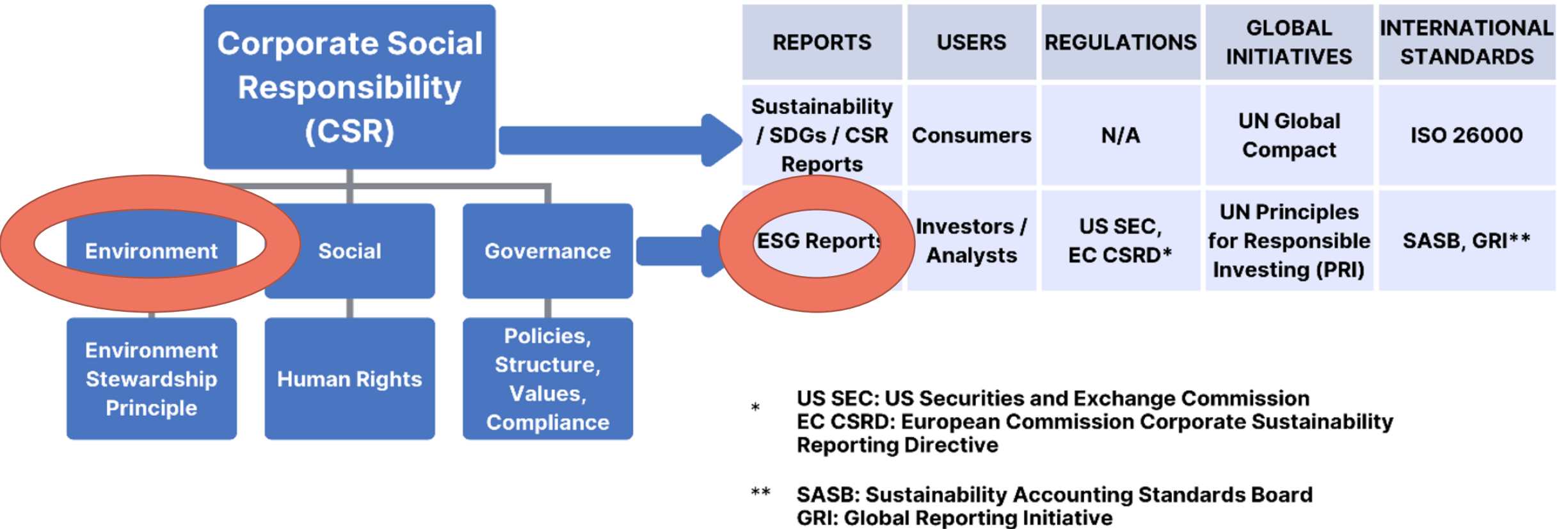
NORTON ROSE FULBRIGHT

Sustainability & ESG Reporting

Corporate
Reports,
Prospectus,
Investor
brochures,
websites

- US Securities and Exchange Commission Proposal (March 2022)
- EU Corporate Sustainability Reporting Directive (CSRD), on 22 June 2022,
 - European Financial Reporting Advisory Group (EFRAG)'s development for Sustainability reporting standards on Tobacco Sector is ongoing

CSR → Sustainability → ESG



ESG Report Regulation

- Overall: Promote sustainability
- Regulate corporations to ensure integrity in reporting
- Urge corporations to be transparent and to “publicize” their ESG/ CSR activities
- *Need to ensure that this does not undermine CSR bans

TOBACCO'S ESG REPORTS VS REALITY

Coastal Clean Up/
“Keep Beautiful”



Toxic Plastics Remain



TOBACCO'S ESG REPORTS VS REALITY

Afforestation

BAT Malta plants over 140 trees in Mellieħa together with ACT

Community Environment Business

TIMES  **MALTA**

December 27, 2021 | Press Release | C

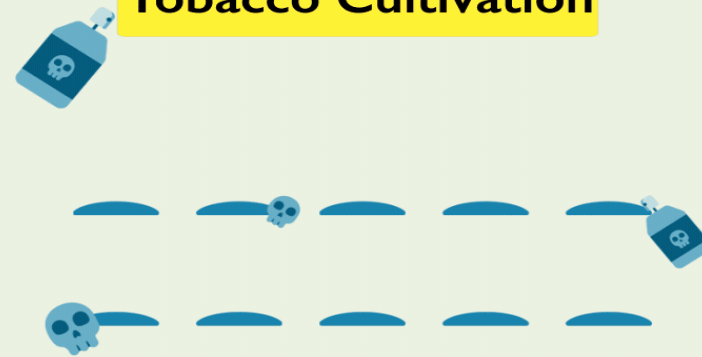


British American Tobacco Malta has Aħrax tal-Mellieħa.

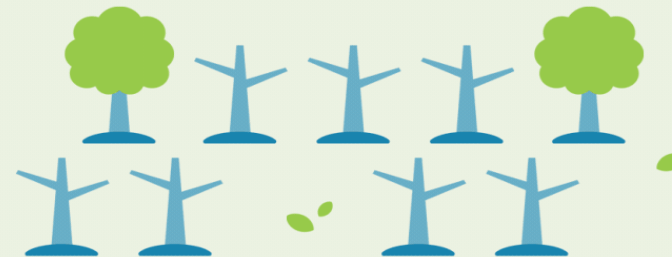


Deforestation

Tobacco Cultivation



Tobacco Curing



How should tobacco companies pay for their pollution?



A GLOBAL
TOBACCO
INDUSTRY
WATCHDOG



PM-funded Terracycle,
Recycling program



Philip Morris
Clean Up Program

Extended Producer Responsibility

- **Tobacco-initiated EPR**
 - Anti-litter
 - Collection & Recycling
 - Clean up
- Promotes tobacco CSR

Tobacco EPR could lead to

- a. tax exemptions for its recycling programs
- b. funding eco-organizations to promote its interests (France)
- c. awareness raising programs ie anti-littering (Italy)
- d. partnership with the governments (Italy)
- e. market “biodegradable” or “recyclable” filters (Uruguay)



The End

For more information:



Tobacco companies have significant control over product design and supply chains which are responsible for:

Harms to ocean life. Environmental toxins leach from cigarette butts throughout their decade-long decomposition,^{1,2} which harms marine life.³

Disruption to the ecosystem. Tobacco production accounts for 5% of global deforestation⁴ and offers no replenishment to the soil or to other parts of the farm ecosystem.⁵

The Tobacco Industry's Production of Cigarettes Damages the Ecosystem

Tobacco is a major ecosystem disruptor. By continuing to produce and profit from tobacco and by perpetuating the long-lasting harms to the environment,⁶ the tobacco industry undermines efforts toward ecosystem restoration.⁷

1. **Clearing lands**, with the preference of virgin lands for tobacco production, is leading to **deforestation**, negatively impacting forest reserves.⁸
 - Current practices of tobacco farming are not sustainable. Shortened periods of replenishment of forests and soil are endangering the recovery of the woodlands, subsequently causing a topographical change from woodlands to bush, or worse, permanent deforestation.⁹
- **Cutting and burning** of stalks and plant residue after harvest because they are of no food value to livestock and poultry, thus reducing essential animal resources such as manure.¹⁰



In November 2021, a major transnational company celebrated twenty years in the Sustainability Index run by Dow Jones.¹ In a glossy video to celebrate the achievement, its branded yacht sails through crystal blue waters. In the background rousing music plays.²

This celebration is not a one off: Elsewhere the company achieved a "gold standard" in another index of Environment and Governance (ESG) reporting.³ It has also won an award as a climate leader from the Financial Times.⁴ At an influential event in February 2022, the company devoted a slide after ESG achievements, including one slide dedicated to all the ESG awards it had won.⁵ The carefully crafted message to analysts, the media and policymakers is simple: This is a company that has global recognition for its commitment to people and planet.

Nor is it alone in its sector. One of its main competitors was awarded "A-List" status in a sustainability index for the fifth year by the Climate Disclosure Project (CDP).⁶

You would be forgiven for thinking that these companies were global sustainability leaders, making sustainable products. That would be wrong. The first company is British American Tobacco (BAT) and the second is Philip Morris International (PMI). Two of the world's largest transnational tobacco companies are part of an industry whose main products kill one in two users, contributing to more than 8 million deaths per year.

Issue Brief
Global



An Inherent Contradiction: The Tobacco Industry's Environmental, Social & Governance (ESG) Activities

October 2022

The combination of tobacco and environmental, social and governance (ESG) activities is as fundamentally flawed as "tobacco and corporate social responsibility" or "tobacco and human rights."

Tobacco companies profit from products that kill consumers, addict new generations of young people and damage the environment.

To truly reflect social responsibility, tobacco companies should end any form of product or brand marketing and compensate for the harms they have caused, in accordance with the global tobacco control treaty, the World Health Organization Framework Convention on Tobacco Control (WHO FCTC). Allowing tobacco companies to use ESG reporting to document and promote their so-called CSR activities, without qualifications, sends a message to tobacco companies that they can continue their harmful business as usual.

KEY POINTS:

- Environmental, social and governance (ESG) reporting is an increasingly popular tool tobacco companies are using to secure investor, policymaker and consumer approval.
- ESG reporting lets tobacco companies promote their corporate social responsibility (CSR) initiatives, while obscuring the significant health, economic and environmental damage they cause.
- "Tobacco industry CSR" is an inherent contradiction because the industry fundamentally violates human rights. It sells products it knows to be lethal. The production of these products can involve minimizing payments to workers and the use of child labour to maximize profits and share

Acknowledgements and Authorship

This brief was prepared by Deborah Sy for the Global Center for Good Governance in Tobacco Control (GGTC) a partner of STOP, a tobacco industry watchdog. Produced with inputs from the webinar titled "Tobacco Investments in the Pharmaceutical Sector" participated by Douglas Bettcher, Md. Sharif Hasan, Louis Lawrence, Les Hagen, among others. Additional inputs from Mary Assunta, Karin Silver, Amy Lundt, Tracey Johnston, Erin Sandberg, Jorge Alday and Emma Green. Proofreading, research and editorial support by Ambika Narain. Layout by Vital Strategies. Timeline infographic by Leslie Lim.

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