

MEMORANDUM

TO: All Retirement Boards

FROM: Thomas J. O'Donnell, Compliance Officer

RE: Tobacco Company List

DATE: March 9, 2016

On October 22, 1997 PERAC Memo #37/1997 informed you of the adoption of Chapter 119 of the Acts of 1997. That statute prohibits retirement systems from making any new investments in stocks, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. On December 18, 1997 PERAC sent Memo #48 regarding the implementation of Chapter 119 and the first Tobacco Company List.

Enclosed please find a Tobacco Company List dated April 2016. This list replaces any other Tobacco Company List previously sent to your board and is effective upon receipt by the retirement boards. Most of these companies appeared on previous lists and such investments were prohibited from the time the companies first appeared on the list. Please forward a copy to your investment advisors or inform them that this list is available on the PERAC Home Page under the Investment Unit's 2016 Memo Index. In communicating with your investment advisors, please inform them that the Tobacco Company List is only for their Massachusetts public fund clients and that any other use of the list is strictly prohibited.

As part of its audit process, PERAC will assess the portfolio of each board to determine compliance. That review will determine if the board, after January 13, 1998, has purchased stock, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. In the event a portfolio is not in compliance, the board must bring the portfolio into compliance by divesting in a prudent manner. Prior to taking any action, the board shall consult with PERAC.

In applying the statute to pooled funds, PERAC will assess the 15% rule against the entire pool as the board is purchasing shares in the pool not the individual holdings of the pool. Thus a pooled fund, if in violation of this standard, will be included on the list.

If you have any questions, please contact this office.

Enclosure



TOBACCO COMPANY LIST
APRIL 2016

| <u>COMPANY</u> | <u>COUNTRY</u> |
|--|----------------------|
| 22 nd Century Group, Inc. | United States |
| Alliance One International, Inc. | United States |
| Altria Group, Inc. | United States |
| AMCON Distributing Company | United States |
| American Heritage International Inc. | United States |
| Caesars Acquisition Company | United States |
| Core-Mark Holding Company, Inc. | United States |
| Electronic Cigarettes International Group, Ltd | United States |
| Gilla Inc. | United States |
| Icon Vapor Inc. | United States |
| Philip Morris International Inc. | United States |
| Rapid Fire Marketing, Inc. | United States |
| Reynolds American Inc. | United States |
| Schweitzer Mauduit International, Inc. | United States |
| Smokefree Innotec Inc | United States |
| Universal Corporation | United States |
| Vapor Corp. | United States |
| Vapor Group Inc. | United States |
| Vapor Hub International Inc. | United States |
| Vector Group Ltd. | United States |
| Wee-Cig International Corp | United States |
| | |
| Bangladesh Leaf Tobacco Co. Ltd. | Bangladesh |
| British American Tobacco Bangladesh Co. Ltd. | Bangladesh |
| | |
| Fabrika Duhana Sarajevo dd Sarajevo | Bosnia & Herzegovina |
| | |
| Bulgartabac Holding AD | Bulgaria |
| Gotse Delchev Tabac AD Gotse Delchev | Bulgaria |
| Isparih BT AD Isparih Sofia | Bulgaria |
| Nicotiana BT Holding AD Sofia | Bulgaria |
| Pazardzhik BTM AD-Pazardzhik | Bulgaria |
| Shumen Tabac AD Shumen | Bulgaria |
| Sila Holding Plc | Bulgaria |
| Slantse Stara Zagora Tabak AD Stara Zagora | Bulgaria |
| Sofia Bulgartaback AD Sofia | Bulgaria |
| Stara Planina Hold AD Sofia | Bulgaria |
| Yuri Gagarin AD Plovdiv | Bulgaria |
| | |
| George Weston Limited | Canada |

| <u>COMPANY</u> | <u>COUNTRY</u> |
|--|----------------|
| Kimree Inc. | China |
| Mudanjiang Hengfeng Paper Co., Ltd. | China |
| Shenzhen Jinjia Color Printing Group Co., Ltd. | China |
| Shiner International Inc | China |
| Adris Grupa dd | Croatia |
| Hrvatski Duhani dd | Croatia |
| CTO PCL | Cyprus |
| Philip Morris CR as | Czech Republic |
| Eastern Co SAE | Egypt |
| Christian Dior S.E. | France |
| Karelia Tobacco Company Inc SA | Greece |
| Century City International Holdings Limited | Hong Kong |
| China Flavors and Fragrances Co Ltd. | Hong Kong |
| Huabao International Holdings Ltd. | Hong Kong |
| Shanghai Industrial Holdings Limited | Hong Kong |
| Sheen Tai Holdings Group Co. Ltd. | Hong Kong |
| Godfrey Phillips India Limited | India |
| Golden Tobacco Ltd. | India |
| ITC Limited | India |
| NTC Industries Ltd. | India |
| Sinnar Bidi Udyog Ltd | India |
| Virat Crane Industries Ltd | India |
| VST Industries Limited | India |
| PT Bentoel Internasional Investama Tbk | Indonesia |
| PT Gudang Garam Tbk | Indonesia |
| PT Hanjaya Mandala Sampoerna Tbk | Indonesia |
| Wismilak Inti Makmur Tbk PT | Indonesia |
| Societe Ivoirienne des Tabacs SA | Ivory Coast |
| Carreras Ltd | Jamaica |
| ITOCHU Corporation | Japan |
| Japan Tobacco Inc. | Japan |
| Mitsubishi Corporation | Japan |
| Al-Eqbal Investment Company PSC | Jordan |
| Jordanian Duty Free Shops PSC | Jordan |
| Union Tobacco & Cigarette Industries Co PSC | Jordan |

| <u>COMPANY</u> | <u>COUNTRY</u> |
|--|-----------------------|
| British American Tobacco Kenya Ltd | Kenya |
| Tutunski Kombinat AD Prilep | Macedonia |
| Press Corporation Ltd. | Malawi |
| 7 Eleven Malaysia Holdings Bhd | Malaysia |
| Bright Packaging Industry Bhd | Malaysia |
| British American Tobacco (Malaysia) Berhad | Malaysia |
| Sime Darby Berhad | Malaysia |
| Duvanski Kombinat ad Podgorica u stecaju | Montenegro |
| British American Tobacco Holdings (The Netherlands) B.V. | Netherlands |
| Khyber Tobacco Company Ltd. | Pakistan |
| Pakistan Tobacco Company Ltd. | Pakistan |
| Philip Morris (Pakistan) Limited | Pakistan |
| Jerusalem Cigarette Co Ltd | Palestinian Territory |
| LT Group, Inc. | Philippines |
| Kingdom Holding Company | Saudi Arabia |
| British American Tobacco Vranje ad Vranje | Serbia |
| Coka Duvanska Industrija ad Coka | Serbia |
| Duvanska industrija ad Bujanovac | Serbia |
| Philip Morris Operations a.d. Nis | Serbia |
| New Toyo International Holdings Ltd | Singapore |
| Hosken Consolidated Investments Limited | South Africa |
| KT&G Corporation | South Korea |
| Nongshim Holdings Co., Ltd. | South Korea |
| SK Chemicals Company, Ltd. | South Korea |
| Miquel y Costas & Miquel, S.A. | Spain |
| Ceylon Tobacco Company PLC | Sri Lanka |
| Swedish Match AB | Sweden |
| Taisun Enterprise Co. Ltd. | Taiwan |
| Taiwan FamilyMart Co., Ltd. | Taiwan |
| Tanzania Cigarette Company Ltd | Tanzania |

COMPANYCOUNTRY

The West Indian Tobacco Company Ltd.

Trinidad and Tobago

British American Tobacco Uganda

Uganda

Bizim Toptan Satis Magazalari AS

Turkey

Haci Omer Sabanci Holding AS

Turkey

Tav Havalimanlari Holding AS

Turkey

Booker Group Plc

United Kingdom

British American Tobacco Plc

United Kingdom

Conviviality Retail PLC

United Kingdom

Imperial Tobacco Group Plc

United Kingdom

Cat Loi JSC

Vietnam

Cong ty Co phan Ngan Son

Vietnam

British American Tobacco Zambia Plc

Zambia

British American Tobacco Zimbabwe Holdings Ltd

Zimbabwe