

MEMORANDUM

TO: All Retirement Boards

FROM: Thomas J. O'Donnell, Compliance Officer

RE: Tobacco Company List

DATE: December 9, 2015

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 January 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 2015 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

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TOBACCO COMPANY LIST

JANUARY 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
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
Souza Cruz S.A.	Brazil
Bulgartabac Holding AD	Bulgaria
Gotse Delchev Tabac AD Gotse Delchev	Bulgaria
Isperih BT AD Isperih 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