

OCTOBER 2021

Advisory Panel Charter 2021

Tobacco Transformation Index

The Tobacco Transformation Index (the “Index”) is an initiative of the Foundation for a Smoke-Free World (“FSFW”), which includes a range of programmatic work, related research, and stakeholder engagement with the goal of informing the public about the activities of the global tobacco industry to further the charitable purpose of accelerating industry transformation for the benefit of public health.

The Index is an evolving tool, developing in two-year increments, with a view to ensuring that it is able to adapt in the rapidly changing world of global health and of investor expectations for industries whose products impact the same.

Index Advisory Panel

The Advisory Panel, or the Panel, is established to provide independent, non-technical insight and non-binding advice on the evolution of the Index with regard to its value as a tool to assist stakeholders in monitoring, evaluating, and incentivizing tobacco company behavior, including actions that demonstrate commitment to credible pathways and relative progress toward tobacco harm reduction.

The Index will establish specialist committees to provide related support, including a Technical Committee, with regard to Index design.

Role, Activities, and Responsibilities

- I. The role of the Advisory Panel is to provide advice and insight within the scope set out above and designed together with FSFW’s Index Program Officer (“IPO”) to reflect the evolutionary priorities of the Index in each incremental two-year period (“Index Cycle”).
- II. Advisory Panel advice and insight is provided through quarterly meetings, attended by Members, as defined below, and Index representatives, including external experts advising the Index on specialist areas. General advice and insight may relate to good practice standards for the development of benchmarks. General advice and insight do not include research and do not pertain to technical matters. The Panel serves strictly in an advisory capacity and as such will not have formal decision-making authority and will only engage in providing non-binding recommendations.

- III. Members may request the IPO provide supplementary information necessary to enable them to meet the responsibilities of their role.
- IV. The IPO may request Advisory Panel advice and/or insight on matters on an interim ad hoc basis.
- V. At the end of each Index Cycle, the Panel shall deliver a statement for publication on the Index website (the “Panel Statement”) as follows:
 - The Panel Statement shall set out observations on the development of the Index within each specific Cycle and with regard to its long, medium, and short-term goals and to its stated value as a tool to assist stakeholders in monitoring, evaluating, and incentivizing tobacco company behavior, including actions that demonstrate commitment to credible pathways and relative progress toward tobacco harm reduction; and
 - The Panel Statement also may include recommendations to the IPO with regard to forward development of the Index.
- VI. In relation to the quarterly meetings, the Chairperson of the Panel, as defined below, may convene preparatory meetings of the Members in advance of each quarterly meeting.
 - at the discretion of the Chairperson, such meetings may include the IPO and relevant specialist Index advisors.
- VII. All meetings of the Advisory Panel are subject to Chatham House Rule.

Membership

- I. The Advisory Panel shall consist of a minimum of 3 and a maximum of 8 members as determined by the IPO (collectively the “Members” and each a “Member”).
- II. Members will be appointed by reference to professional qualifications and personal expertise and experience required to support Index evolution at each stage of the Index Cycles.
- III. All Members
 - accept the ethical principles of FSFW and shall make full, accurate, and complete disclosures pursuant to FSFW’s conflict of interest policy and disclosure requirements;
 - are committed to the principle of pursuing the highest attainable standards of physical and mental health of mankind;
 - acknowledge the importance of a global reduction in harm from smoking, including through the development of, and access to, products scientifically proven to be less harmful to human health; and

- serve in their individual capacity, i.e., no Member represents or is permitted to represent any organization, institution, or company.

IV. The Index aims to achieve a balance of Members in terms of area and geographic expertise by 2023.

Chairperson

- I. The Members shall appoint one Member as Chairperson.
- II. The Chairperson's primary responsibilities shall be to serve as a liaison with the IPO, and otherwise act to organize the Panel and coordinate its activities.

Terms of Service and Compensation

- I. Members will be invited to serve for a single Index Cycle, subject to the terms and conditions of a contract with FSFW. Each Index Cycle commences on October 1 of the first year of an Index Cycle and ends on November 30 of the second year of the Index Cycle.
- II. Members are compensated for their service as set forth in their contract with FSFW.
- III. Members are eligible for re-appointment in subsequent Index Cycles, subject to considerations of balance and expertise as well as the evolving needs of the Index.