

Hail & Cotton Global Issue Resolution Policy

At Hail & Cotton, Inc., and Subsidiaries (H&C), our company purpose is to be an “ethical, reliable, and personable supplier of all types of leaf tobacco and value-added products and services to the world’s manufacturers of tobacco products.” We are committed to conducting business with honesty and integrity.

We strive to create a corporate culture of transparency that proactively prevents wrongdoing from occurring and promptly addresses it when it does. Our Issue Resolution program fosters a culture of integrity and excellence by:

- Demonstrating leadership's commitment to transparency and integrity, setting a positive example across the organization and value chain.
- Ensuring that unethical behavior is identified and addressed, reinforcing the company's adherence to its values and ethical standards.
- Empowering employees to report issues safely, thus contributing to a positive and supportive work environment.
- Aligning with the company's broader sustainability goals, reinforcing commitments to responsible practices in human rights, environmental care, and fair labor conditions.
- Serving as an early warning system, to help detect and mitigate risks related to misconduct before they escalate.
- Helping the company meet legal compliance and industry standards, contributing to long-term business success.
- Providing access to external stakeholders to report any business issue or misconduct.

The Issue Resolution policy supports this goal by:

- Fostering a culture of openness and transparency where suspected wrongdoings are reported promptly, with assurance of serious investigation, confidentiality, and remediation.
- Providing clear guidance on how issues can be raised and addressed.
- Maintaining a zero-tolerance policy against retaliation, ensuring employees and stakeholders can report issues without fear of detrimental treatment.

SCOPE OF THIS POLICY

Which issues can be reported under this policy?

Under this policy, wrongdoing committed within, by, or for H&C should be reported, whether it has been committed, is being committed, or is likely to be committed. Examples of wrongdoings include, and are not limited to:

- A breach of our Code of Business Conduct, Integrity, and Ethics
- A violation of any H&C corporate policy
- A breach of applicable laws and regulations
- Corruption in all forms, including bribery and money laundering
- Fraud, theft, improper use of company resources
- Facilitation of tax evasion, accounting malpractice
- Conflicts of interest
- Abuse of authority
- Concealment of wrongdoing and attempts to conceal such wrongdoing

We encourage employees to discuss doubts and issues about potential violations internally. However, if reporting issues internally is not feasible or preferred, we encourage the use of our confidential channel. Issues reported that fall outside the scope of this policy will still be carefully reviewed and the person will be redirected to the appropriate department to ensure all issues are properly addressed.

Who can report an issue under this policy?

Any individual who acquires information on wrongdoing committed within, by, or for H&C is invited to report it. Examples of groups reporting wrongdoings include, and are not limited to:

- Employees, past and current.
- Growers and workers throughout the value chain, including affected people and their local communities.
- Suppliers, business partners, and parties working under the supervision and the direction of contractors, sub-contractors, customers, or intermediaries.

Who is protected by this policy and what are they protected from?

Anybody who may wish to report an issue and who has a reasonable belief that they know true information about committed, ongoing, or imminent wrongdoings and who report that information is protected under this policy and provided with appropriate support. A “reasonable belief” means that someone with equivalent knowledge, education, and experience (a peer) could agree with such a belief. Purposefully or knowingly reporting false information guarantees no protection under this policy.

People who report an issue are protected regardless of the outcome of the investigation and whether they choose to report the wrongdoing externally to the competent authorities or make a public disclosure.

Protection for the people who report an issue includes protection against, and is not limited to, the following acts:

- Suspension or dismissal
- Demotion or withholding a promotion
- Constructive discharge (quitting where working conditions are made to be intolerable)
- Denial or withholding of employee benefits
- Withholding of reasonable training and development opportunities
- Disciplinary action or other penalty, including a financial penalty
- Intimidation, harassment, humiliation, rebuffing
- Unwarranted inspection or investigation of duties
- Unfair restrictions on or removal of company resources
- Isolation, ostracization, disregard, shunning, and blanking
- Blacklisting (intentionally interfering with ability to obtain future work)

RESPONSIBILITIES

Board of Directors and Senior Executive Team

Hail & Cotton’s Board of Directors and Senior Executive Team have overall responsibility for this policy and its implementation by overseeing the program’s effectiveness, ensuring confidentiality and independence, monitoring and reviewing performance, allocating adequate

resources, monitoring and making sure to prevent or address acts of retaliation, and ensuring appropriate reporting and corrective actions are taken.

The Senior Executive Team will nominate a suitably qualified and independent member of staff as the company's Issue Resolution Officer who will operate independently and may choose to report to any person on the Board or Executive Team to avoid conflicts of interest. The Senior Executive Team will provide both financial resources and personnel to ensure the Issue Resolution Officer can perform their role independently.

The Hail & Cotton Board of Directors and Senior Executive Team are committed to maintaining active, viable, and reliable channels to facilitate the reporting of issues throughout our value chain. They further commit to promptly informing concerned stakeholders of any relevant changes made to this policy or its provisions.

General Managers

General Managers in each country have a responsibility to implement, promote, and provide sufficient resources to support the successful implementation of this policy locally.

They are also responsible for ensuring that the policy has been read and understood by employees and taking reasonable steps to ensure all people within the scope of the policy throughout our value chain are aware of its existence upon its implementation and with every amendment.

Supervisors

Supervisors at any level of the organization are responsible for ensuring that any reports they are aware of are properly logged into the issue reporting channel, whether by the reporter or themselves or others.

The Issue Resolution Officer

The Issue Resolution Officer leads the implementation of the issue resolution program and policy review.

The Issue Resolution Officer operates independently and is responsible for:

- Receiving and investigating issue reports
- Forming investigation committees
- Communicating with issue reporters
- Finalizing remediation plans with the committee
- Addressing retaliation reports
- Answering policy and reporting channel questions
- Evaluating policy and reporting channel effectiveness
- Reporting to senior executives on policy and program effectiveness
- Analyzing trends and recommending actions
- Maintaining confidentiality of all involved parties

The Issue Resolution Officer is accountable for handling all reports.

PROCEDURES

Methods to report an issue

Any person may report an issue or wrongdoing in one of the following ways:

- In person, by speaking directly to the Issue Resolution Officer
- In person, by speaking to a supervisor or senior company management, local or visiting

- In person, by speaking to a member of the Human Resources department
- Through the customary local suggestions box system
- Through the Speeki Mobile App
- Through the following website: portal.speeki.com

We encourage people who wish to report an issue to:

- Familiarize themselves with the procedures for reporting issues
- Familiarize themselves on how a report is entered into the system
- Familiarize themselves and seek training on how to remain updated on their report
- Request assistance on how to report an issue from a trusted company employee

Reports can be submitted in any of the officially recognized local languages of the countries in which H&C operates.

Personal data will be processed in accordance with the General Data Protection Regulation (GDPR) or applicable local laws.

Investigation & follow-up

All reports received will be investigated and managed in a thorough, timely, fair, and impartial manner until remediation. For every report received, the system will keep a complete record to include all actions taken. Reports cannot be arbitrarily deleted.

Corrective Action

Where the investigation confirms that wrongdoing has been, is being, or is likely to be committed, the Issue Resolution Officer will establish appropriate action to address it.

These actions may include and are not limited to:

- Preventing or correcting the wrongdoing
- Ensuring non-recurrence
- Sanctioning the offender(s)
- Providing remediation for any damage caused
- Reporting to the competent authorities; and
- Reviewing policies and management systems to ensure systemic issues are addressed

Any form of retaliation or breach of this policy can be reported at any point in time without time limits. The Issue Resolution Officer will promptly and thoroughly investigate these reports and take the necessary steps to protect and support the person reporting the issue. Where detrimental treatment is confirmed, appropriate measures will be taken to cease it, sanction the offender, protect the person reporting the issue, and remedy any damage that has been caused.

Communication

This policy will be communicated to employees, growers, suppliers, and relevant stakeholders in various forms. Changes to the policy will also be communicated.

The policy will be made available on our website in the official languages of the countries and communities in which we operate as we aim to ensure it can be understood by anyone in our value chain and affected communities.

At a minimum, this policy will be available in:

- English
- Spanish
- Bahasa Indonesian
- Brazilian Portuguese
- Dutch
- Chichewa
- Shona
- Nyanja
- Mandarin

The English version shall be considered the official and binding version of the policy.

Training

Appropriate training will be provided to individuals in scope, and those with responsibility under this policy, to ensure that they understand the process of reporting and receiving issues and the accompanied guarantees of protection and non-retaliation.

Training sessions will be made available on at least an annual basis or more frequently as requested or as deemed necessary.

External Disclosures

This policy does not prohibit suspected wrongdoing from being reported to the competent authorities as required or appropriate.

H&C encourages any issues of wrongdoing to be reported to the company in the first place, rather than alerting the media.

Governance

This policy has been approved by the order of the Executive Committee, endorsed by the Board of Directors, and signed on their behalf by:

Andy Spies - President International Operations

Chris Cooksey - President North America Operations

Eric van der Linden - President Dark Air Cured Operations

Date: 12/20/2024

Appendix 1 - KEY TERMS

Hail & Cotton Inc. and Subsidiaries ('H&C')	Hail & Cotton Inc. and all subsidiaries (wholly or partly owned) within the global group structure.
Employees	An individual working under an employment contract for Hail & Cotton whether permanent, fixed term, or temporary whether written or otherwise.
Workers	An individual working under an agreement, other than an employment contract. This includes agency staff, consultants, independent contractors, agents, secondees, volunteers, trainees, and growers' workers.
Growers	An individual who grows tobacco as an economic crop for Hail & Cotton, either under a contract or as an independent farmer.
Suppliers	Any individual or organization that provides goods, products, or services directly to Hail & Cotton without going through an intermediary.
Business partners	Entity with which the organization has some form of direct and formal engagement for the purpose of meeting its business objective. This includes joint venture partnerships, insurers, agents, and vendors.
Person reporting an issue	Any individual who reports or discloses information on wrongdoings acquired in the context of their work-related activities, with reasonable belief that the information reported was true at the time of reporting.
Wrongdoing	An act or omission that is unlawful, abusive, or can cause harm.
Official reporting channels	The internal reporting channels provided for this policy through which reports of issues or wrongdoing can be submitted.
Detrimental treatment	Any threatened actual, direct, or indirect, act or omission linked to or resulting from the actual or suspected reporting of an issue, which causes or may cause harm.
Competent authorities	Any national authority with the power to investigate and remedy the reported wrongdoing.