

# Code of Conduct

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# 01 CODE OF CONDUCT PURPOSE

Tabacalera SLU, including its Parent Company Allied Cigar Corporation SLU, and each of its corporate affiliates (the **Group**), consider corporate responsibility as one of the main values on which their business is based and which, in addition, is the fundamental tool that guarantees the sustainability and reputation of our business activity and long-term sustainability.

To ensure this, the **Group** has developed an ethical framework composed of a Code of Conduct (the **Code**) and a set of Policies (the **Policies**) that must be complied with not only by employees but also by third parties who work with the Group in the development of their activities (i.e., suppliers and customers) and describe the principles that should guide our behavior.

In any case, the **Group** is also aware that the **Code** does not describe all activities that employees or third parties may encounter in the development of the business, so everything that is not regulated by the Code and / or the Policies will have to be interpreted according to the spirit and recommendations that these documents establish.

# 02 THE IMPORTANCE OF THE CODE OF CONDUCT

## 2.1 EVERYONE'S RESPONSIBILITY

It is everyone's responsibility to create a work environment that promotes integrity, teamwork and trust. Each of us is responsible to:

- Comply with the law and the Code and act responsibly, with integrity and in good faith.
- Treat everyone fairly and with respect, encouraging open communication and transparency in teams by thinking about how our decisions affect others.

- Challenge behavior that seems strange to us, share concerns with managers and report behavior that is inappropriate or violates local regulations and the Code.

## 2.2 THE IMPORTANCE OF ASKING FOR HELP AND SPEAKING OUT

If you suspect that there has been a breach of legislation or the Code, you should raise your concerns. You can speak to:

- A supervisor
- Human Resources
- The Management Team
- Group Legal and Corporate Affairs Department
- Board of Directors of each company within the Group.

If you do not feel comfortable reporting someone within the Group, you can raise your concerns independently using our Speak-up service.

## 2.3 ZERO TOLERANCE FOR RETALIATIONS

We will not tolerate retaliation against an individual who discloses a potential or actual Code violation or assists in an investigation. Retaliation may result in disciplinary action, up to and including termination of employment.

# 03 HOW WE ABIDE BY THE CODE

The Management Body of each Company of the Group is responsible for overseeing the Group's management structures, controls and activities.

## 3.1 INVESTIGATIONS

We have processes in place to ensure that concerns are treated equally across the Group. All investigations are confidential and conducted in accordance with any applicable legal obligations.

## 3.2 DISCIPLINARY ACTION

Appropriate disciplinary action, including termination, will be taken against individuals who have breached the Code. Violations of local laws may also subject employees to enforcement by a court or other government entity.

# 04 OUR EMPLOYEES

## 4.1 VALUE DIVERSITY AND INCLUSION AND PREVENT HARASSMENT

We respect all people for who they are and what they can do, regardless of age, race, origin, gender, sexual orientation, disability, political opinion, religion, marital status, physical or mental condition or other status protected by law.

### What we must do

- We create an equal opportunity work environment.
- We show respect for others for the value they bring, regardless of their culture, beliefs, and lifestyles.

### What not to do

- Discriminate.
- Engage in any form of harassment or abuse or behavior that could be considered offensive, intimidating, malicious or insulting.
- Failing to report abuse of others.

## 4.2 PROMOTING A WELLBEING CULTURE, A SAFE AND HEALTHY WORKPLACE

We want a healthy, safe and productive work environment for all our employees, business partners, visitors, and surrounding communities.

### What we must do

- Follow all applicable health and safety procedures in the workplace, even if they are stricter than local regulations.

- Report if we witness or suspect any kind of safety issue (e.g., an accident, incident, fault, or offense), illegal drug use, abuse or violent behavior.

#### **What not to do**

- Go to work under the influence of drugs or alcohol or cover for those who do.
- Tolerate or participate in violent actions, threatening behavior or physical intimidation.
- Act in ways that endanger our safety and health, or the safety and health of others.

## **4.3 RESPECTING HUMAN RIGHTS AND LABOR RELATIONS**

Respecting human rights is important for our people, our external reputation, the sustainability of our supply chain and our license to work. We respect the most fundamental part of human rights such as the non-use of child labor, the non-use of forced labor and freedom of association.

#### **What we must do**

- Be concerned about the wellbeing, health, safety, dignity, and welfare of our people.
- Work and engage with Group Committees, Unions, and Workers' Associations in the countries where they exist.
- Work with our suppliers to improve respect for human rights in all the countries in which we operate.

#### **What not to do**

- Hire anyone under the age of 18.
- Fail to report if you witness a human rights violation.

## **4.4 USING SOCIAL MEDIA RESPONSIBLY**

Our reputation depends on us acting responsibly and with integrity. Social media can help us share information, our positions, our brand, and product information. However, breaches of local regulations can quickly have a negative impact on our reputation.

#### **What we must do**

- Take care to represent the Group and its employees in a positive light to protect our values and reputation.
- Identify ourselves as employees when representing the Group or Group's products.
- Comply with our social media guidelines.

### What not to do

- Make false or negative statements that could be perceived as breaches of the law and writing opinions that give the impression that the Group endorses or that they are written on behalf of the Group when this is not the case.
- Represent the Group on social media platforms unless you are acting in your official capacity or with Company approval.
- Disclose confidential, private, or privileged information about our Group, customers, suppliers or colleagues.
- Use social media to sell or market our products unless permitted by local law or regulation.

# 05

## OUR COMPANY

### 5.1 ENSURING THE ACCURACY OF FINANCIAL AND TRADE COMPANY RECORDS

Falsifying records and accounts or misrepresenting the facts is fraud.

#### What we must do

- Be honest and accurate in all reports, notifications, forecasts, and analyses.
- Comply with all legislation, external accounting provisions and Group procedures for reporting information, as well as be open and transparent with local authorities.

#### What not to do

- Prepare or submit false information related to data referring to Group companies or sales volumes or profits.

Enter commitments or contracts for the Group without the necessary corporate authorization, following the schedule of authority.

### 5.2 USE OF COMPANY RESOURCES

Group resources include cash, computer systems and technological devices (such as laptops, email address and mobile phones), vehicles, premises and intellectual property. These resources are provided to us for business purposes. Inappropriate use of Group resources has a direct effect on the profitability of our business.



### **What we must do**

- Use the Group's resources properly, reasonably, and legally according to internal policies.
- Understand that the work we do for the Group belongs to the Group.
- Respect the property and resources belonging to other organizations such as our business partners.

### **What not to do**

- Use Group resources in a way that could compromise our Group.
- Use Group resources for personal gain.

## **5.3** INTELLECTUAL PROPERTY

Our trademarks, design rights, patents, copyrights, and confidential business information give us a competitive advantage. If our intellectual property assets are not used properly, our interests and those of our adult consumers could be harmed. It is also important to respect the intellectual property rights of others.

### **What we must do**

- Protect our intellectual property and report "knock-offs" and suspected counterfeit products that may infringe our intellectual property rights.
- Respect the intellectual property rights of others.

### **What not to do**

- Use names, trademarks, or other design elements that adult consumers may associate with other competitors when we sell, market or promote our products.
- Use technology, including software, that may infringe the intellectual property rights of others.

## **5.4** AVOIDING CONFLICTS OF INTERESTS

Personal relationships and conflicts of interest (which involve your partner, a family member or a close relative employed by a competitor, a supplier, or a customer of the Group) can affect our ability to decide in the best interests of the business.

### **What we must do**

- Avoid situations where personal relationships or financial interests influence or conflict with our business interests.

### What not to do

- Abuse our position, for our personal benefit or for the benefit of someone with whom we have a personal relationship.
- Conceal personal relationships, bonds or hires that could be considered a conflict.

## 5.5 PROTECTING PERSONAL INFORMATION

We hold personal information about employees, customers, suppliers and other third parties. We are obliged to protect and respect that information to ensure that we comply with data protection laws.

### What we must do

- Only collect or use personal information for legitimate purposes, obtaining the necessary consent.
- Restrict access to personal information to those who need to know or have a right to know and keep personal information securely.
- Delete or destroy personal information as soon as possible.
- Respect individuals' rights of access, modification, deletion, and objection to the use of personal information.

### What not to do

- Transfer personal information to third parties, unless permitted and adequately protected.
- Prevent anyone from processing personal information unless authorized and they understand their responsibilities.

## 5.6 MANAGING INFORMATION IN ACCORDANCE WITH LEGALITY

We create, use, and share confidential information every day. It is important to protect this information to safeguard our own and the Group's interests and reputation. Besides, our people may have access to non-public information about the Group's financial performance or future financial/business plans and it is illegal to use inside information for personal gain or to share it with others.

### What we must do

- Keep information organized and accessible and comply with all legal requirements for record keeping. Comply with requests for deletion of information from adult consumers, client's requests and local and international authorities due to pending litigation or administrative investigations.
- Share confidential information only with those who have a need to know or a right to know.
- Use confidentiality agreements when sharing information with our business partners.
- Respect confidential information belonging to third parties.

### What not to do

- Disclose information to persons or organizations outside the Group, except where disclosure is required by law.
- Attempt to obtain or use confidential information about others.
- Use confidential information from a previous employer.

## 5.7 MANAGING INFORMATION SECURITY

Information about our business, our customers, suppliers and business partners is critical to our business performance. We are obliged to keep it secure by protecting it from loss or damage and from unauthorized access, use, change or disclosure.

### What we must do

- Protect the Group's computer systems from unauthorized use or theft.
- Only give access to our information, business processes or computer systems to people who have a legitimate business need and who have appropriate authorization.
- Work with suppliers who adequately protect our information and computer systems.
- Report loss of sensitive Group information or any attack on our information systems.

### What not to do

- Use our email or Group internet/web servers (cloud servers, file hosting, social media, etc.) in a way that could damage the Group's reputation or commit the Group to something we do not have permission to do.
- Installing unapproved applications or software on Group IT systems.
- Disable or bypass security measures on Group computer systems.

# 06 OUR CUSTOMERS AND SUPPLIERS

## 6.1 FIGHTING ILLICIT TRADE

We oppose all forms of illicit trade and cooperate with authorities around the world to help tobacco products enter the legitimate market.

### Illicitly traded goods include...

- Smuggling. Legitimate products purchased on a duty paid or duty-free basis that are smuggled and sold illegally in other markets in contravention of tax or customs legislation. These products are known as “black market products.”
- Counterfeit. Products that illegally copy existing brands and are produced or sold in violation of trademark rights. They are often smuggled and sold illegally in other markets.

There is clear evidence that illicit trade funds organized crime and terrorism around the world, so eliminating it remains one of our top priorities.

### What we must do

- Only supply products in quantities proportionate and adjusted to the domestic consumption of the target market and in accordance with Duty Free Zone requirements.
- Only trade with and supply product to customers who are committed to adhering to product sourcing and supply policies.
- Make our customers aware of our position against illicit trade and their responsibility to follow the law and our Code of Conduct.
- Proactively work with governments and law enforcement agencies around the world to provide training, support investigations and conduct forensic analysis of seized tobacco products, and provide guidance on anti-illicit trade initiatives to ensure action is taken to protect our brands.

### What not to do

- Expose ourselves to personal risk or danger when collecting or reporting suspected incidences of unlawful business activity.
- Continue to supply customers who are involved in illegal business activities.
- Ignore any suspicion that a customer or supplier is involved in the loss of products in the legitimate supply chain.

## 6.2 COMPETE FAIRLY

Competition laws are designed to promote free markets and protect adult consumers and businesses. Although these laws are complex and differ from country to country, we must respect and comply with them. If we fail to do so, we can face serious consequences such as high fines, reputational damage or even imprisonment.

### What we must do

- Ensure that we understand and comply with the competition laws that apply to our market.
- Work and compete independently of our competitors.

Obtain approval from Legal Counsel or external legal advisors used by any Group Company before implementing a data sharing process that includes the provision of data to or from our competitors (including through intermediaries or third parties).

Besides, consult with the legal team regarding marketing activities or sales initiatives such as discount, promotional or commercial programs to avoid abusing our position and to ensure we comply with applicable laws.

### What not to do

- Use our dominant position unfairly, in violation of existing competition law.
- Boycotting a supplier, customer, or distributor unless based on legal advice or to protect business interests.
- Exchange information directly with competitors or through an intermediary without legal approval (this applies to all forms of communication including social networks, messaging systems and informal exchanges).
- Impose or agree fixed or minimum resale prices with customers or distributors or dictate their profit margin or the maximum level of discount they can offer (unless local law requires us to do so).

## 6.3 TRADE RESPONSIBLY

We are committed to marketing and advertising our products responsibly in accordance with the laws, industry Codes and voluntary agreements of the countries in which we operate. We apply our Marketing Principles (MPs) to consumer advertising and promotional activities and materials. Our MPs should prevail, except in situations where local legislation requires stricter standards.

### What we must do

- Direct communication about our products to adults exclusively.
- Describe products in a way that complies with all applicable laws and regulations. Include clearly visible health warnings on all our tobacco products (where legally required) and ensure that all claims (product and ingredient) we make locally are true and can be confirmed.
- Ensure that our partners and customers are committed to responsible marketing.

### What not to do

- Advertise or market our tobacco products to people under the age of 18 (or under the age legally permitted) or to non-smokers.
- Claim that tobacco products are safe to use.

## 6.4 CREATING PROFITABLE PARTNERSHIPS WITH TRUSTED SUPPLIERS AND CUSTOMERS

Our success depends on building and maintaining open, honest, and fair partnerships with trusted suppliers and customers.

From time to time, we re-evaluate our suppliers using objective criteria such as product or service suitability, price, quality, service performance, trust, and reliability.

### What we must do

- Exercise due care when selecting suppliers to ensure that their practices will not damage our reputation in any way.
- Ensure that contracts with suppliers incorporate our Code principles.
- Treat suppliers and business partners with fairness and integrity.

### What not to do

- Accept or ignore the activities of suppliers that we suspect may violate our Code of Conduct or national regulations.
- Allow a conflict of interest or personal bias to influence how we select or work with suppliers.

## 6.5 FIGHTING BRIBERY AND CORRUPTION

We do not tolerate bribery and corruption. We take pride in our reputation and in doing business properly. Compliance with anti-bribery and corruption laws is mandatory wherever we do business and some of these laws may apply in all countries. Violation of national anti-bribery and corruption laws is a serious criminal offense for the individuals and companies involved and can include imprisonment and large financial penalties for Group Companies.

### What we must do

- Pay attention to the “red flags” that indicate that there may be a risk of corruption.
- Take particular care in markets where there may be a higher risk of corruption.
- Be especially careful when dealing with government officials.
- Ensure that consultants working on our behalf have undergone due diligence checks, have been formally approved and are contractually bound to meet our standards.
- Actively oppose the use of bribes or inducements in our markets.
- Report requests or requests for payments from partners or suppliers and clients that are potentially corrupt.

### What not to do

- Offer, pay, authorize, or accept a bribe, regardless of local law or culture.
- Offer, pay, or authorize inducements.
- Engage in corrupt behavior.
- Ask anyone or allow anyone (such as our suppliers, consultants or representatives working on our behalf) to make a corrupt payment on our behalf.
- Offering or giving anything of value for the purposes of securing, contracting, or facilitating business activities (such as payments to reduce taxes or duties).
- Ignoring or failing to report corrupt activities.

### What is a bribe?

Bribes may not be so obvious. They can include money, services, gifts, excessive or unjustified entertainment and other similar benefits (including favors). The giving, offering, or accepting of any of these can be considered a bribe, if it is intended to secure or contract business or to gain any form of improper advantage.

### Conflict with gratuities (public officials)

- In certain circumstances, gratuities are a type of bribery. An example would be giving money or goods to a public official to perform (or speed up the performance of) an existing task.
- If a situation arises where you believe you are likely to expose yourself to a personal threat if you refuse a *quid pro quo* (this for that), you should report it immediately.
- If you find yourself in a situation where it is necessary to make a payment to avoid an immediate threat to your safety, you should do so and report the incident in writing to your manager or the Human Resources Department or the Legal and Corporate Affairs Department of any Group company as soon as possible.

## 6.6 GIVING AND RECEIVING GIFTS AND ENTERTAINMENT ACTIVITIES

Exchanging gifts and entertainment can help us build better and stronger business relationships, show courtesy and build trust. However, we should never offer or accept gifts and entertainment if doing so creates an obligation or gives the impression of creating an obligation. The improper exchange of gifts and entertainment can be considered a bribe.

### What we must do

- Ensure that gifts and entertainment are modest and appropriate and have a justifiable business purpose.
- Avoid offering gifts, favors or entertainment to public officials or employees without Company approval.

### What not to do

- Offer or accept cash or cash equivalents as gifts.
- Offer or accept anything that could be perceived as illegal.
- Offer or accept anything that we feel uncomfortable about if it is made public or that could damage the reputation of the Group.

### What is a public official or government employee?

The definition of “public official or government employee” is very broad and includes:

- Officials or employees of all branches of government, such as regional and local authorities, judges, customs officials, and police forces.
- Political party officials, employees of political parties and candidates for public office.
- Officials or employees of public international organizations.
- Persons managing or working for government-controlled or state-owned companies.
- Members of a royal family.
- Relatives of a government official.
- Persons who support or influence government officials, such as consultants.

## 6.7 PREVENTING MONEY LAUNDERING

Money laundering is the process of creating the appearance that funds obtained through criminal activity are legitimate or have a legal origin. It is a serious criminal activity. We must ensure that others do not use us to launder money, or we could be liable.



### What we must do

- Follow our “Know Your Customers” procedures.
- Only accept payments from customers, distributors and other companies or persons with whom we do business on a regular basis and who have undergone due diligence checks.
- Learn to recognize the types of transactions related to money laundering activity and report such transactions if we suspect or observe them.

### What not to do

- Accept cash or cash equivalents that are or may be derived from the proceeds of criminal activity.
- Deliberately or recklessly ignore “red flags” indicating that inappropriate financial transactions may be taking place.
- Engage in deliberate illegal tax evasion or facilitating such evasion on behalf of third parties.

### Money laundering “red flags”

Pay attention to suspicious activities that may indicate possible money laundering activities, such as suppliers and customers that:

- Do not want to provide general, personal or commercial information.
- Wish to be paid into a bank account other than that of their country of residence or registered office.
- Wish to pay in large amounts of cash.
- Do not seem to be concerned about the price or other terms of the purchase conditions.
- Wish to pay from a bank account other than that of their country of residence or registered office or through a third-party payer except cash pooling cases duly documented.
- Carry out unusual transactions or transactions that are not related to their business or profession or are very different from previous transactions.

## 6.8 COMPLY WITH INTERNATIONAL TRADE SANCTIONS AND RESTRICTIONS

The United Nations, the European Union and many individual countries impose strict controls on export and trade with other countries, individuals and companies. Violations of such controls could result in criminal and financial penalties for our Group and the individuals involved.

The United States sanctions are particularly strict. U.S. citizens and residents, as well as foreign nationals travelling to the U.S. may not engage in activities involving some of the sanctioned countries. U.S. sanctions prohibit even telephone calls or e-mails involving the conduct of business in sanctioned countries.

#### **What we must do**

- Know what sanctions and trade restrictions may be relevant to our positions and responsibilities.
- Comply with sanctions and trade restrictions.

#### **What not to do**

- Accept or ignore any suspicion that international trade restrictions or sanctions are being violated.
- Ignore whether sanctions or trade restrictions apply.

# 07 OUR COMMUNITIES

We respect the environment and the communities in which we work and live. We strive to apply our values throughout our communities to help protect the environment and make positive contributions to society.

## **7.1** RESPECTING THE ENVIRONMENT

We all have a role to play in reducing our impact on the environment.

We are committed to introducing more environmentally sustainable ways of working. This makes the best use of limited resources and supports operational efficiency and cost management.

#### **What we must do**

- Follow and implement environmental standards.
- Encourage the use of renewable materials and the development of environmentally sustainable packaging, products, and ways of working, while continuing to meet customer expectations and consumer preferences.
- Reduce waste, recycle, and reuse wherever possible.

- Work with our suppliers to improve supply chain impacts.

#### **What not to do**

- Dispose of waste in a reckless manner.
- Ignore or accept any suspected or known violations of our environmental guidelines and standards.

## **7.2 CONTRIBUTION TO OUR COMMUNITIES**

Making a positive contribution in communities is good for employee engagement, good for business relationships and good for our Group's reputation. It is part of our role in society.

#### **What we must do**

- Follow and implement our community involvement recommendations.
- Support community projects that improve people's lives.
- Encourage and enable our employees to volunteer to help our wider communities.
- Further the charitable interests of our employees.

#### **What not to do**

- Work with community projects, activities or charities that are not officially recognized, registered, or governed.
- Use charitable donations or community investments to directly advertise or promote our brands or products.
- Support individuals.
- Endorse projects of either our Group or the charity that may be publicly criticized as improper or pandering, especially if they are related to children and health.

## **7.3 COLLABORATE WITH GOVERNMENTS AND POLITICAL INSTITUTIONS**

Engaging with governments, regulators, industry bodies and public interest groups is an important and necessary element of our business and fundamental to the commercial success of the Group Companies. We have a legitimate role to play in all developments that affect our operations.

#### **What we must do**

[Type here]

- Follow Group guidance when engaging in “influencing” activities with public bodies or interest groups.
- Be politically neutral in all our business engagement activities.
- Ensure that our personal views and opinions cannot be interpreted as representing those of the Group.
- Support the creation of political action committees or similar organizations, provided that prior approval has been received from the Board of Directors of Group companies.
- Ensure that we obtain legal information prior to any joint industrial engagement with governments/regulators.

#### **What not to do**

- Pay regulators or special interest groups.
- Donate to political parties or associations of individuals unless permitted by Law.
- Represent any Group company or claim to be acting on their behalf in any political activity we are conducting as individuals.
- Use Group resources to support private political activities.

## **7.4** EXTERNAL COMMUNICATION

Our reputation depends on our professional and ethical behavior. Everything we do and say and everything our external partners say about us affects our reputation.

Shareholders, financial analysts, customers and many others depend on us to provide accurate and reliable information about our operations, performance and financial outlook.

#### **What we must do**

- Protect the integrity of the information we provide by ensuring that it is accurate information.
- Ensure that only trained and authorized employees speak to media.
- Refer media inquiries to the Group Companies Legal Department.

#### **What not to do**

- Represent Group externally unless we are trained and authorized to do so.
- Allow our personal views and those of the Group to be confused.



**TABACALERA**  
Tradition & Innovation