



SCANDINAVIAN TOBACCO GROUP

CODE OF CONDUCT

1. Purpose

In Scandinavian Tobacco Group (“STG”) we believe that honest and ethical behavior are central to our success as a company.

This code of conduct (the “Code”) articulates a framework to guide our behavior in STG and applies to all Group entities and employees in Group entities worldwide. (“Group entities” are companies which Scandinavian Tobacco Group A/S, Denmark, controls directly or indirectly as the sole or majority owner of the shares or the votes of the company.)

As a framework, the Code does not address every situation that we may encounter, and STG supplements this Code with related policies, guidelines, procedures, and principles to support us in understanding and applying it to our daily work.

When not guided directly by the Code, we should always endeavor to act in the spirit of the Code and seek guidance when appropriate.

All STG employees carry responsibility for compliance with the Code and the policies that flow from it.

2. Honest Behavior and Compliance with Laws and Regulations

We are committed to complying with all applicable laws, rules, and regulations wherever we operate.

We are honest and transparent in what we do, without compromising STG's business integrity.

3. Responsible Marketing

We acknowledge the health risks associated with consuming tobacco and nicotine products. Use of these products should be a personal choice and those who do use them must weigh the associated health risks and balance those against their enjoyment. Nobody under the age of 18 (or such higher age as may have been determined by local law) should consume tobacco or nicotine products.

STG is committed to acting responsibly in the marketing and promotion of tobacco and nicotine products and to complying with all relevant laws and regulations.

STG has formulated Marketing Principles for our tobacco and nicotine products, and we do not direct our marketing, advertising, or promotion to people under the age of 18 (or such higher age as may have been determined by local law). In cases where there are differences



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between the applicable laws and our Marketing Principles, STG always applies the more restrictive rule.

4. Information/Data Protection and Privacy

Protecting our business means that we safeguard STG's physical and intellectual property and only disclose confidential information about STG to third parties when necessary, and then generally only subject to prior written instruction/agreement regarding confidentiality.

We also respect the confidential information of those that we engage with and safeguard it as if it were our own. STG employees must never engage in industrial espionage.

We protect and process personal data about individuals carefully and in accordance with applicable laws and regulations, and only keep such data as long as is necessary.

5. Anti-Corruption and Bribery

We have a zero-tolerance approach to bribery, corruption, and corrupt behavior of any kind, including facilitation payments.

We perform our work with integrity and in the best interests of STG. Accordingly, we do not engage in activities that conflict with our responsibilities towards STG or in the performance of our work act in ways that elevate personal interests or relationships above STG's interests.

6. Accounting, Taxation, Money Laundering and Fraud

We comply with relevant accounting laws and procedures and observe STG's bookkeeping and accounting principles. To promote transparency, we ensure that payments are registered either by way of invoice or other appropriate documentation.

We do not tolerate money laundering, misuse of company resources or other types of financial crime or fraud.

Regarding taxation, we aim to comply with both the letter and spirit of the law, and we cooperate with the tax authorities on a basis of mutual transparency and respect.

7. Competition Law

STG supports free enterprise and fair competition. Violation of competition laws may be regarded as a criminal offence and can result in severe penalties for STG and STG's employees.



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It is our policy to compete fairly, openly, and independently in every market and to comply fully with all competition laws and regulations. We seek advice, when necessary, to ensure compliance.

8. Export Controls and Sanctions

We will comply with applicable trade restrictions and sanctions that restrict the export, re-export and/or importation of products, or the provision and use of services and financial transactions.

9. Business Partners

All STG business partners are, as a fundamental principle, expected to comply with applicable laws, rules, and regulations.

When selecting business partners, we seek to work with those who share and adhere to our ethical standards.

10. Sustainability

Our ambition is to craft a better tomorrow. We take concrete actions to prevent climate change, promote the sustainable use of natural resources, and elevate our communities.

11. Health and Safety in the Workplace

All STG employees shall enjoy safe and healthy working conditions.

We seek to reduce the risk of accidents, injuries, and work-related illnesses. We aim to meet or exceed requirements for health and safety in the workplace as expressed in local laws and regulations.

12. Diversity and Non-Discrimination

We embrace diversity as a source of strength, and we value a diverse workforce that includes people of different nations, cultures, ethnic groups, generations, backgrounds, skills, abilities and all the other unique differences that make each of us who we are.

We treat our fellow employees with respect, trust, and dignity. We do not tolerate any form of harassment or discrimination, including harassment and discrimination based on gender, age, race, religion, nationality, ethnicity, political opinion, sexual orientation, union membership, disability, health status, or any other basis.



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13. Political Engagement

STG engages with policy makers to help ensure that the regulatory and legal frameworks governing our product categories are reasonable and based on sound evidence and common sense. We do this both as a company and through membership in industry associations.

We engage policy makers and regulators ethically and transparently. STG does not provide monetary or in-kind contributions to politicians or political parties, though in the United States we administer a Political Action Committee which can disburse voluntary employee contributions for political purposes. STG is also a member of industry associations which may on occasion provide local support to political parties, politicians, or campaigns.

14. Human and Labour Rights

STG respects internationally recognized human rights¹.

We seek to avoid causing or contributing to adverse impacts on human rights, and to address and mitigate such impacts if they occur.

STG aims to apply good labour practice in all Group operations, and we value dialogue and collaboration with our employees. We respect our employees' freedom of association and their right to be represented by unions and to bargain collectively.

Terms of employment and working conditions for STG employees must, as a minimum, comply with local labour laws, including any rules on minimum wage.

Forced labour is not acceptable under any circumstances. Our employees are free to leave their job with the notice determined by law or contract and will never be required to pay a deposit or surrender identification documents as part of their employment.

15. Child Labour

STG does not accept and does not use child labour.

We respect the rights of children, including their right to development and to education, rest and play.

¹ Understood as those expressed in the International Bill of Human Rights, the fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the Children's Rights & Business Principles, the UN Convention on the Rights of the Child and its corresponding General Commitment No. 16, the ILO Convention No. 182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, the ILO Convention No. 138 concerning Minimum Age for Admission to Employment, and the ILO Convention No. 184 concerning Safety and Health in Agriculture.



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No child should be subject to forced labour or child labour, including work for which the child is too young (below the applicable minimum age), or work which is mentally, physically, socially, or morally dangerous to children or that interferes with their schooling.

We respect the minimum working ages as defined by the ILO Convention 138 (or such higher ages which may be stipulated by national law or be defined nationally as the age for compulsory education).

Children who have reached the legal working age (normally 15 years according to the above, i.e. children between 15 and 18 years of age) may work but shall never perform hazardous work as defined under national regulations. If national law permits, children 13-15 years old may perform light work as long as it does not threaten their health or safety or their ability to attend school or other education and to benefit from such education.

When and where relevant we will promote the right of children to be protected against forced labour and child labour. We will engage with other members of the industry, suppliers, farmers, communities, governments, and other stakeholders to prevent child labour, forced labour and hazardous work among children.

16. Reporting Non-Compliance

Instances of actual or suspected non-compliance with this Code should be reported to a manager, the Human Resources Department or to STG leadership. STG has a whistleblower system that can also be used for confidential reporting, including anonymous reporting, of potential issues.

No one will be subject to retaliation for reporting in good faith potential non-compliance with this Code or any Group policy.

17. Further Information

For further information or questions regarding the Code, please contact STG Group Legal or the STG Executive Management.

Copenhagen, December 2023

Scandinavian Tobacco Group A/S

The Board of Directors