

# CODE OF CONDUCT FOR CTA-CONTINENTAL'S SUPPLIERS

**DEAR PARTNER,**

This Code of Conduct for Suppliers aims to set forth guidelines regulating the ethical, social, and environmental behavior of suppliers in their interactions with CTA Continental Tobaccos Alliance S.A. The principles outlined here are closely aligned with the Code of Professional Ethical Conduct for Company Employees, reflecting our firm commitment to responsible and transparent conduct.

With this Code, we reconfirm our dedication to maintaining the utmost ethical principles. CTA is committed to ethical and accountable business conduct, focused on the integrity and durability of the value chain through the following principles:

- respect and promote human rights;
- value people;
- promote safety and health;
- promote integrity and sustainability;
- value relationships with customers and partners;
- foster continuous improvement.

Your dedication and teamwork are essential for CTA Continental to succeed in the market, striving for continuous improvement of the company and suppliers through the quality of products and services.

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## INTRODUCTION

The purpose of this document is to establish guidelines that must steer CTA Continental Suppliers' ethical and socio-environmental conduct. It is worth emphasizing that Supplier selection and maintenance is based solely on technical, financial, quality, socio-environmental, and ethical criteria, as well as compliance with current legislation.



## COMPLIANCE WITH LEGISLATION

Suppliers must comply with applicable laws, rules, and regulations. This includes, but is not limited to, respect for health, safety, human and labor rights, the environment, and local laws, including tax, fiscal and anti-corruption laws. We value our reputation for honest, ethical business practices. We have zero tolerance for situations involving bribery or other acts of corruption, as well as for inappropriate conduct resulting from failure to comply with this Code.



## RELATIONSHIP WITH SUPPLIERS

Our Suppliers have direct influence on the quality of our products and services. The relationship with our Suppliers will be subject to compliance with this Manual. The company observes free competition, transparency and impartiality in selecting its suppliers, as well as strict compliance with contracts.

With the ongoing goal of broadening our supply base, we engage suppliers whose management practices are consistent with the principles of this Code. We will not limit suppliers based on size, scope or location as long as they are able to provide their product or service in accordance with the requirements and specifications, as well as being administratively capable of supplying such products and services.

The company tracks suppliers' development and performance. The purpose of the assessment is to help improve management, strengthening the partnership between parties.

CTA may make unannounced visits to suppliers and partners in order to assess their management practices including the working environment in which they operate. Documentation may be requested to confirm compliance with this Code.



## POSITIVE WORK ENVIRONMENT

It is imperative that Suppliers create a positive working environment where all employees feel respected and productive. Integrity, respect and ethics are CTA's principles. CTA expects suppliers to uphold their commitment to a positive, open, inclusive work environment free from discrimination, violence and harassment. Similarly, when performing work/services at CTA, supplier personnel must comply with CTA's safety, health, management and human rights standards.



## UNFAIR COMPETITION

CTA values free and fair competition among suppliers. We respect our competitors under the belief that fair competition is a force for market improvement.



## CONFLICT OF INTERESTS

It is important that personal interests do not conflict with Company or other interests. These and other situations must be reported immediately to CTA Grievance (tel. +55 51 37932230 or sustentabilidade@cta.com.br) for appropriate evaluation and determination of whether a conflict of interest exists. Those involved in a potential conflict must remove themselves completely from the situation until the review is complete. CTA will maintain confidentiality of the information provided.



## GIFTS AND ENTERTAINMENT

Gifts and entertainment given or received by persons having a business relationship with the Company are generally acceptable if they are of modest value, appropriate to the business relationship and do not create the appearance of impropriety or favoritism.

No cash payments must be made or received, nor any advantage, either direct or indirect. In addition, it is not permitted to give, offer, promise, receive, facilitate, pay or authorize gifts and entertainment to anyone for the purpose of obtaining an undue advantage. The Company expects its suppliers, before offering any gift or entertainment, to ensure that it is consistent with customary market practices and legal requirements to avoid situations that constitute improper conduct.



## SOCIAL MEDIA

Suppliers, as well as their employees, may act in a manner consistent with the values of CTA and this Code when mentioning the Company or referring to any of its employees or third parties on social networks.



## HUMAN RIGHTS

CTA respects and promotes human rights. The company pursues cordial, trustful, respectful, dignified, and honest relationships in interactions between its employees and supplier employees, regardless of any hierarchical position, title or function, with no tolerance for discrimination, intimidation, or any type of harassment.

Suppliers must ensure a safe, respectful environment where equality and dignity are highly valued. CTA expects suppliers to monitor and address potential situations and commit to workplace health and safety.

Suppliers must provide their employees with decent working conditions in terms of working hours, health, and safety, always in compliance with applicable labor laws.

CTA has no tolerance for slave labor, child labor, or sexual exploitation of any person. The Company expects its suppliers to monitor their supply chain to prevent and tackle such situations. We do not condone such practices, therefore, if they are identified, they will be reported to the appropriate authorities.

CTA implements programs to eradicate child labor, encouraging its suppliers and partners to develop similar actions.



## POLITICAL ACTIVITIES AND FREE ASSOCIATION

CTA is a non-partisan company. CTA respects the individual rights of suppliers and their employees to engage in political and trade union activities. By the same token, the company expects its suppliers to recognize the right to freedom of association and collective bargaining. Nonetheless, CTA understands that any political activism on the part of its suppliers and employees should not take place in the course of their professional activities.



## LABOR PRACTICES

Suppliers must pay their employees and provide all legally required benefits. They must also ensure that their business partners operate in compliance with local labor laws and ethical standards consistent with this Code.

CTA views safety as a core value that should guide attitudes, behaviors, and decisions on a daily basis. People are the main link that keeps the company on the road to business excellence. Therefore, proper attention on safety and well-being is always fundamental.



## ENVIRONMENT

By supporting various public and private projects related to environmental protection, CTA plays an active role in protecting the ecosystems where its business units are located. It does so by careful product manufacture, handling and transportation, by contributing to preservation of forest reserves, by preventing waste of natural resources, as well as promoting conservation campaigns to raise awareness among regional communities.

For this reason, the company expects its suppliers to respect and comply with all the provisions of the environmental legislation in force, to assume responsibility before environmental bodies and society for any damage or harm they may cause to the environment, and to carry out their services and/or activities in compliance with the legal, regulatory, administrative and related acts issued by the federal, state and municipal authorities, thereby contributing to ecologically sustainable development, constantly seeking to reduce the environmental impact from their inputs, operations, products and services.



## CONFIDENTIALITY

CTA expects its suppliers to treat all company matters with confidentiality, without exceptions, and to protect intellectual property rights, as well as to comply with the General Data Protection Law. Access to Company information must be limited to only those people that need to receive it. They must use the information for the sole purpose of supplying products or services.

Suppliers must maintain confidentiality of all non-public information received from the Company by any means or in any form including, but not limited to, personal or financial information during the preparation of their proposals and during the term of their contracts and/or proposals, in accordance with privacy laws. Confidentiality shall continue indefinitely after contract termination, or until such information should eventually become public.





## INTEGRATED PRODUCERS - TOBACCO SUPPLIERS

CTA Continental's integrated producers must follow the guidelines and policies of the company's programs for child labor eradication, human rights, Sustainable Tobacco Production (STP), Good Agricultural Practices (GAP), environmental protection and conservation, including legal, sustainable and traceable firewood. The company's field technicians communicate these policies and guidelines through technical assistance visits, plus Company technical informative materials. Environmental, social and corporate governance (ESG) is a CTA policy to achieve its social objectives.

By monitoring and collecting information from 100% of its integrated producers and implementing mechanisms such as immediate action tools, unannounced visits, and due diligence, the company strives for continuous improvement of the social, environmental, and cultural pillars through improved crop governance and production.

