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# **Code of Conduct**

## **Contraf-Nicotex-Tobacco GmbH**

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## **Introduction: Message from the Management Board**

As a family-owned company, we have adopted both Legality and Corporate Responsibility as an integral part of our Corporate Governance Principles. We are continuously adapting to drive transformational change, addressing sustainable related challenges to conduct our business in a responsible and sustainable manner across our operations and supply chain.

Our CNT's Code of Conduct set minimum guidelines and principles that outline the expected behavior and ethical standards for directors, employees, and suppliers within the group companies. We ask our suppliers to ensure that all their workers, new and existing suppliers, agents, sub-contractors and other relevant third parties understand and adhere to these standards.

Our Code of Conduct aim to serve as a framework for promoting ethical decision-making and responsible business practices through our activities worldwide. Good corporate governance should consider local conditions to ensure transparency, accountability, and integrity in our operations.

Dirk Siemann

Torsten Siemann

Sascha Siemann

CONTRAF-NICOTEX-TOBACCO GmbH (CNT)  
Management Board  
July 2023



## Scope

This Code of Conduct is mandatory for all directors and employees (including senior management, interns, and seasonal, part-time, and permanent employees).

Business partners and suppliers are expected to comply with these standards when engaging with CNT and/or its affiliates. By suppliers' we mean any third party that supplies or provides product materials, goods, or services to any CNT Group company, including consultants, independent contractors, agents, manufacturers, primary producers, sub-contractors, distributors, and wholesalers.

## Ethical standards

We commit to conduct business with integrity and transparency. Directors and employees of CNT and its affiliates are expected to uphold and act in accordance with the ethical principles and values of respect, integrity, and compliance with laws and regulations.

## Compliance with Laws and Regulations

We expect compliance with applicable laws, regulations, and industry standards of the jurisdictions where business activities are conducted, while also considering broader international standards and obligations. Where national law and international standards differ, or where they conflict with each other, CNT will seek ways to respect all international regulations to the greatest extent possible.

## Conflicts of Interest

We consider that a conflict of interest occurs when an individual's personal interests interfere with their professional obligations. Situations or relationships that may rise to conflicts of interest include financial interests, relationships with clients or suppliers, outside employment or consulting engagements, and personal connections that could affect objectivity or impartiality in decision-making.

Anyone acting on behalf of CNT is expected to prioritize the organization's interests and the best interests of our stakeholders when making decisions. When a conflict of interest arises, the person shall remove itself from any role that could be influenced by the conflict and promptly communicate the issue to the relevant parties.

## Anti-corruption and Anti-bribery

CNT does not tolerate any act of bribery or corruption. Dishonest or unethical practices involving the abuse of entrusted power for personal or private gain is totally prohibit. Corruption includes **bribery, embezzlement, fraud** and other forms of illicit behavior aimed at gaining an unfair advantage or manipulating the system.

CNT believes that all its business activities shall be accomplished fairly and with integrity based on the general principles of supply and demand in a free market. Each individual acting on behalf of CNT is



responsible for avoiding corruption and is not allowed to offer, promise, pay, receive, or authorize anything of value to obtain an improper advantage when doing business.

All directors and employees are expected to keep accurate and transparent records that reflect actual transactions and payments in compliance with CNT's policy.

### **Money Laundering**

Money laundering is a serious financial crime that involves the crime of moving money that has been obtained illegally to make it seem as if the money has been obtained legally. CNT is committed to complying with anti-money laundering laws worldwide and in its local operations. Directors and employees are expected to comply with transaction monitoring and record-keeping policies, and with all relevant laws and regulations.

### **Commercial counterfeit and other illicit products**

CNT is dedicated to an effective anti-counterfeiting policy. All directors, employees and partners of CNT must consider how this policy may apply to all business transactions specific to the purchase of tobacco, nicotine, and other ingredients.

All directors, employees and partners of CNT will not knowingly supply products to any entity or individual engaged in the manufacture, distribution or sale of counterfeit or otherwise illicit products. Anyone who is found in violation of this policy, shall be subject to severe disciplinary action.

### **Data privacy and data protection**

CNT commits to comply with applicable data protection laws and regulations, to implement responsible data management practices and to prevent unauthorized access, loss, or alteration of confidential information. CNT commits to ensure that employees', customers' and suppliers' confidential information is protected and safeguard.

All employees have the obligation to maintain the confidentiality and security of confidential data they handle. Security protocols should be followed, and any suspected security issue should be reported to the appropriate personnel.

### **Accounting and Financial Reporting**

It is essential that all employees record financial and non-financial information prudently and accurately. CNT's, and its affiliated companies' books, records and accounts must fit in the CNT Accounting Policies. Records must be accurate and complete, and supporting documentation should be collected and saved at the time of a transaction. Accounting records and documentation should be retained in accordance with local legal and fiscal requirements. Annual financial statements and documents relating to acquisitions and other significant transactions should be kept permanently.

## Export control

CNT commits to comply with export control regulations, including all national and international trade control and restrictions as well as embargo laws. Employees must maintain accurate and complete records of export transactions, licenses, and authorizations in accordance with regulatory requirements. Managers should clearly define the roles and responsibilities of employees regarding compliance with export control regulations.

## Protection of company property and assets

The company property and valuable assets are essential to our operations and were obtained through the hard work and dedication of all the persons that form part of the group companies. It is the responsibility of all employees to protect and properly use company assets, including intellectual property, confidential information, and physical resources.

## Fair Competition

CNT commits to promote fair competition and prohibits anti-competitive practices or unfair trade practices. We seek to outperform our competition fairly and honestly, through superior performance and never through unethical or illegal business practices. All directors and employees should adhere to fair business practices and treat competitors, customers, and suppliers with respect and integrity.

## Human and labour rights

This Code supports our commitment to respect human and labour rights and is found on international standards, including the International Bill of Human Rights<sup>1</sup> and the ILO core labour standards<sup>2</sup>. We identified and prioritised a range of human rights issues and have summarised our expectations and commitments below. Nevertheless, our respect for human rights is not limited to these issues.

### Child labour

Child labour, and particularly worst forms of child labour, are totally prohibited. The minimum age for work, except for light work, should not be less than the age of completion of compulsory schooling and, in any case, should not be less than 15 (fifteen) years. Individuals under the age of 18 (eighteen) should not, under any circumstance, perform hazardous work.

Please refer to CNT's **Child Labour Policy** for more details on CNT's commitments to child labour.

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<sup>1</sup> [OHCHR | International Bill of Human Rights](#)

<sup>2</sup> As reflected in the ILO Declaration on Fundamental Principles and Rights at Work (amended in 2022), [ILO Declaration on Fundamental Principles and Rights at Work \(DECLARATION\)](#)



### Modern slavery

All forms of forced labour, human trafficking, bonded labour, slavery, and servitude are totally prohibited. Any situation that a person cannot refuse or cannot leave because of threats, violence, deception, abuse of power or other forms of coercion is unacceptable.

### Discrimination and harassment

CNT is an equal opportunities employer and does not tolerate discrimination or harassment throughout its operations and supply chain. This includes discrimination or harassment based on race, colour, national and ethnic origin, social origin, health status, disability, sexual orientation, gender expression, age, gender, political opinion, religion, pregnancy or any other protected category under applicable law. Recruitment and selection strategy should be objective and based on retaining and attracting the best and most suitable person(s) at all levels of the business.

### Working conditions

CNT promotes and provides decent work for all people who work on our premises and expects the same from its suppliers. Living wage is an essential aspect of decent work to ensure that all workers and families can live in dignity. All workers should be provided with a compensation that meets or exceeds the legal minimum standards; or appropriate prevailing industry standards, whichever is higher. Piece rate payments should, at least, meet an equivalent for hourly earnings or other requirements under local legislation.

Additional work or overtime work should be voluntary, legal, and compensated in line with applicable regulation. Workers should be afforded all leave entitled to under local legislation including breaks, rest days and holidays.

CNT recognizes and respects the rights of workers to freedom of association and collective bargaining. Representatives should be able to communicate openly about working conditions without fear of retribution and to carry out their activities within the framework of law.

### Occupational Health and Safety

We commit to provide a safe and healthy workplace that follows all applicable national and international laws and regulations regarding Occupational Health & Safety Policy and Security Policy affecting our business practices. A safe working environment should be provided to prevent accidents and injuries and support mental well-being. Exposure to hazardous tasks, materials and tools should be avoided or minimized. Procedures for assessing and reviewing the occupational health, safety and security impacts of our present and future activities should be established in a regular basis.

CNT, affiliated companies and suppliers must implement and update health, safety and security practices and train staff to ensure a safe environment for all employees, visitors and contractors.

Where accommodation is provided, this should be clean, safe and in compliance with applicable local legislation.

Please refer to CNT's **Human Rights Policy** for more details on CNT's commitments to Human Rights.



## Environmental responsibility

We commit and adhere to the applicable environmental legislation and regulations in the countries where we operate.

Sustainable practices should be embraced by individuals in various positions within the businesses, as each role can contribute to in different ways. We ask everyone that is in the scope of this Code to operate in an environmentally responsible and efficient manner to minimize adverse impacts on the environment. CNT commits to protect natural resources, significantly reduce the use of hazardous materials and to engage in activities that reuse and recycle.

Please refer to CNT's **Environmental Policy** for more details on CNT's environmental commitments.

## Training and Communication

CNT and its affiliated companies shall clearly state this policy to its directors and employees, as well as its representatives, agents, and other involved person(s) or parties who might act for and/or on behalf of the Company. Employees should be trained on this Code's expected standards and regularly communicate its content and updates.

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## Raising Concerns and Grievances

We encourage internal and external stakeholders to communicate in good faith unlawful and unethical behaviors, and violations of the CNT Code of Conducts and Policies. To report a grievance or seek guidance on ethical or compliance concerns we offer the following ways:

- Addressing the issue or concern directly with the corresponding Line Manager or with the Legal or Human Resources Function.
- Use of CNT Integrity Line: If direct communication as described above is inappropriate under the circumstances, we offer CNT online grievance mechanism where confidentiality and anonymity are protected. The Whistleblower can upload a report using the company's official online portal ([cntleaf.integrityline.com](http://cntleaf.integrityline.com)) or contacting EQS Group at the phone number +498001898550, where an external person will upload the report.

**CNT Integrity Line**  
[cntleaf.integrityline.com](http://cntleaf.integrityline.com)

Please refer to CNT's **Grievance Mechanism Procedure** for more details.

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