

ITG Brands Disclosure Statement on The California Transparency in Supply Chains Act of 2010

The California Transparency in Supply Chains Act of 2010 (Cal. Civ. Code § 1714.43) (the “Act”) requires retailers and manufacturers that do business in California to provide information on their efforts to eliminate slavery and human trafficking from their supply chains so that consumers can make informed choices about products they buy and companies they support.

ITG Brands, a subsidiary of Imperial Brands, is the third largest tobacco company in the United States. We take pride in behaving responsibly and running our business the right way. It’s not just the right thing to do—it underpins the ongoing growth and development of our business. We support the goals of the Act and strive to be examples of good human rights and labor practices throughout our business activities.

ITG Brands is part of an industry that is heavily regulated on both the state and federal levels. We are dedicated to conducting our business in a way that is both responsible and meets or exceeds that regulatory framework. ITG Brands’ sourcing is in large part concentrated within the United States; however, we are aware our footprint may affect those beyond the United States. Our values and our expectations for suppliers are outlined in our ITGB [Code of Conduct](#).

ITG Brands engages in the following actions to identify and eliminate human trafficking and slavery in our supply chains:

1. Supplier Verification

ITG Brands is aware of the risks associated with its industry and strives to minimize that risk. Before engaging in business with a supplier, ITG Brands takes reasonable steps designed to know our suppliers, including establishing that the supplier is engaged in legitimate business activity.

At ITG Brands, we purchase tobacco mainly from international leaf supplying companies. ITG Brands consults a wide range of external sources when evaluating and verifying suppliers’ risk profiles. These sources include research, reports, indices from governments and reputable research institutions, and we monitor external sources for new resources as they become available. Through our Sustainable Tobacco Program, we monitor the social, environmental, and economic standards of our tobacco supply—from its farm origins to the leaf processing facilities. Throughout the purchasing process, we encourage continuous improvement and promote all parties working together to ensure short- and long-term supply of quality leaf. We do this by focusing on labor, safety, and environmental issues through monitoring and assessments

ITG Brands requests our tobacco suppliers to complete a review in which they individually assess their performance. We are assisted by third-party contractors and international supply chain specialists whose experienced consultants conduct risk-based reviews of the leaf supplier base.

ITG Brands monitors our direct suppliers and contract manufacturing organizations to ensure continuous compliance with our Supplier Code of Conduct.

2. Audit and Supplier Requirements

Based on a range of factors, including our evaluation of risk, ITG Brands and/or third parties conduct supplier reviews and announced assessments by looking at suppliers' policies and procedures. These assessments may include an acknowledgment of the expectations contained in the Imperial [Supplier Code of Conduct](#).

ITG Brands expects all suppliers to comply at all times with applicable laws and to engage in honest and ethical business conduct. If ITG Brands becomes aware of any actions or conditions that do not comply with ITG Brands' standards, we reserve the right to require corrective measures. If concerns are found, ITG Brands engages in higher-level assessment and remediation efforts which may include an announced audit by internal personnel or third-party contractors. ITG Brands also reserves the right to terminate an agreement with any supplier who fails to take corrective action.

3. Supplier Certification

For certain direct suppliers of materials that ITG Brands incorporates into its products, ITG Brands performs pre-purchase screening practices. These practices include representations by those suppliers that the suppliers comply with the Imperial [Supplier Code of Conduct](#).

4. Accountability

At ITG Brands, we need to be certain that everything we do is guided by a commitment to honor the letter and spirit of the regulations under which we operate. The foundation of these commitments is defined in our [Code of Conduct](#). ITG Brands Legal and HR functions are internally responsible for addressing any issues related to anti-slavery and human trafficking. All ITG Brands employees are required to read, understand, acknowledge, and abide by our Code of Conduct and any underlying policies, including those on anti-bribery, human rights, whistleblowing, and discrimination.

Our Code of Conduct emphasizes that respecting human rights is important for our people, our external reputation, our supply chain sustainability, and our ability to operate. It specifically states that we do not tolerate child labor, illegal or forced labor, physical punishment, or abuse. Employees are encouraged to speak up and raise concerns or questions around company integrity, through multiple channels, including making a report to local management, Product Integrity & Compliance, Legal or HR; by e-mail; or through our independent Speak Up! hotline, without fear of retaliation.

5. Training

The ITG Brands' Human Rights e-learning course was developed to support employees, our management group, and key personnel (i.e., employees and management with direct responsibility for supply chain management) from across our business in understanding the issues and explaining how to raise concerns regarding suspected or actual human rights abuses. We are actively expanding the rollout of the training to include face-to-face training for employees who may not have access to our online training platform.

ITG Brands is committed to upholding human rights and continuing to improve its performance by reviewing its programs and policies on an ongoing basis. For more information on Imperial Brands' wider sustainability goals, see the [Sustainability Performance Summary](#).

All questions regarding this Disclosure Statement should be directed to the ITG Brands' Human Resources Department. Employees are responsible for understanding or seeking clarification of any aspects outlined in this Disclosure Statement and failure to follow the requirements outlined in this Disclosure Statement may result in disciplinary action up to and including termination. You can also visit www.itgbrands.com to prepare a report that is confidential and anonymous regarding this Disclosure Statement.