



Anti Child Labor Policy

Policy and Programme

1.0 Purpose

In accordance with the Siam Tobacco Export Corporation ("STEC" or the "Company") Agricultural Labor Practices Program and International Labour Organization (ILO) Conventions 138 (Minimum Age for Admission to Employment) and 182 (Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour) include the Labour Protection Act B.E.2541, section 44: Employer shall not employ a child under fifteen years of ages as an employee, Therefore STEC confirms our longstanding commitment to eliminate child labor from our supply chain. We will continue the approaches that have shown the greatest success as well as develop and explore other opportunities and initiatives that may provide further positive outcomes.

The ILO estimates there are 98 million child laborers working in agriculture globally. STEC understands that this practice extends to tobacco production in many countries in which we operate. STEC does not accept that child labor is a necessary practice and, instead has undertaken a number of strategic initiatives supporting our commitment to eliminate the occurrence of child labor in our supply chain. We have been working for many years, both internally and with external stakeholders, to understand and eliminate the root causes of child labor, providing training to contracted farmers, monitoring compliance and intervening where necessary. In many cases, there are endemic cultural and economic issues that require careful understanding in order to develop mutually agreed upon solutions for creating long-term improvements.

2.0 Scope

This policy is based on Anti-Child Labor Policy of Pyxus International, Inc. and applies to all Alliance One International (AOI) & Thapawong Company Ltd (TW) Joint Venture operations within THAILAND and under the Joint Venture Company Siam Tobacco Export Corporation (STEC); including the STEC processing facility, the up-country Agronomy offices, all storage facilities, all STEC & TW operated buying stations and contracted farmers (as appropriate).

3.0 Definition

Child labor:

- The involvement of a person less than the age of 15, or the minimum age provided by the country's laws, and who is less than the age for completion of compulsory schooling in any work;



- For light work, in the case of family farms, the involvement of a child of the farmer less than the age of 13, or the minimum age as defined by the country's laws;
- For hazardous work, the involvement of a person less than the age of 18.

Hazardous Work: Work which is likely to jeopardize children's physical, mental or moral health, or safety.

4.0 Procedure :

1. Supply Chain

- a. STEC intends to continue improving identification of and elimination of child labor in our supply chain, both at the local and the corporate levels, through:
 - I. Effective staff and contracted grower training related to anti-child labor commitments;
 - II. Awareness campaigns using website, posters, brochures and other media;
 - III. Effective collaboration with NGO's, grower and worker organizations, customers, governments and other stakeholders toward complementary policy, practice and regulatory reforms that lead toward elimination of child labor in tobacco production;
 - IV. Farm visits by trained staff to monitor for compliance;
 - V. Honest and transparent recording and reporting of incidents, while protecting confidentiality of those involved, accompanied by an investigation and establishment of an effective resolution process;
 - VI. Follow-up monitoring to ensure effective resolutions were implemented and additional measures taken when required;
 - VII. Periodic independent third-party audits and assessments;
 - VIII. Using results of our monitoring and from external assessments to inform and improve across all relevant internal functions;

2. Growers

- a) While not all activities associated with tobacco growing are hazardous, STEC recognizes that several potentially are. Many countries have laws specifying the activities that can be considered hazardous work. STEC requires its contracted growers to understand the laws in their countries, because no person under the age of 18, whether they are the child of the grower or a young worker above minimum legal working age, can be involved in hazardous work. If there are no specific laws specifying hazardous tasks, growers must be able to determine what work on their farm should be considered hazardous to prevent anyone under the age of 18 from being involved in it.
- b) STEC uses the following list of potentially hazardous work examples to guide its growers. This list is not meant to be comprehensive, but rather a guide to help growers understand what activities on their farms may be hazardous.



- Participating in activity that may cause exposure to green tobacco leaves, which could cause Green Tobacco Sickness (such as harvesting, topping or suckering);
- Operating machinery with moving parts or moving vehicles, except when otherwise allowed by law;
- Using sharp tools in movement (such as machetes, knives or implements used for planting, weeding, stalk cutting, etc.);
- Handling fertilizers or crop protection agents;
- Working at heights, above which a fall is likely to cause injury;
- Carrying heavy loads, where weight of load, repetition of lifting and person's physical stature are considered to determine risk of injury;
- Working in poorly lit environments;
- Working in extreme temperatures (such as very hot or cold conditions);
- Working long hours that interfere with health and well-being

3. Responsibilities

- a. All of our leaders are accountable to monitor the effectiveness of these expectations and to provide visible leadership for this Policy.
- b. It will be disseminated publicly, using best local means, including translation to local language, where necessary, and will be reflected in operational policies and procedures, and supplier contracts, as appropriate. If anything in this Policy is in conflict with local statutes or regulations, the most restrictive will prevail.
- c. The responsibility for application of this Policy rests with all of STEC.

This policy will be reviewed at least annually.

Adopted: 15th July 2023

Reviewed: 1st July 2025

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