Compliance Schedule

1. Sanctions, Anti-Bribery and Anti-Corruption Laws

1.1. The Supplier represents and warrants that the following statements will be true and correct for the Supplier and its Affiliates providing goods and/or services under the Agreement throughout its duration:

(a) the Supplier and its Affiliates, and each of their respective shareholders, direct and indirect owners, officers, directors, employees, agents and any other person(s) involved in providing goods and/or services under the terms of the Agreement, will comply fully with ABAC Laws and applicable Sanctions;

(b) in carrying out its responsibilities under the terms of the Agreement, the Supplier and, as applicable, any Supplier Affiliates, along with any of their respective shareholders, beneficial owners, officers, directors, employees, agents, or any other person involved in providing goods and/or services under the terms of this Agreement, will not permit, authorize, or allow any improper or corrupt offer, promise, payment, or giving of anything of value or of any other incentive, directly or indirectly, to (i) any Government Official in order to influence official action or otherwise obtain an improper advantage, (ii) any other person with the knowledge or reasonable expectation that all or any portion of the money or thing of value will be offered or given to a Government Official in order to influence official action or otherwise obtain an improper advantage, or (iii) any other person in order to induce them to perform their work duties disloyally or otherwise improperly. For the purposes of this Section 1.1(b), a person shall be deemed to have "knowledge" with respect to conduct, circumstances or results if such person is aware of (1) the existence of or (2) a high probability of the existence of such conduct, circumstances or results by virtue of proper prior due diligence that was or should have been performed under the circumstances. This includes a prohibition on the making of any "facilitating" or "expediting" payments which, for the purposes of this Schedule, are defined as small payments made to Government Officials in furtherance of or to expedite or secure the performance of routine, non-discretionary government action. Some examples include payments that are made to speed up the issuing of legitimate visas, licenses or permits, to connect telephones or other utility services.

(c) the Supplier Affiliates will not engage any individual to interact with Government Officials or Government Instrumentalities on the Customer Affiliates' behalf without the Customer's prior consent, if at any point during the prior year that individual qualified as a Government Official;

(d) the Supplier Affiliates will keep and maintain complete, accurate and reasonably detailed Books and Records in connection with the goods and/or services to be provided, and/or the financial transactions that are to be made on behalf of the Customer or Customer Affiliates under the terms of this Agreement;

(e) there is no pending or threatened litigation, enforcement action, or investigation by a government entity, or any inquiry or proceeding concerning the Supplier Affiliates, or any person acting on their behalf or under their control or direction, in relation to non-compliance with any applicable ABAC Laws or Sanctions;

(f) Supplier and any Supplier Affiliates performing activities under this Agreement, as applicable, and direct and indirect owners and senior managers of the foregoing are not:

i. on any of the Sanctions lists published by the United States, the United Kingdom, the European Union, the United Nations, Switzerland, or the jurisdictions where the Parties are located (each such listed individual or entity being a "**Sanctioned Party**"); or

ii. located in, employing, using, procuring, subcontracting, or supplying any items, services, or labor originating from or attributable to (a) any Sanctioned Party or (b) any location subject to country-wide or region-wide Sanctions from time to time (each such location being an "**Embargoed Location**"). As of the date of this Agreement, Embargoed Locations are Cuba, Iran, North Korea, Crimea, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, and the portions of the oblasts of Kherson and Zaporizhzhia that are not controlled by the government of Ukraine.

If Supplier, Supplier Affiliates and/or owners or senior managers of the same become a Sanctioned Party or have aforementioned connections to an Embargoed Location, the Supplier and/or the Supplier Affiliates must immediately notify Customer in writing. Supplier and Supplier Affiliates performing activities under this Agreement shall respond to reasonable requests from Customer or Customer Affiliates to confirm lack of Sanctioned Party and Embargoed Location; and

(g) the Supplier and Supplier Affiliates have in place, and will maintain throughout the term of this Agreement, adequate procedures designed to prevent any breach of ABAC Laws and Sanctions.

1.2. The Supplier further represents and warrants that, in carrying out its responsibilities under this Agreement, the Supplier and, as applicable, the Supplier Affiliates, will not provide any Gifts, Contributions, Travel or Hospitality to any Government Official or any other person without the prior written approval of the Customer.

1.3. No part of any payments by the Customer or the Customer Affiliates may be used, directly, indirectly, or through any other means whatsoever:

(a) for any purpose that would constitute a violation of the laws of the countries where the Customer and the Supplier are organized or any other country whose laws may apply to the Customer Affiliates or the Supplier Affiliates; or

(b) for any illegal, unethical, or improper purpose, whether or not it is in connection with this Agreement, a Project Agreement, or a Purchase Order (as applicable), and Supplier warrants that it and the Supplier Affiliates will not use any such funds in a way that violates this provision.

1.4. The Customer and the Customer Affiliates are not obligated under this Agreement to take any action, including the making of any payment that they believe, in good faith, would cause the Customer and/or any of the Customer Affiliates to be in violation of Applicable Law.

1.5. The Supplier must ensure that its invoices (and, if applicable, the invoices of any Supplier Affiliates) sufficiently and accurately describe both the goods and/or services provided and, separately, the expenses incurred. Customer and Customer Affiliates reserve the right to reject any non-compliant invoice, in whole or in part.

1.6. Neither the Supplier Affiliates, nor any of their shareholders or beneficial owners, are directly or indirectly owned or controlled, in whole or in part, by any Government Instrumentality or Government Official and no shareholder, beneficial owner, partner, officer, director or employee of any of the Supplier Affiliates is or is expected to become a Government Official during the Term, without the prior written approval of the Customer.

1.7. Neither Customer Affiliates nor Supplier Affiliates nor any Person acting on Customer Affiliates' or Supplier Affiliates' behalf will enter into any combination, conspiracy, agreement or other form of collusive arrangement with any person, corporation, partnership, or other entity that, directly or indirectly, unlawfully lessens competition between itself and other suppliers, or between potential subcontractors, vendors, or suppliers from whom deliverables or goods and/or services may be obtained in the performance of this Agreement, a Project Agreement, or a Purchase Order.

1.8. The Customer, and each Client (as applicable), shall have the right to inspect and audit the Supplier's and the Supplier Affiliates' compliance with this Schedule and with applicable law, including their books and records. At the discretion of the Customer, or the relevant Client (as applicable), an independent third party may be selected to conduct an audit. The Supplier shall fully cooperate in any audit conducted by or on behalf of the Customer and/or the Customer Affiliates.

1.9. The Supplier further agrees to cooperate in good faith in any inspection, review, investigation, or audit by the Customer and/or the Customer Affiliates and their auditors, attorneys and representatives in the event of any actual or alleged violation of ABAC Laws and/or Sanctions, this Schedule, and/or Applicable Law, by the Supplier, the Supplier Affiliates and/or their owners, officers, directors, employees and agents. Such cooperation includes providing the Customer and the Customer Affiliates and their representatives with prompt and complete access to the Supplier's and the Supplier Affiliates' Books and Records and to their owners, officers, directors, employees and agents for interviews.

1.10. The Supplier must immediately notify the Customer in writing providing full details if it becomes aware of any credible evidence or allegation of any (i) breach of any of the obligations contained in or referred to in this Schedule; (ii) fact, matter or circumstance that has or will or might reasonably be expected to put the other Party in breach of ABAC Laws and/or Sanctions; or (iii) any development during the Term that in any way makes inaccurate or incomplete the representations and warranties that are contained in this Schedule. Such notification shall be kept confidential pursuant to the Agreement.

1.11. In addition to any other rights and remedies that are available to it, the Customer and/or the Customer Affiliates may unilaterally and immediately terminate, without penalty, this Agreement, a Project Agreement, Ordering Agreement and/or a Purchase Order (as applicable), in the case of non-compliance by the Supplier and/or the Supplier Affiliates with the provisions of this Section 1 of this Compliance Schedule.

2. Illicit Trade Prevention

2.1. The Supplier and its Affiliates shall establish, maintain and enforce, throughout the term of the Agreement, risk-based controls designed to prevent the manufacture of counterfeit PMI Products and the diversion of genuine PMI Products.

2.2. The Supplier and its Affiliates shall not supply Materials to any third party without the Customer's prior written approval. The Supplier and its Affiliates shall destroy (or recycle such that it cannot be used to counterfeit PMI Products) any excess or waste Materials as well as returned Materials, conduct periodic checks should it be allowed by the Customer to outsource such activities, and appropriately document their destruction (or recycling) and make such documentation available to the Customer upon request.

2.3. Before approving any new third-party customer for materials that may reasonably be capable of manufacturing PMI Products, the Supplier and its Affiliates shall conduct commercial, financial and reputational due diligence ("**Know Your Customer**" checks) sufficient to establish that:

(a) the third-party customer is an existing legal entity;
(b) the third-party customer is a reputable enterprise engaged in the lawful and authorized manufacture of the products for which the materials are required;
(c) the nature and quantity of the materials ordered are consistent with the nature and scale of the third-party customer's

legitimate business; and

(d) the materials are not intended to be used in the manufacture of counterfeit PMI Products.

Such Know Your Customer checks may include site visits, verification of financial or credit reports, checks of relevant public records and inquiries concerning actual or alleged involvement in counterfeiting or diversion. The Supplier and its Affiliates shall not ship materials or goods to a prospective new third-party customer until the required Know Your Customer checks have been completed and they are reasonably satisfied that the materials will not be used in the manufacture of counterfeit PMI Products.

The Supplier and its Affiliates shall repeat the Know Your Customer checks for existing third-party customers at least annually and more frequently in the event of any change of control.

2.4. The Supplier and its Affiliates shall decline any order where they know or have reasonable grounds to believe that the person or entity placing the order has been involved in the manufacture of counterfeit PMI Products or in the diversion of genuine PMI Products.

The Supplier shall inform its existing third-party customers in writing that: (i) materials or goods will not be supplied to any person or entity engaged in the abovementioned activities; and (ii) the Supplier reserves the right to suspend or terminate its commercial relationship with any third-party customer shown to have been involved in such activities.

2.5. The Supplier and its Affiliates shall not accept payment for materials or goods from any person or entity other than the Customer or its Affiliates invoiced for the materials or goods.

2.6. The Supplier and its Affiliates shall promptly notify the Customer in writing if they become aware of or have reasonable grounds to suspect:

(a) the actual or attempted manufacture of counterfeit PMI Products;
(b) the actual or attempted diversion of genuine PMI Products;
(c) any suspicious inquiry or order for goods or Materials;
(d) any loss, unexplained shortage, delivery discrepancy or unauthorized change of recipient or destination that may be relevant to diversion of genuine PMI Products; or
(e) any other circumstance reasonably relevant to the Customer's illicit trade prevention activities.

2.7. To the extent permitted by applicable law, the Supplier and its Affiliates shall cooperate with the Customer and its Affiliates in:

(a) identifying persons and entities involved in the manufacture of counterfeit PMI Products;
(b) identifying persons and entities involved in the diversion of genuine PMI Products; and
(c) providing information in their possession or control concerning actual or suspected counterfeiting or diversion of PMI Products.

2.8. The Supplier shall ensure that the obligations in this Section 2 that are relevant to the activities performed are imposed on and complied with by each Supplier Affiliates, agent or representative, subcontractor and intermediary. The Supplier shall remain responsible for compliance by such persons with the obligations imposed on them under this Section 2 as if their acts and omissions were those of the Supplier.

2.9. In addition to any other rights or remedies available to them, the Customer and its Affiliates may suspend performance of, or unilaterally and immediately terminate the Agreement without penalty, where the Supplier or its affiliate fails to comply with this Section 2.

2.10. For the avoidance of doubt, the controls and restrictions set out in this Section 2 are intended solely to prevent counterfeiting or diversion of PMI Products and shall not be interpreted or applied so as to prohibit or otherwise interfere with the Supplier's or its Affiliates' lawful supply of materials or goods to legitimate competitors of the Customer or its Affiliates.

The Supplier and its Affiliates shall remain free to determine independently the customers to whom, and the terms and conditions on which, they supply materials or goods, provided that: (i) the relevant supply is lawful and is not connected with the manufacture of counterfeit PMI Products or diversion of PMI Products; and (ii) the Supplier and its Affiliates comply with the controls and restrictions under this Section 2.

3. Definitions

Capitalized terms that are not defined in this Schedule have the meaning ascribed to them in the Agreement.

"**ABAC Laws**" means, without limitation, all laws applicable to the Customer, Customer's Affiliates, Supplier, and/or Supplier's Affiliates relating to or prohibiting bribery, corruption, kickbacks, the improper conferring of any gift, payment, or other benefit on any person, or similar unlawful or unethical conduct, or which has as its objective the prevention of corruption, to include the U.S. Foreign Corrupt Practices Act of 1977 ("**FCPA**"), the Bribery Act 2010 of the United Kingdom, laws implementing the OECD Convention on Combatting

Bribery of Foreign Public Officials in International Business Transactions, and any similar laws of the European Union, United States, Switzerland, or any other country, each as amended, and any regulations promulgated thereunder.

"Agreement" means the agreement between the Customer and the Supplier which incorporates this schedule.

"**Close Family Member**" means an individual's spouse, the individual's and the spouse's parents, siblings, and children, and any other individuals who share the same household as the individual.

"**Contribution**" means a monetary or in-kind donation (including of services), grant, political contribution, membership, or sponsorship, including corporate sponsorships of any event.

"Customer" means the person or entity purchasing goods and/or services in the Agreement.

"**Gift**" means anything of value (other than Hospitality, Travel or Contributions) provided to, or received from, a third party without exchange of equivalent payment in return, and not as a result of a legal or contractual obligation.

"**Government Instrumentality**" means and includes: (1) any government agency, department or subdivision, including a legislature, administrative body, court, and ministry, at the supranational, national, state and local level; (2) any organization that serves a public purpose and is closely tied to any level of government, but may not itself be considered a government agency, including government-owned or controlled universities, hospitals and commercial enterprises; and (3) public international organizations whose members are governments or Government Instrumentalities, such as the World Health Organization and the United Nations. For purposes of this Agreement, an entity shall be considered government-owned or controlled if a government (i) owns or controls 50% or more of the entity's shares, (ii) funds more than 50% of the entity's budget; or (iii) can otherwise direct the management, policies or affairs of that entity.

"**Government Official**" means and includes any officer, employee, or person employed by or acting, in an official or unofficial capacity, on behalf of any Government Instrumentality, or any officials of a political party or candidates for political office. It should be noted that, in some contexts, interactions with a Close Family Member of a Government Official may be treated as an interaction with that Government Official.

"**Hospitality**" means drinks, meals and events such as concerts and sporting events that are attended with a third party and that are provided to, or received from, that third party not as a result of a legal or contractual obligation.

"**Materials**" means any materials that: (a) have intellectual property rights owned by or licensed to the Customer or its Affiliate; or (b) are specifically designed or manufactured to the specifications of the Customer or its Affiliate.

"**PMI Products**" means (a) cigarettes, cigars, cigarillos, roll your own tobacco, make your own cigarettes, tobacco substitutes, or alternative/replacement products designed to be smoked by combustion; (b) any non-combustible product (i) based on tobacco (including heated tobacco products), water pipe (Shisha), tobacco-related or tobacco substitute or replacement products designed to be aerosolized, smoked, sniffed, or chewed, including tobacco alkaloids, tobacco heating systems (THS), cannabis, cannabidiol (CBD), and botanicals/vegetals; (ii) products involving or relating to nicotine, nicotine solutions, nicotine salts, nicotine derivatives thereof, THS, cannabis, CBD, precursors of any of the foregoing, or powders or aerosol enhancing agents for use in generating or enhancing aerosols of any of the foregoing, botanicals/vegetals or active pharmaceutical ingredients; (iii) products containing nicotine, nicotine salts, tobacco alkaloids, THS, cannabis, CBD, botanicals/vegetals, active pharmaceutical ingredients or derivatives thereof, or precursors of any of the foregoing, including any activity relating to electronic cigarettes, nicotine replacement therapies, and products providing aerosolized nicotine, nicotine salts, nicotine derivatives, nicotine solutions, or dry powders coated with nicotine, nicotine salts or nicotine derivatives, tobacco alkaloids, botanicals/vegetals or active pharmaceutical ingredients; or (iv) tobacco substitutes or aerosols generated from tobacco; or (c) any other product or product component indicated as being PMI Products in the Project Agreement, Ordering Agreement and/or a Purchase Order (as applicable).

"**Sanctions**" means export control laws, trade bans, restrictions on funds transfer and related laws and regulations of the United States of America, the United Kingdom, the European Union, Switzerland and the United Nations, and to which Customer, Customer's Affiliates, Supplier, and/or Supplier's Affiliates are subject from time to time, including, without limitation, the US Export Administration Regulations, the US International Traffic in Arms Regulations, the US Department of Treasury Office of Foreign Assets Control's economic sanctions regulations, sanctions programs maintained by the United Kingdom's His Majesty's Treasury, and European Union restrictive measures.

"Supplier" means the person or entity providing Goods and/or Services in the Agreement.

"**Travel**" means air travel, ground transportation, hotel, lodging, visa costs, food and drink, meals, hospitality, etc. related to a trip.