

Title	WATER STEWARDSHIP POLICY		Page 1 of 1	
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Revision No	1	Valid From	June 2024	
Compiled by	<b>Group Sustainability Committee</b>	Approved by	Socotab Frana	

1. PURPOSE	Socotab Group has the fundamental responsibility towards its stakeholders for achieving high	
	standards of environmental performance to support sustainable operations.	

## 2. **LEGAL AND**ENVIRONMENTAL COMPLIANCE In alignment with our Environmental Policy, Socotab commits to water stewardship by monitoring its industrial and supply chain activities and cooperating with supply chain partners to implement strategies that effectively manage water use throughout our operations and supply chain.

## 3. **PRINCIPLES**Within our operations, water is used to condition tobacco for long-term storage and is necessary in our supply chain for growing tobacco and other agricultural products. Understanding our global environmental risks and opportunities is critical to maintaining our commitments to the communities.

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To Socotab, water stewardship is water usage that is socially and culturally equitable, environmentally sustainable, economically beneficial, and achieved through a multi-stakeholder process. As a business that is committed to supplying our products in an internationally recognized and sustainable way, we believe that water resources should be managed in an efficient manner to continue supporting ecosystems and maintaining societal and cultural balance.

In our operations, we are committed to optimizing our water usage and to finding ways to reduce our impact. This includes measuring water across our supply chain and identifying opportunities for water reuse and recycling. We work with local governments and other stakeholders around the world to comply with water treatment requirements and are expanding our data collection to provide a comprehensive picture of our water impact. We also believe in access to water for our employees and those in our supply chain and are committed to understanding societal water risks in addition to those within our operations.

Socotab commits to identifying opportunities for optimizing water consumption, working with our suppliers to implement Good Agricultural Practices, addressing WASH risks in our supply chain, and implementing best practices while disclosing publicly our progress towards these commitments. We will engage various stakeholders to support us in the achievement of these goals.

## 4. LOCAL OPERATIONS

Based on specific operating environments, as well as applicable ISO standards, our local teams will develop policies and programs suitable for the local operating environment, commit to organizational resources, and educate our workforce to adhere to applicable laws, Socotab's Code of Conduct and other compliance policies, and this Water Stewardship Policy.

## **5. REVISION** This policy will be regularly reviewed by the Socotab Executive Team and amended as needed.