PYXUS Fiscal Year 2024 SUSTAINABILITY REPORT

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ABOUT THIS REPORT

This report has been prepared with reference to Global Reporting Initiative (GRI) Standards and is aligned with the United Nations Sustainable Development Goals. It outlines the Company's performance against its sustainability goals for the period between April 1, 2023 and March 31, 2024 ("fiscal year 2024" or "FY24"), unless otherwise indicated. Detailed reporting regarding the financial performance of the Company can be found in Pyxus' FY24 Annual Report.

When used in this report, the terms "Pyxus," "we," "us," and "our" refer to Pyxus International, Inc. and its consolidated subsidiaries, unless otherwise noted.

MATERIALITY

The content in this report aligns with the outcomes of our FY22 materiality assessment, a tool used to help the Company identify and prioritize sustainability topics most relevant to our business. Additional information is available in the "<u>Approach to</u> Sustainability" section of this report.

In this report, the terms 'materiality,' 'material' and similar terms are defined in the referenced sustainability standards and are not meant to correspond to the concept of materiality under the U.S. securities laws and/or disclosures required by the U.S. Securities and Exchange Commission.

THIRD-PARTY ASSURANCE

For the FY24 reporting period, we reengaged SGS, a third-party auditing service, to provide independent verification of our global

greenhouse gas emissions in accordance with ISO 14064-1:2018. SGS was also engaged to verify key performance indicators (KPIs) reported on water withdrawal, waste, consumer product goods packaging, lost-time injury rate, community support beneficiaries, responsible marketing and employee compliance training.

FORWARD-LOOKING STATEMENTS

Readers are cautioned that the statements contained in this report regarding the expectation of achieving the Company's goals, the anticipated impact on the Company from the implementation of its strategy to achieve these goals and other statements with respect to the Company's plans, objectives, expectations and intentions are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Presentation of the Company's goals, plans, objectives, expectations and intentions, as well as the results of its strategy to achieve these goals, should not be viewed as a guarantee that the Company will be able to achieve these goals, expectations or objectives, or implement its plans or intentions, within the time periods anticipated or at all, particularly if underlying assumptions prove inaccurate, or if known or unknown risks or uncertainties prevent the achievement of these goals, objectives, plans, expectations and intentions. Many of these risks and uncertainties are beyond the Company's control, including without limitation, challenges relating to economic, competitive, governmental, technological and other risk factors affecting the Company's operations, markets and products. The Company does not undertake to update any forward-looking statements that it may make from time to time.



ABOUT

Our Global Footprint

800,000+	~300,000	~3,000	~300	80+	15	5
Farm Visits Conducted Annually	Global Farmer Relationships	Full-time Employees	Customers	Countries Sold Into	Principal Sourcing Locations	Continents



Driven by our united purpose—to transform people's lives so that together we can grow a better world—our Company is in business to be a trusted provider of responsibly sourced, independently verified, sustainable and traceable products and ingredients. Leveraging our diverse global footprint and more than 150 years of experience, we provide innovative solutions and products designed to drive efficiencies, meet market demand and deliver value to our customers.

Headquartered in Morrisville, North Carolina, United States, our Company's operations span five continents, positioning the business to serve approximately 300 customers and sell products into more than 80 countries. Our business' primary focus is leaf tobacco—purchasing, processing, packing, storing and shipping to manufacturers of consumer tobacco products throughout the world. In addition to our leaf business, we also have business investments in e-liquids, product flavoring and crops complementary to tobacco.

To promote a compliant supply chain, we contract with farmers across our diverse footprint. The majority of our contracted farmer base are considered smallholders, cultivating crops on two hectares of land or less.

OUR PRODUCT CATEGORIES





To assist in sustainable crop production, we provide contracted farmers crop inputs, training and extension services, and maintain frequent in-person contact with them throughout the crop cycle.

Following the harvesting and curing season, contracted farmers sell us their leaf tobacco, which we process in accordance with our customers' specifications in our wholly and jointly owned factories or third-party processing facilities.

Throughout the production process, from seed to final shipment to our customers, we leverage our proprietary track-and-trace platform, SENTRI[®], to capture data and provide visibility of each stage of the supply chain journey. SENTRI[®] enables proactive decision-making for both our Company and our customers and supports product integrity and compliance.

Across our portfolio of products, we prioritize transparency, integrity and quality, and are committed to supporting a sustainable, compliant value chain and future.

PYXUS

AGRICULTURE

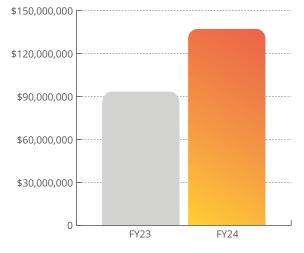
DELIVERING VALUE

Through continued integration of our business and sustainability strategies, as well as effective management of working capital, we continue to strengthen our business and performance both operationally and financially. In FY24, we utilized our global footprint more efficiently, increased crop volumes in certain geographies and coordinated our global strategy to identify and capture opportunities for growth. Pyxus reported strong financial results during the reporting period, achieving near-term objectives while positioning the business for sustained success. We also repurchased and retired debt to strengthen our financial position.

Our FY24 financial results reflect the successful execution of our strategic priorities, as well as our commitment to disciplined management and dedication to capturing opportunities for growth.

Beyond our business' financial results, our operations generate a positive economic impact among our contracted grower base and in the communities in which we operate. We strive to maximize farmer income and support improved livelihood, including through training on agricultural best practices, and the provision of financing opportunities, agricultural inputs and mechanized equipment. \$137.20 Million Total Operating Income

46.30% increase over FY23



\$0.78 Average Full Service Gross Profit per Kilogram

27.90% increase over FY23



Operating Income

Average Full Service Gross Profit per Kilogram

A MESSAGE FROM OUR CEO

Dear Global Stakeholders,

Fiscal year 2024 (FY24) was an exceptional year for Pyxus. We worked diligently to advance our long-term strategic priorities and took meaningful, sustainable actions that align with our purpose to grow a better world. It was a year of growth and disciplined execution across our global operations, underscored by our teams' collective and coordinated efforts to increase profitability, accelerate customer shipments, and improve operating cycle times and working capital efficiency, while taking actions to mitigate impacts on the environment and society.

During this same period, we were reminded, yet again, of the urgent need to address climate change and the risks associated with inaction. Globally intensifying weather patterns were exacerbated by the 2023-24 El Niño—one of the five strongest on record*—which presented disruptions to our business and society, including extreme weather events, floods and drought.

As an agricultural company, climate change will have a long-term impact on our business, our employees, farmers and the communities in which we operate. We are working to raise awareness, minimize our carbon footprint and identify innovative solutions to curb the impacts of this complex problem, including evolving seed genetics and promoting the adoption of climate-smart agricultural practices by our contracted grower base.

In FY24, we experienced impacts as a business and as a society from the continued intensification of social and economic challenges worldwide. From conflict in the Middle East to continued inflationary pressures in many

of the markets where we operate, social and economic issues serve as a reminder to embrace our Company values, enhance our risk management frameworks and further engage with our stakeholders to support and strengthen the communities where we operate.

We also witnessed the regulatory landscape for environmental and social responsibility evolve. Prior to the reporting period, the European Union's Corporate Sustainability Reporting Directive entered into force, and here in the United States, the Securities and Exchange Commission adopted final rules to enhance and standardize climate-related disclosures by public companies. The evolving regulatory landscape underscores the importance of our commitment to robust sustainability practices and transparent reporting, which enable us to meet the evolving expectations of our stakeholders and contribute to a more sustainable global economy.

Over the past year, we continued our journey to achieve our environmental, social and governance (ESG) targets, and are excited to see our efforts gaining traction and recognition. In February 2024, Pyxus was recognized for our impactful actions to address climate change by CDP, the leading global authority for environmental disclosure. We were pleased to achieve "Leadership" status, CDP's highest level of achievement, in the areas of climate change and supplier engagement, recognizing our unified approach to sustainable, transparent action and confirming that our efforts, large and small, make an impact.

Among many highlights in FY24, we integrated our global ESG data into a singular, cloud-based platform,

strengthening its integrity and streamlining our data collection processes. We also executed our plan to further expand third-party verification of our global ESG data. In FY23, data for four of our ESG key performance indicators (KPIs) underwent verification. In FY24, we have significantly increased this number, with data for 11 KPIs undergoing verification by third-party auditors.

At the local level, our teams continued to drive progress, executing successful initiatives that support our global targets and deliver operational efficiencies, including:

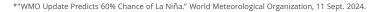
- The strategic use of market-based instruments for our operation in Turkey's scope 2 emissions, resulting in a 100 percent reduction of tCO2e during the reporting period. This reduction was achieved through the operation's procurement of 100 percent renewable electricity.
- The first full year since our joint venture in India's solar plant came online. During the reporting period, approximately 14 percent of the processing factory's total electricity consumed was generated from the solar plant, reducing reliance on the grid while drawing from a renewable energy source.
- Repurposing of tobacco waste into organic fertilizer at one of our Brazil operations, diverting 79 percent of its waste from the landfill, which was composted and used by our contracted growers as nutrient-rich fertilizer that improves soil health.

I am proud to present this report and invite our stakeholders to learn more about the milestones we have achieved while fully acknowledging that there are still challenges to overcome and much more work to be done as we chart our path forward. Our efforts, as detailed in this report, exemplify our Company's values and commitment to sustainability and are necessary to drive our business strategy. We look forward to working with like-minded stakeholders to create long-lasting impacts and believe that together we can grow a better world.

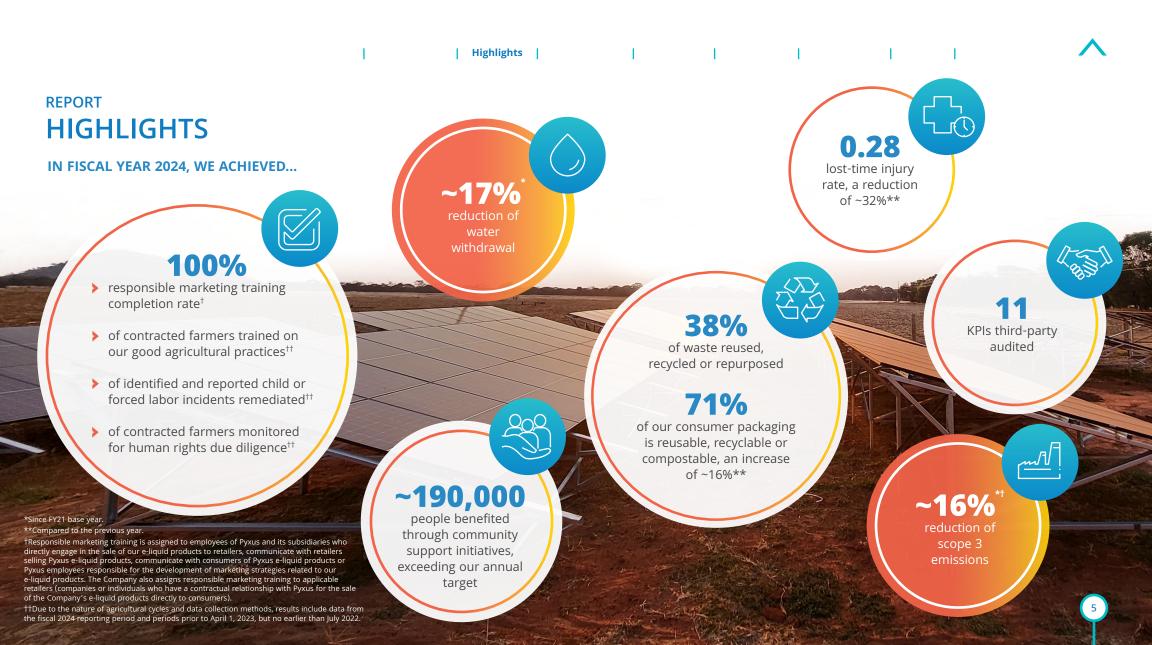
Pieter Sikkel

President & CEO





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OUR APPROACH TO SUSTAINABILITY

Sustainability is an integral part of our business' purpose, strategy and future. With operations across five continents, we can help drive wide-reaching, positive impacts on the salient issues facing today's environment and society while mitigating the potential risks of tomorrow.

Our approach to sustainability is informed by international standards and best practices related to human rights, environmental protections, and ethical and responsible principles. We align our approach with the United Nations Sustainable Development Goals (SDGs), and our emissions reduction targets have been developed in alignment with the framework for limiting global warming to 1.5°C, which was adopted in the Paris Agreement. We also leverage stakeholder input and the ongoing assessment of risks and opportunities within our business and supply chain to drive our sustainability strategy.

This approach helps the business identify areas of focus and assists our efforts to minimize negative impacts on the environment and society and further enhance positive outcomes. Our sustainability focus areas help inform the Company's strategy and the tasks carried out in our day-today operations create common bonds for collaboration with our stakeholders and provide a transparent foundation for monitoring and reporting. Minimizing environmental impact: To implement sustainable solutions that further improve our environmental performance and reduce the environmental footprint of the Company and our

supply chain.

Our sustainability strategy is underscored by our Company's purpose—to transform people's lives so that together we can grow a better world—and consists of three pillars:

Support for people and communities: To support our employees, contracted farmers and the communities where we operate, protecting human rights and providing an equal opportunity for

Our Approach

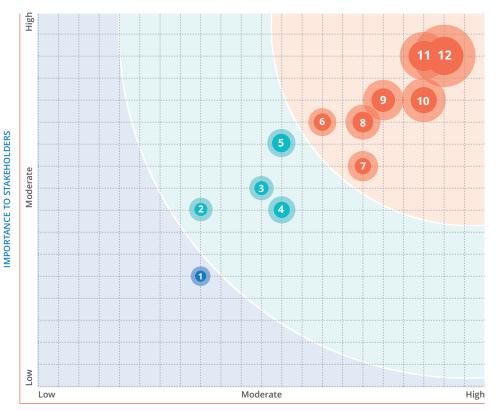
success to all.

Ethical and responsible business: To operate responsibly and ethically in every action that we take.

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STRATEGY ALIGNS WITH UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Pillar	Materiality Topic	1 ^{NO} N¥†††††	2 ZEDO HUNGER	3 GOOD HEALTH AND WELL-SEING	4 education		6 CLEAN WATER AND SAMITATION	7 AFFORDABLE AND CLEAN ENERGY	8 ECCNIMIC GROWTH	9 AND STEV. SMOUTHER AND INFRISTRUCTION			12 CONSUMPTION AND PRODUCTION	13 climate	14 LIFE EEGON MATER	15 UFE 01 LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE ODALS
	Sustainable agricultural methods and practices													^		^		
	Reduction of negative impact on the climate																	
ENVIRONMENT	Responsible water management in operations						~											
	Responsible waste management in operations																	
	Consumer waste, recycling and circularity																	
	Health and safety in operations			~					~									
	Support to farmers for improved livelihood and well-being		~				~									^		
SOCIAL	Labor standards in the agricultural supply chain																	
	Support to local communities		^	~	~	~	~					~						~
	Motivated, skilled and engaged employees				~	~			~		~							
COVERNANCE	Strong business ethics and compliance																^	
GOVERNANCE	Responsible marketing and consumer education												~					



IMPACT OF THE ISSUE ON ENVIRONMENT AND SOCIETY

- 1. Consumer waste, recycling and circularity
- 2. Responsible marketing and consumer education
- **3.** Responsible waste management in operations
- 4. Motivated, skilled and engaged employees
- **5.** Responsible water management in operations
- **6.** Reduction of negative impact on the climate
- 7. Support to local communities
- 8. Strong business ethics and compliance
- **9.** Sustainable agricultural methods and practices
- **10.** Labor standards in the agricultural supply chain
- **11.** Support to farmers for improved livelihood and well-being
- **12.** Health and safety in operations

In FY22, we engaged approximately 400 key stakeholders through a third-party materiality assessment. Our target stakeholder groups for this process included: employees; contracted growers; customers; joint venture partners; banks; government; grower, trade, labor and leaf-related associations; universities; and scientific and research associations.

These stakeholders confirmed our previously identified focus areas to advance the three pillars of our sustainability strategy. These 12 focus areas serve as the foundation of our environmental, social and governance (ESG) framework and guide our actions as we pursue our sustainability and business goals.

Pyxus has committed to conducting a materiality assessment every three years to formally review our focus areas.

What is a materiality assessment?

A materiality assessment is a tool that helps companies identify and prioritize sustainability topics most relevant to the business and its stakeholders. The assessment results in a materiality matrix—a visualization of the insights gained—which can be used to guide business strategy and stakeholder communication.

SUSTAINABILITY STRATEGY

As a result of the materiality assessment process, we finalized the Company's strategy to achieve a more sustainable future. Our sustainability strategy links our business priorities (our "What") with our purpose (our "Why") while creating value for our stakeholders.



VALUE WE CREATE

DEFINING OUR ESG FRAMEWORK

ENVIRONMENT SUSTAINABLE AGRICULTURAL METHODS AND PRACTICES Zero net global deforestation in our agricultural supply chain by 2030 **REDUCTION OF NEGATIVE IMPACT ON THE CLIMATE** Net-zero value chain emissions by 2050 **RESPONSIBLE WATER MANAGEMENT IN OPERATIONS** 10% reduction of water withdrawal per product unit in our direct operations by 2030 compared to 2020 **RESPONSIBLE WASTE MANAGEMENT IN OPERATIONS** 50% of waste from our direct operations to be recycled, reused or repurposed by 2030 20% reduction of waste sent to landfills from our direct operations by 2030 compared to 2020 CONSUMER WASTE, RECYCLING AND CIRCULARITY 100% of all packaging to be reusable, recyclable or compostable by 2030 SOCIAL HEALTH AND SAFETY IN OPERATIONS LTI rate per 100 employees/200,000 hours worked to be <0.50 SUPPORT TO FARMERS FOR IMPROVED LIVELIHOOD Maximize 100% of contracted farmers' income potential by 2030 through appropriate training in good agricultural AND WELL-BEING practices and the opportunity for crop diversification LABOR STANDARDS IN AGRICULTURAL SUPPLY CHAIN 100% of contracted farmers covered by our human rights due diligence Maintain zero tolerance for forced or child labor on contracted farms, and act to remediate 100% of identified instances SUPPORT TO LOCAL COMMUNITIES 150,000 people globally per year to benefit from our community support programs by 2030 MOTIVATED, SKILLED AND ENGAGED EMPLOYEES 20 hours of training per full-time employee per year by 2030 10% increase or greater of women in leadership roles in each country by 2030 compared to 2020, and 30% increase or greater of global leadership positions held by women by 2030 Achieve gender pay equity within our operations by 2030 ensuring equal pay for work of equal value GOVERNANCE 100% of eligible employees to have completed assigned compliance courses within the assigned period 100% of required employees and retailers to receive training in responsible marketing within the assigned period

In December 2021, we publicly introduced our ESG framework, setting measurable goals and timelines while helping us drive positive change and create long-lasting impacts. These goals were informed by our FY22 materiality assessment and are reviewed annually for continued relevance and adequacy.

STRONG BUSINESS ETHICS AND COMPLIANCE

RESPONSIBLE MARKETING AND CONSUMER EDUCATION

STAKEHOLDER ENGAGEMENT

As we strive to build a more sustainable future, we recognize that achieving our ESG goals requires collaboration with a diverse range of stakeholders, which includes soliciting their input to inform our strategy and working together to execute initiatives that benefit the environment and society.

We engage in two-way communication with our stakeholders to gain valuable insights into their needs and perspectives. This feedback allows us to continuously refine our sustainability efforts and prioritize initiatives that have the greatest impact.



OUR STAKEHOLDER ENGAGEMENT CHANNELS INCLUDE, BUT ARE NOT LIMITED TO:

Training & Education:

We educate, through discussions or formal training sessions, key stakeholders, including employees, business partners, investors, contracted growers and customers, on an ongoing basis to promote contracted growers' understanding of sustainability, what it means to our business, our ESG targets and results, and overviews of different initiatives as well as compliance with our sustainabilityrelated policies.

Progress Meetings:

We hold dedicated meetings with various stakeholder groups to share insights and progress on our key sustainability metrics, fostering transparency and accountability. Depending on the stakeholder, these meetings occur monthly, quarterly or annually-in addition to ad hoc meetings.

Industry Events:

We actively attend industry-related events and participate in speaking engagements on the subject matter of sustainability. These engagements provide a platform to showcase our approach to sustainability and its positive impact on our business and the broader sector while receiving stakeholder feedback and answering questions.

Digital Communications:

We regularly publish e-newsletters to keep our customers and employees informed about our business activities and sustainability progress. We also leverage social media as an engagement tool to reach various stakeholder groups.

EXAMPLES OF ORGANIZATIONS THAT OUR COMPANY IS INVOLVED WITH TO DRIVE SUSTAINABLE **DEVELOPMENT AND INDUSTRY COLLABORATION INCLUDE:**

REGIONAL & LOCAL

- Aegean Tobacco Exporters' Association (Turkey)
- Canadian Tobacco Research Foundation (CTRF)
- Farm Labor Practices Group (FLPG) (United States)
- Fetratab (EU)
- GAP Connections (GAPC) (United States)
- SindiTabaco (Brazil)
- Tobacco Merchants Association (TMA) (United States)
- Tobacco Association of Zambia
- Tobacco Leaf Exporters Association Zimbabwe (TLEAZ)
- Tobacco Processors Association (Malawi)

GLOBAL

- **Cooperation Centre for Scientific Research Relative to**
- Tobacco (CORESTA)
- **ECLT Foundation**
- Global Tobacco and Nicotine Forum (GTNF)
- International Tobacco Growers Association (ITGA)
- Sustainable Tobacco Program (STP)

Beyond gathering stakeholder input, we recognize the power of collaboration and actively partner with customers, industry associations and non-governmental organizations to achieve shared, non-competitive goals and maximize our collective impact. This engagement occurs at the global, regional and local levels, and facilitates knowledge-sharing, collaboration on best practices, and action on critical environmental and social issues.

We actively participate in and provide leadership to multiple industry groups. During the reporting period, our Company or Company employees served in leadership positions with the following industry groups:

- Cooperation Centre for Scientific Research Relative to Tobacco (CORESTA)
- ECLT Foundation
- Global Tobacco and Nicotine Forum (GTNF)
- Tobacco Merchants Association (TMA) (United States)

Our Company also recognizes the importance of engaging with government and non-industry organizations to broaden our sustainability impact. These partnerships allow us to leverage diverse expertise and expand our reach. Examples of our non-industry collaborations include local chambers of commerce, agricultural associations and government task forces.

We are proud of the progress achieved with our stakeholders and look forward to continuing these valuable partnerships to advance sustainability initiatives within and outside of our industry.

In FY24, we launched a partnership with the U.S. Agency for International Development (USAID) to drive sustainable agriculture developments in Malawi, expanding our impact throughout the legume and forestry value chains and unlocking value for smallholder farmers.



CONFIRMING OUR IMPACT

As we progress along our sustainability journey, we recognize that transparency is a fundamental component. We report our progress in our annual sustainability report as well as disclose through various reputable platforms, including those specific to our industry and customer base. This helps us gauge our progress and identify areas for improvement while prioritizing stakeholder engagement.

In addition to disclosing our progress annually, we take part in third-party validation assessments and audits that are specific to global sustainability standards, our sustainability processes, and data accuracy and completeness.



Pyxus annually discloses its greenhouse gas emissions (GHG), water and forestry data to the environmental nonprofit CDP, the gold standard in global environmental reporting. In early 2024, CDP recognized Pyxus among the top tier of responding companies in the climate change category, awarding our Company "Leadership" status, the highest level of achievement.

The Company was also recognized as a "Supplier Engagement Leader" for our effectiveness in working with suppliers, particularly contracted growers, to address climate change.

Our scores in both climate change and supplier engagement ranked higher than the industry, North America and global averages, and reflect our collaborative, unified approach to combating climate change at all levels of operation.

LATEST CDP SCORES

Achieving leadership status in Climate Change and Supplier Engagement



ECOVADIS

During the reporting period, Pyxus began using Ecovadis—a global business sustainability ratings company—as its labor and human rights due diligence ratings platform of choice. EcoVadis' disclosure platform is leveraged by over 130,000 companies, including some of our stakeholders, to help manage ESG-related risks and compliance, achieve sustainability targets and drive impact at scale by guiding sustainability performance improvements within the value chain.

EcoVadis uses the United Nations industry classification system to help define the scope and criteria for consideration during each company's assessment. In 2023, Pyxus' score aligned with Ecovadis' bronze level, which highlights our coordinated actions to mitigate our environmental footprint and efforts to uphold labor and human rights, promote sustainable procurement and operate ethically.

SBTI

The Science Based Targets Initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) that provides companies with a clear pathway to set science-based targets and align emissions reduction efforts with the goals of the Paris Agreement.

In next year's report, Pyxus will disclose details about our recent validation from SBTi for our scopes 1, 2 and 3 GHG targets, which was achieved following the close of the FY24 reporting period.



SUSTAINABLE TOBACCO PROGRAM

Our Company actively participates in the Sustainable Tobacco Program (STP), which includes regular audits of eight sustainability themes followed by the reporting of audit outcomes to key stakeholders, including customers, and the creation of action plans to address audit findings. In FY24, we participated in six STP audits in five origins, with a focus on human rights, farmer livelihoods, water and climate change.



THIRD-PARTY AUDITS

Through the external validation of our sustainability goals and progress, we aim to fine-tune our approach so that we can drive the greatest impact in addressing environmental and social issues facing our world today. In line with our goal to increase third-party audits of our sustainability data, we engaged the auditing firm SGS in FY24 to externally audit our ESG target-related data for the following:

- Greenhouse gas emissions (scopes 1, 2 and 3)
- > Reduction of water withdrawal in our direct operations
- > Waste management in our direct operations
- Reusable, recyclable or compostable product packaging
- Lost-time injury rates in our direct operations
- Community support program beneficiaries
- Employee compliance training
- > Employee and retailer responsible marketing training

We plan to continue increasing the scope of third-party audits of our ESG-related target data going forward.

GOVERNANCE

OPERATING ETHICALLY & RESPONSIBLY

Governance Governance

CONDUCTING BUSINESS WITH

At Pyxus, our unwavering commitment to adhering to high ethical standards sets the tone of our Company's culture and is necessary for the success of our business and our ability to deliver value to our stakeholders. With strong corporate leadership and governance structures in place, we conduct business with integrity, and are committed to always acting ethically, lawfully and in alignment with our Code of Business Conduct.

Our commitment to ethical and responsible business is demonstrated in our Code of Business Conduct and employee training programs to reinforce the Company's ethical standards and prevent misconduct.

Aligned with this pillar, we have identified two material sustainability topics and correlating ESG targets:

To achieve these goals, our teams work cross-functionally, coordinating efforts to promote employee participation in and the timely completion of the required trainings. As a result, in FY24:

- 98% of eligible employees worldwide completed Code of Business Conduct training within the assigned period.*
- 100% of required employees[†] and retailers^{††} completed responsible marketing training.**

Ethical conduct and compliance, coupled with our robust governance structure, are critical components of our organization's success. We strive to foster a culture of responsible decision making to mitigate risk and position our business for continued growth and success.

Code of Business Conduct

Corporate Compliance Office +1 919 379 4118 Compliance@pyxus.com

> Version 4.2 dopted: September 11, 2020 dated: May 20, 2022

Strong Business Ethics and Compliance:

Our Company assigns quarterly compliance training courses to applicable employees, building their awareness and skills in topics such as data security, anti-corruption, and customer and vendor due diligence practices.

Responsible Marketing and Consumer Education:

We strive to promote the highest level of ethical conduct and participate in responsible marketing and consumer education practices.

‡Our Code of Business Conduct training completion rate and our responsible marketing training completion rate have been assured by SGS, an independent third-party auditor. SGS assures the Company's disclosed training completion rates according to ISAE3000 standard.

ESG Target:

Achieving a 100 percent Code of Business Conduct training completion rate among eligible employees.

ESG Target:

Achieving a 100 percent responsible marketing training completion rate among required employees and retailers.



98%

Achieved in

*The target is calculated by dividing the number of eligible employees who completed the Code of Business Conduct training by the total number of eligible employees who have been assigned the training course during the fiscal year. This number is then multiplied by 100.

**The target is calculated by dividing the number of required employees and retailers who completed the assigned responsible sales and marketing training by the total number of required employees and retailers who have been assigned the training during the fiscal year. This number is then multiplied by 100.

†Required employee: An employee of Pyxus and its subsidiaries directly engaged in the sale of Pyxus e-liquid products to retailers, communication with Pyxus retailers selling Pyxus e-liquid products, communication with consumers of Pyxus e-liquid products or development of marketing strategy related to Pyxus e-liquid products.

††Required retailer: A company or individual who has a contractual relationship with Pyxus for selling the Company's e-liquid products directly to consumers.

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OUR GOVERNANCE

CORPORATE GOVERNANCE

The business and affairs of the Company are managed under the direction of Pyxus' Board of Directors. The Board is responsible for fostering and encouraging a corporate environment characterized by high levels of accountability and strong disclosure controls and procedures, including internal controls, fiscal accountability, high ethical standards, and compliance with applicable policies, laws and regulations.

The Board is chaired by Pyxus President and CEO Pieter Sikkel and comprised of seven members who serve on three standing committees: the Environmental, Social, Governance and Nominating (ESGN) Committee; the Compensation Committee; and the Audit Committee.

SUSTAINABILITY OVERSIGHT

We recognize that sustainability is not a separate endeavor, but an integral component of our overall business strategy, which is governed by the Company's Board of Directors. The Board appoints the ESGN Committee to assist the Board in overseeing matters with respect to the Company's corporate governance and corporate responsibility-related matters, including environmental and social initiatives.

The ESGN Committee monitors the Company's sustainability strategy, reviewing progress against key sustainability targets and commitments, and reviews the Company's annual sustainability report and related issue-specific reports such as the Human Rights and Supply Chain Transparency Report.

The Company's executive leadership team regularly reports to the Board of Directors and its relevant committees on sustainability and ESG topics. Executive leaders also serve on the Company's ESG Sponsors Committee, the highest governing level of our three-tiered management governance structure.



ENTERPRISE RISK MANAGEMENT

Our Company's Enterprise Risk Management (ERM) program is a key component of our corporate governance efforts. The Audit Committee of the Board of Directors oversees this program, which aims to identify, manage and mitigate risks to our business. The program is informed by a biannual, internal survey that evaluates both local and global risks. Survey results are regularly reviewed by the Audit Committee and Company leadership.

Based on survey findings, we implement processes and control activities to manage risks related to our operations and supply chain. In FY24, we added a new sustainability-related risk category—ESG data integrity—to be ranked as part of the ERM process. We also updated several sustainability-related risk categories' mitigation controls.

For example, to address the environmental risks associated with our operations, the Company engages in several processes and control activities including, but not limited to:

Continually assessing new technologies, equipment and methods to improve operational efficiencies and mitigate negative environmental impacts.

- Training farmers on Good Agricultural Practices (GAP), which can increase crop yield and quality while minimizing negative environmental impacts at the farm level.
- Third-party validation of our annual GHG emissions data and information related to our water and waste ESG targets.
- Participating in the global Sustainable Tobacco Production (STP) program, which includes regular audits of eight sustainability topics including governance and our impact on the environment. Audit reports and action plans are shared with select stakeholders, including customers.
- Maintaining related policies including our Corporate Sustainability Policy, Corporate Policy on Sustainable Agriculture, and our Corporate Environmental and Climate Protection Policy, which are available on our Company's website.
- Maintaining a global, internal sustainability manual, which includes procedures for the Company's management of sustainability and established internal calculation and reporting methodologies linked to our ESG targets.

Our ERM framework encompasses our supply chain, helping to holistically manage risks facing our business. Other sustainability-related topics covered in the ERM process include ESG data integrity, social responsibility, cybersecurity, corporate governance and compliance.

Governance

As business-related sustainability topics evolve, we will continue updating the ERM program, as we work to identify potential risks, assess their priority, potential impact and likelihood, and implement actions accordingly.

GOVERNING POLICIES

CODE OF BUSINESS CONDUCT

At Pvxus, our Code of Business Conduct (CBC) is the key governing document that outlines our expectations regarding employee behavior, including that our personnel adhere to the highest standards of integrity, professional ethics and legality. The code is available in 18 languages and upon joining the Company, each officer, employee and agent is required to certify that they will comply with the CBC. Education and training on the CBC and topics covered within the document are provided to these individuals on an ongoing basis. These topics include, but are not limited to, conflicts of interest, antitrust and fair competition, and bribery and corruption.

Our employees are also expected and encouraged to report behaviors that violate the ethical and legal standards set forth in the code. In alignment with our focus on promoting a culture of transparency, we provide a variety of mechanisms for our employees to report concerns, including a third-party compliance helpline. This mechanism can also be used by external parties and is available on our website.

During the reporting period, we transitioned to a new compliance helpline provider to offer employees additional reporting channels while maintaining the option of anonymity. Our compliance helpline facilitates the anonymous filing of reports via telephone, mobile device submission and website submission form and can be accessed through internal and external platforms as well as through QR code.

Pyxus is committed to continuous improvement. As such, in FY24, we conducted a comprehensive review of the Company's sanctions compliance program and distributed an enterprise-wide fraud risk survey. Pyxus has a robust sanctions compliance program in place and opportunities for improvement found during the review were implemented into the existing program. The fraud risk survey results confirmed the Company's strong culture of integrity, ethical behavior and compliance.

COMPLIANCE HELPLINE:

- > 24 hours a day, 7 days a week
- Available in 18 languages
- 3 contact options: online, by phone or QR code

SUSTAINABILITY POLICIES

We have a comprehensive framework of global sustainability-focused policies and procedures, and have embedded sustainability considerations into existing business protocols. Our global sustainability policies include our:

- Human Rights Policy
- Anti-Child Labor Policy
- Corporate Sustainability Policy
- Corporate Environmental and Climate Protection Policy
- > Corporate Policy on Sustainable Agriculture

Our commitment to sustainability is further reinforced by the Company's policy review process. Sustainability policies are reviewed and approved by the Company's President and CEO. In certain cases, policies may undergo additional review by the ESG Sponsors Committee or the ESGN Committee of our Board of Directors. This multi-layered review process ensures the highest standards and alignment with our sustainability strategy and external best practices.

For more information on our Company's sustainability policies, visit our website, www.pyxus.com.



CULTIVATING A COMPLIANT

CONTRACTED FARMER RELATIONSHIPS

At Pyxus, we keep the farmer at the heart of everything we do and recognize the critical role our contracted growers play in our success. We have cultivated strong relationships with approximately 300,000 farmers across the globe who are instrumental to our ability to produce sustainable, compliant agricultural products and meet customer requirements.

In our leaf business, the majority of our crop purchases are sourced through direct contracts with growers. This production model—commonly referred to as the Integrated Production System (IPS)—fosters a collaborative relationship between Pyxus and our contracted growers and provides a level of assurance to both parties.

Growers benefit from having a committed purchaser of their crop, providing protection from unexpected market fluctuations. They also receive access to crop inputs, such as certified tobacco seeds, fertilizers and crop protection agents, and agronomic support, helping them increase crop yield and quality potential, two key components of revenue growth.

IPS promotes grower compliance with applicable laws and production standards and provides our Company with the ability to track the product from seed to sale. During a series of farm visits throughout the crop cycle, we monitor our contracted growers' adherence to Good Agricultural Practices (GAP) and our Company's Agricultural Labor Practices (ALP) code, which is a critical component of our supply chain due diligence process.



| | Value Chain |

AGRICULTURAL LABOR PRACTICES

We are committed to enforcing ethical labor practices throughout our operations and supply chain.

Pyxus' ALP program reflects our commitment to upholding fundamental human rights. The program's ALP Code establishes comprehensive human rights principles, practices and measurable standards that we expect our contracted growers to comply. The ALP Code aligns with the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and relevant ILO conventions, as well as national and local legislation. The ALP Code features seven principles designed to promote safe and fair working conditions and reflects our zero-tolerance policy for child and forced labor.

Our Crop Science and Value Chain (CSVC) team provides ALP training to contracted growers and regularly monitors, conducts follow-up visits and reports on growers' compliance with the ALP Code.

THE SEVEN ALP PRINCIPLES

Child Labor: There shall be no child labor.

Income and Work Hours: Income earned during a pay period or growing season must be enough to meet farmworkers' basic needs and be of a sufficient level to enable the generation of discretionary income. Workers shall not work excessive or illegal work hours.

Fair Treatment: Farmers must ensure fair treatment of farmworkers. No harassment, discrimination, physical or mental punishment, or any other form of abuse will be tolerated.

Forced Labor: All farm labor must be voluntary. There should be no incidents of forced labor.

Safe Working Environment: Farmers must provide a safe work environment to prevent accidents and injury and to minimize health risks. Accommodation, where provided, should be clean, safe and meet the basic needs of the workers.

Freedom of Association: Farmers shall recognize and respect workers' rights to freedom of association and to bargain collectively.

Compliance with the Law: Farmers shall comply with all laws of their country relating to employment.

| | | Value Chain | | |

GOOD AGRICULTURAL PRACTICES

In addition to our ALP program, we are committed to supporting our contracted growers' long-term viability through our GAP program. The program's principles were prepared in accordance with guidelines from external sources including the United Nations Food and Agriculture Organization (FAO), the Sustainable Tobacco Program (STP) and the Cooperation Centre for Scientific Research Relative to Tobacco (CORESTA).

The GAP program outlines the environmental standards contracted growers are expected to comply with and describes the Company's principles for sustainable crop production. The program incorporates our global Policy on Sustainable Agriculture, standard operating procedures (SOPs) and farm-level agronomic practices to be implemented by our contracted grower base. Implementation is overseen by local CSVC teams, and program SOPs and agronomic practices vary based on geographic location, climatic conditions and crop type.

GAP training, delivered by our local CSVC teams, is ongoing and designed to equip our contracted growers and select members of our employee base with the knowledge and skills necessary to implement sustainable agricultural practices. Program adherence promotes compliance with supply chain standards and optimizes crop quality and yield.

SUPPLY CHAIN TRACEABILITY

We strive to provide customers with confidence in the compliance and sustainability of our products. Using SENTRI[®], our proprietary track-and-trace system, we leverage a combination of technology, processes and human expertise to track and analyze hundreds of data points related to a product's supply chain journey.

Data points collected are dependent on the product type. For example, data points on our contracted leaf tobacco encompass information about the contracted grower and their ALP compliance, crop inputs, cultivation practices, sustainability efforts, harvest, processing, blending and final release.

The ability to access and analyze data at every stage of the supply chain journey provides visibility to our customers and helps strengthen the due diligence process. It also helps our direct operations make proactive business decisions and strengthen operational efficiencies, driving sustainable actions and potential cost savings.

Through our Company's Good Agricultural Practices program, we help our contracted farmers mitigate negative environmental and social impacts through:

- > Efficient use and proper storage of crop production inputs and resources
- > Adoption of less toxic crop protection agents (CPAs) to enhance biodiversity and natural protection of crops
- > Implementation of crop rotation and soil health improvements
- Water conservation and protection measures
- > Use of sustainably sourced fuel for tobacco leaf curing
- > Appropriate use of personal protective equipment (PPE)



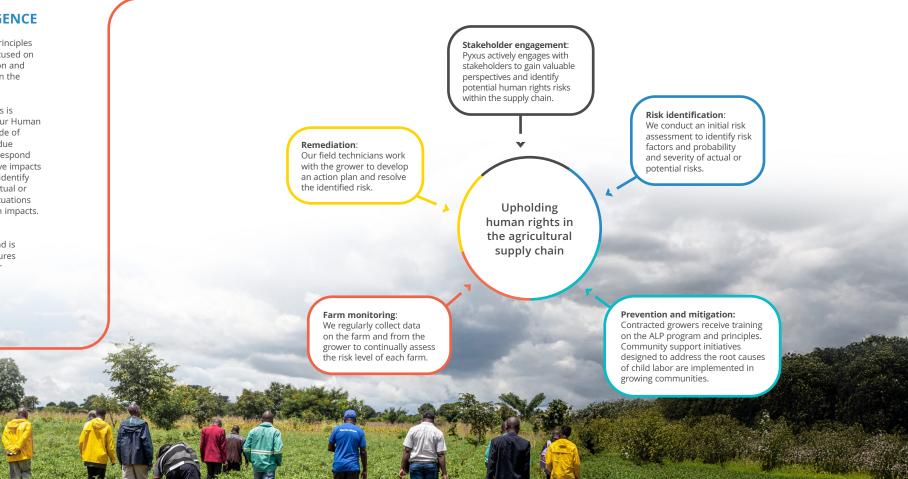
| | | Value Chain | | | 🔨

HUMAN RIGHTS DUE DILIGENCE

In alignment with United Nations Guiding Principles on Business and Human Rights, Pyxus is focused on continuous improvement of the identification and elimination of human rights violations within the agricultural supply chain.

Our commitment to upholding human rights is embedded in Company policies, including our Human Rights Policy, Anti-child Labor Policy and Code of Business Conduct. Through our risk-based due diligence procedure, we identify, prioritize, respond to and measure actual and potential negative impacts on human rights. Employees are trained to identify activities that may cause or contribute to actual or potential negative impacts and recognize situations where the Company might be linked to such impacts.

Our procedure also involves preventing and mitigating adverse human rights impacts and is supported by grievance mechanism procedures where stakeholders can report any actual or potential human rights violations.



GROWER TRAINING AND MONITORING

To mitigate the risk of human rights violations in the agricultural supply chain, we have implemented a strong grower education, training and monitoring program that involves both announced and unannounced farm visits.

Field technicians responsible for training and monitoring our contracted growers for ALP compliance participate in annual trainings designed to provide information on human rights. These trainings promote early identification of potential and actual human rights violations and provide our employees with the knowledge needed to appropriately address such situations. In addition to providing education through group trainings, field technicians visit farms multiple times per season to provide guidance to contracted growers on how to address labor issues on their farms, as well as monitor for compliance with the ALP measurable standards, including forced and child labor. In addition to these regular visits, local management often conducts unannounced farm visits. The number and schedule of visits vary annually by origin and are based on risk. To monitor for potential forced or child labor on farms, our Company's field technicians routinely undertake the following activities:

- Visual observation
- Grower interviews
- Worker interviews
- Written documentation review

We recognize that a violation of human rights is often a symptom of a larger, more hidden cause. While we work to immediately address the symptom by reducing the risk of harm, we also attempt to work with the contracted grower to identify and address the root cause.

As the regulatory landscape of supply chain due diligence evolves, we believe our due diligence procedures position us to comply with voluntary and mandatory requirements. We strive to maintain compliance by integrating the latest industry standards and best practices into our current procedures to enhance effectiveness and achieve the greatest positive impact.

ANTI-CORRUPTION MEASURES

Our Company is dedicated to maintaining a supply chain that is not only compliant but also free of corruption. Before entering into business relationships, the Company performs a review of potential customers and high-risk vendors to assess whether the other party poses a risk related to bribery, corruption or other unethical conduct. This proactive review helps us to identify potential risks before they materialize, and when necessary, implement mitigating controls such as the rejection of a customer or vendor relationship.

We believe transparency is critical in fostering a culture of integrity. Customers and high-risk vendors are screened in accordance with our third-party vendor compliance program, and certain service providers are required to sign our Third-party Services Provider Compliance Agreement. This agreement commits service vendors to upholding the highest ethical standards and refraining from corrupt behavior. Recognizing that anti-corruption efforts must be holistic, we integrate anti-corruption measures into our overarching enterprise risk management framework. Our Internal Audit department also performs targeted Foreign Corrupt Practices Act audits in various countries of operation.

Empowering our employees is essential to a successful anti-corruption program. Pyxus provides applicable full-time employees with comprehensive anti-corruption training through our online compliance training platform. Our Corporate Compliance Program also conducts in-person training sessions to enhance our employees' understanding of our anti-corruption policies and procedures.

By prioritizing anti-corruption measures, Pyxus reinforces our commitment to ethical business practices while protecting our stakeholders and safeguarding our reputation.

THIRD-PARTY AUDITS AND ASSESSMENTS

Independent third-party verification of our ESG data is important to our Company and our stakeholders. We actively strive to expand third-party validation of our Company's ESG targets and results, which fosters a culture of transparency and accountability.

We also participate in customer-requested, independent audits and assessments during any given fiscal year, including:

- Sustainable Tobacco Program (STP) Assessments: We align with STP, an industry program that promotes sustainable practices and supply chains, and we regularly submit sustainability-related data and partake in its third-party, market-specific assessments. During FY24, our operations in Guatemala, India, Malawi, Thailand and Zimbabwe participated in STP assessments, which included review of our subject-specific governance, farm visits and on-the-ground rightsholder interviews, and resulted in an action plan to address audit findings.
- Human Rights Impact Assessments (HRIAs): These in-depth, localized assessments analyze potential human rights risks within the supply chain and provide insights into potential considerations for continuous improvement of our policies, procedures and programs. The selection of countries and sites for HRIA participation is based on specific criteria defined by STP, and our most recent HRIAs occurred in FY23.
- Customer Individual Assessments (CIAs): We value the perspectives of our customers and regularly participate in their individual assessments. This collaborative approach fosters open communication and strengthens our partnerships. In FY24, we participated in 21 CIAs in nine origins.

The specific focus areas and locations of these audits and assessments vary year to year, providing a comprehensive review of our global operations. By actively engaging with independent auditors and assessors, Pyxus underscores our commitment to transparency and accountability.



ENVIRONMEN

MINIMAL ENVIRONMENTAL IMPACT

| | | Environment | |

A BETTER WORLD

At Pyxus, we recognize that climate change, deforestation and other negative impacts on the environment can have long-term consequences on our business, customers, employees, contracted farmers and the communities in which we operate. We acknowledge the environmental impact of our operations and strive to leverage our position as a global agricultural company to drive measurable, transparent progress on material sustainability topics. We remain committed to minimizing our environmental footprint and have established the following priorities: SUSTAINABLE AGRICULTURE:

Work with our contracted growers to apply sustainable agricultural methods and eradicate the use of unsustainable wood in our value chain.

DECARBONIZATION:

Reduce our carbon footprint and achieve net-zero emissions by 2050.

WATER STEWARDSHIP:

Implement responsible water management practices across our operations to reduce water withdrawal.

CIRCULAR ECONOMY:

Promote responsible waste management and circularity within our operations to minimize waste sent to landfills.

| | | Environment |

SUSTAINABLE AGRICULTURAL METHODS AND PRACTICES

Pyxus remains committed to promoting sustainable agricultural methods and practices across our contracted grower base as we work to minimize negative impacts from our supply chain. We take a risk-based approach in response to potential and actual environmental impacts and collaborate with stakeholders to implement solutions. Our commitment to implementing sustainable agricultural methods and practices is embodied in our Policy on Sustainable Agriculture, shared with contracted growers through training and education on good agricultural practices, and evidenced through Company initiatives and actions.

OUR AMBITION

Forest and land degradation as well as deforestation are significant environmental issues connected to today's agricultural activities, including tobacco production.

Through our Company-led and collaborative initiatives, we demonstrate sustainable forest management practices, including:

- Promoting sustainable forest management;
- Mitigating further deforestation and undertaking afforestation activities;
- > Encouraging tree plantings by our contracted grower base; and
- Supplying our contracted growers with sustainably sourced wood for the curing process and promoting the efficient use of that fuel source.

WE ARE COMMITTED TO:

Achieving zero net global deforestation in our agricultural supply chain by 2030

MOVING THE NEEDLE

Pyxus has a decades-long history of implementing forestry initiatives which help reduce the impacts of deforestation. Today, we manage afforestation and reforestation programs, overseen by our experienced Crop Science and Value Chain (CSVC) teams and contracted forest managers across the globe.

In FY24, our Internal Audit team engaged external consultants to conduct a data assessment of our deforestation metric. Through the assessment, we evaluated our current practices and identified recommendations to improve our global target and data collection procedures. The assessment enables us to enhance our current reporting process and supports our efforts to further align with global standards and market practices. We also updated our Zero Net Deforestation Guidelines and our Afforestation, Reforestation and Deforestation Guide. Our focus on sourcing sustainable wood for curing helps mitigate the risk of future deforestation in our supply chain. Our collaborative approach involves a variety of stakeholders and initiatives, from providing seedlings for farmers and community partners to operating commercial forestry plantations. The positive impacts of our forestry efforts also help reduce emissions by offsetting carbon release and promote the protection of water quality in certain regions.

Our dedication to sustainable agricultural practices extends beyond forestry. Our CSVC team actively implements a diverse range of sustainable and regenerative agricultural practices across our operations, including soil conservation and restoration efforts, efficient crop irrigation practices, responsible fertilizer and crop protection agent management, and pollution prevention strategies.

HOW WE MEASURE

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Our Company leverages tools to identify and mitigate deforestation risks within our supply chain. One platform that we license, Ecometrica, offers risk-mapping capabilities to generate a comprehensive global analysis based on the locations of our contracted farmers' land. Additionally, our risk management platform Verisk Maplecroft features mapping capabilities that provide valuable insights into forest-related risks at the country level.

Our field technicians collect data on the source and quantity of wood used by contracted farmers for curing barn construction and fuel. The collected data is stored within the Grower Management System, a component of our comprehensive SENTRI[®] track-and-trace platform, and is used to verify the sustainability of wood resources used in our supply chain.

In regions where we operate commercial forestry plantations, dedicated staff oversee the implementation of our forestry management plans. We periodically engage external consultants to conduct audits of these operations to promote adherence to best practices and we have consistently disclosed forestry data to CDP since 2019, demonstrating our commitment to transparency.

Our latest CDP score for forestry

Our farm monitoring and hands-on participation in various forestry initiatives allow us to measure progress effectively. Key metrics include the number of trees planted, hectares of forests managed and the percentage of sustainable wood resources used in our supply chain.

OUR RESULTS

In FY24, we lowered our annual deforestation-related impact by planting 1,848 hectares of forest, an equivalent of approximately 3,764,000 trees.



Implementing our improved data collection methodology, which was updated in FY23, has yielded a more comprehensive picture of our progress toward minimizing our environmental footprint and achieving zero net deforestation within our agricultural supply chain. Transitions to sustainable and more efficient curing solutions coupled with our reforestation and afforestation initiatives have contributed to the progress toward our target.



TANZANIA

Constructing a Sustainable Solution

Curing barns traditionally used by Tanzanian flue-cured tobacco farmers use wood as a fuel source, with less efficient barn models requiring 16 to 23 cubic meters of wood to cure one metric ton of tobacco. More efficient barn models, such as the zig-zag barn model, use less than 14 cubic meters of wood to cure the same amount of tobacco.

To help contracted farmers reduce the amount of wood needed to cure tobacco, our Company implemented a program to convert less efficient barn models to the

Approximately 33,770 barns in Tanzania have been converted since 2016, resulting in approximately 72,300 cubic meters of wood—or 1.600 hectares of forest saved over the same period of time. By reducing the wood requirement associated with curing tobacco, we are helping to prevent deforestation in the country while working with contracted farmers to provide sustainable sources for curing fuel.

Our field technicians continue to work with our contracted farmers in Tanzania to update inefficient barn structures as we strive to convert all traditional barns to the zig-zag model by 2030.





Partnering to Promote Sustainable Fuel Use

In Malawi, the positive impacts of our forestry and sustainable land management practices extend beyond reducing unsustainable wood fuel use in agricultural production.

In FY24, we partnered with a government stakeholder to begin planting 1,000 hectares of forest plantation. This plantation will be managed by our forestry team to provide a sustainable wood fuel source for community and farmer use and reduce reliance on unsustainable firewood among businesses and households in the region.

Approximately 500 hectares of forest were planted in FY24 with the remaining 500 hectares to be planted in FY25. This plantation is expected to yield approximately 350,000 cubic meters of timber in seven years.

In addition to this afforestation initiative, we aim to expand the production and availability of sustainable energy products, such as charcoal from our forestry operations and pellets made of repurposed waste from our groundnut factory. These new sources are expected to provide additional alternatives to unsustainable wood fuels currently available to Malawians.

Through our collaborative efforts to support the availability of sustainable wood and other sustainable fuel sources, and reduce unsustainable wood use, we aim to mitigate deforestation and promote reforestation in the areas in which we operate. The forestry initiative also benefits surrounding communities through employment and investment in local businesses that we contract with to provide planting, weeding, harvesting and transportation services related to our forestry activities.

REDUCING OUR CARBON FOOTPRINT

Climate change represents one of the most significant challenges confronting our planet today. Its effects are becoming increasingly evident in the realm of agricultural production, with extreme weather events like extended droughts and flooding posing a threat to our business, as well as our customers, employees, contracted farmers and the communities in which we operate. At Pyxus, we are committed to mitigating the risks that climate change presents to our operations and stakeholders while doing our part to reduce greenhouse gas (GHG) emissions.

OUR AMBITION

Our Company is committed to reducing scope 1, 2 and 3 emissions throughout our value chain.

MOVING THE NEEDLE

Our global teams continuously identify opportunities for improvement and implement solutions that prioritize both climate benefits and business efficiencies.

To minimize scope 1 and 2 emissions, we prioritize enhancing facility efficiencies by transitioning to sustainable fuel sources when possible and evaluating sustainability-related benefits when determining equipment upgrades in our processing operations. We also engage in strategic partnerships to incorporate new solutions such as solar panels, electric vehicles and conversion of factory boilers to biomass fueled.

Farm-level emissions

Third-party transport of product

Fuel from Company-leased vehicles

With our scope 3 emissions making up approximately 90 percent of our current total value chain emissions-80 percent of which is attributable to our purchased goods and services-we have placed an emphasis on farm-related emissions reductions. We engage collaboratively with contracted farmers, customers, industry partners and other external stakeholders to promote the adoption of climate-smart best practices, such as improving curing barn efficiencies and appropriate fertilizer application.

We remain committed to transparently reporting our progress toward our environmental goals and since 2009 have disclosed our GHG emissions to CDP, the leading global platform for environmental reporting. In FY24, Pyxus achieved CDP leadership status, ranking amongst the top tier of companies worldwide for climate action efforts and supplier engagement.

Our latest CDP score for climate change

We recognize there is still more work ahead of us and we will continue tracking and reporting our progress as we strive toward achieving our ambitious 2050 goal.





| | | Environment | |

HOW WE MEASURE

We employ a standardized GHG Emissions Data Collection and Reporting Protocol across our global operations, office locations, contracted farms and third-party processors. This protocol promotes consistent emissions measurement, data capture and reporting practices.

We measure our GHG inventory and annually report the climate-related impacts of our business. This includes emissions associated with our ownership share in consolidated and non-consolidated subsidiaries and joint ventures. The collected data is housed in a third-party platform where it is converted into actual (scope 1 and 2) and estimated (scope 3) GHG emissions. Our GHG inventory has been verified by an independent third-party auditor.*

OUR RESULTS

With our dedicated focus and strategic execution, we have seen significant progress in our reduction of carbon emissions. Since our base year of FY21, we have decreased our total emissions by approximately 14 percent. This decrease is primarily driven by our scope 3 emissions reduction—approximately seven percent since FY23 and 16 percent since our base year. Our emissions from purchased goods and services, our largest scope 3 contributor, have decreased approximately 18 percent since our base year, driving our progress in this area.

During the reporting period, we had a sizable increase in processed tobacco volume, driving up our scope 1 and 2 emissions. We were able to partially counteract the increased emissions through strategic initiatives, including the use of biomass pellets or more sustainable fuel sources in our boilers at certain factories. The effectiveness of these initiatives is evident in our scope 1 and 2 intensity ratio, which decreased nearly six percent compared to the prior reporting period.

Our journey towards our 2050 net-zero emissions target is a continuous pursuit, and we remain committed to collaborating closely with our local teams and stakeholders to pinpoint further emissions reduction opportunities. We will prioritize those initiatives that demonstrably deliver the greatest impact as we work to reduce our environmental footprint.

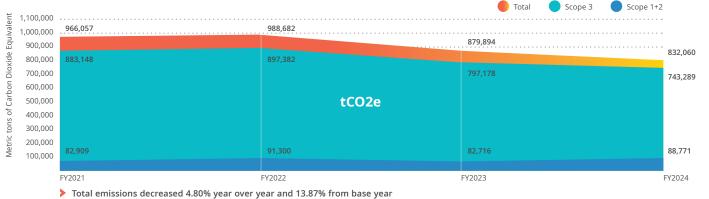
*Independent, third-party assurance services are provided by SGS. SGS verifies that the Company's disclosed GHG emissions meet the ISO 14064 standard.

Scope 2 GHG emissions are market-based.

Due to the nature of agricultural cycles and data collection methods, scope 3 emissions results include data from the fiscal 2024 reporting period and periods prior to April 1, 2023, but no earlier than July 2022.



GREENHOUSE GAS EMISSIONS



SCOPE 1 AND 2 INTENSITY RATIO

Intensity ratio is equal to the metric tons of carbon dioxide equivalent emitted per metric ton of processed tobacco





INDIA

Harnessing Solar Power to Reduce Emissions

In India, coal and non-renewable electricity sources powering our factory were contributing to our Company's carbon footprint. As we strive to minimize our environmental footprint and achieve net-zero emissions by 2050, the local team identified an opportunity to reduce our emissions by transitioning to renewable power.

In FY23, we installed a one-megawatt solar park at our jointlyowned India factory site, which became fully operational in March 2023.

Energy generation from the solar park contributed to an approximate 15 percent decrease in emissions year over year in India. Over the next 25 years, the solar park is expected to offset 10,755 metric tons of CO2e – the equivalent of 177,987 trees planted.

TURKEY

Leveraging Renewable Energy Credits to Minimize Our Footprint

Renewable energy technologies such as utility-scale wind, hydroelectricity and solar power are available to utility customers in Turkey, which allows commercial electricity customers, in some instances, to choose their electricity source. Given the prevalence of alternate energy sources locally, our team in Turkey determined we could transition away from sourcing power from the standard grid and leverage renewable energy to power our operations.

In FY22, the team began using renewable energy at our jointly-owned processing facility. Along with the purchase of the renewable energy, we secured International Renewable Energy Certificates (I-RECs) from the power provider, providing confirmation of the energy's renewable claim. During the reporting period, the facility was the first of our operations to be powered by 100 percent renewable energy, primarily leveraging hydroelectricity and wind energy sources.

In FY24, this achievement resulted in approximately 1,349 metric tons of avoided CO2 emissions. By leveraging utility-scale renewable energy sources in Turkey, we effectively minimized our environmental footprint by reducing our emissions, moving us closer to our net-zero goal.



GROWING OUR IMPACT: MINIMIZING EMISSIONS THROUGH SOIL TESTING

In the FY23 report, we shared that our team in Turkey introduced an onsite soil testing initiative to help reduce scope 3 farm-related emissions. In FY24, we expanded our soil testing capabilities in the origin to reach all our growing areas, allowing us to recommend optimum fertilizer amounts to approximately 13 percent more contracted growers compared to the prior year. This contributed to the origin's decreased scope 3 footprint, a reduction of approximately 14 percent in FY24. The improved precision of fertilizer application also results in cost savings for our contracted farmers, in turn, helping improve farmer livelihood. INDUSTRY, INNOVAT

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RESPONSIBLE WATER MANAGEMENT

At Pyxus, we prioritize responsible water management across our operations and agricultural supply chain, and take a proactive approach to assessing water-related risks. We use the Verisk Maplecroft platform to help assess water stress-related risks to our facilities and we work with stakeholders to understand and assess water, sanitation and hygiene (WASH) risks in our supply chain. As an outcome of these risk assessments, we implement mitigating activities to reduce and manage the identified risks.

OUR AMBITION

With the finalization of our ESG framework in 2021, we committed to achieve a 10 percent reduction of groundwater withdrawal per product unit in our direct operations by 2030 compared to 2020. Since then, we have revised our goal to be more impactful and encompass total water withdrawal.

WE ARE COMMITTED TO:

Achieving a 10 percent reduction of water withdrawal per product unit in our direct operations by 2030 compared to 2020

MOVING THE NEEDLE

Our commitment to responsible water stewardship extends throughout our value chain. We collaborate with local teams to implement innovative water-saving solutions in the field and within our facilities, reducing overall water withdrawal and consumption. Verisk Maplecroft's mapping resources provide valuable insights, allowing us to prioritize areas for focused water management efforts. Additionally, as a member of the Alliance for Water Stewardship (AWS), we align our strategy with the rigorous AWS International Water Stewardship Standard.

Within our operations, we champion initiatives like wastewater recycling and rainwater harvesting. Beyond our direct footprint, we collaborate with contracted growers to improve crop irrigation infrastructure and advocate for increased water access, sanitation and hygiene in our operating communities. We remain committed to transparently reporting our progress, and have disclosed our water data to CDP since 2014.

In FY22, we achieved our target of 10 percent water withdrawal reduction per product unit in our direct operations. Before resetting this target, our Sponsors Committee determined third-party verification was needed. In FY23 and FY24, water withdrawal-related data received limited assurance verification from SGS[†], and the Company will soon announce its new waterrelated target.

HOW WE MEASURE

Our local teams consistently monitor water usage through monthly water flow meters and water bills, tracking and reporting water withdrawal by source, consumption and intensity. Water withdrawal intensity ratio is reported as cubic meters of water per metric ton of tobacco processed. This consistent monitoring allows us to pinpoint areas for improvement and identify opportunities to enhance water savings across our operations. further growing the impact of our water stewardship efforts.

We adhere to our Water Management Data Collection and Reporting Protocol as the global standard for gathering and reporting annual water data from our factories. This data serves a dual purpose: tracking our progress toward our water withdrawal goals and contributing to the Company's annual disclosures such as to CDP.

Our latest CDP score for water security

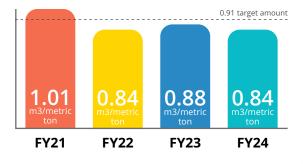
*Results exclude operations that do not process tobacco, as well as our new reconstituted tobacco production site, which we began operating in January 2024. †Independent, third-party assurance services are provided by SGS. SGS assures the Company's disclosed water withdrawal data according to ISAE3000 standard.

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OUR RESULTS*

We achieved a water intensity of 0.84 0.84 cubic meters of water per metric ton of tobacco processed in FY24

WATER WITHDRAWAL INTENSITY RATIO



Since our FY21 base year, we have achieved an approximate 17 percent reduction of water withdrawal per product unit in our direct operations. Beyond the environmental benefits realized through responsible water stewardship practices, our efforts to conserve and manage this resource can help lower operating costs at both the farm and factory levels, driving savings throughout our value chain.



TANZANIA

Benefiting Business and Communities Through Responsible Water Management

In the Urambo district of Tanzania, water scarcity is a prevalent issue facing residents and businesses alike, including our Company's local employees, contracted growers and office infrastructure. Families often rely on their children to collect water for household use before school, which can result in truancy and hinder students' educational development.

During the reporting period, our local team constructed a borehole and water kiosk to enhance water security in the area and provide a reliable water source for our operations during the dry season. Now operational, the kiosk provides a reliable water supply to our operations and helps reduce our water withdrawal intensity and water-related costs.

The kiosk also positively impacts the local community—including our employees and contracted growers and their families—by providing free, easily accessible water for domestic use. This initiative benefits approximately 6,000 residents and promotes school attendance among local children.

WHAT IS A WATER KIOSK?

Water kiosks are booths that facilitate the sale or gift of tap water to community members and are common in Sub-Saharan Africa. Our Company-operated water kiosk, constructed in FY24, provides water to community members for free.





INDONESIA

Beyond Our Operations: Collaborating to Promote Sustainable Water Solutions

In growing regions across Indonesia, water scarcity presents a significant challenge to crop cultivation. Without sufficient water to meet the irrigation needs of crops, farmers may face reduced yields, which can impact their livelihoods.

To remedy the situation, our team collaborated with a customer to enhance contracted farmers' water security for crop cultivation. We identified that water reservoirs could serve as a solution that not only provides a reliable water source for crop irrigation, but also benefits broader growing communities by providing access to water for drinking and hygiene purposes.

In FY22, we constructed four reservoirs in our Madura growing region with a combined capacity to hold 8,000 liters of water.

In FY24, we initiated two additional water reservoir projects in our growing regions of East Java and Lombok, completing one and reaching the final stages of construction of the other during the reporting period.

These six reservoirs can hold a combined total of 14,900 liters of water, benefiting approximately 940 people. By providing a tool for water storage, we promote responsible water management solutions as growing communities face heightened water stress due to climate change while encouraging healthy communities.

RESPONSIBLE WASTE MANAGEMENT

Responsible waste management is a priority for our Company, and we are committed to minimizing the environmental impact of waste generation. Extending beyond environmental stewardship and industry leadership, our commitment to responsible waste management translates into operational efficiencies within our business. We achieve this through a comprehensive approach that emphasizes reduction, repurposing, reuse, recycling and responsible disposal practices across our value chain. Our operations adhere to applicable regulations governing waste management and disposal, encompassing both hazardous and non-hazardous categories.

OUR AMBITION

Pyxus engages in a multifaceted approach to waste management, encompassing two key areas: responsible practices within our operations and promotion of consumer waste recycling and circularity. We also actively collaborate with employees, contracted farmers and other stakeholders to foster adherence to waste management best practices. Through our comprehensive strategy, we strive to minimize our environmental impact throughout the value chain.

WE ARE COMMITTED TO:

- Reducing the waste footprint of our direct operations
 - Achieving a 20 percent reduction of waste sent to landfills from our direct operations by 2030 compared to 2020
 - Recycling, reusing or repurposing 50 percent of waste from our direct operations by 2030
- Mitigating consumer waste
- Striving for 100 percent of our packaging to be reusable, recyclable or compostable by 2030



MOVING THE NEEDLE

Our teams are dedicated to implementing best practices that enhance waste management outcomes across our operations, meeting or exceeding regulatory requirements. We actively champion innovative solutions that facilitate the repurposing of waste materials and reduce the amount of waste destined for landfills.

We also collaborate with our contracted growers and industry partners to implement best practices across the agricultural supply chain. This approach includes initiatives to improve waste collection efforts and provide essential training programs on the proper disposal of crop protection agent containers and other hazardous materials to safeguard both environmental and human health.

HOW WE MEASURE

Our local teams adhere to our global procedures for waste management, including recycling, repurposing, reuse and responsible landfill designation. Local waste management practices are informed by our environmental management system, which includes implementing waste management plans. These plans include waste selection and disposal instructions as part of operational waste-stream mapping. Utilizing the standardized calculation methodology, teams capture data at the facility level and in collaboration with municipal and private waste management services to ensure accurate measurement of our efforts, enhancing our ability to assess and analyze waste management data. Our data related to operational waste and consumer packaging has been verified by an independent third-party auditor.[†]



An increase in processed tobacco volume during the reporting period contributed to increased waste generation, elevating the amount of waste sent to landfill.

Since FY21, we have increased the percentage of waste recycled, reused or repurposed from our operations, and in FY24 recycled, reused or repurposed 38.40 percent of waste.

We also increased the amount of our consumer packaging that is reusable, recyclable or compostable by approximately 16 percent since FY23, driven primarily by an increase in tobacco-free nicotine sales, our product line that has 100 percent compostable packaging. By FY26, we aim to package our e-liquids products using fully compostable materials.

*Results reflect our tobacco processing operations and exclude sites that do not process tobacco.

[†]Independent, third-party assurance services are provided by SGS. SGS assures the Company's disclosed waste and consumer packaging data according to ISAE3000 standard.

BRAZIL Creating a Circular Economy Through Recycled Waste

At our facility in Venâncio Aires, Brazil, tobacco dust and wood boiler ash represent the majority of waste generated from tobacco processing. To reduce the amount of waste sent to the landfill, we partnered with a thirdparty company to recycle our tobacco dust and boiler ash into organic fertilizer for use in tobacco cultivation. The organic fertilizer is integrated in the crop production process, where our field technicians provide it to our contracted growers as an input to promote healthy crop development, creating a circular economy that can drive greater efficiency and benefit our value chain.

In FY24, we diverted approximately 79 percent of our Venâncio Aires facility's waste from landfills by recycling it into organic fertilizer.

WASTE DIVERTED FROM LANDFILL:



UNITED STATES

Growing Our Impact: Improving Soil Quality Through Composted Tobacco Waste

At our U.S.-based CRES facility, the team identified an opportunity to compost tobacco dust generated by our operations. In our FY23 Sustainability Report, we reported that 100 percent of tobacco dust collected from the factory was diverted from the landfill to a local composting facility to be converted into soil, mulch and other products. In FY23, approximately 263 metric tons of dust was composted and in FY24, approximately 328 metric tons of tobacco dust was composted and diverted from landfills.



SOCIAL

SUPPORT FOR PEOPLE AND COMMUNITIES

| | | Social |

TRANSFORMING LIVES

Our shared dedication to transforming people's lives unites our teams worldwide and informs our Company's sustainability strategy. Driven by our purpose, we implement programs across our global footprint with a focus on supporting our employees, contracted growers and the communities in which we operate, as well as upholding strict human rights protections at every link in our value chain. Through our people-focused approach, we make impactful progress in pursuit of our mission and generate value for our stakeholders.

We are steadfastly committed to supporting people and the communities in which we operate and have established the following social priorities:

By aligning the above priority areas with measurable goals, we demonstrate our commitment to transparently reporting our progress as we work toward achieving our people-focused sustainability targets. Uphold human rights throughout our supply chain

Maximize farmer income through crop diversification and training on good agricultural practices

Support local communities by improving access to education, healthcare services and more

Provide a safe and healthy workplace for our employees, visitors and contractors

Cultivate motivated, skilled and engaged employees

HEALTH AND SAFETY

The health and safety of our employees is paramount and Pyxus is dedicated to promoting a safe and healthy workplace for employees and visitors. This commitment resonates deeply with our stakeholders, who ranked health and safety in our operations as the most critical focus area during our FY22 materiality assessment.

We actively work to minimize the risk of workplace injuries and illness, and we are committed to promoting overall employee wellbeing. To achieve this, we implement a comprehensive health and safety risk management framework designed to promote the highest safety standards in our offices and factories worldwide.

OUR AMBITION

To prevent work-related injury and illness among employees and other stakeholders, all origins implement health and safety management systems.

WE ARE COMMITTED TO:

Maintaining a lost-time injury (LTI) rate of less than 0.50 per 100 employees over 200,000 hours worked



MOVING THE NEEDLE

Through the implementation of health and safety management systems that adhere to applicable local regulations, we strive to foster safe work environments across our footprint. These systems encompass several key elements, including:

- Comprehensive risk assessments: We proactively identify potential hazards through risk assessments, enabling us to implement effective mitigation strategies.
- Targeted training programs: To continually promote employee safety, our Company provides ongoing health and safety training programs tailored to specific roles and operational risks.
- Incident & accident management: Pyxus has established protocols for managing incidents and accidents that are designed to promote timely intervention, thorough investigation and implementation of corrective actions to help prevent future occurrences.
- Regular site audits: We conduct regular site audits to identify areas for improvement and ensure ongoing compliance with established standards.
- Management of non-conformities: We implement a systematic process for addressing and managing non-conformities with health and safety protocols to promote continuous improvement and uphold the highest safety standards.

*Independent, third-party assurance services are provided by SGS. SGS assures the Company's disclosed LTI rate according to ISAE3000 standard.

HOW WE MEASURE

We apply lost time injury rates as a metric for assessing health and safety performance across our global operations. Due to the varying nature of local regulations, our teams leverage methodologies that comply with applicable laws and guidelines while adhering to a standardized global framework. This standardized framework promotes transparency and consistency in LTI reporting and includes:

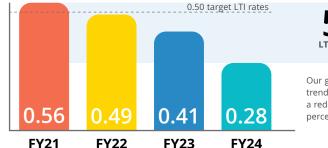
- Site-level Reporting: Company sites actively participate in the LTI reporting process, which includes collecting, validating and reporting key metrics through a standardized quarterly LTI report.
- Regional Consolidation: Site-level data is then reviewed for quality and completeness before being consolidated into regional reports.
- Global Compilation: Once accepted, the consolidated regional reports are integrated into our comprehensive global LTI report.

In alignment with Pyxus' commitment to ESG reporting transparency, all sites provide documentation that verifies the accuracy of reported LTI data. Our LTI data has also been verified by an independent third-party auditor.*

OUR RESULTS



CONSOLIDATED LTI RATES





Our global LTI rate continues to trend downward, representing a reduction of approximately 32 percent compared to FY23.

Cultivating a Culture of Workplace Safety

The United Nations annually recognizes World Day for Safety and Health at Work, elevating the importance of promoting a safe work environment as an essential right for workers. In Tanzania, which began recognizing this day in 2004, the government body responsible for regulating workplace safety is the Occupational Safety and Health Authority (OSHA), an agency housed under the Prime Minister's Office dedicated to ensuring employee protection from hazards in the workplace.

During the reporting period, on World Day for Safety and Health at Work, OSHA recognized select Tanzanian organizations for their health and safety initiatives and achievements through an awards ceremony. Our Company was among the award recipients and was recognized as the first runner-up to the OSHA Award 2023 in the tobacco products category. To earn an OSHA certificate, organizations must exhibit impactful efforts to implement workplace safety measures, including the creation of programs designed to promote employee safety. Factors contributing to the achievement of this award include our Tanzania operation's ISO certification, zero work-related illnesses, a demonstrated downward trend in work-related accidents and the provision of safety training to employees.

This certificate recognizes our Tanzania team's commitment to workplace safety, as demonstrated by its reported LTI rate of 0.04 in FY24, continuing the origin's downward trend year over year and contributing to the achievement of our global FY24 results of 0.28, well below our 0.50 target.









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SUPPORT TO FARMERS FOR IMPROVED LIVELIHOOD

Our Company contracts with thousands of farmers around the globe to produce compliant, sustainable and traceable crops. Many of our contracted growers are smallholder farmers, cultivating less than two hectares of land annually.

At Pyxus, we are committed to improving farmer livelihood by helping contracted growers achieve higher quality and higher yielding crops through application of good agricultural practices, crop diversification and enhanced operating efficiencies. By supporting farmer livelihoods, we also support the economic health of their families and communities.

OUR AMBITION

To support improved farmer livelihood and well-being, we focus on implementing initiatives designed to reduce the cost of production while improving grower sustainability, as well as identifying opportunities for growers to expand their earning potential.

WE ARE COMMITTED TO:

Maximizing 100% of contracted farmers' income potential by 2030 through appropriate training in good agricultural practices and the opportunity for crop diversification

MOVING THE NEEDLE

Pyxus is dedicated to collaborating with contracted growers to achieve mutual success. The Company's Good Agricultural Practices (GAP) program defines best practices for sustainable and efficient crop production. By implementing GAP on their farms, our contracted farmers can reduce their production costs, improve crop quality and yields, and strengthen their income and livelihood.

Our network of approximately 1,000 agronomists and field technicians regularly trains contracted growers on crop production best practices,

supporting improved incomes. Our Crop Science and Value Chain (CSVC) team works closely with our contracted growers to implement solutions that enhance productivity and efficiency, which can lead to increased income generation and align with Pyxus' environmental goals by reducing emissions, waste and water use.

In many origins, Pyxus facilitates access to high-quality seeds, fertilizers and other essential inputs that can enhance crop quality and yield. We also offer financial assistance to minimize pre-season costs to the farmer, promoting sustainable, living wages for farmworkers, and alleviating financial pressures that are risk factors for child or forced labor.

In certain origins, our CSVC team also provides training on GAP for complementary crops, promoting crop diversification. This not only offers additional income opportunities but also improves soil health, which can enhance the quality of subsequent harvests.

During the reporting period, our Internal Audit team and external consultants reviewed internal processes related to our farmer livelihood target. Through this process, we identified areas for improvement and received recommendations to better align with external standards.

By working collaboratively and providing targeted support, Pyxus empowers our contracted growers, fostering a thriving and sustainable supply chain for all stakeholders.

HOW WE MEASURE

Each stage of the crop cycle requires specific agronomic knowledge and support of varying scope and intensity. Our local CSVC teams are responsible for assessing the needs of a particular location and stage of crop production, and working with our contracted farmers to implement tailored solutions.

We provide regular trainings to our contracted growers in response to identified risks in each growing area.* Our local CSVC team records each group and individual training, including attendance records.

*Trainings may include, but are not limited to, structured in-person educational events – attended by groups or held one-on-one with contracted growers – educational opportunities that occur during our field technicians' unplanned visits to contracted farms, virtual or digital training opportunities and review of printed educational materials. †Due to the nature of agricultural cycles and data collection methods, results include data from the fiscal 2024 reporting period and periods prior to April 1, 2023, but no earlier than July 2022.

OUR RESULTS



We are proud to continue maintaining 100 percent of our contracted growers being trained in GAP, as it serves as a foundation for maximizing farmer income while helping address the potential for other systemic issues, such as negative environmental impacts and violations of human rights.



MALAWI

Fostering Agricultural Excellence Through Access to Best Practices

Grower education is central to our efforts to improve farmer livelihoods and well-being, which is why in FY22 our team in Malawi launched its smart-farm demonstration program to train our contracted growers on good agricultural practices.

Through the smart-farm demonstrations, our CSVC team members work with high-performing demonstration farmers, showcasing their improved production practices and outcomes and providing education to other contracted growers. The demonstrations also serve as a touch point to provide fertilizers and other inputs, which can increase the quality and yield of growers' crops, potentially leading to an increased supplemental income. During the program's first year, 341 participating growers reported a base yield of approximately 750 kilograms per hectare of groundnuts on average. By FY24, 6,943 participating growers saw an average yield of approximately 1,350 kilograms per hectare of groundnuts—an 80 percent increase since the program's start.

By providing training and promoting good agricultural practices among our contracted grower base, growers are empowered to maximize their crop yields, in turn, improving their income potential.





INDIA

Introducing Mechanization for Increased Yield and Improved Livelihoods

In a bid to enhance efficiencies and combat labor shortages during the peak harvest season of burley tobacco production, our team in India identified key farm activities that could be mechanized, reducing the growers' reliance on manual labor.

Once identified, we partnered with a customer to procure and provide mechanized tools and machinery that modernize the tobacco production process. The machines selected for farmers included fertilizer drills, suckericide applicators and stitching machines.

In FY24, 40 fertilizer drills, 100 suckericide applicators and 10 stitching machines were provided to contracted growers, easing the burden of labor shortages and contributing to the decreased cost of labor by approximately 13 percent. By improving the efficiency of the tobacco production process and reducing the need for manual labor, the mechanization initiative decreased production costs for farmers, enabling them to reinvest their cost savings in scaling their operations or fulfilling other household needs.

Social

LABOR STANDARDS IN THE AGRICULTURAL SUPPLY CHAIN

Pyxus prioritizes the protection of human rights throughout our supply chain, a commitment woven into the fabric of our Company culture and operations. This is formalized in our Human Rights and Anti-Child Labor policies and put into practice through our Agricultural Labor Practices program (ALP), which sets clear standards for human rights compliance at the farm level. The ALP program is a vital pillar within our human rights due diligence process, helping us identify, prioritize and respond to potential or actual human rights violations across our agricultural supply chain.

As we continue striving to uphold these standards in our supply chain, we remain committed to measuring and reporting on our progress, fostering transparency and accountability.

OUR AMBITION

We recognize the possibility of human rights violations at the farm level and work diligently to mitigate this risk. These efforts promote a compliant supply chain that upholds ethical labor practices.

WE ARE COMMITTED TO:

- Maintaining zero tolerance for forced or child labor on contracted farms, and acting to remediate 100% of identified instances
- 100% of contracted farmers being covered by our human rights due diligence

MOVING THE NEEDLE

We strive to mitigate the risk of human rights violations within our contracted grower base through the implementation of a human rights due diligence process comprised of several key measures:

- > We maintain a comprehensive ALP program featuring grower education, training and ongoing monitoring. This program empowers our growers to uphold ethical labor practices.
- > Our grower contracts, signed annually by the farmer and our Company, stipulate adherence to our human rights standards, programs and policies.
- Our CSVC team members responsible for building strong grower relationships are trained on human rights topics. This helps them educate contracted growers on our ALP principles.
- CSVC team members conduct farm visits throughout the crop cycle, both announced and unannounced, to provide guidance on both crop and human rights topics and monitor for ALP compliance.
- Offering accessible grievance mechanisms, providing a platform for stakeholders to report potential or actual human rights concerns.

We recognize that poverty and limited access to education can be root causes of human rights issues. To address these factors, many of our local operations implement community support initiatives—from providing financial support programs to local community members to improving the local schools' infrastructure and offering after-school activities.

We further strengthen our efforts by collaborating with governments, industry partners and non-governmental organizations (NGOs) around the world, working collectively to prevent and eradicate human rights violations.

HOW WE MEASURE

Our CSVC teams around the globe play a vital role in upholding human rights throughout our agricultural supply chain. They are responsible for collecting human rights data while adhering to our established due diligence guidelines.

For comprehensive oversight, our contracted farmer-related data is recorded within the Company's International Farmers Accounting System (IFAS) and the Grower Management System (GMS), which are integral parts of our SENTRI® traceability platform. CSVC managers leverage their local expertise to tailor the implementation of the due diligence process for each operation, considering the local crop calendar and elements of the local culture.

In fulfilling our commitment to transparency, we calculate and report on key metrics, including the percentage of contracted growers monitored for human rights due diligence process, as well as the percentage of identified and reported child or forced labor incidents remediated during the reporting period.

Through ongoing oversight efforts, our CSVC teams continuously monitor for potential human rights violations within our supply chain, including through:

- Visual observation
- Grower interviews
- Worker interviews
- Written documentation review

In addition to assessing human rights impacts at the farm level, Pyxus leverages our community-based initiatives to proactively prevent child labor within the supply chain. Through these initiatives, we assess various indicators that can signal potential risks in specific growing regions. These indicators include school attendance rates, availability of after-school programs and contracted farmers' household income levels.

OUR RESULTS

100%

100%

100% of contracted growers monitored for human rights due diligence during the reporting period[†]

100% of identified and reported child or forced labor incidents remediated during the reporting period[†]

†Due to the nature of agricultural cycles and data collection methods, results include data from the fiscal 2024 reporting period and periods prior to April 1, 2023, but no earlier than July 2022.

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NORTH MACEDONIA Strengthening Schools to Prevent Child Labor

Our Company maintains a strict zero-tolerance policy for child labor and works to eradicate incidents by addressing the issue's root causes. In North Macedonia, our team implemented the Mediateka Program to help prevent children's participation in tobacco production activities.

The program's purpose is to create safe, education-based environments for students to enjoy after school and during school breaks, minimizing the risk of children working on the farm. To implement the program, we worked with schools in tobacco-growing areas to develop or enhance after-school and school break activities, as well as update classrooms, donate books and sports equipment, and provide interactive learning tools for students.

Approximately 1,990 students benefited from the Mediateka Program in FY24, up from 1,812 students in FY23. In FY24, zero incidents of child labor were reported in our growing areas in North Macedonia.





ARGENTINA

Growing Our Impact: Combating Child Labor Through Education and Community Support

In our FY23 Sustainability Report, we shared that in 2003 our Company helped establish the Brazos Abiertos, or Open Arms, program in Argentina. This program aims to address poverty and inadequate education—two factors that contribute to an increased risk of child labor—and help local youth complete primary school, continue secondary education and improve their future career prospects.

We continue to fund the program, which serves Argentinian tobacco-growing communities through its three core pillars: recreation and learning, enhanced educational process, and strengthening families and communities. Key program activities include providing school-aged children a safe, educational space during school breaks, which coincide with the labor-intensive tobacco harvest season, helping prevent potential child labor incidents.

Through the program, we also educate students and farm families about sustainable agricultural practices.

The program continues broadening its impact, and in FY24 benefited approximately 4,450 students. Since its inception, the Open Arms program has reached over 35,000 students.

SUPPORT TO LOCAL COMMUNITIES

At Pyxus, we recognize our Company is an integral member of the communities where we operate. We are committed to fostering the health and stability of these communities, leveraging our unique position to address systemic social issues. We achieve this by improving access to essential resources, including education, healthcare, clean water and sanitation, and appropriate farmworker accommodation. Our community support efforts directly align with our mission of transforming people's lives, creating a lasting impact that extends beyond our core business operations and positively affecting hundreds of thousands of lives globally.

OUR AMBITION

We aim to deliver support programs that provide meaningful and lasting value. Leveraging the localized knowledge of our teams, we work to identify the most salient issues facing the communities in which we operate and align our support efforts accordingly.

WE ARE COMMITTED TO:

Benefiting 150,000 people globally per year from our community support programs by 2030

MOVING THE NEEDLE

We recognize that community needs vary across our global footprint and recommend our local teams conduct thorough assessments to identify the most pressing issues within the areas where we operate. This localized approach helps us tailor our community support initiatives to better address specific challenges each community faces.

Despite the regional variations, several key themes reflective of the UN SDGs unify our community support efforts:

Empowering Women and Children: We are committed to supporting initiatives that empower women and children, fostering a brighter future for all.

- Investing in Education and Healthcare: Expanding access to quality education and essential healthcare services to strengthen communities and promote well-being.
- Ensuring Basic Needs: Access to clean water, sanitation facilities and safe housing is fundamental to a dignified life. We actively support initiatives that help provide these basic needs.

To maximize our impact, Pyxus frequently collaborates with industry partners, NGOs and other community stakeholders. Many initiatives we support tackle the root causes of broader industry challenges, such as child labor. By working collaboratively, we can achieve tangible results that contribute to a more sustainable future.

HOW WE MEASURE

Our success is measured by the number of individuals who directly benefit from a Company-backed community support program. Farmer support programs—defined as programs designed to benefit only the farmer—are calculated separately from community support programs; however, farmers can benefit as a member of the community. Community support projects and beneficiary information are uploaded to our Ecometrica platform on an annual basis, and supporting evidence of total beneficiaries is requested for each individual project. In FY24, our community support data was verified by an independent third-party auditor.*

OUR RESULTS



In FY24, approximately 189,775 people benefited from our community support initiatives, surpassing our annual goal of 150,000 beneficiaries

*Independent, third-party assurance services are provided by SGS. SGS assures the Company's disclosed community support data according to ISAE3000 standard.



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ZAMBIA

Promoting Resilient Communities Through Improved Water Access

According to the United Nations, safe drinking-water, sanitation and hygiene are essential to human health and well-being and contribute to an individual's overall livelihood and the school attendance of children, helping promote resilient communities.* Unfortunately, in many communities in which we operate, access to adequate water, sanitation and hygiene (WASH) resources is limited.

In Zambia, community members often rely on shallow wells for water, which are frequently uncovered, resulting in poor water quality and negative health outcomes. To improve the availability and quality of water in the areas in which we operate, in FY24, our local team installed 10 boreholes across three provinces. The initiative provides safe drinking water and drives forward broader societal goals, such as improved public health, economic development, environmental sustainability and social equity.

As a result of the initiative, approximately 3,650 community members, including our contracted growers and field technicians, benefited from improved access to clean water that can be used for consumption, sanitation and hygiene purposes.

Due to the project's impact, we plan to install additional boreholes in the future.



*"Water, Sanitation and Hygiene (WASH)." World Health Organization, World Health Organization, www.who.int/health-topics/water-sanitation-and-hygiene-wash#tab=tab 1.



| | | Social |

3 GOOD HEALTH AND WELL-BEING

THAILAND Delivering Flood Relief and Recovery to Farmers

During the reporting period, a series of storms in the northern region of Sukhothai, Thailand, resulted in widespread flooding. This was disastrous in regions that are heavily reliant on agriculture as their primary source of income. In response to this crisis, one of our jointly owned operations in Thailand initiated the Sukhothai Disaster Relief Project to provide immediate assistance to those affected. Employees in the CSVC department provided relief bags for 200 contracted growers and their families in the Sri Samrong and Muang-Sukhothai Districts. The relief bags contained dried food, fresh water and other essential supplies, providing immediate relief from the hardships caused by the floods. This initiative underscores the Company's commitment to fostering relationships with our contracted farmers and supporting the communities in which we operate.







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EMPOWERING PEOPLE AND COMMUNITIES ACROSS THE GLOBE

USA:

Donated toys and funds totaling \$6,000+ to provide 10 local underserved children with gifts during the holiday season

Brazil:

Donated basic necessities to support those impacted by devastating floods, benefiting 1,600+ individuals

Jordan:

Donated desktop computers to a local university, benefiting ~3,000 students

China:

Supported 650 local children by donating sports equipment and educational supplies to an after-school program

Zimbabwe:

Sponsored Childline Zimbabwe, a national hotline dedicated to promoting child safety and ending abuse, benefiting ~18,700 community members

Thailand:

Provided ~\$97,000 in financial scholarships to 4,450+ students in leaf growing communities

MOTIVATED, SKILLED AND ENGAGED EMPLOYEES

At Pyxus, we recognize the invaluable contributions of our employees. They are the driving force behind our success, and their dedication is essential to achieving our business and sustainability goals. In FY24, our global workforce comprised approximately 3,000 employees, excluding seasonal workers.

Diversity is a cornerstone of our Company culture, and Pyxus is committed to equal employment opportunities, fostering a diverse and inclusive workforce that brings a wealth of perspectives to the table. Through this approach, we strengthen our ability to solve problems creatively, innovate effectively and ultimately deliver value to our stakeholders.

OUR AMBITION

Our Company is committed to prioritizing equity across our operations and supporting the professional development of our employees.

WE ARE COMMITTED TO:

- > Providing 20 hours of training per full-time employee per year by 2030
- Increasing the number of women in leadership roles in each country by 10% or greater and increasing the number of women in global leadership positions by 30% or greater by 2030 compared to 2020
- Achieving gender pay equity within our operations by 2030, ensuring equal pay for work of equal value

MOVING THE NEEDLE

Pyxus recognizes that a motivated, skilled, and engaged workforce is fundamental to our continued success and business growth. In FY24, we launched updated Company values, setting the tone for how we operate, collaborate and drive impact within our Company and the communities in which we operate. Our STAR values—which stands for Supportive, Transparent, Adaptable and Responsible—serve as a shared set of guiding principles that help us live by our purpose of transforming people's lives so that together we can grow a better world.

During the reporting period, we also made strides toward enhancing our global human resources (HR) infrastructure to better serve employees and position our business for continued growth. These transformative efforts aim to provide a more transparent and standardized employee experience, offering greater visibility into career paths and compensation practices while establishing consistent policies and expectations across our global footprint.

In alignment with our efforts to enhance our global HR infrastructure, in FY24 we began planning our revamped employee engagement survey. The survey, which launched following the close of the reporting period, will serve as a key factor in our employee engagement metrics going forward.

At the core of our HR transformation efforts is the implementation of a global human resources information system (HRIS). This system will provide an enhanced view of our HR-related risks and opportunities and improve our ability to measure and manage HR initiatives, such as identifying and remedying potential pay equity gaps.

We also remain dedicated to fostering a culture of continuous learning and development, offering employees a comprehensive suite of resources to support continuing education, such as tuition reimbursement in certain locations and access to our global, virtual training platform.

HOW WE MEASURE

Pyxus' global, regional and local human resources teams leverage a datadriven approach to assess progress in various HR management areas. We track the number of hours of training each employee receives annually, tallying trainings completed through three virtual platforms. While we measure employee training hours from our virtual platforms, additional unlogged training hours take place in person at the global and local levels.

The percentage of women in global leadership within our organization reflects female representation among our Company's executive officers as disclosed in our FY24 Annual Report available on pyxus.com. Our local target reflects the number of women in each country holding permanent positions that encompass both delegating tasks and overseeing the work of others. These women assign tasks, provide guidance and empower the successful completion of work by their direct reports.

OUR RESULTS



GLOBAL

Growing Our Impact: Empowering Employees Through Tailored Leadership Training

As reported in our FY23 Sustainability Report, in FY23, our human resources teams in our Europe and Africa and Middle East regions identified the need to expand employees' exposure to leadership development and launched the Global Executive Masterclass (GEM) program. The GEM program is a MBA-style development course offering virtual module-style training focused on various elements of business and leadership, including topics on strategic planning and execution, sustainability and economic trends.

The first cohort of GEM program participants included two groups of six employees representing regional and country-level management. Following the completion of the inaugural program, one regional-level participant was promoted to a country manager position. A second participant was later promoted to a senior position responsible for overseeing our Company's global sales strategy.

In FY24, we launched the GEM program globally. We welcomed a new class of 16 participants, divided into two groups based on time zone to facilitate monthly module sessions. The program has expanded from a one-year duration to a two-year duration, leveraging feedback from the first cohort and enabling current and future participants to better balance class demands with their day-to-day responsibilities.

The global GEM program, like the original regional program, includes 10 "masterclass" modules that provide both theory-based learning and practical application of concepts. Members of our global leadership team participated as guest experts, sharing insights and answering questions that align with their areas of business expertise.

Current participants are expected to graduate the GEM program in October 2025.



GRI INDEX

Statement of use: Pyxus International has reported the information cited in this GRI content index for the period April 1, 2023 to March 31, 2024 with reference to the GRI Standards.

- GRI 1 used
- GRI 1: Foundation 2021

Disclosure	Location/Comment
GRI 2: General Disclosure	
Disclosure 2-1 Organizational details	Page 2. More details in our FY24 Annual Report.
Disclosure 2-2 Entities included in the organization's sustainability reporting	Page 2. More details in our FY24 Annual Report.
Disclosure 2-3 Reporting period, frequency and contact point	The reporting period for this sustainability report is from April 1, 2023, to March 31, 2024. However, due to the nature of agricultural cycles and data collection methods, some agricultural data includes information from periods prior to April 1, 2023, extending into the second half of 2022. We report sustainability annually. For any questions please contact us at sustainability@pyxus.com.
Disclosure 2-4 Restatements of information	GHG emissions data for FY21 to FY23 has been recalculated using market-based methodology for proper comparison to FY24 market-based emissions totals. This resulted in immaterial changes of emissions for FY21 and FY22.
Disclosure 2-5 External assurance	Page 1. The verified data has been assured with limited assurance.
Disclosure 2-6 Activities, value chain and other business relationships	Pages 2 and 21.
Disclosure 2-7 Employees	Pages 2 and 50.
Disclosure 2-8 Workers who are not employees	Pyxus engages with contractors and external experts on projects that need specific skills and experience; however, data for these types of relationships is not tracked.
Disclosure 2-9 Governance structure and composition	Page 18.
Disclosure 2-10 Nomination and selection of the highest governance body	Page 18. For more information please see our Definitive Proxy Statement on pyxus.com.
Disclosure 2-11 Chair of the highest governance body	Page 18.
Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts	Page 18.
Disclosure 2-13 Delegation of responsibility for managing impacts	Page 18.
Disclosure 2-14 Role of the highest governance body in sustainability reporting	Page 18.
Disclosure 2-15 Conflicts of interest	Please see our Code of Business Conduct on pyxus.com.

Disclosure	Location/Comment
GRI 2: General Disclosure	
Disclosure 2-16 Communication of critical concerns	Please see our Code of Business conduct on pyxus.com.
Disclosure 2-17 Collective knowledge of the highest governance body	Pages 18 and 20.
Disclosure 2-18 Evaluation of the performance of the highest governance body	Page 18.
Disclosure 2-19 Remuneration policies	Remuneration policies are in development.
Disclosure 2-20 Process to determine remuneration	Process to determine remuneration is in development.
Disclosure 2-21 Annual total compensation ratio	Not available.
Disclosure 2-22 Statement on sustainable development strategy	Page 4.
Disclosure 2-23 Policy commitments	Page 20.
Disclosure 2-24 Embedding policy commitments	Pages 20 to 24.
Disclosure 2-25 Processes to remediate negative impacts	Pages 20 to 24.
Disclosure 2-26 Mechanisms for seeking advice and raising concerns	Page 20.
Disclosure 2-27 Compliance with laws and regulations	Page 17. Please also see our Code of Business Conduct on pyxus.com.
Disclosure 2-28 Membership associations	Page 12.
Disclosure 2-29 Approach to stakeholder engagement	Page 11.
Disclosure 2-30 Collective bargaining agreements	Please see our Human Rights Policy on pyxus.com.
Disclosure 3-1 Process to determine material topics	Page 8.
Disclosure 3-2 List of material topics	Page 8.

Disclosure	Location/Comment
GRI 13 Material Disclosure	
13.1 Emissions	
Disclosure 3-3 Management of material topics	Pages 31 and 32.
Disclosure 305-1 Direct (Scope 1) GHG emissions	Page 32. Scope 1: 64,126 tCO2e.
Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Page 32. Scope 2 location-based: 25,994 tCO2e. Scope 2 market-based: 24,645 tCO2e.
Disclosure 305-3 Other indirect (Scope 3) GHG emissions	Page 32.
Disclosure 305-4 GHG emissions intensity	Page 32.
Disclosure 305-5 Reduction of GHG emissions	Pages 31 to 33.
13.2 Climate adaptation and resilience	
Disclosure 3-3 Management of material topics	Page 19.
Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Pages 29 to 33.
13.4 Natural ecosystem conversion	
Disclosure 3-3 Management of material topics	Page 29.
Percentage of sourced volume determined to be deforestation- or conversion-free.	Page 29.
13.5 Soil health	
Disclosure 3-3 Management of material topics	Pages 23 and 29.
Soil Management Practices	Pages 33 and 37.
13.6 Pesticide use	
Disclosure 3-3 Management of material topics	Pages 23 and 29. Pyxus refers to pesticides as crop protection agents (CPA).

Disclosure	Location/Comment
GRI 13 Material Disclosure	
13.7 Water and effluents	
Disclosure 3-3 Management of material topics	Page 34.
Disclosure 303-1 Interactions with water as a shared resource	Pages 34 and 35.
Disclosure 303-3 Water withdrawal	Page 34.
13.8 Waste	
Disclosure 3-3 Management of material topics	Page 36.
Disclosure 306-1 Waste generation and significant waste-related impacts	Pages 36 and 37.
Disclosure 306-2 Management of significant waste related impacts	Pages 36 and 37.
Disclosure 306-4 Waste diverted from disposal	Page 36.
Disclosure 306-5 Waste directed to disposal	Page 36.
13.12 Local communities	
Disclosure 3-3 Management of material topics	Page 46.
Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Pages 46 to 49.
Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	Pages 46 to 49.
13.15 Non-discrimination and equal opportunity	
Disclosure 3-3 Management of material topics	Please see our Code of Business Conduct on pyxus.com.
13.16 Forced or compulsory labor	
Disclosure 3-3 Management of material topics	Page 44. Please see our Human Rights and Supply Chain Transparency Report on pyxus.com.
Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pages 44 and 45. Please see our Human Rights and Supply Chain Transparency Report on pyxus.com.

Disclosure	Location/Comment
GRI 13 Material Disclosure	
13.17 Child labor	
Disclosure 3-3 Management of material topics	Page 44. Please see our Human Rights and Supply Chain Transparency Report on pyxus.com.
Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor	Pages 44 and 45. Please see our Human Rights and Supply Chain Transparency Report on pyxus.com.
13.18 Freedom of association and collective bargaining	
Disclosure 3-3 Management of material topics	Please see our Human Rights Policy on pyxus.com.
13.19 Occupational health and safety	
Disclosure 3-3 Management of material topics	Page 40.
Disclosure 403-1 Occupational health and safety management system	Page 40.
Disclosure 403-2 Hazard identification, risk assessment, and incident Investigation	Page 40.
Disclosure 403-5 Worker training on occupational health and safety	Page 40.
Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 22. Described in the fifth ALP principle and part of our supply chain due diligence process.
Disclosure 403-9 Work-related injuries	Page 40.
13.22 Economic inclusion	
Disclosure 3-3 Management of material topics	Page 42.
Disclosure 203-2 Significant indirect economic impacts	Pages 42 and 43.
13.23 Supply chain traceability	
Disclosure 3-3 Management of material topics	Page 23.

Disclosure	Location/Comment	
GRI 13 Material Disclosure		
13.25 Anti-competitive behavior		
Disclosure 3-3 Management of material topics	Page 20. Please see our Code of Business Conduct on pyxus.com.	
Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices"	No legal actions for anticompetitive behavior during the reporting period.	
13.26 Anti-corruption		
Disclosure 3-3 Management of material topics	Page 20. Please see our Code of Business Conduct on pyxus.com.	
Disclosure 205-2 Communication and training about anti-corruption policies and Procedures	Page 17.	
Disclosure 205-3 Confirmed incidents of corruption and actions taken	No confirmed incidents during the reporting period.	