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SUSTAINABILITY REPORT



TABLE OF CONTENTS

LETTER FROM THE CHAIRMAN

OVERVIEW

About Us 1

Materiality & Stakeholder Assessment 2

LEADERSHIP & OVERSIGHT

Leadership Structure 4

Environmental Governance 5

Social Governance 6

Supply Chain Management 7

ENVIRONMENT

Internal Operations 8

Identifying & Prioritizing Impacts 8

Programs & Practices 10

Supply Chain 11

Identifying & Prioritizing Impacts 11

Programs & Practices 13

HUMAN RIGHTS

Internal Operations 15

Identifying & Prioritizing Impacts 15

Programs & Practices 18

Supply Chain 19

Identifying & Prioritizing Impacts 19

Programs & Practices 20

INDEXES

SASB Index 21

GRI Reporting Index 22

FOREWORD

At Universal Corporation ("Universal" or the "Company"), our goal is to disclose our operational activities and sustainability performance in a consistent and transparent manner. This Sustainability Report builds on our previous sustainability reports, to disclose metrics, facts, and figures regarding environmental matters, employment-related issues, respect for human rights, and combating corruption. Data disclosed in this report reflects activities from April 1, 2023 to March 31, 2024. All entities within the scope of this report are included without exception in Universal's Annual Report for the fiscal year 2024. This report has been prepared with reference to the Global Reporting Initiative (GRI) and Sustainability Accounting Board (SASB) Standards, with consideration for European Union Corporate Sustainability Reporting Directive (EU CSRD). We have become more aware of opportunities to improve our sustainability performance in line with our business model and strategy through the enhanced engagement of stakeholders in our supply chain. We will continue

to review our operations to enhance our global resiliency and support global goals regarding the environment and human rights.

UNITED NATIONS, SUSTAINABLE DEVELOPMENT GOALS

Universal is committed to advancing the United Nations Sustainable Development Goals (UN SDGs), the global framework for driving progress toward a more sustainable future. Advancing the SDGs is critical to our strategy to accelerate sustainable growth, and we have placed SDG icons throughout this report where our activities contribute towards these goals. The UN SDGs identified in this report may not be inclusive of every SDG to which we contribute, but our goal is to assure our global stakeholders that we proactively operate in alignment with the UN SDGs and will continue to evaluate our supply chains for risks and opportunities to which we may be contributing.





I am proud to introduce Universal Corporation's 2024 Sustainability Report, my first as Universal's Chairman, President and CEO. We made progress in the past year on strategic initiatives that have strengthened our business, positioned us for growth, and advanced our key sustainability priorities.

Our financial performance is important to us, but when we define "success" at Universal we also look at our ability to strengthen and improve our sustainability efforts and to report those efforts publicly and transparently. This 2024 Sustainability Report reflects the value we place on sustainability and highlights the actions we have taken. Sustainability is critical to our continued success and it's the right thing to do.

"Success" with respect to sustainability requires us to set high standards of social and environmental performance and promote a sustainable supply chain. By continuing to integrate sustainability into our business strategies, we cultivate sustainable

LETTER FROM THE CHAIRMAN

growth through good stewardship of the environment and natural resources and strengthening and protecting our global agriproduct operations and farming communities.

I have summarized some of our key achievements in this 2024 reporting period:

INDEPENDENT ASSESSMENT OF SUSTAINABILITY

- We completed a thorough assessment of our sustainability practices and performance through EcoVadis, a leading global third-party platform for business sustainability ratings. EcoVadis ranked Universal in the 91st percentile of all companies rated globally in the prior 12 months. The assessment included 21 sustainability criteria across four core themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.

PROGRESS TOWARDS OUR ENVIRONMENTAL GOALS

- We entered into a Virtual Power Purchase Agreement for renewable energy produced by a solar power project that we expect will offset 100% of our electricity use in the United States by 2026. The use of renewable energy has a significant role to play in our carbon emissions reduction strategy and our ability to meet the targets we have set.
- Our subsidiary in Mozambique signed a water stewardship commitment in alignment

with the Alliance for Water Stewardship (AWS). We are committed to reducing water consumption across our operations, collaborating with stakeholders to ensure sustainable water use, and promoting transparency in our water management practices.

PROGRESS TOWARDS OUR SOCIAL GOALS

- For the second year in a row, we substantially met our goals for personal protective equipment distribution, farm labor accommodations, child labor elimination, and farm labor payments for our contracted tobacco farmers. Our tobacco business relies on over 175,000 directly-contracted farmers around the world. We support their adoption and compliance with our Agricultural Labor Practices program, which sets the standard for our human rights expectations on their farms.
- We adopted and implemented a Behavior-Based Safety program in 2024, and we conducted over 21,000 health and safety inspections which represents a 40% increase over the prior year. These advancements in our health and safety programs cultivate a proactive safety culture by empowering employees to recognize and address safety issues and to create a catalyst for positive change.

On behalf of our Board of Directors and our management team, I want to thank our entire Universal team and our stakeholders for their valuable role in

our success. We are proud of our achievements, and we look forward to working together, growing together, and advancing our sustainability journey.

Preston D. Wigner

*Chairman, President, and Chief Executive Officer,
Universal Corporation*





OVERVIEW

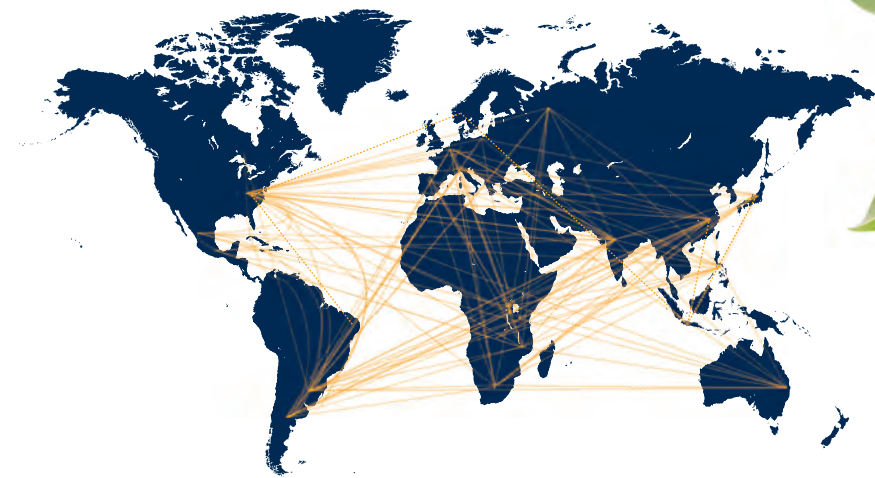
ABOUT US

Universal Corporation is a global business-to-business agriproducts company with over 100 years of experience supplying products and innovative solutions to meet our customers' evolving needs. With operations in over 30 countries on five continents, we are uniquely positioned to leverage our worldwide network to access a diverse, reliable supply of plant-based materials. This presence, combined with our supply chain expertise, integrated processing capabilities, and commitment to sustainability, enables us to deliver high-quality, customizable, and traceable value-added agriproducts essential to our customers' success.

We have two primary businesses: tobacco and plant-based ingredients. Our tobacco business involves procuring and processing flue-cured, burley, dark air-cured, and oriental leaf tobacco for

manufacturers of consumer tobacco products, as well as performing related services. Through our ingredients business, we procure raw materials globally and process the raw materials through a variety of value-added manufacturing processes to produce high-quality, innovative, specialty plant-based ingredients, including fruits, vegetables, botanical extracts, and flavorings for consumer-packaged goods manufacturers, retailers, and food and beverage companies.

In our tobacco business, we remain committed to maintaining our position as the leading global leaf tobacco supplier by continuing to drive supply chain efficiencies, expand our range of services provided to our customers, and improve our market share. At the same time, we are investing in and enhancing Universal Ingredients, our plant-based ingredients platform. We have increased the capabilities of Universal Ingredients and achieved



operational synergies across the platform with the goal of providing a total solutions-based portfolio of value-added product offerings to our customers. Over the longer term, we intend to continue to enhance our product offerings by leveraging Universal's existing global sourcing capabilities, strong relationships with our farmer base, sustainability practices, and agronomic expertise.

We are a major purchaser and processor in the primary exporting regions for flue-cured and burley tobacco throughout the world. Africa, Brazil, and the United States produce approximately two-thirds of the flue-cured and burley tobacco grown outside of China. We estimate that over the last five years we have handled, through leaf sales or processing, on average between 20% and 30% of the annual production of such tobaccos in Africa, between 35% and 45% in the United States, and

between 15% and 25% in Brazil. These percentages can change from year to year based on the size, price, and quality of the crops.

Our plant-based ingredients platform serves the food and beverage market, one of the largest industrial categories in the United States. There are thousands of companies represented in this segment and hundreds that offer similar or competitive types of products. We distinguish ourselves in this market by offering high-quality, customized product solutions with global sourcing capabilities and by having strong, long-standing customer relationships. Customers of our ingredients businesses include large multinational food and beverage companies, as well as smaller independent entities. No customer accounted for more than 10% of our Ingredients Operations segment revenues in fiscal year 2024.

2.7

Billion

**CONSOLIDATED
REVENUES****222**

Million

**TOTAL OPERATING
INCOME****132**

Million

**NET
INCOME****30⁺**

Countries

**WE CONDUCT
BUSINESS IN...****175⁺**

Thousand

**FARMERS WE
CONTRACT WITH...****27⁺**

Thousand

**PERMANENT &
SEASONAL EMPLOYEES**

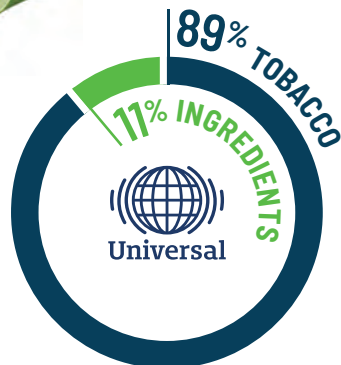


OVERVIEW (CONTINUED)

MATERIALITY & STAKEHOLDER ASSESSMENT

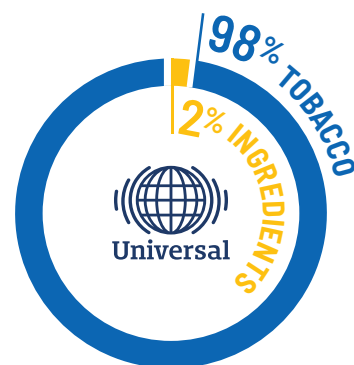
Universal reviews our internal and external stakeholders when evaluating material sustainability topics in connection with this Sustainability Report. Universal has also engaged Ecovadis for support in evaluating material topics for our business and our performance against those topics. Internally, we prioritize the interests of our employees at a global level. Our employees are among our most important resources, and we rely on them to execute our business plan with integrity and efficiency. All Universal employees are considered in our materiality assessment and disclosures.

To determine materiality in our supply chain, Universal reviews annual revenues, operating income, and spending to prioritize our engagement with third parties. Universal has identified third parties from our tobacco and ingredients segments to inform our assessment of material topics to collect information and report. We prioritize our efforts based on the material impact that third party may have on our financials. In fiscal year 2024, our Tobacco Operations segment accounted for 89% of our revenues and 98% of our operating income. Based on our revenues and income, Universal collects detailed information from third parties engaged in our tobacco segment, such as customers and tier 1 suppliers. Our ingredients business third parties are engaged at a high level, to direct materiality and due diligence activities.



REVENUES

Tobacco Operations	89%
Ingredients Operations	11%



SEGMENT OPERATING INCOME

Tobacco Operations	98%
Ingredients Operations	2%





OVERVIEW (CONTINUED)

The six stakeholder groups in the adjacent table are the primary focus of the materiality assessment we performed in connection with this Sustainability Report. These stakeholders are important to the successful operation of our business throughout the world. Our multinational customer expectations and engagement are high. Their varied interests and perspectives assist us in identifying and addressing issues that are important to our business.

Based on a review of stakeholder documentation and professional judgment derived from industry

involvement, important topics and indicators have been categorized by stakeholder in the adjacent table. All stakeholders have their own perspectives regarding the topics that they deem important within the tobacco supply chain and our agriproducts operations. While there are many, there is a level of convergence related to our business activities that allows the list to be condensed into a few broad focus areas. The adjacent table represents our current summary of material topics. These topics guided the content of this Sustainability Report, and will shape our focus and reporting in the future.



TOPICS OF CONCERN TO EACH OF UNIVERSAL'S STAKEHOLDERS

	STAKEHOLDER IMPORTANCE	KEY TOPICS
 FARMERS & SUPPLIERS	<i>At the beginning of the supply chain are farmers and suppliers of agricultural inputs including curing fuel, fertilizers, and CPAs. We provide various levels of support and agricultural inputs to facilitate farmer success.</i>	• Supply chain due diligence • Good agricultural practices • Agricultural labor practices • Living income
 EMPLOYEES	<i>More than 28,000 Universal employees rely on our business for income and support for their families and livelihoods. We rely on our employees to execute our business plan with integrity and efficiency.</i>	• Health and safety • Human rights • Employee grievance mechanisms • Career growth and training
 CUSTOMERS	<i>Our customers rely on us for a stable supply of agriproducts and for the performance of related processing services that meet their blend and quality needs. Customer relationships drive our business.</i>	• Product standards and requirements • Responsibly sourced products • Resource efficiency
 INVESTORS	<i>Investors are important to our business because, as owners of our company, they entrust us with capital to fund our business. We must demonstrate a stable and sustainable business to earn that trust through the generation of returns on their investments.</i>	• Corporate governance • ESG reporting • Business model and strategy • Greenhouse gas (GHG) • Forestry
 REGULATORY ORGANIZATIONS	<i>We conduct our business with integrity and within the law. Cooperation with regulatory organizations is important for us to maintain our operations and build trust with our business conduct.</i>	• Compliance with local laws • Anti-corruption • Supply chain due diligence
 LOCAL COMMUNITIES	<i>Our operations source agriproducts from around the world and local communities benefit from the presence of our operations. Local people drive our supply chain and processing operations, and their success and support is vital for our operations.</i>	• Socioeconomic stability • Community engagement • Business integrity



LEADERSHIP & OVERSIGHT

LEADERSHIP STRUCTURE

Universal Corporation is governed by a Board of Directors that oversees the management of our businesses and sets high standards and principles for its employees, officers, and directors. The Board has five Committees, one of which is the Nominating and Corporate Governance Committee (NCG) that oversees and reviews Environmental, Social, and Governance (ESG) programs and practices. ESG topics are on the NCG agenda four times each year and as needs arise. The NCG Committee assesses sustainability activities, reviews the annual sustainability report, and provides guidance and feedback regarding management's sustainability strategy. Sustainability topics that the NCG Committee reviews include climate change, water, waste, forestry, and social responsibility within our operations and supply chain. In addition, the NCG Committee reviewed and approved this Sustainability Report for public disclosure.



UNIVERSAL CORPORATION BOARD OF DIRECTORS

Nominating and Corporate
Governance Committee (NCGC)

Other Committees
of the Board

MANAGEMENT

Executive Committee

- Members of management including the CEO
- Meets on a bi-weekly schedule
- Reviews and approves strategies, goals, and communications associated with ESG and Sustainability

Chief
Operating
Officer

Internal Operations

- Works to coordinate and implement practices associated with our corporate goals and targets
- Assess needs at the local level
- Works with corporate team to align proposed practices with global strategy

Sustainability Program

Works with management to coordinate operational and supply chain interests of various stakeholders and reporting on the performance of implemented initiatives

Agronomy

- Works to coordinate and implement practices associated with our corporate goals and targets
- Assess supply chain risks and opportunities from our contracted farmer base
- Trains and extends our supply chain expectations through training and programs

Implement programs in alignment with corporate policies and expectations. Report on progress of targets from a local level

Regional Operations Teams





LEADERSHIP & OVERSIGHT (CONTINUED)

ENVIRONMENTAL GOVERNANCE

Universal recognizes three primary environmental responsibilities throughout our global footprint: responsible consumption of water and resources, forestry, and minimizing greenhouse gas emissions as a result of our stakeholder assessment. Finding opportunities to mitigate our impacts on these environmental factors support our efforts towards achieving our internal and supply chain goals.

Universal complies with, or exceeds, all environmental laws and regulations in the locations in which we operate. Numerous environmental laws and regulations have been enacted around the world aimed at reducing, eliminating, or restricting the discharge or release of contaminants or pollutants into the air, water, and soil, and to address climate change impacts. Universal believes in careful evaluation and execution when implementing new practices throughout our operations and supply chain to minimize unintended consequences while pursuing new opportunities.

We are committed to reducing our environmental impact by maintaining environmental management systems at our local operations, reducing our environmental footprint and impacts, and providing our contracted farmers with guidance on Good Agricultural Practices (GAP). We have also committed to emissions, water, and waste goals that we discuss in detail in their respective sections of this



Sustainability Report. In our supply chain, all farmers, whether newly or previously contracted, take part in the GAP training which promotes effective use of water and soil resources.

SOCIAL GOVERNANCE

The Universal Code of Conduct and the Universal Human Rights policy define the ethical and social standards we implement across our global operations. Universal is committed to business practices that respect the human rights of our employees, parties in our supply chain, and their communities. The

United Nations Guiding Principles on Business and Human Rights, the International Labor Organization (ILO)—International Organization of Employers (IOE) Child Labor Guidance Tool for Business, and the ILO Declaration on the Fundamental Principles and Rights at Work provide the framework for internationally recognized human rights. Universal's policy is to operate in a manner consistent with these frameworks. Our commitment also includes human rights due diligence efforts that target the identification and evaluation of actual and potential human rights impacts in our operations and supply chain. Our intention is to adopt, adjust, and

reinforce the programs and practices needed to prevent, mitigate, and remediate such human rights impacts. These include without limitation our Code of Conduct, Anti-Corruption Compliance Manual, and Agricultural Labor Practices (ALP).

Universal has prioritized six human rights that are specifically addressed in our human rights policy: Child Labor, Forced Labor, Safe Work Environment, Fair and Equal Treatment, Freedom of Association and Compliance and Protection of the Law. We strive to prevent any human rights impacts in our operations and supply chain through internal and supply chain due diligence activities. To the extent any such impacts are identified, we are committed to remediating them. Any human rights concerns or grievances in our operations or supply chain can be reported to a grievance mechanism. We are committed to improving access to grievance mechanisms for all our operations and supply chains. We are also committed to building awareness among our officers, directors, employees, and the parties in our supply chain about identifying and reporting human rights concerns. Universal will not tolerate any retaliation against persons making good faith reports of human rights concerns or grievances.

Throughout the world, we work side-by-side with our contracted farmers to produce a sustainable tobacco crop that adheres to GAP, including appropriate labor practices. We collect metrics during regular visits with our contracted farmer base to monitor our supply chain practices. Through collaboration with our stakeholders we regularly review



LEADERSHIP & OVERSIGHT (CONTINUED)

the metrics collected and adjust as needed to collect reliable and meaningful data about our supply chain. Our global ALP code consists of seven principles that set forth human rights requirements for our contracted farmers to meet. As part of our ALP program, we train contracted farmers on the ALP code requirements, and we monitor their adherence through multiple in-person farm visits during the growing season.

Universal includes ALP in contracts with contracted farmers and each local operation has a corrective action plans that are in alignment with local laws

and risks. Our leaf technicians are trained in risk identification and monitor compliance with the ALP and local laws throughout the crop season. Consequences for a violation of our ALP expectations include additional training for the farmer, and can include contract cancellation depending on the frequency and severity of the finding.



NUMBER OF CONTRACTED FARMERS

175,752

FIELD TECHNICIANS & AGRONOMY SUPPORT STAFF

2,356

FARM VISITS & CONTACTS BY FIELD TECHNICIANS

1,807,583

TOTAL ALP PROMPT ACTIONS

5,442

TOTAL ALP PROMPT ACTIONS CLOSED BY END OF SEASON

4,590

TOTAL FARMER CONTRACT CANCELLATIONS

87

THE SEVEN ALP PRINCIPLES



CHILD LABOR

There is no employment or recruitment of child labor. The minimum age for admission to work is not less than the age for the completion of compulsory schooling and, in any case, is not less than 15 years or the minimum age provided by the country's laws, whichever affords greater protection.



INCOME & WORK HOURS

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



FAIR TREATMENT

Farmers shall ensure fair treatment of workers. There shall be no harassment, discrimination, physical or mental punishment, or any other forms of abuse. Workers have access to a fair, transparent and anonymous grievance mechanism.



FORCED LABOR

All farm labor must be voluntary. There shall be no forced labor. Workers do not work under bond, debt, or threat, and must receive wages directly from the employer. Workers are free to leave their employment at any time with reasonable notice. Workers are not required to make financial deposits with employers.



SAFE ENVIRONMENT

Farmers shall provide a safe work environment to prevent accidents and injury and to minimize health risks. Accommodation, where provided, shall be clean, safe, and meet workers' basic needs, including access to clean water for sanitation, hygiene (WASH), and drinking near where they work and live.



FREEDOM OF ASSOCIATION

Farmers shall recognize and respect workers' rights to freedom of association and to bargain collectively. The farmer does not interfere with workers' right to freedom of association.



COMPLIANCE WITH THE LAW

Farmers shall comply with all laws of their country relating to employment. All workers are informed of their legal rights and the conditions of their employment when they start to work. Farmers and workers have entered into written employment contracts when required by a country's laws and workers receive a copy of the contract.



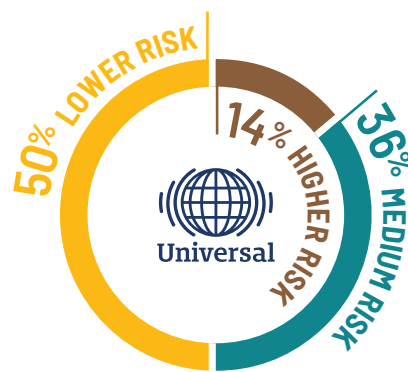
LEADERSHIP & OVERSIGHT (CONTINUED)

SUPPLY CHAIN MANAGEMENT

Universal currently focuses on our direct business partners in our due diligence activities and engagement for assessing risks. We have undertaken an assessment of our supply chain and have identified our highest direct risks which include third parties who interact with government entities or officials on our behalf and our direct contracted farmers in our tobacco supply chain. We engage our Ingredients Operations suppliers, but due to the small percentage of spend for the varying inputs to those diverse processes, we do not engage each supplier to the same degree as our Tobacco Operations. Engagement of ingredients suppliers is continuously evaluated. For each of these groups we have programs and processes in place to check their legitimacy and compliance with our expectations and policies.

We have a comprehensive screening process in place for the compliance sensitive third parties we work with. This helps keep us compliant with the Foreign Corrupt Practices Act as well as international and local anti-bribery anti-corruption laws. Our Compliance professionals conduct due diligence on proposed compliance sensitive third party partners prior to contracting with them. This due diligence process determines whether they are a high, medium or low risk compliance sensitive third party, ensures any potential risks are surfaced and resolved, and that adequate safeguards are in

place over the course of the business relationship. We verify that each compliance sensitive third party has an ethical reputation, that there is an appropriate business reason for transacting with them, that payment arrangements are commercially reasonable and commensurate with the type and level of service provided, and that there are no inappropriate relationships between the compliance sensitive third party and any government official. We have written contracts with all our compliance sensitive third parties and ensure the relationship is structured and governed by appropriate contractual safeguards against improper conduct. The relationship is monitored over time with appropriate training provided to both the compliance sensitive third party partner and the Universal employee managing the relationship.



362 THIRD PARTIES

Lower Risk	50%
Medium Risk	36%
Higher Risk	14%



Universal recognizes the cycle of due diligence as a best practice in monitoring and engaging our supply chain and is used with our direct contracted farmers each season.

Universal focuses on tier 1 or direct suppliers in our mapping exercises focused on our human rights and environmental performance. The majority of our tier 1 suppliers are direct contract farmers. Before the new season begins, each region will compile a list of previously contracted farmers available for the coming season. The local team will conduct a performance analysis of these farmers considering their adherence to GAP and ALP programs, and any other factors deemed important by the local operation, over the previous seasons. For new farmers, each operation has minimum standards or a checklist to generate a profile for each farmer, based upon local requirements, to assist in determining if a new farmer is eligible or ineligible for contracting with the Company.

Universal engages our tier 2 suppliers of our direct contracted farmers where we coordinate

distribution of inputs for growing tobacco including suppliers of fertilizers, crop protection agents, and seed.

Universal is working to expand our due diligence approach to our indirect supply chain in accordance with increasing scrutiny from regulators and other stakeholder groups. We will continue to identify best practices for maintaining a sustainable and reliable supply chain.

Our Ingredients Operations businesses were audited by third parties in accordance with the Global Food Safety Initiative (GFSI). Twenty one (21) minor non conformities were found, and corrective actions were completed within 21 days. More than 75% of our ingredients segment suppliers are GFSI certified in addition to FDA supplier monitoring. We did not have any recalls in 2024.



ENVIRONMENT

We continuously monitor our operations and supply chain to identify risks and opportunities that impact Universal's environmental footprint. We are dedicated to the responsible and sustainable management of natural resources. Recognizing the interconnections between biodiversity protection, forestry management, water stewardship, and waste reduction, we understand that healthy ecosystems are crucial to combating climate change.

To consistently uphold crop yields and secure agricultural supply, it is imperative that we are active stakeholders in maintaining the integrity of the surrounding environment in our various operating origins in alignment with global goals. Effectively supplying agriproducts relies on consistent water availability and climate in our sourcing regions.

INTERNAL OPERATIONS

Universal tasks each of our employees and directors with being environmental stewards of our operational footprint. Universal employs a variety of methods to monitor our impact, manage our risks, and identify opportunities for improvement. Our operations use water and fuel to run boilers that are used to condition tobacco which generates emissions and by-products. Environmental challenges have the potential to impact Universal operations across geographies and business sectors.



IDENTIFYING & PRIORITIZING IMPACTS

ADDITIONAL ENVIRONMENTAL REPORTING

Universal operates within the local environmental laws of our operations and implement global best practices to efficiently manage our natural resource use. Climate change, waste, water resources, and forestry are important topics that are covered in disclosures to customers and investors. Our stakeholders expect Universal to regularly report our environmental performance through a variety of public forums beyond this report. Universal has been reporting to the Carbon Disclosure Project (CDP) since 2009 as a supply chain partner. We have expanded our disclosure in recent years to be made public to all our stakeholders, and we now disclose our water and forestry data within our CDP response.

REGULATED RESOURCES

Review of regulatory requirements has two levels: the local operation and global best practices. Our operations regularly review local environmental regulations regarding these resources to implement best management practices. The appropriate permits and approvals to operate our processing facilities and dispose of waste in accordance with local infrastructure availability are a priority. Additionally, we strive to make use of local opportunities to recycle and reuse whenever possible.

Universal also continuously reviews global best practices and expectations regarding our resource use. Universal operates in more than 30 countries on five continents and delivers our packed agriproducts all over the world. Universal must follow reporting and other regulatory requirements in the United States, the European Union, and any other governing entities with environmental requirements.

FINDINGS

Through our regulatory and stakeholder review, Universal has identified multiple environmental risks and opportunities associated with our direct operations.

Our risks and opportunities provide insight into our focus areas and efforts and inform our data collection process. We collect data for emissions, forestry, water, and waste regularly throughout the year.

TOPIC	RISK	OPPORTUNITY IN RESPONSE
<i>GHG Emissions</i>	• <i>Changing weather patterns due to climate change</i> • <i>Increasing climate change regulation</i>	• <i>Tobacco and other crop varieties that require fewer inputs—drought tolerant, etc.</i> • <i>Incentives and decreased costs associated with purchasing renewable energy</i>
<i>Managing Consumption</i>	• <i>Pressure on water infrastructure for availability and quality</i> • <i>Increased scrutiny associated with responsible disposal</i>	• <i>Enhancing our operational infrastructure to be more resilient by recycling water and capturing rainwater</i> • <i>Reusing and recycling materials to reduce operational and disposal costs</i>
<i>Forestry</i>	• <i>Deforestation impact from curing fuel procurement</i> • <i>Loss of biodiversity</i>	• <i>Control cost and distribution of wood supply</i> • <i>Benefits to local biodiversity</i>



ENVIRONMENT (CONTINUED)

Operational emissions are calculated on a quarterly basis. We collect fuel and electricity data along with evidence of purchase and use. GHG Protocol is used to calculate emissions from the data

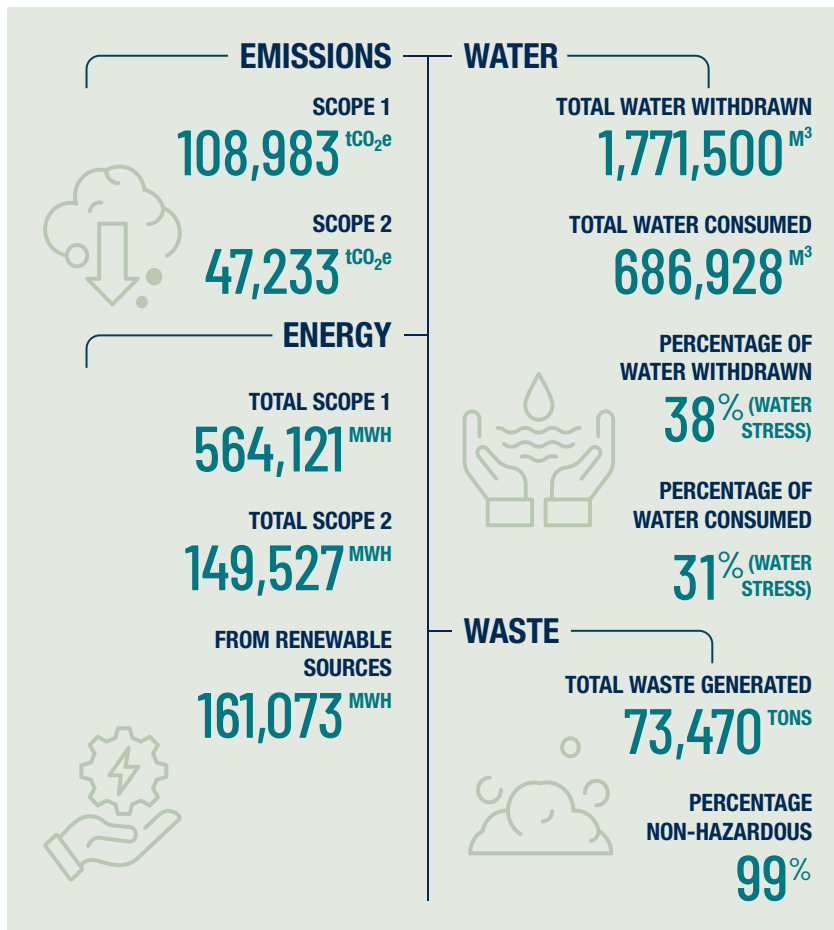
collected. We have found that the largest source of our global operational emissions is our boiler fuel, which consists of approximately 54% of our combined scope 1 and 2 emissions. Electricity is the

second largest source, consisting of approximately 31% of our combined scope 1 and 2 emissions. Our emissions are verified annually. Waste and water data is collected on a monthly basis from each of our processing facilities. See the table for data related to fiscal year 2024.

we are actively evaluating an update to our targets to align with the newest guidance from SBTi for the agriculture sector.

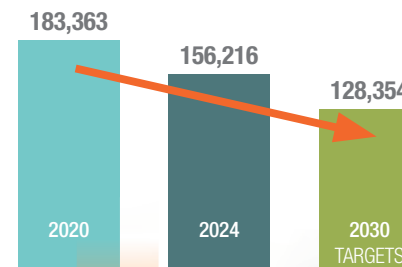
These targets have encouraged our operations to review their existing practices. As shown, we have made significant progress towards our environmental goals through consistently implementing a variety of programs and practices.

2024 ENVIRONMENT DATA



Upon reviewing collected data, we establish science based targets, including emissions reductions, to continuously improve environmental performance. Universal's science based targets are in alignment the Science Based Target Initiative (SBTi) and Paris Agreement to limit global warming. Looking ahead,

SCOPE 1 & 2 GHG EMISSIONS (Location-Based)



REDUCTION



ENVIRONMENT (CONTINUED)

PROGRAMS & PRACTICES

As a result of our data collection and target setting, we have challenged our local operations to review their local approaches to find opportunities to work towards our global goals. Universal has developed a climate transition plan with assistance from a third party consultant well versed in corporate climate action. The plan includes measures we must implement in pursuit of near and long-term goals, including increasing efficiency, investing in new technologies to phase out fossil fuel use, and working with suppliers to purchase electricity, goods, and services that use renewable energy. We will also continue our forestation efforts to enhance biodiversity and offset emissions. Our environmental programs drive our performance and are regularly assessed for their impact on our goals. Below are actions we have found to be most impactful to meeting our environmental goals.

CLEANER BOILER FUELS

In order to condition and blend tobacco for long term storage, heat and water is applied in our processing operations. In the 90's and early 2000's, our primary fuel in our boilers was coal. Our operations have since switched to cleaner sources of fuel. Currently, 93.5% of the tobacco we process is coal-free, though coal still accounts for 33% of Universal's global scope 1 emissions.

Four operations still use coal in processing and are developing plans to transition away from coal

by 2030. Plans for the transition include using sustainable biomass, similar to our projects in the Philippines and Brazil and potentially electric boilers where sustainable biomass is not available. Overall, these improvements will reduce our global scope 1 emissions by 30,000 tons of CO₂e.



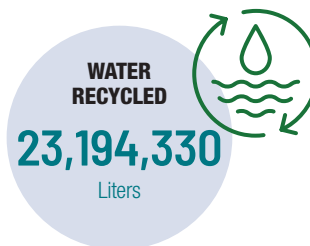
RENEWABLE ENERGY

Currently, scope 2 emissions account for 31% of our total scope 1 and 2 emissions. While this is less than our scope 1 emissions, there are opportunities for improvement. Globally, 2.5% of our scope 2 electricity is from renewable sources. We have assessed the potential for all of our operations to purchase or generate renewable energy. Many of our operations have implemented plans to increase their renewable energy use through 2030. This includes additional onsite solar installations, purchasing of renewable energy credits, and power purchase agreements. If the existing plans are implemented, our scope 2 emissions will decrease by 37%.



WATER STEWARDSHIP

Universal uses water in our processing operations to condition tobacco for long term storage. Water is heated in boilers, and steam is applied to prepare tobacco for stem removal, packing, and long term storage. Water is recaptured and reused throughout this process whenever possible. We are striving to implement water recycling outside of our processing operations for non-potable water and irrigation needs.



MOZAMBIQUE LEAF TOBACCO

Commits to
Alliance for Water Stewardship (AWS)



Part of Universal's commitment includes, but is not limited to:

- Assessing water use and water risks across our entire value chain and understand how to use water without negatively impacting the quality of water resources.
- Joining multi-stakeholder initiatives, like the Alliance for Water Stewardship (AWS), and partnerships, as well as engaging and involving stakeholders in an open and transparent way to improve our water management practices.
- Identifying, implementing, and sharing best water stewardship practices across our operations.
- Ensuring access to safe Water, Sanitation, and Hygiene (WASH) in all our facilities, providing access to WASH services on our farms and working with localities to increase the availability of WASH services in the communities where we operate.
- Continuously improving and adapting water-related farming practices and water stewardship actions and plans.
- Reporting on our progress, notably in our annual Sustainability Report and third party programs such as CDP Water Security.



ENVIRONMENT (CONTINUED)



COMPOSTING & REUSE

To reduce waste disposal and resource use, Universal's strategy is to find methods to reuse and recycle waste. The majority of Universal's waste is by-products of tobacco threshing. These by-products are categorized as tobacco dust and stem and are collected throughout processing. By-products are either sold or evaluated for local composting and recycling. As a result, our composted and recycled numbers are dependent on how much by product we are able to sell each year. In FY 2024, we composted 58% and recycled 22% of our total waste and unsold by-products. Several of our operations have implemented programs to compost the waste themselves or work with third parties.

58

Percent

WASTE
COMPOSTED

22

Percent

WASTE
RECYCLED

13

Percent

WASTE
LANDFILLED

SUPPLY CHAIN

Universal engages members of our supply chain to collect relevant information about environmental risks and opportunities. Our upstream data collection extends to the inputs for growing and transporting tobacco. Our downstream collection ends where our customers take possession of products. We have defined these boundaries by our level of control over products and their movement.

IDENTIFYING & PRIORITIZING IMPACTS

SUPPLIER ENGAGEMENT

Universal has determined that our contracted farmers have the most material environmental risks in our supply chain. Agriculture requires a variety of inputs, that when not managed properly, can have serious consequences for local biodiversity and environmental health. Through our farmer monitoring we are able to collect data on the various potential impacts created through their growing activities. Universal's approach is centered on optimizing inputs whenever possible. We encourage farmers to use the appropriate amount of Crop Protection Agents (CPAs) and fertilizers to limit the amount of waste generated and the potential impacts on the environment.

Due to the differences in crop and local best practices, environmental impacts vary from region to

region. Our local teams train farmers on practices that account for weather, soil, and infrastructure. Leaf technicians then reinforce the training throughout the growing season and monitor a farmer's progress and alignment with our training. Each season, yield data is reviewed to identify any adjustments necessary to best management practices.

LOCATION INFLUENCES

In each country, in which we operate, we examine laws associated with CPAs, water withdrawal,

fertilizer use, and forestry products, as well as, the need for curing fuel in Flue Cured Virginia (FCV) markets. Each country approaches environmental regulation differently and regulations can vary within regions. Infrastructure constraints can also influence Universal's global approach to a sustainable environment. We evaluate conditions on an ongoing basis to implement projects that reduce farmer environmental impacts in our supply chain.





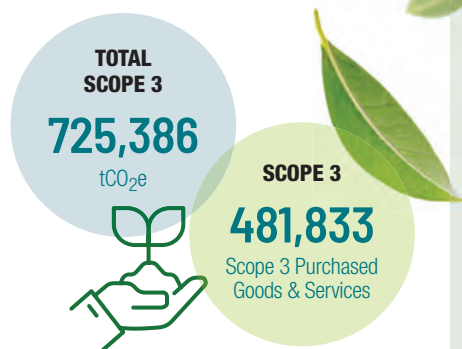
ENVIRONMENT (CONTINUED)

FINDINGS

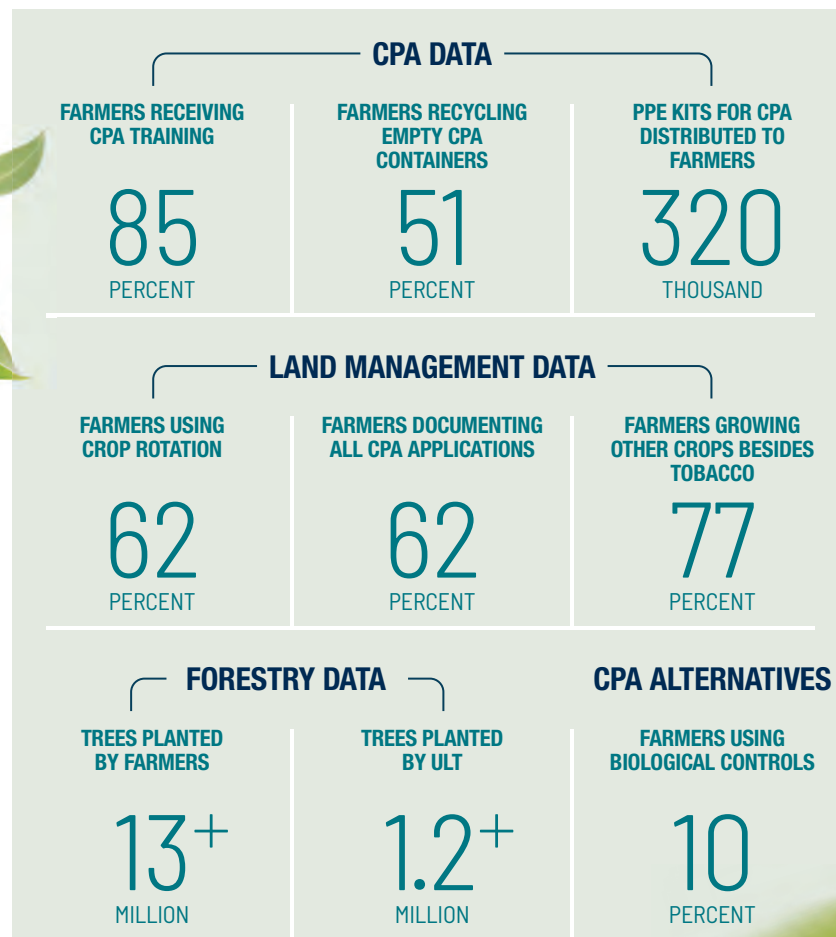
Through farmer monitoring and regulatory review, we have found that our greatest environmental impacts are associated with forestry and biodiversity, climate change, water, waste disposal, and CPA and fertilizer use. The risks and opportunities of each appear in the table below.

These identified risks and opportunities are examples of where our local operations focus our programs and projects. Priorities vary depending on local infrastructure, crop production, and weather conditions. Metrics for fuel and fertilizer use are collected in accordance with recognized

land management and forestry practices. We have calculated emissions associated with purchased goods and services including fuel, fertilizer, and land management associated with growing tobacco.



TOPIC	RISK	OPPORTUNITY
Land Management	- Emissions from fertilizer and tilling practices - Poor soil health	- Focus on training to promote better land management practices - Crop rotation encourages healthy soil and farmer diversification
Water	- Weather patterns inconsistent due to climate change - Availability	- Promote resilient infrastructure - Endorse the use of irrigation practices that use less water and fuel
Forestry	Deforestation impacts resources available to farmer	- Distribute trees to farmers to enhance wood supply - Universal tree plantations to control wood traceability on farms



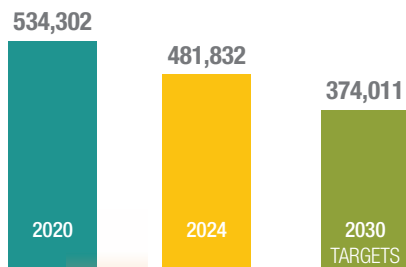
Data we have collected in our supply chain along with the review of stakeholder interests have informed the targets we set. Our current environmental supply chain targets are focused on emissions and forestry. Universal has a scope 3 target

for our purchased goods and services through SBTi. This fiscal year, we are updating targets in alignment with Forest, Land, and Agriculture guidance.

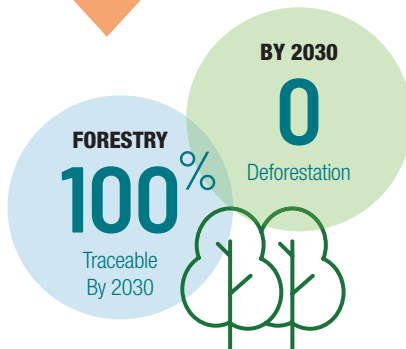


ENVIRONMENT (CONTINUED)

SCOPE 3 PURCHASED GOODS & SERVICES EMISSIONS



REDUCTION



Universal recognizes climate change as a risk to all of our growing regions. In each region around the world over the last several years, we have experienced changes in predictable weather patterns and an increase in extreme weather events. While all of our social and environmental risks and opportunities are important, climate change has the potential to impact our ability to cultivate a crop in a variety of regions. We believe building

global and local resiliency will continue to provide our stakeholders with a reliable market for tobacco.

Beyond our calculated emissions, data for waste and water use are not aggregated at the global level due the variability of conditions in our growing regions. We assess those individually, and our operations implement projects as needed which are described in the next section.

PROGRAMS & PRACTICES

Universal implements a variety of programs around the world to manage our environmental supply chain risks. These programs are aimed at reducing the environmental risks associated with tobacco production at a local level.

CLIMATE CHANGE RESILIENCE

Reliable weather patterns have been an essential part of our agricultural supply chain. As climate change increases the variability in weather patterns and events, Universal understands that building a resilient farmer and supplier base is important. Due to Universal's global supply footprint, we have historically been able to compensate our customers needs in another region.

However, in addition to a diverse supply chain, we also build resiliency locally by recognizing infrastructure limitations for our smallholder farmers and using plant breeding techniques to develop resilient varieties of tobacco. For example, Universal

works with farmers in each operating region to understand drought and disease tolerance needs on an ongoing basis. We also are working on varieties of tobacco that require fewer inputs to reduce our climate footprint and cost of production.

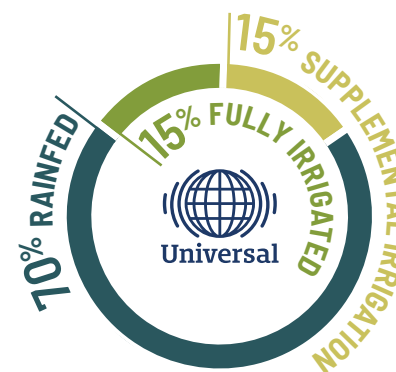
In addition to understanding our climate risks, we are working to understand how land management practices affect our supply chain emissions, so we can train our farmers on practices that reduce our supply chain climate footprint.

CROP INPUT MANAGEMENT

Reducing supply chain required inputs is how Universal can best impact the circular economy and the environmental health of growing regions. Universal reviews the crop varieties, CPAs, and rainfall patterns in our local regions to minimize inputs to our contracted crop. Locally, Universal drafts Good Agricultural Practices (GAP) and trains our farmers on appropriate and effective use of inputs. These inputs include curing fuel, irrigation, fertilizers, and CPAs. Universal has implemented supply chain integrity and traceability programs including protections against genetically modified organisms (GMOs), non-tobacco related materials, and infestation.

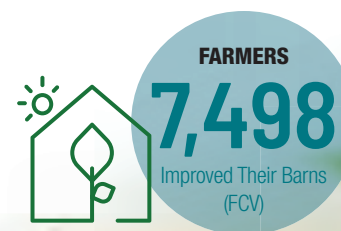
In addition to variety development, we review the risks our farmers face and the local supportive infrastructure. Universal has several projects globally that focus on storing water for farmers and efficiently placing water in the field. These projects

vary depending on the infrastructure and risks farmers face during the growing season.



IRRIGATED VERSUS RAINFED HECTARES

Rainfed	70%
Fully Irrigated	15%
Supplemental Irrigation	15%





ENVIRONMENT (CONTINUED)



Universal also works to find natural solutions when possible to crop production challenges. In Hungary and Mexico, our operations encourage farmers to use beneficial fungi and insects along with insect monitoring to reduce the amount of CPAs used in crop production.

CPA CONTAINER DISPOSAL

Access to appropriate waste disposal in our remote growing regions is not always possible. This poses a risk to the environment around farms in regards to CPA container disposal. Where access to proper disposal is limited, Universal collects containers from farmers to support proper disposal.

TREE PLANTATIONS AND BIODIVERSITY

Universal works with farmers globally where wood and bamboo are used as a heat source or in barn



Our subsidiaries in Indonesia and the Philippines implemented programs to dispose of CPA containers and reduce plastic waste on the farms of our contracted farmers.

construction to enhance the resiliency of local resources. Our local operations review the needs of farmers on an annual basis. Where we supply inputs, a plan is made to monitor the farmer's use of wood or to distribute the biomass needed from sustainable and traceable sources.

In Brazil, our leaf technicians monitor farmer wood stores for the amount and type of wood used. Farmers are required to use non-native eucalyptus in order to preserve the biodiversity of the natural forestry in the growing areas. Our leaf technicians monitor farmer wood lots for their source of wood or document farmer receipts to verify the source of the wood.

Where Universal supplies inputs, we contract with suppliers or grow our own wood lots to enhance the sustainability of biomass use in the supply chain.

**FARMERS USING 100% SUSTAINABLY
SOURCED CURING FUEL (FCV)**

70%

**FARMERS WHOSE WOOD FOR CURING
COMES FROM A CERTIFIED FOREST OR
CERTIFIED TREE PLANTATION (FCV)**

15%

**FARMERS USING 100% TRACEABLE
CURING FUEL (FCV)**

71%

**FARMERS THAT PLANTED TREES DURING
THE MOST RECENT CROP YEAR**

46%



Kasungu Tree Plantation, owned and operated by Universal's Malawi Subsidiary, Limbe Leaf Tobacco Company.



HUMAN RIGHTS



In alignment with our Human Rights policy, we are committed to continuously identifying, assessing, preventing, and remediating human rights impacts within our operations and supply chain, while considering the interests of our stakeholders. Universal identified six human rights, defined on page 5, that we can influence and affect.

INTERNAL OPERATIONS

Universal charges each member of our company with upholding our values. Universal reviews social issues in the regions where we operate in order to shape our actions. We believe in treating our employees in a fair and responsible manner and strive to be an inclusive workplace. Universal focuses on providing support to our employees and communities surrounding our locations. We engage a variety of stakeholders at each of our operations, to show our gratitude and support towards our communities.

DIRECT ECONOMIC VALUE DISTRIBUTED

Operating costs	\$ 2,006,581,000
Employee Wages and Benefits	\$ 428,654,000
Payments to Providers of Capital	\$ 152,281,000
Taxes and Regulatory Costs	\$ 40,037,000
Community Investments ¹	\$ 2,814,000

¹ Community investments does not include contributions by Universal Leaf Foundation which totaled more than \$800,000.

As of March 31, 2024, we employed more than 27,000 employees, operating in over 30 different countries across five continents. Approximately 60% of our employees are seasonal, and approximately 40% are full-time employees.

IDENTIFYING & PRIORITIZING IMPACTS

EMPLOYEE ENGAGEMENT

Universal provides economic opportunity to people around the world by employing people in remote and developing regions. Our employees are among our most important resources, and we rely on them to execute our business plan with integrity and efficiency. Investing in human capital is critical to our continued success. We strive to foster a diverse and inclusive workplace; attract, retain, and develop talented personnel; and keep our employees safe and healthy. Job opportunities include seasonal operational labor, remote leaf technician monitoring, full-time lab support, and operational management of our processes and supply chain. These positions are filled by people in local regions and provide opportunities for economic development and sustaining careers.

At Universal, we recognize the vital role of employee engagement in fostering a strong safety culture. From an employee's first day of hire, we emphasize the importance of safety through our comprehensive new-hire orientation program,

which details safety expectations and policies. We provide ongoing safety training, coaching, and engagement opportunities to improve workplace safety continuously. We collect basic data on all of our employees and review the distribution of job responsibilities and seasonal labor throughout our global footprint. Locally, we perform continuous risk assessments through identification of near misses and hazards at our facilities in partnership with our employees. Employees at each processing facility are represented by a local Health and Safety committee.

21

Thousand
INSPECTIONS
PERFORMED

We conduct regular assessments to understand our global risk profile as well as periodic effectiveness assessments to ensure our highly tailored Compliance Program is implemented effectively at every operation. Each Compliance Team, including the Corporate Compliance Committee, meets quarterly, and the Chief Compliance Officer reports quarterly to the Board of Directors.

At Universal, we all have an obligation to report possible violations to our Code of Conduct. The Universal Compliance Hot Line can be accessed

3.8

Thousand
NEAR MISSES/
HAZARDS
REPORTED



from anywhere in the world, and is available twenty-four (24) hours a day, seven (7) days a week. No one making a report to the Compliance Hot Line will be required to provide their name or other identifying information, and no caller ID or recording devices are used. No one in the Universal family will take any adverse action against anyone for providing truthful information relating to a violation of law or Universal policy. Universal will not tolerate any retaliation against persons asking questions or making good faith reports of possible violations. The Compliance Hot Line provides an accessible form of communication for our employees to our leadership, on Code of Conduct violations they may be experiencing globally.

REGULATORY REVIEW

While regulatory landscapes vary across the countries in which we operate, Universal is committed to core principles of human rights. We strive to safeguard the rights of our employees with the support of our policies related to whistle blowing, harassment, equal opportunity employment, and compliance with local labor laws.



HUMAN RIGHTS (CONTINUED)

50

Percent

FEMALE
EMPLOYEES

20

Percent

FEMALE EMPLOYEES
IN MANAGEMENT

52

Percent

COVERED BY COLLECTIVE
BARGAINING AGREEMENT

ETHNIC DIVERSITY METRICS

Asian	40%
Black	23%
White	15%
Latino	7%
Other	15%

The percentages reflect our workforce on March 31, 2024.

FINDINGS

Annually, Universal collects data on our employee population to understand the various demographics of people that keep our business moving. Our data collection was expanded this year to include ethnic diversity metrics. The sizeable nature of our

seasonal global workforce results in fluctuations of these numbers throughout the year. As a whole, our employee population expanded this year. Additionally, the percentage of females in management increased.

Only around 5% of our employees are located in the United States. Our employees generally reside in the country where our operations are located. Our expatriate hires represent less than 0.5% of our workforce, and they are hired due to the essential professional knowledge they provide to the operations and our business.

Based on the targets set by the Universal Environmental Health and Safety Committee in fiscal year 2020 for attainment in fiscal year 2023, our factories have shown positive performance in fiscal year 2024. Initially, we set a Total Recordable Incident Rate (TRIR) target of 0.50 or less considering the tobacco operations. However, with the full integration of the ingredients companies, we have observed a slight increase in the TRIR to 0.59. After engaging the ingredients companies to understand their challenges and implement strategies to address safety issues, we will be able to update the

corporate TRIR target. The tobacco segment experienced a 5.33% reduction in recordable cases from fiscal year 2023 to 2024. This improvement highlights our ongoing commitment to safety and the effectiveness of our initiatives. Additionally, our operations have demonstrated positive performance by increasing inspections by 40% and near-miss and hazard identifications by 194%. These achievements are attributed to enhanced training, heightened awareness, and the establishment of clear goals.

Tragically, we suffered two fatalities in fiscal year 2024 in Indonesia and Zimbabwe. These losses are deeply felt across our organization. In response, we have taken decisive action to share the lessons learned from these tragedies throughout our work sites. By openly discussing the circumstances and identifying opportunities for improvement, we aim to prevent similar incidents in the future. Our commitment to safety extends beyond words; it is about fostering a culture of continuous learning and implementing proactive measures to ensure that such events never happen again. We are dedicated

to working tirelessly towards a safer future built on the awareness and actions of our programs.

Universal manages safety performance using the TRIR as a lagging indicator and the Near Miss Frequency Rate (NMFR) as a leading indicator. Universal actively monitors ingredient business data to ensure realistic targets are set, considering the specific factors and challenges related to ingredients processing and their impact on safety performance. The NMFR has increased from 4.40% to 12.95% compared with fiscal year 2023. The higher NMFR this year does not indicate that our working environment has become unsafe. Instead, it is a product of increased emphasis and training for NMFR reporting and suggests that our employees are becoming more vigilant in identifying and reporting near-miss incidents. This signifies a growing culture of safety consciousness and a willingness to address potential hazards before they escalate into more severe incidents. By embracing a proactive approach to safety, we can harness this increased reporting as a catalyst for positive change.

FISCAL YEAR	TRIR	NMFR
2021	0.54	4.06
2022	0.52	2.45
2023	0.49	4.40
Target by FY 2023	0.50	—
2024	0.59	12.95

Total Recordable Incident Rate <0.50



HUMAN RIGHTS (CONTINUED)



Universal Global Compliance Program

We all have an obligation to report possible violations so the conduct can be considered and Universal can address the situation and take appropriate action.

No one in the Universal family will take any adverse action against anyone for providing truthful information relating to a violation of law or Universal policy. Universal will not tolerate any retaliation against persons asking questions or making good faith reports of possible violations. Anyone who retaliates or attempts to retaliate will be disciplined.

[ANONYMOUS HOTLINE]

Report a Concern or Ask a Question

PHONE: 1.866.292.5224 (toll-free)

ONLINE: www.ethicspoint.com
www.universalcorp.com/compliance

E-MAIL: compliance@universalleaf.com

You can also Contact

Your supervisor or manager, a member of the Local, Regional, or Corporate Compliance Committee, the Legal Department, Human Resources, or the Internal Audit Department.

The Compliance Hot Line is available **24 hours a day 7 days a week** and in your **local language**. Phone calls and on-line reports are received by an **independent organization: EthicsPoint**. The goal is to ensure that you can communicate issues and concerns associated with unethical or illegal activities safely and honestly while maintaining your anonymity and confidentiality.

Every report is listened to, followed up on and reported to the Corporate Compliance Committee. We take our Hot Line very seriously and hope you do to. If you see something please report it so that we can work together to stop it.




HOW WE REPORT CONCERNS

Universal Reporting Channel	30%
External Hot Line Provider	70%

We accept reports in **16** languages



WHAT OUR HOT LINE REPORTS ARE ABOUT

Commercial Theft, or Policy Violation	11%
Health & Safety	5%
Human Resources	72%
Question, Concern or Suggestion	12%



WHERE OUR HOT LINE REPORTS ORIGINATE

Africa	14%
Asia	2%
Corporate*	23%
Dark Air Cured	30%
Europe	2%
North America	12%
Socotab	5%
South America	12%

*Includes Ingredients

Our global compliance program establishes standards for employees and third parties and sets goals and targets to measure the success of the program. Universal's Anti-Corruption Compliance Program was created to prevent violations of all anti-corruption and bribery regulations wherever we operate and support Universal's business conduct of integrity and fair dealing. We have built compliance expertise across the global Compliance structure including Corporate, Regional and Local management. Our Program combines business friendly policies and procedures within a strict controls structure.

Our Code of Conduct and Anti-Corruption Compliance Manual are provided to all employees as well as to every compliance sensitive third party

we partner with. We invest in a global Compliance Hot Line that allows all employees and third parties to report in their local language. Each report is investigated, and every single reporter is protected by our non-retaliation policy. Employees and third parties learn about reporting options via the Compliance Hot Line posters that are displayed at every operation, on the web and through regular training and communication. Our training completion target rate is 95% and is regularly exceeded. 100% of employees required to complete the Business Ethics Questionnaire and Conflict of Interest questionnaire do so annually. Every entity certifies monthly that the Compliance Program is working effectively.



HUMAN RIGHTS (CONTINUED)

PROGRAMS & PRACTICES

HEALTH & SAFETY

In 2024, ULT invested in creating and implementing a Behavior-Based Safety (BBS) program, which aims to cultivate a proactive safety culture by empowering employees to recognize and address unsafe behaviors immediately. This program also includes an incentive and recognition component to reward employees for their commitment to safety. Through a series of regular training sessions, workshops, and feedback mechanisms, we have observed heightened engagement from our teams and a marked improvement in safety practices. Our commitment to advancing the BBS program remains steadfast, ensuring that safety remains deeply embedded in our operational culture. While each facility is at a different stage of development, we are pleased to report significant overall progress. We are also dedicating resources to enhance our key performance indicator (KPI) tracking system. By improving our data collection, analysis, and reporting capabilities, we aim to gain deeper insights into our safety performance and identify areas for targeted improvement.

In fiscal year 2024, we significantly increased our workplace inspection efforts, conducting over 21,000 inspections compared to 15,000 in fiscal year 2023. This increase in inspections led to the development and implementation of 2,500 action plans, demonstrating our commitment to promptly addressing identified issues and enhancing safety

conditions across our operations.

Universal is dedicated to creating a safe and secure environment for everyone associated with our organization. By maintaining high standards, embracing digital solutions, focusing on outcomes, engaging employees, and investing in Behavior-Based Safety and KPI tracking, we reinforce our commitment to the well-being of our workforce.

CULTURE OF COMPLIANCE

Training and communication are key elements of our global Anti-Corruption Compliance program. We want to ensure that our employees and compliance sensitive third parties regularly hear, see, and believe our message. We design and deliver tailored face-to-face training to all employees in compliance-sensitive roles. Each class is tailored to the specific risks faced by employees in each department. Our training is developed at corporate headquarters for consistent messaging and quality control but is delivered by local trainers in local languages to ensure comprehension and the inclusion of local law and local examples.

We have communicated our Global Anti-Corruption Compliance Program and policies to 100% of our business partners who interact with government officials on our behalf. Those considered higher risk also receive face-to-face and online compliance training.

TRAINING FY 2024

- Received Compliance communications
- Face-to-face Compliance training completion rate
- Online Compliance training completion rate

→ 100%

UNIVERSAL LEAF FOUNDATION

Through the Universal Leaf Foundation, as well as Matching Gifts and other corporate contribution programs, Universal Corporation invests annually to support our communities. The Universal Leaf Foundation is a not-for-profit, 501(c)(3) organization founded in 1975. The Foundation is the philanthropic institution of Universal Leaf Tobacco Company, Inc. dedicated to fulfilling its social responsibility to the communities in which Universal and its subsidiaries have a physical presence or significant business interest, primarily in the U.S.

Universal has a strong sense of its responsibility to its communities to provide programmatic support through the Foundation for qualifying 501(c)(3) organizations. The Foundation is committed to good corporate citizenship as is evident by its investments in community programs, its financial support for community events and its promotion of employee volunteerism.

The Universal Leaf Foundation awards grants in four focus areas:

- **WELLBEING:** Critical services to meet the needs of people and the communities we serve. These grants support a wide range of projects including providing housing and shelter, access to medical and mental health services, and increased food security.
- **HIGHER EDUCATION:** Support for educational efforts, higher education, and programs to develop the capacity of the future workforce.
- **CIVIC AND ARTS:** Programming that fosters an appreciation of diversity, revitalizes neighborhoods, and ensures a vibrant community life through support of cultural endeavors.
- **ENVIRONMENTAL STEWARDSHIP:** Programs that protect and preserve natural habitats to make nature more accessible.

This year, the Foundation contributed to various community organizations. A significant portion of the Foundation's annual contributions is allocated to qualifying organizations located in our US communities. In addition to the community based contributions, employees are eligible to participate in the Foundation's Matching Gifts Program. Salaried and non-seasonal hourly employees from Universal's US business operations can participate. Employee directed qualified organizations are eligible to receive a one-to-one matching gift from the Foundation.



HUMAN RIGHTS (CONTINUED)



SUPPLY CHAIN

As a part of our commitment to human rights, Universal has evaluated our supply chain for risks associated with human rights. As the largest component of our operations, our supply chain monitoring activities prioritize direct contract farmers.

IDENTIFYING & PRIORITIZING IMPACTS

SUPPLIER ENGAGEMENT

Universal has reviewed our direct business partners and found that our contracted farmers have the most material human rights risks in our supply chain. Around the world, Universal directly contracts with over 175,000 farmers across more than 20 countries. Universal strives to produce quality, sustainable tobacco in all of these markets by employing over 2,300 trained agricultural professionals known as Field Technicians. Universal's Field Technicians work side by side with our contracted farmers to produce a tobacco crop that adheres to industry recognized Good Agricultural Practices (GAP), including Agricultural Labor Practices (ALP). ALP is the labor standard containing our human rights expectations for the tobacco supply chain. We share this standard and provide routine training to our contracted farmers and other supply chain participants.

THIRD PARTY REVIEWS

In addition to our internal farm monitoring process, Universal participates in independent assessments of our tobacco-growing operations by independent third party organizations. The results of these third party evaluations provide valuable and transparent feedback on all areas of GAP: Agricultural Labor Practices, Crop Production, and Environmental Stewardship. Annual self-assessments and on-site reviews by third parties better ensure that our operations identify and take corrective actions to address risks in our supply chain. In the last three years, third party reviews have occurred in 18 tobacco supply origins and human rights impact assessments have been performed in 9 of our supply origins. These third party reviews covered over 70% of our total tobacco purchased globally.

REGULATORY REVIEW

In each of the countries Universal purchases tobacco, we review and comply with the purchasing requirements and local labor laws. In a majority of our origins we focus our purchasing on direct contract farmers, however, in some countries, Universal is required to purchase from auctions or the open market. In these countries we have less visibility and influence over farm activities, so we actively work with government and other 3rd parties to spread awareness of GAP and ALP. Universal direct contracts more than 80% of its total purchased tobacco globally.

FINDINGS

Based on our own engagement and third party reviews we have identified priorities for monitoring and outreach. These priorities are in alignment with our ALP, but can vary depending on the risks in each country. We monitor our farmers to assess whether they are in alignment with all seven of our ALP principles.

Based on the data that we collect through our monitoring program, Universal has identified four supply chain goals that we will continue to work towards each year. Outlined in the tables below are three of our goals and the data collected showing progress toward each goal. Information on our Personal Protective Equipment (PPE) goal can be found on the next page.

Child Labor Prompt Actions	1,131	During this reporting period, Universal operations reported 1,131 Prompt Actions for Child Labor. A Prompt Action involves a situation where Field Technicians must intervene when they observe a child's well-being at risk, such as operating farm machinery or working during school hours. All Prompt Actions are recorded and require one or more follow-up visits to ensure that the situation has been fully resolved. The majority of these Prompt Actions involved situations where children were assisting their parents with farm activities. Of the 1,131 Prompt Actions for Child Labor, 1,129 were resolved during the season. In addition, 16 farmers had their contracts with Universal canceled due to Child Labor Prompt Actions.
Child Labor PAs Closed by End of Season	1,129	
Contracts Canceled Due to Child Labor Issues	16	
Minimum Wage Prompt Actions	472	During this reporting period, Universal operations reported 472 Prompt Actions related to Minimum Wage payments to farm workers. These Prompt Actions involve situations such as farmers paying workers below the proper rate. The Prompt Action process requires one or more follow-up visits to ensure that the situation has been fully resolved. All 472 Prompt Actions related to Minimum Wage were resolved during the season.
Minimum Wage PAs Closed by End of Season	472	
Contracts Canceled due to Minimum Wage Issues	0	
Appropriate Accommodation Prompt Actions	917	During this reporting period, Universal operations reported 917 Prompt Actions related to workers' accommodations, such as unsecured doors or improper cooking facilities. The Prompt Action process requires one or more follow-up visits to ensure that the situation has been corrected. 330 of the reported Prompt Actions for workers' accommodations were resolved during the season. In addition, 6 farmers had their contracts with Universal canceled due to Accommodation Prompt Actions.
Accommodation PAs Closed by End of Season	330	
Contracts Canceled Due to Accommodation Issues	6	



HUMAN RIGHTS (CONTINUED)

PROGRAMS & PRACTICES

TRAINING

As the cornerstone of our farmer engagement program, training is the primary means by which knowledge and skills are transferred to our contracted growers. Across Universal's global supply chain, there are significant differences in the levels of sophistication utilized in tobacco growing and unique challenges specific to each supply origin. Universal therefore tailors each training program to effectively address the needs of the farmers and delivers this customized training by the most effective method appropriate for the origin and the farmers.



1,200 Farmers in Zimbabwe attended public trainings and roadshows. In Mozambique, drama groups had 7,000 engagements to train farmers through performance and song.

CHILD LABOR

The risks related to child labor vary greatly based upon location and socio-economic situations. A critical step in finding solutions to child labor

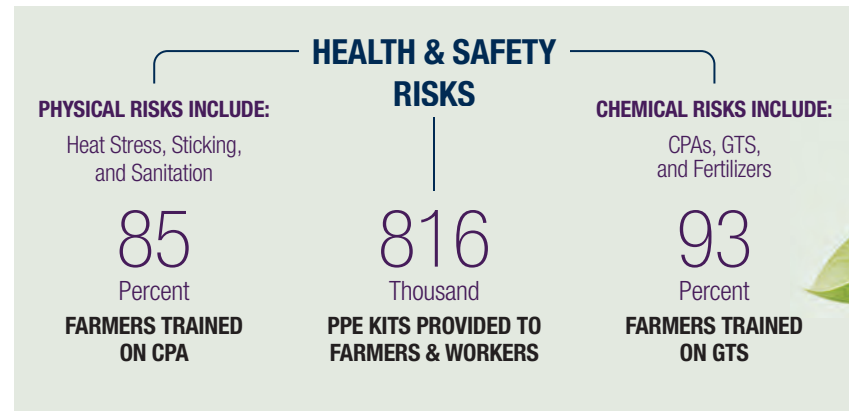
concerns is to identify the root causes in each origin. Internal monitoring and 3rd party audits have helped identify these root causes which are often associated with the challenge of children staying on the farm and not attending school. We implement programs that encourage children take part in activities away from the farm ranging from after school programs, day camps, or in-school meals programs.

FAIR TREATMENT AND PAYMENT

Based on our monitoring we have found a variety of risks associated with farm workers. These risks include proper payment, worker housing, and reasonable work hours. We have implemented various programs to mitigate these impacts including; assisting farmers with worker contracts and payment documentation, assessments of migrant labor housing, and providing grievance mechanisms for both workers and farmers. The majority of our operations (79%) sponsor or participate in independent grievance mechanisms for farmers and for farm workers in order to provide an additional method to report concerns about fair treatment, payments, or other matters. Operations that do not participate in independent grievance mechanisms have an internal program in place.

HEALTH & SAFETY

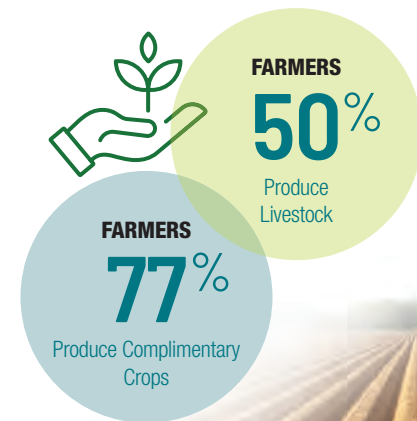
Tobacco requires a variety of inputs including labor, and some tobaccos pose a risk of green tobacco sickness (GTS). Universal has evaluated the risks



in different origins, and each origin has prepared a list or package of PPE required to cultivate tobacco and reduce harm. Sanitation and hygiene on farm is also an important aspect of Universal's programs where that has been deemed a risk.

FARMER LIVELIHOODS

For farmers to produce tobacco long term, they need to be profitable to provide financial stability to their farms and families. Universal assesses farmer income based on the cost of production of tobacco and other revenue streams the farmer may have. We also develop programs in origins where financial literacy is a challenge, to provide farmer support to make appropriate investments and leverage their incomes effectively and efficiently. Twenty Universal operations utilize a Living Income reference value (developed by third-parties or governments) as a method of measuring farm viability.





SASB INDEX

DISCLOSURE TITLE	ACCOUNTING METRIC	LOCATION OF DISCLOSURE	NOTE
Greenhouse Gas Emissions			
Gross Scope 1 Emissions	FB-AG-110a.1	9	
Discussion of Strategy, Targets, and Performance	FB-AG-110a.2	9	
Fleet Fuel	FB-AG-110a.3	See Note	Universal is reviewing the data collection process and will be disclosing this information in future reports
Energy Management			
Operational Energy Consumed	FB-AG-130a.1	9	
Percentage Electricity	FB-AG-130a.1	9	
Percentage Renewable	FB-AG-130a.1	9	
Water Management			
Total Water Withdrawn	FB-AG-140a.1	9	
Total Water Consumed	FB-AG-140a.1	9	
High Baseline Water Stress	FB-AG-140a.1	9	
Description of water management	FB-AG-140a.2	10, 12	
Water non-compliance incidents	FB-AG-140a.3	See Note	Universal did not have any water non-compliance incidents in FY 2024
Food Safety			
GFSI audits and non-conformance	FB-AG-250a.1	7	
Recalls	FB-AG-250a.1	7	
Workforce Health and Safety			
(1) Total recordable incident rate (TRIR),	FB-AG-320a.1	16	
(2) Fatality Rate	FB-AG-320a.1	16	
(3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	FB-AG-320a.1	16	
Environmental and Social Impacts of Ingredients Supply Chain			
Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	FB-AG-430a	7, 8, 13, 19, 20	
GMO Management			
Discussion of strategies to manage the use of genetically modified organisms (GMOs)	FB-AG-430b.1	13	
Ingredient Sourcing			
Identification of principal crops and description of risks and opportunities presented by climate change	FB-AG-440a.1	8–13	
Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	FB-AG-440a.2	See Note	Based on an analysis of our global sourcing footprint, Universal sources less than 30% of its tobacco from regions of High or Extremely High water stress

NOTE: Universal Corporation has been placed in the tobacco sector according to SASB reporting standards. However, we feel the metrics for that sector are better aligned with tobacco product manufacturers and do not adequately capture information relevant for our position in the tobacco supply chain. For this reason, we have decided to report on metrics and topics contained within the Agricultural Products standard.



GRI REPORTING INDEX

STATEMENT OF USE: Universal Corporation has reported the information cited in this GRI content index for the period April 1, 2023 through March 31, 2024 with reference to the GRI Standards **GRI 1 USED:** GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Sustainability Report Page 1
	2-2 Entities included in the organization's sustainability reporting	See exhibit 21 "Subsidiaries of the Registrant" in Universal's Annual Financial Report 2024
	2-3 Reporting period, frequency and contact point	April 1, 2023 to March 31, 2024, yearly, sustainability@universalleaf.com
	2-4 Restatements of information	No restatements of information are contained within this report
	2-5 External assurance	See Note
	2-6 Activities, value chain and other business relationships	Sustainability Report Page 1
	2-7 Employees	Sustainability Report Page 1
	2-8 Workers who are not employees	N/A
	2-9 Governance structure and composition	Sustainability Report Page 4, Proxy Statement, Corporate Governance Guidelines
	2-10 Nomination and selection of the highest governance body	Proxy Statement, Corporate Governance Guidelines
	2-11 Chair of the highest governance body	Proxy Statement, Corporate Governance Guidelines
	2-12 Role of the highest governance body in overseeing the management of impacts	Proxy Statement, Corporate Governance Guidelines
	2-13 Delegation of responsibility for managing impacts	Sustainability Report Page 4, Proxy Statement
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report Page 4
	2-15 Conflicts of interest	Proxy Statement
	2-16 Communication of critical concerns	Sustainability Report Page 15, Audit Committee Charter, Nominating and Corporate Governance Charter
	2-17 Collective knowledge of the highest governance body	Proxy Statement
	2-18 Evaluation of the performance of the highest governance body	Proxy Statement, Nominating and Corporate Governance Charter, Corporate Governance Guidelines
	2-19 Remuneration policies	Proxy Statement
	2-20 Process to determine remuneration	Proxy Statement
	2-21 Annual total compensation ratio	Proxy Statement
	2-22 Statement on sustainable development strategy	Sustainability Report Pages 5, 7–14
	2-23 Policy commitments	Sustainability Report Pages 5, 6, 15
	2-24 Embedding policy commitments	Sustainability Report Pages 4–6, 15
	2-25 Processes to remediate negative impacts	Sustainability Report Page 17
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Report Page 17
	2-27 Compliance with laws and regulations	2024 Annual Report
	2-28 Membership associations	CORESTA, GTNF, STP
	2-29 Approach to stakeholder engagement	Sustainability Report Page 3
	2-30 Collective bargaining agreements	Sustainability Report Page 16
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report Pages 2, 3
	3-2 List of material topics	Sustainability Report Page 2
	3-3 Management of material topics	Sustainability Report Pages 2, 7

NOTE: Our financial and emissions information has undergone third party verification. Please see our Annual Report for details of our financial external assurance process. Our emissions information was verified by a third party in alignment with ISO 14064-1 Specification with guidance at the organization level for quantification of greenhouse gas emissions and removals.



GRI REPORTING INDEX

GRI STANDARD	DISCLOSURE	LOCATION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainability Report Page 15
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability Report Pages 8, 12
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Sustainability Report Pages 7, 17, 18
	205-2 Communication and training about anti-corruption policies and procedures	Sustainability Report Page 18
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Sustainability Report Page 9
	303-5 Water consumption	Sustainability Report Page 9
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Report Page 9
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Report Page 9
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Sustainability Report Pages 9, 11
	306-3 Waste generated	Sustainability Report Page 9
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability Report Pages 16–20
	403-2 Hazard identification, risk assessment, and incident investigation	Sustainability Report Pages 16–20
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Sustainability Report Pages 5, 6, 19, 20
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Sustainability Report Page 18



NOTES

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P.O. BOX 25099 | RICHMOND, VIRGINIA 23260 | USA

www.universalcop.com