



## COMPLIANCE POLICY

### **PURPOSE**

It is the purpose of this Policy to define the expectations of Alliance One International, Inc. (“AOI” or “Company”) concerning legal and ethical business conduct for our employees, officers, directors and agents and to describe our compliance program structure and operation.

### **SCOPE**

This Policy applies to all employees, officers, directors and agents of AOI and its subsidiaries (hereinafter inclusively referred to as “Employees”).

### **Effective Date**

This Policy shall be applicable immediately upon the date of issuance.

### **ISSUING AUTHORITY**

The issuing authority for this Policy shall be the Compliance Officer of AOI.

### **POLICY STATEMENT**

It is the policy of the Company that Employees conduct their business activities on behalf of AOI in a manner consistent with applicable law and regulations and generally recognized standards of business ethics, as outlined in the AOI Code of Business Conduct. Employees must:

- Conduct the business of the Company with integrity in every area of its operations;
- Avoid any conflict of interest, including even the appearance of a conflict of interest;
- Comply with the Code of Business Conduct and the applicable laws of the United States and other countries in which they conduct the business of the Company;
- Acquire sufficient knowledge of the laws and regulations governing their location and their particular responsibilities and duties in order to recognize conduct or situations that raise legal or ethical questions;
- Promptly consult with the Compliance Officer to discuss and resolve any potential or actual violations of laws, regulations, or policies relating to the ethical conduct of the Company’s business.
- Protect Company assets and ensure their efficient use for legitimate business purposes;
- Record and report business transactions and financial information fully and accurately;
- Avoid any retaliatory action toward anyone for reporting legitimate ethical questions or alleged compliance violations; and,
- Acknowledge that violations of this Policy will result in disciplinary action, up to and including termination of employment or business relationship.

## **Participants**

Participants are employees who have assigned responsibilities that could give rise to potential exposure of AOI to criminal liability or significant civil liability and those in a position to materially affect employment and other significant Company policies (“Participants”). Participants are determined by the Compliance Officer in consultation with appropriate functional, regional and country managers. A listing of all Participants will be maintained by the Compliance Officer and updated annually. All Participants will be required to undergo extensive and continuing compliance training and to annually certify to their receipt of, familiarity with and commitment to this Policy, the Code of Business Conduct, the Anti-Competition and Trade Regulation Compliance Manual, the Compliance Helpline notice, the Employee Reporting Policy and Reporting to the Audit Committee (the “Compliance Documents”).

## **Full-Time Employees**

Full-time Employees are all employees not identified as Participants; this does not include seasonal or part-time employees.

## **Resources**

The Compliance Program consists of the following components:

- **Code of Business Conduct** – A summary of AOI expectations and requirements concerning ethical business conduct by Employees.
- **Anti-Competition & Trade Regulation Compliance Manual** – A discussion of anti-competition laws, appropriate conduct, prohibited misconduct, potential violations and the criminal penalties that may result.
- **Compliance Managers** –Selected in conjunction with management and directed by the Compliance Officer to implement and administer the Compliance Program in designated locations.
- **Online Compliance Training** – Participants with access to a computer, an AOI e-mail account and adequate Internet connectivity will be enrolled in online compliance training.
- **Compliance Helpline** – A simple, confidential way for you to report any work-related situations that may cause or contribute to problems in the workplace, 24 hours a day, seven days a week. It also provides a means for you to ask questions, raise concerns or clarify issues covered in the Alliance One Code of Business Conduct, including questionable accounting, internal accounting controls and auditing matters. The Alliance One Compliance Helpline is operated by an independent firm, not Alliance One, and is completely confidential and unbiased.

The Alliance One Compliance Helpline can be reached from individual locations in accordance with the instructions in the Compliance Helpline notice.

## **PROCEDURES**

The following are the basic procedural components of the Compliance Program:

- **Posting and Availability:** Copies of this Policy, the Code of Business Conduct, the Anti-Competition and Trade Regulation Compliance Manual, the Compliance Helpline notice, the

Employee Reporting Policy and Reporting to the Audit Committee shall be prominently posted in all Company facilities and shall be freely available to all Employees.

- **Training:** Participants will be required to complete appropriately tailored training courses by means of live presentations or online interactive compliance training.
  
- **Certifications:**
  - Each **Participant** and full-time **Employee** will have provided during the employment induction process, as nearly as possible in the relevant language, the Compliance Documents.
  
  - Each full-time **Employee** will certify one time only, by signing a Certification in the form attached as Exhibit A, to the receipt of, familiarity with and commitment to the Compliance Documents.
  
  - Each **Participant** will, at the time of employment, certify by signing a Certification in the form attached as Exhibit A, acknowledge receipt of, familiarity with and commitment to the Compliance Documents. Thereafter, each Participant will be required, annually, by E-Certification, to acknowledge receipt of, familiarity with and commitment to the Compliance Documents.
  
  - Certifications (hand signed or electronically executed) will be maintained at the direction of the Compliance Officer.
  
- **Communications Concerning Compliance Issues:** To make inquiries or seek explanations relating to applicable laws or concerns about business practices, Employees may elect either to communicate directly with their immediate supervisors or directly with the Compliance Officer. It is the policy of the Company that any Employee, officer, director or agent is authorized and encouraged to communicate directly with the Compliance Officer (anonymously if desired) without any necessity for intermediate inquiries to or permission from supervisory management. If submitted anonymously, the report or inquiry should contain sufficient detailed information to permit a thorough investigation. Reports and inquiries may be communicated to supervisory management or the Compliance Officer, either in writing, by telephone, by email or in person.
  
- **Communications Concerning Auditing or Financial Accounting Issues:** Employees, officers, directors and agents are encouraged to voice genuine complaints or concerns about any of the Company's accounting or auditing practices, without fear of retaliation by management, by raising such concerns directly with the Chairman of the Audit Committee of the Company's Board of Directors, without first consulting with any other Company representative, using the contact information contained in the posted notice regarding Communications Concerning Auditing or Financial Accounting Issues. Such communication may, but is not required to, include the sender's name and position and a way he/she can be contacted by the Audit Committee to discuss the matter further. If the sender desires to make an anonymous submission, he/she should be sure to make as full a description of the matter as possible.

Upon receipt of a complaint or concern, the Chairman will notify the Committee and make notes to the file describing the matter in question. If the sender has submitted his/her name, the sender may be asked by the Committee to provide additional information. The Committee will conduct such investigation as it deems necessary to address the matter. Such investigation may

include discussion with members of management, other employees, the Company's external auditors or other persons and review of Company documents. In addition, the Audit Committee may, in its discretion, engage independent advisors regarding the investigation and related accounting and auditing matters. Upon completion of any investigation it deems necessary, the Audit Committee will incorporate its findings in a memorandum to be disclosed as the Committee deems appropriate.

- **Disciplinary Actions:** The Compliance Program will be enforced with appropriate discipline. The Compliance Officer shall investigate alleged misconduct and determine whether violations of the compliance policies have occurred. The Compliance Officer shall recommend to management appropriate disciplinary action, which may include counseling, oral or written reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, and termination of employment or service.

The Compliance Officer shall report to the Audit Committee and will inform the Committee of instances involving material allegations or violations and shall report periodically on the general effectiveness of the Compliance Program.

- **Waivers:** Any waiver of a required element of the Code of Business Conduct for any executive officer or director may only be made by the Board of Directors and must be promptly disclosed. "Waiver" is defined as a decision not to take appropriate action as a result of a known and material departure from a provision of the Code of Business Conduct.
- **Publication of the Code of Business Conduct:** The Code of Business Conduct must be filed as an exhibit to the Company's 10K; posted to the Company website; and made available to any person without charge upon appropriate request.

#### **RESOLUTION OF POLICY CONFLICTS**

There are other Company policies which address various aspects of the general subject of compliance or which provide a detailed explanation of a specific compliance program. If another Company policy or program requirement conflicts with the requirements of this Compliance Policy mandating business conduct and structuring legal compliance training and certification, this Policy governs.

#### **IMPLEMENTATION & ADMINISTRATION**

This Policy shall be implemented and administered by the Compliance Officer of AOI.

#### **REVISION DATE AND DESTRUCTION DATE**

This Policy will be destroyed upon revision and implementation, if any, of a replacement policy.

#### **DISTRIBUTION**

Enterprise-wide

**Revised April, 2009**



**EMPLOYEE COMPLIANCE CERTIFICATION**

I acknowledge that as an employee of the Alliance One International Group of companies I have been provided with copies of the Company’s Compliance Policy, Code of Business Conduct, the Anti-Competition and Trade Regulation Compliance Manual, Compliance Helpline notice, the Employee Reporting Policy and Reporting to the Audit Committee (the “Compliance Documents”). I am aware of their content and importance and understand that they reflect fundamental Company policy on lawful and ethical business conduct.

I further acknowledge that compliance with the business conduct standards described or referenced in the Compliance Documents is a condition of employment and that a violation can result in disciplinary action, up to and including termination.

I certify that:

**first**, I understand the Compliance Documents and the above acknowledgments;

**second**, I have received and read copies of the Compliance Documents and I understand the principles expressed in them and the importance of abiding by the Company’s policy of complying with the laws and regulations of countries in which the Company operates; and,

**third**, I agree to report promptly any concerns or questions I have regarding this Policy.

---

*Name (Please print)*

---

**Signature**

---

**Location**

---

**Date**

**RETURN THE ORIGINAL OF THIS CERTIFICATION TO YOUR LOCAL COMPLIANCE MANAGER.**

**April, 2009**