

WHITE PAPER

Contributing to a Better Future for Americans

**PMI Corporate Citizenship Overview
2022-2024**



PHILIP MORRIS INTERNATIONAL



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Philip Morris International and its U.S. affiliates (PMI) are investing in America. In addition to substantial financial contributions, we are devoting the energy, efforts, and enthusiasm of our people to improving lives in the communities in which we operate and across the nation.

~\$25MM

in charitable contributions since 2022 (includes memberships, sponsorships, donations, and initiatives)

In our view, no problem is unsolvable if a critical mass of talented, focused, and passionate individuals work together to effect change. When these individuals are supported by public and private organizations, that change can happen faster and with greater impact.

At PMI, we are putting our “money and muscle” behind the individuals, nonprofits, and causes we believe in. As we see it, our role is not to direct but to accelerate and amplify the good works of dedicated organizations already active within communities. When called for, we seek to bring together—or join—collaborative coalitions of purpose-driven individuals and organizations to increase the speed and impact of potential solutions.

As an American company that manufactured and commercialized its products exclusively outside the United States until 2022, we are excited about the prospect of more fully embedding ourselves in communities across the country as an employer, a force for positive change, and, vitally, a good corporate citizen.

Our civil society initiatives are focused on three areas of outreach:

- 1. Supporting military veterans**
- 2. Empowering women**
- 3. Funding hyperlocal solutions**

In this report, we shine a spotlight on these activities, our ambitions, and the impact we’re having in partnership with individuals and groups working to create a better present and future for all. Through these initiatives and partnerships, we are proud to be making a measurable difference.



PILLAR 1

Serving Those Who Served:

Supporting Our Military Veterans

PMI has a longstanding commitment to military veterans, with a focus on enhancing their well-being and aiding in their transition back into civilian life. In fiscal year 2022–2023, our affiliates donated more than \$1 million to organizations working on behalf of United States veterans and active service members.

Among them:

Active Heroes Project • American Corporate Partners • Beyond Boundaries • Bob Woodruff Foundation • Disabled American Veterans Charitable Service Trust • Elizabeth Dole Foundation • Folds of Honor • Forgotten Not Gone • For the Troops • HillVets • Homes for Our Troops • Hope for the Warriors • Iraq and Afghanistan Veterans of America • K9s for Warriors • Lady Veterans Connect • Liberation Veteran Services • Pennsylvania Wounded Warriors • PTSD Foundation of America • Purple Heart Homes • Soldiers' Angels • Veterans Empowered Together • Wounded Warrior Project • Wreaths Across America

“The goal of our corporate citizenship outreach is simple: We aim to accelerate an end to cigarettes while making a positive difference in the communities in which we operate and serving as an exemplar of good corporate citizenship. As an American company with a growing U.S. presence, we are eager to contribute to meaningful and positive change.”

—Marian Salzman,
Senior Vice President &
Chief Corporate Citizenship Officer



Point of Impact:

IAVA and the Veterans Community Fund



PMI's collaboration with **Iraq and Afghanistan Veterans of America (IAVA)** exemplifies our dedication to improving the lives of post-9/11 U.S. veterans. In 2023, PMI provided a \$500,000 grant to IAVA, with \$100,000 directly supporting IAVA's initiatives and the remaining \$400,000 distributed among several sub-grantees: Active Heroes, American Corporate Partners, Elizabeth Dole Foundation, Forgotten Not Gone, Lady Veterans Connect, and Purple Heart Homes. These funds were utilized for various purposes, such as home modifications for independent living, caregiver mental wellness workshops, and equine therapy for veterans in need.

With its \$50,000 grant, **Forgotten Not Gone** secured a new location and purchased trikes to enable disabled veterans to participate in outdoor activities, contributing to family healing and aiding in post-deployment adjustment.

American Corporate Partners used its \$50,000 grant to provide personalized yearlong mentorships to 50 veterans and active-duty military spouses. Sixty percent of these individuals secured employment during the mentorship.





Up Next:

A Nationwide Initiative to Support the Return to Civilian Life

In 2023, PMI launched a comprehensive program to improve the lives of America's veterans. We began this work with a listening tour across several states to gather insights from veterans and experts. Our approach will include advocating for veterans on critical issues, prioritizing veterans and their spouses in our hiring, supporting national and community-based service organizations, sponsoring legal clinics through partnerships with select law schools, and supporting veterans-focused events and initiatives.

By actively engaging with and supporting veterans and organizations dedicated to their welfare, PMI aims to facilitate a smoother transition for veterans back into civilian life, acknowledging and honoring the sacrifices they have made for our nation.

“As PMI further establishes itself in the U.S., we have an opportunity to put our values into action by supporting the men and women who have served our nation and the organizations that work on their behalf. As an employer and community member, it is our privilege to work with military veterans to ease their transition back into civilian life and help them overcome the obstacles they should never have had to face alone.”

—Stacey Kennedy,
President, Americas & CEO of U.S. Business



PILLAR 2

Empowering Women

When you empower women, you improve society. Research has consistently shown that supporting women's full economic participation leads to significant benefits, including increasing financial stability in their households and reducing poverty in their communities.

***“If you uplift women,
you uplift families,
communities,
our country,
and the world.
PMI gets it.”***

—Connecticut Lieutenant Governor Susan Bysiewicz,
Chair of the Governor's Council on Women and Girls
[CT Insider, 3/4/24]





Point of Impact:

Fresh Start for Women



Based in Richmond, Virginia, Fresh Start for Women provides safe and affordable transitional housing to single women facing life challenges, including past drug dependency and incarceration. With a \$100,000 donation from PMI's We Care Fund, Fresh Start for Women was able to acquire a new home, expedite payment on an existing home loan, and cover operational expenses such as apartment renovations and safety upgrades.



“[Thanks to the funding from PMI,] the new house soon became the home of one of our tenants who had been a resident in our community / sober living home following release from prison. Once in stable housing, she obtained custody of her three boys. Her determination and character helped her secure employment ... in which she provides substance abuse treatment for women.”

—Fresh Start for Women



Point of Impact: Lady Veterans Connect



In June 2023, PMI proudly sponsored an event commemorating the 75th anniversary of the Women's Armed Forces Integration Act. With \$75,000 in funding from PMI, Lady Veterans Connect (LVC), a Kentucky-based organization working to assist female veterans and prevent homelessness, organized the event and applied the remainder of the grant to its ongoing suicide prevention efforts.



Congressman Andy Barr praised the partnership among PMI, LVC, and IAVA:

“Today, we gather to honor the ... landmark legislation that opened doors of opportunity for female veterans to serve our great nation. I applaud Lady Veterans Connect, Iraq and Afghanistan Veterans of America, and Philip Morris International for their partnership in commemorating this significant milestone.”

—Congressman Andy Barr (R-KY)



Up Next:

Supporting Women-Owned Businesses in Connecticut



In March 2024, PMI announced a five-year, \$5 million investment in the **Women's Economic Empowerment Initiative** to support female entrepreneurship in Connecticut. The initiative will begin in 2025 and extend through 2029.

“PMI has just been an amazing corporate citizen.”

— **Connecticut Governor Ned Lamont**

[CT Insider, 3/4/24]

The **Women's Business Development Council** (WBDC), a leading force for women's empowerment and entrepreneurship, will oversee the initiative. Through its programs, WBDC provides women with the education, resources, and access to capital they need to put them and their families on a path to economic self-reliance. Since 1997, the organization has helped nearly 19,000 clients access more than

\$57 million to launch, sustain, and scale more than 14,000 businesses supporting over 31,400 jobs. In 2023, 47 percent of its client enterprises were minority-owned.

Supporting Gender Equality Starts at “Home”



In 2019, Philip Morris International became the first multinational company to achieve **EQUAL-SALARY certification** globally—meaning that we pay men and women equally for equal work in all the countries in which we operate.



Philip Morris International is also a member of the **Bloomberg Gender-Equality Index**, which tracks the performance of public companies committed to disclosing their efforts to support gender equality through policy development, representation, and transparency.



“We want every person to come to work feeling they can contribute, can trust their colleagues, and are connected, accepted, and safe. Feeling valued and respected really matters, especially to those who might feel they’re on the margin. Everyone wants to be seen and appreciated for who they are.”

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—Kaleen Love,
Chief People & Culture Officer, U.S.,
on the workplace culture she
and her team are building at PMI



PILLAR 3

Funding Hyperlocal Solutions

PMI sees real value in empowering local organizations to improve communities and the lives of those within them. We also strongly believe in the power of our people working individually and collectively to drive positive change.



Projects with a Heart (PwH) is a global grassroots movement established and run by PMI employees with the full support of the company's leadership. It aims to make the world a better place by creating a digital bridge that connects those who need help with those who want to help—without anyone in between. Supported by a network of 100+ ambassadors, PwH is having a positive impact in the United States and across the globe.





Witnessing how one change can ripple outward and make a positive impact in the lives of many inspired us to create **We Care**, a philanthropic initiative supporting 100+ charitable organizations committed to bringing positive change to communities across the United States. Through We Care, our affiliates fund local initiatives to ease poverty, increase access to housing and opportunities, advocate for and empower disabled veterans, and protect our natural resources.

Point of Impact:

Lahaina Wildfire Response

In August 2023, Lahaina, a town on the northwest coast of Maui in Hawaii, was ravaged by wildfires, leading to the displacement of thousands of residents, extensive damage, and the tragic loss of nearly 100 lives. Konstantin Zuyev, PMI's Global Head of Project Management, swiftly mobilized support by raising funds through PwH. He dedicated a week to assisting the American Red Cross in managing a hotel shelter that accommodated 700 Lahaina residents, providing essential supplies, transportation, and recovery services.

Point of Impact:

DigDeep



DigDeep, a human rights nonprofit, is committed to ensuring access to clean running water and sanitation in communities in need. In 2022, with a \$100,000 grant from the We Care Fund, DigDeep's **Appalachia Water Project** team installed high-pressure, hot and cold piped water connections to 164 homes in the rugged mountainous region of West Virginia. This initiative provided clean running water and indoor plumbing to households previously reliant on potentially contaminated mountain spring water.

In 2023, an additional \$350,000 grant from the We Care Fund financed vital projects in rural Appalachia, as well as on the lands of the Navajo Nation and in El Paso County, Texas. Among other actions, the **Navajo Water Project** installed water systems in 173 homes and brought piped, running water to 18 households. The **Colonias Water Project** partnered with Texas nonprofit **AYUDA** to provide wastewater access to 100 homes.



Point of Impact:

**Helping a Family Recover from
a Devastating House Fire**

One advantage of Projects with a Heart is that it can help at an individual level. In 2022, a family of six in a small town in Washington State suffered a devastating house fire. They escaped with their lives but lost their beloved pets, along with their household goods and two cars. PMier Michelle Lagrave reached out to the PwH network to raise funds to meet the family's immediate needs, including school supplies, clothing, and the basics needed for their newborn baby.



“This has been my first project independent of other [Projects with a Heart] ambassadors. I feel humbled and grateful toward the others who do many projects, as it is hard work! ... Thank you, PwH, for allowing me to do this project, helping an entire family in need!”

—Michelle Lagrave,
Global Leadership Development Lead,
People & Culture, PMI



Connecticut Community Support



From our global headquarters in Stamford, Connecticut, we support local organizations focused on positive change, inclusion, and building a strong and responsible state. PMI is a member of the following Connecticut-based organizations:

AdvanceCT • CBIA • CEMA • Connecticut Retail Network • Stamford Chamber of Commerce • Stamford Partnership • Women's Business Development Council

A Growing Array of Community Partnerships

As our footprint in America expands, so will the scope of our community-based initiatives. A sample of the programs our U.S. affiliates have supported to date:

American Red Cross • The Avon • Community Foundation of Richmond • Connecticut Women's Hall of Fame • Jackie Robinson Foundation • Rise Richmond • Ronald McDonald House Charities • Saint Francis Home • SOAR365 • St. Jude Children's Research Hospital • United Way





A Path to Better

PMI is on a path to better. First and foremost, we are working to deliver a smoke-free future—a future free from cigarettes—in and beyond America.¹ Globally, as of year-end 2023, over 36 percent of our total net revenues came from smoke-free products. Beyond that, we aim to have a net positive societal impact—through our products, good works, and responsible business practices.

A Leader in Sustainability

As detailed in our annual Integrated Report,² PMI's approach to sustainability addresses our ESG priorities through eight impact-driven strategies, half focused on product impacts and half on the impacts of our business operations. As we transform for good, we regard sustainability as about more than operational efficiency; we see it as offering a fundamental opportunity for innovation, growth, and purpose-led, impact-driven, long-term value creation. Accordingly, we work hard to integrate sustainability into every aspect of our business and activities.

In 2023, PMI's sustainability performance was recognized by several ESG ratings providers and sustainability-related organizations, including:

- Achievement of **CDP's Triple A rating** for the fourth consecutive year—placing PMI among the world's leading companies in environmental transparency and action
- Inclusion in **CDP's Supplier Engagement Leader Board** for the seventh year
- Inclusion in the **Dow Jones Sustainability World Index** for the first time and the **Dow Jones Sustainability North America Composite Index** for the fourth consecutive year (index inclusion effective as of Dec. 18, 2023)
- Awarded “Prime” status in the **ISS ESG Corporate Rating** (as of Nov. 21, 2023)
- Validation from the **Science Based Targets initiative** (SBTi) on its Forest, Land, and Agriculture (FLAG) emissions reduction targets, making PMI one of the very few companies to achieve this recognition
- Named an Early Adopter for having committed to advancing the adoption of the **Taskforce on Nature-related Financial Disclosures** (TNFD) recommendations

¹ <https://www.pmi.com/our-transformation/delivering-a-smoke-free-future>

² <https://www.pmi.com/sustainability/reporting-on-sustainability>



“Reducing greenhouse gas emissions is not enough. Preserving natural ecosystems and protecting the environment are also paramount, and that is why having a strong biodiversity strategy is especially important. ... We have also established social strategies to improve the quality of life of the people in our supply chain and foster an empowered and inclusive workplace.”

—Jennifer Motles,
Chief Sustainability Officer



USA-IT: Extending Our Impact Through Public-Private Partnerships



Since June 2021, USA-IT (United to Safeguard America from Illegal Trade) has been working to arm local officials, law enforcement, and other leaders with information and training programs to more effectively combat the many forms of illegal trade and the dangerous criminal networks that profit from it. Led by PMI, the coalition is composed of nearly 100 state and national brand enforcement experts, law enforcement agencies, academics, and leading business organizations.

Through this program, USA-IT has trained more than 36,000 law enforcement personnel, hosted or attended more than 60 events, and delivered 200+ briefings to organizations and officials on topics ranging from counterfeiting, tobacco smuggling, and organized retail theft to drug and human trafficking.

To date, PMI has supported the development and passage of organized retail crime bills in four states: Florida, Illinois, Michigan, and North Carolina.

In late 2023, PMI contributed \$250,000 for general support to six organizations dedicated to combating human trafficking:

AncoraTN • Children's Advocacy Centers of Georgia • Liberate All Value All, Inc. (LAVA) • Sentinel Project • Southern Arizona Dream Center • Wellspring Living

Promoting Positive Change Through Thought Leadership

PMI believes that one of the most potent tools for solving societal issues is easily available and free of charge: meaningful, fact-based, and mutually respectful conversations.

In recent years, the world's people have appeared more divided than ever. This may be especially the case in the United States, where sociopolitical polarization and hostility toward those with different perspectives have reached critical levels.

Through white papers, public speaking engagements, and events, PMI works to address critical issues of the day and bring people together for productive conversations centered on pragmatic change.

In 2021, PMI explored the roots of the rise in hate and division, its negative impacts, and the role of social media in feeding misinformation and discord. Leveraging insights from an international survey, the white paper detailed steps individuals and organizations can take to address exclusion and replace confrontation with collaboration to the benefit of all.



In 2022, we drove conversations about the transformative power of positive disruption and engaged key opinion leaders on the large-scale disruptive shifts facing organizations, policymakers, and society. To enhance these conversations, we published a white paper and shared insights from a global survey, which revealed that the public expects disruptive innovation to address a range of global issues in the coming decades and that the needed innovations can be achieved sooner if governments, businesses, and civil society work together to ensure equal access to innovation for all.

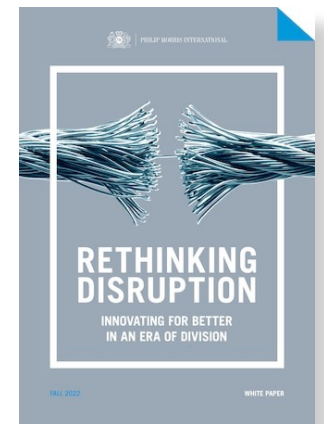
During the week of the 77th United Nations General Assembly (UNGA) in New York City, senior executives

led PMI's on-the-ground efforts, engaging more than 200 opinion leaders via events hosted in partnership with the Wall Street Journal, Diplomatic Courier, Recount Media, and others. With conversations tailored to the policymaker and diplomatic community, Rethink Disruption highlighted the pressing need for collaboration on solutions that are real, practical, and grounded in science.

In 2023, we evolved the Rethink Disruption narrative to focus on the human cost of regulatory inaction.

We emphasized the big global challenges facing the world and the need for institutions, businesses, governments, and civil society to find smart ways to harness the forces of disruption to achieve progress. In the United States, this narrative came to life through events and engagements with senior

company executives on the sidelines of the 78th UNGA. In partnership with media organizations (Wall Street Journal, TIME, Reuters, Forbes, Diplomatic Courier), we drove conversations with key opinion leaders on how best to embrace innovation to address pressing global challenges.





In 2024, we are exploring the rise of the Fifth Estate—a global trend in people-driven change—and the new reality this creates for businesses and regulators. Harnessed correctly, the Fifth Estate can catalyze positive change by amplifying marginalized voices and accelerating social, political, and cultural shifts.



“The Fifth Estate is a force that can drive broad societal action on critical issues facing our world. ... Business, policymakers, and civil society must find ways to help ensure this emerging force moves society in a positive direction.”

—Dr. Moira Gilchrist,
Chief Communications Officer, Global



To learn more about Philip Morris International
in the United States,

please visit www.PMI.com/US



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