

PHILIP MORRIS INTERNATIONAL

Protect, respect and remedy

Experiences and lessons from PMI's human rights impact assessments

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About this booklet

This booklet provides a snapshot of how Philip Morris International (PMI) puts human rights due diligence into practice—an ongoing process of identifying and assessing actual and potential adverse impacts on people, acting to prevent and mitigate them, tracking the effectiveness of responses, and communicating how impacts are addressed. Human rights impact assessments (HRIAs) form part of this broader process, providing deeper insight into how our activities and business relationships may affect people in specific contexts and informing action. Its title, "Protect, respect, and remedy—Experiences and lessons from PMI's human rights impact assessments", draws on the framework underpinning the UN Guiding Principles on Business and Human Rights. Within this framework, the booklet focuses on our responsibility as a business: how we move from policy commitments and international standards to prioritizing, assessing, and acting on potential and actual impacts on people across our value chain, including providing for or cooperating in remediation. It opens with an overview of our approach and how we conduct HRIAs, followed by five Stories of Impact and the lessons we are carrying forward, bringing in the voices of the teams, partners, and people closest to the work.

A message from our CSO



Each year, the UN Forum on Business and Human Rights brings together governments, businesses, civil society, and, most importantly, the people whose lives are shaped by how business is done.

As we join this year's conversation, we want to share what we have learned, not as a final account but as an honest reflection on work still underway.

As PMI transforms and our value chain evolves, understanding our impact on people matters more than ever. Human rights due diligence helps us see where our activities and business relationships may affect people, listen to those who may be impacted, and turn what we learn into action. Done well, it also strengthens our business and decision-making.

Our approach is grounded in the UN Guiding Principles on Business and Human Rights and set out in our Human Rights Commitment. It covers our entire value chain, from supplier to consumer combining saliency assessments, clear standards for suppliers and farms, grievance mechanisms, and human rights impact assessments where risks to people may be greatest.

Since 2018, we have conducted human rights impact assessments in 12 markets, alongside independent experts and shaped by conversations with thousands of rights holders. Each has deepened our understanding, strengthened local ownership, and prompted actions tailored to its context.

This booklet offers a glimpse into that journey through five Stories of Impact, told largely in the voices of colleagues, partners, and people closest to the work. From Mozambique, Brazil, Pakistan, Kazakhstan, and Indonesia, they show how our due diligence continues to mature: returning to measure progress, building on what we learn, applying a gender lens, extending downstream, and widening the lens across the value chain. They cannot capture the full breadth of work done every day across our markets and functions, but they offer a window into how we think, act, and keep learning. You will find links to all our Stories of Impact at the end of this booklet.

Guided by our Value Plan 2030+, we will extend our assessments to new areas of our evolving value chain. We cannot do this alone. Many of the challenges we encounter are shared, and lasting progress depends on open dialogue, a willingness to be challenged, and partnership with those who see things differently. We share this booklet in that spirit: as an invitation to listen, learn from one another, and keep moving forward together.

Human rights are, at their core, about people: our employees, workers in our value chain, farmers, suppliers, business partners, consumers, and the communities connected to our work. To everyone who gave us their time and trusted us with their experiences, thank you. Your voices give this work its meaning.



Jennifer Motles
Chief Sustainability Officer

Our approach to human rights due diligence

Respect for human rights is fundamental to what we do. It is anchored in our Human Rights Commitment, first published in 2017 and subsequently updated in 2022, which sets out our expectations for our own operations and for our employees, suppliers, and business partners.

Our approach to human rights due diligence is grounded in internationally recognized standards, including the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

2026 marks 15 years since the UNGPs set the global expectation that companies identify, prevent, mitigate, and account for their impacts on people. It has also been 15 years since we launched our Agricultural Labor Practices (ALP) program, which has translated that expectation into practice across our tobacco supply chain.

Our Responsible Sourcing Principles set expectations for all our leaf and non-leaf suppliers, as well as their own suppliers. Together with our long-standing supplier management programs, they provide a foundation for our broader approach to human rights due diligence.

At the heart of this approach are rights holders, the people whose lives may be affected by our activities and business relationships. Our work is built around four pillars: a sound policy framework, rigorous due diligence, remediation, and transparency. We regularly assess our salient human rights issues to identify where people may face the most severe impacts across our value chain. Informed by stakeholder engagement through human rights impact assessments in our highest-risk markets and other targeted assessments, this process provides deeper insight into these risks and helps us prioritize action, strengthen due diligence, and address impacts through a human rights lens. This complements our broader sustainability materiality assessments.

Human rights due diligence is embedded in our wider sustainability strategy and value chain management, guided by our Value Plan 2030+, and supported by clear governance, oversight, and regular reporting. That helps us track progress, learn from experience, and continuously evolve how we prevent and mitigate risks and address impacts on people.



Anna Kletsidou, Director Social Sustainability & Due Diligence

"Human rights due diligence is not a one-off exercise. It is an ongoing process of understanding where risks to people may be most severe, listening to those most affected, working alongside local teams to address risks, and continuously improving our practices based on what we learn."



Strengthening due diligence across our value chain

Our newly introduced Sustainability Due Diligence Standard aims to identify real and potential risks throughout our value chain, increasing transparency and enabling targeted, effective interventions rather than generic solutions. Transparency is key to our Value Plan 2030+: the better we understand risks, the more effectively we can prevent, identify, and address issues that may threaten business and the people impacted by it. Our ability to manage these risks varies across our three main supply chains. In tobacco agriculture, years of experience have led to strong monitoring systems and supplier relationships that enable proactive risk management. By contrast, we are newer and smaller in scale in electronics, and our nicotine supply chain continues being integrated. To accelerate progress, we are applying best practices from tobacco to these newer categories. While external factors like changing regulations, geopolitical instability, and inconsistent labor law enforcement can introduce new risks, our focus on mature systems and strong partnerships enables us to remain adaptable. Our aspiration is that 90 percent of our priority suppliers in direct materials, electronics, tobacco, nicotine, indirect materials and services, and technical procurement meet PMI's Sustainability Due Diligence Standard by 2030.

15 years of action and learning through our Agricultural Labor Practices Code in our tobacco supply chain

Since 2011, our Agricultural Labor Practices (ALP) Code has helped us bring our commitment to respect human rights to life in tobacco-growing communities through clear standards, farm-level assessments, monitoring, remediation, and collaboration with farmers and local partners. Over the years, we have gained deeper insight into the realities faced by farmers, workers, their families and communities, while enhancing our ability to identify and address labor and human rights risks, and advance responsible farming practices. The lessons continue to shape and strengthen our broader human rights due diligence approach across our value chain.



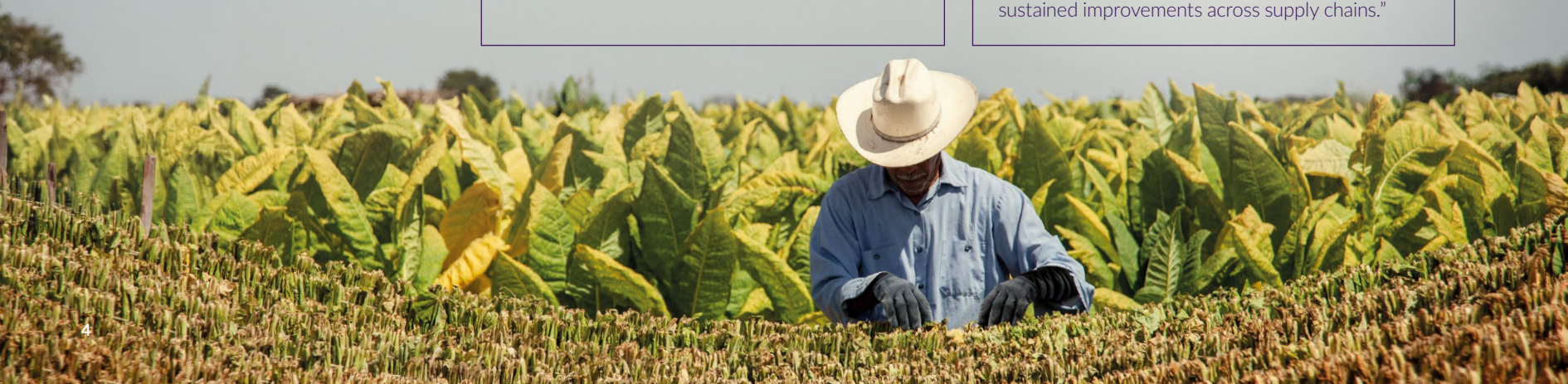
Erika Gloria, Director, Leaf Sustainability, Global Operations

"Over 15 years, ALP has shown us that progress starts with visibility, but it does not end there. Farm-by-farm monitoring helps us understand conditions on the ground, identify risks early, and turn those insights into targeted action. ALP is fundamental to how we responsibly manage our agricultural supply chain, moving us beyond risk mitigation toward lasting meaningful improvement for workers, farming families, and communities."



Pauline Tiffen, Senior Consultant, Verité

"Our long-standing collaboration with PMI on ALP has reinforced an important lesson: lasting improvements in agricultural labor practices require more than standards and monitoring. They depend on understanding and addressing the underlying drivers of labor risks, equipping local teams and suppliers to translate that understanding into meaningful changes in practice, and ensuring that farmers' and workers' experiences inform those changes. The lessons from this collaboration extend beyond tobacco and agriculture, offering valuable insights into how labor due diligence can move beyond identifying risks toward driving practical, sustained improvements across supply chains."



Our human rights impact assessments

Human rights due diligence is an ongoing process through which we identify, prevent, mitigate, and account for how our business may affect people. It encompasses our policies and standards, saliency assessment, human rights impact assessments, supplier and farm-level programs, and grievance mechanisms.

What is a human rights impact assessment?

As an integral part of our due diligence framework, a human rights impact assessment (HRIA) is a structured exercise designed to help us get a deeper understanding of the human rights implications of our operations and business relationships. Through research, direct engagement with rights holders and local insights, it enables us to identify actual and potential impacts, understand their underlying causes, and determine appropriate actions to address them.

Where do we conduct HRIAs?

We use a risk-based approach to focus assessments where the potential for adverse impact on people may be greatest. Our selection of markets and value chain activities draws on independent international risk indices, stakeholder perspectives, country- and sector-specific considerations, and the nature and extent of our business presence. This enables us to direct our efforts where deeper examination can be most valuable. Most of our HRIAs extend to our own operations, adding an independent layer of scrutiny to existing safeguards such as employee surveys, internal controls and external verifications, and speak-up channels. Listening directly to employees helps us challenge practices, identify improvements, and further align with international human rights standards.

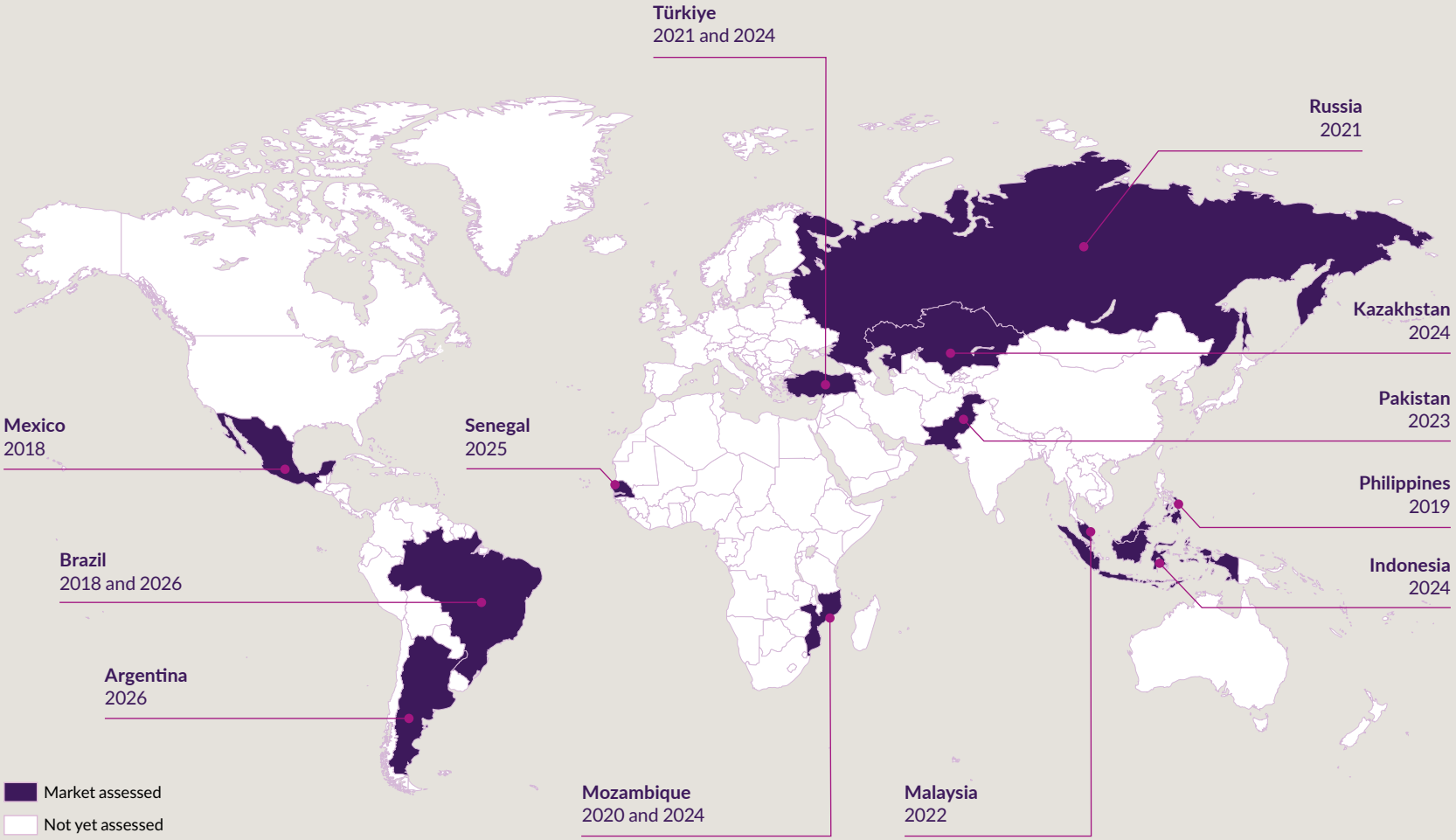
How are our HRIAs conducted in practice?

Each assessment is tailored to the local context, reflecting the operating environment, business relationships, and most salient human rights issues. Working with independent human rights experts, we adapt the scope, methodology, and stakeholder engagement to capture the perspectives of people whose rights may be at risk.

Despite these contextual differences, all HRIAs follow a consistent five-step cycle, providing a structured path from assessment to action and continuous improvement.

1. UNDERSTAND - Examine the local operating environment and identify human rights issues requiring closer attention.
2. ENGAGE - Listen to rights holders and other stakeholders to understand their experiences, concerns, and perspectives on potential solutions.
3. ASSESS - Evaluate actual and potential impacts, considering their severity, likelihood, and implications for people.
4. ACT - Work with local teams and partners to develop and implement targeted actions to prevent, mitigate, or address identified impacts and their underlying causes.
5. LEARN - Monitor progress, capture lessons learned, and apply insights to strengthen our broader due diligence practices.

A growing portfolio of assessments



Since our first assessment in 2018, we have continued to expand our portfolio of HRIAs, as shown on the map, while implementing and monitoring actions arising from earlier assessments. To date, this growing program spans 12 markets worldwide, and continues to grow as our understanding of risks deepens and our business evolves. Collectively, the HRIAs we have conducted to date have engaged around 3,800 individual rights holder.

Several of these assessments are explored in greater depth in dedicated Stories of Impact on our website, with additional context on the assessment process, rights holder perspectives, findings, and follow-up actions. You can find a list of them all at the end of this booklet.

The five Stories of Impact that follow show how HRIAs have been applied across different geographies and parts of our value chain. Each illustrates how assessment findings have informed action and ongoing learning; in two markets, we also returned to examine progress or explore specific risks in greater depth.

Paulina Villegas, Sr. Manager, Sustainability and Regulatory Affairs, LA&C Region

"Being the first PMI affiliate to undertake a human rights impact assessment in 2018 in Mexico was more than a milestone. The experience highlighted that meaningful progress begins with listening, understanding, and acting on the perspectives of those most affected by our business. It generated insights that helped shape PMI's global human rights due diligence journey."





Faris Natour, Article One

"Having supported many of PMI's assessments over the years, we have seen the approach evolve significantly. What stands out is not any single assessment, but the way each one has built on the last. Across different markets, value chain activities, and stakeholder groups, the issues have varied, but one lesson has remained consistent: understanding and addressing human rights impacts requires curiosity, humility, and a willingness to listen. Over time, we have partnered with PMI to continue to strengthen how we gather perspectives, and how PMI learns from them and uses those insights to inform action. That willingness to learn, adapt, and keep improving is what gives the process its value."

Mozambique
Returning to measure progress

In 2020, Mozambique became our first HRIA focused on our tobacco supply chain. Four years later, we returned to assess how conditions had changed since the initial assessment, whether the actions taken in response were delivering meaningful improvements for rights holders, and where further action remained necessary.

Timing	2020 2024	 (follow-up)
Participants	An industry peer company, our common leaf supplier, and twentyfifty	
Scope	Tobacco supply chain, suppliers' team, farmers, workers, and community members	
Rights holders engaged	2020 2024	More than 260 More than 830
Action plan	2020 2024	All actions implemented All actions implemented



Why we assessed

Mozambique plays an important role in PMI's global tobacco sourcing footprint. Our tobacco is sourced through a third-party leaf supplier, which contracted approximately 107,000 smallholder farmers across the country in 2020—when our first assessment was conducted. Given the scale of this footprint and the potential impacts on farmers, workers, families, and communities, we worked with an industry peer, our common leaf supplier, and twentyfifty – an independent human rights advisor – to conduct an HRIA in 2020.

The 2020 assessment established a baseline of human rights conditions across the tobacco supply chain and resulted in an action plan addressing the issues identified. By the time of the 2024 follow-up, all actions from the 2020 plan had been implemented. The follow-up therefore provided an opportunity to go beyond assessing implementation and examine whether conditions experienced by rights holders had improved, while identifying challenges requiring continued attention.

What we heard

The 2024 follow-up engaged farmers, their families, and communities, as well as community leaders, medical professionals, school teachers, and representatives of women's groups, through interviews, focus group discussions, and other informal interactions. Their perspectives provided evidence of progress since 2020, particularly in working conditions, access to water, education, and livelihood opportunities. At the same time, the follow-up identified areas where further progress is needed, including continued awareness-building around grievance mechanisms, measures to strengthen household incomes, and interventions to address labor risks. These findings informed the 2024 action plan, with all identified actions subsequently implemented.

How we responded

Following the 2020 HRIA, we worked with our supplier and partners to address the issues identified and strengthen conditions within farming communities. The 2024 follow-up enabled us to assess the progress achieved since 2020, reinforce measures shown to be having a positive impact, and refine our response where challenges remained. Key activities and reported outcomes include:

- **Women's economic participation:**
  Initiatives designed to strengthen women's participation in tobacco farming have continued to expand. Between 2020 and 2024, our supplier reported an increase of more than 11 percent in contracted female tobacco growers, indicating greater participation by women in the contracted farming base.
- **Working conditions:**
  Since the initial assessment, written contractual agreements have been introduced for farmworkers, providing greater clarity around employment arrangements and contributing to reported improvements in wages and working conditions. The 2024 follow-up provided an opportunity to hear directly from workers and farmers about how these changes were being experienced.
- **Children and education:**
  Since 2020, more than 300 schools have been supported by our supplier through extracurricular activities, learning materials, sports equipment, playgrounds, and school supplies during community celebrations. PMI's school feeding program, launched in 2022 across 20 schools, has supported around 8,400 children on average each year, contributing to improved school enrollment and attendance. These initiatives complement ongoing efforts to prevent child labor.
- **Access to water:**
  Access to safe water and sanitation in tobacco-growing communities has been expanded substantially through the combined efforts of our leaf supplier and PMI. Between 2020 and 2026, PMI supported 1,100 of the 3,320 sanitation slabs distributed, 211 of the 359 new boreholes constructed, 200 boreholes rehabilitated, and 600 of the 1,060 wells protected. Water-treatment solutions were also provided annually to all farmers. The 2024 follow-up identified improved access to water as one of the positive developments reported by rights holders since the initial assessment.

- **Irrigation:**
  The treadle pump program, initiated in 2018, continued to expand following the 2020 assessment. By 2026, the program had enabled irrigation across approximately 1,800 hectares and benefited more than 9,000 smallholder farmers, helping increase access to irrigation and supporting opportunities for additional crop production.
- **Food security and livelihoods:**
  Since 2020, initiatives have increasingly focused on strengthening household food production, crop diversification, and supplementary sources of income. Maize input programs have enabled production of approximately 140–150 million kilograms annually over the past three years, complemented by winter cropping of vegetables and legumes to improve food availability and dietary diversity. In 2026, these efforts are being further strengthened through beans, improved maize varieties, increased seed availability, post-harvest storage solutions, and a fruit-tree pilot involving 500 farmers.
- **Grievance and remediation:**
  In 2020, the supplier established a grievance mechanism and remediation process and deployed efforts to build awareness and help ensure that farmers and workers understand how to raise concerns and access remediation. In addition, the Community Leaders Accountability Program, rolled out across 391 communities between 2020 and 2026, plays a key role in empowering community leaders to identify and address labor issues and promote safe working practices.

What we learned

Returning to Mozambique, where implementation and monitoring of the action plan involved industry-level collaboration, provided an opportunity to further build a shared understanding of progress to examine whether the actions taken were translating into meaningful outcomes for people. Using the 2020 findings as a baseline allowed us to assess change over time, validate progress directly with rights holders, and identify where further action is needed.

Collaboration across the industry to drive shared action

Our experience in Mozambique reinforced the value of working together on shared supply-chain challenges. Collaboration between industry peers and suppliers, informed by rights holders and local stakeholders, helps build the understanding of risks and supports prioritizing actions. Bringing these perspectives together helps shape responses grounded in local realities, with shared responsibility for sustaining progress.



Felipe Consalter, Leaf Sustainability Deployment Manager, Global Operations

"Meaningful change does not happen in a single visit or through one initiative. It happens when we keep showing up, listening and improving together. Through ALP, we work with our suppliers toward a shared ambition: protecting people, preventing child labor and other unacceptable labor practices, and promoting continuous improvement on every farm. What inspires me most is seeing that commitment become real: a farmer finding a better way of working, a community with better livelihoods, or a child benefiting from a meal and activities at school. These moments remind us that behind every target and every number are people, and that lasting progress is built through partnership, trust, and the determination to keep doing better."

Brazil
Building on what we learn

In 2022, Brazil became one of our first markets to complete an end-to-end HRIA across the full value chain. In 2026, we returned with a more focused question, specifically examining potential forced labor risks at a remote site within our tobacco leaf supply chain.

Timing	2022	
	2026	(follow-up)
Partner	Article One	
Scope	2022	Philip Morris Brazil's (PMB) full value chain
	2026	One targeted part of the leaf supply chain
Rights holders engaged	2022	More than 150
	2026	More than 180
Action plan	2022	All actions implemented
	2026	Action planning under implementation



Why we assessed

Brazil is one of PMI's most complex markets, with a corporate office in São Paulo, a factory and operations in Santa Cruz do Sul, an upstream leaf supply chain spanning different farming models, and direct and third-party sales and distribution activities across the country. Given the scale and diversity of this footprint, the 2022 HRIA covered PMB's head office, factory, operations, tobacco-growing supply chain, and downstream sales and distribution.

Building on the working and living conditions highlighted through the 2022 assessment, in 2026 we asked Article One to return to Brazil for a deeper assessment of a targeted part of the tobacco supply chain. The assessment focused on a remote agricultural site within our tobacco sourcing operations, where distance from family, reliance on worker accommodation, and limited connectivity can increase vulnerability to forced labor risk and create barriers to raising concerns. The focus was deliberately specific to examine whether indicators of forced labor could be present and whether existing due diligence processes would identify them.



What we heard

The 2022 HRIA engaged employees and contracted workers across PMB's operations and identified both areas of strength and opportunities for further improvement. Workers highlighted initiatives promoting inclusion and equal opportunities, while the assessment also identified areas requiring continued attention, including occupational health and safety, working and living conditions, working hours, access to grievance mechanisms, and the safety of people working in distribution.

In 2026, workers at the assessed site described improvements in working and living conditions over time and confirmed that they were paid on time and were free to leave the site. They also shared perspectives on some of the challenges associated with working at a remote agricultural location, including distance from family, work schedules, accommodation, connectivity, and access to channels for raising concerns.

Based on the evidence gathered through the 2026 assessment conducted by Article One, no evidence or indicators of forced labor were identified at the assessed site. The assessment also identified opportunities for continued improvement, particularly in workers' living conditions, workers' engagement, and access to trusted and confidential grievance channels.

How we responded

Following the 2022 HRIA, the Brazil team developed a locally owned action plan focused on areas of higher exposure and opportunities to refine existing controls. All actions developed through this assessment have now been implemented. Key measures included:

- **Health, safety, and working conditions:** Safety practices in the leaf supply chain were strengthened, alongside adjustments to shift and break arrangements in factory operations.
- **Distribution activities:** Security protocols and measures supporting worker well-being were reinforced across sales and distribution operations.
- **Grievance mechanisms:** Communications and awareness of grievance channels were strengthened to help workers understand how and where to raise concerns.

The 2026 targeted assessment has initiated a new cycle of locally led action planning with the relevant supplier. Areas under consideration include further improvements to accommodation and connectivity, enhanced opportunities for workers to participate in well-being and personal development activities during their time off, stronger worker engagement, and greater access to and awareness of confidential channels for raising concerns. Implementation will be monitored through an established local governance process.

What we learned

The Brazil assessments reinforced that how we listen influences what we learn, particularly when examining sensitive risks. Combining different engagement methods helped us build a more complete picture of workers' experiences, validate findings from different perspectives, and surface issues that may not emerge through a single engagement approach. The experience also showed how human rights due diligence can evolve over time: an initial, broad assessment can surface areas requiring closer attention, while targeted follow-up enables specific risks to be examined more thoroughly and addressed more effectively.

Listening differently: an anonymous worker survey

One important feature of the 2026 assessment was the use of an anonymous worker survey in Portuguese alongside interviews and focus groups—the first time this method had been used in a PMI HRIA. Through the survey and in-person engagement, Article One was able to reach 180 stakeholders, representing about 30 percent of the active tobacco workforce at the assessed site. The survey provided an additional confidential channel for feedback, broadened participation, and allowed the assessment team to compare responses across different sources of evidence.



Debora Teixeira, Manager, Leaf Social and Environmental Sustainability, Philip Morris Brazil

"The experience demonstrated how human rights due diligence can drive continuous improvement by deepening our understanding of risks, focusing action where it can make a difference, and working with our partners to strengthen practices, while keeping people's experiences and perspectives at the center of our approach."

Bruno Pinto, Manager, Corporate Communications, Philip Morris Brazil

"By listening directly to workers, suppliers, and other stakeholders across our value chain, we identified both strengths and areas for improvement. For me, the most important learning was the value of continuous listening, local ownership, and acting on findings to drive improvements. The assessment not only sharpened our ability to manage risks but also reinforced a fundamental principle: that protecting people's rights must be embedded in how we operate every day."



Pakistan
Understanding impacts through a gender lens

In 2023, we adapted our HRIA approach in Pakistan to examine more deliberately how workplace and supply-chain conditions may be experienced differently by women and men. Applying a gender lens throughout the assessment not only deepened our understanding of risks and impacts but also shaped the way we engaged with stakeholders and informed the actions that followed.

Timing	2023
Partner	Article One
Scope	Philip Morris (Pakistan) Limited (PMPKL) operations and tobacco supply chain
Rights holders engaged	More than 100
Action plan	All actions implemented



Why we assessed

PMPKL's operations and tobacco leaf supply chain are situated within a context where women can face significant barriers to participation in education, healthcare, and employment. These wider social and cultural factors can influence women's access to opportunities, their experiences at work, and their ability to raise concerns. We therefore designed the 2023 HRIA as a gender-sensitive assessment. Rather than treating gender as a separate topic, the assessment considered throughout its scope, research, and engagement how impacts could affect people differently depending on their circumstances and responsibilities.

What we heard

The HRIA engaged more than 100 people through interviews and focus groups, including six women-only focus groups at the head office and PMI factories in Sahiwal and Mardan. Article One also met with female social mobilizers engaged by PMPKL who engage with women on leaf farms, helping ensure that perspectives from the tobacco supply chain were included. Women in PMPKL's workforce spoke positively about the company's inclusive culture, including parental leave, flexible working arrangements, and commitment from supervisors. They also highlighted barriers to attracting and retaining women at remote sites, limited awareness of some family-friendly measures, and broader constraints related to mobility, safety, and family expectations.

The assessment also identified issues affecting a wider range of rights holders, including factory health and safety conditions, working conditions for third-party workers, awareness of grievance mechanisms, access to personal protective equipment, and child labor risks on tobacco farms.

How we responded

PMPKL developed a locally owned action plan comprising 43 actions, all of which were implemented by the end of the third quarter of 2026. The plan responded directly to the barriers and concerns raised during the assessment, including those specifically highlighted by women. To make remote sites more accessible and help attract and retain women, PMPKL reviewed its accommodation, daily transport, and smart working arrangements, and assessed daycare and aftercare needs. Consequently, PMPKL Leaf established a daycare facility at Mardan Factory and dedicated female common rooms across all Leaf locations. Further facility upgrades continue to be explored to encourage more women to apply. Alongside these gender-focused measures, the plan addressed factory heat and dust levels, third-party working conditions, and grievance awareness, as well as personal protective equipment and child-labor prevention on leaf farms.



What we learned

The Pakistan assessment demonstrated the value of applying a gender lens throughout the human rights due diligence process to better understand how risks and impacts are experienced differently. It highlighted the importance of adapting engagement methods to local contexts, ensuring that diverse perspectives, including those of groups of stakeholders who may otherwise be underrepresented, are meaningfully captured. It also reinforced that inclusive policies alone are not sufficient: meaningful progress requires translating these insights into targeted, practical actions that address the specific barriers and needs identified.



Bringing womens' perspectives forward

A gender-sensitive HRIA considers how business activities and relationships may affect people differently depending on their circumstances, roles, and access to resources and opportunities.

In Pakistan, women-only focus groups, established internally across the sites, provided a dedicated forum for female employees to share their perspectives on workplace facilities, flexible working hours, childcare, mobility, safety, and family expectations. Beyond PMPKL Leaf operations, the female social mobilizer program reaches women in farming communities, focusing on awareness and knowledge-building across key areas such as farm safety, child rights, water conservation, hygiene, and farming practices that contributes to the empowerment of women in the farming community and tobacco-growing areas. These perspectives helped uncover barriers that might otherwise have been overlooked and informed more targeted responses.



Shafia Naseer, Sr. Manager, Communications and Sustainability, Philip Morris (Pakistan) Limited

"Applying a gender lens to the assessment challenged us to look beyond policies and consider how employees actually experience our workplace and operations. These insights helped translate what we heard into targeted, practical actions that address identified barriers and foster greater inclusion and equal opportunity."

Kazakhstan
Extending due diligence downstream

In Kazakhstan, the HRIA brought together perspectives from across our own operations and the downstream value chain. The findings required a coordinated response spanning multiple business functions and third-party relationships.

Timing	2024
Partner	Article One
Scope	Philip Morris Kazakhstan (PMK) offices, factory and operations; downstream direct and third-party sales, distribution, and retail, including employees of vendor companies
Rights holders engaged	More than 130
Action plan	All actions implemented





Why we assessed

PMK's footprint extends beyond its offices, factory, and direct operations to a network of third-party vendors supporting sales, distribution, and retail activities. These workers may represent or support our business day-to-day, but their experiences are not always fully visible through supplier policies and management systems alone. The HRIA therefore placed particular emphasis on employees of 14 vendor companies, alongside PMK employees. This enabled the assessment to examine how human rights risks and workplace experiences may differ across direct and third-party work-related relationships.

What we heard

The assessment engaged more than 130 PMK employees and third-party workers through focus groups that included people of different genders, roles, and seniority levels, as well as trade union members. Participants highlighted professional development opportunities, flexible work arrangements, competitive benefits, and a strong safety culture. They also commented on the impact of inflation and rising living costs on their perception of wage competitiveness, alongside workload pressures and changing business priorities. Third-party workers raised additional concerns more specific to their employment circumstances: working time arrangements for drivers, limited awareness of grievance channels, personal security considerations raised by retail workers working evening shifts, and the growing use of outsourced roles.

How we responded

PMK developed a cross-functional plan comprising 89 actions, all of which were implemented by the end of the third quarter of 2026. Each issue was assigned to the function or business relationship best positioned to address it, reinforcing local ownership and accountability.

- **Fair employment:**
  PMK continued to benchmark its wages against living wage levels and recommended that relevant third-party suppliers also analyze market wage levels; training and communications on freedom of association were also reinforced.
- **Working conditions:**
  On working time and workload, PMK revised transport service guidance for drivers and monitored workloads in sales and distribution.
- **Third-party workers:**
  Outsourced job roles were analyzed, additional measures were introduced to promote greater supplier compliance with PMI's Responsible Sourcing Principles, and security awareness and measures for retail workers were improved.

What we learned

The HRIA in Kazakhstan showed us that understanding human rights impacts requires looking beyond direct employees to the people who represent our business throughout the downstream value chain. By engaging directly with third-party workers in sales, distribution, and retail, we gained insights that may not have been visible through reviewing supplier processes and policies alone. The assessment reinforced the importance of listening directly to third-party workers and ensuring that human rights due diligence reaches beyond contractual relationships to understand people's day-to-day experiences.

Aziza Nauryzbayeva, Sr. Specialist, Corporate Affairs, Philip Morris Kazakhstan



"Respecting human rights is a shared responsibility. This assessment showed us the value of bringing different perspectives together, challenging assumptions, and looking beyond established processes to better understand people's experience. For our local team, it was an opportunity to turn these insights into concrete improvements and embed human rights considerations more deeply into the way we work."

Turning shared findings into locally owned action

Our Kazakhstan Story of Impact illustrates the importance of translating assessment findings into coordinated, locally driven responses. Drawing on the expertise of PMI's global human rights team and external experts, the market mobilized relevant functions and supplier relationships to develop, and implement, a comprehensive action plan. Clear responsibilities and ongoing monitoring helped integrate corrective actions into local business practices and sustain accountability for their implementation.



Alisher Akkazenov, Manager, Public Affairs & Sustainability, Philip Morris Kazakhstan

"Understanding our impact on people is essential to how we do business. Human rights assessments give us a valuable perspective on people's experiences and help us identify where our practices can be strengthened."

Indonesia
Widening the lens across the value chain

The Indonesia HRIA reached across one of our most diverse operating footprints—from offices to owned manufacturing facilities and third-party operators' manufacturing facilities, retail operations, direct materials suppliers, and the clove supply chain. The breadth of the assessment required close coordination across different parts of the business and approaches tailored to the distinct experiences of each rights holder group.

Timing	2024
Partner	Article One
Scope	PT Hanjaya Mandala Sampoerna Tbk (Sampoerna) offices, commercial teams, owned and third-party operator (TPO) manufacturing facilities, and *IQOS* store vendor employees, as well as a direct materials supplier and traceable clove supply chain
Rights holders engaged	More than 300
Action plan	The large majority of actions have been implemented, with the remaining ones planned for 2027



Why we assessed

Indonesia is one of PMI's largest markets, with a complex and significant footprint. The 2024 HRIA broadened the scope of our previous assessments by including, for the first time, engagement with direct material suppliers, TPO manufacturing facilities, and clove-farming communities. This allowed us to examine how human rights experiences may differ across the various operations and business relationships that make up an extensive value chain.

What we heard

The assessment engaged more than 300 rights holders and identified several areas of good practice across the assessed operations and facilities. Employees at Sampoerna manufacturing facilities and third-party workers at TPO manufacturing facilities described strong health and safety protocols, while clove farmers in the traceable supply chain valued the training and ongoing support provided by the clove supplier. At the same time, the assessment highlighted several areas for continued focus and improvement. These included long commutes and fatigue, work-life balance, overtime, and the attraction and retention of women in manufacturing. Workers at two sampled TPOs raised concerns about their ability to save and cover costs beyond basic needs, while one TPO did not have a formal anonymous grievance mechanism. In the traceable clove supply chain, the assessment highlighted safety risks associated with harvesting at height and the price volatility of clove as a commodity.

How we responded

Sampoerna developed an action plan tailored to the different rights holder groups and parts of the value chain covered by the assessment. Some key measures included:

- **Employees:**
  Work-life balance messaging and monitoring were reinforced, alongside continued health and safety awareness for commuting workers. Some measures were further refined to promote the fair recruitment and retention of female employees in manufacturing.
- **TPO workers:**
  Sampoerna engaged TPOs on wage reviews against applicable local wage requirements and supported the relevant assessed TPO in establishing an anonymous grievance mechanism.
- **Direct materials suppliers:**
  Engagement continued to reinforce expectations under PMI's Responsible Sourcing Principles.
- **Clove farmers:**
  Sampoerna supported suppliers in improving harvesting safety and developing financial-literacy training for clove farmers in the traceable supply chain.



What we learned

The Indonesia assessment reinforced that the broader the scope of an assessment, the more important it becomes to tailor engagement to the people and settings involved. Approaches suitable for office employees may not work equally well for workers in third-party operator manufacturing facilities, retail employees, suppliers, or clove farmers in the traceable supply chain. The assessment also demonstrated the importance of coordination. Translating findings from such a diverse footprint into practical action required different functions, business partners, and suppliers to understand their respective roles and work together.



Retno Ayudiati, Manager, Sustainability Projects, Sampoerna

"The Indonesia HRIA reached across a diverse operational footprint, from sales offices and distribution centers to manufacturing sites, suppliers, third-party retail workers, and clove-farming communities in the traceable supply chain. Close coordination across teams and direct engagement with rights holders helped us understand different experiences across the value chain and develop relevant, practical actions."

Bringing an independent lens to our own operations

Our experience in Indonesia reinforced the value of covering our own operations in our HRIAs. Even where established policies, processes, and oversight mechanisms designed to safeguard working conditions and employee well-being are in place, HRIAs offer an additional layer of scrutiny. By bringing an independent human rights perspective and listening directly to Sampoerna's employees talking about their experiences and concerns, the assessment provided insight into whether these mechanisms were working as intended and helped focus follow-up where it was most needed.



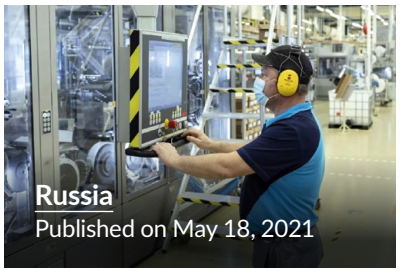
Stories of Impact

You can find all our Stories of Impact dedicated to HRIAs published to date on our website.











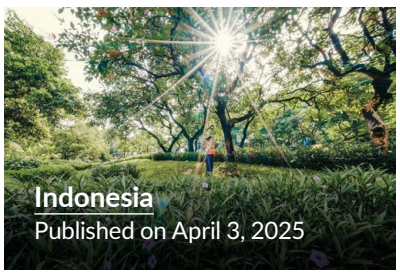


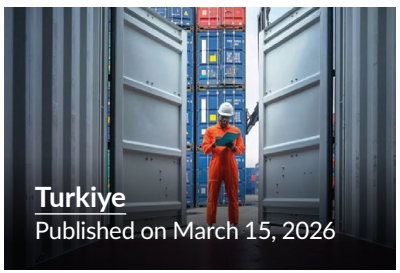














Lessons learned and next steps

The HRIAs we have conducted to date have generated practical insights into what makes human rights due diligence more effective. These lessons reflect what we have learned from applying our approach across different markets, value chain activities, and groups of rights holders.



Context matters

Similar human rights issues can arise across markets, but their causes, the people affected, and the most effective responses often differ. Understanding local realities—including socioeconomic conditions, cultural norms, and regulatory frameworks—and how these shape the experiences of different groups—including women, migrant workers, temporary workers, and other potentially vulnerable populations—helps us develop more relevant and inclusive responses.



How we listen matters

Meaningful listening starts with approaching each conversation with empathy, compassion, and kindness. Engaging directly with employees, workers, farmers, suppliers, communities, and other stakeholders means making space for their experiences, not simply gathering information. Fostering psychological safety—so people feel able to speak openly, ask questions, and share concerns without fear of judgment or retaliation—is essential to building trust. Tailoring how we engage with different people and settings helps more voices be heard and brings forward insights that research alone cannot provide. It also helps us shape practical, locally relevant responses alongside rights holders, who are often closest to both the impacts and the solutions.



Prioritization enables greater focus

HRIAs can surface a wide range of issues, not all of which carry the same level of risk or require the same response. Deciding where and how to act requires technical expertise to assess the severity, scale, and context of potential impacts; common sense to ground responses in everyday realities; strategic thinking to direct resources where they can make the greatest difference; and wisdom to weigh complexity, recognize the limits of our understanding, and consider the longer-term consequences for people. Bringing these together helps us make informed, proportionate choices while ensuring that other findings are appropriately managed and monitored.



Action depends on local ownership and collaboration

Lasting progress requires local ownership and partnerships shaped around the realities of each community. Third parties bring expertise, independent perspectives, and local knowledge that complement our own capabilities and help translate findings into practical interventions. Working across functions and markets, and alongside suppliers, external partners, and rights holders, helps us tailor responses to local needs, build capacity, and embed improvements into everyday practices. Clear accountability, sustained collaboration, and ongoing monitoring help our interventions remain relevant and create lasting impact for the people they are intended to support.



Progress comes through iteration

Each HRIA is a learning experience in its own right—not only because of what it reveals, but because of what we learn through the process of listening, questioning assumptions, and working alongside people in a particular context. Learning happens throughout the assessment and continues as we put findings into practice. Monitoring actions and returning to markets helps us understand whether interventions are delivering meaningful outcomes, what needs to change, and where further action is needed. We carry these lessons forward to refine our methods and responses, so that each assessment builds on previous experience while remaining open to what a new context can teach us.

Next steps

These lessons are already shaping what comes next. Guided by our Value Plan 2030+, we plan to extend HRIAs to new markets and deeper into our evolving value chain, including our electronics and nicotine supply chains; strengthen the follow-up and monitoring of action plans; and continue to align our approach with international standards and evolving regulation.

Above all, we will keep listening with care, learning with humility, and working alongside the people whose experiences give this work its meaning. Each conversation is an opportunity to understand more deeply; each assessment, a chance to turn that understanding into action. Respecting human rights is a commitment we bring to life every day—in how we treat one another, the choices we make, and the progress we build together.



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