



# PMI GENDER PAY GAP REPORT 2026



PHILIP MORRIS LIMITED



## AT A GLANCE:

Philip Morris Limited (PML) and  
PMI Global Studio Limited (GSL)

- > The total median pay gaps for our two UK businesses (PML -20.73% & GSL 8.15%) remain lower than the UK national average (12.8%)<sup>1</sup>
- > We continue to pay bonuses to the majority of our employees and have near-parity in proportion of men and women receiving bonuses. We have also seen an overall increase in the percentage of people receiving bonuses across both our businesses.
- > Our long-term trend on increasing representation of women across both businesses is strong, and in GSL we saw further progress towards representation parity.
- > We saw encouraging developments regarding the mean pay gap in PML, as we closed the gap by over six percentage points.
- > We have continued our coaching, early careers and leadership programmes, which help all our people realise their potential and accelerate their careers.
- > We remain committed to ensuring we attract, develop and retain female talent, particularly into senior leadership positions.

<sup>1</sup> ONS Gender Pay Gap for all employees in the UK - 2025. Gender Pay Gap in the UK - Office for National Statistics (<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2025>)

## WHY GENDER BALANCE MATTERS TO OUR UK BUSINESSES

**At Philip Morris, we know that if we want to meet the needs of our consumers, we need a workforce which represents our consumer base and is empowered to be their best. To achieve that, we need to foster a workplace where people from all backgrounds can learn, grow, and can feel confident in their ability to deliver great results.**

We continue to work hard on fostering a strong company culture. Our values – our company DNA – have fairness, equity and empowerment running through them, and are used to create a great place to work recognised by our people and our peers. We want individuals of all genders to have equal access to opportunities for professional development and the ability to grow their careers and play a part in our success.

We have seen progress in our Gender Pay Gap reporting numbers this year, with positive results in both businesses. We have maintained a median pay gap below the national average and will continue our work as we aim to make more meaningful progress in the coming months and years.

This report details our progress and the strategies we have in place – all of which are central to our wider purpose of creating a smoke-free future.

We confirm the data and information presented in this report is accurate and meets the requirement of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



**Tatsu Izumi**  
People and Culture Director  
UK&I



**Natalie Gardiner, Director**  
PMI Global Studio

# DEFINING THE GENDER PAY GAP

Gender pay gap reporting provides a framework for employers to measure and identify differences in men and women's pay. Employers are encouraged to analyse the root cause(s) of pay differences, and work to reduce – and eventually – remove them.

The gender pay gap compares the base and bonus pay of all men and women in an organisation, without considering differences in job roles, experience and qualifications. The gender pay gap is not the same as 'equal pay' – paying men and women equally for performing identical roles – which has been a legal requirement in the UK since 1970.

## Key Metrics

- ▶ **Gender representation** - The proportion of men and women employed.
- ▶ **Median total gender pay gap** - The difference between the average equivalent hourly earnings of men and women. Reported by gender, this is the salary that would be in the middle, if each salary were listed in numerical order. This is generally thought to be the best representation of what is 'typically' earned by the average employee of the respective gender.
- ▶ **Mean total gender pay gap** - This is best understood as the 'true' average of the equivalent hourly earnings of men and women – the sum of men's salaries and of women's salaries divided by the number of employees of the respective gender.
- ▶ **Pay quartiles** - Salaries across the business are ranked from highest to lowest and divided into four evenly sized groups. The percentage of men and women in each group is reported.
- ▶ **Bonus pay gap** - The difference between women's and men's bonuses paid over the 12-month period before the snapshot date – both median and mean bonus pay gaps are reported.
- ▶ **Bonus proportions** - The proportions of men and women who received bonus pay during the reporting period.

# OUR RESULTS: PHILIP MORRIS LIMITED

Philip Morris Limited (PML) is the UK affiliate of Philip Morris International. PML is the commercial business and consists of commercial and sales functions, and enabling services such as Legal, Supply Chain, IT, Human Resources, Finance and others.

We made good progress on our mean gender pay gap equalisation, with our mean pay gap reducing from 9.76% to 3.37%, and we aim to continue this trajectory. Our median pay gap moved further in favour of women, now at -20.73%, and we will continue to monitor this gap and take action if necessary.

Whilst we saw a slight dip in representation of women in our overall population, our longer-term trend remains positive and we saw good progress in the upper-mid quartile, where an increase of female representation of over six percentage points illustrates the positive impact of our longer-term representation strategies.

We continue to pay a bonus to a significant percentage of our employees, with the number of men and women receiving a bonus broadly equitable. We currently see a disproportionate result for median bonus pay gap, where the skew in results is underpinned by a high number of small monetary awards made across our Field teams, whose population over-indexes for men.



# OUR RESULTS: PMI GLOBAL STUDIO LIMITED

The primary function of PMI Global Studio Limited (GSL) is to provide creative services to PMI's global operations. However, it has grown over recent years to incorporate complementary enabling functions such as Legal, IT, Corporate Affairs, and business services on behalf of the global business.

Global Studio is in its fourth year of reporting. This year we see continued improvement in the representation of women in the business, with overall representation rising again, now to 42.6%.

We see broad stability in our pay gap reporting, with a slight shift in the mean favouring men, and a slight shift in the median favouring women. We reduced both mean and median bonus pay gaps and continue to pay bonuses to the vast majority of our employee base.

Our pay quartiles have remained broadly stable – we will continue to monitor and address the distribution of talent and remuneration within our business.



# OUR COMMITMENT TO REDUCING THE GAP

## Attraction

- > We continue to focus on an inclusive approach for our recruitment processes, including job descriptions and interview shortlists and panels. We also periodically run campaigns designed to attract a wider diversity of candidates into our talent pool.
- > We continue to partner with a number of external organisations to maximise our appeal and the breadth of the talent pool available to us. Our partnership with industry bodies such as GroceryAid went from strength to strength, across both industry collaboration and in terms of GroceryAid's inclusive arm, which aims to improve support for employees across the grocery sector.
- > Following eight successful years, our graduate accelerator programme, EVOLV, has itself evolved into a European-wide programme to invest in early careers and develop junior talent, as part of our wider strategy to develop a diverse internal pool of potential future leaders.

## Retention and progression

### Development programmes

- > We invest significantly in wide range of learning opportunities for our employees, incorporating individual development, career and technical training, international assignments and more. Our large in-house suite of programmes including License to Lead (manager development programme) and Accelerate, through to financial assistance for pursuing external certification or further education, ensures people from all backgrounds have the opportunity to develop and fulfil their potential.

### Benefits

- > Our extensive suite of benefits from private medical and dental coverage, a monthly flex-pot allowance as well as enhanced family leave schemes all ensure our employees are well-supported throughout different life stages. We promote our company Employee Assistance Programme as well as industry-provided options.

### Employee listening

- > We encourage employees to feed back regularly, whether through our annual Pulse survey or through smaller focus groups or individual line manager feedback. We act on our employees' feedback to shape our engagement and inclusion efforts.

### Employee Resource Groups

- > We have six global employee resource groups, which provide our people with supportive networks to connect with. These communities celebrate cultural events, increase awareness of specific topics, and play a part in shaping our culture. Our global ERGs are: AdvantAGE – age diversity; Embrace – race and ethnicity; Parents@PMI - parents and caregivers; PMI Able – disability; Stripes – LGBTQ+; Women's Inspiration Network – gender (women).

### Flexible working

- > We recognise our employees are whole people, and work is just one part of their lives. We encourage hybrid working to enable people to benefit from both in-home and in-office environments. We offer flexibility for start and finish times and for working schedules.

### Inclusive environment

- > We continue to provide our employees with access to dedicated inclusion and wellbeing speaker sessions and training courses, proactive career management, numerous cultural activations, social activities, and more. Our leadership team regularly participate in dedicated sessions to support their inclusive leadership journeys.