



# PHILIP MORRIS ČR

The Board of Directors of

**Philip Morris ČR a.s.**,

whose registered office is in Kutná Hora, Vítězná 1, postcode: 284 03,

identification number: 14803534,

registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, File 627

(the "**Company**"),

hereby in accordance with Section 418 *et seq.* of Act No. 90/2012 Coll., on Business Companies and Cooperatives (the Act on Business Corporations), as amended (the "**Business Corporations Act**"), in conjunction with Section 19 of Act No. 191/2020 Coll., on Certain Measures to Mitigate Impacts of the SARS CoV-2 Coronavirus Epidemic on Litigants, Aggrieved Parties, Victims of Crime and Legal Entities and on Amendment of the Insolvency Act and the Civil Procedure Code ("**Lex Covid**"),

sets out these

## **instructions for the decision-making by the General Meeting of the Company outside the meeting ("*per rollam*")**

(the "**Per Rollam Instructions**")

### **Article 1**

#### **Basic Provisions**

1. These *Per Rollam* Instructions, in conjunction with the Business Corporations Act and Lex Covid, regulate the rules for proving the authorisation of the General Meeting of the Company to make decisions outside the meeting (the "**per rollam decision-making**"), the method of exercising shareholders' rights and the voting rules within the *per rollam* decision-making, including rules for the delivery of documents.
2. The *per rollam* decision-making consists in the exercise of voting and other shareholder rights in writing without the personal participation of shareholders at the General Meeting, through written submissions delivered to the Company. The *per rollam* decision-making takes place in three steps: (1) distribution of the draft decisions; (2) delivery of the shareholders' opinions on the draft decisions; and (3) announcement of the voting results and date of adoption of the decisions to the shareholders. A decision taken *per rollam* is a decision of the General Meeting as the supreme body of the Company, taken outside the General Meeting.
3. For the purposes of these *Per Rollam* Instructions, the term "shareholder" also includes any representative (proxy) of the shareholder, unless stipulated otherwise below or unless the meaning of the particular provision requires otherwise.
4. If these *Per Rollam* Instructions are not complied with in the exercise of shareholder rights, the legal acts of the shareholders will not be taken into account, unless stipulated otherwise below. If, in exercising the right to vote, the non-compliance with the instructions only relates to one of the draft decisions, the legal acts of the particular shareholder will not be taken into account in relation to the relevant point regarding which the shareholder did not comply with the *Per Rollam* Instructions.
5. Unless stipulated otherwise below, the timing of the *per rollam* decision-making is specified in the timetable of the *per rollam* decision-making which forms part of the information of the Board of Directors on its decision to perform the decision-making of the General Meeting outside the meeting ("*per rollam*"), which is published in a manner allowing for remote access on the following website: <http://www.philipmorris.cz>, in section titled "For shareholders" (the "**Website**"). Terms related to the timing of the *per rollam* decision-making used in these *Per Rollam* Instructions have the same meaning as defined in the aforementioned timetable.

### **Article 2**

#### **Organisation of the *Per Rollam* Decision-Making**

1. The organiser of the *per rollam* decision-making is ADMINISTRER, spol. s r.o., whose registered office is at Husova 109/19, Kutná Hora – Vnitřní Město, 28401 Kutná Hora, identification number 47551054 (the “**Organiser**”). The Organiser arranges for the Company the receipt and sending of documents, counting of votes, and evaluation of the *per rollam* decision-making.
2. Any person who is a shareholder of the Company as at the date decisive for the *per rollam* decision-making (the “**Decisive Date**”) has the right to participate in the *per rollam* decision-making and exercise shareholder rights. In the case of the Company’s book-entered shares, the shareholder entitled to exercise voting and other shareholder rights, directly or by proxy, is any shareholder who is listed in the extract from the Issue Register of the Company, i.e. in the Register of Book-Entered Securities maintained under a special legal regulation as at the Decisive Date. In the case of the Company’s certificated shares (securities), the shareholder entitled to exercise voting and other shareholder rights, directly or by proxy, is any shareholder listed in the List of Shareholders of the Company as at the Decisive Date (unless it is proven that the relevant entry in the List of Shareholders as at that date does not reflect the actual state of affairs). An extract from the Register of Book-Entered Securities and from the List of Shareholders will be provided by the Company.
3. The form to exercise the voting rights (the “**Voting Form**”) will be sent to persons who are shareholders as at the Decisive Date via a mail service provider together with draft decisions and other background documents for the *per rollam* decision-making (the “**Draft Decisions**”) to the addresses specified in the Register of Book-Entered Securities or in the List of Shareholders. The background documents for the *per rollam* decision-making are published on the Website, where they will be available to the shareholders throughout the period of the *per rollam* decision-making. If a shareholder is represented in the exercise of that shareholder’s rights associated with shares issued as book-entered securities by a person registered as at the Decisive Date in the Register of Investment Instruments or in the Issue Register of the Company, i.e. in the Register of Book-Entered Securities maintained under a special legal regulation, as an administrator or as a person authorised to exercise rights associated with shares in accordance with Article 3 (7) of these *Per Rollam* Instructions, the Voting Form shall also be sent, including the Draft Decisions and other background documents for the *per rollam* decision-making, to the relevant representative (proxy) to the address specified in the respective register.

### Article 3

#### **Proving the Authorisation to Perform the Per Rollam Decision-Making**

1. A shareholder – individual who was a shareholder of the Company as at the Decisive Date proves that shareholder’s authorisation to perform the *per rollam* decision-making by means of an officially verified signature on the Voting Form. If a shareholder is represented by a proxy, the proxy is obliged to attach to the Voting Form a written power of attorney to represent the shareholder in the exercise of that shareholder’s voting and other shareholder rights within the *per rollam* decision-making (the “**Power of Attorney**”) with an officially verified signature of the proxy, unless stipulated otherwise below. If a Voting Form or a Power of Attorney is signed before foreign authorities or institutions, or if verification clauses of any foreign authorities or institutions are attached to a Voting Form or a Power of Attorney, an apostille or any other clause or verification required in official communication by the Czech authorities in the case of similar foreign documents must be attached to those documents. If a Power of Attorney or any of the said clauses or verifications is made in a foreign language (with the exception of Slovak), an official translation thereof into the Czech language must be attached to it.
2. In the case of a shareholder – legal entity who was a shareholder of the Company as at the Decisive Date, the person authorised to act on behalf of the shareholder proves that person’s authorisation by that person’s officially verified signature on the Voting Form and by the original or an officially verified copy of the up-to-date extract related to that entity from the Commercial Register or any other relevant register (not older than 3 months) proving the existence of the legal entity and certifying that person’s right to act on behalf of the legal entity. If the shareholder is represented by a proxy, the proxy is obliged to attach to the Voting Form a written Power of Attorney with an officially verified signature of the proxy – the person representing the principal, unless stipulated otherwise below. If a Voting Form, a Power of Attorney or an extract from the Commercial Register or any other relevant register is signed before or made by foreign authorities or institutions, or if verification clauses of any foreign authorities or institutions are attached to a Voting Form, a Power of Attorney or an extract, an apostille or any other clause or verification required in official communication by the Czech authorities in the case of similar foreign documents must be attached to those documents. If any of the aforementioned documents, clauses or verifications is made in a foreign language (with the exception of Slovak), an official translation thereof into the Czech language must be attached to it.
3. An officially verified signature on the Voting Form can be replaced by an electronic signature in certain pre-defined cases. Electronic signature means a recognised electronic signature within the meaning of Act No.

297/2016 Coll., on Services Creating Trust in Electronic Transactions, i.e. a guaranteed electronic signature based on a qualified certificate for electronic signature or qualified electronic signature (the “**electronic signature**”).

4. To grant a written Power of Attorney, shareholders may also use a form which is published on the Company's Website and at the Company's registered office. Any shareholder has the right to request the sending of a Power of Attorney form in printed form or by electronic means at that shareholder's own expense and risk.
5. Any communications concerning the granting of any Powers of Attorney as well as of their revocations by the relevant principal(s) may only be delivered to the Company in writing, by any of the delivery methods set out in the rules for the delivery of documents pursuant to Article 6 of these *Per Rollam* Instructions and with any formal requirements stipulated therein (including the authorised conversion). For the purpose of seamless processing, it is requested that the relevant matter be properly identified in the subject of the relevant message, namely as a “*Per Rollam* Power of Attorney”. If any such notification does not allow the Company to assess the compliance of the Power of Attorney with statutory requirements or to unambiguously identify the signatory (especially if no electronic signature as defined above) is attached to the Power of Attorney), the Company is entitled to request additional information to verify the particular shareholder's representation.
6. Shareholders may also be represented in the exercise of rights associated with shares issued as book-entered securities by a person registered as at the Decisive Date in the Register of Investment Instruments or in the Issue Register of the Company, i.e. in the Register of Book-Entered Securities maintained under a special legal regulation, as an administrator or as a person authorised to exercise rights associated with shares. Instead of a Power of Attorney, such a person proves that person's identity with an extract from the Register of Investment Instruments or an extract from the Register of Book-Entered Securities. The aforementioned extract must indicate the authorisation of the relevant person to represent and exercise the rights of the shareholder.
7. The rules governing representation (or the exercise of shareholder rights) by an administrator or a person authorised to exercise rights associated with shares on behalf of a shareholder contained in paragraph 6 of this article will not apply if the Company is delivered, in a manner and to the addresses specified in Article 6 (2) of these *Per Rollam* Instructions, a manifestation of the shareholder's will to recall or limit that shareholder's representation so that the representation in the *per rollam* decision-making is not permitted within the given scope, or if the shareholder exercises that shareholder's voting right directly and not through an administrator.

#### **Article 4**

##### **Manner of Exercising Shareholders' Rights**

1. Each shareholder exercises that shareholder's rights in person or by proxy, unless legal regulations stipulate otherwise. Each shareholder is therefore entitled, in accordance with legal regulations, to participate in the *per rollam* decision-making and to vote, and has the right to request and receive from the Company explanations of matters concerning the Company or its controlled persons, if such explanations are necessary for the assessment of matters included in the *per rollam* decision-making or for the exercise of shareholder rights related thereto. The raising of proposals and counter-proposals by a shareholder is not permitted, except for the rights of a qualified shareholder under Article 9 of these *Per Rollam* Instructions. Shareholder rights are only exercised in writing.

#### **Article 5**

##### **Rules for Voting within the *Per Rollam* Decision-Making**

1. The registered capital of the Company amounts to CZK 2,745,386,000 (in words: two billion seven hundred and forty-five million three hundred and eighty-six thousand Czech crowns). The Company issued 1,913,698 ordinary registered book-entered shares (which constitute book-entered securities) and 831,688 ordinary registered shares (which constitute certificated securities), i.e. a total of 2,745,386 shares with a nominal value of CZK 1,000 each, as at the Decisive Date. Each share of the Company is associated with one vote for the *per rollam* decision-making, i.e. the total number of votes is 2,745,386 votes. The majority decisive for the adoption of all decisions (i.e. the absolute majority) is calculated from the total number of votes of all shareholders of the Company.
2. The exercise of the voting right within the *per rollam* decision-making is only performed in writing, namely in printed form or in electronic form pursuant to Article 6 of these *Per Rollam* Instructions (due to the necessity of legal certainty in connection with the proper identification of shareholders, no other forms of voting using any other technical means, e.g. a telephone, are permitted). The shareholders or their proxies will express their opinions on the Draft Decisions and vote on them only using the Voting Form intended for the shareholders'

opinions on the Draft Decisions, which forms part of the Draft Decisions. The Voting Form delivered to the Company's shareholder via a mail service provider as well as the Voting Form published on the Website as at the date on which the Draft Decisions are sent to the Company's shareholders can be used for voting. It is necessary to print out the Voting Form published on the Website and complete it.

3. Voting begins on the day on which the Draft Decisions are sent to the shareholders. As of the day on which the Draft Decisions are sent, the Voting Forms will also be published on the Website. The proposal(s) of the Board of Directors or the Supervisory Board, or counter-proposal(s) of the Board of Directors or the Supervisory Board raised in connection with any proposal(s) of a shareholder or shareholders holding shares with an aggregate nominal value of at least 1% of the registered capital, are voted on first.
4. Each of the shareholders will vote on the Draft Decisions by completing the Voting Form and delivering the completed Voting Form to the Company in writing in accordance with the rules for the delivery of documents set out in Article 6 of these *Per Rollam* Instructions. In order for the Voting Form to be taken into account, it must be delivered within the period for the delivery of the shareholder's *per rollam* opinion on the Draft Decisions (the "**Voting Period**"). If a shareholder does not deliver the completed Voting Form within the Voting Period, it means that the shareholder does not agree with all Draft Decisions. If a shareholder does not wish to participate in the *per rollam* decision-making, that shareholder does not need to complete the Voting Form and send it to the Company. This means then that the shareholder does not agree with the Draft Decisions.
5. Each shareholder shall state the following information on the Voting Form:
  - a. that shareholder's name, surname, date of birth and residence address, if the shareholder is an individual, or that shareholder's trade or business name, registered office, identification number (and in the case of foreign entities a similar registration number, if assigned) and details of its acting person (if a legal entity);
  - b. the number of shares with which the shareholder participates in the voting. If the number of shares is not specified in the Voting Form or if the number of shares is higher than that resulting from the Register of Book-Entered Securities or the List of Shareholders as at the Decisive Date, the shareholder will participate in the *per rollam* decision-making to the extent of the shares specified in the Register of Book-Entered Securities or the List of Shareholders as at the Decisive Date. If a lower number of shares is specified in the Voting Form than that resulting from the Register of Book-Entered Securities or the List of Shareholders as at the Decisive Date, the shareholder will participate in the *per rollam* decision-making to the extent of that lower number of shares specified in the Voting Form;
  - c. marking one of the "IN FAVOUR" or "AGAINST" options with a cross at the relevant point of the respective Draft Decision, or not marking either of these two options. The shareholder's consent is expressed by marking the option "IN FAVOUR", and the shareholder's dissent is expressed by marking the option "AGAINST" or by not marking either of the two options. If the shareholder does not agree with the content of all Draft Decisions, that shareholder does not need to complete the Voting Form and send it to the Company. This means then that the shareholder does not agree with the Draft Decisions;
  - d. a handwritten signature of the shareholder, either with official verification or in the form of an electronic signature in accordance with the rules for the delivery of documents pursuant to Article 6 of these *Per Rollam* Instructions. In accordance with Article 6 (2) (b) of these *Per Rollam* Instructions, the official verification of a signature on the Voting Form is not required if the Voting Form is sent via a data box.
6. The shareholder is not entitled to change the Voting Form in any manner or otherwise interfere with it, with the exception of stating on it that the amendment constitutes a change or revocation of a vote cast earlier pursuant to paragraphs 8 and 9 of this article. If the text in the Voting Form is changed, crossed out or rewritten by the shareholder, the Voting Form will be invalid in the particular point or points of voting so amended and that shareholder's vote on the particular point or points will not be taken into account. If the shareholder's will is not clearly apparent from the Voting Form, i.e. if it is not clearly apparent from the Voting Form whether the shareholder has marked the option "IN FAVOUR" or "AGAINST", or if the shareholder has not indicated either of the options (e.g. both options are selected or the vote is confusing for any other reason), the Voting Form will be invalid in this point and the vote on this point will not be taken into account.
7. Manifestations of will of shareholders that are not expressed in the Voting Form issued by the Company are invalid and will not be taken into account. Voting Forms that are torn are also invalid. Damage to or folding of the Voting Form does not affect its validity if the voting information is clearly shown in the Voting Form. The vote is invalid if several Voting Forms are contained in one envelope, with the exception of split voting (as defined below).
8. The shareholder has the right to revoke or change that shareholder's vote that has already been cast, in writing on a new Voting Form delivered to the Company in accordance with the rules for the delivery of

documents set out in Article 6 of these *Per Rollam* Instructions. In order for the new Voting Form to be taken into account, it must be delivered to the Company within the Voting Period. New Voting Forms received after this period will not be taken into account. On the new Voting Form, the shareholder will express that shareholder's will by marking one of the options "IN FAVOUR" or "AGAINST" with a cross at the relevant point of the respective Draft Decision or by not marking either of the two options. If the shareholder does not mark either of the two options, it means that the shareholder does not agree with the Draft Decisions. The voting rules set out above will apply *mutatis mutandis*.

9. A shareholder does not have to exercise the voting rights associated with all of that shareholder's shares in the same manner; this also applies to that shareholder's attorneys. If a shareholder wishes to exercise the voting rights associated with a part of that shareholder's shares only (the "**split voting**"), that shareholder will specify in the Voting Form the number of that shareholder's shares with which that shareholder is voting. For split voting, a shareholder may use several Voting Forms available on the Website and may send them to the Company in one envelope. If the sum of shares specified in all Voting Forms exceeds the number of shares of that shareholder as stated in the relevant register as at the Decisive Date, none of the Voting Forms will be taken into account. The possibility of revocation and change will apply *mutatis mutandis* to the split voting pursuant to Article 5 (8) of these *Per Rollam* Instructions. However, in the event of a revocation or change, the shareholder may only use such distribution of that shareholder's votes which that shareholder used at the time when that shareholder first exercised the split voting option. The split voting option will be first exercised when the original split voting results (before any change or revocation thereof) are delivered to the Company. If the sum of the shares specified in the new Voting Forms exceeds the number of the shares as listed in the relevant register as at the Decisive Date, no Voting Form will be taken into account. In order for the new Voting Form (new Voting Forms) to be taken into account, it (they) must be delivered to the Company within the Voting Period. New Voting Forms received after this period will not be taken into account. It must be clear from the new Voting Form that this is a revocation or change of vote.
10. The signature on the Voting Form must be officially verified. If the Voting Form is signed before foreign authorities or institutions or if verification clauses of any foreign authorities or institutions are attached to it, an apostille or any other clause or verification in accordance with Article 3 of these *Per Rollam* Instructions must be attached to it. The Voting Form becomes complete when an apostille or any other clause (if required) is attached. If the signature on the Voting Form is not officially verified or if no apostille or any other clause is attached to it, the Voting Form will be considered invalid and will not be taken into account. Likewise, those Voting Forms will not be taken into account to which no documents proving the authorisation to perform the *per rollam* decision-making in accordance with Article 3 of these *Per Rollam* Instructions are attached, i.e. a Power of Attorney in the case of a shareholder's proxy, or an extract from the Commercial Register or any other relevant register in the case of a shareholder – legal entity. Article 5 (5) (d) of these *Per Rollam* Instructions will also apply to the official verification of a signature on the Voting Form.

## **Article 6**

### **Rules for the Delivery of Documents**

1. A shareholder's vote is effective *vis-à-vis* the Company upon the timely delivery of the Voting Form meeting the specified formal requirements, including the documents proving the shareholder's authorisation to perform the *per rollam* decision-making in accordance with Article 3 of these *Per Rollam* Instructions. Only a Voting Form with the relevant documents attached constitutes a complete Voting Form. No incomplete or late Voting Forms will be taken into account. If a shareholder does not submit that shareholder's consent to the Draft Decision(s) within the Voting Period, this means that the shareholder does not agree with the Draft Decision(s).
2. The complete Voting Form can be delivered to the Company in writing in the following manners:
  - a. by sending the Voting Form, including all attachments, via a mail service provider to the address of the Organiser, ADMINISTER, spol. s r.o., i.e. located at Husova 109/19, Kutná Hora – Vnitřní Město, 28401 Kutná Hora;
  - b. by sending the Voting Form, including all attachments, to the Organiser's data box, whose address (ID) is: j3sjbnj. The signature on the Voting Form does not need to be officially verified in the case of the sending via the data box. All other attachments (e.g. Powers of Attorney, extracts from the Commercial Register) sent via the data box must be converted by means of the authorised document conversion that is provided, *inter alia*, by the contact points of the Czech Point public administration;
  - c. by sending the Voting Form, including all attachments, to the following e-mail address: [philipmorriscr@per-rollam.cz](mailto:philipmorriscr@per-rollam.cz), in any of the following manners:
    - i. by e-mail without an electronic signature: the Voting Form including the official verification of the signature must be converted by means of the authorised document conversion that is provided,

- inter alia*, by the contact points of the Czech Point public administration;
- ii. by e-mail with an electronic signature: in such a case, the official verification of the signature on the Voting Form can be replaced by an electronic signature attached to a pdf form that has been completed manually and signed with a handwritten signature. All other attachments (e.g. Powers of Attorney, extracts from the Commercial Register) sent by e-mail with an electronic signature must be converted by means of the authorised document conversion that is provided, *inter alia*, by the contact points of the Czech Point public administration.
3. For the avoidance of doubt, Voting Forms including any attachments, as well as any other documents delivered in any of the above manners to the addresses listed above in paragraph 2 of this article will be deemed to have been delivered to the Company.

## **Article 7**

### **Evaluation of the Vote and Announcement of the Voting Results**

1. The vote or, more precisely, the *per rollam* decision-making, will be evaluated after its completion. The date on which the decision is adopted will be the day following the day of expiry of the Voting Period. The shareholders of the Company will be informed of the results of the *per rollam* decision-making in accordance with the relevant legal regulations.

## **Article 8**

### **Right to Explanation(s)**

1. The shareholders may only submit their requests for explanations in writing in accordance with the rules for the delivery of documents set out in Article 6 of these *Per Rollam* Instructions. In addition to submitting a request pursuant to the rules for the delivery of documents in accordance with Article 6 of these *Per Rollam* Instructions, a request for explanation may also be submitted electronically by sending it to the following e-mail address: [philipmorris.cz@pmi.com](mailto:philipmorris.cz@pmi.com). Requests for explanations may be submitted from the date of notification of the intention on the Website until the end of the Voting Period.
2. The Company will provide explanations of matters related to the *per rollam* decision-making to the shareholder in writing, namely in the form of a letter sent to the shareholder's address or electronically by e-mail, depending on the manner in which the request for explanation(s) was submitted, by the end of the Voting Period. If this is not possible due to the complexity of the explanation, the Company will provide an explanation to all shareholders within 15 days of the completion of the vote, even if this is no longer necessary for the assessment of matters intended for the *per rollam* decision-making or for the exercise of other related shareholder rights, in the form of a notification published on the Website.
3. An explanation can be provided in the form of a summary answer to several questions of similar content. The explanation will also be published on the Website. It will be deemed that the explanation was given to the shareholder if the information was published on the Website no later than on the day preceding the expiry of the Voting Period. If the information is provided to a shareholder, any other shareholder has the right to request this information without following the procedure for exercising the right to receive an explanation described above.
4. The Board of Directors of the Company may refuse to provide an explanation in whole or in part if its provision could cause harm to the Company or its controlled persons, if it constitutes inside information or classified information under another legal regulation, or if the requested explanation is publicly available. The fulfilment of the conditions for the refusal to provide an explanation will be assessed by the Company's Board of Directors and the reasons will be communicated to the shareholder. A notice of refusal to provide an explanation will be published on the Website.
5. Each shareholder has the right to request that the Company's Supervisory Board determine that the conditions for refusing to provide an explanation have not occurred and that the Company's Board of Directors is obliged to provide an explanation to the shareholder. The Company's Supervisory Board will decide on the shareholder's request within the Voting Period, and if this is not possible, within 5 business days from the date of expiry of this period. If the Company's Supervisory Board does not agree with the provision of an explanation or does not express its opinion within the aforementioned period of 5 business days, the court will decide whether the Company is obliged to provide the information, based on an application of the particular shareholder.

## Article 9

### Rights of a Qualified Shareholder

1. At the request of a shareholder or shareholders holding shares with an aggregate nominal value of at least 1% of the registered capital, the Board of Directors of the Company will include in the Draft Decisions a matter determined by that shareholder (those shareholders) provided that a resolution is proposed or that the inclusion of the matter is justified in respect of each particular matter and that the request can be processed, with respect to the nature and course of the *per rollam* decision-making, without any unreasonable administrative burden, unreasonable costs or unreasonable efforts being incurred.

Kutná Hora, on 4 May 2020

**Philip Morris ČR a.s.**



Andrea Gontkovičová

Chairperson of the Board of Directors

**Philip Morris ČR a.s.**



Petr Šedivec

Member of the Board of Directors