

INDEPENDENT AUDITOR 'S REPORT ON THE ASSURANCE ENGAGEMENT

To the General Shareholders' Meeting of Philip Morris ČR a.s.

Introduction

We have been engaged by the Board of Directors of Philip Morris ČR a.s. (the "Company") on the basis of an agreement on the assessment of the Remuneration Report according to the Section 121q of the Act No. 256/2004 Coll. on Capital Market Business as amended (hereinafter the "Capital Market Business Act") to conduct a reasonable assurance engagement regarding the attached Remuneration Report for the year ended 31 December 2023 (the "Remuneration Report") prepared by the Company's Board of Directors and including information required by the Section 121p of the Capital Market Business Act.

Applicable Criteria and Description of the Subject Matter

The subject matter of our engagement was the assessment whether the Remuneration Report required by the Section 121q of the Capital Market Business Act includes the information required under the Section 121p of the Capital Market Business Act.

The auditor's task is not to verify the factual accuracy of the Remuneration Report and the information contained therein.

Purpose of the Report

This independent auditor's report is intended solely to meet the requirements of the Capital Market Business Act and for your information and may not be used for other purposes or distributed to other recipients. The report relates only to the Remuneration Report and may not be linked to the Company's financial statements as a whole.

Responsibility of the Board of Directors

The Board of Directors of the Company is responsible for preparation of the Remuneration Report according to the Section 121q of the Capital Market Business Act. The Board of Directors of the Company is responsible for publishing the Remuneration Report on the Company's website and for providing access to it free of charge for at least 10 years from the date of the general meeting at which the resolution evaluating the Remuneration Report was adopted.

The Board of Directors is also responsible for the preparation of financial data and non-financial information as well as for the design, implementation and maintenance of systems and processes of internal control and accounting records, that are necessary to enable preparation of a Remuneration Report that is free of material misstatements and complies with the applicable requirements.

Auditor's Responsibility

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance that the Remuneration Report contains the required information.

We apply the principles of internal quality control standard ISQM 1 and accordingly maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is

founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Summary of the work performed

The procedures selected depend on our judgment. The procedures performed include, in particular, interviewing relevant persons and other procedures aimed at obtaining audit evidence about the Remuneration Report.

The verification performed is a contract expressing limited assurance. The nature, time-consuming and scope of the procedures performed for a verification engagement expressing limited assurance are limited compared to the requirements for an engagement expressing reasonable assurance, and therefore the associated level of assurance is lower.

Our procedures included, among others:

- understanding the resolutions of the general meeting of the Company regarding the remuneration policy for members of the Management Board and the Supervisory Board, other persons according to the Section 121m of the Capital Market Business Act, as well as any supplementary resolutions of the Supervisory Board and other documents regulating the remuneration policy subject to the disclosure requirement in the Remuneration Report;
- understanding the procedures adopted by the Supervisory Board and the Board of Directors to meet the requirements of the remuneration policy and preparation of the Remuneration Report, and assessment of the application of the applicable criteria for the preparation of the Remuneration Report;
- identifying a list of persons according to the Section 121m of the Capital Market Business Act for whom there is a requirement to include information in the Remuneration Report and verifying whether all information required by applicable criteria are disclosed in the Remuneration Report;
- assessing whether the Remuneration Report includes, in all material respects, the information required by the Section 121p of the Capital Market Business Act to any of the identified person as described above.

We draw your attention to the fact that the Remuneration Report was not subject to audit of the financial statements and annual report as defined in the Accounting Act No.563/1991 Coll., as amended. In the course of performing the assurance procedures, we have not conducted an audit or review of the financial information used for preparation of the Remuneration Report. However, as part of our procedures, we have assessed whether the information provided in the Remuneration Report is not in material conflict with the findings we have obtained during the audit of the Company's financial statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion expressed below.

Conclusion

Based on our verification procedures and the obtained evidence, we have not identified any findings indicating that the Remuneration Report does not contain, in all material respects, the information required in the Section 121p (1) Capital Market Business Act.



Mazars Audit s.r.o.
Licence No. 158
Pobřežní 620/3
186 00 Praha 8

Prague, 26 March 2024

Represented by Jan Kellner



Jan Kellner
Statutory auditor, Licence No. 2225

REMUNERATION REPORT
of Philip Morris ČR a.s.
for the accounting period from January 1, 2023 to December 31, 2023

The remuneration report prepared by Philip Morris ČR a.s., with its registered office at Vítězná 1, Kutná Hora, postcode 284 03, identification number: 14803534, registered in the Commercial Register maintained by the Municipal Court in Prague, file no. B 627 (hereinafter referred to as "PMCR" or the "Company"), provides a complete overview of the remuneration and benefits in any form provided or payable during the accounting period from January 1, 2023 to December 31, 2023 to the persons referred to in Section 121m (1) of Act No. 256/2004 Coll., on Capital Market Undertakings, as amended (hereinafter referred to as the "Capital Market Undertakings Act") (hereinafter referred to as "Persons with Significant Relationship to the Company")

The following persons are the Persons with Significant Relationship to the Company:

Members of the Board of Directors of the Company:

- Andrea Gontkovičová, Chairperson of the Board of Directors
- Petr Šedivec, Member of the Board of Directors until May 31, 2023
- Petr Šebek, Member of the Board of Directors
- Anton Kirilov Stankov, Member of the Board of Directors until December 31, 2023
- Manuel Joao Almeida Do Vale Goncalves Marques, Member of the Board of Directors
- Cemal Berk Temuroglu, Member of the Board of Directors
- Tamás Szabados, Member of the Board of Directors as of June 1, 2023

Members of the Supervisory Board of the Company:

- Stefan Bauer, Chairperson of the Supervisory Board until September 26, 2023
- Prof. Alena Zemplerová, Member of the Supervisory Board
- Stanislava Juríková, Member of the Supervisory Board
- Sergio Colarusso, Member of the Supervisory Board until March 27, 2023
- Tomáš Hilgard, Member of the Supervisory Board as of March 17, 2023
- Jan Kodaj, Member of the Supervisory Board as of March 17, 2023
- Seamus Minihan, Member of the Supervisory Board as of April 28, 2023
- Tamara Milovanovic, Chairperson of the Supervisory Board as of September 26, 2023

I

Information on the total amount of remuneration
(Section 121p (1) (a) of the Capital Market Undertakings Act)

(Information on all remuneration provided by the Company to the Persons with Significant Relationship to the Company or payable in the accounting period from January 1, 2023 to December 31, 2023)

The total amount of remuneration and its individual components correspond to the remuneration policy which was approved on the basis of the decision-making of the General Meeting of the Company performed outside the meeting (*per rollam*) as at June 30, 2020 and which is published on the Company's website: <http://www.philipmorris.cz> in the section "For Shareholders" (hereinafter referred to as the "Remuneration Policy"). The total amount of remuneration is determined in accordance with the Company's long-term interests, i.e. with the Company's business strategy and other values, and reflects the requirements of legal regulations as well as the principles of good corporate governance. It also supports the Company's long-term performance, in particular by emphasising sustainability and effective risk management and taking into account shareholder requirements regarding the growth in the value of the Company's shares and the achievement of business results that are economically favourable for the Company. This requirement is

primarily reflected in the variable component of the remuneration of the Persons with Significant Relationship to the Company, where the amount of the remuneration received by these persons is derived from the economic results achieved by Philip Morris International Inc. or its controlled companies, with the exception of PMCR (hereinafter referred to as the "PMI" or "PMI Group"), and the Company. The variable component of remuneration also depends on the performance of and fulfilment of objectives by the relevant Persons with Significant Relationship to the Company, and serves primarily to attract, retain and motivate these persons. The fixed component of remuneration is determined primarily on the basis of professional experience and responsibility of the Persons with Significant Relationship to the Company.

Performance criteria that apply to the assessment of the set Company's objectives have also been reflected in the total remuneration amount. The criteria for assessing the set objectives are

- quantitative: the achievement of operating profit, cash flows, sales volume and market share; and
- qualitative: portfolio management, innovative approach, compliance with internal rules and procedures, diversity and management skills development.

The above criteria are set in accordance with the Company's long-term interests, business strategy and other values. Their fulfilment has a direct impact on the Company's economic results and thus contributes to the growth of the Company's value. Each of these criteria has been assessed individually, and subsequently all criteria have been assessed in the aggregate, in accordance with the Remuneration Policy, and are reflected in the same way in the variable component of all Persons with Significant Relationship to the Company.

Similarly as for the purposes of personal income tax on dependent activities, the amount of the total monthly remuneration paid to a particular Person with Significant Relationship to the Company in the year 2023 and specified in this Remuneration Report does not include the remuneration paid in January 2023 for the performance of office as a Member of the Board of Directors or Member of the Supervisory Board in December 2022. However, it does include the remuneration paid in January 2024 for the performance of office as a Member of the Board of Directors or Member of the Supervisory Board in December 2023.

In respect of benefits included in this Remuneration Report, the same approach as for the monthly remuneration is applied, i.e. the amount of benefits granted for the year 2023 does not include the benefits granted in December 2022 and settled with the monthly remuneration in January 2023 but does include the benefits granted in December 2023 and settled with the monthly remuneration in January of 2024.

The fixed component of the remuneration:

1) The fixed component includes, in the case of the Persons with Significant Relationship to the Company who are employees of Philip Morris International Inc. or its controlled companies, with the exception of PMCR:

(i) the salary (according to the employment agreement of the relevant Person with Significant Relationship to the Company);

(ii) remuneration for the performance of office (under the agreement on the performance of the office of the relevant Person with Significant Relationship to the Company): in the relevant accounting period, all members of the Board of Directors of the Company and members of the Supervisory Board of the Company, except for the members of the Supervisory Board elected by employees, waived the remuneration for the performance of their offices;

(iii) additional monetary remuneration:

- monetary benefits in connection with the relocation (one-off relocation contribution, allowance in the case of a change of the permanent residence address upon relocation in the amount based on the relevant salary grade of PMI, according to local conditions and the number of family members of the relevant person living with him/her in the common household, allowance for tuition fees for family members of employees as a result of relocation, reimbursement of rent and service charges, allowance for moving, transport, immigration matters, etc.);
- contributions on the occasion of working and personal anniversaries;
- allowance for meals and leisure activities (e.g. in the form of holiday allowance or education allowance);

- reimbursement of premiums of life and accident insurance, contribution to supplementary pension insurance;
- contribution to health care and preventive programmes within the framework of voluntary prevention and health care programmes with financial participation of the relevant Person with Significant Relationship to the Company;

(iv) non-monetary benefits: business car and telephone (including for private purposes).

2) The fixed component includes, in the case of the Persons with Significant Relationship to the Company who are employees of PMCR:

(i) the salary (according to the employment agreement of the relevant Person with Significant Relationship to the Company);

(ii) remuneration for the performance of office (under the agreement on the performance of the office of the relevant Person with Significant Relationship to the Company): in the relevant accounting period, all members of the Board of Directors of the Company and members of the Supervisory Board of the Company, except for the members of the Supervisory Board elected by employees, waived the remuneration for the performance of their offices;

(iii) additional monetary remuneration:

- monetary benefits in connection with the relocation (one-off relocation contribution, allowance in the case of a change of the permanent residence address upon relocation in the amount based on the salary grade of PMCR, according to local conditions and the number of family members of the relevant person living with him/her in the common household, rent allowance or reimbursement of rent, allowance for moving, transport, etc.);
- contributions on the occasion of working and personal anniversaries;
- allowance for meals and leisure activities (e.g. in the form of holiday allowance or education allowance);
- reimbursement of premiums of life and accident insurance;
- contribution to supplementary pension insurance;
- contribution to health care and preventive programmes within the framework of voluntary prevention and health care programmes with financial participation of the relevant Person with Significant Relationship to the Company;
- compensatory allowance for temporary work incapacity and nursing of a family member;
- severance payment and other benefits related to employment termination;

(iv) non-monetary benefits: business car and telephone (including for private purposes).

3) The fixed component of the remuneration includes, in the case of the Persons with Significant Relationship to the Company who are not employees of PMI or PMCR, an annual remuneration for the performance of office (according to the agreement on the performance of the office of the relevant Person with Significant Relationship to the Company).

The variable component of the remuneration:

4) The variable component includes, in the case of the Persons with Significant Relationship to the Company who are employees of PMI or PMCR:

- (i) a one-off annual performance-based financial bonus;
- (ii) a bonus in the form of shares of Philip Morris International Inc.

The remuneration of the Persons with Significant Relationship to the Company who are not employees of PMI or PMCR includes the fixed component only.

Overview of components of the remuneration provided to members of the Board of Directors:

The total amounts of remuneration are stated before tax and relevant statutory levies.

Andrea Gontkovičová /General Manager of the Company responsible for the Czech Republic, Slovakia and Hungary and Chairperson of the Board of Directors/:

received the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) for 2023 in the total amount of CZK 11,006,560.21, additional monetary remuneration and other benefits in the total amount of CZK 5,247,776.78, including a contribution to supplementary pension insurance in the amount of CZK 954,692.93, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 9,953,050.03, a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 11,548,216.54, and a share in the profit from the vested shares paid in 2023 in the amount of CZK 746,465.16. The total amount of the fixed and variable remuneration is CZK 38,502,068.72. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 42/58 %.

Petr Šedivec /General Manager of Philip Morris Slovakia s.r.o. and Member of the Board of Directors until May 31, 2023/:

received for the period from January 1, 2023 to May 31, 2023 the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) in the total amount of CZK 1,633,906.11, additional monetary remuneration and other benefits in the total amount of CZK 556,757.02, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 1,313,309.38, a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 935,258.57, and a share in the profit from the vested shares paid in 2023 in the amount of CZK 80,317.23. The total amount of the fixed and variable remuneration is CZK 4,519,548.31. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 48/52 %.

Petr Šebek /Director External Affairs responsible for the Czech Republic and Member of the Board of Directors/:

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2023 in the total amount of CZK 5,346,728.00, additional monetary remuneration and other benefits in the total amount of CZK 281,308.40, including a contribution to supplementary pension insurance in the amount of CZK 85,000.00, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 2,134,578.00, a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the total value of CZK 734,846.02, and a share in the profit from the vested shares paid in 2023 in the amount of CZK 167,215.00. The total amount of the fixed and variable remuneration is CZK 8,664,675.42. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 65/35 %.

Anton Kirilov Stankov /Director Finance of the Company responsible for the Czech Republic, Slovakia and Hungary and Member of the Board of Directors until December 31, 2023/:

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2023 in the total amount of CZK 9,410,301.91, additional monetary remuneration and other benefits in the total amount of CZK 4,428,744.40, including a contribution to supplementary pension insurance in the amount of CZK 815,488.80, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 3,401,718.02, a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 1,703,808.69, and a share in the profit from the vested shares paid in 2023 in the total amount of CZK 416,152.17. The total amount of the fixed and variable remuneration is CZK 19,360,725.19. The ratio of the fixed and the variable components of the

remuneration (% expression of the variable component to the fixed component of the remuneration) is: 71/29 %.

Manuel Joao Almeida Do Vale Goncalves Marques /Director Operations of the Company responsible for the Czech Republic and Member of the Board of Directors/:

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2023 in the total amount of CZK 2,897,921.42, additional monetary remuneration and other benefits in the total amount of CZK 3,091,729.19, including a contribution to supplementary pension insurance in the amount of CZK 271,386.74, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 764,854.55 CZK, a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 152,332.87, and a share in the profit from the vested shares paid in 2023 in the amount of CZK 116,548.96. The total amount of the fixed and variable remuneration is CZK 7,023,386.99. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 85/15 %.

Cemal Berk Temuroglu /Director Commercial Operations of the Company responsible for the Czech Republic and Member of the Board of Directors/:

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2023 in the total amount of CZK 3,694,455.00, additional monetary remuneration and other benefits in the total amount of CZK 222,139.40, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 1,081,037.00 and a share in the profit from the vested shares paid in 2023 in the amount of CZK 31,622.00. The total amount of the fixed and variable remuneration is CZK 5,029,253.40. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 78/22 %.

Tamás Szabados /General Manager of Philip Morris Magyarország Cigaretta Kereskedelmi Kft. and Member of the Board of Directors as of 1 June 2023/:

received no performance from the Company for the period from June 1, 2023 to December 31, 2023.

Overview of components of the remuneration provided to members of the Supervisory Board:

Stefan Bauer /VP Finance of Philip Morris Products S.A. responsible for the EU countries and Chairperson of the Supervisory Board of the Company and Chairperson of the Audit Committee until September 26, 2023/:

received no performance from the Company for the period from January 1, 2023 to September 26, 2023.

Alena Zemplerová /Member of the Supervisory Board of the Company/:

received the fixed component of the remuneration in accordance with Sec. 3) above: the remuneration for the performance of office under the agreement on the performance of the office in the amount of CZK 200,000. Ms. Alena Zemplerová is not an employee of PMI or PMČR; the remuneration thus includes the fixed component only.

Stanislava Juríková /Member of the Supervisory Board and the Audit Committee of the Company/:

received the fixed component of the remuneration in accordance with Sec. 3) above: the remuneration for the performance of office under the agreement on the performance of the office in the amount of CZK 400,000. Ms. Stanislava Juríková is not an employee of PMI or PMČR, the remuneration thus includes the fixed component only.

Sergio Colarusso /Controller of Philip Morris Products S.A. responsible for the EU countries and Member of the Supervisory Board of the Company until March 27, 2023/:

received no performance from the Company for the period from January 1, 2023 to March 27, 2023.

Tomáš Hilgard /Manager CCD responsible for the Czech Republic and Member of the Supervisory Board of the Company elected by employees as of March 17, 2023/:

received for the period from March 17, 2023 to December 31, 2023 the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) in the total amount of CZK 1,703 485.00, remuneration for the performance of office under the agreement on the performance of the office in the amount of CZK 200,000.00, and additional monetary remuneration and other benefits in the total amount of CZK 164,525.67, including a contribution to supplementary pension insurance in the amount of CZK 30,000.00. The total amount of the fixed and variable remuneration is CZK 2,068,010.67. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 100/0 %.

Jan Kodaj /Supervisor Technical Support and Member of the Supervisory Board of the Company elected by employees as of March 17, 2023/:

received for the period from March 17, 2023 to December 31, 2023 the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) in the total amount of CZK 1,080,307.00, remuneration for the performance of office in the total amount of CZK 200,000.00, and additional monetary remuneration and other benefits in the amount of CZK 49,490.67, including a contribution to supplementary pension insurance in the amount of CZK 27,848.00. The total amount of the fixed and variable remuneration is CZK 1,329,797.67. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 100/0 %.

Seamus Minihan /Regional Controller Europe responsible for the EU countries and Member of the Supervisory Board of the Company as of April 28, 2023/: received no performance from the Company for the period from April 28, 2023 to December 31, 2023.

Tamara Milovanovic /VP Finance of Philip Morris Products S.A. responsible for the EU countries and Chairperson of the Supervisory Board of the Company and Chairperson of the Audit Committee as of September 26, 2023/:

received no performance from the Company for the period from September 26, 2023 to December 31, 2023.

II

Information on remuneration provided or payable in the accounting period for which the remuneration report is prepared by persons/entities belonging to the same group as the Company

(Section 121p (1) (c) of the Capital Market Undertakings Act)

Information on the remuneration provided or payable in the relevant accounting period to the Persons with Significant Relationship to the Company pursuant to Section 121o (2) of the Capital Market Undertakings Act, which are to be specified in the remuneration report in accordance with Section 121p (1) (c) of the Capital Market Undertakings Act, reflects the data stated below. It includes the remuneration provided directly by Philip Morris International Inc. or its controlled companies, i.e. by the relevant employers of the relevant Persons with Significant Relationship to the Company (without this remuneration being re-invoiced to PMCR).

Persons with Significant Relationship to the Company – Members of the Board of Directors:

Anton Kirilov Stankov /Director Finance of the Company responsible for the Czech Republic, Slovakia and Hungary and Member of the Board of Directors until December 31, 2023/:

received from Philip Morris International Inc. or its controlled companies: the variable component of the remuneration in accordance with Sec. 4) above: a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 1,168,771.20. The total amount of the variable remuneration is CZK 1,168,771.20. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 0/100 %.

Manuel Joao Almeida Do Vale Goncalves Marques /Director Operations of the Company responsible for the Czech Republic and Member of the Board of Directors/:

received from Philip Morris International Inc. or its controlled companies: the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 377,225.75 and a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 426,636.73. The total amount of the variable remuneration is CZK 803,862.48. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 0/100 %.

Tamás Szabados /General Manager of Philip Morris Magyarország Cigaretta Kereskedelmi Kft. and Member of the Board of Directors as of June 1, 2023/:

received for the period from June 1, 2023 to December 31, 2023 from Philip Morris International Inc. or its controlled companies: the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) in the total amount of CZK 2,420,473.36, additional monetary remuneration and other benefits in the total amount of CZK 553,949.15, including a contribution to supplementary pension insurance in the amount of CZK 45,181.98, and the variable component of the remuneration in accordance with Sec. 4) above: a share in the profit from the vested shares paid in 2023 in the amount of CZK 98,367.08. The total amount of the fixed and variable remuneration is CZK 3,072,789.59. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 97/3 %.

Persons with Significant Relationship to the Company – Members of the Supervisory Board of the Company:

Stefan Bauer / VP Finance of Philip Morris Products S.A. responsible for the EU countries and Chairperson of the Supervisory Board of the Company and Chairperson of the Audit Committee until September 26, 2023/:

received for the period from January 1, 2023 to September 26, 2023 from Philip Morris International Inc. or its controlled companies: the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) in the total amount of CZK 7,453,356.96, additional monetary remuneration and other benefits in the total amount of CZK 7,413,005.62, including a contribution to supplementary pension insurance in the amount of CZK 699,367.64, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 9,931,185.39, a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 9,019,539.19, and a share in the profit from the vested shares paid in 2023 in the amount of CZK 524,102.78. The total amount of the fixed and variable remuneration is CZK 34,341,189.94. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 43/57 %.

Sergio Colarusso /Controller of Philip Morris Products S.A. responsible for the EU countries and Member of the Supervisory Board of the Company until March 27, 2023/:

received for the period from January 1, 2023 to March 27, 2023 from Philip Morris International Inc. or its controlled companies: the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) in the total amount of CZK 2,476,401.08, additional monetary remuneration and other benefits in the total amount of CZK 278,140.27, including a contribution to supplementary pension insurance in the amount of CZK 217,761.55, and the variable component of the remuneration in accordance

with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2022 paid in 2023 in the amount of CZK 6,181,100.86, a bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 2,800,403.38, and a share in the profit from the vested shares paid in 2023 in the amount of CZK 118,562.65. The total amount of the fixed and variable remuneration is CZK 11,854,608.24. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 23/77 %.

Seamus Minihan /Regional Controller Europe responsible for the EU countries and Member of the Supervisory Board of the Company as of April 28, 2023/:

received for the period from April 28, 2023 to December 31, 2023 from Philip Morris International Inc. or its controlled companies: the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) in the total amount of CZK 5,568,885.54, additional monetary remuneration and other benefits in the total amount of CZK 512,441.77, including a contribution to supplementary pension insurance in the amount of CZK 455,130.31, and the variable component of the remuneration in accordance with Sec. 4) above: bonus in the form of shares of Philip Morris International Inc. vested in 2020 and received in 2023 in the value of CZK 2,195,516.25 and a share in the profit from the vested shares paid in 2023 in the amount of CZK 166,857.72. The total amount of the fixed and variable remuneration is CZK 8,443,701.28. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 72/28 %.

Tamara Milovanovic /VP Finance of Philip Morris Products S.A. responsible for the EU countries and Chairperson of the Supervisory Board of the Company and Chairperson of the Audit Committee as of September 26, 2023/:

received for the period from September 26, 2023 to December 31, 2023 from Philip Morris International Inc. or its controlled companies: the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) in the total amount of CZK 1,884,241.13, additional monetary remuneration and other benefits in the total amount of CZK 4,335.17, and the variable component of the remuneration in accordance with Sec. 4) above: a share in the profit from the vested shares paid in 2023 in the amount of CZK 49,372.33. The total amount of the fixed and variable remuneration is CZK 1,937,948.63. The ratio of the fixed and the variable components of the remuneration (% expression of the variable component to the fixed component of the remuneration) is: 97/3 %.

III

Overview of the annual change to the total amount of remuneration (Section 121p (1) (b) of the Capital Market Undertakings Act)

Overview of the annual change to the total amount of remuneration for the five most recent accounting periods following the date of admission of shares to trading on the European regulated market, in relation to each Person with Significant Relationship to the Company:

In millions of CZK

Total amount of all remuneration provided to individual Persons with Significant Relationship to the Company	Accounting period					Annual change in millions of CZK	Annual change in %
	2018-2019	2020	2021	2022	2023		
Andrea Gontkovičová	N/A ¹	30.10	25.68	30.06	38.50	8.44	28.08
Petr Šedivec	N/A ¹	5.05	6.33	8.13	4.52	-3.61	-44.40 ²
Petr Šebek	N/A ¹	5.05	5.15	7.10	8.66	1.56	21.97
Anton Kirilov Stankov	N/A ¹	N/A ⁴	15.99	21.11	20.53	-0.58	-2.75

Manuel Joao Almeida Do Vale Goncalves Marques	N/A ¹	N/A ⁴	N/A ⁴	3.76	7.83	4.07	108.24 ³
Cemal Berk Temuroglu	N/A ¹	N/A ⁴	N/A ⁴	1.40	5.03	3.63	259.29 ³
Tamás Szabados	N/A ¹	N/A ⁴	N/A ⁴	N/A ⁴	3.07	N/A	N/A
Stefan Bauer	N/A ¹	25.82	21.87	35.65	34.34	-1.31	-3.67 ²
Prof. Alena Zemplerová	N/A ¹	0.20	0.20	0.20	0.20	0.00	0.00
Stanislava Juríková	N/A ¹	0.40	0.40	0.40	0.40	0.00	0.00
Sergio Colarusso	N/A ¹	15.68	15.60	18.89	11.85	-7.04	-37.27 ²
Tomáš Hilgard	N/A ¹	2.45	2.17	0.47	2.07	1.60	340.43 ³
Jan Kodaj	N/A ¹	N/A ⁴	N/A ⁴	N/A ⁴	1.33	N/A	N/A
Seamus Minihan	N/A ¹	N/A ⁴	N/A ⁴	N/A ⁴	8.44	N/A	N/A
Tamara Milovanovic	N/A ¹	N/A ⁴	N/A ⁴	N/A ⁴	1.94	N/A	N/A

¹ Not applicable with regard to Article III (3) (Transitional Provisions) of Act No. 204/2019 Coll., Amending Certain Laws in Connection with the Promotion of Exercise of Shareholders' Rights.

² The total amount of remuneration for the year 2023 relates, in the case of the respective Person with Significant Relationship to the Company, to his/her term of office lasting only for a part of the accounting period of the year 2023, i.e. it does not cover the whole year 2023. [This may result in a negative annual change to the total amount of remuneration.]

³ The total amount of remuneration for the year 2022 relates, in the case of the respective Person with Significant Relationship to the Company, to his/her term of office lasting only for a part of the accounting period of the year 2022, i.e. it does not cover the whole year 2022. This may result in a significant increase in the total remuneration for the year 2023 as compared to the preceding accounting period.

⁴ During the said accounting period, the respective person did not hold the office of a member of the Board of Directors or Supervisory Board of the Company and was therefore not a Person with Significant Relationship to the Company.

IV

Number of shares or share options provided or offered

(Section 121p (1) (d) of the Capital Market Undertakings Act)

The Company does not pay remuneration in the form of Company shares or share options to Persons with Significant Relationship to the Company. Accordingly, no shares or share options were offered or provided to any Persons with Significant Relationship to the Company during the relevant accounting period. For the sake of completeness, the Company notes that during the relevant accounting period, no shares or similar securities representing an interest in the Company were held by any Persons with Significant Relationship to the Company (nor were there any options or comparable investment instruments whose value would be related to shares or similar securities representing an interest in the Company and to which any Persons with Significant Relationship to the Company would be parties or which would be executed for the benefit of any Persons with Significant Relationship to the Company) .

V

Information on the exercise of the Company's right to request the return of the variable component of remuneration or a part thereof

(Section 121p (1) (e) of the Capital Market Undertakings Act)

Neither the Company nor the PMI Group has any rules set on the basis of which Persons with Significant Relationship to the Company could be required to return any previously paid variable components of their remuneration or any parts thereof.

VI

Information on deviations from the procedure of implementation of the remuneration policy set out in the Remuneration Policy and on deviations from the Remuneration Policy

(Section 121p (1) (f) of the Capital Market Undertakings Act)

In the relevant accounting period, the Company did neither deviate from the procedure of implementation of the remuneration policy set out in the Remuneration Policy nor from the Remuneration Policy itself.

VII

Information on the annual change to the Company's financial and non-financial key performance indicators

(Section 121p (2) of the Capital Market Undertakings Act)

There was no change to the Company's financial and non-financial performance indicators in the relevant accounting period.

VIII

Annual change to the average remuneration of the Company's employees

In accordance with Section 121p (2) of the Capital Market Undertakings Act, the annual change to the average remuneration of the Company's employees (excluding Persons with Significant Relationship to the Company), recalculated per employee with specified weekly working hours, for at least the last five accounting periods following the date of admission of the shares to trading on a regulated market.

	Average remuneration in CZK	Annual change to average remuneration in CZK	Annual change to average remuneration in %
2018-2019	N/A*		
2020	580,017	N/A	N/A
2021	651,075	71,058	12.25
2022	809,594	158,519	24.35
2023	914,496	104,902	12.96

* Not applicable with regard to Article III (3) (Transitional Provisions) of Act No. 204/2019 Coll., Amending Certain Laws in Connection with the Promotion of Exercise of Shareholders' Rights.

In Kutná Hora, on March 26, 2024

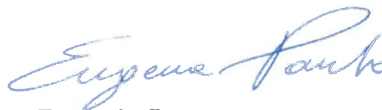
Philip Morris ČR a.s.



Andrea Gontkovičová

Chairperson of the Board of Directors of the Company

Philip Morris ČR a.s.



Eugenia Panato

Member of the Board of Directors of the Company