



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,
File No. B 627
(the "**Company**")

hereby convenes
AN ORDINARY GENERAL MEETING
(the "**General Meeting**")

of its shareholders, which will take place at 10:00 a.m. on 28 April 2023, at the Company's registered office stated above, with the following agenda:

1. Opening of the General Meeting;
2. Election of the Chairperson of the General Meeting, Minutes Clerk, Minutes Verifiers and Scrutineers, and approval of the Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting;
3. The Report of the Board of Directors on the Business Activities of the Company, the Report on Relations between Controlling Entity and Controlled Entity and between Controlled Entity and Entities Controlled by the Same Controlling Entity, the Report on Corporate Governance of the Company and the Summary Explanatory Report concerning certain matters mentioned in the 2022 Annual Financial Report, the proposal for the approval of the 2022 ordinary financial statements and the 2022 ordinary consolidated financial statements, and the proposal for the distribution of profit for the year 2022, including an indication of the amount of profit shares;
4. The Supervisory Board Report;
5. Approval of the Report of the Board of Directors on the Business Activities of the Company, the 2022 ordinary financial statements, the 2022 ordinary consolidated financial statements and the proposal for the distribution of profit for the year 2022, including an indication of the amount of profit shares;
6. Approval of the 2022 Remuneration Report;
7. Election of Mr. Petr Šebek, Mr. Manuel Joao Almeida Do Vale Goncalves Marques and Mr. Cemal Berk Temuroglu as members of the Board of Directors, and Mr. Stefan Bauer and Mr. Seamus Minihan as members of the Supervisory Board, and approval of the Agreements on Performance of Office of Members of the Board of Directors and Supervisory Board;
8. Election of Mr. Stefan Bauer as a member of the Audit Committee;
9. Appointment of the Company's auditor;
10. Closing of the General Meeting.

Draft resolutions to the individual points on the agenda of the General Meeting and reasonings of the draft resolutions are set out below.

The Board of Directors informs the shareholders that this invitation **is not sent** to the shareholders at their home or registered office addresses any more.

In accordance with the current wording of the Company's Articles of Association, the General Meeting is convened by publication of the invitation to the General Meeting on the Company's website <http://www.philipmorris.cz>, in the section titled "For Shareholders", and by official publication of the invitation to the General Meeting in the Commercial Bulletin.

DATE DECISIVE FOR THE ATTENDANCE AT THE GENERAL MEETING

In the case of the Company's book-entered shares, any shareholder listed in an extract from the Issue Register of the Company, i.e. in the register of the Company's book-entered securities maintained in accordance with a special legal regulation, as at the date decisive for the attendance at the General Meeting, i.e. **21 April 2023** (the "**Decisive Date**"), is entitled to attend the General Meeting and exercise its shareholder rights at it, i.e. also to vote at the General Meeting, whether directly or through a proxy (representative). In the case of the Company's certificated shares, any shareholder listed in the list of the Company's shareholders as at the Decisive Date, i.e. **21 April 2023**, is entitled to attend the General Meeting and exercise its shareholder rights at it, i.e. also to vote at the General Meeting, whether directly or through a proxy (representative) (unless it is proven that the relevant entry in the list of the Company's shareholders fails to reflect the actual state of affairs as at that date).

The significance of the Decisive Date is that it determines who is entitled to attend the General Meeting and exercise shareholder rights, i.e. also to vote, at the General Meeting.

PROOF OF AUTHORITY TO ACT ON BEHALF OF OR REPRESENT THE SHAREHOLDERS

Shareholders' representatives must be authorised to attend the General Meeting and to exercise their rights at the General Meeting by persons who were the Company's shareholders as at the Decisive Date. This authorisation must be granted by means of a written power of attorney bearing an officially verified signature and stating whether the power of attorney is granted for representation at the particular General Meeting only or also for representation at several General Meetings held in the form of a meeting with the personal participation of shareholders, as well as future decision-makings of the General Meeting of the Company performed outside the meeting (*per rollam*).

Any 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 in accordance with a special legal regulation, as an administrator or as a person authorised to exercise the rights attached to the shares, is deemed entitled to represent the relevant shareholder and exercise any and all rights attached to the shares of the Company kept on the relevant account, which includes attending and voting at the General Meeting. Instead of a power of attorney, this person shall submit an extract from the register of investment instruments; this is not necessary if the Company itself requests the provision of an extract from the respective register for such purposes. A person's authorisation to represent the shareholder and exercise the shareholder's rights must be indicated in the relevant extract from the register of investment instruments or the register of book-entered securities.

The registration of the shareholders at the General Meeting will commence at 8:30 a.m. at the venue of the General Meeting. At the registration, the shareholders or their representatives must present valid proofs of identity. Any person authorised to act on behalf of a shareholder who is a legal entity must also present an original up-to-date extract from the Commercial Register or any other relevant register concerning this legal entity (not older than 3 months) or a certified copy thereof, proving the existence of the legal entity and confirming his/her right to act on behalf of the legal entity. Any shareholder's representative authorised by a power of attorney must also present a written power of attorney bearing an officially verified signature and stating whether it is granted for representation at the particular General Meeting only or also for representation at several General Meetings held in the form of a meeting with the personal participation of shareholders, as well as future decision-makings of the General Meeting of the Company performed outside the meeting (*per rollam*). Any documents by which the shareholder or the shareholder's representative proves his/her/its identity, which are produced by foreign authorities or institutions or to which certification clauses of such foreign authorities or institutions are attached, shall contain official certification for their use in the Czech Republic, i.e. shall be superlegalised or provided with an apostille or other clause (certification) which is required in official contact by the Czech authorities for similar foreign documents (or certifications). If any such documents, clauses or certifications are made out in a foreign language (with the exception of the Slovak language), an official translation thereof into the Czech language shall also be attached.

The Board of Directors informs the shareholders that templates (forms) of the power of attorney documents for representation of shareholders at the General Meeting are published in a manner allowing for remote access on the following website: <http://www.philipmorris.cz>, in the section titled "For shareholders". The power of attorney forms are also available in printed form at the Company's

registered office. A shareholder has the right to request that a power of attorney form be sent to the shareholder in printed form or electronically at the shareholder's own expense and risk. The Company will accept electronic notices stating that a power of attorney was granted to represent a shareholder at the General Meeting or revoked by the relevant principal at the following email address: philipmorris.cz@pmi.com.

VOTING RIGHT

In accordance with Act No. 90/2012 Coll., on Companies and Cooperatives (the Corporations Act (the "**Corporations Act**") and the Company's Articles of Association, a shareholder shall be entitled to attend and vote at the General Meeting.

The condition for the exercise of a voting right by a shareholder is the entry of that shareholder's beneficial owner in the register of beneficial owners in accordance with Act No. 37/2021 Coll., on Register of Beneficial Owners, as amended (the "**Act on Register of Beneficial Owners**"), if the shareholder is obliged to arrange for the entry of the beneficial owner.

OTHER RIGHTS OF SHAREHOLDERS

A shareholder is entitled to require and obtain from the Company explanations at the General Meeting in respect of matters relating to the Company and the parties controlled by the Company, should any such explanations be necessary for assessing matters on the agenda of the General Meeting or for exercising their shareholder rights at the General Meeting. A shareholder may file a request for explanation pursuant to the preceding sentence in writing. The request must be filed after the publication of this invitation to the General Meeting and before the date on which the General Meeting is to be held.

The Company will provide the explanation of matters relating to the relevant General Meeting to the shareholder directly at the General Meeting. If this is not possible due to the complexity of the explanation, the Company will provide the explanation to all shareholders within 15 days after the date of the General Meeting, even if this is no longer necessary for the consideration of actions of the General Meeting or for the exercise of shareholder rights at the General Meeting, by publishing it on the website of the Company.

The information contained in the explanation must be clear and must provide a sufficient and true view of the enquiry concerned. The explanation may be provided in the form of a summary statement on several similar issues. It shall be deemed that shareholders have been provided with the explanation even if the information is published on the Company's website no later than on the day preceding the date of the General Meeting and is available to the shareholders at the venue of the General Meeting. If the information is provided to a shareholder, any other shareholder is entitled to request this information even without adhering to the procedure for exercising the right to explanation as described above.

The Board of Directors may refuse to provide an explanation in part or in full if its disclosure could harm the Company or parties controlled by the Company or if it represents inside or secret information governed by another legal regulation, or if the requested explanation is publicly available. The Board of Directors will consider whether the conditions for the refusal to provide an explanation have been fulfilled and will notify the shareholder of the reasons for the refusal. The notification of the refusal to provide an explanation will be part of the minutes of the General Meeting.

The shareholders have the right to ask the Supervisory Board to determine that the conditions for refusing to provide an explanation did not occur and the Board of Directors is obliged to provide the explanation to the respective shareholder. The Supervisory Board will decide on the shareholder's request directly at the General Meeting or, if this is impossible, within five business days of the date of the General Meeting. If the Supervisory Board disagrees with the provision of the explanation or if it does not provide its statement within the aforementioned time limit of five business days or in the situation where the Company's Board of Directors has not provided the information despite the Supervisory Board's instruction, or the Company's Board of Directors has informed the shareholder that it will provide the explanation within 15 days after the General Meeting and has still not done so, the decision as to whether the Company is obliged to provide the information will be taken by a court upon a motion filed by the shareholder. The right to file a motion to instigate such proceedings can be

exercised before a court within one month of the date of the General Meeting at which the provision of explanation was refused, or of the refusal or failure to provide information within the time limit specified in Section 358 (1) of the Corporations Act (i.e. within 15 days of the date of the General Meeting); no consideration will be given to any rights exercised later. The provisions of special legal regulations regarding the protection of information are not affected by this.

A shareholder may file proposals and counterproposals in relation to the matters on the agenda of the General Meeting. Any proposals and counterproposals delivered to the Company no later than three days before the General Meeting shall be published by the Board of Directors without undue delay on the Company's website. If the proposals and counterproposals contain justifications, the Board of Directors shall also publish these justifications along with them. If the proposals and counterproposals are delivered at the latest five days before the General Meeting, the Board of Directors shall also publish its opinion on the received proposals and counterproposals without undue delay.

Upon request of a shareholder or shareholders holding shares with a total nominal value of at least 1% of the Company's registered capital, the Board of Directors of the Company will include a matter proposed by this shareholder (these shareholders) in the agenda of the General Meeting, provided that the request is delivered to the Board of Directors no later than 10 days before the date decisive for attendance at the General Meeting and that a resolution is proposed with respect to each matter or that a reasoning for the inclusion of the matter on the agenda is provided. If a request is delivered after the publication and distribution of the invitation to the General Meeting, the Board of Directors will publish the amendment of the agenda of the General Meeting no later than five days before the date decisive for attending the General Meeting in the manner stipulated in the Corporations Act and the Articles of Association regarding the convocation of the General Meeting.

Matters not included in the agenda of the General Meeting may be discussed or resolved at the General Meeting only if all shareholders express their consent to that.

In accordance with Section 121i (1) of Act No. 256/2004 Coll., on Business Activities on the Capital Market, as amended (the "**Act on Business Activities on the Capital Market**"), the Company shall send to the shareholder or a person authorised by the shareholder, upon request, information on whether and how the shareholder's votes were counted in the voting at the General Meeting. The Company is not obliged to comply with a request for information if the information is already available to the shareholder or the person authorised by the shareholder or if the request for information is received more than three months after the date of the General Meeting.

The Company issued 1,913,698 book-entered registered shares and 831,688 certificated registered shares, i.e. together 2,745,386 shares with a nominal value of CZK 1,000 per share as at the date of publication of this invitation. When voting at the Company's General Meeting, one vote is attached to each share of the Company, i.e. the total number of votes as at the date of publication of the invitation is 2,745,386. A shareholder may not exercise voting rights in cases provided for by law. Voting is done by ballot, in which case shareholders will receive the ballots when registering in the attendance list. The General Meeting will first vote on proposals submitted by the Board of Directors or the Supervisory Board. If no proposals are approved or submitted, votes will be taken on (counter) proposals submitted by shareholders. Shareholders are not obliged to exercise the voting rights attached to all of their shares in the same way; this also applies to their representatives.

The Board of Directors has prepared the Report on Relations between the Controlling Entity and the Controlled Entity, and between the Controlled Entity and Entities Controlled by the Same Controlling Entity (the "**Report on Relations**"). The Report on Relations (which has been verified by an auditor) indicates that the Company as a controlled entity suffered no harm as a result of the influence exercised by Philip Morris Holland Holdings B.V. as the controlling entity in the 2022 accounting period.

A proposal for the distribution of the Company's profit generated in 2022, including determination of the shares in the Company's profit, the term of their payment and information concerning the financial institution which will make the payment of profit shares, forms Schedule 1 to this invitation.

The shares in the Company's profit for the year 2022 will be paid to the Company's shareholders: in the case of book-entered shares, to those that were listed in the extract from the Issue Register of the Company, i.e. in the register of book-entered securities maintained in accordance with a special legal regulation as at the date decisive for the exercise of the right to a profit share, i.e. **10 May 2023** (the "**Decisive Date for Exercising Profit Share Rights**") and in the case of certificated shares, to those that were listed in the list of the Company's shareholders as at the Decisive Date for Exercising Profit Share Rights (unless it is proven that the relevant entry in the list of the Company's shareholders fails to reflect the actual state of affairs as at that date).

All documents and information relating to the General Meeting, including the Annual Financial Report, the ordinary financial statements, the ordinary consolidated financial statements and main data from such financial statements, which must be published pursuant to Section 120b (1) (a), (b), (d) to (f) of the Act on Business Activities on the Capital Market, as well as the forms of the power of attorney documents for representation of the Company's shareholders at the General Meeting will be available for inspection and can be obtained at the Company's registered office, i.e. in Kutná Hora, Vítězná 1, postcode: 284 03, from 28 March 2023 to 28 April 2023, always on business days from 2:00 p.m. to 5:00 p.m. All the above information and documents are also published in a manner allowing for remote access on the following website: <http://www.philipmorris.cz>, in the section titled "For Shareholders".

Information for shareholders, including printed source materials for the proceedings at the General Meeting, will be available at the information centre at the venue of the General Meeting.

Draft resolutions on the individual points of the agenda of the General Meeting and their reasoning

Re point 2 of the agenda (Election of the Chairperson of the General Meeting, Minutes Clerk, Minutes Verifiers and Scrutineers, and approval of the Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting)

Draft resolution:

Mgr. Martin Hájek is elected as Chairperson of the General Meeting.

Zuzana Dušková is elected as Minutes Clerk of the General Meeting.

The following persons are elected as Minutes Verifiers of the General Meeting:

- (i) Milan Vácha; and
- (ii) Kamila Vodičková.

The following persons are elected as Scrutineers of the General Meeting:

- (i) Petr Brant; and
- (ii) Ing. Martin Hlaváček.

Reasoning:

The proposal for filling in the positions of the General Meeting's bodies is based on the requirements set out in the Corporations Act and the Company's Articles of Association and follows upon the hitherto practice of the Company. In view of their qualifications and experience, the Board of Directors considers the proposed persons to be suitable candidates for holding the offices specified above.

Draft resolution:

The General Meeting approves the Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting of Philip Morris ČR a.s. in the wording submitted by the Board of Directors of the Company, which were attached as Schedule 2 to the Invitation to the General Meeting.

Reasoning:

The Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting represent an instrument foreseen by the Company's Articles of Association and, at the same time, a standard instrument used at the Company's General Meetings. The wording proposed by the Board of Directors is based on the hitherto practice of the Company and the requirements set out in the Corporations Act and the Company's Articles of Association.

The draft Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting form an integral part of this invitation and Schedule 2 to this invitation.

Re point 3 of the agenda (The Report of the Board of Directors on the Business Activities of the Company, the Report on Relations between the Controlling Entity and the Controlled Entity and between the Controlled Entity and Entities Controlled by the Same Controlling Entity, the Report on Corporate Governance of the Company and the Summary Explanatory Report concerning certain matters mentioned in the 2022 Annual Financial Report of the Company, the proposal for the approval of the 2022 ordinary financial statements and the 2022 ordinary consolidated financial statements, and the proposal for the distribution of profit for the year 2022, including an indication of the amount of profit shares)

Statement of the Company's Board of Directors:

Similarly as in previous years, the Board of Directors of the Company has prepared and submits to the shareholders the Report on the Business Activities of the Company. Furthermore, in accordance with the requirement set out in Section 118 (6) of the Act on Business Activities on the Capital Market, the Board of Directors submits to the shareholders the Report on Corporate Governance, including the Summary Explanatory Report concerning certain matters pursuant to Section 118 (4) and (5) of the Act on Business Activities on the Capital Market. The Report on Corporate Governance, including the Summary Explanatory Report, the Report on the Business Activities of the Company as well as the Report on Relations between the Controlling Entity and the Controlled Entity and between the Controlled Entity and Entities Controlled by the Same Controlling Entity (the "**Report on Relations**"), prepared in line with Section 82 *et seq.* of the Corporations Act, are all contained in the Annual Financial Report of the Company for the 2022 calendar year accounting period.

The Board of Directors has also arranged for the preparation of the ordinary financial statements of the Company for the 2022 calendar year accounting period and of the ordinary consolidated financial statements of the Company for the 2022 calendar year accounting period, and for the verification of these financial statements by an auditor in accordance with the relevant legal and accounting regulations requiring the preparation of these documents. The Board of Directors submits the above-mentioned documents, which are also part of the 2022 Annual Financial Report of the Company, to the General Meeting for discussion. No voting is presumed under this point of the agenda.

The Company's economic result for the 2022 calendar year accounting period is a profit of CZK 3,623,545,360.82.

The Board of Directors proposes that the General Meeting of the Company approves the Report of the Board of Directors on the Business Activities of the Company, the ordinary financial statements of the Company for the 2022 calendar year accounting period, the ordinary consolidated financial statements of the Company for the 2022 calendar year accounting period, and the proposal for the distribution of profit for the year 2022, including an indication of the amount of profit shares.

Re point 4 of the agenda (The Supervisory Board Report)

Statement of the Company's Board of Directors:

The purpose of this point of the agenda is to provide the results of the Supervisory Board supervisory activities and a report on the results of its review of the Report on Relations for 2022, which will be presented by an authorised member of the Supervisory Board in accordance with Sections 83 (1), 447 (3) and 449 (1) of the Corporations Act.

During the entire 2022 calendar year, the Supervisory Board of the Company monitored and evaluated the development and management of the Company's activities, in particular its financial position and

activities in this area. Within its supervisory activities, the Supervisory Board also closely cooperated with the audit committee of the Company in all matters falling within the scope of these two bodies, including the appointment of statutory auditor. Based on its findings, the Supervisory Board prepared a report on the results of its activities in the 2022 calendar year accounting period in accordance with the legal regulations in force and the Company's Articles of Association, which it submits to the General Meeting for discussion and acknowledgement. In its report, the Supervisory Board states that it has not ascertained any failings and that it has no objections regarding the business activities, operation and activities of the Company or its bodies that are subject to supervisory activities of the Supervisory Board. In accordance with the legal regulations in force, the Supervisory Board also reviewed the Report on Relations prepared for the year 2022 the 2022 ordinary financial statements, the 2022 ordinary consolidated financial statements, including the proposals of the Board of Directors for their approval, and the proposal for distribution of profit for the year 2022, including an indication of the amount of profit shares. The Board of Directors declares that the Supervisory Board has not raised any objections to the above-mentioned documents. In the opinion of the Supervisory Board, the above-mentioned documents have been prepared in a due manner, in accordance with the applicable legal regulations and the Company's Articles of Association. No voting is presumed under this point of the agenda.

Re point 5 of the agenda (Approval of the Report of the Board of Directors on the Business Activities of the Company, the 2022 ordinary financial statements, the 2022 ordinary consolidated financial statements and the proposal for the distribution of profit for the year 2022, including an indication of the amount of profit shares)

Draft resolution:

The Report of the Board of Directors on the Business Activities of the Company is hereby approved in the wording submitted by the Company's Board of Directors in the form of its publication on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders".

The ordinary financial statements of the Company for the 2022 calendar year accounting period are hereby approved in the wording submitted by the Company's Board of Directors in the form of their publication on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders", as part of the Annual Financial Report.

The ordinary consolidated financial statements of the Company for the 2022 calendar year accounting period are hereby approved in the wording submitted by the Company's Board of Directors in the form of their publication on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders", as part of the Annual Financial Report.

The following distribution of profit for the year 2022 is approved:

From the Company's after-tax profit for the 2022 calendar year accounting period in the amount of CZK 3,623,545,360.82, the part in the amount of CZK 3,596,455,660.00 will be paid to the Company's shareholders as profit shares. The remaining part of the profit in the amount of CZK 27,089,700.82 will be transferred to the account of the Company's retained earnings from prior years. The retained earnings of the Company from prior years in the amount of CZK 7,714,720.23 will remain undistributed. A gross profit share of CZK 1,310 will thus apply to each share of the Company with a nominal value of CZK 1,000, with the total number of these shares being 2,745,386. The date decisive for exercising profit share rights is 10 May 2023, i.e. the profit shares will be paid to shareholders who held shares of the Company as at 10 May 2023.

Shareholders will be paid their profit shares through Česká spořitelna, a.s., a company whose registered office is in Prague 4, Olbrachtova 1929/62, postcode: 140 00, identification number: 452 44 782, registered in the Commercial Register maintained by the Municipal Court in Prague, File No. 1171.

Shareholders will be invited to send their settlement data and other supporting documents to Česká spořitelna, a.s. for the purpose of payment of their profit shares via the "Notification of the Payment of Proceeds from Securities", which will be published on 12 May 2023 in a manner allowing for remote access on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders", and which will further stipulate more detailed instructions necessary for the payment of profit shares.

Profit shares will be paid to the shareholders who are **individuals** during the set payment period only by wireless money transfer to the shareholders' bank accounts specified in the list of shareholders maintained by the Company, or in the register of book-entered securities in the case of book-entered shares. If the relevant bank account number is not entered in the list of shareholders or in the register of book-entered securities (or the number is not up-to-date), the relevant profit share will be sent to the bank account which the shareholder notifies to the Company through Česká spořitelna, a.s. for this purpose.

Profit shares will be paid to the shareholders who are individuals after the shareholders submit all the necessary documents, including a declaration by the actual owner (holder) of the shares and, if a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate, also a certificate of tax domicile.

The maturity date of the profit shares is set at **12 June 2023**. The payment period will last **from 12 June 2023 to 31 March 2024**. The "Notifications of the Payment of Proceeds from Securities" and information on the required documents will be published on the Company's website <http://www.philipmorris.cz>, in the section titled "For Shareholders", and will also be provided by Česká spořitelna, a.s.

Shareholders who are legal entities will also be paid profit shares through Česká spořitelna, a.s. in accordance with the rules defined above.

Profit shares will be paid to the shareholders who are **legal entities** only by wireless money transfer to the shareholders' bank accounts specified in the list of shareholders maintained by the Company, or in the register of book-entered securities in the case of book-entered shares. If the relevant bank account number is not entered in the list of shareholders or in the register of book-entered securities (or the number is not up-to-date), the relevant profit share will be sent to the bank account which the shareholder notifies to the Company through Česká spořitelna, a.s. for this purpose. Shareholders who are legal entities (or legal arrangements) will only be paid their profit shares after fulfilling the statutory conditions for the payment of profit shares (including the registration of the beneficial owner of each particular shareholder who is a legal entity (or legal arrangement) in the Register of Beneficial Owners (hereinafter referred to as the "**Czech Beneficial Owner Register**") in accordance with Section 53 (2) of the Act on Register of Beneficial Owners, if the shareholder is obliged to arrange for the registration of the beneficial owner or if the provisions of the above Act and the obligation to register the beneficial owner in the Czech Beneficial Owner Register applies to the shareholder), as well as after supplying all other required supporting documents, and, if a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate, also a certificate of tax domicile.

Česká spořitelna, a.s. will be checking the registrations of beneficial owners in the Czech Beneficial Owner Register, and shareholders who have no beneficial owner registered as at the date of payment of profit shares by Česká spořitelna, a.s. will not be paid their profit shares. If a profit share is not paid to the relevant shareholder (legal arrangement) due to the absence of registration of its beneficial owner in the Czech Beneficial Owner Register **by 31 December 2023, the right to that profit share will cease to exist** (Sections 53 (2) and (3) of the Act on Register of Beneficial Owners).

A shareholder claiming a profit share or its payment within a payment period after 31 December 2023 must demonstrate and prove that its right to a profit share has not ceased to exist due to the absence of registration of its beneficial owner in the Czech Beneficial Owner Register **by 31 December 2023**. Otherwise, the profit share will not be paid to that shareholder due to the fact that the shareholder's right to that payment has ceased to exist.

Contact persons at Česká spořitelna, a.s.:

Naděžda Šmídová

E-mail: vyplatadividend@csas.cz

Milan Williams

E-mail: vyplatadividend@csas.cz

Contact telephone: 956 765 438

Contact address for delivery of documents for payments:

Česká spořitelna, a.s.

Odd. A332_01

Budějovická 1518/13b

140 00 Prague 4

Reasoning:

Discussion and approval of the ordinary financial statements and ordinary consolidated financial statements is based on the requirements set out in the Corporations Act and the Company's Articles of Association. The Company has an obligation to annually prepare the above-mentioned documents and the Board of Directors submits the documents for approval to the General Meeting of the Company in accordance with the Corporations Act. The particular ordinary financial statements and ordinary consolidated financial statements for the 2022 calendar year accounting period give a true and fair view of the affairs and asset transfers and of other assets, liabilities and other liability items, expenses and earnings and economic results of the Company and the consolidated unit of the Company. The ordinary financial statements and ordinary consolidated financial statements for the 2022 calendar year accounting period have been approved by the auditor of the Company without any reservations and reviewed by the Supervisory Board, which has not found any deficiencies and, therefore, recommended them to the General Meeting for approval (see the Supervisory Board's Report under point 4 of the agenda of the General Meeting). The ordinary financial statements and ordinary consolidated financial statements for the 2022 calendar year accounting period are **included in the Annual Financial Report**. The Annual Financial Report is published in a manner allowing for remote access on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders".

The authority to adopt resolutions on distribution of the Company's profit lies with the Company's General Meeting according to the Corporations Act and the Company's Articles of Association. A share in profit is determined on the basis of the ordinary financial statements approved by the Company's General Meeting. The Board of Directors proposes to distribute the profit for the year 2022 in the amount which corresponds to the requirements of the Corporations Act and the Company's Articles of Association. The amount of the profit to be distributed is stated in the proposed resolution. This draft resolution specifies the amount of the profit share per each share as well as other information for payment of the profit shares, i.e. the date decisive for exercising profit share rights. In the view of the Board of Directors, the proposed amount of the profit shares to be paid out reflects the achieved economic results, financial possibilities and needs of the Company, and in particular the exercise of the shareholder rights to payment of the profit shares will not hinder the current or future activities of the Company. The Supervisory Board has reviewed the Board of Directors' proposal and recommends it to the General Meeting for approval (see the Supervisory Board's Report under point 4 of the agenda of the General Meeting).

The requirement to enter the beneficial owner in the Czech Beneficial Owner Register applicable to any shareholder who is obliged to arrange for such entry, as a condition for payment of a profit share, reflects the provisions of Act No. 37/2021 Coll., on Register of Beneficial Owners, as amended.

Re point 6 of the agenda (Approval of the 2022 Compensation Report)

Draft resolution:

The 2022 Remuneration Report is hereby approved in the wording submitted by the Board of Directors of the Company, which was attached as Schedule 3 to the Invitation to the General Meeting.

Reasoning:

In accordance with Section 121o of the Act on Business Activities on the Capital Market, the Company has prepared a report on remuneration of the members of the Board of Directors and the Supervisory

Board for the 2022 calendar year accounting period, which provides a complete overview of the remuneration granted or payable during the 2022 calendar year accounting period to the members of the Board of Directors and the Supervisory Board directly by the Company or by a company of the Philip Morris group. The submitted Remuneration Report has been audited in accordance with law. In accordance with the requirement of Section 121o (3) of the Act on Business Activities on the Capital Market, the Board of Directors submits the 2022 Remuneration Report to the General Meeting for approval.

The Remuneration Report serves to inform the shareholders of the actual remuneration paid to the members of the Board of Directors and the Supervisory Board. In order to ensure transparency, the wording of the Remuneration Report submitted by the Board of Directors to the General Meeting for approval is published in a manner allowing for remote access at the following website: <http://www.philipmorris.cz>, in the section titled "For shareholders". The 2022 Remuneration Report is also available for view to each shareholder free of charge at the registered office of the Company, i.e. in Kutná Hora, Vítězná 1, postcode 284 03, from 28 March 2023 to 28 April 2023, always on business days between 2:00 p.m. and 5:00 p.m. Any shareholder may request that a copy of the Remuneration Report be sent to it at the shareholder's own expense and risk.

The 2022 Remuneration Report forms an integral part of this invitation and is attached to it as Schedule 3.

Re point 7 of the agenda (Election of Mr. Petr Šebek, Mr. Manuel Joao Almeida Do Vale Goncalves Marques and Mr. Cemal Berk Temuroglu as members of the Board of Directors and Mr. Stefan Bauer and Mr. Seamus Minihan as members of the Supervisory Board, and approval of the Agreements on the Performance of Office of Members of the Board of Directors and Supervisory Board)

Draft resolution:

Mr. Petr Šebek, born on 10 November 1973, residing at Mlýnská 228/9, 252 62 Únětice, Czech Republic, is elected as a member of the Board of Directors of the Company, effective as of the day following the expiry of his current term of office as a member of the Board of Directors, i.e. as of 2 July 2023.

Mr. Manuel Joao Almeida Do Vale Goncalves Marques, born on 9 January 1977, residing at Rua dos Lusiadas 118, 1300-376 Lisbon, Portuguese Republic, is elected as a member of the Board of Directors of the Company.

Mr. Cemal Berk Temuroglu, born on 4 July 1977, residing at Šlikova 308/53, Břevnov, 169 00 Prague 6, Czech Republic, is elected as a member of the Board of Directors of the Company.

Reasoning:

The election of Mr. Petr Šebek as a member of the Board of Directors of the Company is proposed in connection with his expiring term of office; he is being proposed for re-election as a member of the Board of Directors. Mr. Peter Šebek's current term of office expires on 1 July 2023.

The election of Mr. Manuel Joao Almeida Do Vale Goncalves Marques as a member of the Company's Board of Directors is proposed in connection with the fact that he was appointed as a substitute member of the Board of Directors on 15 June 2022 until the next General Meeting, in accordance with Article 14.4 of the Company's Articles of Association (co-optation).

The election of Mr. Cemal Berk Temuroglu as a member of the Board of Directors of the Company is proposed in connection with the fact that he was appointed as a substitute member of the Board of Directors on 8 August 2022 until the next General Meeting, in accordance with Article 14.4 of the Articles of Association of the Company (co-optation).

The proposed members of the Board of Directors meet the requirements arising from the Corporations Act concerning the performance of office of members of the Board of Directors. In view of their experience and qualifications, the proposed members of the Board of Directors are suitable candidates for holding the above-mentioned offices of members of the Board of Directors.

Since in the event that Mr. Petr Šebek is elected as a member of the Board of Directors, he will be re-elected for the next immediately following term of office, no new Agreement on Performance of Office of a Member of the Board of Directors will be concluded between the Company and Mr. Petr Šebek, as in accordance with Article 13.6 of the Agreement on Performance of Office of a Member of the Board of Directors, the previously concluded Agreement on Performance of Office remains valid and effective for the duration of the next term of office of the member of the Board of Directors.

Draft resolution:

The Agreement on the Performance of Office of a Member of the Board of Directors concluded on 27 March 2023 between Philip Morris ČR a.s. and a member of the Board of Directors of Philip Morris ČR a.s., Mr. Manuel Joao Almeida Do Vale Goncalves Marques, is hereby approved in the wording submitted by the Board of Directors of the Company in the form of its publication on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders".

The Agreement on the Performance of Office of a Member of the Board of Directors concluded on 27 March 2023 between Philip Morris ČR a.s. between a member of the Board of Directors of Philip Morris ČR a.s., Mr. Cemal Berk Temuroglu, is hereby approved in the wording submitted by the Board of Directors of the Company in the form of its publication on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders".

Reasoning:

The Agreement on the Performance of Office represents a standard instrument defining mutual rights and obligations of the Company and a member of the Board of Directors and also represents one of the motivating instruments for the performance of office by a member of the Board of Directors. The approval of the Agreements on the Performance of Office entered into with members of the Board of Directors falls within the authority of the Company's General Meeting. The Agreements on the Performance of Office of Members of the Board of Directors submitted to the General Meeting for its approval are based on the standard template of the Agreement on the Performance of Office used by the Company in the past and respect the existing practise within the Company while taking into consideration the requirements set out in the Corporations Act. The Agreements on the Performance of Office entered into with the members of the Board of Directors, Mr. Manuel Joao Almeida Do Vale Goncalves Marques and Mr. Cemal Berk Temuroglu, are available at the registered office of the Company, i.e. in Kutná Hora, Vítězná 1, postcode 284 03, from 28 March 2023 to 28 April 2023, always on business days between 2:00 p.m. and 5:00 p.m., and on the website <http://www.philipmorris.cz>, in the section titled "For Shareholders".

Draft resolution:

Mr. Stefan Bauer, born on 24 June 1971, residing at Sentier du Lycee 8 A, 1009 Pully, Swiss Confederation, is elected as a member of the Supervisory Board of the Company, effective as of the day following the expiry of his current term of office as a member of the Supervisory Board, i.e. as of 2 July 2023.

Mr. Seamus Minihan, born on 11 December 1977, residing at Ave des Mousquines 40B, 1005 Lausanne, Swiss Confederation, is elected as a member of the Supervisory Board of the Company.

Reasoning:

The election of Mr. Stefan Bauer as a member of the Supervisory Board of the Company is proposed in connection with his expiring term of office; he is being proposed for re-election as a member of the Supervisory Board. Mr. Stefan Bauer's current term of office expires on 1 July 2023.

The election of Mr. Seamus Minihan as a member of the Supervisory Board of the Company is proposed in connection with the vacancy in the Supervisory Board due to the resignation of Mr. Sergio Colarusso as a member of the Supervisory Board, whose term of office expired on 27 March 2023.

The proposed members of the Supervisory Board meet the requirements arising from the Corporations Act concerning the performance of office of members of the Supervisory Board. In view of their

experience and qualifications, the proposed members of the Supervisory Board are suitable candidates for holding the above-mentioned offices in the Supervisory Board.

Since in the event that Mr. Stefan Bauer is elected as a member of the Supervisory Board, he will be re-elected for the next immediately following term of office, no new Agreement on Performance of Office of a Member of the Supervisory Board will be concluded between the Company and Mr. Stefan Bauer, as in accordance with Article 13.6 of the Agreement on Performance of Office of a Member of the Supervisory Board, the previously concluded Agreement on Performance of Office remains valid and effective for the duration of the next term of office of the member of the Supervisory Board.

Draft resolution:

The Agreement on the Performance of Office of a Member of the Supervisory Board concluded on 27 March 2023 between Philip Morris ČR a.s. and a member of the Supervisory Board of Philip Morris ČR a.s., Mr. Seamus Minihan, is hereby approved in the wording submitted by the Board of Directors of the Company in the form of its publication on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders".

The Agreement on the Performance of Office of a Member of the Supervisory Board concluded on 27 March 2023 between Philip Morris ČR a.s. and a member of the Supervisory Board of Philip Morris ČR a.s., Mr. Jan Kodaj, is hereby approved in the wording submitted by the Board of Directors of the Company in the form of its publication on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders".

The Agreement on the Performance of Office of a Member of the Supervisory Board concluded on 27 March 2023 between Philip Morris ČR a.s. and a member of the Supervisory Board of Philip Morris ČR a.s., Mr. Tomáš Hilgard, is hereby approved in the wording submitted by the Board of Directors of the Company in the form of its publication on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders".

Reasoning:

The Agreement on the Performance of Office of a Member of the Supervisory Board, Mr. Jan Kodaj, is approved with regard to his election as an employee representative to the Supervisory Board on 17 March 2023.

The Agreement on the Performance of Office of a Member of the Supervisory Board, Mr. Tomáš Hilgard, is approved with regard to his election as an employee representative to the Supervisory Board on 17 March 2023.

The Agreement on the Performance of Office represents a standard instrument defining mutual rights and obligations of the Company and a member of the Supervisory Board and also represents one of the motivating instruments for the performance of office by a member of the Supervisory Board. The approval of the Agreements on the Performance of Office entered into with members of the Supervisory Board falls within the authority of the Company's General Meeting. The Agreement on the Performance of Office of a Member of the Supervisory Board submitted to the General Meeting for its approval is based on the standard template of an Agreement on the Performance of Office used by the Company in the past and respects the existing practise within the Company while taking into consideration the requirements set out in the Corporations Act. The Agreements on the Performance of Office entered into with members of the Supervisory Board, Mr. Seamus Minihan, Mr. Jan Kodaj and Mr. Tomáš Hilgard, are available at the registered office of the Company, i.e. in Kutná Hora, Vítězná 1, postcode 284 03, from 28 March 2023 to 28 April 2023, always on business days between 2:00 p.m. and 5:00 p.m., and on the website <http://www.philipmorris.cz>, in the section titled "For Shareholders".

Re point 8 of the agenda (Election of Mr. Stefan Bauer as a member of the Audit Committee)

Draft resolution:

Mr. Stefan Bauer, born on 24 June 1971, residing at Sentier du Lycee 8 A, 1009 Pully, Swiss Confederation, is elected as a member of the Audit Committee of the Company, effective as of the day

following the expiry of his current term of office as a member of the Audit Committee, i.e. as of 2 July 2023.

Reasoning:

The election of Mr. Stefan Bauer as a member of the Audit Committee of the Company is proposed in connection with his expiring term of office; he is being proposed for re-election as a member of the Audit Committee. Mr. Stefan Bauer's current term of office expires on 1 July 2023.

The proposed member of the Audit Committee meets the requirements arising from the Auditors Act and the Company's Articles of Association. In view of his experience and qualifications, the proposed member of the Audit Committee is a suitable candidate for holding the above-mentioned office in the Audit Committee.

Since in the event that Mr. Stefan Bauer is elected as a member of the Audit Committee, he will be re-elected for the next immediately following term of office, no new Agreement on Performance of Office of a Member of the Audit Committee will be concluded between the Company and Mr. Stefan Bauer, as in accordance with Article 12.6 of the Agreement on Performance of Office of a Member of the Audit Committee, the previously concluded Agreement on Performance of Office remains valid and effective for the duration of the next term of office of the member of the Audit Committee.

Re point 9 of the agenda (Appointment of the Company's auditor)

Draft resolution:

Mazars Audit s.r.o., whose registered office is in Prague 8, Pobřežní 620/3, postcode: 186 00, identification number: 639 86 884, registered in the Commercial Register maintained by the Municipal Court in Prague, File No. C 38404, is appointed auditor of the Company for the 2023 calendar year accounting period.

Reasoning:

The authority to appoint the Company's auditor lies with the General Meeting of the Company in accordance with the Auditors Act and the Company's Articles of Association.

The proposed auditor is a recognized company with sufficient capacity and expertise and many years of experience and expertise in the field of auditing, which provides guarantees of independence in the performance of the audit engagement, and thus meets the requirements arising from law for appointment as auditor. The proposed auditor was the Company's auditor in the past and was recommended by the Audit Committee to the Supervisory Board, which proposed this auditor for approval. The Audit Committee's recommendation was made in accordance with the provisions of the Regulation on specific requirements regarding statutory audit of public-interest entities. The Audit Committee's recommendation was not subject to the influence of a third party and is not subject to any arrangement between the Company and a third party that would restrict the selection of the statutory auditor.

The proposed auditor has therefore also knowledge of the Company's needs and operation and, in view of its experience and qualifications, it is a suitable candidate to be appointed as auditor of the Company for the year 2023.

Please note that the only authoritative version of this document is the version in the Czech language. The English version of this document has been prepared for information purposes only.

Main data from the 2022 ordinary financial statements (in CZK millions)

Non-current assets:	3,088	Registered capital and reserves:	5,124
Current assets:	12,041	Retained earnings from prior years:	8
.....		Earnings for the current period:	3,623
.....		Non-current liabilities:	261
.....		Current liabilities:	6,113
Total assets:	15,129	Total equity and liabilities:	15,129

Main data from the 2022 ordinary consolidated financial statements (in CZK millions)

Non-current assets:	3,226	Registered capital and reserves:	5,130
Current assets:	13,175	Retained earnings from prior years:	0
.....		Earnings for the current period:	3,636
.....		Non-current liabilities:	312
.....		Current liabilities:	7,323
Total assets:	16,401	Total equity and liabilities:	16,401


Schedules:

The following schedules form integral parts of this invitation:

1. Proposal for the distribution of profit for the year 2022
2. Draft Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting of the Company
3. 2022 Remuneration Report.

In Kutná Hora, on 27 March 2023

Philip Morris ČR a.s.



Andrea Gontkovičová
Chairperson of the Board of Directors

Philip Morris ČR a.s.



Anton Stankov
Member of the Board of Directors

SCHEDULE 1

Proposal for the distribution of profit for the year 2022

(in CZK)

Profit after tax for the year 2022	3,623,545,360.82
Profit share for the year 2022	3,596,455,660.00
Part of the profit for the year 2022 which will be transferred to the account of retained earnings from prior years	27,089,700.82
Retained earnings from prior years which will remain undistributed	7,714,720.23

The proposed gross profit share per share with a nominal value of CZK 1,000 is CZK 1,310.00, with the total number of these shares being 2,745,386 .

The decisive date for exercising profit share rights is 10 May 2023, i.e. the profit shares will be paid to shareholders who held shares of the Company as at 10 May 2023.

Shareholders will be paid their profit shares through Česká spořitelna, a.s., a company whose registered office is in Prague 4, Olbrachtova 1929/62, postcode: 140 00, identification number: 452 44 782, registered in the Commercial Register maintained by the Municipal Court in Prague, File No. 1171.

Shareholders will be invited to send their settlement data and other supporting documents to Česká spořitelna, a.s. for the purpose of payment of their profit shares via the "Notification of the Payment of Proceeds from Securities", which will be published on 12 May 2023 in a manner allowing for remote access on the Company's website <http://www.philipmorris.cz>, in the section titled "For shareholders", and which will further stipulate more detailed instructions necessary for the payment of profit shares.

Profit shares will be paid to the shareholders who are **individuals** during the set payment period only by wireless money transfer to the shareholders' bank accounts specified in the list of shareholders maintained by the Company, or in the register of book-entered securities in the case of book-entered shares. If the relevant bank account number is not entered in the list of shareholders or in the register of book-entered securities (or the number is not up-to-date), the relevant profit share will be sent to the bank account which the shareholder notifies to the Company through Česká spořitelna, a.s. for this purpose.

Profit shares will be paid to the shareholders who are individuals after the shareholders submit all the necessary documents, including a declaration by the actual owner (holder) of the shares and, if a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate, also a certificate of tax domicile.

The maturity date of the profit shares is set at **12 June 2023**. The payment period will last **from 12 June 2023 to 31 March 2024**. The "Notifications of the Payment of Proceeds from Securities" and information on the required documents will be published on the Company's website <http://www.philipmorris.cz>, in the section titled "For Shareholders", and will also be provided by Česká spořitelna, a.s.

Shareholders who are legal entities will also be paid their profit shares through Česká spořitelna, a.s. in accordance with the rules defined above.

Profit shares will be paid to the shareholders who are **legal entities** only by wireless money transfer to the shareholders' bank accounts specified in the list of shareholders maintained by the Company, or in the register of book-entered securities in the case of book-entered shares. If the relevant bank account number is not entered in the list of shareholders or in the register of book-entered securities (or the

number is not up-to-date), the relevant profit share will be sent to the bank account which the shareholder notifies to the Company through Česká spořitelna, a.s. for this purpose. Shareholders who are legal entities (or legal arrangements) will only be paid their profit shares after fulfilling the statutory conditions for the payment of profit shares (including the registration of the beneficial owner of each particular shareholder who is a legal entity (or legal arrangement) in the Register of Beneficial Owners (hereinafter referred to as the “**Czech Beneficial Owner Register**”) in accordance with Section 53 (2) of the Act on Register of Beneficial Owners, if the shareholder is obliged to arrange for the registration of the beneficial owner or if the provisions of the above Act and the obligation to register the beneficial owner in the Czech Beneficial Owner Register applies to the shareholder), as well as after supplying all other required supporting documents, and, if a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate, also a certificate of tax domicile.

Česká spořitelna, a.s. will be checking the registrations of beneficial owners in the Czech Beneficial Owner Register, and shareholders who have no beneficial owner registered as at the date of payment of profit shares by Česká spořitelna, a.s. will not be paid their profit shares. If a profit share is not paid to the relevant shareholder (legal arrangement) due to the absence of registration of its beneficial owner in the Czech Beneficial Owner Register **by 31 December 2023, the right to that profit share will cease to exist** (Sections 53 (2) and (3) of the Act on Register of Beneficial Owners).

A shareholder claiming a profit share or its payment within a payment period after 31 December 2023 must demonstrate and prove that its right to a profit share **has not ceased to exist** due to the absence of registration of its beneficial owner in the Czech Beneficial Owner Register **by 31 December 2023**. Otherwise, the profit share will not be paid to that shareholder due to the fact that the shareholder's right to that payment has ceased to exist.

Contact persons at Česká spořitelna, a.s.:

Department: A332_01

Naděžda Šmídová

E-mail: vyplatadividend@csas.cz

Milan Williams

E-mail: vyplatadividend@csas.cz

Contact telephone: 956 765 438

Contact address for delivery of documents for payments:

Česká spořitelna, a.s.

Department A332_01

Budějovická 1518/13b

140 00 Prague 4

SCHEDULE 2

Draft Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting of the Company

RULES OF PROCEDURE AND VOTING RULES Applicable to Proceedings at the General Meeting of Philip Morris ČR a.s. to be held on 28 April 2023

Section 1

Basic Provisions

1. In accordance with Act No. 90/2012 Coll. on Companies and Cooperatives (the Corporations Act) (the "**Corporations Act**"), these Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting of Philip Morris ČR a.s. (the "**Company**") govern the manner of registering the Company's shareholders, the proceedings of the General Meeting, the method in which shareholders exercise their rights at the General Meeting and the method of voting at the General Meeting.
2. For the purposes of these Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting, a "**shareholder**" also means a shareholder's proxy, unless stipulated otherwise.
3. Should the interpretation of any provision of these Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting be unclear or should a situation occur that is not provided for by generally binding legislation, the Company's Articles of Association or these Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting, the further proceedings of the General Meeting shall be decided on by the Chairperson of the General Meeting in compliance with the principles of the legal regulation of joint-stock companies contained in applicable law.

Section 2

Registration of Shareholders

1. Registration desks are set up for registering shareholders in an attendance list and for issuing identification cards and voting ballots to shareholders. By signing the registration card, each shareholder confirms that the shareholder was given the voting ballots and an identification card with an identification number corresponding to the number on the registration card. If any of the shareholders loses the shareholder's identification card, the registration desk will re-issue the identification card at the shareholder's request at any time during the General Meeting.
2. Shareholders' attendance will be registered throughout the duration of the General Meeting. At registration, authorised persons at the registration desks will verify the identity of the shareholders and their right to attend and vote at the General Meeting. Shareholders who sign the attendance list and do not express their will to end their attendance at the General Meeting by a written statement made at a registration desk are considered present for the entire duration of the General Meeting. If a person refuses registration in the attendance list, the fact of such refusal and its reason will be recorded in the attendance list.

Section 3

Rules of Procedure

1. The General Meeting shall be opened and presided over by the person convening the General Meeting or a person appointed by that person until the election of the Chairperson. If the General Meeting is convened by a collective body, this body must authorise one of its members (or resolve to authorise another person) to preside over the General Meeting until the Chairperson

is elected or, as the case may be, if no Chairperson of the General Meeting is elected. The task of the person convening the General Meeting or the person appointed by that person is to ensure that the General Meeting elects the Chairperson of the General Meeting, a minutes clerk, one or several verifiers of the minutes and a person or persons charged with counting the votes (scrutineers). Following the election of the Chairperson of the General Meeting, the General Meeting shall be further conducted by this Chairperson.

2. At the General Meeting, shareholders are entitled to require and obtain explanations in respect of matters relating to the Company and the parties controlled by the Company, should any such explanation be necessary for assessing matters on the agenda of the General Meeting or for the exercise of the shareholder rights at the General Meeting. Shareholders may request the explanations mentioned in the previous sentence in writing. Shareholders are entitled to file proposals and counterproposals in relation to the points on the agenda of the General Meeting. Proposals submitted by the Board of Directors or the Supervisory Board are voted on first. If these proposals are not adopted or made, shareholders' (counter)proposals are voted on. Shareholders, members of the Board of Directors and members of the Supervisory Board may raise a protest concerning a resolution of the General Meeting.
3. The explanation may be provided in the form of a summary statement on several similar issues. It shall be deemed that shareholders have been provided with an explanation even if the relevant information (the supplementing explanation in respect of individual points on the agenda of the General Meeting) is published on the Company's website no later than on the day preceding the date of the General Meeting and is available to the shareholders at the venue of the General Meeting. If the information is provided to the relevant shareholder, every other shareholder may also request such information without having to follow the procedure applicable to the exercise of the right to an explanation described above.
4. Shareholders may also file their proposals in relation to the issues which will be included on the agenda of the General Meeting before the invitation to the General Meeting is published. Proposals delivered to the Company no later than five days before the publication of the invitation to the General Meeting shall be published by the Board of Directors, including an opinion of the Board of Directors, along with the invitation to the General Meeting, on the Company's website. Section 3 (5) of these Rules of Procedure and Voting Rules Applicable to Proceedings at the General Meeting shall apply analogously to the proposals delivered after this time limit.
5. Any proposals and counterproposals delivered to the Company no later than three days before the General Meeting shall be published by the Board of Directors without undue delay on the Company's website. If the proposals and counterproposals contain justifications, the Board of Directors shall also publish these justifications along with them. If the proposals and counterproposals are delivered at the latest five days before the General Meeting, the Board of Directors shall also publish its opinion on the received proposals and counterproposals without undue delay. A shareholder may submit proposals and counterproposals on matters on the agenda of the General Meeting also directly at the General Meeting.
6. Issues not included in the agenda of the General Meeting may only be discussed or decided on at the General Meeting if all shareholders of the Company agree with this.
7. Shareholders may file their requests for explanations, proposals, counterproposals and, if applicable, protests either in writing on a comment slip or orally at the invitation of the Chairperson of the General Meeting after proving their identity based on an identification card. The comment slip must contain the shareholder's identification number (as specified on the identification card) and the shareholder's signature. Shareholders must submit comment slips to the information centre. When submitting a comment slip, the shareholder must prove the shareholder's identity by presenting the shareholder's identification card.
8. The General Meeting's information centre will number the comment slips according to the order in which they are received and will hand them over to the Chairperson of the General Meeting.
9. The Chairperson of the General Meeting decides on who is entitled to take the floor. A member of the Board of Directors and a member of the Supervisory Board must be permitted to take the floor whenever they request this. If somebody disturbs the proceedings of the General Meeting, the Chairperson of the General Meeting may reprimand this person and, if they fail to change

their behaviour even after being reprimanded, the Chairperson of the General Meeting may interrupt the General Meeting until order is restored.

Section 4

Voting Rules

1. Voting is performed by means of ballots, which the shareholders receive upon registration or, as the case may be, during the General Meeting based on the instructions of the Chairperson of the General Meeting. Each time before votes are cast, the Chairperson of the General Meeting will inform the shareholders of the resolution which is being voted on and which ballot should be used for this purpose. Each shareholder will indicate the relevant answer on the ballot by marking the chosen answer with a cross and by signing the ballot. If a shareholder is to use a substitute ballot or a ballot which the shareholder received during the course of the General Meeting based on an instruction of the Chairperson of the General Meeting, the shareholder must also fill in a number of the ballot announced by the Chairperson of the General Meeting. If using a ballot which the shareholder received during the course of the General Meeting based on the instruction of the Chairperson of the General Meeting, the shareholder must also fill in the shareholder's own identification number (as specified on the identification card).
2. Ballots which are not signed, ballots without a ballot number or with an incorrect ballot number and ballots containing no identification number or an incorrect identification number are invalid. Ballots which are torn, crossed-out, rewritten or otherwise invalidated (i.e. containing illegible or unclear information) will also be considered invalid. If a shareholder makes a mistake when filling in a ballot, the shareholder must ask a person charged with counting the votes (the "**Scrutineer**") for assistance. The shareholder may then correct the ballot in the presence of the Scrutineer and both of them must then confirm the correction by signing the ballot, or the Scrutineer may give the shareholder a new ballot.
3. After collecting the ballots, the Scrutineers will immediately start counting the votes. As soon as they ascertain that the number of votes necessary for making the decision on the proposed resolution has been achieved, they will inform the Chairperson of the General Meeting accordingly. The Scrutineers will then continue counting the remaining votes. The complete results will be recorded in the minutes of the General Meeting and, possibly, announced during the General Meeting. A record of the General Meeting's quorum has to be made when votes are taken on each draft resolution.

SCHEDULE 3

2022 Remuneration Report

(2022 Remuneration Report can be found on the next page)

REMUNERATION REPORT
of Philip Morris ČR a.s.
for the accounting period from January 1, 2022 to December 31, 2022

The remuneration report prepared by Philip Morris ČR a.s., with its registered office at Vítězná 1, Kutná Hora, postcode 248 03, identification number: 14803534, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 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, 2022 to December 31, 2022 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
- Peter Piroch, Member of the Board of Directors until July 31, 2022
- Piotr Andrzej Cerek, Member of the Board of Directors until June 15, 2022
- Petr Šebek, Member of the Board of Directors
- Anton Kirilov Stankov, Member of the Board of Directors
- Manuel Joao Almeida Do Vale Goncalves Marques, Member of the Board of Directors as of June 15, 2022
- Cemal Berk Temuroglu, Member of the Board of Directors as of August 8, 2022

Members of the Supervisory Board of the Company:

- Stefan Bauer, Chairperson of the Supervisory Board
- Prof. Alena Zemplerová, Member of the Supervisory Board
- Stanislava Juríková, Member of the Supervisory Board
- Sergio Colarusso, Member of the Supervisory Board
- Tomáš Hilgard, Member of the Supervisory Board until February 15, 2022
- Roman Grametbauer, Member of the Supervisory Board until December 10, 2022

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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, 2022 to December 31, 2022:

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 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" ("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 the law 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 and fulfilment of objectives of the relevant Persons with Significant Relationship to the Company, and serves primarily to acquire, maintain 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.

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) 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 Member 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;
- health care contribution and preventive programme contribution 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 laptop, 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) 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 Member 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;
- health care contribution and preventive programme contribution 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 laptop, car and telephone (including for private purposes).

3) The fixed component in the case of the Persons with Significant Relationship to the Company who are not employees of PMI or PMCR includes 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.

Remuneration components of the members of the Board of Directors:

The total amount of remuneration is before tax and relevant mandatory contributions.

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

received the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) for 2022 in total 10,901,727.95 CZK, and additional monetary remuneration and other benefits in total 4,352,596.32 CZK, including contribution to supplementary pension insurance in total 973,478.65 CZK, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 8,770,175.76 CZK and a bonus in the form of shares of Philip Morris International Inc. vested in 2019 and received in 2022 in the total value 5,232,314.16 CZK and share in the profit from these shares paid in 2022 in total 805,020.92 CZK. Total amount of fixed and variable remuneration 30,061,835.11 CZK. Ratio of the fixed and the

variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 51/49 %.

Petr Šedivec /Member of the Board of Directors, General Manager of Philip Morris Slovakia s.r.o./:

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2022 in total 3,814,267.50 CZK, and additional monetary remuneration and other benefits in total 1,297,785.85 CZK and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 1,603,220.10 CZK and a bonus in the form of shares of Philip Morris International Inc. vested in 2019 and received in 2022 in the total value 1,244,579.58 CZK and share in the profit from these shares paid in 2022 in total 169,549.50 CZK. Total amount of fixed and variable remuneration 8,129,402.53 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 63/37 %.

Peter Piroch /Member of the Board of Directors and Director Commercial Operations of the Company responsible for the Czech Republic until July 31, 2022/:

received the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) for 2022 in total 2,065,600.27 CZK, and additional monetary remuneration and other benefits in total 2,116,428.86 CZK, including contribution to supplementary pension insurance in total 123,925.68 CZK and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 1,150,779.80 CZK and a bonus in the form of shares of Philip Morris International Inc. vested in 2019 and received in 2022 in the total value 1,142,981.25 CZK and share in the profit from these shares paid in 2022 in total 109,860.54 CZK. Total amount of fixed and variable remuneration 6,585,650.73 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 64/36 %.

Piotr Andrzej Cerek /Member of the Board of Directors and Director Manufacturing of the Company responsible for the Czech Republic until June 15, 2022/:

received the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) for 2022 in total 2,098,914.05 CZK, and additional monetary remuneration and other benefits in total 2,080,269.23 CZK, including contribution to supplementary pension insurance in total 348,237.55 CZK and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 3,033,165.42 CZK and a bonus in the form of shares of Philip Morris International Inc. vested in 2019 and received in 2022 in the total value 1,625,573.34 CZK and share in the profit from these shares paid in 2022 in total 136,548.02 CZK. Total amount of fixed and variable remuneration 8,974,470.06 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 47/53 %.

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

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2022 in total 4,586,367.00 CZK, and additional monetary remuneration and other benefits in total 61,739.00 CZK, including contribution to supplementary pension insurance in total 60,000.00 CZK and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 1,472,243.00 CZK and a bonus in the form of shares of Philip Morris International Inc. vested in 2019 and received in 2022 in the total value 838,186.25 CZK and share in the profit from these shares paid in 2022 in total 144,968.00 CZK. Total amount of fixed and variable remuneration 7,103,503.25 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 65/35 %.

Anton Kirilov Stankov / Member of the Board of Directors and Director finance of the Company responsible for the Czech Republic, Slovakia and Hungary /:

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2022 in total 9,357,029.15 CZK, and additional monetary remuneration and other benefits in total 3,876,842.30 CZK, including contribution to supplementary pension insurance in total 809,135.19 CZK and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 3,139,903.24 CZK and a bonus in the form of shares of Philip Morris International Inc. vested in 2019 and received in 2022 in the total value 4,267,130.00 CZK and share in the profit from these shares paid in 2022 in total 468,493.72 CZK. Total amount of fixed and variable remuneration 21,109,398.41 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 63/37 %.

Manuel Joao Almeida Do Vale Goncalves Marques /Member of the Board of Directors and Director Manufacturing of the Company responsible for the Czech Republic as of June 15, 2022/:

received the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) for 2022 in total 1,638,142.36 CZK, and additional monetary remuneration and other benefits in total 2,059,610.71 CZK, including contribution to supplementary pension insurance in total 168,574.02 CZK and the variable component of the remuneration in accordance with Sec. 4) above: share in the profit from shares paid in 2022 in total 57,941.48 CZK. Total amount of fixed and variable remuneration 3,755,694.55 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 98/2 %.

Cemal Berk Temuroglu /Member of the Board of Directors and Director Commercial Operations of the Company responsible for the Czech Republic as of August 8, 2022/:

received the fixed component of the remuneration in accordance with Sec. 1) above: the fixed monthly remuneration (salary) for 2022 in total 1,390,251.00 CZK, and additional monetary remuneration and other benefits in total 6,084.00 CZK. Total amount of fixed and variable remuneration 1,396,335.00 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 100/0 %.

Remuneration components of the members of the Supervisory Board:

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

Stefan Bauer was entitled to receive from the Company only remuneration for the performance of office under the agreement on the performance of the office in total 400,000 CZK, in the relevant accounting period, Stefan Bauer waived the remuneration for the performance of his office.

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

received the fixed component of the remuneration in accordance with Sec. 3): remuneration for the performance of office under the agreement on the performance of the office in total 200,000 CZK. Ms. Alena Zemplerová is not an employee of PMI or PMČR, the remuneration 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): remuneration for the performance of office under the agreement on the performance of the office in total 400,000 CZK. Ms. Stanislava Juríková is not an employee of PMI or PMČR, the remuneration includes the fixed component only.

Sergio Colarusso /Member of the Supervisory Board of the Company and Controller of Philip Morris Products S.A. responsible for EU/:

Sergio Colarusso was entitled to receive from the Company only remuneration for the performance of office under the agreement on the performance of the office in total 200,000 CZK, in the relevant accounting period, Sergio Colarusso waived the remuneration for the performance of his office.

Tomáš Hilgard /Member of the Supervisory Board of the Company elected by the employees and Manager COD for the Czech Republic until February 15, 2022/:

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2022 in total 259,718.00 CZK, and additional monetary remuneration, remuneration for the performance of office and other benefits in total 6,158.00 CZK, including contribution to supplementary pension insurance in total 6,000.00 CZK, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 200,153.00 CZK. Total amount of fixed and variable remuneration 466,029.00 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 57/43 %.

Roman Grametbauer /Member of the Supervisory Board of the Company elected by the employees and Manager Sustainability until December 10, 2022/:

received the fixed component of the remuneration in accordance with Sec. 2) above: the fixed monthly remuneration (salary) for 2022 in total 1,446,412.00 CZK, and additional monetary remuneration, remuneration for the performance of office and other benefits in total 256,834.00 CZK, including contribution to supplementary pension insurance in total 33,600.00 CZK, 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 in total 107,825.00 CZK and share in the profit from shares paid in 2022 in total 7,090.00 CZK. Total amount of fixed and variable remuneration 1,818,161.00 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 94/6 %.

II

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 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					
	2017-2019	2020	2021	2022	Annual change in million CZK	Annual change in %
Andrea Gontkovičová	N/A*	30.10	25.68	30.06	4.38	17.06
Petr Šedivec	N/A*	5.05	6.33	8.13	1.80	28.44
Peter Piroch	N/A*	7.42	8.21	6.59	-1.63	-19.81**
Piotr Andrzej Cerek	N/A*	9.17	12.62	8.97	-3.65	-28.92**
Petr Šebek	N/A*	5.05	5.15	7.10	1.95	37.84
Anton Kirilov Stankov	N/A*	N/A***	15.99	21.11	5.12	32.02

Manuel Joao Almeida Do Vale Goncalves Marques	N/A*	N/A***	N/A***	3.76	N/A	N/A
Cemal Berk Temuroglu	N/A*	N/A***	N/A***	1.40	N/A	N/A
Stefan Bauer	N/A*	25.82	21.87	35.65	13.78	63.01
prof. Alena Zemplerová	N/A*	0.20	0.20	0.20	0.00	0.00
Stanislava Juríková	N/A*	0.40	0.40	0.40	0.00	0.00
Sergio Colarusso	N/A*	15.68	15.60	18.89	3.29	21.10
Tomáš Hilgard	N/A*	2.45	2.17	0.47	-1.70	-78.48**
Roman Grametbauer	N/A*	N/A***	1.65	1.82	0.17	10.03**

* 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.

** 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 negative annual change in the total amount of remuneration.]

*** 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.

III

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, is given in the table 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 Supervisory Board of the Company:

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

received from Philip Morris International Inc. or its controlled companies, with the exception of PMCR the fixed component of the remuneration in accordance with Sec. 1) above: The fixed monthly remuneration (salary) for 2022 in total 10,499,476.99 CZK, and additional monetary remuneration and other benefits in total 1,338,579.01 CZK, including contribution to supplementary pension insurance in total 909,822.93 CZK, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 9,827,517.90 CZK and a bonus in the form of shares of Philip Morris International Inc. vested in 2019 and received in 2022 in the total value 12,560,347.30 CZK and share in the profit from these shares paid in 2022 in total 1,425,656.82 CZK. Total amount of fixed and variable remuneration 35,651,578.02 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 33/67 %.

Sergio Colarusso /Member of the Supervisory Board of the Company and Controller of Philip Morris Products S.A. responsible for EU/:

received from Philip Morris International Inc. or its controlled companies, with the exception of PMCR ("PMI") the fixed component of the remuneration in accordance with Sec. 1) above: The fixed monthly remuneration (salary) for 2022 in total 9,477,401.63 CZK, and additional monetary remuneration and other benefits in total 1,074,236.94 CZK, including contribution to supplementary pension insurance in total 827,455.72 CZK, and the variable component of the remuneration in accordance with Sec. 4) above: a one-off annual performance-based financial bonus for the year 2021 paid in 2022 in total 4,659,982.74 CZK and a bonus in the form of shares of Philip Morris International Inc. vested in 2019 and received in 2022 in the total value 3,204,697.66 CZK and share in the profit from these shares paid in 2022 in total 471,819.28 CZK. Total amount of fixed and variable remuneration 18,888,138.25 CZK. Ratio of the fixed and the variable components of the remuneration % expression of the variable component to the fixed component of the remuneration: 56/44 %.

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) – except for Mr. Roman Grametbauer, who held nine registered book-entered shares of 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 part 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		
2021	651,075	71,058	11.00
2022	809,594	158,519	20.00

* 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.

Kutná Hora, on March 27, 2023

Philip Morris ČR a.s.



Andrea Gontkovičová
Chairperson of the Board of Directors

Philip Morris ČR a.s.



Anton Stankov
Member of the Board of Directors

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 2022 (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, 27 March 2023

Represented by Jan Kellner

Jan Kellner
Statutory auditor, Licence No. 2225