

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

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

I

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

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