



PHILIP MORRIS ČR

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PRESS RELEASE

Philip Morris ČR a.s. is the First Company in the Czech Republic to be Awarded the Prestigious EQUAL-SALARY Certification

As the very first company in the Czech Republic, Philip Morris ČR a.s. was awarded the prestigious EQUAL-SALARY Certification for so-called equal compensation. This certification is awarded by the Swiss EQUAL-SALARY Foundation in collaboration with the Geneva University and the consulting firm of PwC as an independent means of certifying the equal compensation of women and men for the same work positions.

“Being awarded the EQUAL-SALARY Certification proves that Philip Morris ČR a.s. maintains a fair wage policy in the long-term, and that it is a good employer no matter the gender, age, or working position – business or manufacturing,” says Árpád Könye, Chairman of the Board of Directors and Managing Director of Philip Morris ČR a.s., the affiliate responsible for Philip Morris International Inc.’s (“PMI”) business in the Czech Republic. He adds:

“The Equal-Salary Certification is a very significant endorsement that we take Diversity & Inclusion in general very seriously as key cultural pillars in Philip Morris ČR a.s. We are extremely proud of that recognition and endorsement – it is first certification in the Czech Republic – and it comes on the back of the Top Employer Certification for the 4th consecutive year already.”

PMI, which is a global employer with more than 80 thousand employees in many countries worldwide, considers diversity and equal work conditions as one of its key cultural pillars. In fact, it is the diversity of its work teams and work methods that is the key to the overall success of the company, as well as being the motor for innovations.

The equal representation of men and women is just one of the types of diversity that PMI pays special attention to. All areas of human resources are affected by it – from a balance in the genders of recruited candidates for each position to setting the goal that by 2022, at least 40% of managerial positions will be held by women.

An integral part of our approach to female employees is also the attention that the Company pays as an employer in the Czech Republic to women returning to work after maternity or parental leave. For example, Philip Morris ČR a.s. offers the following support and benefits to employees who are mothers returning to work:

- possibility of increasing the quota of hours worked as home office by women (those positions where it is possible)
- financial compensation for medical treatment of family members under 3 years of age
- when returning to work (as an employee) within one year of age of the child, the provision of one-off compensation as a contribution for financing pre-school or babysitting.

Part of the equal treatment of all of our employees is also equal compensation for the same work positions – without taking gender into account.

“The rejection of all types of discrimination at the workplace is an integral part of our company principles. In the case of compensation, this is something that is difficult to prove, and we know that. We thus opted for an independent and objective evaluation to discern whether we truly do what we believe in. We also want to be considered a great employer both for our current and for our future employees, no matter their gender,” says Dimitrios Karampis, HR Director, Philip Morris ČR a.s.

The awarding of the EQUAL-SALARY Certificate is based on the independent evaluation of strict criteria. Every company that is interested in applying for the certification provides anonymised employee data using a secure IT platform for analysis by the EQUAL-SALARY Foundation. Then, a team of auditors from the PwC Company, which is the only company in the world that is allowed to take part in the certification process as a consultant, visits the applicants and reviews them. On the basis of the

Philip Morris ČR a.s.
Sídlo: Kuthná Hora
Vítězná 1
PSČ 284 03
Česká republika

IČ: 14803534
DIČ: CZ 14803534
zapsaná v obchodním rejstříku
vedeném Městským soudem
v Praze, odd. B, vložka 627

kontaktní adresa:
Karlovo náměstí 10
120 00 Praha
Tel.: (+420) 266 702 111
www.philipmorris.cz

positive opinion of PwC, the company is awarded the certificate and is authorised to use the EQUAL-SALARY label by the EQUAL-SALARY Foundation. The author of the analysis, which is based on the regression method that allows the detection of pay discrimination, is Yves Flückiger from Geneva University. The certificate is valid for three years, during which the certified companies must present two monitoring reviews.

The Czech Republic some of the first countries in which the Philip Morris International has gained the EQUAL-SALARY Certification. The process itself began in 2015 and 2016 with the certification of its affiliates in Switzerland and in Japan, and the goal is to have affiliates across PMI worldwide to achieve the certification by 2019, making it the first global holder of the EQUAL-SALARY Certification.

Philip Morris ČR a.s.

Philip Morris ČR a.s., an affiliate of Philip Morris International Inc., is the largest manufacturer and distributor of tobacco products and also a limited risk distributor of the smoke-free tobacco products *HEETS*, *IQOS* devices and related accessories in the Czech Republic, and is listed on the Prague Stock Exchange (Burza cenných papírů Praha). The company, which has been present in the country since 1992, employs more than 1,000 people across the Czech Republic. Philip Morris ČR a.s. has a 99% interest in Philip Morris Slovakia s.r.o. registered in the Slovak Republic. Over the past 26 years, Philip Morris ČR a.s. has supported numerous charitable projects, including the development of social programs aimed at improving living conditions in local communities. For more information, see www.philipmorris.cz.

Philip Morris International Inc. (“PMI”)

We are a leading international tobacco company engaged in the manufacture and sale of cigarettes and other nicotine-containing products in markets outside the United States of America. We are building our future on smoke-free products that are a much better consumer choice than continuing to smoke cigarettes. Through multidisciplinary capabilities in product development, state-of-the-art facilities and scientific substantiation, we aim to ensure that our smoke-free products meet adult consumer preferences and rigorous regulatory requirements. Our vision is that these products ultimately replace cigarettes to the benefit of adult smokers, society, our company and our shareholders. For more information, see www.pmi.com and www.pmiscience.cz.