



PHILIP MORRIS ČR

In Kutná Hora, dated 12 April, 2022

PRESS RELEASE

The Philip Morris ČR a.s. Manufacturing Plant in Kutná Hora was awarded Two Prestigious Certificates in Sustainability

Philip Morris ČR a.s. takes yet another steps towards more sustainable production. By obtaining two certificates Philip Morris ČR a.s. confirms its interest on responsible water management and reducing CO₂ production. Kutná Hora plant is just the second production facility in the Czech Republic that has met the requirements of the AWS audit. By 2025 Philip Morris International plans to achieve carbon neutrality in all premises directly belonging to the PMI Group.

AWS Standard Certification

An audit of the Alliance for Water Stewardship (AWS) standard was carried out at the Philip Morris ČR a.s. plant in Kutná Hora. The auditing company of SGS Czech Republic, s.r.o. subjected the factory water management to a thorough inspection and found that it is in accordance with the AWS standard. Some of the areas that were evaluated include a proper system of water management, a sustainable hydrological score, good water quality, protection of important fields related to water, etc. The certificate has a validity of three years, conditioned by an annual so-called supervisory audit that should check the adherence to commitments. The plant of the Philip Morris ČR a.s. company in Kutná Hora is just the second production facility in the Czech Republic that has passed the AWS audit.

“Water quality is a significant input to produce our products. It is a renewable yet limited local resource that is necessary for life and that is shared with all. The AWS Standard Certificate that was awarded to us now confirms that we use water responsibly and sustainably. My thanks go to all of those who contributed and helped us in meeting the strict requirements of the audit. However, our effort doesn’t stop with the certificate. Our objective is to continuously optimise water consumption in our plant,” says Piotr Cerek, the Director of Manufacturing, about this significant step towards a more sustainable water management.

In recent years, eleven manufacturing plants of the Philip Morris International group have already been awarded the certificate. The company’s goal is that every plant from the PMI group around the world will be certified by the end of 2025. Experts from across the board in the Kutna Hora factory, worked to gain the AWS Standard certificate in the Czech Republic, under the auspices of the Sustainability Department. Our Sustainability Specialist, Pavlína Pupíková, was head of the whole project.

“We had to collect data on the consumption and quality of water in the plant and in the waterworks, on the realized and planned projects in the plant as in terms of water management, but also communicate closely with the interested parties (authorities, entities). To make the preparations for the audit easier, a representative of a so-called “buddy factory” helped us – our colleague from the Greek affiliation Papastratos, which was already awarded the AWS certificate in 2020,” Pavlína Pupíková described the process.

The Alliance for Water Stewardship (AWS) is a global programme consisting of the cooperation of companies, non-governmental organisations, and the public sector. Members of this initiative contribute to the sustainability of local water resources by adopting and promoting a universal framework for the sustainable use of water - the AWS Standard. Primarily multinational companies are involved in the programme.

Philip Morris ČR a.s.

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Carbon Neutrality Certification

Another success in the field of sustainability for the Philip Morris ČR a.s. plant in Kutná Hora was gaining the so-called carbon neutrality certification. The primary purpose of this audit was to prove that the plant continues to reduce its energy consumption (as well as the production of CO₂), to improve its technologies, and that it

manages sustainable operations projects that are more friendly to the environment. The commitment of meeting the goal to further reduce CO₂ production for example includes:

- the utilisation of renewable energy sources
- the reduction of energy consumption
- the compensation of CO₂ production by managing or supporting environmentally friendly projects

Philip Morris International Group has made a commitment to continue the improvement of its business activities for the purpose of achieving the highest standards of sustainability. It has the ambition of achieving carbon neutrality in all premises directly belonging to the PMI Group by the year 2025. To prove that the factory in Kutná Hora continues its effort towards the reduction of CO₂, it will undergo a re-certification during this year.

Carbon neutrality is a term that designates the attempt to not produce CO₂ emissions or eventually, at the very most, to produce only such an amount that can be balanced out by projects able to absorb carbon dioxide. Examples of similar compensation measures can be the planting of trees or the suction of CO₂ from the atmosphere. The objective is to not leave behind a carbon footprint that would burden the environment. According to its advocates, such measures should go hand in hand with a greater orientation of the power industry towards more ecological resources, i.e., primarily wind, the sun, or biomass.

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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 products *HEETS* and *Fiiit*, electronic devices *IQOS* and *lii SOLID*, *VEEV* e-liquid pods, e-cigarette vaping device *IQOS VEEV* 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 30 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, visit www.philipmorris.cz, or see the [Annual Report for the 2021 period](#).

Philip Morris International: Delivering a Smoke-Free Future

Philip Morris International (PMI) is a leading international tobacco company working to deliver a smoke-free future and evolving its portfolio for the long-term to include products outside of the tobacco and nicotine sector. The company's current product portfolio primarily consists of cigarettes and smoke-free products, including heat-not-burn, vapor and oral nicotine products, which are sold in markets outside the U.S. Since 2008, PMI has invested more than USD 9 billion to develop, scientifically substantiate and commercialize innovative smoke-free products for adults who would otherwise continue to smoke, with the goal of completely ending the sale of cigarettes. This includes the building of world-class scientific assessment capabilities, notably in the areas of pre-clinical systems toxicology, clinical and behavioral research, as well as post-market studies. The U.S. Food and Drug Administration (FDA) has authorized the marketing of a version of PMI's IQOS Platform 1 device and consumables as a Modified Risk Tobacco Product (MRTP), finding that an exposure modification order for these products is appropriate to promote the public health. As of December 31, 2021, PMI's smoke-free products are available for sale in 71 markets, and PMI estimates that approximately 15.3 million adults around the world have already switched to IQOS and stopped smoking. With a strong foundation and significant expertise in lifesciences, in February 2021 PMI announced its ambition to expand into wellness and healthcare areas and deliver innovative products and solutions that aim to address unmet patient and consumer needs. For more information, please visit www.pmi.com and www.pmiscience.com.

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