



## Philip Morris International releases 2021 Integrated Report, introducing new sustainability strategy

June 2022 - Philip Morris International (PMI), the parent company of Philip Morris Benelux, released its third annual [Integrated Report](#). This includes an updated [Statement of Purpose](#), a new environmental, social, and governance (ESG) framework, and detailed information about its progress towards a world without cigarettes. *“Sustainability is central to PMI’s strategy and is inextricably linked to our transformation to accelerate the end of smoking”*, says Miguel Matos, Managing Director of Philip Morris Benelux. *“It means for us first and foremost taking every step to replace cigarettes with better choices for adult consumers who would otherwise continue to smoke”*.

At PMI, sustainability and business performance are fully interrelated and mutually reinforcing. Jacek Olczak, Chief Executive Officer of PMI: *“Our actions—grounded in data, science, and facts—speak louder than words. PMI is committed to serving as an agent of change and advocate of positive values. To achieve this, we are positioning ourselves at the forefront of consumer-centricity, technology, science, and innovation.”*

### A new approach to sustainability

The company’s [2021 sustainability materiality assessment](#) helped identify the Environmental, Social and Governance (ESG) issues which PMI should prioritize, recognizing two distinct topic areas: those related to PMI’s products and those related to its business operations. This distinction forms the basis of PMI’s new approach to sustainability.

Global highlights include the following:

#### Product impact

- 21.7 million total adult users of PMI’s smoke-free products as of December 31, 2021
- 29.1% of adjusted net revenues derived from non-combustible alternatives
- 99% of adjusted R&D expenditure on non-combustible alternatives
- 86% recycling rate of electronic devices returned to our centralized recycling hubs

#### Operational impact

- 39.7% of global management positions held by women, on track to achieve 2022 target of 40%
- Five human rights impact assessments conducted since 2018 in highest-risk countries and action plans being implemented, up from four in 2020.
- Reduced total value chain CO<sub>2</sub>e emissions by 18% and emissions from direct operations by 33% vs. 2019 baseline.
- 100% of tobacco purchased at no risk of deforestation of primary and protected forests.

### Sustainability in Benelux

Innovating to develop and commercialize better products, as well as improving its ESG performance, are crucial elements of PMI’s transformation. *“It is embedded into every part of our business - from how we source tobacco and care for our employees to how we are reducing our environmental footprint, in addition to how we address waste”*, explains Miguel Matos, Managing Director of Philip Morris Benelux. *“And yet, in the Netherlands, the ability for adult smokers to be informed about better choices than cigarettes are very limited – which effectively perpetuates smoking. Our vision is clear: the nearly 3 million Dutch smokers should have easy access to factual information about these better choices – for example at points of sale. This will help reducing the number of smokers more rapidly – as we have seen in other countries where this approach, based on tobacco harm reduction, is already in place.”*



On another key topic, Matos notes: “We are also proud to have 44% of managerial positions occupied by women and to have received equal salary certification in both Belgium and Netherlands“. On the environmental side, the factory in Bergen op Zoom is fully committed to improving resource management and decreasing its carbon footprint, with the ambition to get AWS (Alliance for Water Stewardship) certification at the end of 2022 and to become carbon neutral by 2024. Also, in 2021 our organization adopted a new sustainable car policy, enabling our entire car fleet to be hybrid or electric by 2025.”

To read the full report, visit [PMI Integrated Report 2021](#); to find out more about sustainability at PMI, please click here to visit [the website](#). For a more concise overview of the Integrated Report 2021, visit [Top 10 takeaways from PMI's Integrated Report 2021](#).

### **About Philip Morris International**

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. Since 2008, PMI has invested more than USD 9 billion to develop, scientifically substantiate and commercialize better choices 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. As of March 31, 2022, PMI's better choices are available in 71 markets, and PMI estimates that approximately 12.7 million adults around the world excluding Russia and Ukraine, have already switched and stopped smoking. With a strong foundation and significant expertise in life sciences, 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 consumer and patient needs.

For more information, please visit [www.pmi.com](http://www.pmi.com) and [www.pmiscience.com](http://www.pmiscience.com).

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