

PMI Responsible Sourcing of Minerals Policy

At Philip Morris International (PMI), we are committed to doing business in line with internationally recognized principles on human rights, environmental management, business integrity, and anti-corruption. PMI recognizes that the responsible sourcing of minerals is an important societal issue, and in alignment with our Human Rights Commitment and Responsible Sourcing Principles (RSPs), PMI exercises reasonable due diligence to ensure that minerals entering PMI's supply chain do not contribute to the funding of armed groups, fuel forced labor, or support other human rights abuses through our purchasing decisions and practices.

We endorse the Organization for Economic Cooperation and Development's (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (hereafter referred to as "OECD Guidance").

In accordance with the rules of the U.S. Securities and Exchange Commission (the "SEC") on conflict minerals, we have implemented policies, procedures and due diligence processes, to determine whether tin, tantalum, tungsten and gold (collectively, the "3TGs" or "conflict minerals") contained in Covered Products¹ are sourced from the Democratic Republic of the Congo ("DRC") or any of its adjoining countries ("Covered Countries"²), and contribute to the financing of armed groups that are committing human rights abuses. In order to support the economic activity in the region, we have communicated to the suppliers from whom we source our Covered Products ("Direct Suppliers"), that we do not discourage them from sourcing 3TGs from the Covered Countries, so long as they are sourced in accordance with the SEC's rules on conflict minerals, our RSPs and the OECD Guidance.

In support of this policy, PMI commits to:

1. Not knowingly procure conflict minerals that originate from a Covered Country;
2. Implement and update a process managed by members of management, including a dedicated cross-functional team (the "Conflict Minerals Team"), for carrying out conflict minerals supply chain due diligence and reporting compliance;
3. Identify, assess, and prioritize conflict minerals risks in our supply chain;
4. Engage with our Direct Suppliers requiring their compliance to our RSPs;
5. Encourage Direct Suppliers to invite their value chain partners to join the Responsible Minerals Initiative (the "RMI");
6. Require that, in relation to the Covered Products, our Direct Suppliers source only from smelters or refiners (SORs) that have been validated as "conflict free" by the RMI's Responsible Minerals Assurance Process (RMAP), the London

¹ "Covered products" are defined by the US SEC as those products that PMI manufactures or contracts to be manufactured that contain tin, tungsten, tantalum or gold.

² "Conflict minerals" and "covered countries" are defined by Section 1502 of the US Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act")

Bullion Market Association (LBMA), the Responsible Jewelry Council (RJC), or a comparable program, and to undertake reasonable due diligence in their respective supply chains to assure the same;

7. Design and implement strategies to respond to conflict minerals risks identified;
8. Collaborate with customers, suppliers and industry associations such as the RMI to advance the agenda related to the responsible sourcing of minerals;
9. Report annually on PMI conflict minerals' supply chain due diligence activities, following SEC's rules on conflict minerals.

We require our Direct Suppliers to exercise reasonable due diligence on the source and chain of custody of minerals and metals from conflict-affected and high-risk areas, including the 3TGs, in accordance with the SEC's rules on conflict minerals, the OECD Guidance, or any other nationally or internationally recognized supply chain due diligence standard of equivalent nature. We also expect our suppliers to perform reasonable due diligence for other materials that are, from time to time, identified by PMI as directly or indirectly contributing to violations of human rights, including risks identified in Annex II of the OECD guidance³, and/or climate change.

Recognizing the social and environmental impacts of cobalt, in addition, we also take reasonable measures to ensure that all smelters and refiners in our cobalt supply chain take part and actively engage in third party audit programs such as the RMAP from the RMI.

If these requirements are not met, PMI will proactively work with the supplier to further develop their capabilities in responsible mineral due diligence. PMI may terminate relationships with its suppliers that do not make efforts to comply with our policy.

As our company transforms, a key area of focus is our expanding electronics manufacturing supply base. The electronics supply chain is complex and dynamic, and comes with specific challenges, including the presence of conflict minerals and other minerals. In this respect, PMI recognizes the growing concerns related to a broad range of human rights and environmental issues across Conflict-Affected and High-Risk Areas (CAHRAs) globally. Through our continuous engagement with the RMI, we will expand our approach to the responsible sourcing of minerals and related due diligence practices to reflect the evolution of our business and advancing industry standards for responsible sourcing. We will also explore opportunities to expand our sourcing standards to a wider set of minerals beyond 3TGs.

The policy will be periodically reviewed and updated to reflect changes in regulations and leading practices.

³ Risks identified in OECD Annex II as associated with the extraction, transport or trade of minerals include, but are not limited to, forced labor and child labor.