

Assurance Statement Number: CCP 267918/PMI/2025/01/13 V2

NATURE AND SCOPE OF THE ASSURANCE ENGAGEMENT

SGS United Kingdom Limited was commissioned to provide independent assurance of Environmental, Health and Safety (EHS) data and Key Performance Indicators (KPI's) for the calendar year 2024 for:

Philip Morris International SA (PMI) Av. de Rhodanie 50 1007 Lausanne Switzerland

The scope of the engagement included assessment of the Environmental, Health and Safety, Key Performance Indicators and underlying data shown in the tables below.

The management of PMI is responsible for the selection, preparation and reporting of information included in its 2024 EHS KPI report. It is SGS' responsibility to express an independent opinion on the reported data within the scope of assurance.

The objective of the engagement was to provide assurance to PMI stakeholders (with the exception of scope 3 emissions) to a reasonable level of assurance that the reported indicators are:

- Accurate and free from material misstatement (5% materiality level applied)
- Reported in accordance with the principles of transparency accuracy, consistency, relevance and completeness and
 in accordance with a PMI defined methodology.

For Scope 3 emissions to a limited level of assurance that the reported data are:

- Accurate and free from material misstatement (10% materiality level applied)
- Reported in accordance with the principles of transparency accuracy, consistency, relevance and completeness and
 in accordance with a PMI defined methodology.

The engagement was based on the scope, objectives and criteria as agreed between Philip Morris International SA and SGS United Kingdom Limited in September 2024.

The engagement was combined with the verification of greenhouse gas emissions (GHG), and the assurance methodology employed by SGS was based upon internationally recognized standards and guidance meeting the requirements of ISAE 3000 (revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information. The engagement comprised a combination of desk-based review and interviews with relevant employees and review of evidence during site audits, remotely undertaken for the following facilities/areas: Switzerland (CH Market), Sweden (Swedish Match – Gothenburg Factory), Singapore Market, Indonesia (ID SAMP Sukorejo), Mexico (MX Cigatam Guadal), Czech Republic (both CZ market and manufacturing facility Kutna Hora), Italy (MTB GF), Netherlands (BoZ) and Slovakia (SK Market).

The environmental information provided was based on a combination of historical data, estimation methodologies and data extrapolation considered representative of calendar year 2024. Data is actual for January to September 2024 and estimated for October to December 2024, with the exception of markets environmental data which is actual for January to June 2024 and estimated for July to December 2024.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is a world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS United Kingdom Limited affirm our independence from PMI, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders. The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, including experience in the assurance of environmental and health and safety data.

CONCLUSION

SGS' approach is risk-based, drawing on an understanding of the risks associated with determination of EHS information and the controls in place to mitigate these risks. Our examination included assessment, on a sample basis, of evidence relevant to the voluntary reporting of the data in the tables below:

Topic	Indicator	Units	Scope	2024	Company
Water	Total amount of water consumed (withdrawn minus discharged)	'000 m3	Manufacturing	1,358	PMI
Water	Total water consumption from all areas with water stress in megaliters (withdrawn minus discharged)	'000 m3	Manufacturing	816	PMI
Water	Total amount of water withdrawn	'000 m3	Manufacturing	3,232	PMI
Water	Total amount of freshwater water withdrawn (from Municipal)	'000 m3	Manufacturing	2,244	PMI
Water	Percentage of total direct factory water withdrawal from water stressed area	%	Manufacturing	52%	PMI
Water	Total amount of water discharged	'000 m3	Manufacturing	1,874	PMI
Water	Total amount of water discharged to areas with water stress	'000 m3	Manufacturing	850	PMI
Water	Manufacturing water use	m3/ mio. Cig. Eq produced	Manufacturing	4.03	PMI
Waste	Total amount of waste generated	Metric tons	Manufacturing	130,830	PMI
Waste	Proportion of operational waste to landfill (scope for zero waste to landfill target which excludes mandated waste to landfill)	%	Manufacturing	0.08%	PMI
Waste	Tons of operational waste to landfill (scope for zero waste to landfill target which excludes mandated waste to landfill)	Metric tons	Manufacturing	105.3	PMI
Waste	Proportion of total waste generated that is disposed to landfill	%	Manufacturing	0.73%	PMI
Waste	Proportion of total waste generated that is incinerated with energy recovery	%	Manufacturing	14.2%	PMI
Waste	Proportion of total waste generated that is incinerated without energy recovery	%	Manufacturing	0.7%	PMI
Waste	Proportion of total waste generated that is recycled	%	Manufacturing	84.4%	PMI
Waste	Proportion of factories with <1% of waste to landfill (virtually zero)	%	Manufacturing	95.3%	PMI
Waste	Amount of hazardous waste generated	Metric tons	Manufacturing	3,076	PMI
Waste	Percentage of hazardous waste generated	%	Manufacturing	2.4%	PMI
Waste	Proportion of hazardous waste generated that is disposed to landfill	%	Manufacturing	0.8%	PMI
Waste	Proportion of hazardous waste generated that is incinerated with energy recovery	%	Manufacturing	59.5%	PMI
Waste	Proportion of hazardous waste generated that is incinerated without energy recovery	%	Manufacturing	22.7%	PMI
Waste	Proportion of hazardous waste generated that is recycled	%	Manufacturing	17.0%	PMI
Energy	Total energy consumption	GJ	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	7,770,539	PMI
Energy	Total energy consumption	GJ	Manufacturing	6,227,728	PMI
Energy	Total energy consumption	GJ	Fleet & Jet	1,235,375	PMI
Energy	Manufacturing energy use	GJ / mio cig.eq. Produced	Manufacturing	7.76	PMI
Energy	Fleet energy consumption	MJ per km Driven	Fleet	2.68	PMI
OHS/Emissions	PMI Total km driven	km	Fleet	449,644,374	PMI
Energy	Total energy consumption from renewable sources	GJ	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	2,896,313	PMI
Energy	Total energy consumption from renewable sources	GJ	Manufacturing	2,763,303	PMI
Energy	Proportion of energy consumption (electricity & fuel) from renewable sources	%	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	37%	PMI
Energy	Proportion of energy consumption (electricity & fuel) from renewable sources	%	Manufacturing	44%	PMI
Energy	Proportion of electricity consumed at our factories that came from self-generated sources	%	Manufacturing	3.25%	PMI
Energy	Total electricity consumed	MWh	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	894,526	PMI

Topic	Indicator	Units	Scope	2024	Company
Energy	Total electricity consumed	MWh	Manufacturing	831,766	PMI
Energy	Total electricity consumed that is from renewable sources	MWh	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	776,692	PMI
Energy	Total electricity consumed that is from renewable sources	MWh	Manufacturing	743,843	PMI
Energy	Proportion of electricity used and purchased that is from renewable sources (total electricity consumed from renewables/total electricity consumed)	%	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	87%	PMI
Energy	Proportion of electricity used and purchased that is from renewable sources (total electricity consumed from renewables/total electricity consumed)	%	Manufacturing	89%	PMI
Energy	Proportion of electricity purchased from renewables (total electricity purchased from renewables/total electricity purchased)	%	Manufacturing	89%	PMI
Energy	Fuel consumption from non- renewable sources	GJ	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	4,380,173	PMI
Energy	Fuel consumption from non- renewable sources	GJ	Manufacturing	3,112,308	PMI
Energy	Fuel consumption from renewable sources	GJ	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	99,465	PMI
Energy	Fuel consumption from renewable sources	GJ	Manufacturing	85,362	PMI
Energy	Proportion of renewable fuel consumed by fleet	%	Fleet	1%	PMI
Emissions	CO₂e scope 1	Metric tons	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	275,622	PMI
Emissions	CO ₂ e scope 1 absolute reduction vs previous year - metric tons	Metric tons	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	16,663	PMI
Emissions	CO ₂ e scope 1 absolute reduction vs previous year - %	%	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	6%	PMI
Emissions	CO ₂ e scope 1 from fleet: absolute reduction vs. 2019 baseline	%	Fleet & Jet	27%	PMI
Emissions	CO ₂ e scope 1 biogenic emissions	Metric tons	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	26,091	PMI
Emissions	CO ₂ e scope 1 from fleet	Metric tons	Fleet & Jet	81,069	PMI
Emissions	CO ₂ e emissions from vehicles (g CO ₂ e per km driven)	gCO₂e/km driven	Fleet	175.43	PMI
Emissions	CO ₂ e scope 2 (market based)	Metric tons	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	48,010	PMI
Emissions	CO ₂ e scope 2 (market based) absolute reduction vs previous year - metric tons	Metric tons	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	-19,789	PMI
Emissions	CO ₂ e scope 2 (market based) absolute reduction vs previous year - %	%	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	-70.1%	PMI
Emissions	CO₂e scope 1+2 (market based)	Metric tons	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	323,632	PMI
Emissions	CO ₂ e scope 1+2 (market based) absolute reduction versus 2019 baseline	%	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	41.8%	PMI
Emissions	Carbon off-setting certificates*	Metric tons	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	119,274	PMI
Emissions	Net CO ₂ e scope 1+2 **	Metric tons	Manufacturing, Fleet, Office, Warehouse, Other, Retail, Aircraft	204,358	PMI
Emissions	CO ₂ e scope 1+2 (market based) emissions - manufacturing	Metric tons	Manufacturing	226,749	PMI
Emissions	CO ₂ e scope 1+2 (market based) from offices	Metric tons	Offices	12,513	PMI

Topic	Indicator	Units	Scope	2024	Company
Emissions	CO ₂ e scope 1+2 (market based) from warehouses	Metric tons	Warehouses	1,994	PMI
Emissions	CO ₂ e scope 1+2 (market based) from Other	Metric tons	Other	1,041	PMI
Emissions	CO ₂ e scope 1+2 (market based) from retail stores	Metric tons	Retail stores	265	PMI
Emissions	CO ₂ e Scope 1+2 (market based) absolute reductions in manufacturing versus previous year	Metric tons	Manufacturing	-2,145	PMI
Emissions	Number of carbon-neutral factories (production centres)	#	Manufacturing	22	PMI
Emissions	CO ₂ e scope 3	Metric tons	Total PMI excluding SWMA	4,149,600	PMI
Emissions	CO ₂ e scope 3 absolute reduction versus 2019 baseline	%	Total PMI excluding SWMA	13%	PMI
Emissions	CO ₂ e scope 3 biogenic emissions	Metric tons	Total PMI excluding SWMA	2,398,461	PMI
Emissions	CO ₂ e emissions from our tobacco supply chain	Metric tons	Total PMI excluding SWMA	946,989	PMI
Emissions	CO ₂ e scope 1+2+3 absolute reduction versus 2019 baseline	%	Total PMI excluding SWMA	16%	PMI
Emissions	Manufacturing CO ₂ e emissions (scope 1+2) intensity	kg CO ₂ e / mio. cig eq. produced	Manufacturing	282.55	PMI
Emissions	CO₂e emissions from DM supply chain (excluding Leaf)	Metric tons	Total PMI excluding SWMA	1,530,268	PMI
Emissions	CO ₂ e emissions from tobacco curing	Metric tons	Total PMI excluding SWMA	295,732	PMI
Emissions	CO ₂ e emissions from Fertilizer	Metric tons	Total PMI excluding SWMA	396,273	PMI
Emissions	CO ₂ e scope 1	Metric tons	PMI+SWMA	288,574	PMI+SWM A***
Emissions	CO ₂ e scope 2 (market based)	Metric tons	PMI+SWMA	68,561	PMI+SWM A
Emissions	Net CO ₂ e scope 1+2 **	Metric tons	PMI+SWMA	237,861	PMI+SWM A
Emissions	CO ₂ e scope 1+2 (market based) absolute reduction versus 2019 baseline	%	PMI+SWMA	39%	PMI+SWM A
Emissions	CO ₂ e scope 3	Metric tons	PMI+SWMA	4,390,684	PMI+SWM A
Emissions	CO ₂ e scope 3 absolute reduction versus 2019 baseline	%	PMI+SWMA	12%	PMI+SWM A
Energy	Fuel consumption from non- renewable sources	GJ	PMI+SWMA	4,576,888	PMI+SWM A
Energy	Fuel consumption from renewable sources	GJ	PMI+SWMA	313,799	PMI+SWM A
Energy	Proportion of Energy Consumption (electricity & fuel) from renewable sources	%	PMI+SWMA	38%	PMI+SWM A
Energy	Total electricity consumed	MWh	PMI+SWMA	973,211	PMI+SWM A
Energy	Total energy consumption	GJ	PMI+SWMA	8,514,994	PMI+SWM A
Emissions	CO ₂ e scope 3 FLAG absolute reduction versus 2019 baseline (in-line with science-based target) - %	%	PMI+SWMA	18%	PMI+SWM A
Emissions	CO ₂ e scope 3 Industrial absolute reduction versus 2019 baseline (in-line with science-based target) - %	%	PMI+SWMA	10%	PMI+SWM A
Emissions	Absolute CO ₂ e scope 3 FLAG ('000 metric tons)	Metric tons	PMI+SWMA	1,280,773	PMI+SWM A
Emissions	Absolute CO ₂ e scope 3 Industrial ('000 metric tons)	Metric tons	PMI+SWMA	3,109,911	PMI+SWM A
Emissions	CO ₂ e scope 2 (location based)	Metric tons	PMI+SWMA	403,431	PMI+SWM A
Emissions	CO ₂ e scope 3 biogenic emissions	Metric tons	PMI+SWMA	2,419,564	PMI+SWM A
Emissions	CO ₂ e emissions from our tobacco supply chain	Metric tons	PMI+SWMA	968,709	PMI+SWM A
OHS	Exposure Hours - PMI and contracted employees and contractors	# of Exposure Hours	Total PMI excluding SWMA	194,821,543	PMI

Topic	Indicator	Units	Scope	2024	Company
OHS	Exposure Hours - PMI and contracted employees	# of Exposure Hours	Total PMI excluding SWMA	145,577,689	PMI
OHS	Exposure Hours - PMI employees	# of Exposure Hours	Total PMI excluding SWMA	136,600,247	PMI
OHS	Exposure Hours - contracted employees	# of Exposure Hours	Total PMI excluding SWMA	8,977,442	PMI
OHS	Exposure Hours - contractors	# of Exposure Hours	Total PMI excluding SWMA	49,243,854	PMI
OHS	Exposure Hours - PMI and contracted employees and contractors MANUFACTURING	# of Exposure Hours	Manufacturing	100,692,956	PMI
OHS	Exposure Hours - PMI and contracted employees - MANUFACTURING	# of Exposure Hours	Manufacturing	68,570,060	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI and contracted employees and contractors	LTI per 200,000 Exposure Hours	Total PMI excluding SWMA	0.05	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI and contracted employees	LTI per 200,000 Exposure Hours	Total PMI excluding SWMA	0.05	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI employees	LTI per 200,000 Exposure Hours	Total PMI excluding SWMA	0.05	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - contracted employees	LTI per 200,000 Exposure Hours	Total PMI excluding SWMA	0.07	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - contractors	LTI per 200,000 Exposure Hours	Total PMI excluding SWMA	0.07	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI and contracted employees and contractors- MANUFACTURING	LTI per 200,000 Exposure Hours	Manufacturing	0.04	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI and contracted employees - MANUFACTURING	LTI per 200,000 Exposure Hours	Manufacturing	0.04	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - PMI and contracted employees and contractors	TRI per 200,000 exposure hours	Total PMI excluding SWMA	0.07	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - PMI and contracted employees	TRI per 200,000 exposure hours	Total PMI excluding SWMA	0.07	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - PMI employees	TRI per 200,000 exposure hours	Total PMI excluding SWMA	0.07	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - contracted employees	TRI per 200,000 exposure hours	Total PMI excluding SWMA	0.09	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - contractors	TRI per 200,000 exposure hours	Total PMI excluding SWMA	0.09	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - PMI and contracted employees and contractors - MANUFACTURING	TRI per 200,000 exposure hours	Manufacturing	0.08	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - PMI and contracted employees - MANUFACTURING	TRI per 200,000 exposure hours	Manufacturing	0.07	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - contractors employees - MANUFACTURING	TRI per 200,000 exposure hours	Manufacturing	0.09	PMI
OHS	Number of fatalities - PMI and contracted employees	# of Fatalities	Total PMI excluding SWMA	1	PMI
OHS	Number of fatalities - PMI employees	# of Fatalities	Total PMI excluding SWMA	1	PMI
OHS	Number of fatalities - contracted employees	# of Fatalities	Total PMI excluding SWMA	0	PMI
OHS	Number of fatalities - contractors	# of Fatalities	Total PMI excluding SWMA	0	PMI
OHS	Number of fatalities - members of the public	# of Fatalities	Total PMI excluding SWMA	3	PMI
OHS	Occupational Illness Rate (OIR) per 200,000 hours worked - PMI and contracted employees	OI per 200,000 exposure hours	Total PMI excluding SWMA	0.00	PMI

Topic	Indicator	Units	Scope	2024	Company
OHS	Occupational Illness Rate (OIR) per 200,000 hours	OI per 200,000	Total PMI excluding	0.00	PMI
	worked - PMI employees	exposure hours	SWMA		
OHS	Occupational Illness Rate (OIR) per 200,000 hours worked - contracted employees	OI per 200,000 exposure hours	Total PMI excluding SWMA	0.00	PMI
OHS	Occupational Illness Rate (OIR) per 200,000 hours worked - PMI and contracted employees - MANUFACTURING	Ol per 200,000 exposure hours	Manufacturing	0.00	PMI
OHS	PMI Total km driven	km	Fleet	449,644,374	PMI
OHS	Exposure Hours - PMI and contracted employees and contractors MARKETS	No of exposure hours	Market	94,128,587	PMI
OHS	Exposure Hours - PMI and contracted employees - MARKETS	No of exposure hours	Market	77,007,629	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI and contracted employees and contractors- MARKETS & FLEET	LTI per 200,000 exposure hours	Markets & Fleet	0.07	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI and contracted employees - MARKETS & FLEET	LTI per 200,000 exposure hours	Markets & Fleet	0.07	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI and contracted employees and contractors- MARKETS (non-fleet)	LTI per 200,000 exposure hours	markets (non-fleet)	0.06	PMI
OHS	Lost Time Incident (LTI) rate per 200,000 hours worked - PMI and contracted employees - MARKETS (non - fleet)	LTI per 200,000 exposure hours	markets (non-fleet)	0.06	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - PMI and contracted employees and contractors -MARKETS & FLEET	TRI per 200,000 exposure hours	Markets & Fleet	0.119	PMI
OHS	Total Recordable Incidents Rate (TRIR) per 200,000 hours worked - PMI and contracted employees - MARKETS & FLEET	TRI per 200,000 exposure hours	Markets & Fleet	0.117	PMI
OHS	Collision rate within PMI's fleet of vehicles per year (collisions per million km driven)	No of collisions per million km driven	Fleet	0.33	PMI
OHS	Fleet crash rate	No of crashes per million km driven	Fleet	5.30	PMI
OHS	Fleet Lost Time Incident (LTI) Rate per million km driven - PMI and contracted employees	No of fleet LTIs per million km driven	Fleet	0.03	PMI
OHS	Occupational Illness Rate (OIR) per 200,000 hours worked - PMI and contracted employees - MARKET	Ols per 200,000 exposure hours	Market & Fleet	0.00	PMI

^{*} Refers to the retroactive compensation of a year's residual Scope 1 and Scope 2 emissions (i.e., 2023) through the cancellation of carbon credits during the reporting year (i.e. 2024).

the reporting year (i.e. 2024).

** Net Scope 1 and Scope 2 emissions equals gross emissions during the reporting the reporting year (i.e., 2024) minus the retroactive compensation of the previous year's emissions (i.e., 2023).

*** Swedish Match (SWMA) subsidiary data is included for limited indicators only as identified above.

*** Indicates methodology change since 2023 reporting

Where KPI's refer to a change to 2019 baseline, the 2019 data were not included as part of the verification exercise.

Based on the data and information provided by Phillip Morris International SA and the processes and procedures conducted, SGS concludes that:

- The KPI assessment methodology applied is sound and valid.
- The KPIs in the table above are accurate, complete, consistent, transparent, and free of material error or omission in relation to the PMI defined methodology.

Signed:

For and on behalf of SGS United Kingdom Limited Pamela Chadwick, Business Manager

13 January 2025

SGS United Kingdom Limited Inward Way, Rossmore Business Park Ellesmere Port Cheshire United Kingdom CH65 3EN

Note: This Statement is issued, on behalf of Client, by SGS United Kingdom Limited ("SGS") under its General Conditions for Greenhouse Gas Verification Services. The findings recorded hereon are based upon an audit performed by SGS. A full copy of this statement, the findings and the supporting KPI Report may be consulted at Philip Morris International.