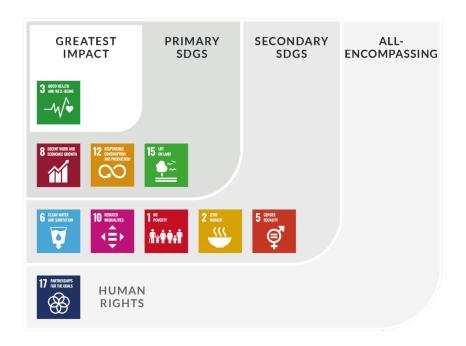


## Sustainable Development Goals (SDGs) index

The 2030 Agenda for Sustainable Development is a universal call for action to address global challenges. At PMI, we are committed to doing our part to make the UN SDGs a reality. In this index, we have mapped our disclosures with the SDGs and their respective targets, referencing where supporting information on our contribution can be found. We prepared this index based on the mapping conducted during our 2021 sustainability materiality assessment, and fine-tuned it in line with contents of our Integrated Report 2021 Accounting for the SDGs into our reporting helps bring context to our own sustainability ambitions.

This summary should be read in conjunction with PMI's <u>Integrated Report 2021</u>, and the additional sustainability-related communications available at <u>www.pmi.com/sustainability</u>.



1

 $<sup>^{\</sup>rm 1}$  References to SDG targeted for completion by 2020 were excluded.



## SDGs and related targets

## References in PMI's <u>Integrated Report 2021</u>

## **Additional PMI disclosures**

| 17mm<br>東京東京 | Goal 1 - End poverty in all its forms everywhere   | We are aiming to improve the quality of life of people in our supply chain. In improving the livelihoods of the farmers who supply us with tobacco and of child labor and other labor abuses in our tobacco supply chain. As our busing evolves as well. Promoting fair working and living conditions in our broader important. | ther agricultural products to prevent<br>ness transforms, our supply chain   |
|--------------|--|---|--|
| 1.1          | By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day  |   |  |
| 1.2          | By 2030, reduce at least by half the proportion of<br>men, women and children of all ages living in<br>poverty in all its dimensions according to national<br>definitions  | Improve the quality of life of people in our supply chain   | Agricultural Labor Practices (ALP) Code Good Agricultural Practices (GAP)  |
| 1.4          | By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance  By 2030, build the resilience of the poor and those | <ul> <li>Alleviating poverty in our tobacco supply chain</li> <li>Promoting fair working and living conditions in our broader supply chain</li> <li>Fundamentals         <ul> <li>Respect human rights</li> <li>Manage our supply chain sustainably</li> </ul> </li> </ul>  | ALP Quarterly Progress Updates  Commitment to Human Rights  Responsible Sourcing Principles and Implementation Guidance  2021 List of Social Contributions  Climate Justice in Global Supply |
| 1.5          | in vulnerable situations and reduce their exposure<br>and vulnerability to climate-related extreme<br>events and other economic, social and<br>environmental shocks and disasters  |   | Chains   |
| 2 ===        | Goal 2 - End hunger, achieve food security and improved nutrition and promote sustainable agriculture  | Our efforts to sustainably manage our supply chain and promote good agric livelihood and food security of the farmers who supply us with tobacco.   | cultural practices can help improve the  |
| 2.1          | By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round   | Improve the quality of life of people in our supply chain   | Agricultural Labor Practices (ALP) Code Good Agricultural Practices (GAP)  |
| 2.3          | By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment                    | Alleviating poverty in our tobacco supply chain     Eliminating labor abuses in our tobacco supply chain     Fundamentals     Manage our supply chain sustainably   | ALP Quarterly Progress Updates  ALP ten year anniversary report  Zero Deforestation Manifesto  |



| 2.4                                    | By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality   |   | Water stewardship Policy Environmental Commitment Responsible Sourcing Principles and Implementation Guidance |
|--|---|---|---|
| 2.5                                    | By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed |   |   |
| 3 :::::::::::::::::::::::::::::::::::: | Goal 3 – Ensure healthy lives and promote well-being for all at all ages  | Cigarette smoking is the most dangerous form of nicotine consumption. By a alternatives, we can significantly reduce the negative impact of our product also now aim to go a step further and seek to expand longer term into areas In addition to the impact of our products, we seek to protect the health and 68,500 employees and of the people with whom we work.                        | s on the health of our consumers. We of growth in wellness and healthcare.                                    |
| 3.4                                    | By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being   | <ul> <li>Purposefully phase out cigarettes</li> <li>Maximize the benefits of smoke-free products         <ul> <li>Develop science-based, less harmful alternatives to cigarettes</li> </ul> </li> <li>Seek net positive impact in wellness and healthcare</li> <li>Foster an empowered and inclusive workplace         <ul> <li>Promoting mental health and well-being</li> </ul> </li> </ul> | PMIscience.com PMI's Statement of Purpose   |
| 3.9                                    | By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination   | Improve the quality of life of people in our supply chain   | Water stewardship Policy Good Agricultural Practices (GAP)  |
| 3.a                                    | Strengthen the implementation of the World<br>Health Organization Framework Convention on<br>Tobacco Control in all countries, as appropriate   | Overview  | Our views and standards   |



| 4 West     | Goal 4 – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all  | Attracting, retaining, and developing employees is increasingly important in disruptions in the world of work, and business transformation. We are prov learn, grow, and prepare for the future of work while at the same time adapt expectations of their employers.                                       | iding employees with opportunities to                                  |
|------------|--|---|--|
| 4.3        | By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university  |   |  |
| 4.4        | By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship  By 2030, ensure that all learners acquire the  | <ul> <li>Improve the quality of life of people in our supply chain</li> <li>Foster an empowered and inclusive workplace         <ul> <li>Developing our human capital</li> </ul> </li> <li>Fundamentals</li> </ul>  | PMI's Social Contributions 2021  |
| 4.7        | knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development | <ul> <li>Conduct R&amp;D responsibly and transparently:         <ul> <li>Sharing our methods and findings: PMI's</li> <li>postdoctoral fellowship program</li> </ul> </li> <li>Manage human rights</li> </ul>   | PIVITS SOCIAL CONTRIBUTIONS 2021                                       |
| 5 town .   | Goal 5 – Achieve gender equality and empower all women and girls   | We promote an inclusive and diverse working environment, where diversity upheld, and we expect our suppliers to do the same. In our supply chain, we women, as key agents of change, taking into account their instrumental role conditions, while also addressing child labor and other social challenges. | support initiatives to empower   |
| 5.1        | End all forms of discrimination against all women and girls everywhere   | <ul> <li>Foster an empowered and inclusive workplace         <ul> <li>Providing fair employment: Providing fair</li> <li>compensation: Equal pay for equal work</li> </ul> </li> </ul>  |  |
| 5.5        | Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life   | Fostering diversity, equality, and inclusion:     Enhancing diversity      Improve the quality of life of people in our supply chain     Empowering women involved in tobacco farming   |  |
| G converse | Goal 6 - Ensure availability and sustainable management of water and sanitation for all  | Water is a renewable, yet finite resource shared by all. We can help combat health and food security by responsibly managing our impacts on water, esp  | ,  |
| 6.1        | By 2030, achieve universal and equitable access to safe and affordable drinking water for all  | Preserve nature   | Water Stewardship Policy   |
| 6.3        | By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally   | <ul> <li>Managing water responsibly: Water stewardship in our tobacco supply chain; Water stewardship in our operations</li> <li>Preserving natural ecosystems: Integrated pest management program</li> </ul>   | Good Agricultural Practices (GAP)  PMI's 2021 submission to CDP  Water |



| 6.4       | By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity |   | Water Stewardship Policy  PMI's 2021 submission to CDP Water  |
|-----------|---|---|---|
| 6.5       | By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate  |   |   |
| 6.b       | Support and strengthen the participation of local communities in improving water and sanitation management  | <ul> <li>Improve the quality of life of people in our supply chain         <ul> <li>Enhancing access to water, sanitation, and hygiene among tobacco-farming communities</li> </ul> </li> </ul>       | Water Stewardship Policy Good Agricultural Practices (GAP) ALP ten year anniversary report PMI's 2021 submission to CDP Water |
| 7 surveys | Goal 7 – Ensure access to affordable,<br>reliable, sustainable and modern energy for<br>all   | Promoting the switch to renewable energy is a key element of our strategy to value chain.   | to decarbonize our operations and   |
| 7.2       | By 2030, increase substantially the share of renewable energy in the global energy mix  | Tackle climate change   | PMI's 2021 submission to CDP  |
| 7.3       | By 2030, double the global rate of improvement in energy efficiency   | our operations <ul> <li>Leading carbon reduction in our tobacco supply</li> <li>chain</li> <li>Joining forces with our suppliers to achieve net zero</li> </ul>                                       | Climate Change  |
| 8 months  | Goal 8 – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all   | We strive to provide fair working conditions for all our employees and experbenefit of workers throughout our value chain.  | ct our suppliers to do the same for the   |
| 8.1       | Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries   | <ul> <li>Our company</li> <li>Improve the quality of life of people in our supply chain         <ul> <li>Alleviating poverty in our tobacco supply chain</li> </ul> </li> <li>Fundamentals</li> </ul> | Good Agricultural Practices (GAP)   |
| 8.2       | Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors  | <ul> <li>Manage our supply chain sustainability: Tobacco<br/>supply chain: PMI's Good Agricultural Practices</li> <li>Apply fair fiscal practices</li> </ul>  |   |



|           | T  |  | C  |
|-----------|--|--|--|
| 8.4       | Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead | <ul> <li>Reduce post-consumer waste</li> <li>Tackle climate change</li> <li>Preserve nature         <ul> <li>Reducing waste: Reduce the waste generated in our operations</li> </ul> </li> <li>Fundamentals         <ul> <li>Manage our supply chain sustainably</li> </ul> </li> </ul>  | Good Agricultural Practices (GAP)  Responsible Sourcing Principles and Implementation Guidance  Zero Deforestation Manifesto  PMI's submissions to CDP Climate Change, Water, and Forest  PMI's Sustainable Design Framework |
| 8.5       | By 2030, achieve full and productive employment<br>and decent work for all women and men, including<br>for young people and persons with disabilities, and<br>equal pay for work of equal value  | <ul> <li>Foster an empowered and inclusive workplace         <ul> <li>Providing fair employment</li> <li>Developing our human capital</li> <li>Fostering diversity, equity, equality, and inclusion</li> </ul> </li> <li>Improve the quality of life of people in our supply chain</li> <li>Empowering women involved in tobacco farming</li> </ul>  | Our Guidebook for Success (PMI's Code of Conduct)  ALP Step Change  Inclusion & Diversity  |
| 8.7       | Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms                           | <ul> <li>Improve the quality of life of people in our supply chain</li> <li>Eliminating labor abuses in our tobacco supply chain</li> <li>Promoting fair working and living conditions in our broader supply chain</li> </ul>  | Agricultural Labor Practices (ALP) Code  |
| 8.8       | Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment  | <ul> <li>Improve the quality of life of people in our supply chain         <ul> <li>Eliminating labor abuses in our tobacco supply chain:</li> <li>Promoting a safe working environment</li> </ul> </li> <li>Foster an empowered and inclusive workplace         <ul> <li>Protecting the health and safety of our employees</li> </ul> </li> <li>Fundamentals         <ul> <li>Manage our supply chain sustainability</li> </ul> </li> </ul> | Agricultural Labor Practices (ALP) Code  Responsible Sourcing Principles and Implementation Guidance   |
| 9.200.000 | Goal 9 - Build resilient infrastructure,<br>promote inclusive and sustainable<br>industrialization and foster innovation   | We are in a position to be a vector for growth, promoting sustainable indust resource efficiency.  | Ğ  |
| 9.4       | By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities          | Tackle climate change  Accelerating our efforts towards carbon neutrality in our operations  Leading carbon reduction in our tobacco supply chain  Joining forces with our suppliers to achieve net zero  Preserve nature  Managing water responsibly  Reducing waste  Preserving natural ecosystems   | PMI's submissions to CDP Climate Change, Water, and Forest Zero Deforestation Manifesto Good Agricultural Practices (GAP) Water Stewardship Policy Low-Carbon Transition Plan  |



| 10 ************************************   | Goal 10 – Reduce inequality within and among countries  | We pay our employees equally for equal work, and we aim to provide them sex, gender identity, country of origin, age, or other personal characteristic inequality extend to our supply chain, as we aim for the farmers from whor income and explore ways to ensure workers in our direct supply chain earn | cs. Our efforts to address income<br>m we source tobacco to make a living   |
|---|---|---|---|
| 10.2  | By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status   | <ul> <li>Improve the quality of life of people in our supply chain</li> <li>Foster an empowered and inclusive workplace</li> </ul>  | Our Guidebook for Success (PMI's Code of Conduct)  ALP Step Change  Agricultural Labor Practices (ALP)  |
| 10.3  | Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard   | <ul> <li>Foster an empowered and inclusive workplace</li> <li>Fundamentals         <ul> <li>Apply fair fiscal practices</li> <li>Uphold business ethics and integrity</li> </ul> </li> </ul>  | Code Inclusion & Diversity  |
| 12 common removation of the common removation | Goal 12 - Ensure sustainable consumption and production patterns  | Natural capital is a wealth we all share and depend on. It is essential that w nurture it.  | e protect, sustainably manage, and  |
| 12.2  | By 2030, achieve the sustainable management and efficient use of natural resources  | <ul> <li>Reduce post-consumer waste</li> <li>Preserve nature         <ul> <li>Halting deforestation</li> <li>Managing water responsibly</li> <li>Reducing waste</li> </ul> </li> <li>Fundamentals         <ul> <li>Manage our supply chain sustainably</li> </ul> </li> </ul>                               | Responsible Sourcing Principles and Implementation Guidance Good Agricultural Practices (GAP) Zero Deforestation Manifesto Water Stewardship Policy PMI's Environmental Commitment PMI's Sustainable Design Framework |
| 12.4  | By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment | <ul> <li>Reduce post-consumer waste</li> <li>Preserve nature         <ul> <li>Reducing waste</li> </ul> </li> </ul>   | PMI's Environmental Commitment Good Agricultural Practices (GAP)  |
| 12.5  | By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse   | Reduce post-consumer waste  | PMI's Environmental Commitment  |



| 12.6                 | Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle  By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature  | PMI's Integrated Report 2021 (as well as previous reports and additional resources and communications, available on PMI.com)  Reduce post-consumer waste  Addressing cigarette butt littering: Encouraging behavioral change  Managing waste from our smoke-free consumables: Deploying anti-littering and take-back programs | PMI 2021 Sustainability Materiality Report PMI's Low-Carbon Transition Plan   |
|----------------------|---|---|---|
| 13 3.77              | Goal 13 – Take urgent action to combat climate change and its impacts   | Climate change is among the greatest threat society faces. As a business wi footprint, we aim to play a role in contributing to addressing this crisis. Our pertinent climate change risks and build resilience while seizing opportunit  | climate strategy aims to address  |
| 13.1<br>13.2<br>13.3 | Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries  Integrate climate change measures into national policies, strategies and planning  Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning  Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing States, including focusing on women, youth and local and marginalized communities * Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change. | <ul> <li>Tackle climate change</li> <li>Preserve nature         <ul> <li>Halting deforestation</li> <li>Preserving natural ecosystems</li> </ul> </li> <li>Fundamentals         <ul> <li>Manage our supply chain sustainably</li> </ul> </li> </ul>   | PMI's Environmental Commitment Zero Deforestation Manifesto PMI's Low-Carbon Transition Plan PMI's submissions to CDP Climate Change, Water, and Forest Good Agricultural Practices (GAP) Responsible Sourcing Principles and Implementation Guidance |
| 14 ".ear.            | Goal 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development  | We understand the need to address the environmental impact of our producircularity and eco-design, implementing effective post-consumer waste m and promoting responsible disposal of products at their end-of-life.  |   |
| 14.1                 | By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution   | Reduce post-consumer waste     Addressing cigarette butt littering: Design for circularity     Managing waste from our smoke-free consumables:     Deploying anti-littering and take-back programs     Reducing and improving packaging      Preserve nature     Water  | PMI's Anti-Littering Policy   |



| 15 T  | Goal 15 – Protect, restore and promote<br>sustainable use of terrestrial ecosystems,<br>sustainably manage forests, combat<br>desertification, and halt and reverse land<br>degradation and halt biodiversity loss | A significant portion of our environmental management efforts is devoted to means preventing deforestation linked to our operations and sourcing activuse sustainable and traceable curing fuels in our tobacco supply chain and robased products.       | vities. To accomplish this, we seek to   |
|---|--|--|--|
| 15.3  | By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world                            | <ul> <li>Tackle climate change</li> <li>Preserve nature         <ul> <li>Halting deforestation</li> <li>Managing water responsibly</li> <li>Preserving natural ecosystems</li> </ul> </li> </ul>   | Good Agricultural Practices (GAP) Responsible Sourcing Principles and Implementation Guidance PMI's Environmental Commitment Zero Deforestation Manifesto PMI's submissions to CDP Climate Change, Water Security, and Forest Water Stewardship Policy PMI's Anti-Littering Policy |
| 16 recupiling states and the states are the states and the states are the states | Goal 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels                        | Responsible business practices, such as preventing labor abuses, combating business integrity, are critical to PMI's long-term success.  | ; illicit trade, and promoting sound   |
| 16.2  | End abuse, exploitation, trafficking and all forms of violence against and torture of children   | <ul> <li>Improve the quality of life of people in our supply chain         <ul> <li>Eliminating child labor</li> </ul> </li> <li>Fundamentals         <ul> <li>Manager our supply chain sustainably</li> <li>Respect human rights</li> </ul> </li> </ul> | Good Agricultural Practices (GAP) Responsible Sourcing Principles and Implementation Guidance  |
| 16.4  | By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime  | Fundamentals     O Prevent illicit trade   | PMIIMPACT  |
| 16.5  | Substantially reduce corruption and bribery in all their forms   | <ul> <li>Overview         <ul> <li>Corporate governance and management</li> </ul> </li> <li>Fundamentals         <ul> <li>Uphold business ethics and integrity</li> </ul> </li> </ul>  | Our Guidebook for Success (PMI's Code of Conduct) Overview of engagement principles Transparency PMI IMPACT  |
| 16.b  | Promote and enforce non-discriminatory laws and policies for sustainable development   | Foster an empowered and inclusive workplace  | Our Guidebook for Success (PMI's Code of Conduct)  |



| 17    | Goal 17 – Strengthen the means of implementation and revitalize the global partnership for sustainable development   | From best practices and information exchanges to close partnerships, engaging with others can help inform our strategy, define our priorities, and advance sustainable solutions to common challenges.  |
|-------|--|---|
| 17.7  | Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed   | Engaging with our stakeholders  |
| 17.10 | Promote a universal, rules-based, open, non-<br>discriminatory and equitable multilateral trading<br>system under the World Trade Organization,<br>including through the conclusion of negotiations<br>under its Doha Development Agenda   | Throughout PMI's <a href="Integrated Report 2021">Integrated Report 2021</a> and additional communications available on PMI.com, we provide examples describing how we:  Contribute to debates on policy issues that affect our business and stakeholders, and being transparent about our approach and progress  Partner with others to implement projects across our sustainability topics, and participate in  |
| 17.16 | Enhance the global partnership for sustainable development, complemented by multistakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries | multistakeholder initiatives, organizations, and/ or programs to further advance the achievement of the SDGs, overall collective goals  Support external voluntary codes and initiatives that promote sustainable business practices (e.g., UN Guiding Principles on Business and Human Rights, International Labour Organization Declaration on Fundamental Principles and Rights at work, Transparency International, CDP submissions, Science-Based Targets initiative, The Valuable 500, etc.)  Join calls for action that support policy development that contribute towards the |
| 17.17 | 17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships Data, monitoring and accountability  | achievement of the SDGs   |