WATER STEWARDSHIP

Report on Water Performance of Philip Morris Products S.A.

Neuchâtel





Water scarcity is recognized by the World Economic Forum as the largest global risk in terms of potential impact for both humanity and the environment. Growing populations and economies as well as climate change have provoked an increase in demand, competition and disputes over fresh water resources.

Water restrictions are currently in place in many countries around the world in response to chronic shortages or insufficiency in freshwater availability. Overexploitation, pollution and general mismanagement of the water resource are leading to an increase in stressed water environments, which, according to the United Nations Water Agency, will be housing approximately 6 billion people in the following decade.

The <u>Alliance for Water Stewardship (AWS)</u> is an international Standard, the respect of which is recognized through a Certification, that enables water users to reduce their water footprint, mitigate water-related risks and manage water collaboratively and transparently with Stakeholders operating in the same territory. Many multi-national companies such as Philip Morris International (PMI) have chosen to implement the AWS certification in order to reduce water use, mitigate shared water-related challenges and manage water collaboratively and responsibly in the territory in which they operate.

Since 2017, Philip Morris International (PMI) has introduced amongst its main sustainability pillars the AWS Certification in order to drive sustainable water management in local territories around the globe. In order to demonstrate its commitment to water stewardship, PMI plans to certify all facilities according to the AWS Standard by 2025.

In November 2021, Philip Morris S.A. Neuchâtel (PMPSA) became the third site in Switzerland to be certified AWS. PMPSA is proud of its transformation journey and, although the path to build a sustainable future is still ongoing, the AWS Certification that PMPSA has obtained is an important stepping stone towards water stewardship in the local catchment territory.

With the present Report, PMPSA is proud to publicly share and communicate their water stewardship performance, strategy and best practices implemented, as well as the results and AWS Standard Outcomes achieved.

PMPSA commits to updating and disclosing such Report on an annual basis.

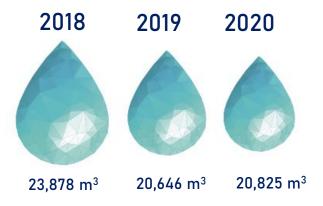
Philip Morris Products S.A. - Neuchâtel



ALLIANCE FOR WATER STEWARDSHIP

The implementation of the AWS Standard and Outcomes in PMPSA has generated not only a long-term commitment to responsable water mangement, but also numerous benefits and best practices both on and off site.

The implemented and future actions proposed in the AWS Strategy Plan, are giving the desired results: decreasing water use and water-related risks related to surface water contamination, raising awareness amongst the local community and catchment Stakeholders, and consequently impacting to a lesser extent on the territory.



PMPSA has been reducing its water consumption for sustainable management since 2018.

PMPSA saved the eqivalenete of an olimpionic swimming pool between 2018 and 2019.





PMPSA is implementing water saving technologies and settings to reduce potable water use but also actions to reduce surface water contamination.



ALLIANCE FOR WATER STEWARDSHIP

Our water projects in PMPSA are focused on the 5 AWS outcomes:



GOOD WATER GOVERNANCE



SUSTAINABLE WATER BALANCE



GOOD WATER QUALITY STATUS



IMPORTANT WATER-RELATED AREAS



SAFE WATER, SANITATION AND HYGIENE FOR ALL (WASH)

CAMPAGNE « LE SAVIEZ-VOUS"?

PMPSA has conducted an internal awareness campaign to create awareness, engage and inform employees and consequently local communities on the importance of water and the need for conservation strategies.





GOOD WATER





SAFE WATER, SANITATION AND HYGIENE FOR ALL (WASH)

CAMPAGNE WASH

PMPSA increased employee awareness and information disclosure on basic WASH principles especially to face the COVID-19 emergency period. Potable water and clean bathroom structure are constantly provided on-site.

LES CLOUS PROJECT WITH STAKEHOLDER PURLAC

PMPSA has contributed to a project with local catchment association Purlac. The aim was to inform and divulgate the importanace of conservation and maintanince of optimum water quality of Lake Neuchâtel for the well beining of the local ecosystem and biodiversity.





GOOD WATER QUALITY STATUS



ALLIANCE FOR WATER STEWARDSHIP

ENGAGEMENT WITH LOCAL STAKEHOLDERS

PMPSA actively engaged in efforts with 22 external stakeholders of the local catchment area and 7 internal stakeholders responsible for managing outsourced services on-site. The scope was to raise awareness on AWS outcomes and best practices by reaching out to the local population and community members.





GOOD WATER QUALITY STATUS





IMPORTANT WATER-RELATED AREAS

CLEAN UP EVENT IN CATCHMENT IWRA

PMPSA has organized and sponsored a clean-up event along Lake Neuchâtel's water-front area. The scope was to actively contribute and set a good example amongst local stakeholders towards the conservation and well-being of local sensitive areas.

AWS WEBINAR

PMPSA has organized a collective Webinar with local stakeholders in order to publically share water stewardship performance best practices and AWS Outcomes achieved. A questionnaire was provided to gather feedback and comments





GOOD WATER GOVERNANCE

UTILISATION OF GREY WATERS FOR CLEANING

In order to increase water optimization and reduce potable water consumption, grey water rejects from revers osmosis have been used for cleaning devices.



SUSTAINABLE WATER BALANCE

