



PHILIP MORRIS
INTERNATIONAL



Investor Information

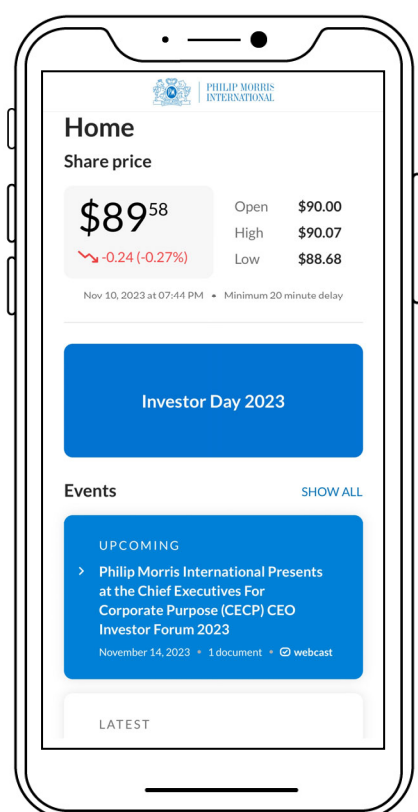
November 2023

This Investor Information posting includes summaries of information set forth in PMI's quarterly report Form 10-Q for the nine months ended and the quarter ended September 30, 2023, annual report on Form 10-K for the year ended December 31, 2022, as well as press releases and presentations referenced in this document, and such summaries are qualified by reference to such documents, which are available at <https://www.pmi.com/investor-relations>

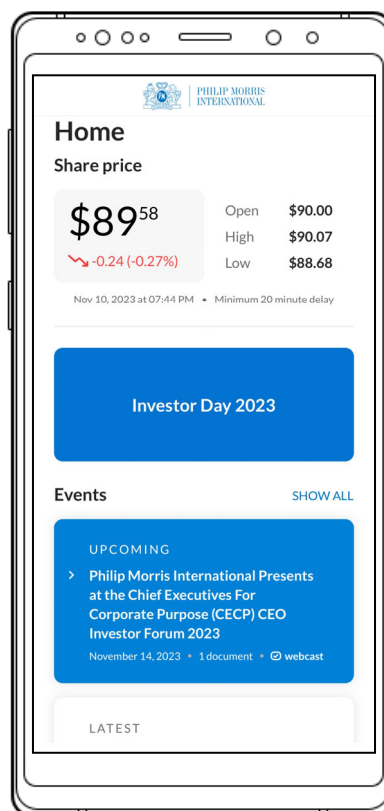
Web Site: www.pmi.com

New PMI Investor Relations Mobile Application:

The PMI Investor Relations Mobile Application, provides users with simple, comprehensive and up-to-date access to all the company's previously disclosed investor relations materials such as: press releases, SEC filings, investor materials, and live and archived audio webcasts of earnings calls and investor presentations



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Reference Materials

You will find all our latest public disclosures and other investor information for Philip Morris International on the [IR website](#) including:

- [Earnings Results](#) (Latest Earnings Q3, 2023, published October 19, 2023)
- [2023 Investor Day](#) (September 28, 2023)
- [Sustainability Resources](#) and [2022 ESG Highlights](#)
- [PMI 2022 Annual Report](#)

Introduction

- A glossary of terms, including the definition for smoke-free products^(a) as well as adjustments, other calculations and reconciliations to the most directly comparable U.S. GAAP measures for non-GAAP financial measures cited in this presentation, and additional net revenue data are available in Exhibit 99.2 to the company's Form 8-K dated October 19, 2023 and on our [Investor Relations website](#) with additional non-GAAP reconciliations available at the end of this presentation
- Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions and disposals. As such, figures and comparisons presented on an organic basis exclude Swedish Match until November 11, 2023

(a) Following the acquisition of Swedish Match, PMI defines "smoke-free products" to include all Swedish Match products other than Swedish Match's combustible tobacco products, in addition to its heat-not-burn, e-vapor, oral nicotine, and wellness and healthcare products

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Forward-Looking and Cautionary Statements

- This presentation contains projections of future results and goals and other forward-looking statements, including statements regarding business plans, expectations and strategies. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. In the event that risks or uncertainties materialize, or underlying assumptions prove inaccurate, actual results could vary materially from those contained in such forward-looking statements. Pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, PMI is identifying important factors that, individually or in the aggregate, could cause actual results and outcomes to differ materially from those contained in any forward-looking statements made by PMI
- PMI's business risks include: excise tax increases and discriminatory tax structures; increasing marketing and regulatory restrictions that could reduce our competitiveness, eliminate our ability to communicate with adult consumers, or ban certain of our products in certain markets or countries; health concerns relating to the use of tobacco and other nicotine-containing products and exposure to environmental tobacco smoke; litigation related to tobacco use and intellectual property; intense competition; the effects of global and individual country economic, regulatory and political developments, natural disasters and conflicts; the impact and consequences of Russia's invasion of Ukraine; changes in adult smoker behavior; the impact of COVID-19 on PMI's business; lost revenues as a result of counterfeiting, contraband and cross-border purchases; governmental investigations; unfavorable currency exchange rates and currency devaluations, and limitations on the ability to repatriate funds; adverse changes in applicable corporate tax laws; adverse changes in the cost, availability, and quality of tobacco and other agricultural products and raw materials, as well as components and materials for our electronic devices; and the integrity of its information systems and effectiveness of its data privacy policies. PMI's future profitability may also be adversely affected should it be unsuccessful in its attempts to produce and commercialize reduced-risk products or if regulation or taxation do not differentiate between such products and cigarettes; if it is unable to successfully introduce new products, promote brand equity, enter new markets or improve its margins through increased prices and productivity gains; if it is unable to expand its brand portfolio internally or through acquisitions and the development of strategic business relationships; if it is unable to attract and retain the best global talent, including women or diverse candidates; or if it is unable to successfully integrate and realize the expected benefits from recent transactions and acquisitions. Future results are also subject to the lower predictability of our reduced-risk product category's performance
- PMI is further subject to other risks detailed from time to time in its publicly filed documents, including PMI's quarterly report Form 10-Q for the nine months ended and the quarter ended September 30, 2023, annual report on Form 10-K for the year ended December 31, 2022. PMI cautions that the foregoing list of important factors is not a complete discussion of all potential risks and uncertainties. PMI does not undertake to update any forward-looking statement that it may make from time to time, except in the normal course of its public disclosure obligations

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Section 1: Q3/YTD Sept, 2023 Performance and 2022 Results

1

Very Strong Q3 Driven by IQOS & ZYN

- Excellent +20% ex-currency adj. EPS growth, record quarterly high of \$1.67
- Total shipment volumes +2.2%
- Stellar U.S. ZYN growth of +66%
- Continued strong IQOS growth
- Robust combustible performance
- Double-digit organic OI growth driving margin expansion



Note: Total shipment volume includes HTUs and cigarettes. Volume comparisons versus Swedish Match's third-quarter 2022 results reflect data sourced from its disclosures, available at www.swedishmatch.com/investors
Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Excellent Q3 Performance Across All Key Metrics

Shipment Volume

(Variance vs. PY)

+2.2%

Net Revenues

(Organic variance vs. PY)

+9.3%

Operating Income

(Organic variance vs. PY)

+11.3%

Adj. Diluted EPS

(Currency neutral variance vs. PY)

+20.3%

+22%

Q3'23 Swedish Match
Adj. Net Revenue
Growth
Excl. Currency^(a)

(a) Excluding accounting reclassification impacts, but including \$10m of SMD logistics net revenue in Q3, 2022 base
Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Total shipment volume includes HTUs and cigarettes
Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Strong YTD Net Revenue & EPS Growth

Shipment Volume

(Variance vs. PY)

+1.5%

Net Revenues

(Organic variance vs. PY)

+7.7%

Operating Income

(Organic variance vs. PY)

+2.4%

Adj. Diluted EPS

(Currency neutral variance vs. PY)

+10.7%

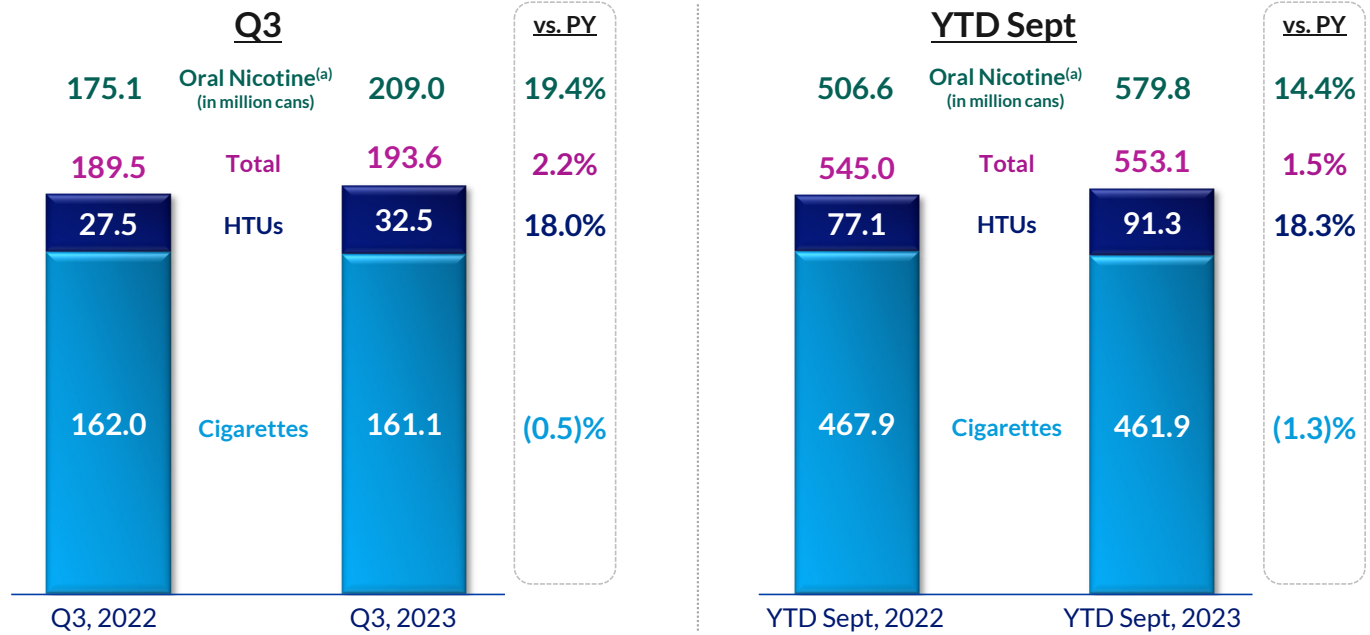
+18%

YTD'23 Swedish Match
Net Revenue
Growth
Excl. Currency^(a)

(a) Excluding accounting reclassification impacts, but including \$29m of SMD logistics net revenue in Jan-Sept, 2022 base and \$15m in 2023 prior to June divestiture
Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Total shipment volume includes HTUs and cigarettes
Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Total Volume Growth Driven by IQOS

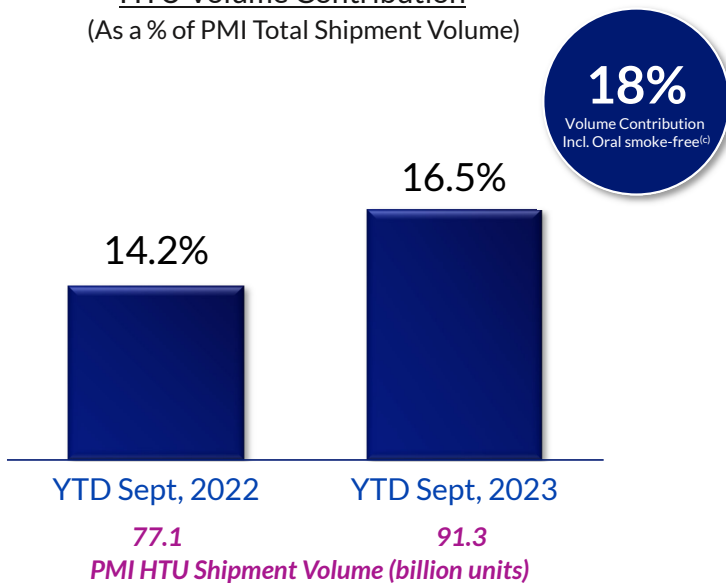
(billion units)



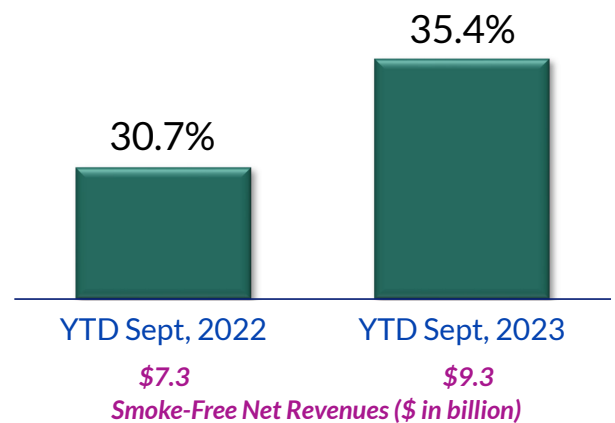
(a) Pro forma, incl. PMI & Swedish Match oral nicotine volumes. Excludes snuff, snuff leaf and U.S. chew
 Note: Total may not foot due to rounding
 Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Rapid Progress in Smoke-Free Transformation

HTU Volume Contribution^(a)
 (As a % of PMI Total Shipment Volume)



Smoke-Free Net Revenues^(b)
 (Smoke-Free Net Revenues as a % of Total PMI Adjusted Net Revenues)



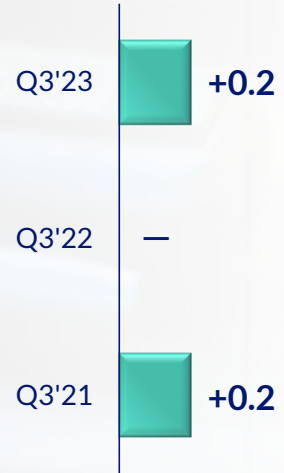
(a) Total shipment volume includes HTUs and cigarettes
 (b) Smoke-free net revenues include SFP net revenues and net revenues from the Wellness and Healthcare segment
 (c) Conversion rate for illustrative purposes: 1 pouch = 1 stick
 Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Continued IQOS User Growth with Normal Seasonality

(in millions)

Total IQOS Users^(a)

Total IQOS Users^(a)
Quarterly Growth

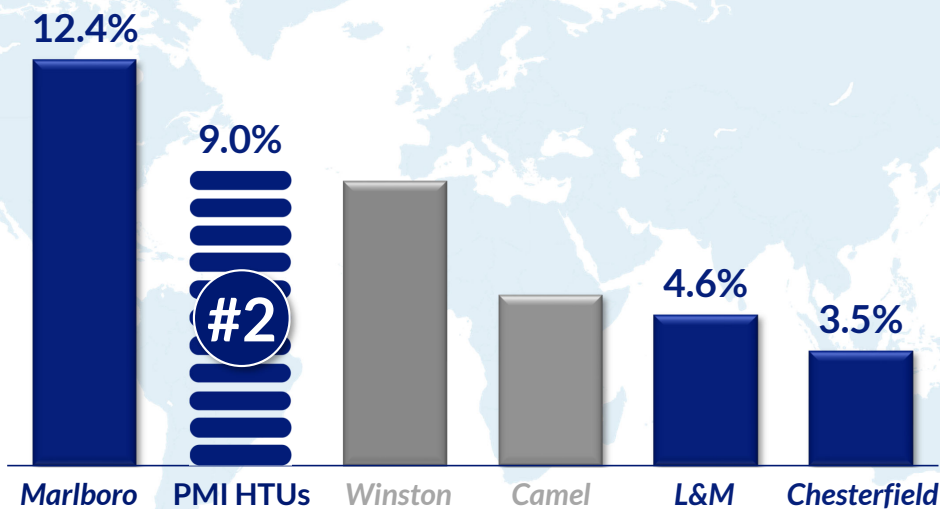


(a) See Glossary for definition

Source: PMI Financials or estimates, IQOS user panels and PMI Market Research. Q3, 2023 Earnings, presented October 19, 2023

Second-Largest 'Brand' in IQOS Markets

Share in IQOS Markets (Q3, 2023)^(a)



(a) Reflects 70 markets where IQOS is available in key cities or nationwide at September 30, 2023

Note: All 'brands' except 'PMI HTUs' include cigarettes only. Reflects PMI in-market sales volume as a percentage of total estimated sales volume for cigarettes and HTUs, including cigarillos in Japan

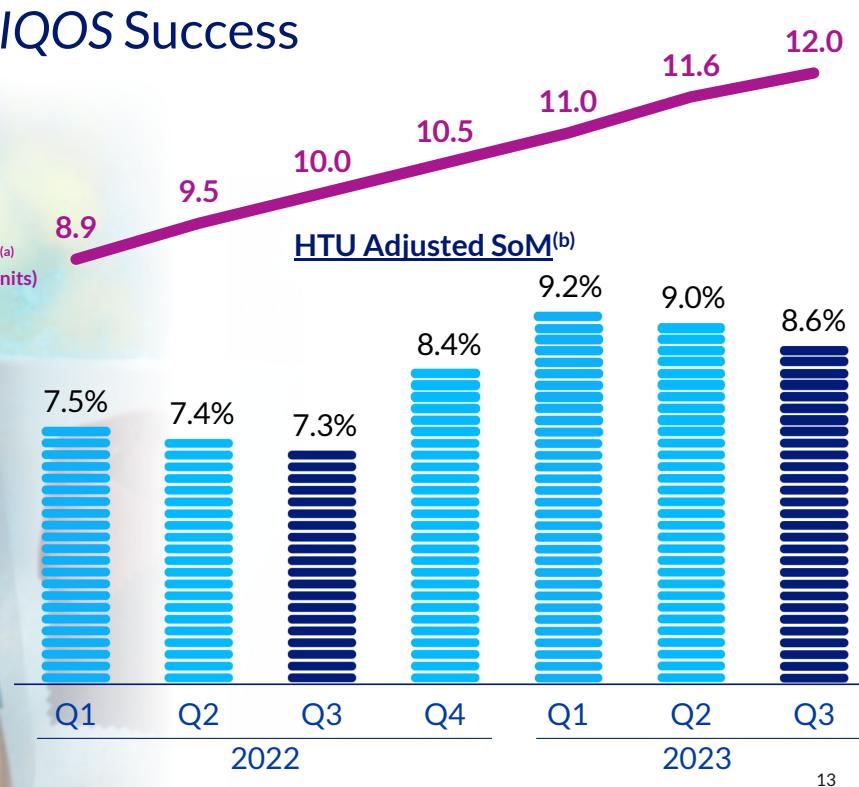
Source: PMI Financials or estimates

Europe Region: Continued IQOS Success



Adj. IMS^(a)
(in billion units)

HTU Adjusted SoM^(b)

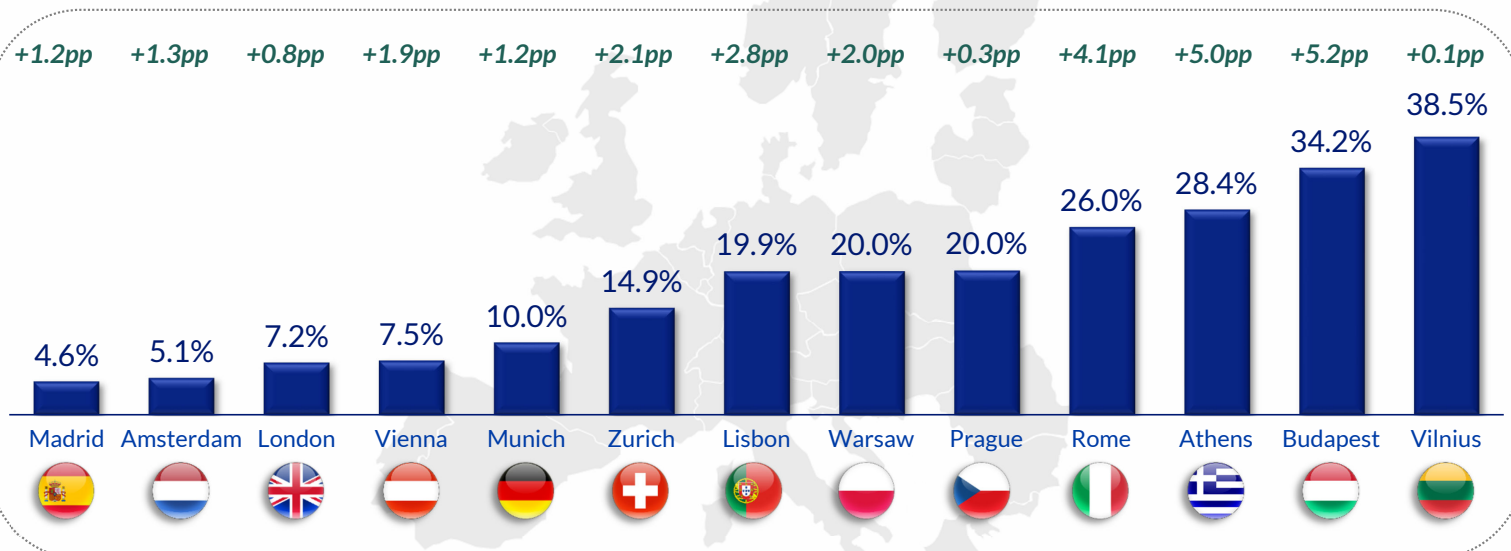


(a) Excluding the impact of estimated distributor and wholesaler inventory movements, based on a four-quarter moving average
 (b) Adjusted market share for HTUs is defined as the total in-market sales volume for PMI HTUs as a percentage of the total estimated sales volume for cigarettes, HTUs, excluding the impact of estimated distributor and wholesaler inventory movements
 Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Impressive Progress in European Key Cities

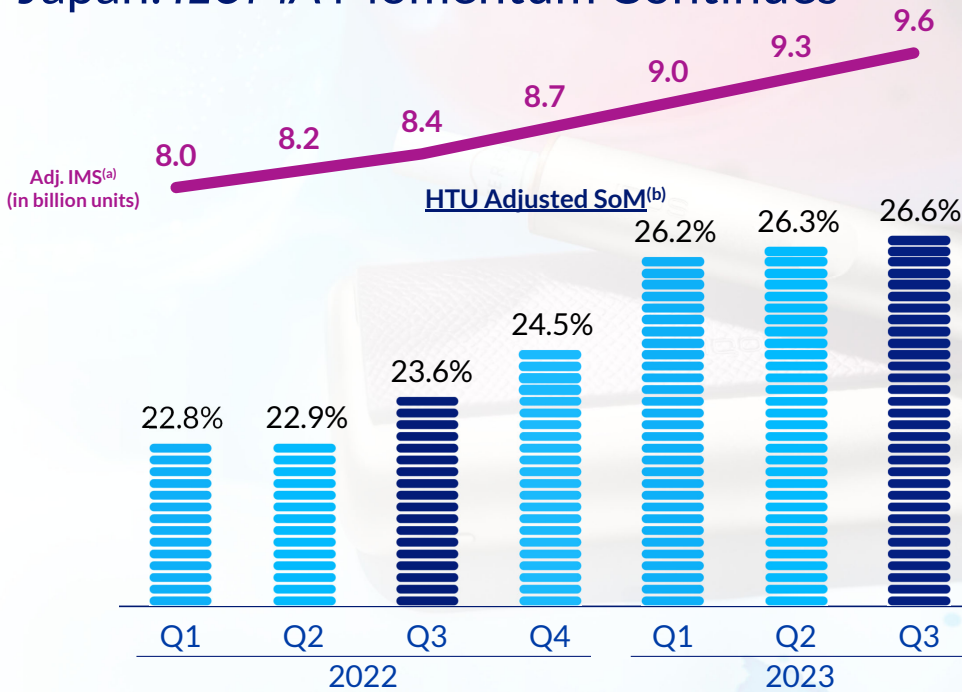
PMI HTU Offtake Share (Q3, 2023)

Change vs. PY

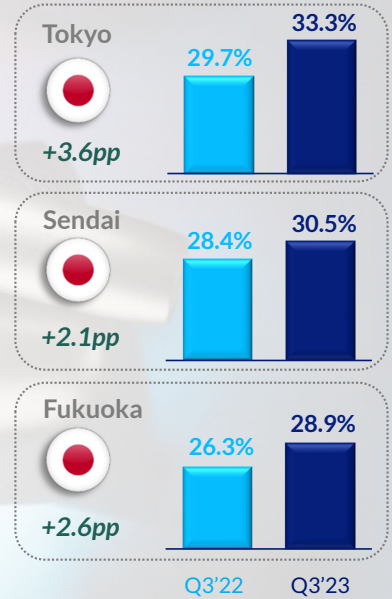


Note: Athens represents Attica Region
 Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Japan: ILUMA Momentum Continues



Japan HTU Offtake Share^(c)

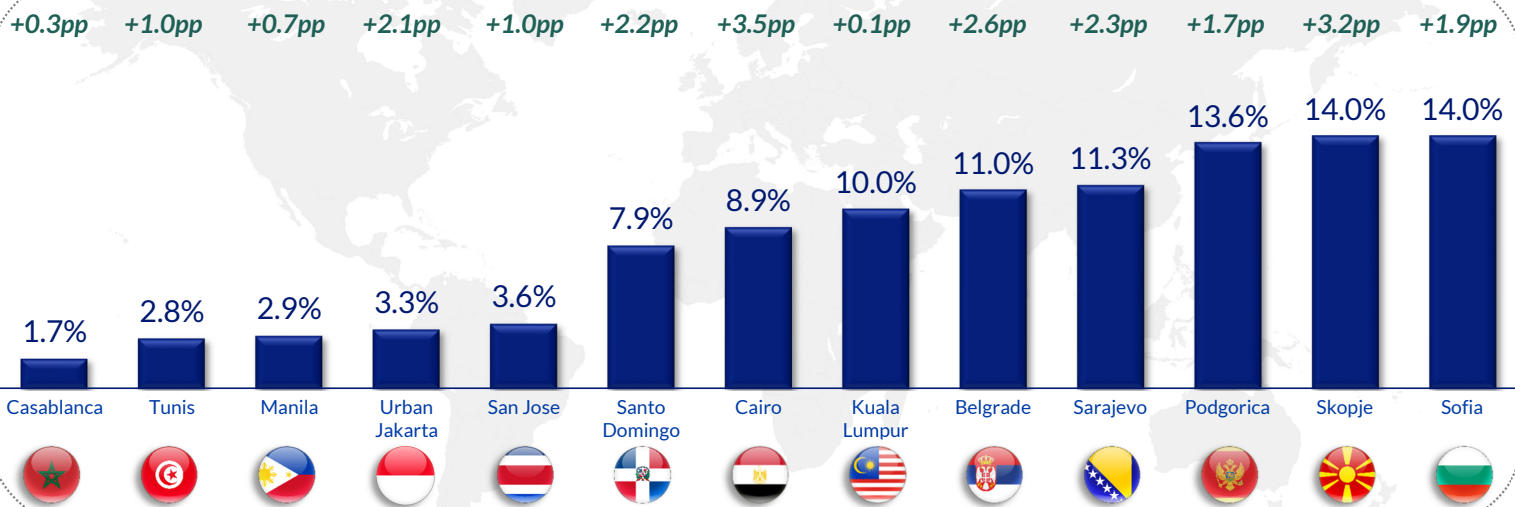


(a) Excluding the impact of estimated distributor and wholesaler inventory movements, based on a four-quarter moving average
 (b) Adjusted market share for HTUs defined as the total in-market sales volume for PMI HTUs as a percentage of total estimated sales volume for cigarettes, HTUs and cigarillos and excluding the impact of estimated distributor and wholesaler inventory movements
 (c) Based on 3 C-Store Chains offtake. Base includes cigarettes, cigarillos and HTUs
 Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Low and Middle-Income Markets: Promising Key City Growth

PMI HTU Offtake Shares (Q3, 2023)

Change vs. PY



Note: Urban Jakarta represents West, Central and South Jakarta which include an estimated 1.5 million Legal Age Nicotine Users; in Indonesia IQOS is sold via the IQOS club member program
 Cairo represents Urban Cairo, Manila represents Metro Manila. Low and Middle-Income markets defined using World Bank classification
 Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Accelerating Momentum for Swedish Match

- Excellent Q3 ex-currency top-line growth of +22%(a)
- Accretive to top-line and margins
- Already approaching 1/4 of total smoke-free product contribution(b)
- Remarkable U.S. ZYN growth

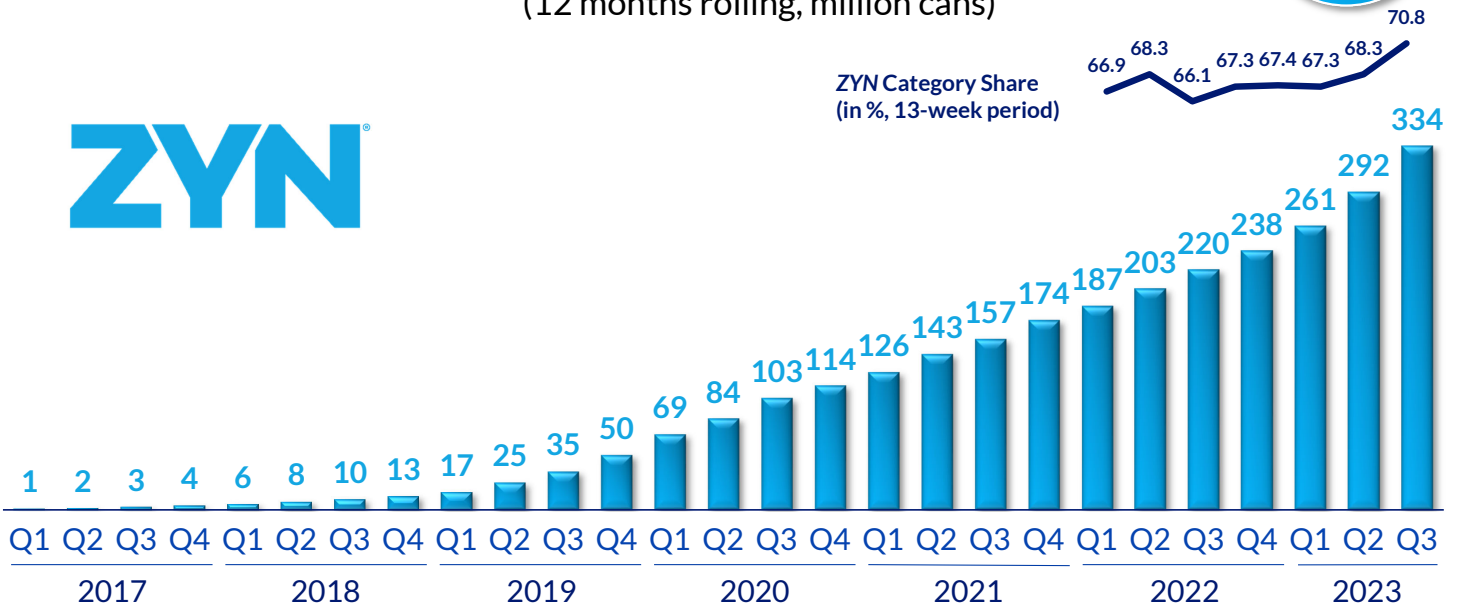


(a) Excluding accounting reclassification impacts, but including \$10m of SMD logistics net revenue in Q3, 2022 base
 (b) 2023 year-to-date, product contribution defined as gross profit minus commercial and R&D costs
 Source: Swedish Match Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Remarkable ZYN Growth Continues

ZYN U.S. Shipment Volumes
 (12 months rolling, million cans)

75.9%
 Q3'23 ZYN
 Category Retail
 Value Share
 (13-week period)



Source: PMI Financials or estimates, Circana. Q3, 2023 Earnings, presented October 19, 2023

FY, 2022: Excellent Volume, Net Revenues and EPS Growth

Shipment Volume +1.6%

(Organic variance vs. PY)

Net Revenues +7.1%

(Organic variance vs. PY)

Net Revenue per Unit^(a) +5.5%

(Organic variance vs. PY)

OI Margin (70)^{bps}

(Organic variance vs. PY)

Adj. Diluted EPS +10.1%

(Currency neutral variance vs. PY)

Adj. Diluted EPS \$5.98

(a) Reflects total PMI adjusted net revenues divided by total PMI cigarette and HTU shipment volume
 Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions
 Source: PMI Financials or estimates. Q4 2022 Earnings, presented February 9, 2023

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Growing Number of Markets Already >50% Net Revenues

2022 Smoke-Free Net Revenues >50%

17
Markets
+7 vs. PY

17 Markets Including:



Bulgaria



Cyprus



Czech Republic



Denmark



Greece



Hungary



Italy



Japan



Latvia



Lithuania



Poland



Romania



Slovak Republic



Slovenia

~40% Smoke-Free Net Revenues in markets where IQOS is commercialized^(a)

(a) For full year 2022 in markets where IQOS is present at December 31, 2022, as a % of net revenues
 Source: PMI Financials or estimates. CAGNY 2023, presented February 22, 2023

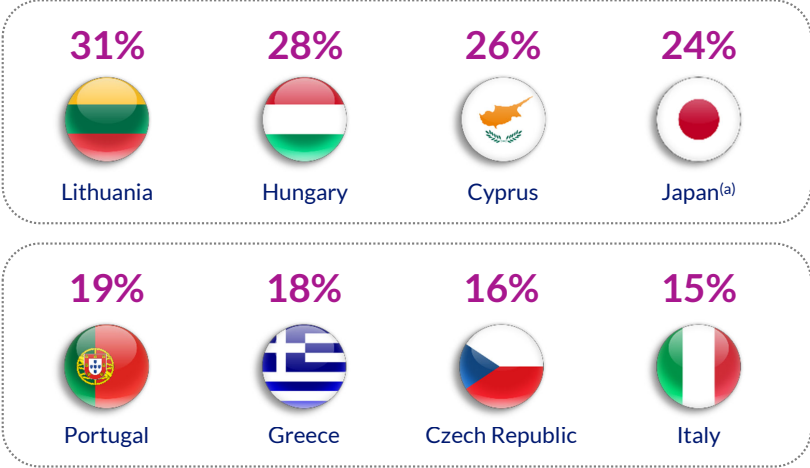
20

PMI HTU Market Share Exceeds 15% in 10 Markets

22
Key Cities
Where PMI HTUs
SoM > 15%

Q4'22 PMI HTUs SoM

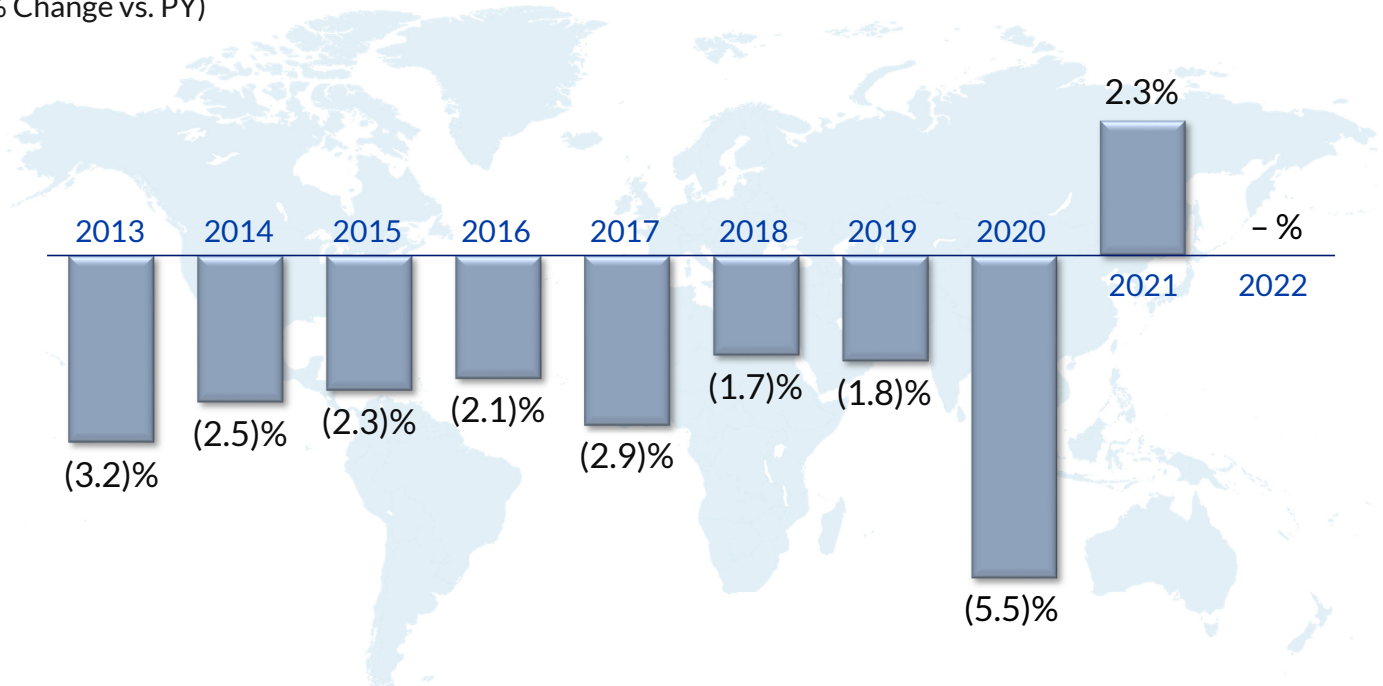
10 Markets Including:



(a) Including cigarillos industry
Note: Market share for HTUs is defined as the total in-market sales volume for PMI HTUs as a percentage of the total estimated sales volume for cigarettes, HTUs
Source: PMI Financials or estimates. CAGNY 2023, presented February 22, 2023

Total Industry Volume Trend (2013-2022)

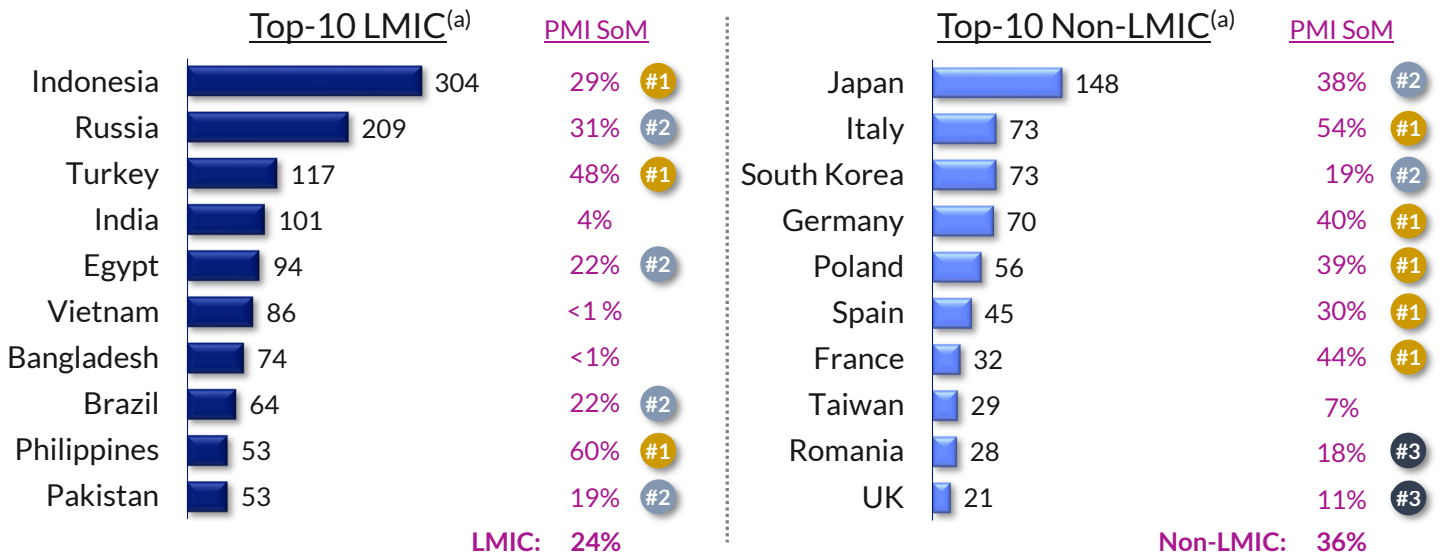
(% Change vs. PY)



Note: Reflects cigarettes and HTUs and includes cigarillos in Japan. Excluding China and the U.S.
Source: PMI Financials or estimates

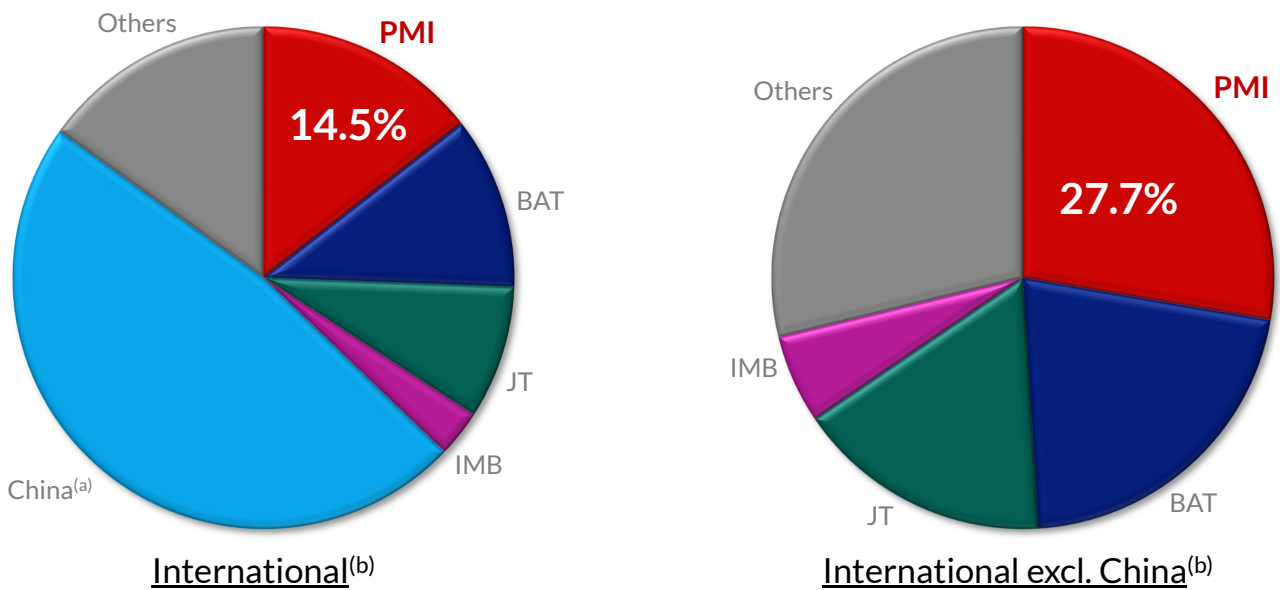
2022 Top Industry Volume Markets

(billion units)



(a) Top-10 markets ranked by 2022 total industry volume, excluding the U.S., China and Duty Free. LMIC classification (Low to Middle-Income) based on World Bank Classification issued in July 2023
 Note: As per our 2022 10-K filing, we do not sell products in Iran, North Korea and Syria. Reflects cigarettes and HTUs (where applicable). Industry volume includes cigarillos for Japan
 Source: PMI Financials or estimates

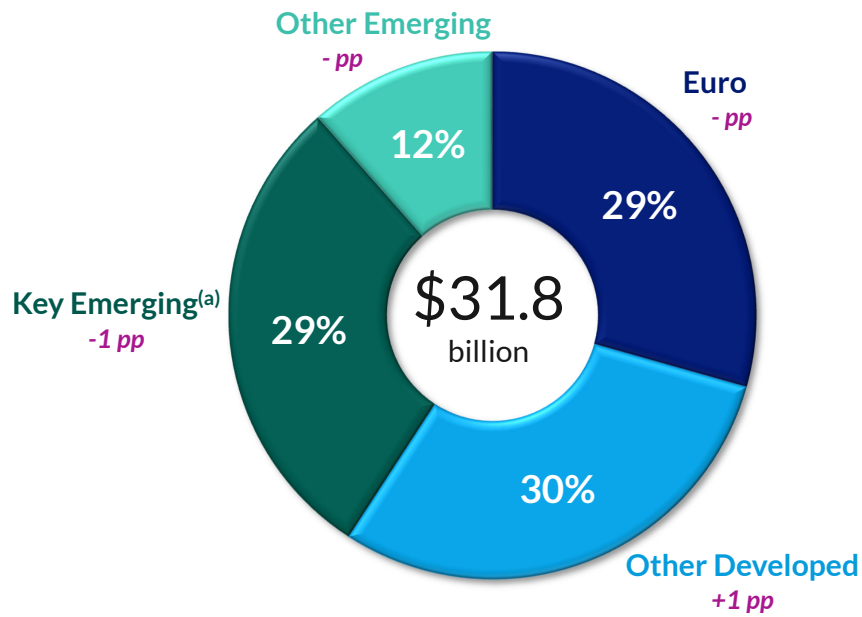
2022 PMI Total Market Share



(a) Excluding CNTC license production of *Marlboro* and *Parliament* cigarettes (2.3 billion units in 2022)
 (b) Excluding the U.S.
 Note: Reflects cigarettes and HTUs. Industry volume includes cigarillos for Japan
 Source: PMI Financials or estimates

2022 PMI Adjusted Net Revenues by Currency

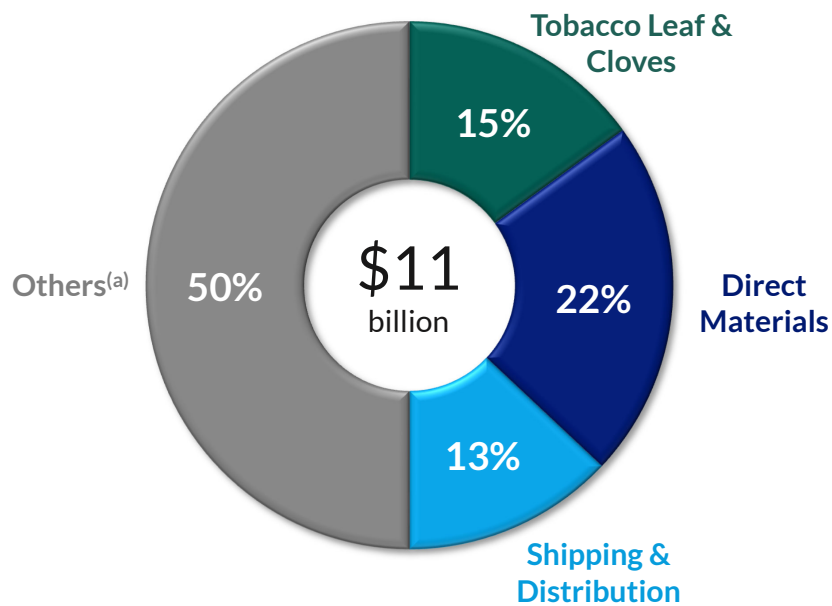
Change vs. 2021 (pp)



(a) Includes Czech Krona, Egyptian Pound, Indonesian Rupiah, Mexican Peso, Philippine Peso, Polish Zloty, Russian Ruble and Turkish Lira
 Note: Market classification is based on S&P Dow Jones Indices' 2022 country classification
 Source: PMI Financials or estimates

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2022 PMI Adjusted Cost of Goods Sold



(a) Conversion, fixed manufacturing expenses and other costs
 Note: Excludes amortization and impairment of intangibles (\$170 million), Swedish Match acquisition accounting related item (\$125 million), and charges related to the war in Ukraine (\$62 million). Including these impacts total Cost of Goods Sold is \$11.4 billion
 Source: PMI Financials or estimates

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2022 PMI Adjusted Costs by Currency

	Total (\$ billion)	Currency (%)				
		USD	EUR	CHF	IDR	Other
Tobacco ^(a)	1.7	21	53	–	18	8
Direct Materials	2.5	35	57	1	1	7
Other COGS ^(b)	6.9	31	23	6	13	27
Marketing, Overhead & Other Costs above OI	7.8	12	20	20	4	44
Total Adjusted Costs^(c)	18.9	23	29	10	8	29

(a) Including cloves

(b) Other manufacturing related costs and shipping and distribution

(c) Total costs above adjusted OI of \$18.9 billion = adjusted cost of sales of \$11.0 billion + adjusted marketing, overhead & other costs above OI of \$7.8 billion

Note: Sum does not foot due to rounding

Source: PMI Financials or estimates

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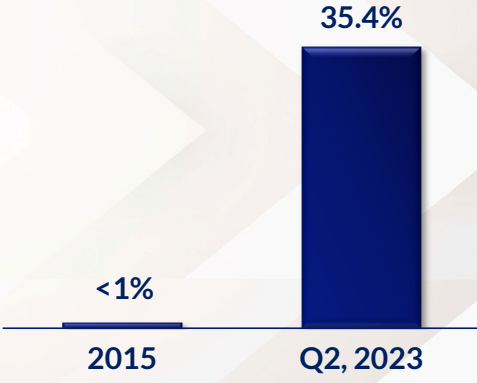
Championing a Smoke-Free World

Section 2: Smoke-Free Transformation

Unprecedented Pace and Scale of PMI's Transformation

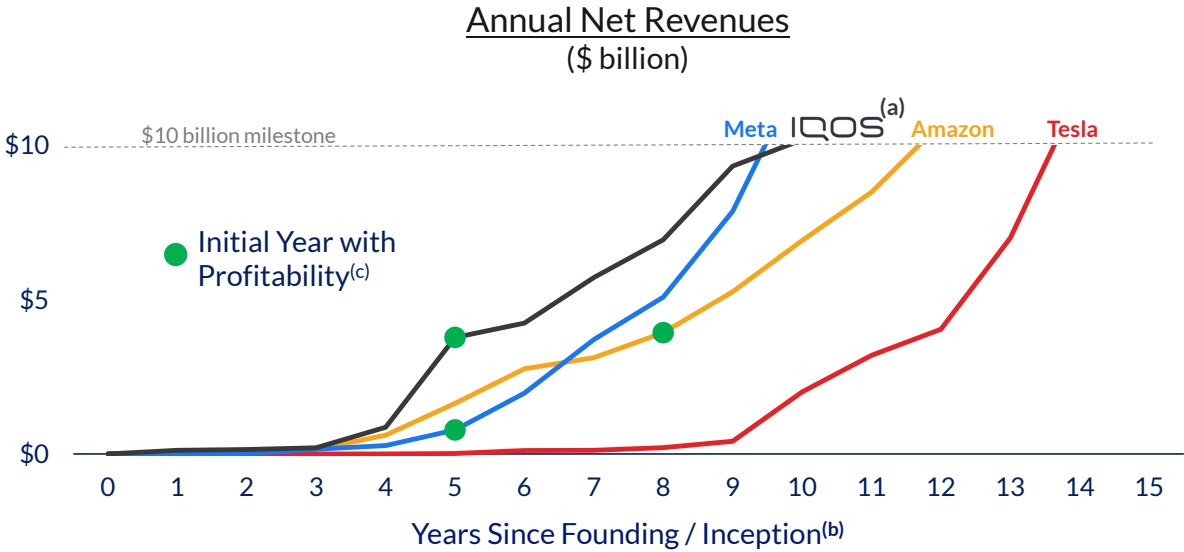
- Transformation driving a more sustainable business, with superior growth and returns to shareholders over time
- The greatest opportunity is still ahead:
 - Significant further market potential for smoke-free products
 - Swedish Match driving step-up in growth
 - Untapped potential of U.S. for IQOS & ZYN

Smoke-Free Net Revenues^(a)
(% of Total PMI Net Revenues)



(a) Smoke-free net revenues include smoke-free product (SFP) net revenues and net revenues from the Wellness and Healthcare segment
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

IQOS: Creating \$10bn+ Smoke-Free Business in Under a Decade



(a) Total smoke-free product net revenues. In 2022, IQOS accounted for \$9.5 billion of PMI's \$10.2 billion total smoke-free net revenues
(b) 2012 used for PMI's smoke-free product net revenues, reflecting project endorsement. Company founding year used for other companies
(c) Reflects the year when operating income was positive for the first time. For IQOS, it reflects the year when product contribution for smoke-free products was positive for the first time
Source: PMI Financials, Bloomberg. Investor Day 2023, presented September 28, 2023

From Vision to Reality: Strong Progress Already Clear



(a) Pro forma including full-year 2022 Swedish Match results
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Smoke-Free Transformation Drives More Sustainable Growth Model

Combustible

- Volume decline driven by secular trend and adult smokers switching to SFPs
- More than offset by price increases
- Focus on productivity and cost efficiencies

Resilient performance complementing smoke-free business

Smoke-Free

- Volume growth at substantially higher net revenue per unit
- Higher commercial investment as new markets launched
- Higher product contribution per unit
- Volume growth prioritized over pricing

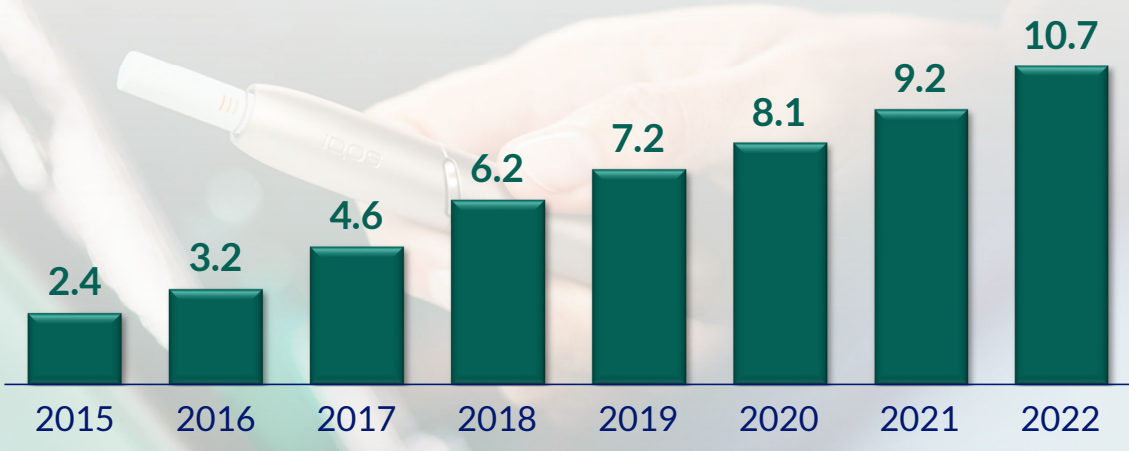
Core driver of top- and bottom-line growth

Source: Investor Day 2023, presented September 28, 2023

Substantial Investment in Best-in-Class Capabilities

(in \$ billion)

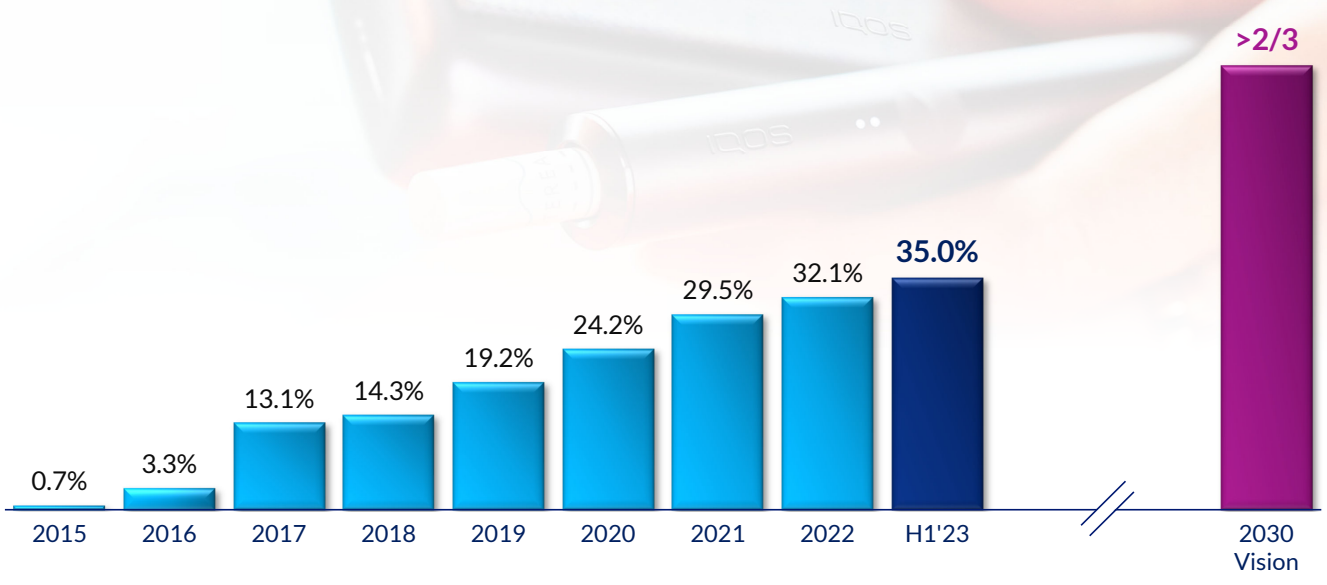
Cumulative Smoke-Free Product Investments



Note: Investments reflect research, product and commercial development, production capacity, scientific substantiation, and studies on adult smoker understanding. Include investment since 2008. Does not include commercial deployment costs
 Source: PMI Financials or estimates

Becoming Substantially Smoke-Free By Net Revenues

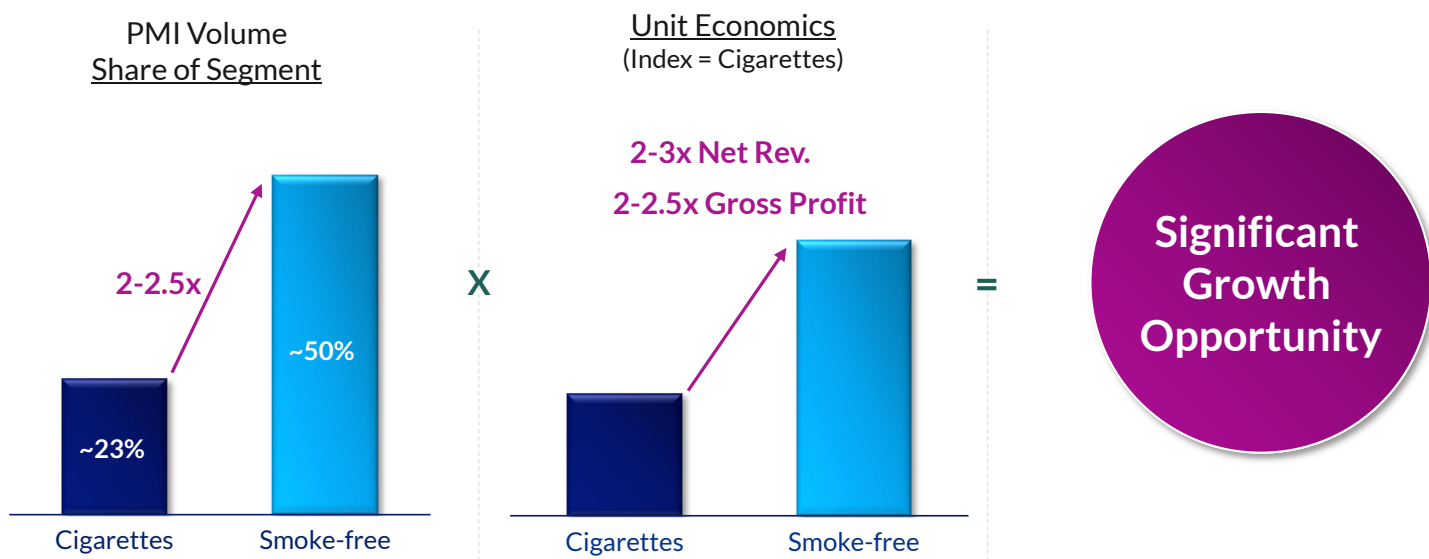
Smoke-Free Net Revenues^(a) (% of Total PMI Adj. Net Revenues)



(a) Smoke-free net revenues include SFP net revenues and net revenues from the Wellness and Healthcare segment
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Smoke-Free World Presents Unprecedented Growth Opportunity

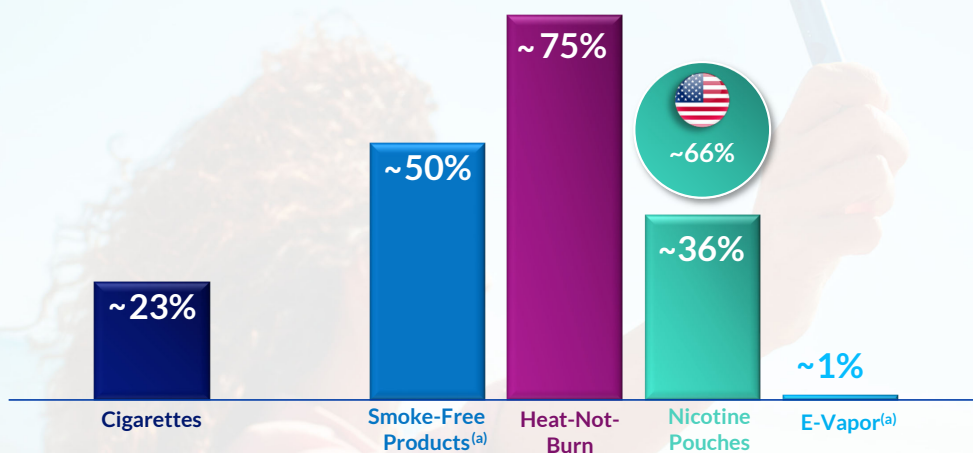
What Would Happen if the World Was Smoke-Free Tomorrow?



Note: Global, incl. U.S., excl. China. Smoke-free represents Heat-not-Burn, oral smoke-free products and e-vapor (excluding open tanks) at estimated pro forma 2022 unit economics
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Strong Leadership in Most Attractive SFP Categories

2022 PMI Category Volume Share
 (International, excluding China)



(a) Excludes open tank e-vapor systems
 Note: Reflects pro forma figures, including Swedish Match for full-year 2022
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Attractive SFP Volume Growth Supported by Investments

<u>(\$/000, 2022)</u>	Intl. Cigarettes Average	Intl. IQOS (Incl. devices) ^(a) Average	Mid-Term Opportunity	Current Ratio vs Cig.	Nordics NPs Average
Net Revenue	~35	~85		~2.5x	~100
COGS	~12	~30	~25	~2.5x	~40
Gross Profit	~23	~55		~2.5x	~60
Commercial/R&D Costs	~3	~25	<20	~7x	~30
Product Contribution	~20	~30	40+	~1.5x >2x	~30

IQOS & nicotine pouches already compare favorably to highly-optimized cigarette business, with scale opportunities over time

(a) IQOS financials, including devices, allocated to HTU on per '000 basis
 Note: 1 can of Nordics nicotine pouches (NPs) contains on average 21 pouches
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

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U.S.: Attractive & Substantial Growth Opportunity

<u>(\$/000, 2022)</u>	Intl. Cigarettes Average	Intl. IQOS (Incl. devices) ^(a) Average	U.S. ZYN	Ratio vs Intl. Cig.	U.S. IQOS (Incl. devices) (Illustrative ^{(a)(b)})	Ratio vs Intl. Cig.
Net Revenue	~35	~85	~190	~5.5x	~150 <i>Assumes Premium U.S. CC NR</i>	~4x
COGS	~12	~30	~40	~3x	~30 <i>Assumes IQOS Intl. Avg</i>	~2.5x
Gross Profit	~23	~55	~150	~6.5x	~120	~5x
Commercial/R&D Costs	~3	~25	~35	~12x	~40-50 <i>At scale (higher in launch phase)</i>	~13-16x
Product Contribution	~20	~30	~115	~6x	~70-80	~3-4x

Highly attractive economics vs. PMI international business

U.S. ZYN similar economics to U.S. Moist Snuff

(a) IQOS financials, including devices, allocated to HTU on per '000 basis
 (b) Illustratively, assuming same estimated net revenue per thousand (net of MSA related payments) as U.S. cigarettes, same COGS as international IQOS, and estimated level of commercial costs once at moderate national scale
 Note: 1 can of U.S. ZYN contains 15 pouches
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

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Product Transformation: Multicategory Smoke-Free Strategy Prioritizing Heat-not-Burn and Nicotine Pouches



Drive next growth phase through expansion and innovation



Lead category development and growth



Compete in select markets with profitability focus

Source: Investor Day 2023, presented September 28, 2023

Enhancing IQOS Portfolio to Switch More Adult Smokers

- Multi-tier IQOS device and HTU portfolio, with broad consumables selection
- Superior tobacco taste, with further innovation:
 - TERA CRAFTED: curated collection of tobacco flavors
 - DELIA: essence of taste at more affordable price
- Expanding device and consumables portfolio to switch more adult smokers:
 - BONDS and BLENDS
 - Licensed products lil and FIIT



Source: Investor Day 2023, presented September 28, 2023

Introducing LEVIA: Zero Tobacco, Rich Flavor Discovery

- Reinforces IQOS leadership with 'zero tobacco' consumables
- Exclusive to ILUMA; one device offering different experiences
- Vivid and satisfying taste, with pleasurable aromas



Do not ingest or disassemble LEVIA™ sticks. This product contains a sharp metal part which can cause serious injury if swallowed. Keep out of reach of children. More information on www.iqos.com.

This product is not risk free and provides nicotine, which is addictive. Only for use by adults.

Source: Investor Day 2023, presented September 28, 2023

IQOS: Evolving in Device Range, Personalization & Flexibility

Range	Personalization	Flexibility
<p>Devices</p> <p>FROM: 1 model & 2 colors</p>  <p>TO: 3 models & 14 colors</p> 	<p>Limited Editions & Accessories</p> <p>FROM: Color led Device led</p>  <p>TO: Idea & Brand engagement led</p> 	<p>Features</p> <p>FROM: Basic</p>  <p>6 minutes 14 puffs</p> <p>TO: Advanced</p>  <p>FlexPuff^(a)</p>  <p>FlexBattery</p>

(a) Adapting to adult consumer puffing habit
Source: Investor Day 2023, presented September 28, 2023

IQOS ILUMA: Next Generation of IQOS

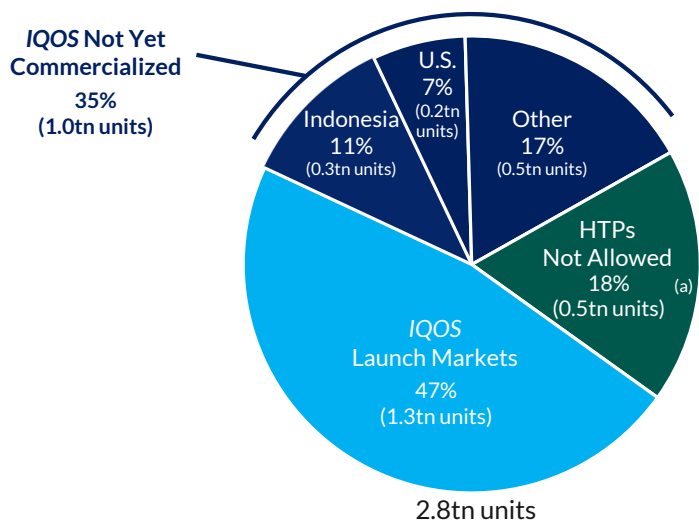
- IQOS ILUMA: Pleasure simplified
- New internal heating technology
 - Based on Smartcore™ induction
- Same great taste
- Premium design and customization for enhanced lifestyle appeal, advanced features
- 3 device designs covering 3 price points
- New broad range of consumables

- Addresses consumer feedback on IQOS blade heating product
- Robust and reliable, superior satisfaction
- Simple and Intuitive:
 - No cleaning and simple use
 - Self-activation & stick recognition
- Less explanation needed, positive for:
 - Time and cost of acquisition
 - After-care and retention
- Supports easier switching, higher conversion for legal-age smokers



The Opportunity for IQOS Remains Vast

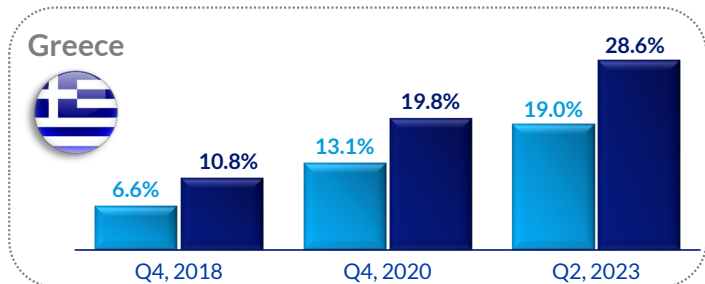
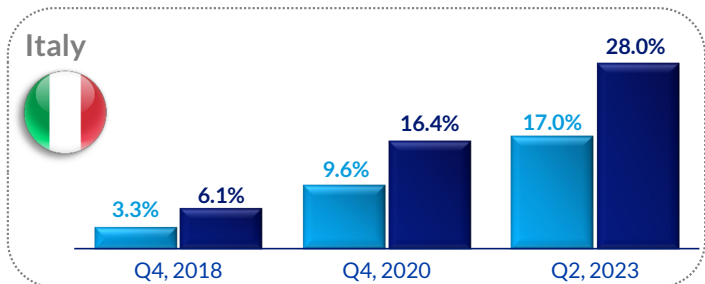
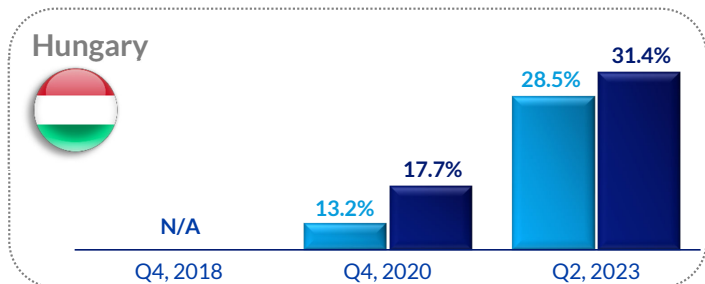
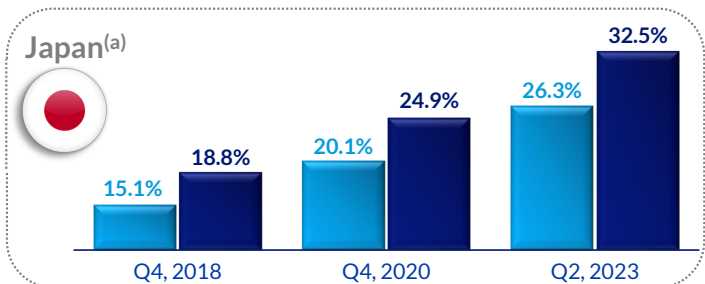
2022 International Market Cigarette + HTU Industry Volume



(a) Reflects markets where heated tobacco products are banned or otherwise subject to significant market access barrier
 Note: Excludes China. Includes cigarillos in Japan
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

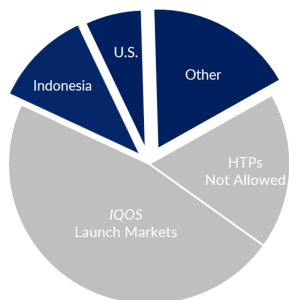
National Shares Reaching Prior City Levels Within 2-3 years

PMI HTU National and Key City Share of Total Cigarette and HTU Market



(a) Including cigarillos industry
 Note: Key Cities selected are respectively: Tokyo, Budapest, Rome and Athens
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Growth Opportunity in Markets Where IQOS Not Yet Commercialized



- Sizable opportunity over time, with ~1 trillion in total cigarette volume
- Consumer readiness influences potential launch timelines
- Indonesia pilot launch in select cities via IQOS Club
- Upcoming launch in the U.S.:
 - Already clear adult smoker readiness for SFPs

Top Cigarette Markets

	Volume
Indonesia	~300bn
U.S.	~180bn
Bangladesh	~75bn
Pakistan	~50bn

63%
 of total volume where IQOS not yet commercialized

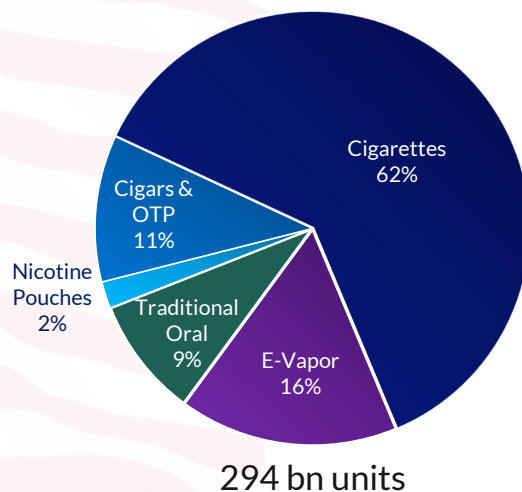
Note: Data for top markets reflect 2022
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Significant Opportunity in World's Largest SFP Market



- Largest total nicotine market by value:
 - Highly profitable in absolute terms and relative to international HTUs
- Around 47 million total adult nicotine users, including ~30 million adult smokers
- Nicotine industry volume of nearly 300 billion units
- No cigarette cannibalization impact for PMI

2022 U.S. Volumes by Category
(stick equivalent units)



Note: E-Vapor includes pods, open systems and disposables
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

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IQOS: Untapped Future Growth Driver



- Preparation for 2024 launch well underway
- Initial launch of IQOS 3 blade product in two states, focusing on select key cities:
 - Disciplined commercial investment
- ILUMA PMTA application submitted in October:
 - PMTA timelines hard to predict; expect launch in second half of 2024-26 forecast period
- Significant geographic expansion and corresponding commercial investment tied to ILUMA authorization



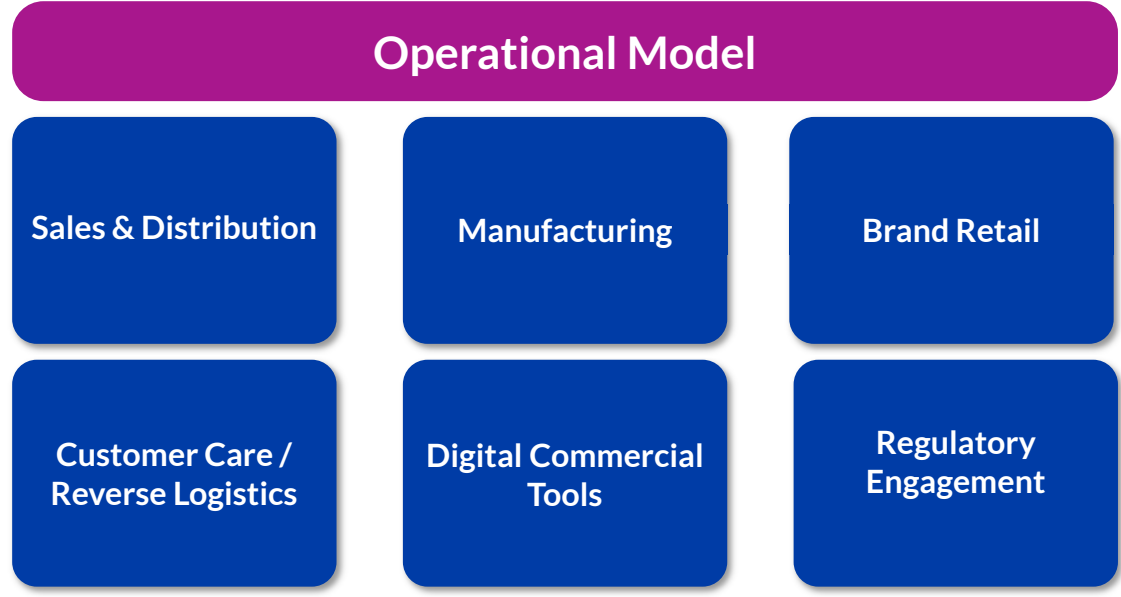
Of U.S. Cigarette and HTU Industry Volume within
Five Years of ILUMA Launch

(a) Share of U.S. Cigarette and HTU Industry Volume within 5 Years of ILUMA Launch
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

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IQOS in the U.S.: Investing for Success with Benefit to ZYN

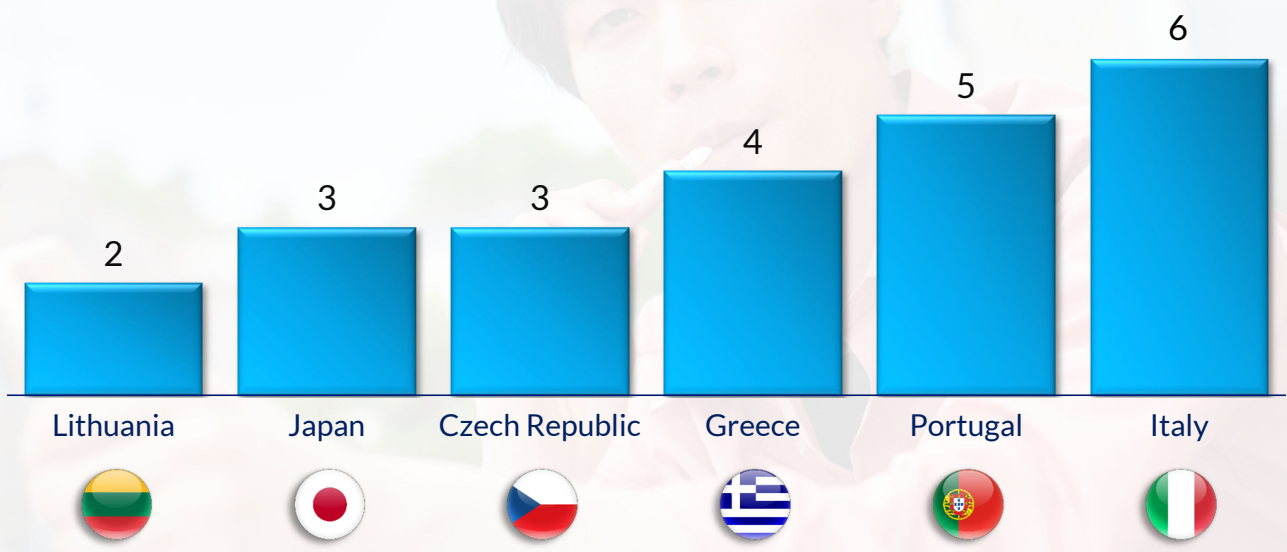


Source: CAGNY 2023, presented February 22, 2023



IQOS: 10% Share Reached Within 6 Years in Many Markets

Number of Years to Reach 10% SoM^(a)



(a) Reflects year in which PMI HTU share reached 10% following initial IQOS launch in the market
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

ZYN: Leading the Way With Strong Premium Brand



- U.S. nicotine pouch category still in its infancy
- ZYN now \$2 billion retail value brand^(a) in the U.S. within five years of national launch
- Continued focus on responsible marketing practices
- Active innovation pipeline, subject to FDA market authorization process
- Investing in commercial and manufacturing capacity to support long-term growth
- ZYN to drive overall double-digit net revenue and adjusted OI growth in U.S. for 2024-26, including impact of IQOS investments



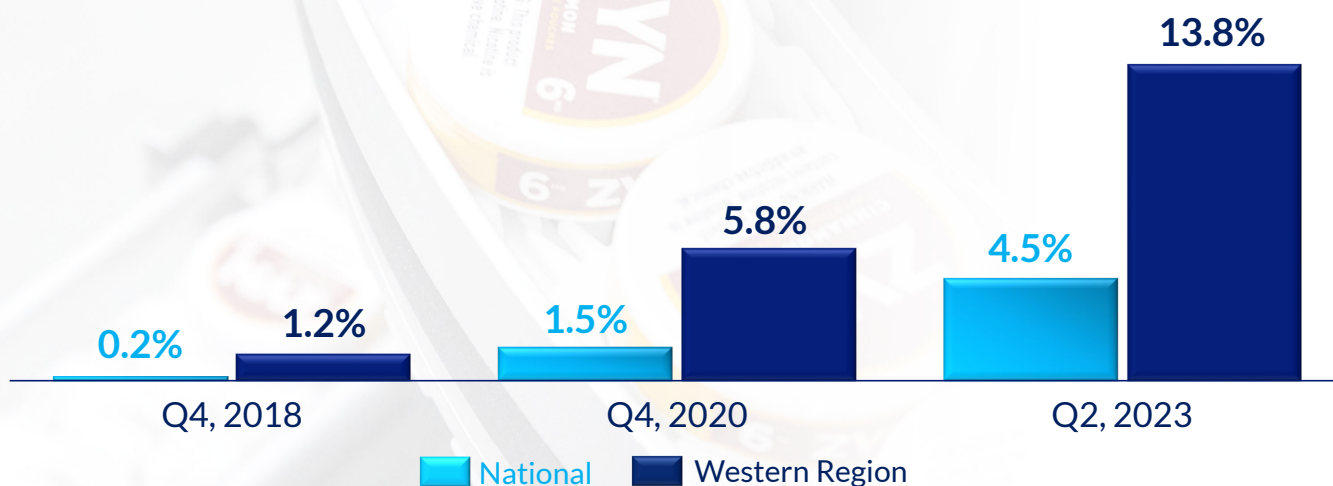
(a) On an annualized basis, reflecting latest 13-week performance
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

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ZYN: Western Region Performance Demonstrates National Potential



ZYN Volume as % of
Industry Cigarette Volume
(Cans / Packs, %)












Source: PMI Financials or estimates, IRI Unify. Investor Day 2023, presented September 28, 2023

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ZYN Launches / Re-Launches: Sizable Mid-to-Long Term Opportunity

Readiness to Scale Up and Invest for Future Growth

2023 Select Markets

 Pakistan	 Balkans
 Hungary	 Select Duty Free
 South Africa	 Asia: 1 additional market ^(a)
 Switzerland	 Europe: 4 additional markets ^(a)
 Finland	

Additional Markets in Plan^(b)



(a) Not disclosed at this stage for competitive reasons
 (b) Subject to change, e.g., regulatory strategy imperatives
 Source: Investor Day 2023, presented September 28, 2023

Outstanding Prospects to Remain Undisputed Global Leader



Source: Investor Day 2023, presented September 28, 2023




Continuing to Develop E-Vapor Portfolio

- Committed to responsible and profitable development
- Landscape and user preferences continue to evolve
- Building a portfolio addressing category dynamics
- Category economics still inferior to HnB and oral smokeless due to product proliferation, lower consumer brand loyalty and conversion rates



Source: CAGNY 2023, presented February 22, 2023

eVapor: Vaping Made Right

<p>Youth Access Prevention</p>	<p>Product</p> <ul style="list-style-type: none"> • Design - for Adult Nicotine Users, including flavor, device, package • Access - Must be age verified 	<p>Marketing</p> <ul style="list-style-type: none"> • Content - Must reflect intended focus on Adult Nicotine Users and must be accurate and non-misleading • Access - Only be accessible subject to age-control measures and placed in media where audience is deemed to be predominantly Adults
<p>Sustainability</p>	<p>Design for Sustainability</p> <ul style="list-style-type: none"> • Recyclability • Optimize material usage 	<p>Post-Consumer Waste Management</p> <ul style="list-style-type: none"> • Circular Program 
 <p>Government</p>	<p>Regulation</p> <ul style="list-style-type: none"> • Product standards, incl. flavors • Product presentation & descriptors • Responsible commercialization, incl. strong Youth Access Prevention safeguards at retail (offline & online) • Fiscal regulation 	<p>Compliance Enforcement</p> <ul style="list-style-type: none"> • Product • Youth Access Prevention • Communication • Illicit Trade • Proportionate Penalties 

Source: Investor Day 2023, presented September 28, 2023

A Focused Approach to Wellness & Healthcare Business

- W&H business provides sizable long-term potential in pharmaceutical, medical and consumer wellness segments
- Excellent technology platforms for both oral and inhalation delivery with Vectura Fertin Pharma, supplemented by PMI expertise
- Reprioritization of strategy and resource allocation in recognition of:
 - Significant opportunity for SFPs with IQOS and ZYN, particularly now in the U.S.
 - Impact of the external environment on certain areas of the acquired operations due to PMI's ownership
- Preparing for W&H new product roll-outs beyond 2026, with corresponding scale-down of investments resulting in stable costs and only moderate revenue increases in next 3 years

Source: Investor Day 2023, presented September 28, 2023

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Wellness & Healthcare: Product Focus Areas

	<u>Pharmaceutical (Rx)</u>	<u>Medical</u>	<u>Consumer</u>
<u>Focus</u>	<ul style="list-style-type: none"> • Inhalable: <ul style="list-style-type: none"> – Aspirin for myocardial infarction – Cannabinoids for chronic pain – DHE for acute migraine • Approved compounds, repurposed for inhalation; development process is faster and requires less investment relative to NME process 	<ul style="list-style-type: none"> • Medical cannabis, where there is a clear need for: <ul style="list-style-type: none"> – Product quality – Scientific evaluation – Consistency of dose / dosage 	<ul style="list-style-type: none"> • 'Energy and focus', primarily through superior oral products • Leverage FMCG brand-building expertise
<u>Time to Market / Investment</u>	<ul style="list-style-type: none"> • Longest time to market, due to preclinical / clinical trials and regulatory approvals, with highest upstream investments • Commercialization plan to optimize between own capabilities and partnerships 	<ul style="list-style-type: none"> • Faster time-to-market • More moderate investment requirements 	<ul style="list-style-type: none"> • Similar to FMCG products, with lower upstream costs • Higher in-market investment once rolled-out geographically, which is not foreseen during 2024-26 period

Source: Investor Day 2023, presented September 28, 2023

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Section 3: Combustibles Strategy and Performance

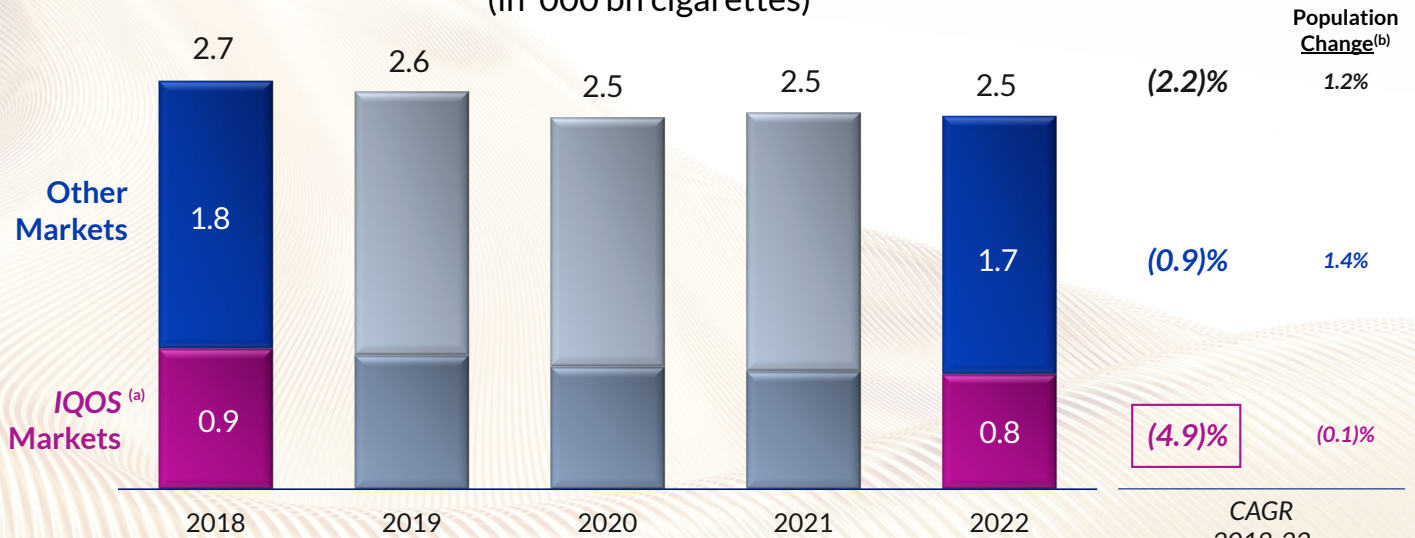
3

Combustibles Business as a Foundation for SFP Growth

- Accelerated industry decline, driven in part by SFP growth
- Robust combustibles pricing engine
- Positive share of category evolution
- Support PMI margin expansion over time
- Unparalleled global brands portfolio, with *Marlboro* at the helm
- Combustible leadership supports switching to smoke-free products

Moderate Industry Decline, More Pronounced in SFP Markets

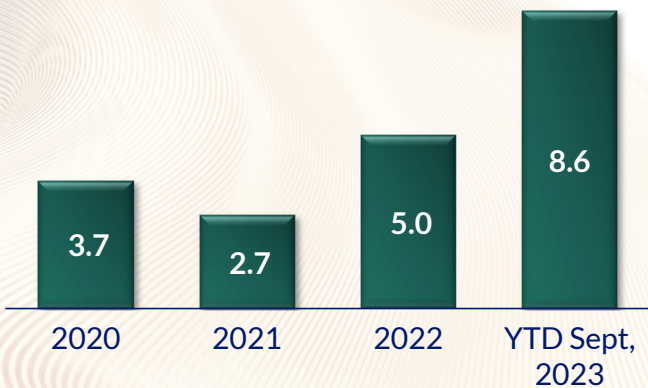
Cigarette Industry Evolution
(in '000 bn cigarettes)



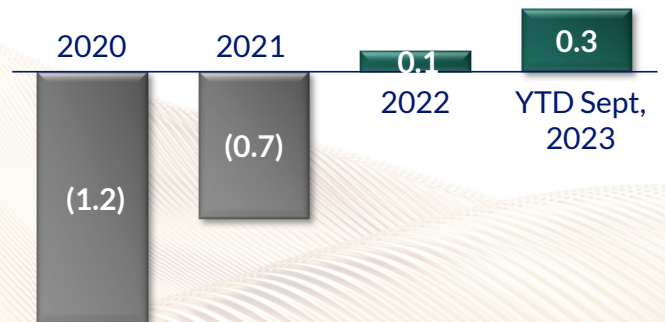
(a) IQOS markets include all markets that launched IQOS by 2022 and reached a share of market of >5% nationally
 (b) Total population growth used as a proxy for adult population growth
 Note: Excluding China and U.S. Reflects cigarettes industry in-market sales volume, including cigarillos in Japan
 Source: PMI Financials or estimates. United Nations, World Population Prospects 2022. Investor Day 2023, presented September 28, 2023

Combustibles: Higher Pricing and Category Share

Combustible Pricing
(% organic change vs. PY)^(a)



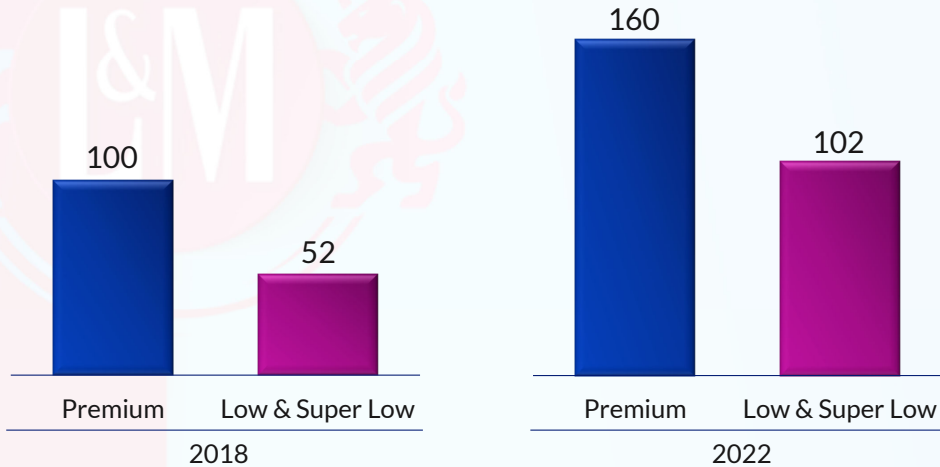
Share of Cigarette Category^(b)
(Change vs. PY in pp)



(a) Pricing variance is based on adjusted net revenues
 (b) Excludes China and the U.S. Reflects in-market sales volume of PMI cigarettes as a percentage of cigarette industry sales volume and includes cigarillos in Japan
 Source: PMI Financials or estimates. Q3, 2023 Earnings, presented October 19, 2023

Unit Rates Attractive Across Price Points

Cigarette Net Revenue Unit Rates
Top 10 PMI Pricing Markets
 (index = Premium 2018)



Note: Unit rates are net revenues per '000 sticks, evolution indexed in local currency, aggregated for Top 10 PMI pricing contribution markets (2018-2022)
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Marlboro: Growing Share & Volumes, 50 Years at Number One

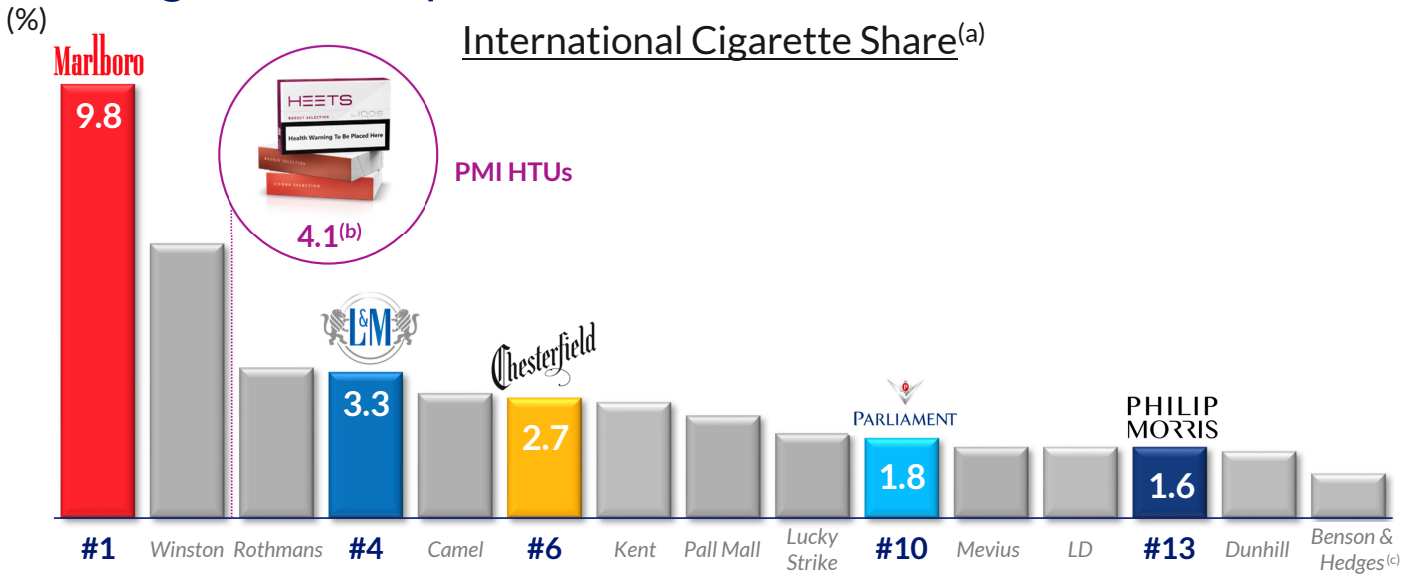
Marlboro Share of Category



HEALTH WARNING TO BE PLACED HERE

Note: Excluding China and the U.S. and includes cigarillos in Japan. Reflects in-market sales volume of Marlboro cigarettes as a percentage of total estimated sales volume for cigarettes
 Source: PMI Financials or estimates. CAGNY 2023, presented February 22, 2023

PMI Cigarettes: Top-15 International Brands (2022)

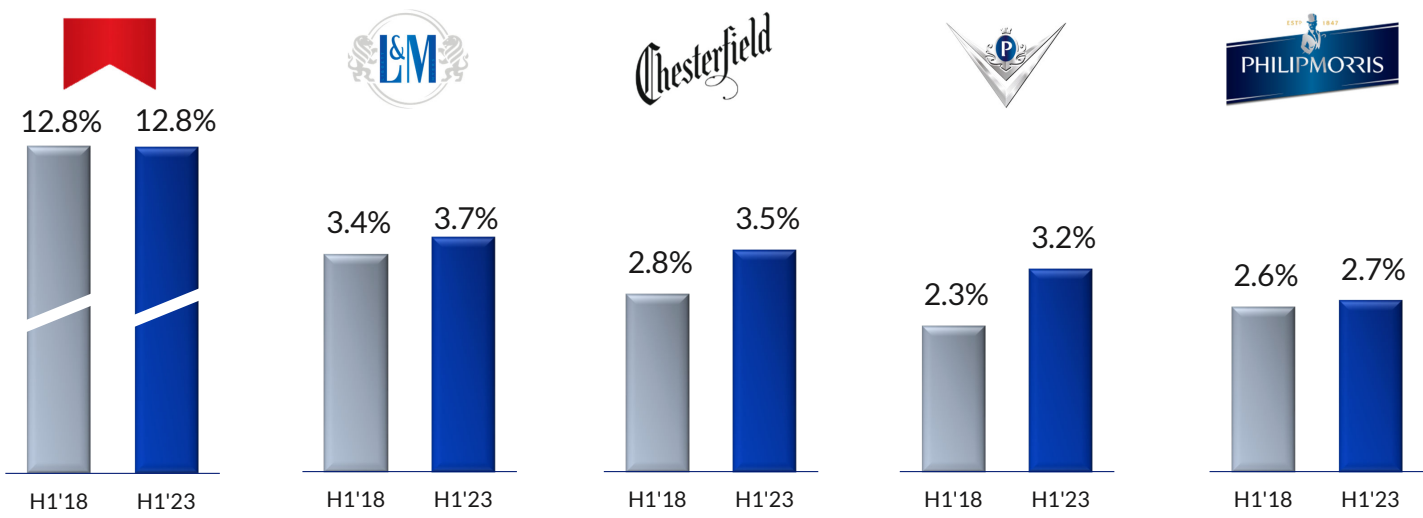


PMI Owns Five of the World's Top-15 International Cigarette Brands

(a) In-market sales volume of cigarette brand as a percentage of total estimated sales volume for cigarettes
 (b) In-market sales volume of PMI HTUs as a percentage of total estimated sales volume for cigarettes, HTUs, including cigarillos in Japan
 (c) Reflects Benson & Hedges volume of 26.3, deducted by 1.5bio which is sold by PMI, mainly in Mexico, and 0.2bio which is sold by RBH Inc. in Canada
 Note: Excluding China and the U.S. Philip Morris includes Philip Morris/Dubliiss. It includes cigarillos in Japan
 Source: PMI Financials or estimates

Growing Global Brands Performance

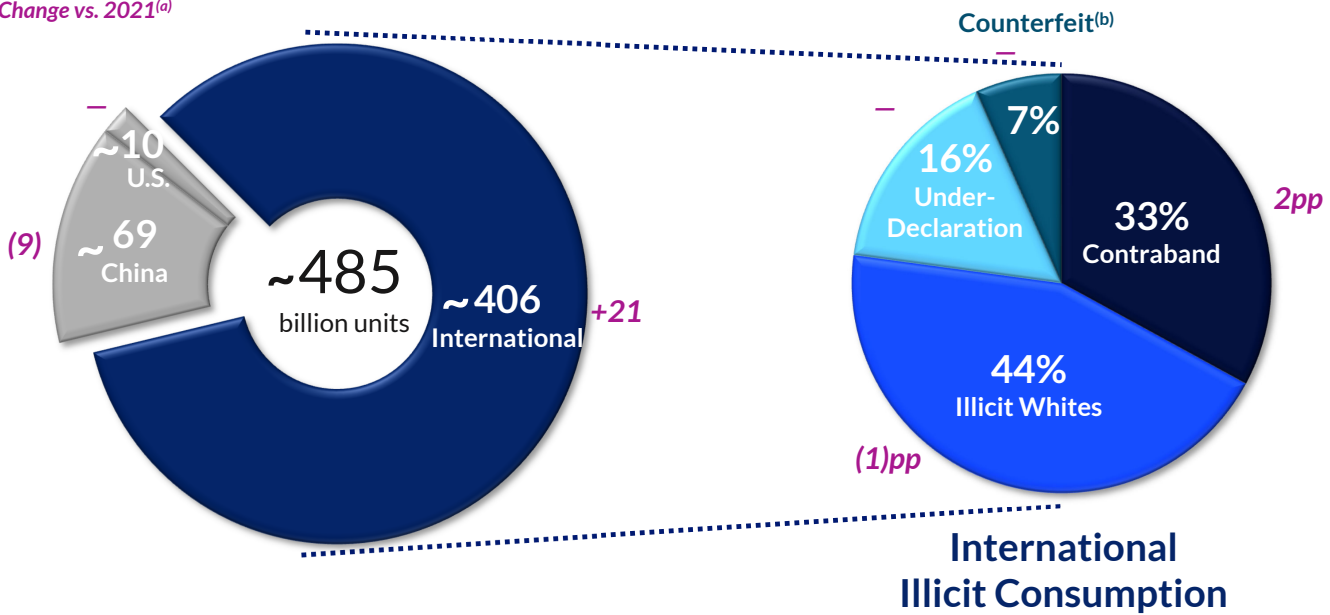
Share of Cigarettes Evolution by Brand, Top 20 Markets



Note: Excluding China and U.S. Reflects Top 20 CC Markets in-market sales volume of PMI cigarettes as a percentage of total estimated sales volumes for cigarettes, including cigarillos in Japan
 Philip Morris includes Philip Morris/Dubliiss
 Top 20 Combustible Markets based on a combination of Net Revenue and Volume
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Cigarettes: Illicit Trade Overview (2022)

Change vs. 2021^(a)



(a) Change vs 2021. Restatement of 2021 International Illicit Trade by 2 billion sticks following last 2021 Illicit Trade reports submission
 (b) Estimate for PMI worldwide and BAT, JT and IMB for selected markets
 Source: PMI Financials or estimates



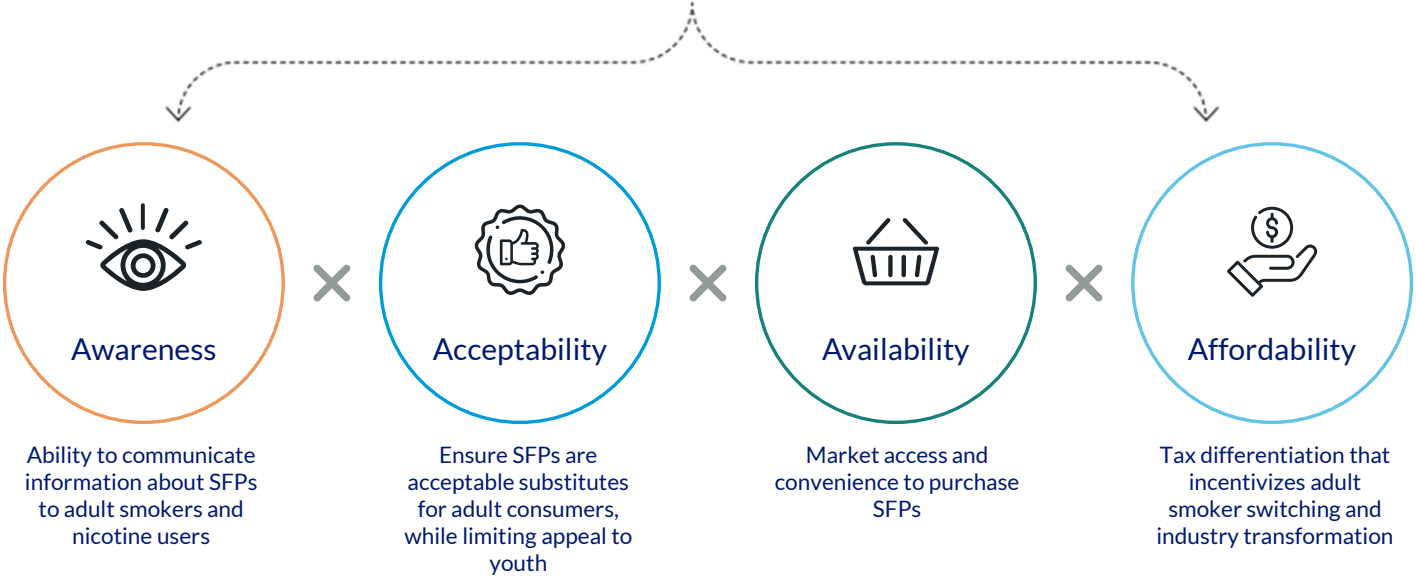
PHILIP MORRIS
INTERNATIONAL

Championing a Smoke-Free World

Section 4: Tobacco Harm Reduction: Regulatory & Science

Policy Principles to Better Enable Switching to SFPs

Government regulations should aim to support smoke-free products through greater:



Source: Investor Day 2023, presented September 28, 2023

Countries Moving Towards Sustainable Regulatory Policies for SFPs

Key Developments Since 2021

+8 Markets

Are recognizing THR as a viable policy (alongside prevention & cessation) to address smoking

(reaching 13 markets in total)

+16 Markets

Have lifted a regulatory ban for at least one SFP or are proceeding with a dedicated regulatory framework for SFPs

(reaching 60+ markets in total)

+16 Markets

Established (voluntary or mandatory) product standards on quality, safety and performance for at least one SFP

(reaching 30 markets in total)

Source: PMI Financials and estimates. Investor Day 2023, presented September 28, 2023

Countries Moving Towards Sustainable Fiscal Policies for SFPs

Key Developments Since 2021

+8

Markets

Are recognizing or re-stating support for a **THR approach for SFP taxation**

(reaching 10 markets in total)

+16

Markets

Are creating **dedicated excise tax categories for HTP**

(reaching 52 markets in total)

+21

Markets

Have instituted **multi-year tax plans covering HTPs**

(reaching 25 markets in total)

Source: PMI Financials and estimates. Investor Day 2023, presented September 28, 2023

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Responsible Marketing Practices Complement Effective Regulatory Policies

- SFPs marketed in a responsible manner to switch legal age smokers and nicotine users
- Those under the legal age of purchase should not have access to, or use, any nicotine product
- Flavored SFPs can play an important role in switching legal age smokers, particularly where corresponding flavors are present for combustible products
- Regulation and enforcement critical to minimizing underage usage and the availability of illicit products

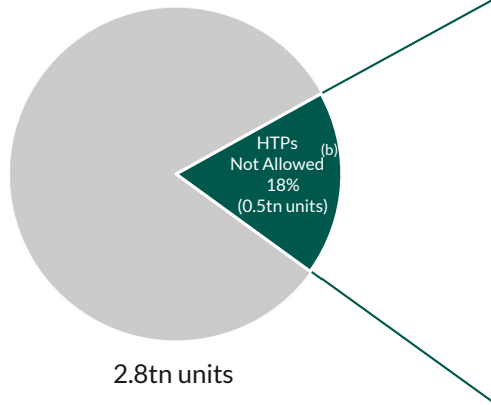


Note: Visual reflects youth access prevention example from Japan, where legal for nicotine use is 20 years old
Source: Investor Day 2023, presented September 28, 2023

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Restrictive Regulations Prevent Adult Smoker Access to Better Alternatives in Many Markets

2022 International Market ^(a)
Cigarette + HTU Industry Volume



Top Industry Volume Markets

	2022
Turkey	117bn
India	101bn
Vietnam	86bn
Brazil	64bn
Argentina	30bn

80% of Total 'Non-Accessible' Market Volume

Top PMI Net Revenue / Unit Markets vs. PMI International Cigarette Average

	2022
Hong Kong	3.1x
Australia	2.7x
Singapore	2.6x

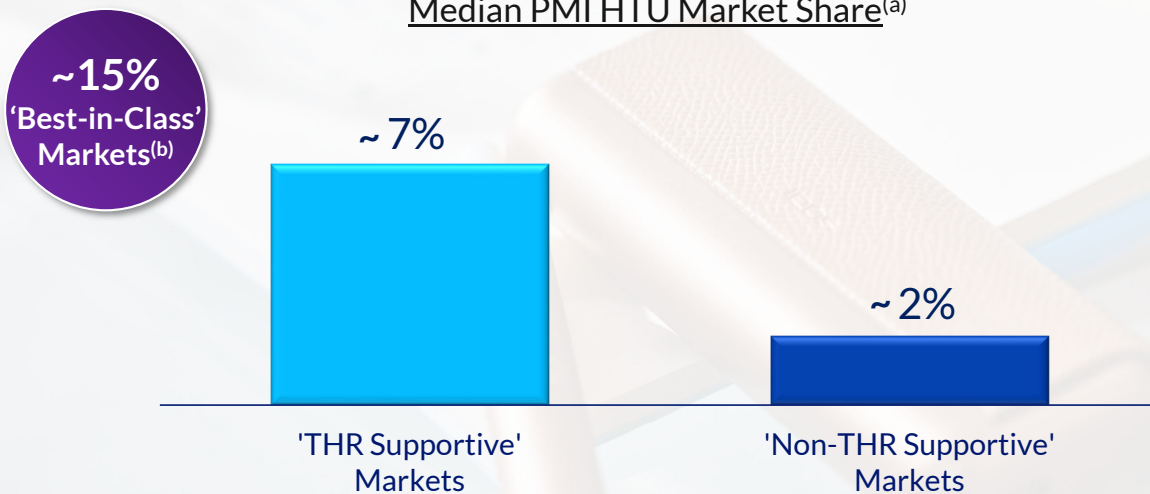
(a) International market excluding China and including cigarillos in Japan

(b) Reflects markets where heated tobacco products are banned or otherwise subject to significant market access barriers

Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Restrictive Regulations Limit SFP Growth

Median PMI HTU Market Share ^(a)



(a) Reflects median quarterly HTU market share six years after the launch of IQOS

(b) 'Best-in-Class' Markets reflect the median share of the top-five 'THR Supportive' Markets

Note: Reflects markets (i) where IQOS has been present for at least six years and (ii) qualify as PMI top-40 income markets for 2022. 'THR Supportive' markets reflect markets that have regulations that are generally more permissive with respect to communication and awareness building for heated tobacco products compared to cigarettes

Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Global Excise Tax Environment

- In general, governments recognize that revenue predictability and collection efficiency can be enhanced by regular and reasonable increases, high proportion of specific elements in excise tax structures, multi-year tax calendars and income or inflation indexation:
 - Over the last 10 years, the large majority of the key markets where we operate have shifted their tax structure to include a higher specific tax element while lowering ad valorem rates
- EU excise tax:
 - Reasonable current EU framework covering smoking tobacco products, providing governments with structural flexibility between specific, ad valorem and minimum excise tax tools
- Excise taxes on smoke-free products significantly different from cigarettes in many geographies, consistent with tobacco harm reduction potential

EU Regulatory and Fiscal Developments



- Increasing number of countries incorporating Tobacco Harm Reduction into fiscal and regulatory processes
- EU Tobacco Excise Directive (TED) Review:
 - The proposal for the revision of TED, previously expected in December 2022, was further delayed and adoption by the EU College of Commissioners is now expected at the end of 2023 or beginning of 2024. EU Council conclusions indicate SFPs likely to be included in the revised TED
 - If adopted, the TED proposal is expected to be submitted to the EU Parliament for non-binding opinion and EU Council for discussion, expected in the course of 2024-2025. The final TED adoption by the EU Council requires unanimous approval of all 27 EU Member States
 - The Directive adopted by the EU Council must be transposed into the national tax legislations of all 27 EU Member States; the potential effective date for any changes to TED, after the transposition in Member States' national legislation, is 2026.
- EU Tobacco Products Directive (TPD) Review:
 - The proposal for a revision of TPD is expected end of 2024/beginning of 2025 with further legislative actions under a new EU Commission and new EU Parliament (elections in 2024). Open Public Consultation on an evaluation of the existing TPD and Tobacco Advertising Directive closed on May 16, 2023.
 - Ordinary legislative procedure (to kick off 2024/2025): EU Parliament and Council co-deciding; Qualified majority
 - Adopted directive transposed into national legislations of all 27 Member States; implementation usually requires 12 months minimum
- The TPD empowered the European Commission to withdraw the exemption from the characterizing flavor ban applicable to all tobacco products other than cigarettes and roll-your-own tobacco:
 - The Commission adopted a Delegated Directive, introducing a definition of HTP, and requiring the Member States to ban HTP with characterizing flavor, based on a "substantial change of circumstances"
 - A majority of Member States have already adopted or published draft laws to transpose the Delegated Directive. In the markets that enforce the provisions of the Delegated Directive, the ban is effective since October 23, 2023 and the remaining markets are expected to adopt in 2024

Cost of Regulatory Inaction

Encouraging progress being made in many countries – however:

- A failure to acknowledge the role that harm reduction can play in bringing about the end of cigarettes seriously hinders the ability of adult-smokers to switch to better alternatives
- The science is clear – it is no longer a case of *IF* smoke-free alternatives are better than cigarette smoking, but *BY HOW MUCH* they are better
- Many policymakers perceive it as safer to abstain from the debate rather than be seen as “siding” with the industry by adopting risk reduction policies
- Not making a decision on smoke-free products today is a decision in and of itself – and it’s a decision with consequences
- Governments and public health authorities must act – quickly and decisively – rather than remaining tied to outdated approaches that have failed to solve the problem of smoking

Embracing harm reduction will accelerate the end of smoking

Source: Investor Day 2023, presented September 28, 2023

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Integrity of Our Scientific Assessment

- Adhere to internationally recognized standards including Good Laboratory Practices and Good Clinical Practices
- Actively share our methods and study results, making them available for public review
- Our systems toxicology methods and results are subjected to an even higher level of scientific scrutiny through the sbv IMPROVER methodology^(a):
 - Reviews of our IQOS studies were submitted to the FDA as part of our MRTP applications
- Continue to make the raw data from our non-clinical and clinical RRP studies available to the public through INTERVALS.science
- Welcome independent studies of our RRP. Encourage others to undertake serious non-clinical and clinical studies with IQOS
- Believe our consumers deserve our unwavering commitment to help them fully understand the benefits of switching to RRP

We believe our scientific research capabilities are on par with the best in the life science industries

Note: RRP stands for Reduced Risk Products

(a) sbv IMPROVER stands for Systems Biology Verification combined with Industrial Methodology for Process Verification in Research

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SFPs: Independent Verification on PMI Science (Select Governmental Reports)

-  **Superior Health Council of Belgium (SHC)** (Belgium, 2022): "e-cigarettes are substantially less harmful than smoking cigarettes and therefore are a better alternative for smokers [...] the vast majority of the risks of tobacco smoking are not caused by nicotine, but by the harmful substances that are released by the combustion of tobacco"
-  **Superior Health Council of Belgium (SHC)** (Belgium, 2020): "heat-not-burn products, while not safe, have a more favorable toxicity profile than cigarettes"
-  **China National Tobacco Quality Supervision and Test Centre** (China, 2019): "THS 2.2 delivered fewer harmful constituents than the conventional cigarette 3R4F."
-  **Federal Institute for Risk Assessment (BfR)** (Germany, 2018): "The herein confirmed reductions of relevant toxicants by about 80-99% are substantial."
-  **Food and Drug Administration (FDA)** (U.S., 2018): "The independent testing performed by STL [FDA's Southeast Tobacco Laboratory] confirmed the lower levels of selected [harmful and potentially harmful compounds] HPHCs in the aerosol from the HeatSticks compared to mainstream cigarette smoke."
-  **Public Health England** (UK, 2018): "Compared with cigarette smoke, heated tobacco products are likely to expose users and bystanders to lower levels of particulate matter and harmful and potentially harmful compounds. The extent of the reduction found varies between studies."
-  **National Institute for Public Health and the Environment (RIVM)** (the Netherlands, 2018): "The use of heatsticks with the IQOS is harmful to health, but probably less harmful than smoking tobacco cigarettes."
-  **UK Committee of Toxicology** (UK, 2017) "It is likely that there is a reduction in risk, though not to zero, to health for smokers who switch completely to heat-not-burn tobacco products."

Note: To date, several governmental agencies have published their scientific findings that analyze the harm-reduction potential of certain RRP's versus continuing smoking, including the above select examples. Refer to Form 10-K for the year ended December 31, 2022, for additional information. RRP's stands for Reduced Risk Products

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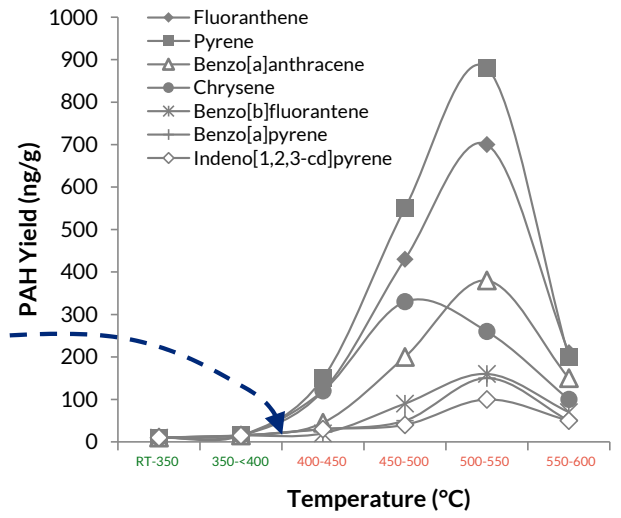
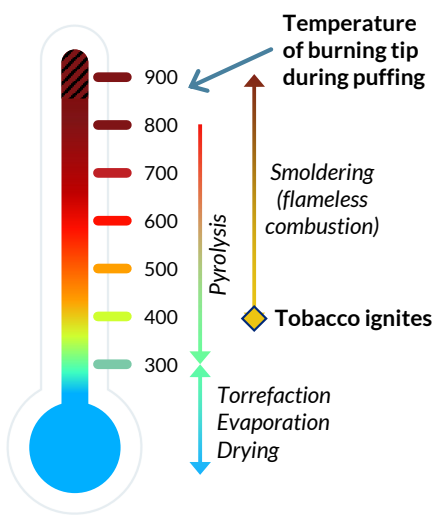
The Scientific Basis for Tobacco Harm Reduction

- Many misperceptions on smoke-free products & nicotine
- The science from existing laboratory and clinical data is conclusive:
 - Heated tobacco products
 - E-vapor products
 - Oral products

ARE NOT equally or more harmful than cigarettes

- Nicotine is not the primary cause of smoking-related disease
- We expect future risk reduction studies to further support these facts

Cigarette Combustion Causes Harm to Health

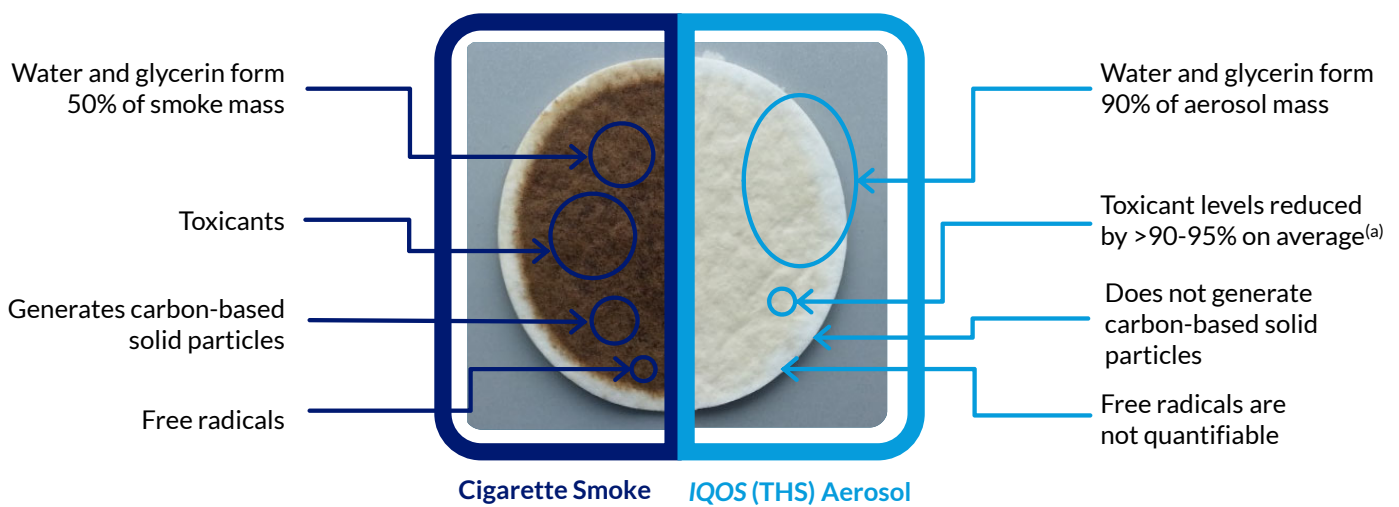


As the Temperature Increases Beyond the Ignition Point of Tobacco the HPHC Emission Increases

Note: HPHC stands for Harmful and Potentially Harmful Constituent. PAH stands for polycyclic aromatic hydrocarbons
Source: Left chart: Cozzani, 2020 (DOI: 10.1016/j.tca.2019.178475); right chart: McGrath, 2007 (DOI: 10.1016/j.fct.2006.12.010). Investor Day 2023, presented September 28, 2023

The Difference Between Cigarette Smoke & IQOS (THS) Aerosol

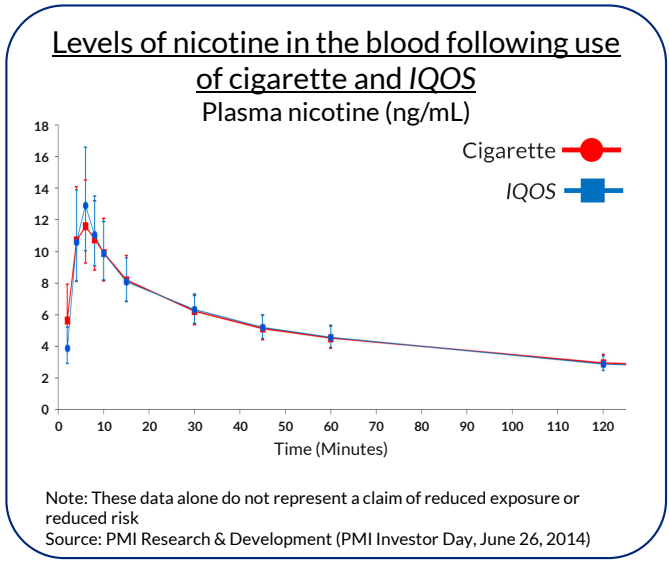
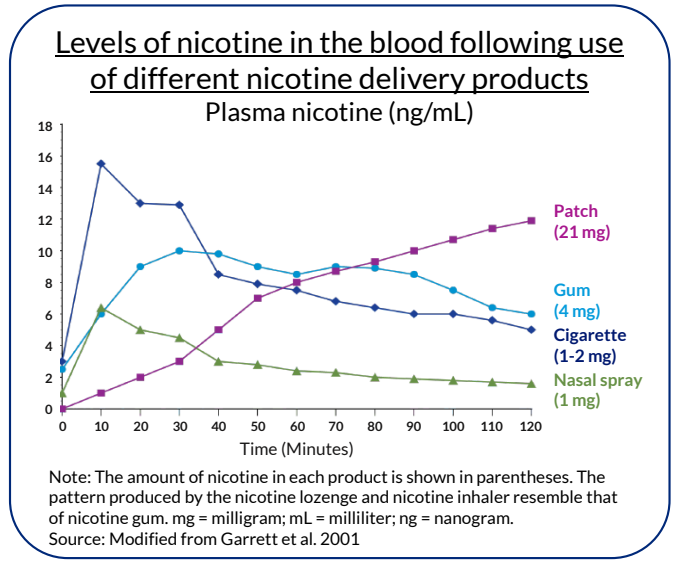
Heated Tobacco Aerosol Chemistry & Physics



Smoke and Aerosol Were Collected on a Cambridge Filter Pad in Accordance with the Health Canada Intense Puffing Regimen

(a) 90-95% reduced levels of toxicants represents the average reductions in levels of a range of harmful chemicals (excluding nicotine) compared to the smoke of a reference cigarette
Note: THS here stands for Tobacco Heating System. The residue on the filter pad are from 5 cigarettes and 5 THS respectively.
Source: Ghosh, 2014 (DOI: 10.2478/cttr-2014-0008) and Shein M and Geschke G, hem. Res. Toxicol. 2019, 32, 6, 1289-1298, <https://doi.org/10.1021/acs.chemrestox.9b00085>. Investor Day 2023, presented September 28, 2023

IQOS: Nicotine Pharmacokinetic Profile

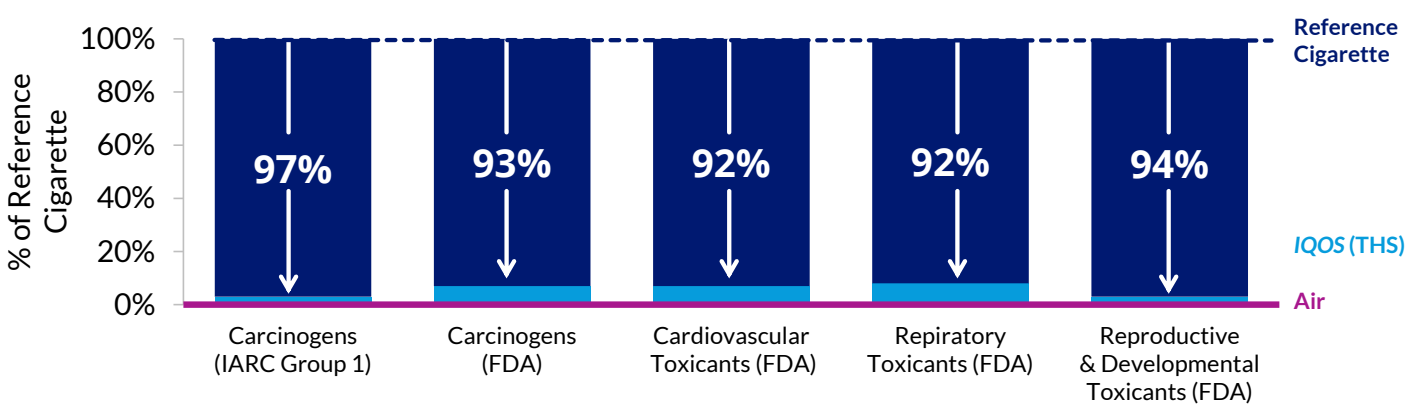


- The amount and rate of nicotine absorbed by the body is influenced by the route of absorption
- No notable difference in the nicotine absorption between cigarette and IQOS

Reduced Toxicant Formation in IQOS (THS) Aerosol

Heated Tobacco Aerosol Chemistry & Physics

Average Reduction in Formation of Harmful or Potentially Harmful Constituents of IQOS (THS) Relative to Reference Cigarette, by Disease Category^(a)

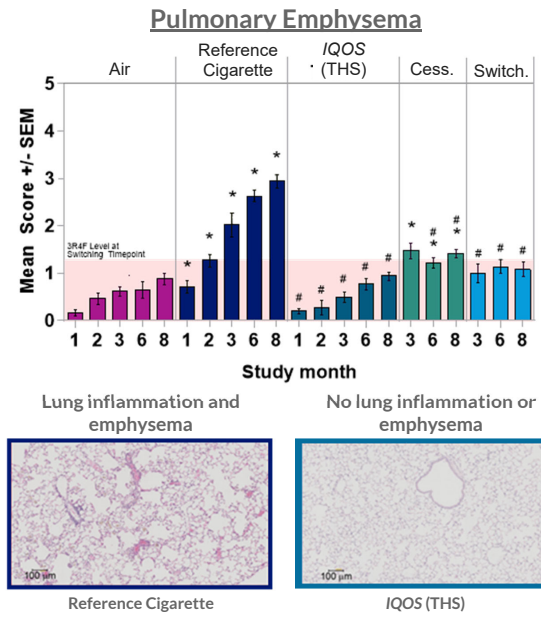


Number of Toxicants	12	29	8	18	7
	Carcinogens (IARC Group 1)	Carcinogens (FDA)	Cardiovascular Toxicants (FDA)	Respiratory Toxicants (FDA)	Reproductive & Developmental Toxicants (FDA)

(a) Analysis of the 54 Harmful or Potentially Harmful Constituents as defined by FDA. Includes Health Canada, the WHO and the FDA-18 lists of HPHCs
 Note: THS here stands for Tobacco Heating System. Health Canada's Intense Puffing Regime. Comparison on a per-stick basis (excluding nicotine). Reference Cigarette = 3R4F: University of Kentucky Reference Cigarette
 Source: Investor Day 2023, presented September 28, 2023

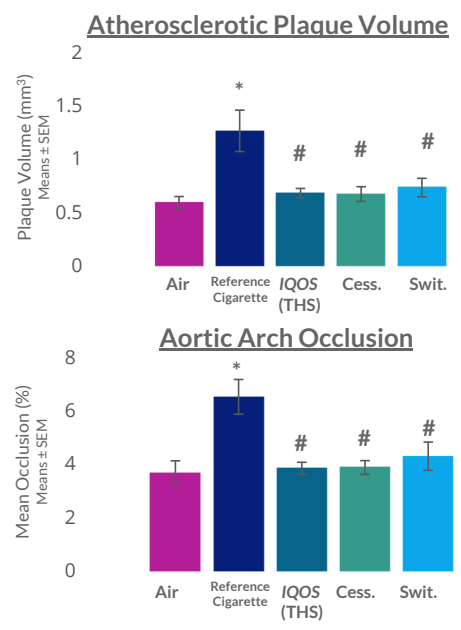
Mouse Toxicology Study – Findings in Lung & Vascular System After IQOS (THS) Exposure

ApoE^{-/-} Mice Exposed for 8 Months, 3 h/day and 5 days/week to IQOS (THS) Aerosol



C57BL/6 ApoE^{-/-}

*: different from air (p<0.05)
#: different from reference cigarette (p<0.05)



Note: THS: Tobacco Heating System; Reference Cigarette = 3R4F: University of Kentucky Reference Cigarette. Source: Phillips, B et al. (2016) Toxicol Sci 149(2): 411-432. Source: Investor Day 2023, presented September 28, 2023

Comparison of Exposure to HPHCs in Cigarettes, Swedish Snus and Nicotine Pouches

Cigarettes	Snus	Nicotine Pouches
<ul style="list-style-type: none"> Exposure to over 6000 chemicals, including high levels of carcinogens and toxicants effecting the lung, heart and other organ systems ^(a) Exposure to ~100 HPHCs Lung exposure to carbon-based nanoparticles and free radicals Lung exposure to 600 mg/m³ total particulate matter 	<ul style="list-style-type: none"> Exposure to a much lower number of chemicals overall with significantly lower exposure to carcinogens and toxicants effecting the lung, heart and other organ systems. Exposure to 15^(b) HPHCs out of 36 HPHCs measured ^(c) No exposure to carbon-based nanoparticles and free radicals No direct lung exposure 	<ul style="list-style-type: none"> Exposure to harmful chemicals even lower compared to Snus Exposure to 4^(b) HPHCs out of 36 HPHCs measured ^(c) No exposure to carbon-based nanoparticles and free radicals No direct lung exposure

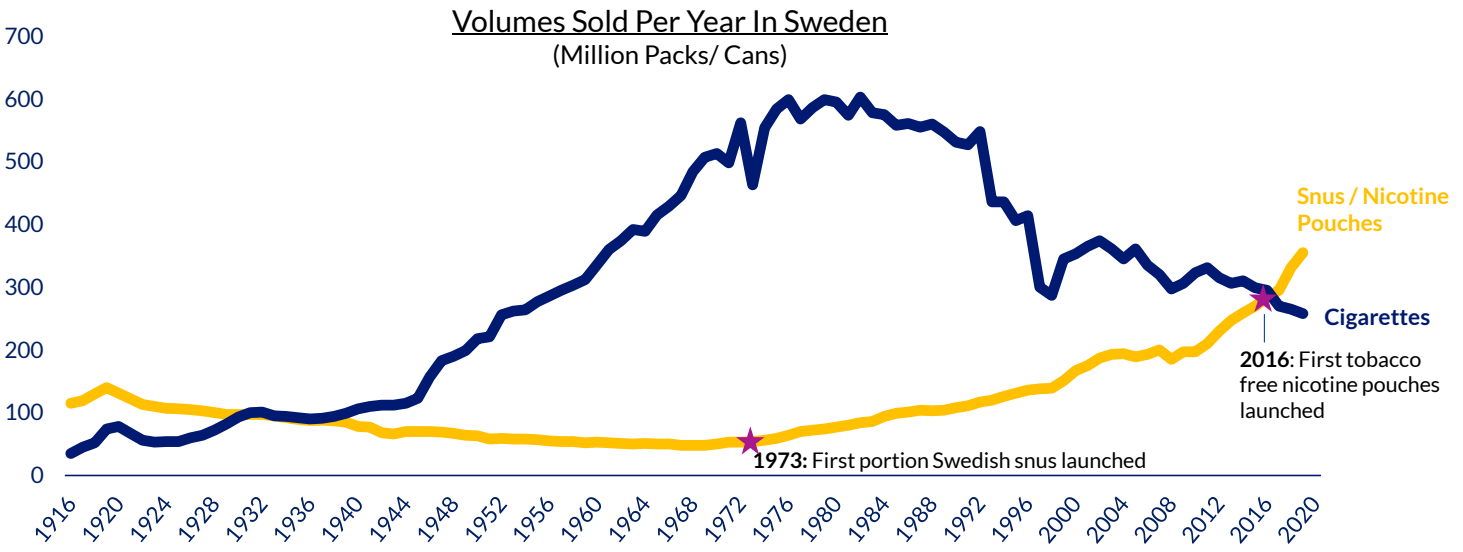
U.S. FDA authorized marketing with modified risk claim for diseases.

"Using General Snus instead of cigarettes puts you at a lower risk of mouth cancer, heart disease, lung cancer, stroke, emphysema, and chronic bronchitis." U.S. FDA Oct. 22, 2019

(a) Rodgman A, Perfetti TA. The chemical components of tobacco and tobacco smoke. Boca Raton (FL): CRC Press, Taylor & Francis Group; 2013
(b) Excluding nicotine

(c) Back et al. BMC Chemistry (2023) 17:9, <https://doi.org/10.1186/s13065-023-00918-1>
Source: Investor Day 2023, presented September 28, 2023

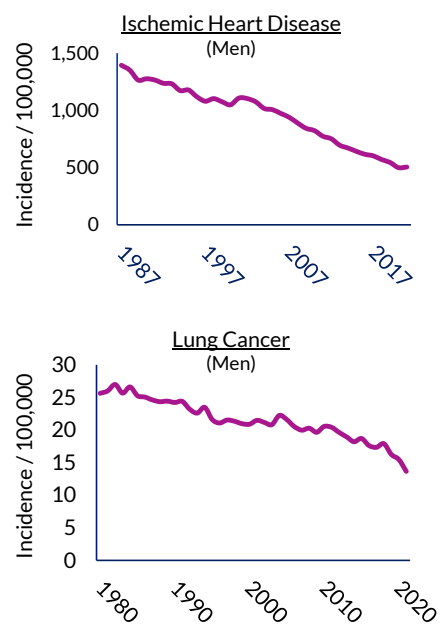
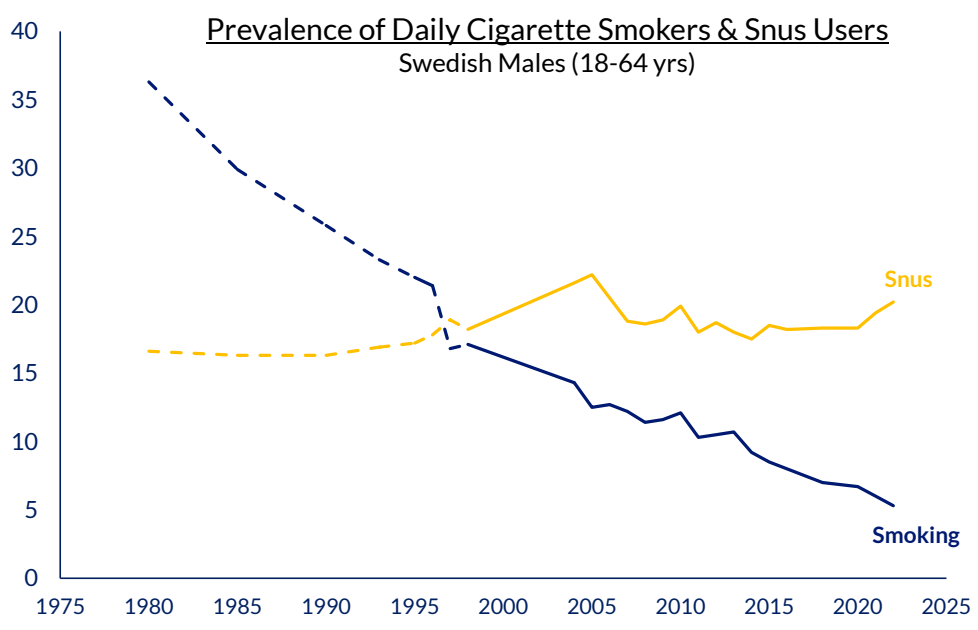
Oral Tobacco Products and Cigarette Sales in Sweden



Note: Temporal associations do not demonstrate cause and effect and are subject to inherent limitations. Specific factors associated with changing cigarette sales volume over time have not been fully analyzed. 20 cigarettes per pack; 21 estimated average pouches in can for snus and nicotine pouches
Source: Swedish Match Estimates, SMD Logistics; 2019 TPSAC Meeting Materials and Information | FDA. Investor Day 2023, presented September 28, 2023

Real-World Data and Evidence on Harm Reduction in Sweden

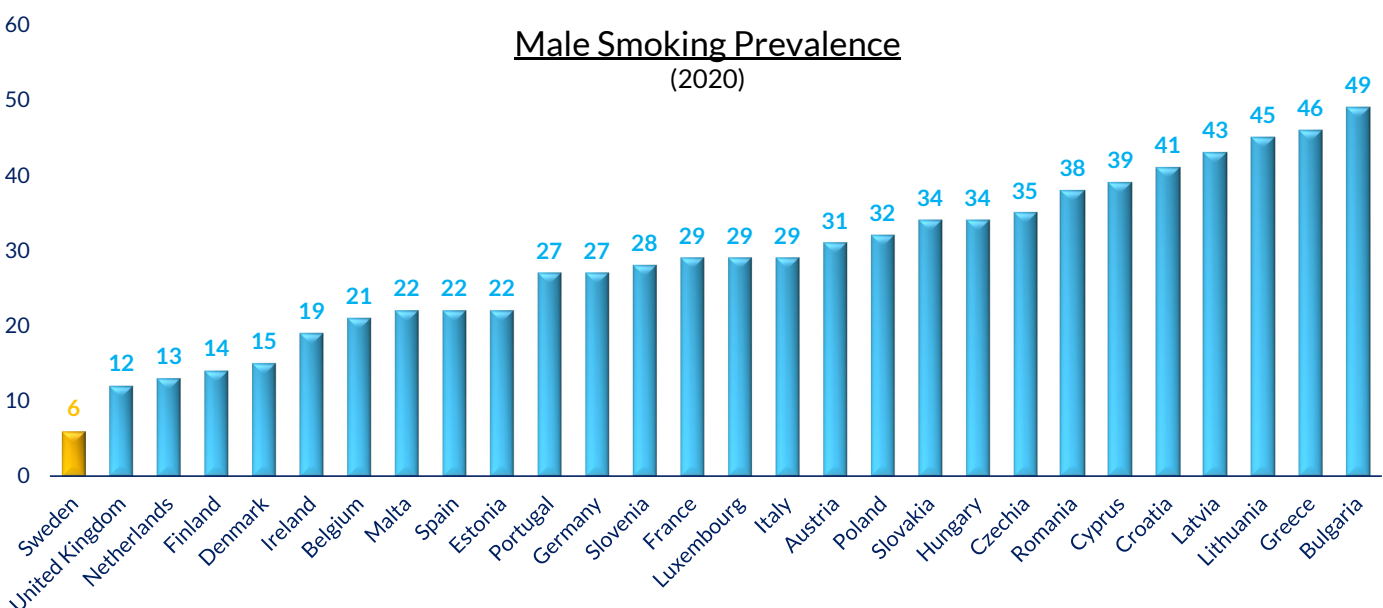
Usage Rates of Snus and Cigarettes in Swedish Men Correlate With a Reduction in Tobacco Related Diseases



Note: Temporal associations do not demonstrate cause and effect and are subject to inherent limitations. Specific factors associated with changing daily smoker prevalence, ischemic heart disease and lung cancer over time have not been fully analyzed.
Source: Incidence Data - Swedish National Board Of Health And Welfare, Statistical Database (Accessed 5/2023); Prevalence Data: 1980-1998 - Henningfield J, Fagerstrom K Tobacco Control 2001;10:253-257; 2004-2022 - National Public Health Survey/Living Habits/ Tobacco And Nicotine (Accessed 6/2023). Investor Day 2023, presented September 28, 2023

Sweden: Lowest Male Smoking Prevalence in the EU

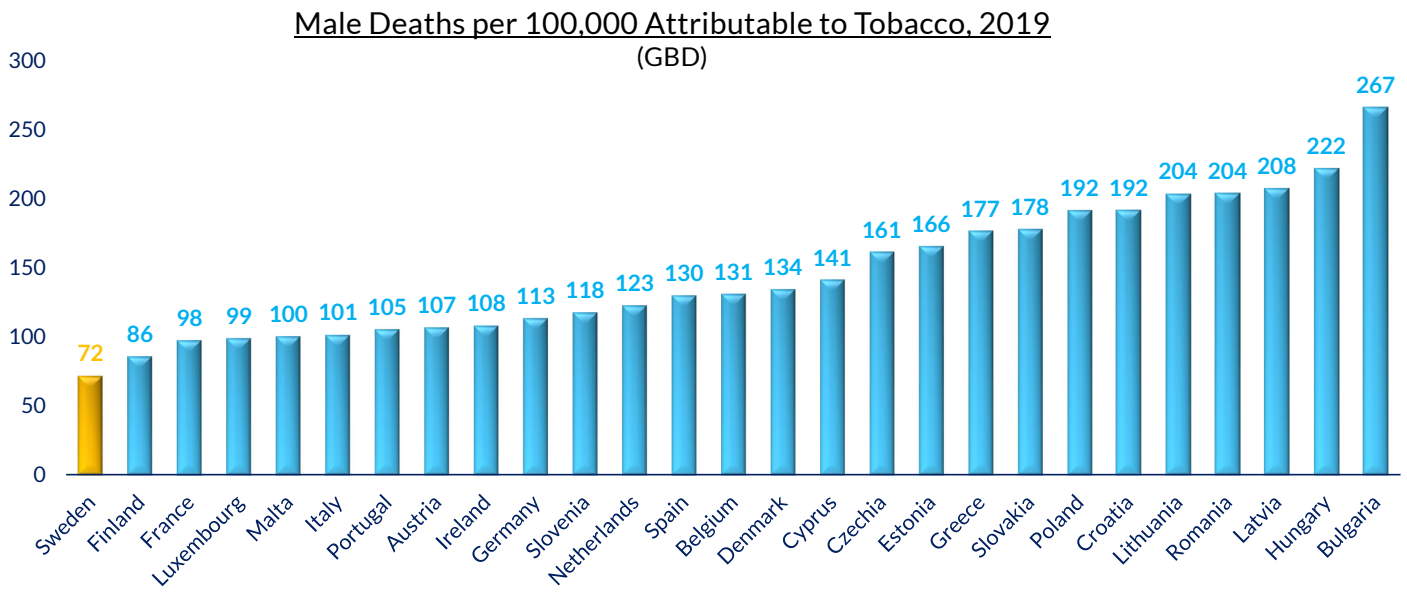
Product Use and Health Harm Reduction



Source: Dataset Special Eurobarometer 506: Attitudes of Europeans towards tobacco and electronic cigarettes, February 2021. Investor Day 2023, presented September 28, 2023

One of Lowest Tobacco-Attributable Male Mortality in EU



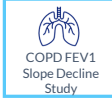








Product Use and Health Harm Reduction



Source: Lars M. Ramström: National availability of snus is clearly associated with lower rates of mortality attributable to tobacco—while country-level implementation of WHO tobacco control measures is not, Global Forum on Nicotine 2022, <https://gfn.events/new-research/lars-m-ramstrom-2022/>. Investor Day 2023, presented September 28, 2023

Future Evidence Generation For Relative Risk Reduction

Studies to Show Substantial Evidence on Major Smoking Related Diseases – Our Roadmap

DISEASE AREA	REAL-WORLD DATA STUDIES	CLINICAL STUDIES	LONG-TERM STUDIES
 Respiratory	 Retrospective RWE COPD Hospitalization Study	 COPD FEV1 Slope Decline Study  COPD Feel and Function Study	
 Cardiovascular	 Retrospective RWE CVOT	 Prospective CV Outcome Trial	
 Others	 All-cause mortality RWE	 Nicotine Pouch RWE	 Product Registries

Core Strategy to Show Substantial Evidence in Diseases

- Focus on Epidemiology / Real-World Evidence
- Healthcare Utilization, e.g., hospitalization
- Demonstrate Direct Clinical Benefit:
 - Feel / Symptoms
 - Function / Activity
 - Survival / Mortality

 Ongoing
 Planned
 Plan-B
 COPD = Chronic Obstructive Pulmonary Disease
 CV = Cardiovascular
 CVOT = Cardiovascular Outcome Trial
 RWE = Real-World Evidence

Source: Investor Day 2023, presented September 28, 2023



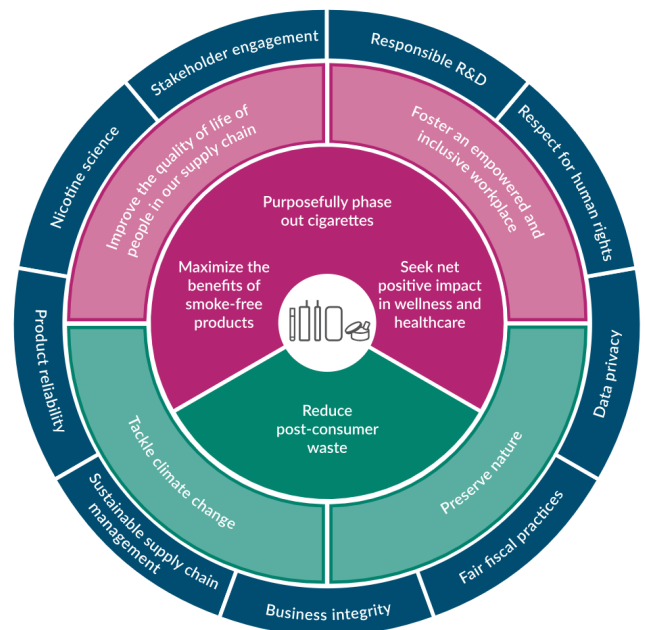
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Section 5: Sustainability at PMI

Our Sustainability Strategy

- Impact-driven approach to sustainability
- Separate identification of environmental and social impacts
- Distinct forms of social and environment impacts:
 - Product impact: those impacts generated by our products (what we produce)
 - Operational impact: those impacts generated by our business operations (how we produce)
- 8 impact-driven strategies: 4 on product impacts + 4 on operational impacts
- 9 governance-related topics define our ability to successfully address environmental and social issues



Source: Q2, 2023 Earnings, presented July 20, 2023

Sustainability at the Core of Our Strategy

- Enhancing approach to sustainability in 2022:
 - Updated statement of purpose
 - Reassessed ESG priorities
 - Published dedicated Sustainability Materiality report
 - Introduced Sustainability Index
- Product health impact:
 - Growing penetration of smoke-free products to accelerate the end of smoking



Source: CAGNY 2023, presented February 22, 2023

PMI's Statement of Purpose

Issued by PMI's Board, PMI's Statement of Purpose was published in the 2022 Proxy Statement as an update to the letter to shareholders published in the 2017 Proxy Statement and the Statement of Purpose published in the 2020 Proxy Statement.

Transforming for good

“ The Company is actively accelerating the decline of cigarette smoking beyond what traditional tobacco control measures can achieve alone. ”

“ PMI remains committed to accelerating the end of smoking and laying the foundations of a strong business in areas of wellness and healthcare as we strive to develop commercially successful products that have a net positive impact on society. ”

“ This means not only transforming the Company to deliver on its purpose but also inspiring the industry to follow its lead. ”

“ PMI's key stakeholder constituencies, which are fundamental to both the achieving of its purpose and to the pace of its progress, will be affected in different ways by PMI's transformation. ”

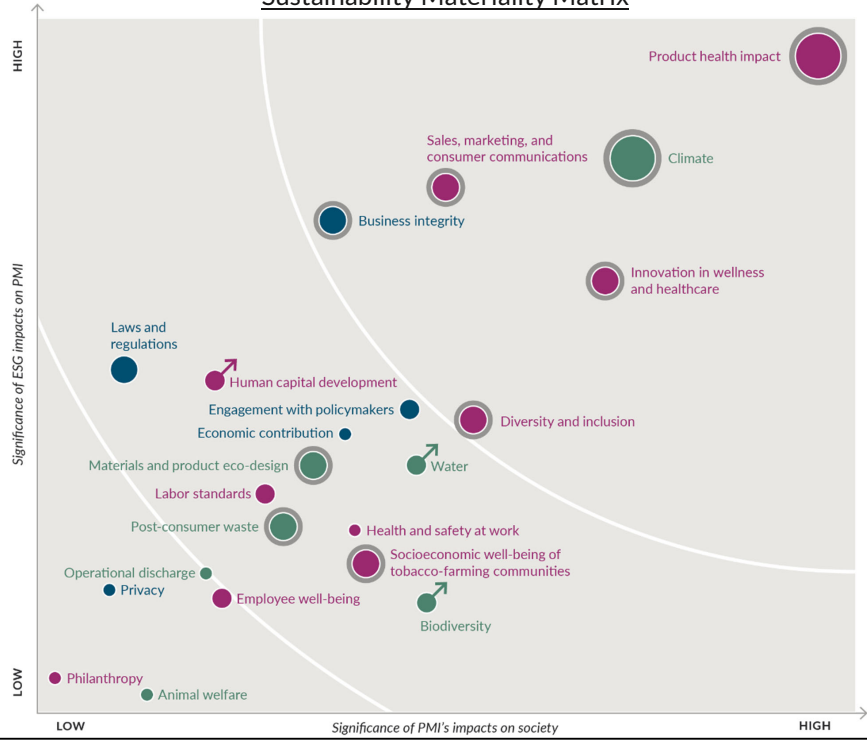
“ PMI believes that with the right regulatory encouragement and support from civil society, cigarette sales can end within 10 to 15 years in many countries. ”

Source: 2022 ESG Highlights

Sustainability: Identifying Strategic Priorities

- Sustainability materiality Assessment
- Inward and outward impacts considered (double materiality)
- Product health impact remains our core priority

Sustainability Materiality Matrix



Key	Relevance to our stakeholders
E ENVIRONMENTAL	Very high
S SOCIAL	High
G GOVERNANCE	Medium
Our most material topics	Low
Emerging topics	

Source: CAGNY 2022, presented February 23, 2022

Business Transformation Metrics

Shifting Our Resources to Deliver a Smoke-Free Future

	2015	2016	2017	2018	2019	2020	2021	2022
R&D expenditure (smoke-free/total)	70%	72%	74%	92%	98%	99%	99%	99%
Commercial expenditure (Marketing) (smoke-free/total)	8%	15%	39%	60%	71%	76%	73%	74%
Net revenues ^(a) (smoke-free/total)	0.7%	3.3%	13.1%	14.3%	19.2%	24.2%	29.5%	32.1%
Smoke-free product shipment ratio ^(b) (smoke-free/total)	0.6%	1.4%	4.9%	5.7%	8.1%	10.9%	13.3%	15.1%
Estimated users who have stopped smoking and switched to IQOS ^(c) (in millions)	0.1	1.5	4.7	6.6	9.6	13.0	15.3	17.8
Number of markets where net revenues from smoke-free products exceed 50% of total net revenues	-	-	1	3	4	6	10	17

(a) Smoke-free net revenues include SFP net revenues and net revenues from the Wellness and Healthcare segment

(b) Smoke-free products shipment volume includes volume of smoke-free products that can be converted into cigarette equivalent units, such as heat-not-burn, e-vapor, and oral nicotine. Total shipment volume includes the listed smoke-free products as well as combustible tobacco products: cigarettes and other tobacco products expressed in cigarette equivalent units. Data does not include Swedish Match and wellness and healthcare products

(c) See Glossary for definition

Note: R&D expenditure and Net Revenues shown on an adjusted basis

Source: PMI Financials or estimates, IQOS user panels and PMI Market Research

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Sustainability at the Core of Our Transformation

- Driving shareholder returns is dependent on delivering on transformation
- Product transformation at the core of sustainable growth and becoming a more sustainable company
- Increasingly direct link to our executive compensation

Performance Share Unit Metrics



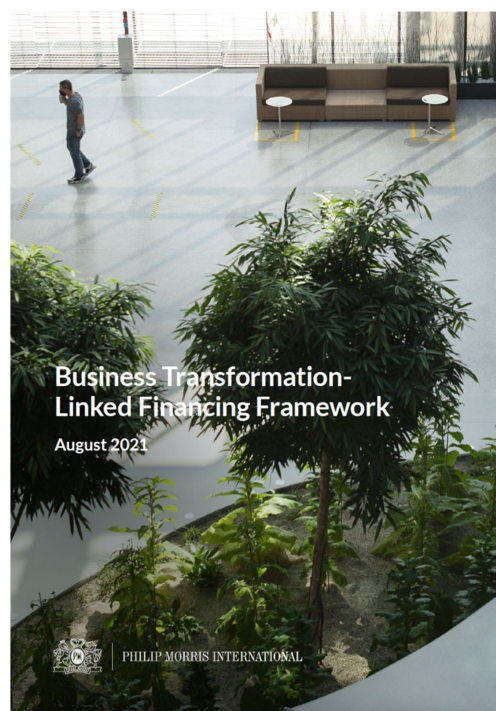
Integrating Smoke-Free Transformation into Financing Strategy

- Responds to our most material sustainability topic – product health impact
- Business transformation-linked financing instrument issued in September 2021
- Strong support from finance community for our performance-linked financing

Revolving Credit Facility

USD **2.5bn**

Source: Investor Day 2023, presented September 28, 2023



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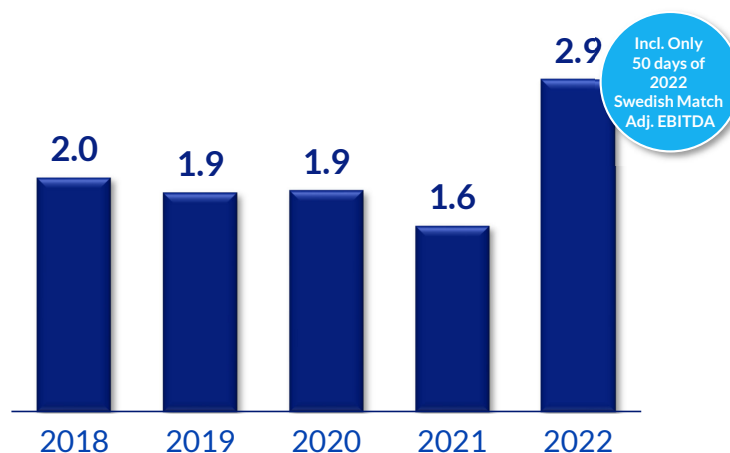
Championing a Smoke-Free World

Section 6: Capital Structure and Shareholder Returns

Solid Capital Structure

- Remain committed to strong single-A credit ratings, as a growing and highly cash-generative business
- Long-term credit ratings and outlook: A2 (Stable) / A- (Stable) / A (Stable)^(a)
- Short-term credit ratings: P-1 / A-2 / F1^(a):
 - Access to tier 1 commercial paper market
- Robust liquidity profile backed by \$6.3 billion stand-by revolving credit facilities

Net Debt to Adjusted EBITDA Ratios^(b)



(a) As of September 30, 2023, reflects ratings for Moody's, Standard & Poor's and Fitch, respectively

(b) As of December 31, 2022

Source: PMI Financials or estimates

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Highly Cash Generative With Focus on Rapid Deleveraging Capital Allocation Priorities (Presented at Investor Day 2023)

Operating Cash Flow

- Expect robust 2024-26 Operating Cash Flow of \$36-39bn, at prevailing exchange rates

Organic Growth

- Reinvest in innovation and growth of smoke-free portfolio:
 - Expect 2024-26 capital expenditures of \$3.5-3.7 billion with ~75% in SFP

Dividends

- Steadfast commitment to progressive dividend policy

Deleveraging

- Target ~2.0x net debt to adjusted EBITDA by end of 2026 to enhance agility

Share Buy-Backs

- Could be considered once confirmed fully on-track for 2026 leverage target, subject to Board approval

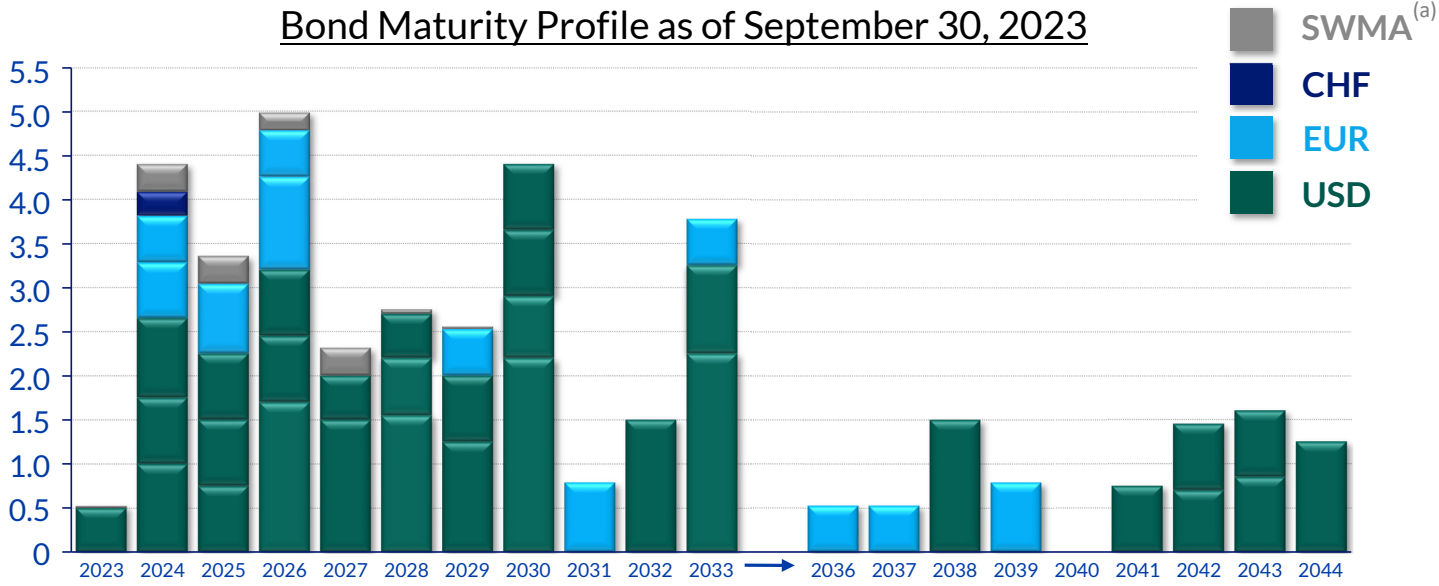
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

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Well-Laddered Bond Portfolio

(\$ in billions)

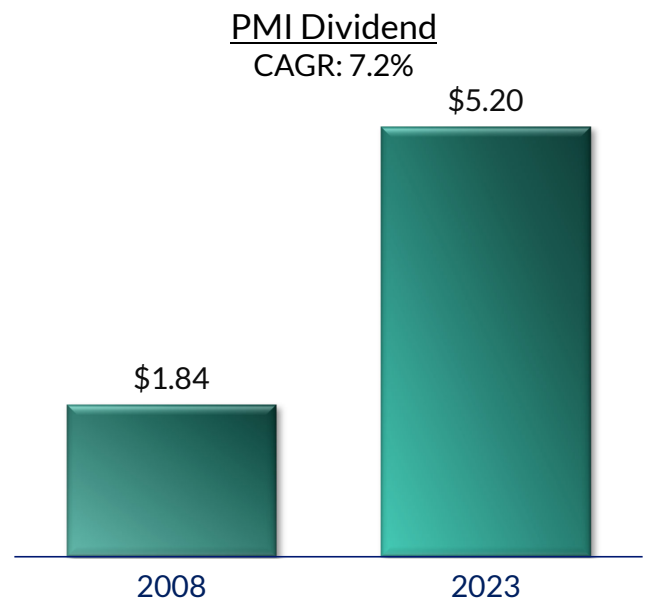
Bond Maturity Profile as of September 30, 2023



(a) SWMA bonds represent notes denominated in USD, EUR and SEK issued by Swedish Match AB
Source: PMI Financials or estimates

Strong Financial Performance & Rewards to Shareholders

- Unwavering commitment to progressive dividend policy
- Sixteen years of dividend growth
- Total increase of ~183% since 2008
- Target dividend pay-out ratio of 75% over time

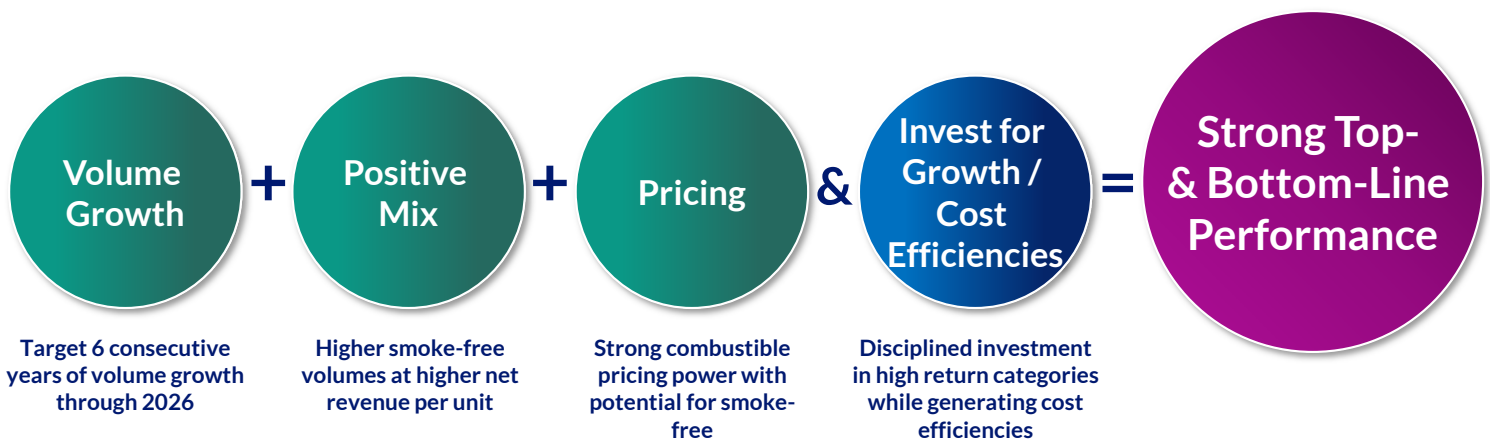


Note: Dividends for 2008 and 2023 are annualized rates. The 2008 annualized rate is based on a quarterly dividend of \$0.46 per common share, declared June 18, 2008. The 2023 annualized rate is based on a quarterly dividend of \$1.30 per common share, declared September 13, 2023
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023



Section 7: 2024-2026 Targets and 2030 Vision

Strong Overall Financial Model for Sustainable Growth



Delivering sustainable growth while investing and rewarding shareholders

Ambitious 2024-2026 Targets (Presented at Investor Day 2023)

Positive
Total Shipment Volume CAGR^(a)

6-8%
Net Revenue Organic CAGR

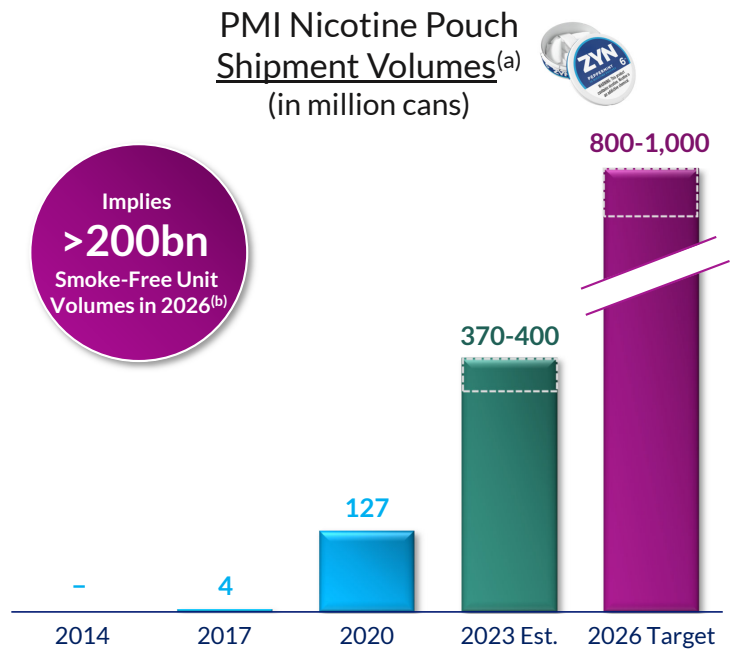
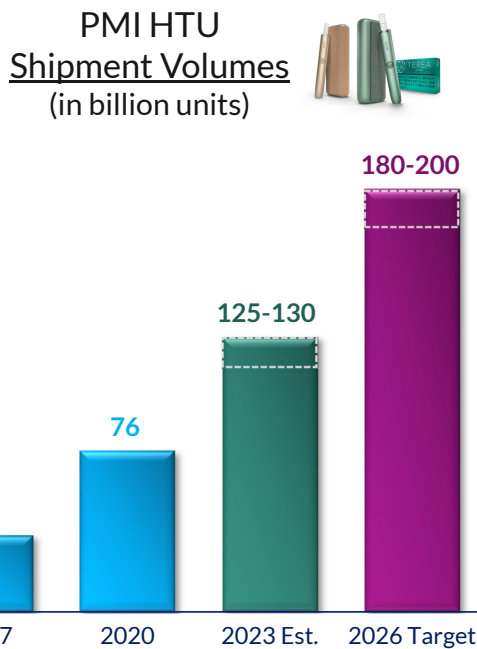
8-10%
Adjusted OI Organic CAGR

9-11%
Adjusted Diluted EPS Currency-Neutral CAGR^(b)

(a) Reflects cigarettes, HTUs and oral smoke-free products (excluding U.S. Chew)
 (b) At current corporate income tax rates
 Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions.
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

Targeting Strong Smoke-Free Volume Progression (Presented at Investor Day 2023)

Top-line Driver #1: Volume Growth



(a) Pro forma, includes Swedish Match and PMI
 (b) Includes HTUs, nicotine pouches, snus and moist snuff. One pouch measured as one unit
 Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

2030 Vision: On Path to Becoming Smoke-Free Company

- Building upon significant progress on smoke-free transformation to date
- 2030 ambition: becoming substantially smoke-free by net revenues
- Integral to long-term aim of becoming broader lifestyle and wellness company

Smoke-Free
>2/3
of Net
Revenues

Smoke-Free % of Net Revenues	Estimated Number of Markets
50-75%	~20
>75%	~40

Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

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Section 8: Appendix and Reconciliation of non-GAAP Measures

Industry Volume Overview – Europe

(Billion Cigarette Equivalent Units)

<u>Market</u>	<u>Product Group</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
France	Cigarettes	48.3	45.7	46.2	45.7	45.1	40.9	37.8	36.4	34.1	32.3
	HTU	-	-	-	-	0.0	0.0	0.1	0.2	0.2	0.2
	OTP	15.8	15.4	16.3	16.4	15.7	14.3	13.6	15.2	14.3	12.7
Germany	Cigarettes	79.6	80.4	80.0	78.1	76.7	74.8	72.4	73.0	71.6	66.5
	HTU	-	-	-	0.0	0.1	0.4	0.9	1.7	2.4	3.7
	OTP	44.1	43.5	43.0	42.5	41.3	40.9	40.3	42.2	41.3	40.0
Italy	Cigarettes	74.0	74.4	73.8	72.1	69.3	67.5	64.6	61.7	61.1	60.2
	HTU	-	-	0.0	0.1	0.5	1.5	3.3	5.7	9.3	12.6
	OTP	6.8	6.9	7.2	7.4	8.1	8.5	8.9	9.4	9.3	9.0
Poland	Cigarettes	46.6	42.1	41.1	41.3	41.6	42.8	45.0	43.2	45.6	49.4
	HTU	-	-	-	-	0.1	0.4	1.2	2.4	3.8	6.3
	OTP	3.4	3.6	4.0	4.1	5.0	5.5	6.2	7.2	7.8	7.9
Spain	Cigarettes	47.7	47.0	46.7	46.7	44.9	44.8	45.1	41.4	42.1	43.8
	HTU	-	-	-	0.0	0.1	0.2	0.3	0.4	0.5	0.8
	OTP	14.1	13.0	12.8	12.4	12.3	12.5	13.4	14.2	14.3	15.0

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 30, 2023

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Industry Volume Overview – Europe (cont'd)

(Billion Cigarette Equivalent Units)

<u>Market</u>	<u>Product Group</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Croatia	Cigarettes	6.6	6.1	6.1	6.0	6.2	6.2	6.1	5.7	5.7	6.0
	HTU	-	-	-	-	0.0	0.1	0.2	0.3	0.4	0.5
	OTP	-	0.3	0.3	0.2	0.3	0.3	0.3	0.4	0.4	0.4
Czech Republic	Cigarettes	19.8	20.1	20.4	20.5	20.3	20.0	19.7	17.0	15.2	14.5
	HTU	-	-	-	-	0.1	0.5	1.2	1.7	2.1	2.9
	OTP	2.2	2.3	2.6	2.5	2.4	2.2	2.2	1.9	1.7	1.5
Greece	Cigarettes	18.1	16.8	16.4	15.3	13.8	12.8	12.1	10.9	11.1	11.3
	HTU	-	-	-	0.0	0.2	0.6	1.2	1.5	2.0	2.7
	OTP	4.0	4.0	4.1	4.2	3.8	3.9	4.2	4.3	4.4	4.4
Hungary	Cigarettes	9.6	7.4	7.3	7.4	7.6	8.1	8.3	7.7	6.9	6.5
	HTU	-	-	-	-	-	-	0.2	0.8	1.6	2.7
	OTP	8.1	9.7	10.4	10.4	9.1	8.4	7.8	7.7	7.3	6.9
Latvia	Cigarettes	1.8	1.9	1.9	1.9	1.9	2.0	1.9	1.8	1.7	1.8
	HTU	-	-	-	-	-	0.0	0.1	0.2	0.2	0.2
	OTP	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 30, 2023

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Industry Volume Overview – Europe (cont'd)

(Billion Cigarette Equivalent Units)

<u>Market</u>	<u>Product Group</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Lithuania	Cigarettes	2.8	2.9	3.1	3.1	2.9	2.8	2.7	2.4	2.4	2.2
	HTU	-	-	-	-	0.0	0.1	0.4	0.6	0.7	1.0
	OTP	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.3
Norway	Cigarettes	1.8	1.8	1.8	1.7	1.7	1.4	1.4	1.9	1.9	1.3
	OTP	1.1	1.1	1.0	1.0	0.9	0.7	0.7	0.9	0.9	0.7
	Snus	1.6	1.8	1.8	1.9	1.9	2.0	2.1	2.9	3.5	2.7
Portugal	Cigarettes	9.9	9.6	9.7	9.8	10.2	9.7	9.7	9.0	8.8	8.7
	HTU	-	-	0.0	0.0	0.1	0.3	0.6	0.9	1.2	1.7
	OTP	2.2	2.2	1.8	1.5	1.2	1.0	1.0	1.0	1.0	1.0
Romania	Cigarettes	24.5	23.4	24.0	24.2	24.3	24.4	25.5	25.6	25.9	26.4
	HTU	-	-	0.0	0.0	0.2	0.5	0.7	0.9	1.3	2.0
	OTP	-	-	-	0.0	0.0	0.0	0.0	0.1	0.2	0.2
Slovak Republic	Cigarettes	6.9	7.0	7.1	7.1	7.2	7.1	7.1	6.9	6.4	6.2
	HTU	-	-	-	-	0.0	0.3	0.5	0.7	0.9	1.2
	OTP	0.2	0.3	0.5	0.5	0.3	0.3	0.3	-	-	-

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.

Source: PMI estimates as of October 30, 2023

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Industry Volume Overview – Europe (cont'd)

(Billion Cigarette Equivalent Units)

<u>Market</u>	<u>Product Group</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Slovenia	Cigarettes	3.9	3.7	3.6	3.6	3.5	3.5	3.4	3.2	3.2	3.3
	HTU	-	-	-	-	0.0	0.1	0.1	0.2	0.3	0.4
	OTP	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2
Sweden	Cigarettes	5.8	6.0	5.7	5.7	5.4	5.3	5.2	5.0	4.8	4.8
	OTP	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2
	Snus	7.7	8.0	8.0	8.3	8.5	8.9	9.0	8.8	8.8	9.2
Switzerland	Cigarettes	10.6	10.2	9.8	9.4	9.3	9.1	8.8	9.2	8.9	8.5
	HTU	-	-	0.0	0.0	0.1	0.2	0.3	0.4	0.6	0.9
	OTP	1.2	1.3	1.3	1.4	1.4	1.4	1.5	1.6	1.7	1.7
United Kingdom	Cigarettes	35.8	33.8	31.4	29.6	27.9	26.0	23.5	24.1	23.7	20.3
	HTU	-	-	-	0.0	0.0	0.0	0.1	0.3	0.5	0.6
	OTP	10.7	10.4	10.0	10.3	10.5	10.6	10.7	13.8	14.4	11.9

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.

Source: PMI estimates as of October 30, 2023

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Industry Volume Overview – SSEA, CIS & MEA

(Billion Cigarette Equivalent Units)

<u>Market</u>	<u>Product Group</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Egypt	Cigarettes	79.9	82.0	78.4	83.2	86.4	86.0	87.4	85.8	93.1	92.8
	HTU	-	-	-	-	-	-	-	-	0.2	0.8
Indonesia	Cigarettes	314.5	319.0	320.0	315.6	303.5	302.5	305.2	275.9	293.5	304.0
	OTP	5.8	9.6	11.5	12.7	14.3	14.0	12.6	21.0	17.9	22.6
Philippines	Cigarettes	91.0	94.9	90.2	79.3	74.9	73.2	70.5	61.8	56.0	53.2
	HTU	-	-	-	-	-	-	-	0.0	0.2	0.2
Russia	Cigarettes	346.4	314.1	294.1	280.0	259.7	236.3	217.7	203.7	196.9	187.6
	HTU	-	-	0.0	0.0	0.3	2.6	8.8	15.4	19.9	21.2
Turkey	Cigarettes	91.7	94.7	103.2	105.5	106.2	118.5	119.7	114.8	125.1	116.8
	OTP	-	-	-	-	-	-	-	-	-	11.9

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 30, 2023

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Industry Volume Overview – EA, AU & PMI DF

(Billion Cigarette Equivalent Units)

<u>Market</u>	<u>Product Group</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Australia	Cigarettes	18.7	16.8	16.5	15.7	13.9	12.8	12.0	11.0	9.7	8.9
	OTP	3.2	3.3	3.4	3.5	3.5	3.8	3.9	3.7	3.2	2.8
Japan	Cigarettes	192.6	186.2	182.3	173.8	151.4	132.7	121.1	102.8	94.4	92.7
	HTU	-	0.0	0.2	5.2	20.0	34.6	36.7	40.1	45.0	50.4
	OTP	-	-	-	-	-	0.9	4.0	12.3	11.1	5.1
South Korea	Cigarettes	88.4	88.1	67.3	73.6	69.0	62.8	61.2	64.1	62.8	61.9
	HTU	-	-	-	-	1.6	6.8	7.3	7.5	8.9	10.7
New Zealand	Cigarettes	1.9	1.8	1.8	1.8	1.7	1.7	1.5	1.4	1.2	1.1
	HTU	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	OTP	0.9	0.9	0.9	0.8	0.8	0.7	0.8	0.8	0.7	0.5
Singapore	Cigarettes	2.7	2.8	2.8	2.8	2.8	2.8	2.7	3.1	3.0	2.7

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 30, 2023

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Industry Volume Overview – Americas

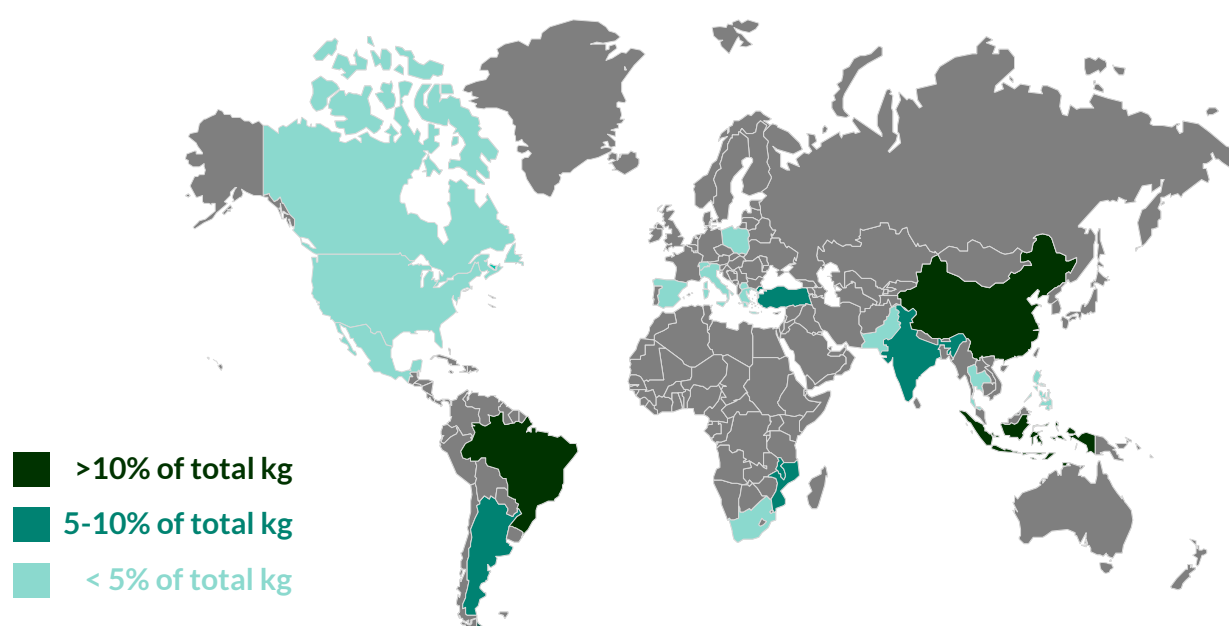
(Billion Cigarette Equivalent Units)

<u>Market</u>	<u>Product Group</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Argentina	Cigarettes	42.5	41.9	40.8	38.7	38.2	36.9	34.1	31.0	30.0	30.3
	OTP	0.2	0.2	0.2	0.2	0.3	0.2	0.1	0.1	0.2	0.0
Mexico	Cigarettes	34.6	33.5	33.8	36.2	35.8	35.5	35.5	30.5	31.8	32.0
	HTU	-	-	-	-	-	-	0.0	0.1	0.1	0.1

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 30, 2023

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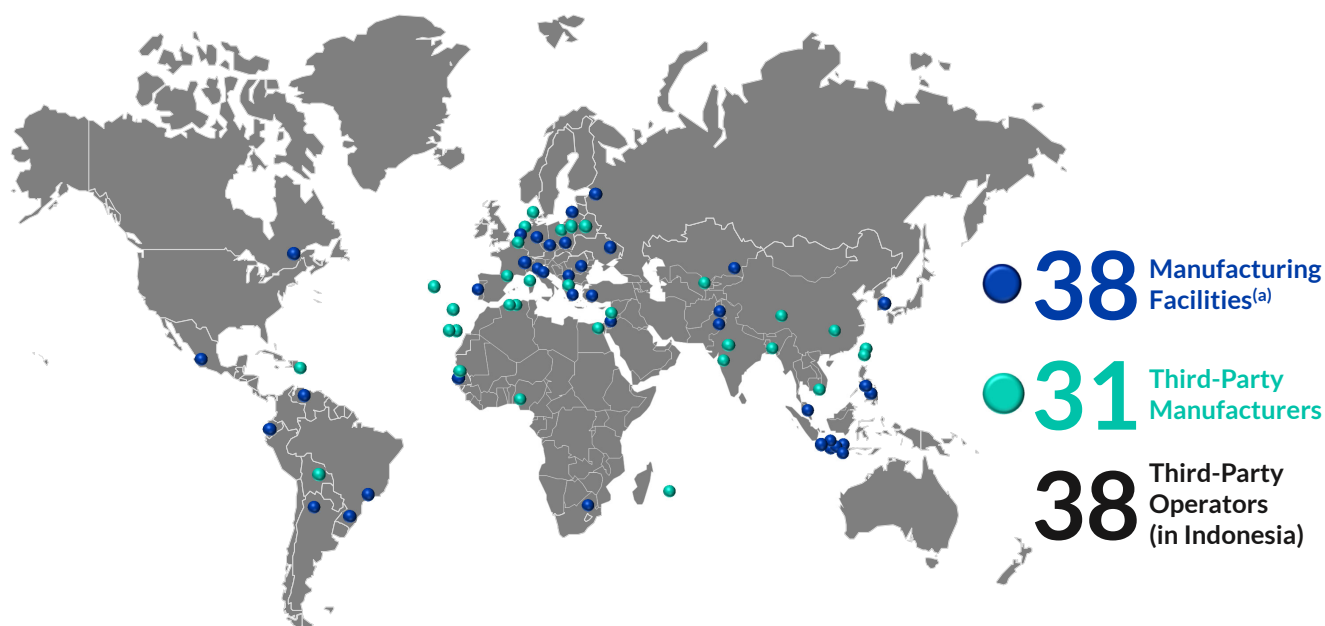
PMI Tobacco Leaf Purchases by Geography (2022)



Note: Excludes Swedish Match
Source: PMI Operations

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PMI Manufacturing Footprint (2022)



(a) Includes facilities in Greece, Indonesia, Italy, Poland, Romania, Russia, South Africa, South Korea and Switzerland that are fully or partially dedicated to the production of Heated Tobacco Units (HTUs) or other nicotine-containing products. Including SWMA and Fertin Vectura Pharma, PMI owns 53 manufacturing facilities
 Note: On February 25, 2022 PMI announced the temporary suspension of its operations in Ukraine, including at its factory in Kharkiv
 Source: PMI Operations and Form 10-K for the year ended December 31, 2022

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Cigarette Excise Tax Structures: Select Markets

(October 1, 2023)

Argentina			Australia		France			
	%							
	Nominal	RSP ^(f)						
Social Assistance Fund (SAF) ^(a)	7.00	7.00	Tobacco Excise Tax (AUD/Kg)	1,842.00	Ad Valorem Excise Tax	55.0%		
Special Tobacco Fund (STF) ^(b)	7.35	8.03	Tobacco Excise Tax (AUD/000) ^(a)	1,243.35	Specific Excise Tax (EUR/000)	68.10		
Excise Tax ^(c)	70.00	55.28	VAT (Nominal)	10.0%	Minimum Excise Tax (EUR/000)	360.60		
VAT ^(d)	21.00	4.97	(a) If not exceeding 0.8g per cigarette					
Turnover Tax ^(e)	3.73	0.67	Egypt			Germany		
Tax Burden		75.95	Price Tier (RSP per pack in EGP)	1 (0 - 24)	2 (+24-35)	3 (35+)	Ad Valorem Excise Tax	19.84%
			Ad Valorem Excise Tax (% of RSP)	50%	50%	50%	Specific Excise Tax (EUR/000)	111.50
			Specific Excise Tax (EGP/000)	200.0	325.0	350.0	Minimum Total Tax (EUR/000) ^(a)	228.88
			Health Tax (EGP/000)	55.0	55.0	55.0	VAT (Nominal)	19.0%
							(a) Minimum Total Tax (MTT) also includes the VAT	

(a) 7% x RSP
 (b) $[7.35\% \times (RSP - SAF - VAT)] + ARS 11.2558$ (as of July 2023)
 (c) $70\% \times (RSP - SAF - VAT - STF)$. Minimum excise tax: ARS 309.89
 (d) $(NEFP + \text{Wholesaler \& Retailer margin}) \times 21\%$
 (e) $NEFP \times 3.73\%$
 (f) Based on Philip Morris soft pack (ARS 720.00)
 Note: NEFP is net ex-factory price

Note: 20 cigarettes per pack

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Cigarette Excise Tax Structures: Select Markets (cont.)

(October 1, 2023)

Japan	
National – Tobacco Tax (JPY/pack)	136.04
National – Special Tobacco Tax (JPY/pack)	16.40
Local Excise Tax (JPY/pack)	152.44
Total (JPY/pack)	304.88
VAT (Nominal)	10.0%

South Korea	
Tobacco Consumption Tax (KRW/pack)	1,007
Public Health Tax (KRW/pack)	841
Education Tax (KRW/pack)	443
Green Fund Tax (KRW/pack)	28
Individual Consumption Tax (KRW/pack)	594
Farmer's Subsidy Tax (KRW/pack)	5
Total (KRW/pack)	2,918
VAT (Nominal)	10.0%

Mexico	
Ad Valorem Excise Tax ^(a)	160.0%
Specific Excise Tax (MXN/000)	591.1
VAT (Nominal)	16.0%
(a) Ad valorem excise tax is 160% of manufacturer / wholesale price to retail excluding taxes (VAT and Excise)	

Philippines	
Specific Excise Tax (PHP/pack) ^(a)	60.0
(a) January 1, 2024 onwards (+5% / year)	

Poland	
Ad Valorem Excise Tax	32.05%
Specific Excise Tax (PLN/000)	250.91
Minimum Excise Tax (PLN/000)	518.55
VAT (Nominal)	23.0%

Italy	
Ad Valorem Excise Tax	49.5%
Specific Excise Tax (EUR/000)	28.0
Minimum Total Tax (EUR/000) ^(a)	199.72
VAT (Nominal)	22.0%
(a) Minimum Total Tax also includes the VAT	

Spain	
Ad Valorem Excise Tax	51.0%
Specific Excise Tax (EUR/000)	24.70
Minimum Excise Tax (EUR/000)	131.50
VAT (Nominal)	21.0%

Turkey	
Ad Valorem Excise Tax (% of RSP)	63.0%
Specific Excise Tax (TRY/000)	55.22
Minimum Excise Tax (TRY/000)	1111.5
VAT (Nominal)	20.0%

Note: 20 cigarettes per pack

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Excise Tax Structure: Indonesia

(October 1, 2023)

CC – Cigarette Type	Volume Tier	Price Tier	Minimum HJE ^(a) (IDR/stick)		Total Excise + Regional Tax (IDR/stick)	
			Current	Previous ^(b)	Current	Previous ^(b)
Machine-Made Kretek (SKM)	Volume Tier 1 (> 3 billion units)	1	2,055	1,905	1,211.1	1,083.5
	Volume Tier 2 (≤ 3 billion units)	1	1,255	1,140	735.9	660.0
Whites (SPM)	Volume Tier 1 (> 3 billion units)	1	2,165	2,005	1,312.3	1,171.5
	Volume Tier 2 (≤ 3 billion units)	1	1,295	1,135	781.0	698.5
Hand-Rolled Kretek (SKT) / Hand-Rolled White (SPT)	Volume Tier 1 (> 2 billion units)	1	1,800	1,636	507.1	484.0
	Volume Tier 2 (> 500 million units–2 billion units)	2	1,250	1,135	397.1	379.5
	Volume Tier 3 (≤ 500 million units)	1	720	600	235.4	225.5
			605	505	129.8	126.5

(a) HJE stands for banderole price

(b) Previous rates effective from January 1 to December 31, 2022

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Excise Tax Structure: Japan

(October 1, 2023)

Cigarettes

- Excise tax increases of JPY 20/pack in October 2018, 2020 and 2021:
 - No increase in October 2019, due to nominal VAT increase from 8% to 10%

Heated Tobacco Products (HTPs)

- "Heated tobacco" category:
 - Dedicated excise tax category for heated tobacco products (previously: pipe tobacco category)
 - Taxable base for the specific excise tax is weight of heated tobacco
 - For products using liquid to create an aerosol, the liquid portion is considered as tobacco for tax purposes
- Heated tobacco excise tax is being phased in over a five-year period (2018-2022), with the fifth year reflecting 100% of the new system (heated tobacco category). See next slide for details

Note: 20 cigarettes per pack/heated tobacco units per pack

HTP Excise Tax Structure

	Pipe Tobacco Category	Heated Tobacco Category
RSP (JPY/pack)	600	600
VAT (Nominal)	10%	10%
RSP Net of VAT (JPY/pack)	545	545
Effective Specific Rate (JPY/kg)	15,244	19,055 ^(a)
Tax Base	Full product weight (14.9 g/pack) ^(b)	Heated tobacco weight (5.4 g/pack) ^(c)
Specific Yield (JPY/000)	11,357	5,145
Effective Ad Valorem Rate	n/a	30%
Tax Base	n/a	RSP net of VAT
Ad Valorem Yield (JPY/000)	n/a	8,182
Total Excise Tax Yield (JPY/000)	11,357	13,327

0% 100%

Heated Tobacco Category: Indicative Excise Tax Payable as of October 1, 2022 (JPY/000)

13,327

- (a) Reflects effective specific rate for the fifth year of five-year-phase-in period
 (b) Reflects indicative "total weight" for Marlboro Menthol HeatSticks
 (c) Reflects indicative "heated tobacco weight" for Marlboro Menthol HeatSticks

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Multi-Year Tobacco Tax Plan: Japan

(October 1, 2023)

	Previous	Oct 1, 2018 – Sept 30, 2019	Oct 1, 2019 – Sept 30, 2020	Oct 1, 2020 – Sept 30, 2021	Oct 1, 2021 – Sept 30, 2022	Oct 1, 2022 and Onwards
VAT (Nominal)	8%	8%	10%	10%	10%	10%
Excise Tax: Cigarettes (JPY/000)	12,244	13,244	13,244	14,244	15,244	15,244
Excise Tax: Pipe Tobacco (JPY/kg) ^(a)	12,244	13,244	13,244	14,244	15,244	15,244
Excise Tax: New HTP Category						
-Effective Specific Rate (JPY/kg) ^(b)	-	16,555	16,555	17,805	19,055	19,055
-Effective Ad Valorem Rate ^{(c)(d)}	-	30%	30%	30%	30%	30%
HTP Phase-in Period						
-Portion of New HTP System	-	20%	40%	60%	80%	100%
-Portion of Previous System	-	80%	60%	40%	20%	0%

- (a) Previously, HTPs were taxed based on pipe tobacco excise tax rate
 (b) Taxable base is weight of heated tobacco
 (c) Taxable base is RSP net of VAT
 (d) Effective ad valorem rate is calculated as the excise tax incidence based on announced average RSP
 Note: Based on current law

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IQOS Retail Selling Prices: Europe

(October 1, 2023)

Market	Currency	RSP ^(a)					
		IQOS Kit				Pack	
		ORIGINALS DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
ALBANIA	ALL	5,000	-	-	-	300.0	360.0
ANDORRA	EUR	-	99.0	69.0	49.0	3.55	3.95
AUSTRIA	EUR	59.0	-	-	-	5.50	6.30
BOSNIA & HERZ.	BAM	85.0	-	-	-	5.80	6.20
BULGARIA	BGN	-	230.0	115.0	75.0	5.50	6.00
CANARY ISLANDS	EUR	-	109.0	59.0	29.0	3.00	4.00
CROATIA	EUR	49.0	109.0	59.0	39.0	4.00	4.80
CYPRUS	EUR	-	109.0	69.0	39.0	4.00	5.00

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. Bosnia & Herz. is Bosnia & Herzegovina

Source: PMI affiliates

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IQOS Retail Selling Prices: Europe (cont.)

(October 1, 2023)

Market	Currency	RSP ^(a)						
		IQOS Kit					Pack	
		ORIGINALS DUO	ORIGINALS ONE	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
CZECH REPUBLIC	CZK	-	-	2,790	1,690	1,090	120.0	154.0
DENMARK	DKK	-	-	899.0	499.0	299.0	50.0	62.0
ESTONIA	EUR	39.0	-	109.0	69.0	39.0	4.70	5.40
FRANCE	EUR	69.0	-	-	-	-	8.50	11.5
GERMANY	EUR	-	-	129.0	79.0	49.0	7.00	8.20
GREECE	EUR	-	-	109.0	69.0	39.0	4.00	4.60
HUNGARY	HUF	19,990	12,990	34,990	22,990	15,990	1,980	2,210

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: Europe (cont.)

(October 1, 2023)

Market	Currency	RSP ^(a)					
		IQOS Kit				Pack	
		ORIGINALS DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
ITALY	EUR	-	129.0	79.0	49.0	5.20	6.00
LATVIA	EUR	49.0	109.0	69.0	39.0	4.20	4.50
LITHUANIA	EUR	-	99.0	69.0	39.0	4.30	4.85
MOLDOVA	MDL	749.0	-	-	-	48.0	51.0
MONACO	EUR	69.0	-	-	-	8.50	11.5
MONTENEGRO	EUR	50.0	-	-	-	3.00	3.70
NETHERLANDS	EUR	-	99.0	59.0	29.0	6.50	9.50

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: Europe (cont.)

(October 1, 2023)

Market	Currency	RSP ^(a)						
		IQOS Kit					Pack	
		ORIGINALS DUO	ORIGINALS ONE	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
NORTH MACEDONIA	MKD	2,600	-	-	-	-	150.0	170.0
POLAND	PLN	99.0	-	550.0	249.0	149.0	16.5/16.0 ^(b)	19.99
PORTUGAL	EUR	-	-	89.0	49.0	29.0	4.50	5.60
ROMANIA	RON	249.0	119.0	549.0	299.0	199.0	20.0	25.5
SERBIA	RSD	5,000	-	11,790	5,490	3,490	340.0	440.0
SLOVAK REPUBLIC	EUR	-	-	119.0	69.0	49.0	4.50	5.30
SLOVENIA	EUR	39.0	29.0	109.0	59.0	39.0	4.20	5.10
SPAIN	EUR	-	-	109.0	69.0	39.0	4.85 / 4.35 ^(b)	5.35

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

(b) HEETS / TEREA

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: Europe (cont.)

(October 1, 2023)

Market	Currency	RSP ^(a)					
		IQOS Kit				Pack	
		ORIGINALS DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
SWEDEN	SEK	-	999.0	799.0	599	52.5	76.0
SWITZERLAND	CHF	-	119.0	79.0	49.0	8.00	9.00
UNITED KINGDOM	GBP	39.0	109.0	69.0	39.0	6.00	14.1
UKRAINE ^(b)	UAH	1,399	-	-	-	95.0	95.0

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

(b) Effective recommended RSPs for HTUs and effective maximum RSP for Marlboro cigarette packs (both reflecting the price to adult smokers including 5% sales tax)

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. UK is United Kingdom.

Source: PMI affiliates

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IQOS Retail Selling Prices: SSEA, CIS & MEA

(October 1, 2023)

Market	Currency	RSP ^(a)						
		IQOS Kit					Pack	
		ORIGINALS DUO	ORIGINALS ONE	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
ARMENIA	AMD	14,999	-	-	-	-	750.0	1,000
BAHRAIN	BHD	28.0	15.0	-	-	-	2.00	2.40
EGYPT	EGP	1,000	600	3400	1500	1000	50.0	59.0
GEORGIA	GEL	109.0	-	-	-	-	7.40	7.60
INDONESIA	IDR	-	-	1,599,000	799,000	499,000	29,000	40,000
ISRAEL	ILS	249.0	-	-	-	-	27.0	34.0
JORDAN	JOD	35.0	-	-	-	-	2.00	2.50
KAZAKHSTAN	KZT	21,500	-	-	-	-	800.0	820.0
KUWAIT	KWD	25.0	12.0	-	-	-	0.80	0.90

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: SSEA, CIS & MEA (cont.)

(October 1, 2023)

		RSP ^(a)								
		IQOS Kit						Pack		
Market	Currency	ORIGINALS DUO	ORIGINALS ONE	ILUMA PRIME	ILUMA	ILUMA ONE	BONDS	HTUs	Blends	Marlboro Cigarettes
KYRGYZSTAN	KGS	4,200	-	-	-	-	-	134.0	-	138.0
LEBANON	LBP	4,650,000	-	-	-	-	-	143,250	-	203,000
MALDIVES	MVR	1,500	1,000	-	-	-	-	85.0	-	100.0
MOROCCO	MAD	800.0	400.0	-	-	-	-	35.0	-	39.0
PALESTINE	ILS	240.0	140.0	-	-	-	-	24.0	-	27.0
PHILIPPINES	PHP	2,990	1,690	5,690	2,990	1,690	990	140.0	100.0	180.0
REUNION	EUR	69.0	-	-	-	-	-	10.0	-	13.30
RUSSIA ^(b)	RUB	2,190	-	-	-	-	-	180.0	-	239.0

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

(b) HTU RSPs: RUB 180/pack for HEETS; RUB 200/pack for HEETS Creations

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack.

Source: PMI affiliates

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IQOS Retail Selling Prices: SSEA, CIS & MEA (cont.)

(October 1, 2023)

		RSP ^(a)								
		IQOS Kit					Pack			
Market	Currency	ORIGINALS DUO	ORIGINALS ONE	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes		
SOUTH AFRICA	ZAR	750.0	330.0	-	-	-	39.0	57.0		
TUNISIA	TND	250.0	170.0	-	-	-	9.60	10.0		
TURKISH CYPRUS	TRY	-	-	2,999	1,499	949	47.0	48.0		
UAE	AED	-	-	440.0	280.0	180.0	20.0	22.0		
UZBEKISTAN	UZS	540,000	-	-	-	-	17,000	16,000		

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. UAE is the United Arab Emirates.

Source: PMI affiliates

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IQOS Retail Selling Prices: EA, AU & PMI DF

(October 1, 2023)

Market	Currency	RSP ^(a)					
		IQOS Kit				Pack	
		ORIGINALS DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
JAPAN	JPY	-	9,980	6,980	3,980	530.0/550.0 580.0/600.0 ^(b)	600.0
MALAYSIA	MYR	299.0	-	-	-	14.0	17.40
NEW ZEALAND ^(c)	NZD	139.0	-	-	-	16.0	41.90
SOUTH KOREA	KRW	59,000	139,000	99,000	69,000	4,500/4,800 ^(d)	4,500

(a) Either an RSP, a recommended RSP or a maximum RSP, where applicable

(b) SENTIA / HEETS / TEREA / MARLBORO

(c) On e-commerce, HTUs are sold at a bundle offer of NZD 150 for 10 packs

(d) HEETS / TEREA

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: Americas

(October 1, 2023)

Market	Currency	RSP ^(a)								
		2.4 Plus	IQOS Kit				Pack			
			ORIGINALS ONE	ORIGINALS DUO	ILUMA	BONDS	HTUs	TEREA	Blends	Marlboro Cigarettes
ARUBA	AWG	-	60.0	110.0	-	-	14.0	-	-	17.0
CANADA ^(b)	CAD	-	-	56.49	-	-	9.42	-	-	17.96
COLOMBIA	COP	-	120,000	210,000	-	50,000	9,000	-	6,000	10,000
COSTA RICA	CRC	-	14,000	34,500	-	-	2,200	-	-	2,400
CURACAO	ANG	60.0	60.0	110.0	-	-	11.50	-	-	14.0
DOMINICAN REP.	DOP	1,100	1,100	2,500	-	-	250.0	-	-	310.0
ECUADOR	USD	-	-	-	70.0	-	-	3.50	-	6.3
EL SALVADOR	USD	-	-	45.0	-	-	4.00	-	-	3.40

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

(b) RSPs are for the Province of Ontario. HTU RSP is per 20 sticks equivalent based on individual 180s selling unit. HTUs are sold in cartons of 10 packs of 18 units (180s), and 3 packs of 18 units (54s), for CAD 74.99 and CAD 28.49 plus VAT (13%). Cigarette RSP for pack of 20 cigarettes equivalent (RBH brand: Belmont 20s). Includes 13% VAT

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. Dominican Rep. is Dominican Republic

Source: PMI affiliates

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IQOS Retail Selling Prices: Americas (cont.)

(October 1, 2023)

Market	Currency	RSP ^(a)								
		IQOS Kit					Pack			
		2.4 Plus	ORIGINALS ONE	ORIGINALS DUO	ILUMA	BONDS	HTUs	TEREA	Blends	Marlboro Cigarettes
GUATEMALA	GTQ	-	-	360.0	-	-	22.0	-	-	27.0
MEXICO	MXN	-	539.0	989.0	-	-	68.0	-	-	75.0

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. Dominican Rep. is Dominican Republic

Source: PMI affiliates

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LIL SOLID/HYBRID Retail Selling Prices

(October 1, 2023)

Market	Currency	LIL HYBRID	HTU Pack (Miix)	Cartridge	LIL SOLID	HTU Pack (Fiit)
ALBANIA	ALL	-	-	-	2,000	250.0
ARMENIA	AMD	-	-	-	9,999	650.0
BOSNIA & HERZEGOVINA	BAM	-	-	-	40.0	5.60
BULGARIA	BGN	-	-	-	35.0	5.20
CANARY ISLANDS	EUR	-	-	-	19.0	2.50
CROATIA	EUR	-	-	-	19.0	4.00
CYPRUS	EUR	-	-	-	19.0	3.50
CZECH REPUBLIC	CZK	-	-	-	490.0	105.0
GEORGIA	GEL	-	-	-	69.0	6.70
GREECE	EUR	-	-	-	19.0	3.50
GUATEMALA	GTQ	-	-	-	155.0	15.0
ITALY	EUR	-	-	-	29.0	4.50
JAPAN	JPY	3,980	510.0	80.0	-	-
KAZAKHSTAN	KZT	-	-	-	8,500	770.0
KYRGYZSTAN	KGS	-	-	-	2,000	124.0
LATVIA	EUR	-	-	-	19.0	2.95

Note: Unless otherwise stated, 20 HTUs per pack. LIL SOLID refers to LIL 2.0 and LIL EZ

Source: PMI affiliates

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LIL SOLID/HYBRID Retail Selling Prices (cont.)

(October 1, 2023)

Market	Currency	LIL HYBRID	HTU Pack (Miix)	Cartridge	LIL SOLID	HTU Pack (Fiit)
LEBANON	LBP	-	-	-	1,860,000	112,250
LITHUANIA	EUR	-	-	-	19.0	2.99
MALAYSIA	MYR	-	-	-	109.0	12.0
MOLDOVA	MDL	-	-	-	299.0	43.0
MONTENEGRO	EUR	-	-	-	25.0	2.80
NORTH MACEDONIA	MKD	-	-	-	1,250	130.0
POLAND	PLN	-	-	-	49.0	11.50
PORTUGAL	EUR	-	-	-	19.0	4.00
ROMANIA	RON	-	-	-	99.0	19.0
RUSSIA	RUB	-	-	-	380.0/1,290 ^(a)	160.0
SERBIA	RSD	-	-	-	2,000	320.0
SLOVAK REPUBLIC	EUR	-	-	-	19.0	4.00
TURKISH CYPRUS	TRY	-	-	-	499.0	45.0
UKRAINE	UAH	-	65.0	15.0	399.0	90.0
UZBEKISTAN	UZS	-	-	-	250,000	15,000

(a) LIL 1.0 / LIL 2.0

Note: Unless otherwise stated, 20 HTUs per pack. Listed prices for Russia and Ukraine. LIL SOLID refers to LIL 2.0 and LIL EZ
Source: PMI affiliates

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IQOS VEEV Retail Selling Prices

(October 1, 2023)

Market	Currency	VEEV 2.0 Kit	VEEV 2.0 Pod	VEEV ONE Kit	VEEV ONE Pod	VEEV NOW
CANADA ^(a)	CAD			16.94	16.94/Pack (8.47/pod)	12.42
CROATIA	EUR	19.0	5.20/pack (2.60/pod)	-	-	-
CYPRUS	EUR	-	-	-	-	6.90
CZECH REPUBLIC	CZK	-	-	390.00	179.0/pack (89.5/pod)	169.0
ESTONIA	EUR	-	-	-	-	5.90
FINLAND	EUR	25.0	8.60/pack (4.30/pod)	-	-	8.90
FRANCE	EUR	-	-	15.99	8.0/pack (4.00/pod)	8.49
GREECE	EUR	17.00	6.00/pack (3.00/pod)	17.00	6.0/pack (3.00/pod)	6.90
ITALY	EUR	25.0	6.90/pack (3.45/pod)	9.00	6.0/pack (3.00/pod)	-
LATVIA	EUR	-	-	10.0	7.00/pack (3.50/pod)	5.50
NEW ZEALAND	NZD	19.99	12.99/pack (6.50/pod) ^(b)	18.99	11.99/pack (5.99/pod) ^(b)	-
POLAND	PLN	-	-	59.0	28.0/pack (14.0/pod)	32.0
ROMANIA	RON	-	-	59.00	33.0/pack (16.50/pod)	30.0

(a) Full RSP, excluding discounts offered through bundles and programs. RSPs are for the Province of Ontario (13% VAT)

(b) Average of 3 prices offered for VEEV pods. Flavored: NZD 14.99; Mint/Menthol: NZD 13.99; Tobacco: NZD 9.99

Source: PMI affiliates

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IQOS VEEV Retail Selling Prices

(October 1, 2023)

Market	Currency	VEEV 2.0 Kit	VEEV 2.0 Pod	VEEV ONE Kit	VEEV ONE Pod	VEEV NOW
SERBIA	RSD	601.0	699/pack (349.5/pod)	-	-	699.0
SLOVAK REPUBLIC	EUR	19.0	6.90/pack (3.45/pod)	-	-	6.90
UKRAINE	UAH	199.0	249.0/pack (124.5/pod)	-	-	299.0
UK	GBP	-	-	-	-	4.99/5.99 ^(a)

(a) VEEV Now 2ml / VEEV Now 6ml
Source: PMI affiliates

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PMI Cigarettes Retail Selling Prices in Select Markets

(October 1, 2023)

		Above Premium	Premium	Mid-Price	Low-Price
Argentina	ARS	<i>Parliament</i> 1020.0	<i>Marlboro</i> 940.0	<i>Philip Morris</i> 720.0	<i>Chesterfield</i> 590.0
Australia ^(a)	AUD		<i>Marlboro</i> 49.92	<i>Peter Jackson</i> 41.77	<i>Bond Street</i> 36.15
Egypt	EGP	<i>Merit</i> 64.0	<i>Marlboro</i> 59.0	<i>L&M</i> 42.0	
France	EUR		<i>Marlboro</i> 11.50		<i>Philip Morris / Chesterfield</i> <i>/ L&M</i> 11.0
Germany	EUR	<i>Eve</i> 8.50	<i>Marlboro</i> 8.20		<i>Chesterfield / L&M</i> 7.80
Indonesia ^(b)	IDR		<i>Sampoerna A Mild</i> 31,875	<i>Sampoerna A Ultra Mild</i> 28,795	
Italy	EUR	<i>Muratti</i> 6.20	<i>Marlboro</i> 6.00		<i>Chesterfield / Philip Morris</i> <i>/ Merit Bay</i> 5.00
Japan ^(c)	JPY		<i>Marlboro Parliament</i> 600.0 580.0	<i>Lark</i> 540.0	<i>Philip Morris</i> 430.0

(a) Australia Recommended RSP. Actual RSP may differ. Price for pack of 20 cigarettes equivalent (*Marlboro* 25s; *Peter Jackson* 30s and *Bond Street* 40s)

(b) Based on Nielsen May 2023 estimates. Reflects average observed retail selling prices. 16 cigarettes per pack. SKM low tar category segment

(c) RSPs for *Marlboro* regular and *Parliament* KS

Note: 20 cigarettes per pack unless otherwise stated. Low includes super-low.

Source: PMI affiliates and Nielsen

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PMI Cigarettes Retail Selling Prices in Select Markets (cont.)

(October 1, 2023)

		Above Premium	Premium	Mid-Price	Low-Price
Mexico	MXN		Marlboro 75.0	Marlboro Vista 68.0	Chesterfield 61.0
Philippines ^(a)	PHP		Marlboro 180.0		Fortune / Chesterfield 140.0 / 120.0
Poland	PLN		Marlboro 19.99	L&M 17.99	Chesterfield 16.49
Russia	RUB	Parliament 269.0	Marlboro 239.0	Marlboro Crafted 229.0	Chesterfield Selection Compact ^(b) 159.0
South Korea	KRW		Marlboro 4,500		
Spain	EUR		Marlboro 5.35	Chesterfield 5.20	L&M 4.95
Turkey	TRY	Parliament 52.0	Marlboro 51.0	Muratti 49.0	L&M 47.0

(a) RSPs now reflect an equivalent price per cigarette, based on a per stick retail basis

(b) Best-selling variant in low segment

Note: 20 cigarettes per pack unless otherwise stated. Low includes super-low

Source: PMI affiliates

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PMI: Peer Group

- Altria
- Anheuser-Busch InBev
- BAT
- Coca-Cola
- Colgate-Palmolive
- Diageo
- Heineken
- Imperial Brands^(a)
- Japan Tobacco
- Johnson & Johnson
- Kimberly-Clark
- Kraft-Heinz
- McDonald's
- Mondelēz International
- Nestlé
- PepsiCo
- Procter & Gamble
- Roche
- Unilever

(a) Formerly Imperial Tobacco

Source: Form 10-K for the year ended December 31, 2022 (p. 20)

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries Reconciliation of Non-GAAP Measures

Reconciliation of Reported Diluted EPS to Reported Diluted EPS, excluding Currency,
and Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS, excluding Currency
(Unaudited)

	Years Ended December 31,		
	2022	2021	% Change
Reported Diluted EPS	\$ 5.81	\$ 5.83	(0.3)%
Less: Currency	(0.77)		
Reported Diluted EPS, excluding Currency	\$ 6.58	\$ 5.83	12.9%

	Years Ended December 31,		
	2022	2021	% Change
Reported Diluted EPS	\$ 5.81	\$ 5.83	(0.3)%
Asset impairment and exit costs	-	0.12	
Amortization and impairment of intangibles	0.15	0.05	
Saudi Arabia customs assessments	-	0.14	
Equity investee ownership dilution	-	(0.04)	
Asset acquisition cost	-	0.03	
Costs associated with Swedish Match AB offer	0.06	-	
Swedish Match AB acquisition accounting related item	0.06	-	
Tax benefit associated with Swedish Match AB financing	(0.13)	-	
Charges related to the war in Ukraine	0.08	-	
Fair value adjustment for equity security investments	(0.02)	-	
Tax items	(0.03)	-	
Adjusted Diluted EPS	\$ 5.98	\$ 6.13	(2.4)%
Less: Currency	(0.77)		
Adjusted Diluted EPS, excluding Currency	\$ 6.75	\$ 6.13	10.1%

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries Reconciliation of Non-GAAP Measures

Reconciliation of Net Revenues to Adjusted Net Revenues, excluding Currency and Acquisitions
(\$ in millions) / (Unaudited)

Net Revenues	Special Items	Adjusted Net Revenues	Currency	Adjusted Net Revenues excluding Currency	Acquisitions	Adjusted Net Revenues excluding Currency & Acquisitions		Net Revenues	Special Items ^(a)	Adjusted Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions
							Full Year Ended December 31						
							2022	2021			% Change		
\$ 12,869	\$ -	\$ 12,869	\$(1,576)	\$ 14,445	\$ 10	\$ 14,435	Europe	\$ 13,155	\$ -	\$ 13,155	(2.2)%	9.8%	9.7%
10,467	-	10,467	(419)	10,886	-	10,886	SSEA, CIS & MEA	9,858	(246)	10,104	3.6%	7.7%	7.7%
5,936	-	5,936	(635)	6,571	-	6,571	EA, AU & PMI DF	6,448	-	6,448	(7.9)%	1.9%	1.9%
1,903	-	1,903	(15)	1,918	-	1,918	Americas	1,843	-	1,843	3.3%	4.1%	4.1%
316	-	316	-	316	316	-	Swedish Match	-	-	-	-	-	-
271	-	271	(11)	282	189	93	Wellness and Healthcare	101	-	101	+100%	+100%	(7.9)%
\$ 31,762	\$ -	\$ 31,762	\$(2,656)	\$ 34,418	\$ 515	\$ 33,903	Total PMI	\$ 31,405	\$(246)	\$ 31,651	0.4%	8.7%	7.1%

(a) Represents the reduction in net revenues of \$246 million related to the Saudi Arabia customs assessment impacting only Q2 and full-year

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Operating Income to Adjusted Operating Income, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Operating Income	Special Items ^(a)	Adjusted Operating Income	Currency	Adjusted Operating Income excluding Currency	Acquisitions	Adjusted Operating Income excluding Currency & Acquisitions		Operating Income	Special Items ^(a)	Adjusted Operating Income	Total	Excluding Currency	Excluding Currency & Acquisitions
							Full Year Ended December 31				% Change		
							2022	2021					
\$ 5,802	\$ (242)	\$ 6,044	\$ (1,029)	\$ 7,073	\$ (2)	\$ 7,075	Europe	\$ 6,409	\$ (109)	\$ 6,518	(7.3)%	8.5%	8.5%
3,864	(56)	3,920	(99)	4,019	-	4,019	SSEA, CIS & MEA	3,295	(319)	3,614	8.5%	11.2%	11.2%
2,424	(28)	2,452	(376)	2,828	-	2,828	EA, AU & PMI DF	2,836	(95)	2,931	(16.3)%	(3.5)%	(3.5)%
436	(14)	450	(11)	461	-	461	Americas	487	(17)	504	(10.7)%	(8.5)%	(8.5)%
(22)	(151)	129	-	129	129	-	Swedish Match	-	-	-	-	-	-
(258)	(171)	(87)	8	(95)	(28)	(67)	Wellness and Healthcare	(52)	(69)	17	-100%	-100%	-100%
\$ 12,246	\$ (662)	\$ 12,908	\$ (1,507)	\$ 14,415	\$ 99	\$ 14,316	Total PMI	\$ 12,975	\$ (609)	\$ 13,584	(5.0)%	6.1%	5.4%

(a) Full year 2022: charges related to the war in Ukraine (\$151 million), amortization and impairment of intangibles (\$271 million), Swedish Match AB acquisition accounting related item (\$125 million) and cost associated with Swedish Match AB offer (\$115 million). Full year 2021: asset impairment and exit costs (\$216 million), amortization and impairment of intangibles (\$96 million), asset acquisition cost (\$51 million) and Saudi Arabia customs assessment (\$246 million)

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Adjusted Operating Income Margin, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Adjusted Operating Income (a)	Adjusted Net Revenues (b)	Adjusted Operating Income Margin	Adjusted Operating Income excluding Currency (a)	Adjusted Net Revenues excluding Currency (b)	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income excluding Currency & Acquisitions (a)	Adjusted Net Revenues excluding Currency & Acquisitions (b)	Adjusted Operating Income Margin excluding Currency & Acquisitions		Adjusted Operating Income (a)	Adjusted Net Revenues (b)	Adjusted Operating Income Margin	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income Margin excluding Currency & Acquisitions	
									Full Year Ended December 31				% Points Change		
									2022	2021					
\$ 6,044	\$ 12,869	47.0%	\$ 7,073	\$ 14,445	49.0%	\$ 7,075	\$ 14,435	49.0%	Europe	\$ 6,518	\$ 13,155	49.5%	(2.5)	(0.5)	(0.5)
3,920	10,467	37.5%	4,019	10,886	36.9%	4,019	10,886	36.9%	SSEA, CIS & MEA	3,614	10,104	35.8%	1.7	1.1	1.1
2,452	5,936	41.3%	2,828	6,571	43.0%	2,828	6,571	43.0%	EA, AU & PMI DF	2,931	6,448	45.5%	(4.2)	(2.5)	(2.5)
450	1,903	23.6%	461	1,918	24.0%	461	1,918	24.0%	Americas	504	1,843	27.3%	(3.7)	(3.3)	(3.3)
129	316	40.8%	129	316	40.8%	-	-	-	Swedish Match	-	-	-	-	-	-
(87)	271	(32.1)%	(95)	282	(33.7)%	(67)	93	(71.6)%	Wellness and Healthcare	17	101	16.8%	(48.9)	(50.5)	(88.8)
\$ 12,908	\$ 31,762	40.6%	\$ 14,415	\$ 34,418	41.9%	\$ 14,316	\$ 33,903	42.2%	Total PMI	\$ 13,584	\$ 31,651	42.9%	(2.3)	(1.0)	(0.7)

(a) For the calculation of Adjusted Operating Income and Adjusted Operating Income excluding currency and acquisitions refer to slide 145
(b) For the calculation of Adjusted Net Revenues excluding currency and acquisitions refer to slide 144

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Restatement and Reconciliation of Adjusted Net Revenues – PMI and Swedish Match Combined

(\$ in millions) / (Unaudited)

	Year Ended December 31, 2022		
	Combustible Tobacco	Smoke-Free	Total
Net Revenues Total PMI	\$ 21,572	\$ 10,190	\$ 31,762
Swedish Match	70	246	316
Net Revenues Total PMI (excl. Swedish Match)	\$ 21,502	\$ 9,944	\$ 31,446
Swedish Match Pro Forma Financial Information	514	1,730	2,244
Less: accounting reclassification	88	23	111
Swedish Match Restated Net Revenues	426	1,707	2,133
Combined Restated Net Revenues	\$ 21,928	\$ 11,651	\$ 33,579

Note: Sum of product categories or Regions might not foot to total due to roundings

The unaudited pro forma combined financial information was prepared using the acquisition method of accounting and was based on the historical financial information of PMI and Swedish Match as disclosed in Form 10-Q for the nine months and the quarter ended September 30, 2023, Item 1, Note 2, Acquisitions

The unaudited pro forma financial information is not necessarily indicative of what the consolidated results of operations would have been had the acquisition been completed on January 1, 2021. In addition, the unaudited pro forma financial information is not a projection of future results of operations of the combined company, nor does it reflect the expected realization of any synergies or cost savings associated with the acquisition

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Net Revenues by Product Category
(\$ in millions) / (Unaudited)

Net Revenues	Years Ended December 31,								Quarter Ended March 31,	Quarter Ended June 30,	Quarter Ended September 30,	Nine Months Ended September 30,
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2023	2023	2023
Combustible Tobacco	\$ 26,595	\$ 25,818	\$ 24,970	\$ 25,378	\$ 24,083	\$ 21,747	\$ 22,067 ^(a)	\$ 21,572	\$ 5,223 ^(b)	\$ 5,790	\$ 5,832	\$ 16,845 ^(c)
Smoke-free excl. W&H	199	867	3,778	4,247	5,722	6,947	9,237	9,919	2,710	3,101	3,234	9,045
Wellness and Healthcare	-	-	-	-	-	-	101	271	86	76	75	237
Smoke-free incl. W&H	199	867	3,778	4,247	5,722	6,947	9,338	10,190	2,796	3,177	3,309	9,282
Total PMI	\$ 26,794	\$ 26,685	\$ 28,748	\$ 29,625	\$ 29,805	\$ 28,694	\$ 31,405 ^(a)	\$ 31,762	\$ 8,019 ^(b)	\$ 8,967	\$ 9,141	\$ 26,127 ^(c)

(a) 2021 includes a reduction in net revenues of \$246 million related to the Saudi Arabia customs assessment. Excluding this impact total PMI adjusted net revenues are \$31,651 million and for combustible tobacco \$22,313 million

(b) First-quarter 2023 includes a reduction in net revenues of \$80 million related to the termination of distribution arrangement in the Middle East. Excluding this impact total PMI adjusted net revenues are \$8,099 million and for combustible tobacco \$5,303 million

(c) Nine Months Ended September 30, 2023 includes a reduction in net revenues of \$80 million related to the termination of distribution arrangement in the Middle East. Excluding this impact total PMI adjusted net revenues are \$26,207 million and for combustible tobacco \$16,925 million

Note: Sum of product categories might not foot to Total PMI due to roundings. "-" indicates amounts between -\$0.5 million and +\$0.5 million

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