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PMI SETS CARBON NEUTRALITY TARGET FOR ALL OF ITS FACTORIES BY 2030

As PMI Raises the Bar to Mitigate Climate Change, Its Factory in Klaipeda, Lithuania, Achieves a Zero Net Carbon Footprint

Lausanne, Switzerland—Oct. 10, 2019—Philip Morris International Inc. (PMI) (NYSE: PM) today announced its aim that all its factories become carbon neutral by 2030. The announcement comes as PMI celebrates its factory in Klaipeda, Lithuania, as its first carbon neutral manufacturing facility.

“A clear message emerged from last month’s Climate Week NYC, run in coordination with the UN General Assembly: Now is the time to act against climate change,” said Huub Savelkoul, PMI’s Chief Sustainability Officer. “We share the ambition of limiting global temperature rise to 1.5 degrees Celsius. This requires setting challenging targets, taking action to achieve them and transparently reporting on progress and gaps. This is what our employees, our consumers and our shareholders expect from us. Today is important for PMI, as we celebrate our first step toward carbon neutrality in all our factories by 2030.”

At its factory in Klaipeda, Lithuania, PMI has implemented multiple projects over the past 10 years to optimize its energy usage and reduce carbon emissions. This has included upgrading utilities equipment, such as chillers and compressors, and facilitating heat recovery to optimize fuel use for heating purposes; installing a biomass boiler; procuring certified renewable electricity and offsetting natural gas carbon emissions with biogas certificates. To offset the remaining carbon emissions, PMI invested in Gold Standard certificates from climate protection initiatives. These initiatives support more than 9,000 families in India by promoting domestic biogas production to replace kerosene and firewood as cooking fuels, contributing to a reduction in greenhouse gas emissions and deforestation.

“Reducing the environmental footprint of our operations is a priority for PMI,” said Massimo Andolina, PMI’s Senior Vice President Operations. “I am extremely proud of our first important milestone in Klaipeda, testament to our commitment to make all PMI manufacturing operations carbon neutral by 2030. We are focused on, committed to and motivated by this objective, and we will achieve it thanks to the passion of all our people, to the ongoing efforts to reduce our energy needs and conserve energy inside our factories, and also thanks to a number of focused investments aimed at making all our operations environmentally sound and sustainable for the future.”

PMI is also actively pursuing initiatives to address the pressing climate challenge beyond its operations. For example, it is working with farmers and suppliers across its tobacco supply chain to lower the greenhouse gas emissions in the tobacco curing process by 70 percent by 2020 (vs. 2010) and to achieve zero net deforestation of natural forest by 2025.

In 2019—for the fifth consecutive year—PMI achieved the top score (Climate A-List) from CDP, the global disclosure system that enables organizations to measure and manage greenhouse gas emissions and other impacts. As one of its environmental commitments, PMI has set and committed to science-based targets—greenhouse gas emissions levels that science acknowledges as tolerable for the planet—and to go beyond these in its operations by aiming for carbon neutrality by 2030.

About Sustainability at PMI

For Philip Morris International (PMI), sustainability is about replacing cigarettes with better alternatives, addressing sustainability challenges across its value chain and seizing opportunities to add value to society. It is an integral part of the company's business strategy. PMI takes decisive actions in areas where its work can have the greatest impact, from the more than 350,000 farmers from which it sources tobacco right up to the approximately 150 million consumers of PMI products. To learn more, visit www.pmi.com/sustainability.

Philip Morris International: Delivering a Smoke-Free Future

Philip Morris International (PMI) is leading a transformation in the tobacco industry to create a smoke-free future and ultimately replace cigarettes with smoke-free products to the benefit of adults who would otherwise continue to smoke, society, the company and its shareholders. PMI is a leading international tobacco company engaged in the manufacture and sale of cigarettes, smoke-free products and associated electronic devices and accessories, and other nicotine-containing products in markets outside the U.S. PMI is building a future on a new category of smoke-free products that, while not risk free, are a much better choice than continuing to smoke. Through multidisciplinary capabilities in product development, state-of-the-art facilities and scientific substantiation, PMI aims to ensure that its smoke-free products meet adult consumer preferences and rigorous regulatory requirements. PMI's smoke-free *IQOS* product portfolio includes heat-not-burn and nicotine-containing vapor products. As of June 30, 2019, PMI estimates that approximately 8.0 million adult smokers around the world have already stopped smoking and switched to PMI's heat-not-burn product, available for sale in 48 markets in key cities or nationwide under the *IQOS* brand. For more information, please visit www.pmi.com and www.pmiscience.com.

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