



2024 Jefferies Virtual Reduced Risk Seminar

Leading & Transforming Through Innovation in Smoke-Free Products

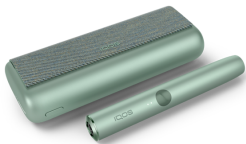
May 7, 2024

Stefano Volpetti

President Smoke-Free Inhalable Products & Chief Consumer Officer

PMI: Superior Smoke-Free Product Portfolio

#1
Smoke-
Free
Brand



#1
Nicotine
Pouch
Brand



Responsible
Vaping
Brand



2023 Smoke-Free Highlights

84

Smoke-Free Markets

~33m

Adult Smoke-Free Users

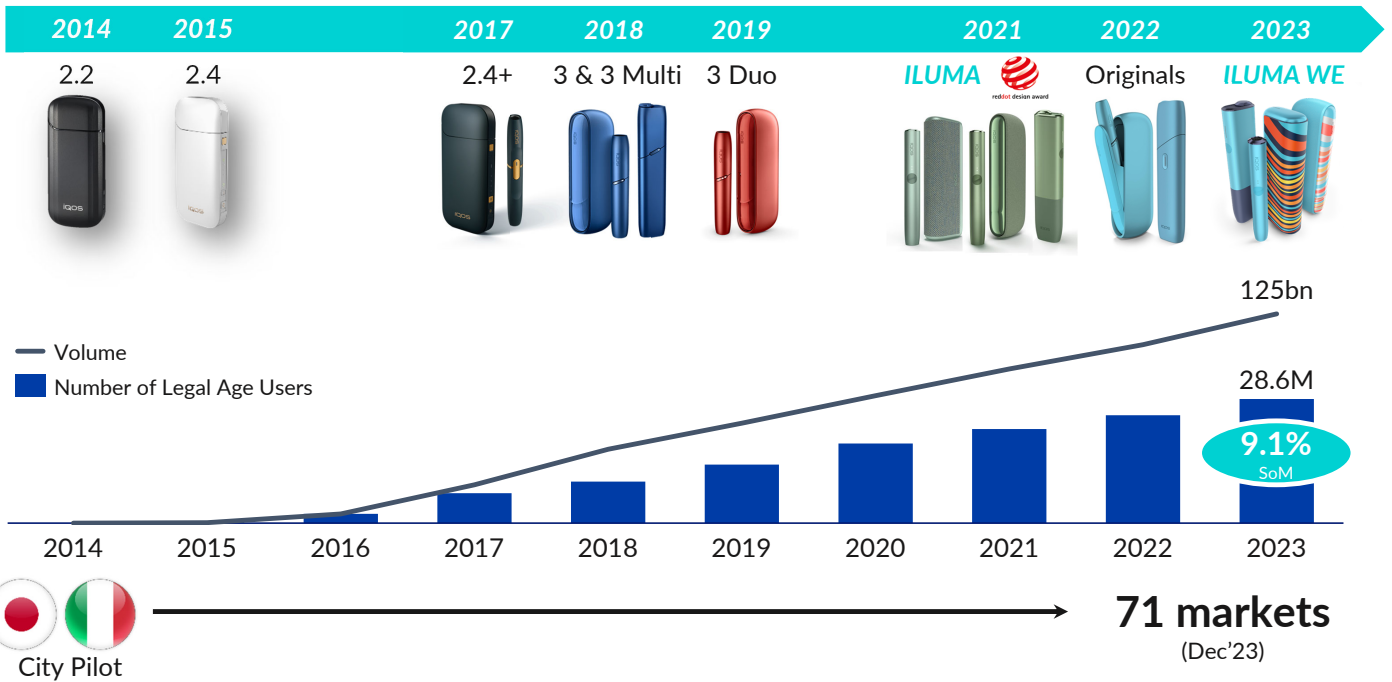
36.5%

Smoke-Free Business
Net Revenues of Total

25

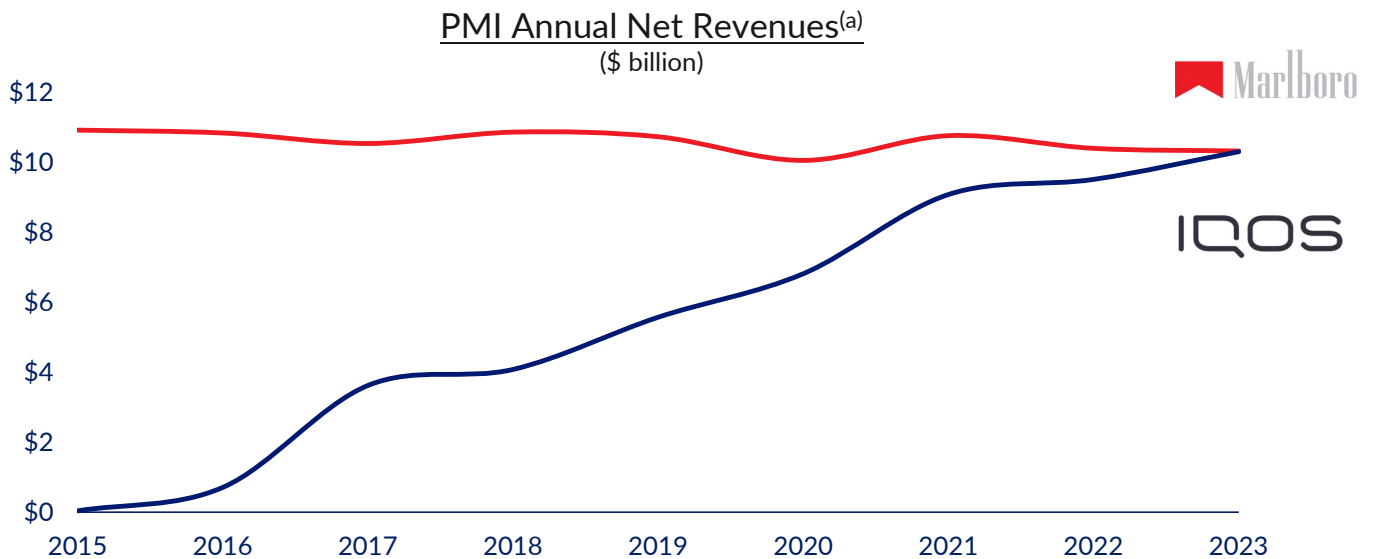
Markets with Smoke-Free
Net Revenues >50%

IQOS: 10 Years Evolution



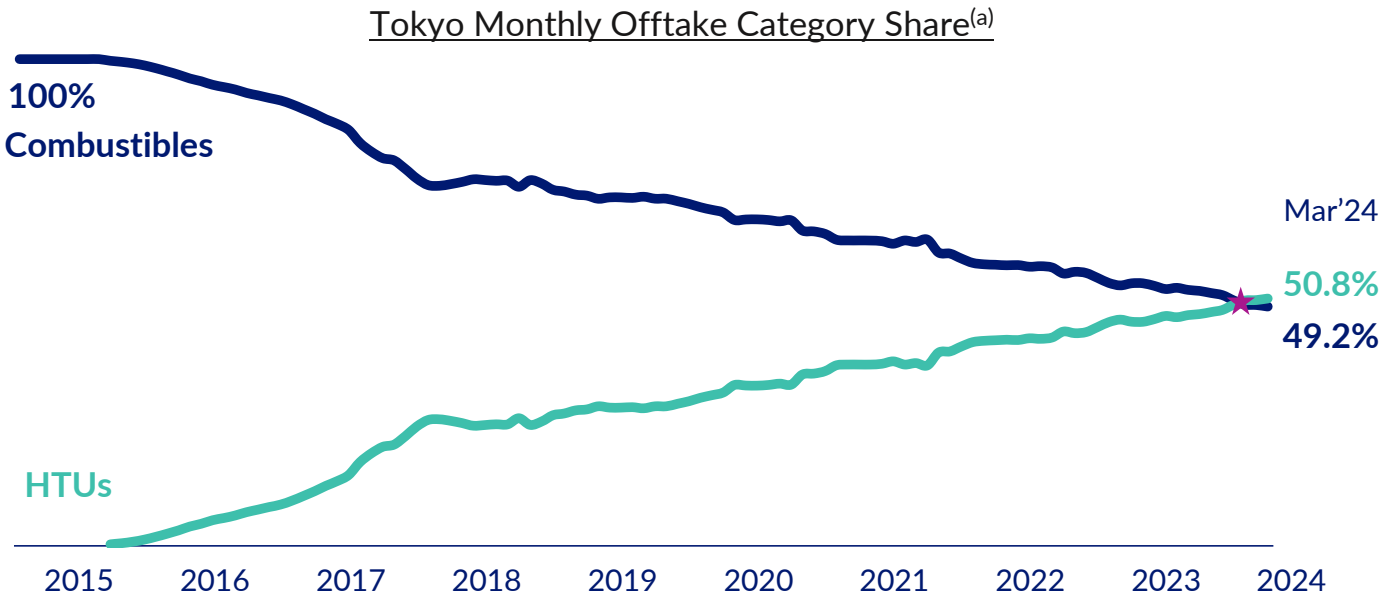
Source: PMI Financials or estimates; IQOS user panels and PMI Market Research

IQOS Net Revenues Exceeded \$10 billion in 2023 and Surpassed Marlboro in Q4, 2023



(a) Marlboro includes Marlboro combustibles, IQOS represents Heat-not-Burn net revenues
Source: PMI Financials or estimates. CAGNY 2024, presented February 21, 2024

Cigarettes Now Less Than Half of Nicotine in Tokyo Within 10y

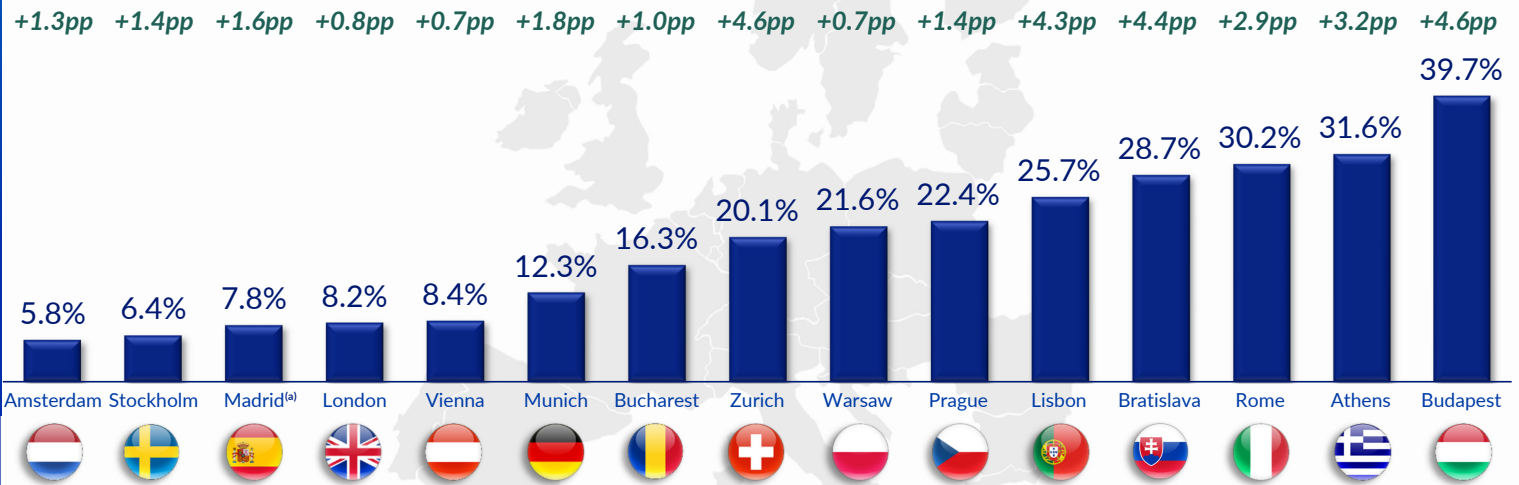


(a) Based on 3 C-Store Chains offtake. Base includes cigarettes, cigarillos and HTUs
Source: PMI Financials or estimates. Q1, 2024 Earnings, presented April 23, 2024

IQOS: Impressive Progress in European Key Cities

PMI HTU Offtake Share (Q1'24)

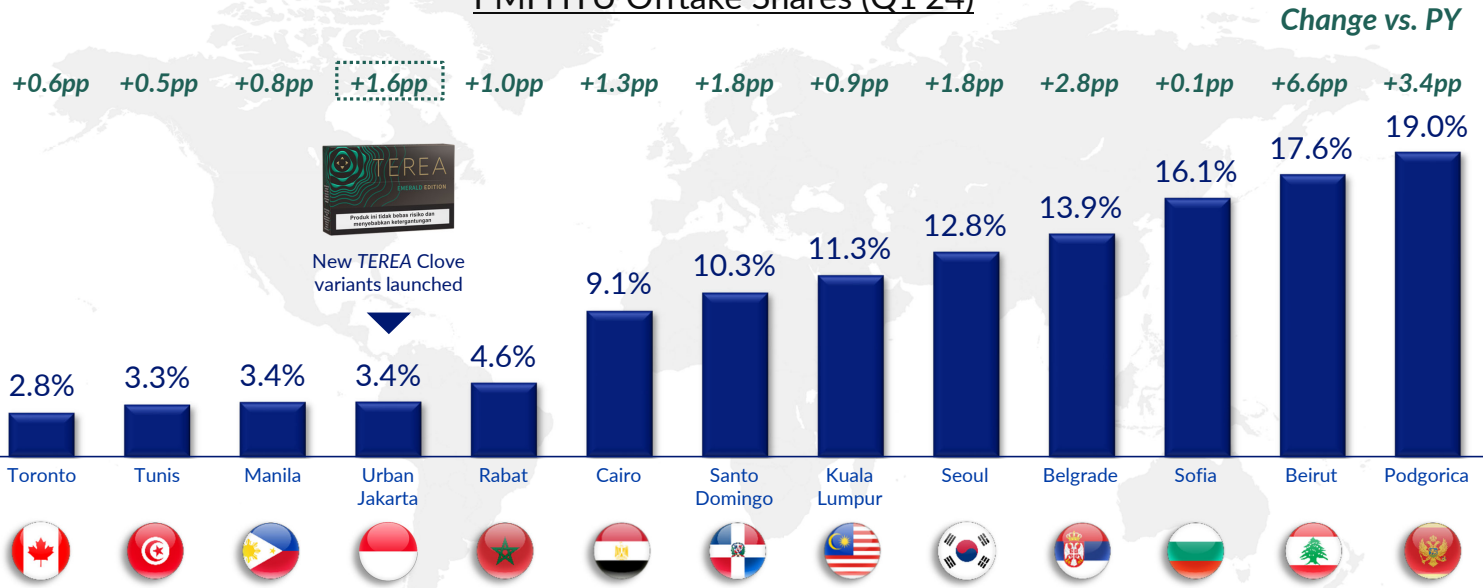
Change vs. PY



(a) Madrid represents municipality of Madrid (versus data previously presented on province of Madrid) and includes approximately half of the estimated 1.5 million Legal Age Nicotine Users in the province. Historical data: Q2'23 6.3%, Q3'23 6.0%, Q4'23 7.4%
Note: Athens represents Attica Region. Source: PMI Financials or estimates. Q1, 2024 Earnings, presented April 23, 2024

IQOS: Promising Key City Growth Across Global Markets

PMI HTU Offtake Shares (Q1'24)



Note: Urban Jakarta represents West, Central and South Jakarta which include an estimated 1.5 million Legal Age Nicotine Users. Cairo represents Urban Cairo, Manila represents Metro Manila, Tunis represents Greater Tunis. TEREA images of clove taste variants in Indonesia.
 Source: PMI Financials or estimates. Q1, 2024 Earnings, presented April 23, 2024

IQOS: #1 SFP Brand Delivering Superior Consumer Experience



28.6m legal age users^(d)

(a) % of legal age users that have stopped smoking and switched to IQOS in H1 2023; (b) Brand Equity Advisor survey 2022 in 22 IQOS markets where competitive products have meaningful presence; (c) Net Promoter Score survey in 37 IQOS markets H1 2023; (d) Legal age user estimation by Q4 2023
 Source: PMI Financials or estimates; IQOS users panels and PMI market research

IQOS ILUMA: Next Level Forward

NEW
IQOS
ILUMA

Next level tobacco pleasure.
No ash and tobacco residue.

Powered by SMARTCORE INDUCTION SYSTEM™

As of April 2024
64 markets

As of December 2023
>17 million users

IQOS ILUMA™ is designed to be used only with TEREA™ sticks. Do not use IQOS ILUMA™ with TEREA™ sticks with previous IQOS™ generations as this may cause damage to your device. TEREA™ sticks contain nicotine and tar. Keep out of reach of children to prevent disassembly or ingestion. More information on www.iqos.com.

Placeholder for Health Warning and/or Duty to Inform

- Step change in consumer experience & NPS, driving double digit growth in launch markets
- Accelerate in a number of historically slower-growth markets

Source: PMI Financials or estimates; IQOS users panels and PMI market research

9

IQOS ILUMA: Continuous Innovation Supports Growth

- ILUMA: the core platform for multi-year growth and innovation
- Broadening HTU offerings
- Rich pipeline of ILUMA device innovations

NEW IQOS ILUMA

Powered by SMARTCORE INDUCTION SYSTEM™

Robust & Seamless: Bladeless heating means no more broken blades, easy stick insertion & extractions.

Heating from the core: The induction coil activates the innovative heating element inside the TEREA stick to unlock the taste of your chosen blend.

Cleaner Experience: No more tobacco residue or cleaning needed. Ever.

Do not use IQOS ILUMA™ with TEREA™ sticks with previous IQOS™ generations as this may cause damage to your device. Do not ingest or disassemble. IQOS™/ILUMA™. This product contains a group metal part which contains limited quantities of nickel. Keep out of reach of children. More information on www.iqos.com.

Placeholder for Health Warning and/or Duty to Inform

TEREA
only for IQOS ILUMA
Next level tobacco pleasure.
Our widest tobacco flavours variety.
Discover them all on iqos.com

Powered by SMARTCORE INDUCTION SYSTEM™

Do not use IQOS ILUMA™ with TEREA™ sticks with previous IQOS™ generations as this may cause damage to your device. Do not ingest or disassemble. IQOS™/ILUMA™. This product contains a group metal part which contains limited quantities of nickel. Keep out of reach of children. More information on www.iqos.com.

Placeholder for Health Warning and/or Duty to Inform

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Your tobacco moment.
Now, your way.

New IQOS ILUMA i

Touch Screen. Pause Mode. And much more.



This product is not risk-free and provides nicotine, which is addictive. Only for use by adults who would otherwise continue to smoke or use other nicotine products.

**IQOS
ILUMA**

LIMITED EDITION
NEON PURPLE



UNLEASH THE ENERGY
OF COLOUR.



HEALTH WARNING

LIMITED EDITION
**IQOS ILUMA
STARDRIFT**

OUT OF THIS WORLD



HEALTH WARNING

IQOS ILUMA
BRIGHT

LIMITED EDITION

Beyond brilliant.

Find out more at iqos.com



HEALTH WARNING

TEREA CRAFTED: Botanicals Enhanced Tobacco Taste



Natural botanicals, rich taste, distinctive taste experience.

For legal age nicotine users who seek tobacco flavor exploration with natural sensations

IQOS

NEW Tobacco meets natural botanicals.

TEREA CRAFTED for IQOS ILUMA

IQOS® ILUMA™ is designed for use only with IQOS™ heated tobacco sticks. Do not use IQOS® ILUMA™ with any other tobacco products. IQOS™ generations, as this may cause damage to your device. Do not ingest or disassemble Terea™ sticks. This product contains a drug (nicotine) and is addictive. Nicotine is addictive. Please refer to the back of the pack for more information. The term "nicotine" exclusively refers to tobacco and other botanicals. It does not mean that this product is safer than other Terea tobacco sticks.

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

NEW The herbal freshness of real **rosemary** and **mint** meets aromatic tobacco.

ANTHEA BLEND

TEREA CRAFTED for IQOS ILUMA

IQOS® ILUMA™ is designed for use only with IQOS™ heated tobacco sticks. Do not use IQOS® ILUMA™ with any other tobacco products. IQOS™ generations, as this may cause damage to your device. Do not ingest or disassemble Terea™ sticks. This product contains a drug (nicotine) and is addictive. Nicotine is addictive. Please refer to the back of the pack for more information. The term "nicotine" exclusively refers to tobacco and other botanicals. It does not mean that this product is safer than other Terea tobacco sticks.

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

NEW The sweetness of real **star anise** meets mellow tobacco.

SAPA BLEND

TEREA CRAFTED for IQOS ILUMA

IQOS® ILUMA™ is designed for use only with IQOS™ heated tobacco sticks. Do not use IQOS® ILUMA™ with any other tobacco products. IQOS™ generations, as this may cause damage to your device. Do not ingest or disassemble Terea™ sticks. This product contains a drug (nicotine) and is addictive. Nicotine is addictive. Please refer to the back of the pack for more information. The term "nicotine" exclusively refers to tobacco and other botanicals. It does not mean that this product is safer than other Terea tobacco sticks.

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

NEW The spicy warmth of real **clove** meets well-rounded tobacco.

CENGA BLEND

TEREA CRAFTED for IQOS ILUMA

IQOS® ILUMA™ is designed for use only with IQOS™ heated tobacco sticks. Do not use IQOS® ILUMA™ with any other tobacco products. IQOS™ generations, as this may cause damage to your device. Do not ingest or disassemble Terea™ sticks. This product contains a drug (nicotine) and is addictive. Nicotine is addictive. Please refer to the back of the pack for more information. The term "nicotine" exclusively refers to tobacco and other botanicals. It does not mean that this product is safer than other Terea tobacco sticks.

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

LEVIA: Zero Tobacco, Rich Flavor Discovery

Flavor Forward:
LEVIA

Explore the New Frontiers of Taste.
one device - different taste experiences.

For early adopters within IQOS franchise and other legal age nicotine users that are flavor explorers

IQOS

FIND YOUR FLAVOUR.
FIND YOUR PLEASURE.

ZERO TOBACCO
only for
IQOS ILUMA

Do not ingest or disassemble LEVIA™ packs. This product contains a plastic part which can cause choking (if swallowed). Keep out of reach of children. More information on www.iqos.com

HEALTH WARNING

ELECTRO ROUGE

Menthol freshness with a blueberry charm.

ZERO TOBACCO
only for
IQOS ILUMA

Do not ingest or disassemble LEVIA™ packs. This product contains a plastic part which can cause choking (if swallowed). Keep out of reach of children. More information on www.iqos.com

HEALTH WARNING

ISLAND BEAT

Menthol freshness with a peppermint punch.

ZERO TOBACCO
only for
IQOS ILUMA

Do not ingest or disassemble LEVIA™ packs. This product contains a plastic part which can cause choking (if swallowed). Keep out of reach of children. More information on www.iqos.com

HEALTH WARNING

TEREA OASIS PEARL: Menthol & Toasted Tobacco on a Click



- Launched in Tokyo May 2023
- National expansion Feb 2024
- SoM reached 3.2 % in April 2024

Source: AWS, DB Quest & LW Cafet+, 2 c-store chains (Family Mart & Lawson) Weekly Offtake

TEREA EDITION: Catering to Kretek Taste Preference

NEW

TEREA Golden Edition
Mellow and warm tobacco experience with clove.
Find out more on iqos.com

TEREA only for IQOS ILUMA

HEALTH WARNING

NEW

TEREA Emerald Edition
Fresh tobacco experience with clove.
Find out more on iqos.com

TEREA only for IQOS ILUMA

HEALTH WARNING

- Tobacco experience with clove
- Launched 2 SKUs in Jakarta in Nov 2023
- Expansion to 20 cities in Jan 2024

Nov 2023



TEREA Golden Edition



TEREA Emerald Edition

Apr 2024



TEREA Auburn Edition



TEREA Mulint Edition



TEREA Berrine Edition

lil SOLID

INTRODUCED BY IQOS

Your tobacco
moment.
It fits.

lil SOLID Ez is designed to be used
with Fiit tobacco sticks.



HEALTH WARNING

19

NEW

bonds

by IQOS

UNLOCK

BETTER



Authentic tobacco taste.
0% ash and cigarette smoke smell.

Discover at iqos.com



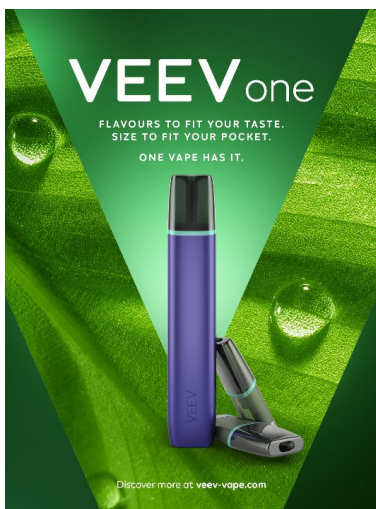
BONDS by IQOS designed
to be used only with BLENDS

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

20

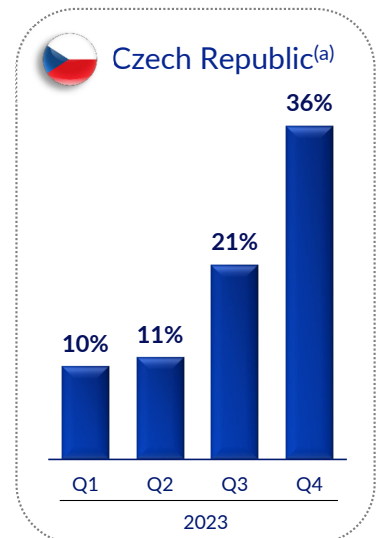
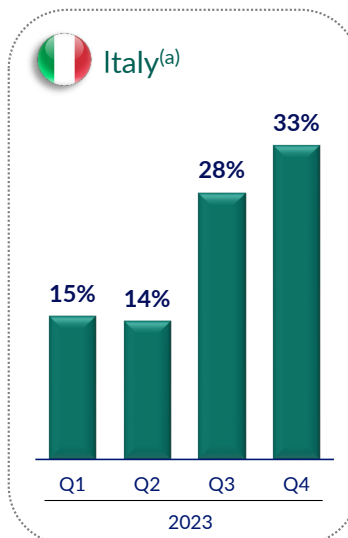
eVapor

VEEV: Good Progress on Targeted Strategy



HEALTH WARNING

VEEV (SoS in Closed Pod Systems)



(a) Nielsen. Italy based on tobacco shops only
Source: PMI Financials or estimates. CAGNY 2024, presented February 21, 2024

SPECIAL EDITION

VEEV now *Accents*

3 authentic flavours.
Extracted from real tobacco leaves.

Now you can.

Discover more at veev-vape.com



HEALTH WARNING

FIND YOUR ZYN

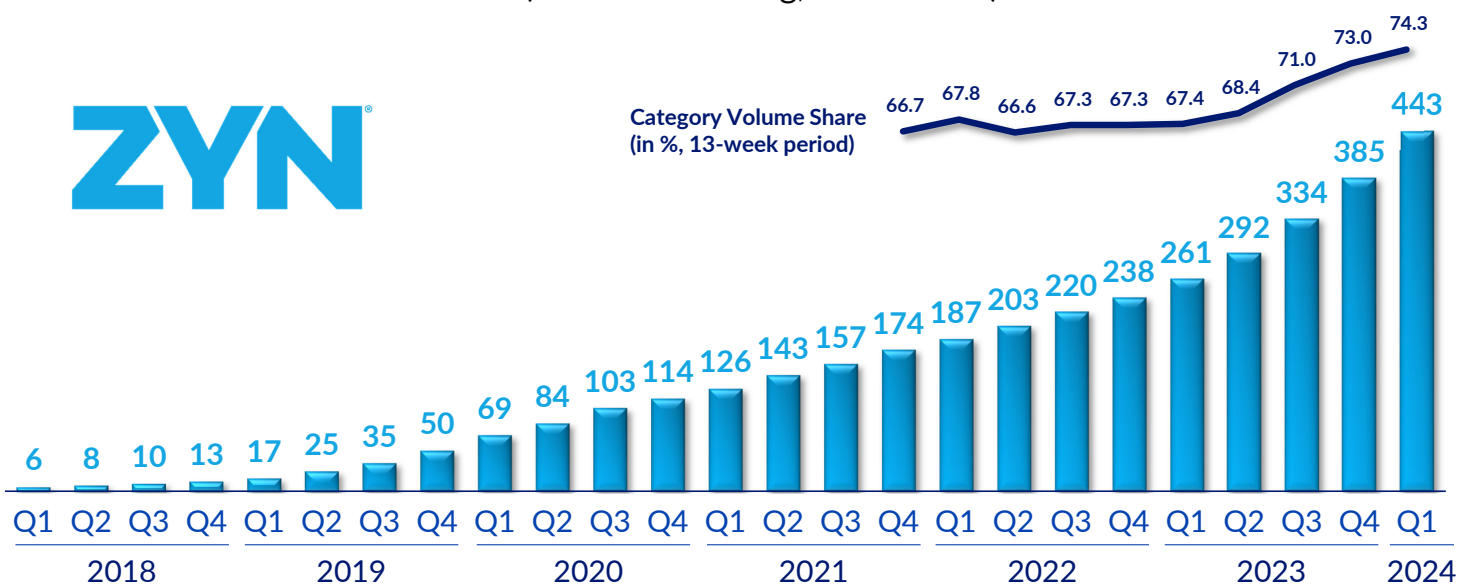
ZYN Growth Momentum Continues

79.3%
Q1'24
Category Retail
Value Share
(13-week period)

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



Category Volume Share
(in %, 13-week period)



Source: PMI Financials or estimates, Circana, LLC, Nicotine Pouches, Week ending 3/31/24. Q1, 2024 Earnings, presented April 23, 2024

ZYN Launches / Re-Launches in 2023

Select Markets



Pakistan



Select Duty Free



Hungary



Philippines



South Africa



Iceland



Switzerland



Latvia



Finland



United Kingdom



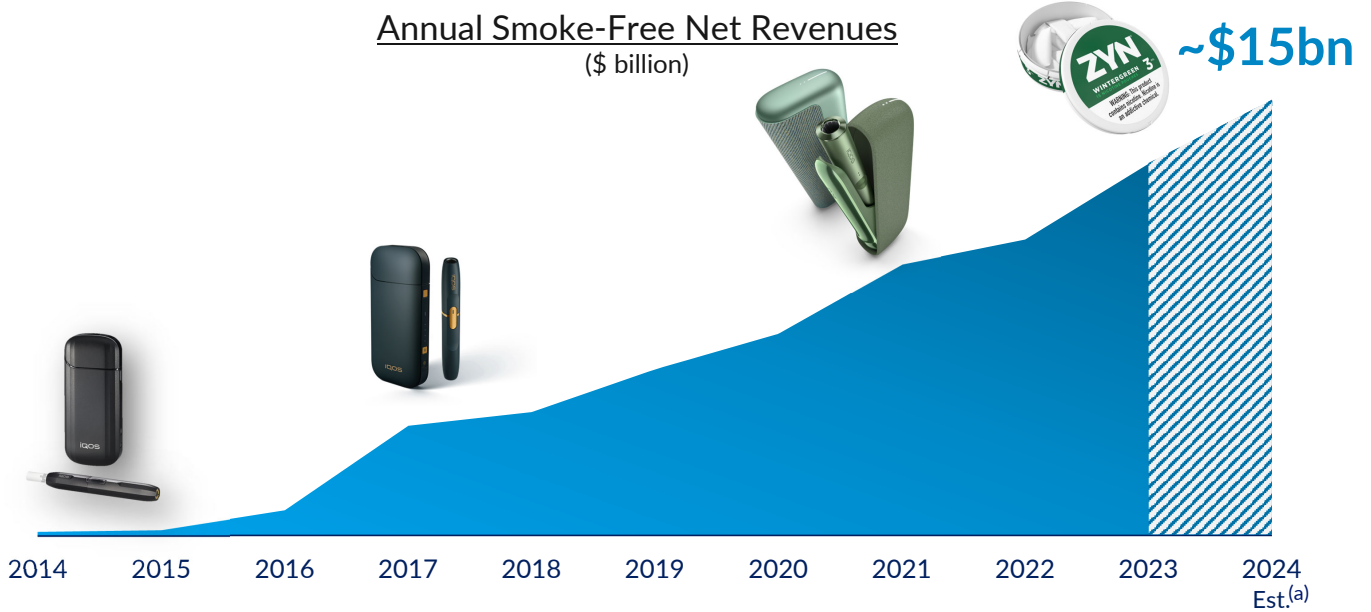
a smoke-free world.

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Your choice
Your way
Find your
Better alternative



Smoke-Free Rapidly Approaching \$15 billion Top-Line (Presented at CAGNY 2024)



(a) Forecast provided in Q4'23 Earnings Release presented February 8, 2024, at prevailing rates February 7, 2024
Source: PMI Financials or estimates. CAGNY 2024, presented February 21, 2024

2030 Ambition: Substantially Smoke-Free

> 2/3
Smoke-Free
Net Revenues

~60
Markets Majority
Smoke-Free

50-75% net revenues ~20 markets

>75% net revenues ~40 markets

Note: Smoke-free markets are markets where PMI smoke-free products are available in key cities or nationwide
Source: PMI Financials or estimates. CAGNY 2024, presented February 21, 2024



PHILIP MORRIS
INTERNATIONAL

Championing a Smoke-Free World

2024 Jefferies Virtual Reduced Risk Seminar

Leading & Transforming Through Innovation
in Smoke-Free Products

Questions & Answers



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