

**Virtual Annual Meeting of Shareholders**  
**Philip Morris International Inc.**  
**May 8, 2024**

**(SLIDE 1.)**

Good morning and thank you for joining us. I am André Calantzopoulos, Executive Chairman of the Board, and I would like to welcome you to Philip Morris International's 2024 Virtual Annual Meeting of Shareholders, which I now call to order.

On the call with me today are our Board of Directors, our Chief Executive Officer, Jacek Olczak, our Corporate Secretary, Darlene Quashie Henry, and our audit partner at PricewaterhouseCoopers, Mary Clark.

It is our intention to proceed in accordance with the agenda and the rules for the meeting as outlined on the Virtual Shareholder Meeting Webpage.

**(SLIDE 2.)**

A glossary of terms, including the definition for smoke-free products 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 are available under "Reports & filings" on our [Investor Relations website](#).

**(SLIDE 3.)**

Today's remarks contain forward-looking statements. I direct your attention to the Forward-Looking and Cautionary Statements disclosure in today's presentation.

**(SLIDE 4.)**

The Secretary will now present certain formal documents. Darlene.

Thank you, Mr. Chairman.

I present to the meeting, together with the Affidavit of Mailing, a copy of the Notice of Meeting, form of Proxy, Proxy Statement and Annual Report, including financial statements for the fiscal year ended December 31, 2023.

The holders of record of common stock at the close of business on March 15, 2024 are entitled to vote at this meeting. I am informed that approximately 80% of Philip Morris International's common stock is represented here today and, therefore, a quorum is present for the transaction of business.

Thank you, Darlene. Please file the documents with the records of the meeting.

I appoint as Inspector of Election, Linda A. Piscadlo from American Election Services, LLC.

The Inspector is instructed to execute the oath, and to take custody of all proxies, and of the certified list of holders of common stock as of the close of business on March 15, 2024.

The Inspector will certify the vote on each of the matters to be presented at this meeting. Individual proxies and ballots are kept confidential, with exceptions outlined in the Proxy Statement.

**(SLIDE 5.)**

There are three business items set forth in the notice of meeting that will be put before the meeting at this time, and I hereby declare the polls for voting at our 2024 Annual Meeting of Shareholders open.

Any shareholder who has not voted or wishes to change their vote, may do so by clicking on the voting button on the virtual annual meeting webpage and following the instructions there.

Shareholders who have sent in proxies or voted by telephone or Internet and do not want to change their vote, do not need to take any further action.

Shareholders of record who have joined the meeting may ask questions by calling the number posted on the virtual annual meeting webpage.

If you would like to ask a question or make a comment, you will be required to provide your 16-digit control number to the operator. Only shareholders of record with a valid control number will be allowed to make a comment.

At this stage of the meeting, questions and comments should relate only to each item of business as it is presented. A general question and comment session will follow the business portion of the meeting.

**(SLIDE 6.)**

Before I place the director names in nomination, I would like to say a few words about Mr. Jun Makihara, who has decided not to stand for re-election to the Board. I would like to thank him for his many contributions to Philip Morris International over the past 10 years as a Board member and as former Chair of the Finance Committee. Jun has been an exemplary Director, whom the Board and management of PMI will miss dearly.

**(SLIDE 7.)**

The first order of business is the election of twelve directors.

The individuals on this slide, featured in alphabetical order, have been nominated for election as directors, each to hold office until the next Annual Meeting of Shareholders or until his or her successor shall have been duly chosen.

In accordance with the Company's by-laws, no other nominations may be made at this time.

Are there any questions?

Thank you.

**(SLIDE 8.)**

We will now move to the second item on the agenda, that the Company's shareholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's Proxy Statement for the 2024 Annual Meeting of Shareholders.

Are there any questions?

Thank you.

**(SLIDE 9.)**

The third item on the agenda is the ratification of the selection of PricewaterhouseCoopers as independent auditors of the Company for the fiscal year ending December 31, 2024.

Are there any questions?

Thank you.

**(SLIDE 10.)**

That concludes the matters to be voted on as outlined in the notice of the Annual Meeting of Shareholders.

In accordance with our by-laws, I hereby declare the polls for voting at our 2024 Annual Meeting of Shareholders closed.

We have received a preliminary report from the Inspector of Election.

Will the Secretary please read the report.

Mr. Chairman, the Inspector of Election has completed the preliminary count of the vote, which I have now received. The preliminary voting results are as follows:

Each of the nominees for director has been elected.

The named executive officer compensation has been approved on an advisory basis.

The selection of PricewaterhouseCoopers as independent auditors has been ratified.

Mr. Chairman, that concludes the report.

Thank you, Darlene.

Please file with the records of the meeting, the Oath of the Inspector of Election, the Final Report of the Inspector of Election and the proxies. Final voting results will be included in a Form 8-K that we will file with the SEC in the next few days.

That concludes the formal business, and I now declare the business portion of the meeting adjourned.

**(SLIDE 11.)**

Before we move to the questions and comments session, I will hand over the presentation to Jacek to provide an update on our business performance.

**(SLIDE 12.)**

Thank you, André.

Before I start, I would like to take a moment to express my sincere appreciation to André on behalf of our Board and organization. As you know, while continuing to serve on the Board as Non-Executive Chairman, he has retired as an officer of PMI. André's leadership and vision has been instrumental in shaping and driving PMI's smoke-free transformation, and his business knowledge and acumen is second-to-none. On a personal note, it is a real pleasure working with him, and I look forward to the benefit of his continued guidance as Chairman.

Let me start the business discussion with a few words on the industry landscape. There is a clear demand for smoke-free products among the 1 billion plus smokers worldwide. Adult consumers are seeking better alternatives to smoking, as demonstrated across virtually all markets where smoke-free products are available. The industry is undergoing a structural shift, with a decade of double-digit smoke-free category growth, and this momentum continues. Since 2008, we have invested over \$12.5 billion to-date to serve this demand and I am pleased to report that our smoke-free momentum is accelerating.

**(SLIDE 13.)**

Turning to our financial results, PMI delivered another strong operating performance in 2023. We achieved our third consecutive year of positive volumes and very strong currency-neutral top- and bottom-line growth. This reflects the continued excellent performance of *IQOS*, the impressive growth of *ZYN*, and the resilience of our combustible business.

We are also well on track to deliver a strong 2024, following a very good start to the year. First quarter results exceeded our expectations, delivering double-digit growth in organic net revenue and operating income with continued excellent performance from *IQOS* and *ZYN*, as well as robust combustible pricing.

**(SLIDE 14.)**

Our transformation is advancing rapidly, with smoke-free net revenues reaching nearly 40% of total PMI in Q4 2023. This includes 25 markets over 50% and compares with essentially zero smoke-free revenues in 2015. Combined with the increasing bottom-line smoke-free contribution, this highlights our excellent trajectory as we continue to expand our portfolio and geographic reach. As of December 31, 2023 our smoke-free products are available in 84 markets worldwide, with around 33 million estimated legal age users.

**(SLIDE 15.)**

Indeed, in Q4 2023 *IQOS* net revenues surpassed those of *Marlboro* for the first time, highlighting the strength of *IQOS* as a leading global brand. It is also testament to our organization's ability to build a strong and sustainable brand equity supported by strong commercial and innovative capabilities.

This performance, further enhanced by *ZYN*, represents further progress towards our 2030 ambition for smoke-free products to contribute more than two-thirds of our net revenues.

**(SLIDE 16.)**

Turning to *IQOS* progress in key geographies. In the Europe region, HTU share surpassed the 10% regional share milestone for the first time in Q1'24, reflecting robust user and adjusted IMS volume growth.

In Japan, the adjusted share for our HTU brands increased by an impressive 3.1 points year-over-year to 29.3%. Notably, in January the heat-not-burn category surpassed combustible cigarettes in Tokyo. Such impressive growth in a market with already-high category penetration is a clear testament to the sustainable growth potential of *IQOS* around the world.

**(SLIDE 17.)**

Outside of Japan and Europe, we continue to see very promising *IQOS* growth across the globe, including in low and middle-income markets. This is evident from growing share in many diverse geographies.

**(SLIDE 18.)**

Now let's move to *ZYN*, where considerable progress since the 2022 acquisition of Swedish Match has continued. *ZYN*'s premium positioning and superior brand equity was again demonstrated in Q1 in the U.S. with 70% growth in 12-month rolling shipments, with notable growth in both category volume share and retail value share.

This reflects a broad step-up in nationwide store velocities and gradual distribution expansion as the category gains strong traction with adult nicotine users.

As outlined previously, we remain focused on marketing *ZYN* responsibly to prevent unintended use. We support the FDA's efforts to ensure only consumers over 21 have access to nicotine products. Swedish Match follows a robust U.S. marketing code that prohibits using social media influencers, and age-gates digital platforms to 21-plus. Swedish Match also partners with WeCard to help ensure retail sales only to legal-age adults.

**(SLIDE 19.)**

Continuous innovation is a key driver of growth, and our pipeline continues to deliver. *IQOS ILUMA* sets the new technology benchmark and serves as the core platform for multi-year growth and innovation. *ILUMA* is now available in 64 markets, representing nearly 100% of *IQOS* volumes outside Russia. We also recently launched the latest *IQOS* device evolution *ILUMA i*, in Japan.

Innovation on consumables is also critical as we broaden our offerings across markets. This includes *LEVIA* HTUs, which contain nicotine but no tobacco leaf, and *DELIA*, our new mainstream-price brand for HTUs.

In the U.S., following the closing of the Altria transaction on April 30<sup>th</sup>, we will as planned be conducting consumer activations in select pilot cities with the *IQOS 3* system in the coming months. The main purpose of these consumer activations is to fine-tune our approach in anticipation of the at-scale launch of *IQOS ILUMA*, following authorization from the FDA.

The international expansion of nicotine pouches remains a key focus, notably for *ZYN* as the world's leading brand in the category.

In e-vapor, our focused strategy for *VEEV* is showing very good early results. Positive consumer feedback is translating into promising repeat-purchase and conversion rates, and we are on a path to profitability in H2.

**(SLIDE 20.)**

Now, a few words on our combustible business, which operates outside the U.S. We continue to hold the leading international portfolio by market share and by brand strength. This gives us a formidable platform to accelerate the growth of our smoke-free business via our commercial infrastructure, industry expertise and ability to communicate with adult smokers, where permitted. Despite cannibalization from our smoke-free products, we

continue to target maintaining our share of the category, and a positive contribution to profit growth.

**(SLIDE 21.)**

Moving to sustainability, I would like to highlight the release of our 2023 Integrated Report in March of this year. This report highlights progress on our continued expansion of smoke-free alternatives across categories and geographies, as well as social and environmental programs deployed with, and in parallel to, these products in support of sustainable value creation. These include responsible marketing and sales practices, youth access prevention programs, and efforts to reduce post-consumer waste. Furthermore, it highlights our progress on improving the quality of life of people in our supply chain, decarbonizing our operations and value chain, and preserving nature.

We are also very pleased with the continued recognition of our sustainability performance and robust reporting. To highlight just a few from 2023, PMI was included in the Dow Jones Sustainability World Index for the first time, and for the fourth year in DJSI North America. In addition, PMI was the only U.S. company to obtain a “Triple A” rating from CDP. More than 20,000 companies worldwide participated in this rating, and only 10 obtained this prestigious recognition.

**(SLIDE 22.)**

Moving now to shareholder returns. We are highly cash generative, which allows us to maintain a strong balance sheet, while investing in innovation and the growth of our business. Last September, we increased our annual dividend for the 16<sup>th</sup> consecutive year since the spin in 2008, representing a total increase of approximately 183% and a compound annual growth rate of 7.2%. This is in line with our unwavering commitment to a progressive dividend policy.

**(SLIDE 23.)**

To conclude today’s business presentation, continued excellent *IQOS* and *ZYN* performance further enhances our position as the global smoke-free champion with leadership positions in the largest category of heat-not-burn and the fastest growing category of oral nicotine. We are progressing rapidly toward our ambition to become a substantially smoke-free business.



The exciting growth combination of *IQOS* and *ZYN* presents a strong platform for growth over the coming years.

We are leading on sustainability as we seek to maximize our positive impact to society by addressing our most significant issues.

Importantly, we remain steadfast in our commitment to generously reward our shareholders over the long term.

In summary, the future is bright, and we believe our smoke-free transformation will continue to deliver sustainable growth for our investors.

Before I turn it back over to André, I would like to express my deepest thanks to all my colleagues who spared no effort to drive another year of excellent business results. Thank you. André, over to you.

Thank you very much, Jacek.

**(SLIDE 24.)**

This meeting is now open for questions and comments.

For full transparency, during this session, which is being publicly webcast, our shareholders will be able to ask questions live, on a first-come, first-served basis.

As I mentioned earlier, in order to ask a question, you will be required to provide your 16-digit control number to the operator. Only shareholders of record with a valid control number will be allowed to ask questions.

In order to provide an opportunity for everyone who wishes to speak, each shareholder will be limited to two minutes.

Shareholders may speak a second time only after all others who wish to speak have had their turn. When speaking, shareholders must direct questions and comments to the Chairman and confine their remarks to matters that relate directly to the business of the meeting.

The meeting is not to be used as a forum to discuss personal grievances, business disputes or to present general political, social, or economic views that are not directly related to the business of the meeting.

A full replay of the meeting will be available on our website at [www.pmi.com](http://www.pmi.com).

We have allowed up to one hour for questions.

Are there any questions or comments?

That concludes our questions and comments period.

**(SLIDE 25.)**

Thank you all very much for joining the 2024 Virtual Annual Meeting of Shareholders.