



PHILIP MORRIS
INTERNATIONAL

Investor Information

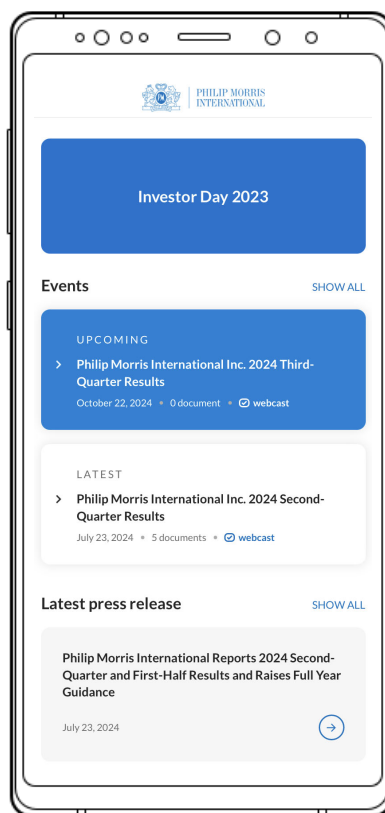
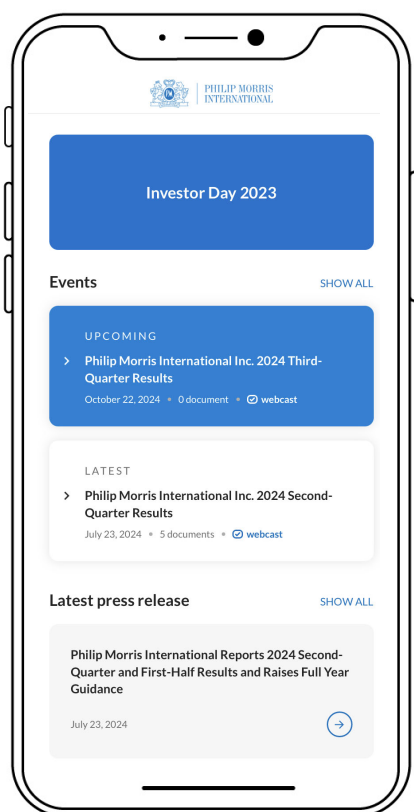
March 2025

This Investor Information posting includes summaries of information set forth in PMI's quarterly report Form 10-Q for the quarter ended September 30, 2024, annual report on Form 10-K for the year ended December 31, 2024, 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 www.pmi.com/investor-relations

Web Site: www.pmi.com

PMI Investor Relations App:

The PMI Investor Relations App provides users with simple, comprehensive and up-to-date access to all PMI'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 Q4, 2024, February 6, 2025)
- [PMI 2024 10-K](#)
- [2021-23 Recast Shipment Volume and Segment Information](#) (February 27, 2024)
- [2023 Investor Day](#) (September 28, 2023)
- [Presentation Highlights](#)

Additionally, you can access our [Sustainability Resources](#) and [PMI Science](#)

Introduction

- A glossary of terms 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 in Exhibit 99.2 to the company's Form 8-K dated February 6, 2025 and on our [Investor Relations website](#) with additional non-GAAP reconciliations available at the end of this presentation

Forward-Looking and Cautionary Statements

- This presentation contains projections of future results and goals and other forward-looking statements, including statements regarding expected financial or operational performance; capital allocation plans; investment strategies; market expectations; regulatory outcomes; sustainability plans and projections; business plans and strategies; and dividends. 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 and / or nicotine 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 natural disasters and pandemics 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 introduce, commercialize, and grow smoke-free 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; 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 smoke-free business' performance
- PMI is further subject to other risks detailed from time to time in its publicly filed documents, including PMI's Annual Report on Form 10-K for the fourth quarter and year ended December 31, 2023 and the Form 10-Q for the quarter ended September 30, 2024, and the Form 10-K for the fourth quarter and year ended December 31, 2024. 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
- References to "PMI", "we", "our" and "us" mean Philip Morris International Inc, including its subsidiaries



Section 1: Q4 and FY 2024 Results

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2024: Outstanding Year for Smoke-Free Transformation

- Very strong organic top and bottom-line growth across all categories:
 - Fourth consecutive year of total volume growth
 - Continued IQOS growth momentum, increasing profitability
 - ZYN sequential volume acceleration
 - Strong combustible net revenue & profit growth
 - +15% organic OI growth, +10% in USD
- +9% USD Adj. diluted EPS growth, mitigating currency headwinds with price and cost actions
- Strong cashflow generation and deleveraging



Outstanding 2024 Delivery, Very Strong 2025 Expected

- Powerful combination of underlying momentum and proactive steps supports best-in-class growth profile:
 - Structural smoke-free top-line growth with superior economics
 - Investing for growth while driving profitability through mix, pricing, scale and efficiencies
- Smoke-free transformation delivering meaningful value for shareholders:
 - Broad-based performance drives cash generation
 - 17y of dividend growth, committed to shareholder returns



Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

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FY24: Very Good Growth Across Key Metrics

	FY'24 vs. PY		FY'24
	Organic	Adj. incl. Curr. & Acq.	
Shipment Volume	+2.9%		774 ^{bn}
Net Revenues <i>(Adjusted)</i>	+9.8%	+7.4%	\$37.9 ^{bn}
Operating Income <i>(Adjusted)</i>	+14.9%	+10.1%	\$14.7 ^{bn}
Adj. Diluted EPS	+15.6% <i>(Curr. neutral)</i>	+9.3%	\$6.57
Operating Cashflow			\$12.2 ^{bn}

Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Shipment volume includes HTUs, cigarettes and oral SFPs excluding snuff, snuff leaf and U.S. chew. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

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Q4: Very Good Growth Across Key Metrics

Q4'24

Shipment Volume

(Variance vs. PY)

Organic
+2.3%

Adj. incl.
Curr. & Acq.

Net Revenues

(Variance vs. PY)

+7.3%

+7.3%

Operating Income

(Variance vs. PY)

+11.8%

+15.3%

Adj. Diluted EPS

(Variance vs. PY)

+9.6%
(Curr. neutral)

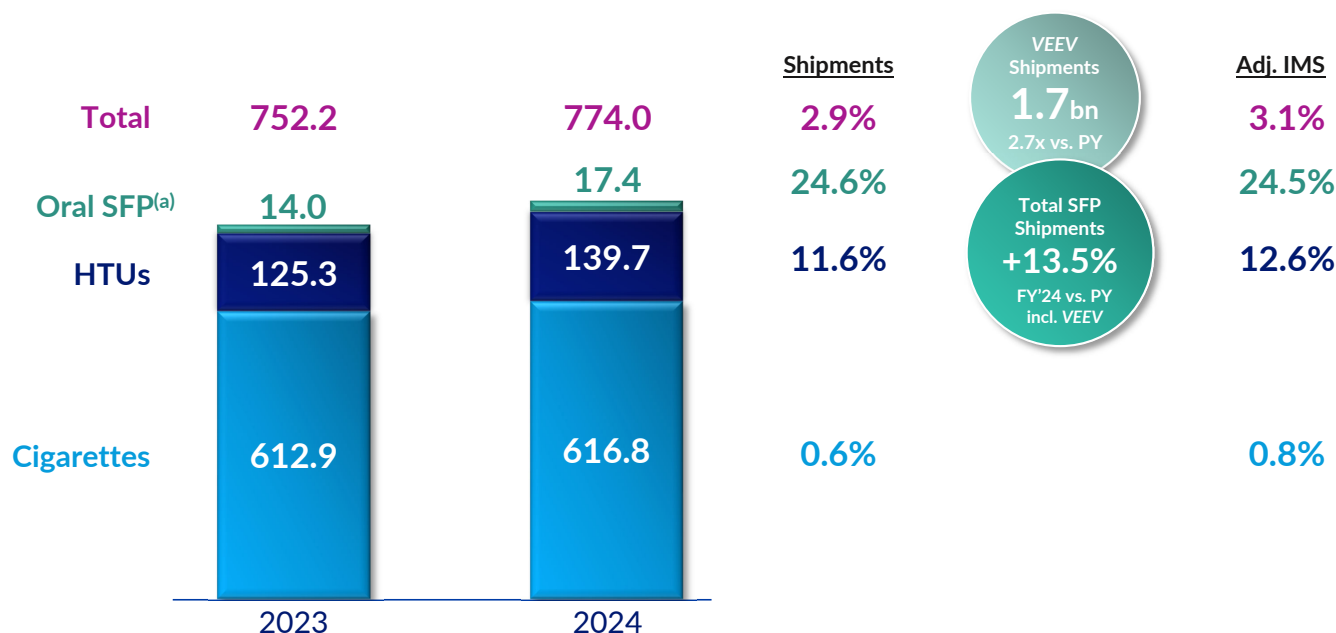
+14.0%

Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Shipment volume includes HTUs, cigarettes and oral SFPs excluding snuff, snuff leaf and U.S. chew. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

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Fourth Consecutive Year of Volume Growth

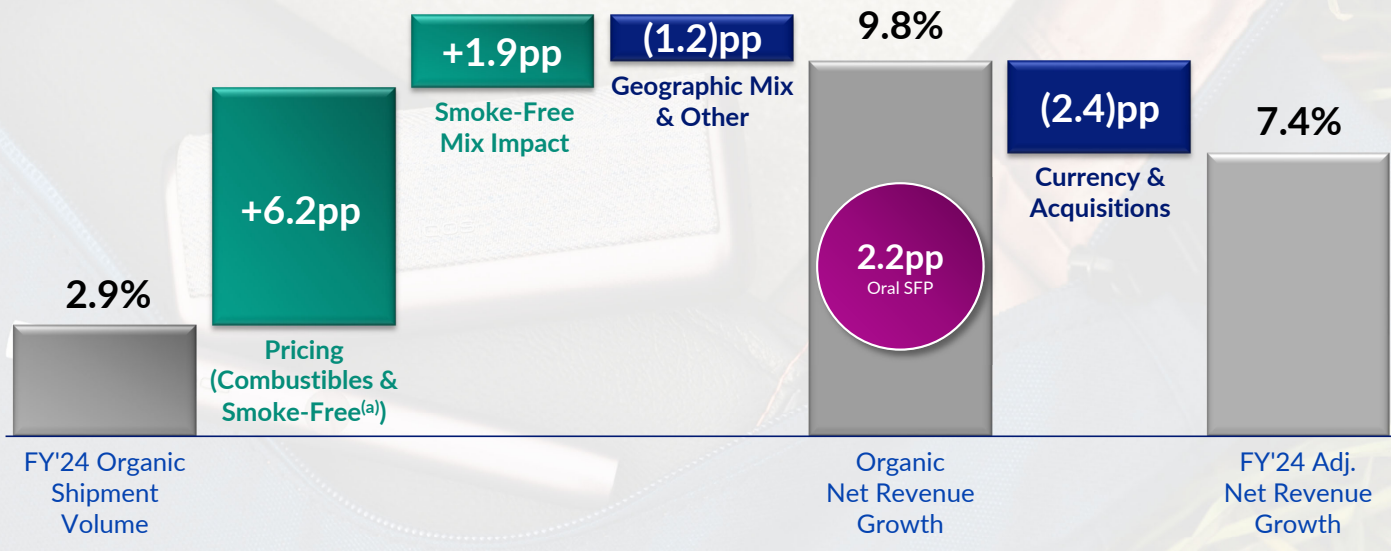
(shipments in bn units; change vs. PY)



(a) Volumes shown in pouch or pouch equivalents, excluding snuff, snuff leaf and U.S. chew. Note: Total SFP volumes represent HTUs, Oral SFPs and VEEV volumes in equivalent units. Total may not foot due to rounding. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

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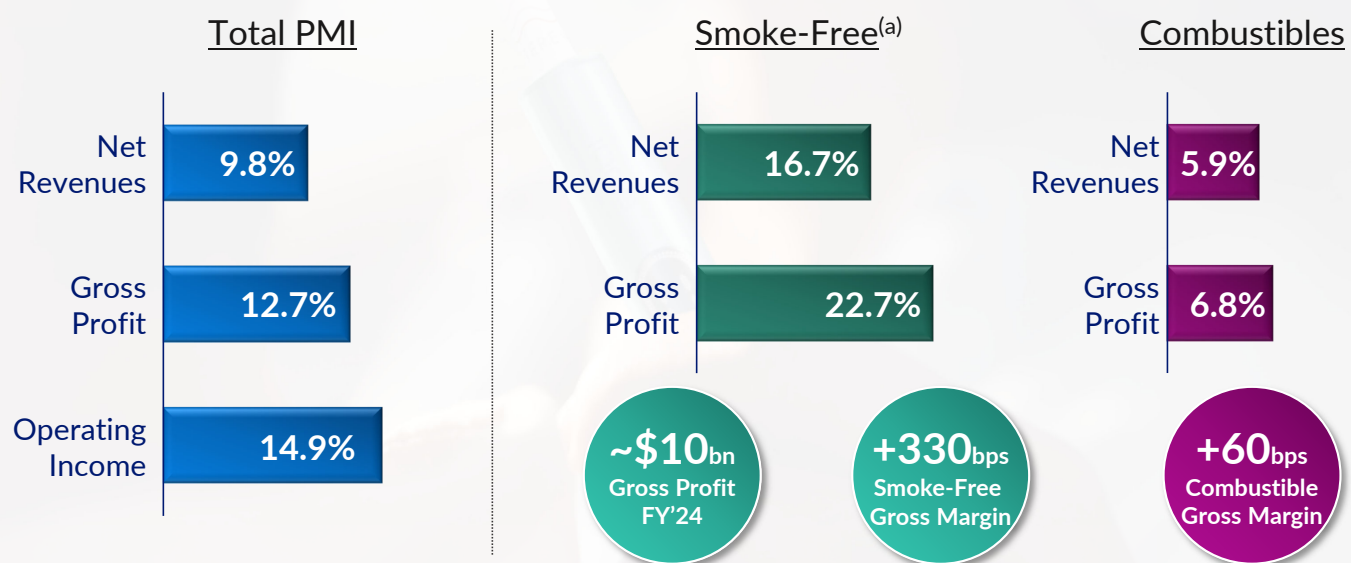
Top-Line Growth Powered by Volumes, Pricing & Category Mix



(a) Represents Smoke-Free Business. Note: Smoke-free mix represents the impact of an increased proportion of smoke-free products at higher net-revenue per unit and is calculated at total PMI level, excluding the impact from market mix. Total may not foot due to rounding. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Accelerated Smoke-Free & Combustibles Performance

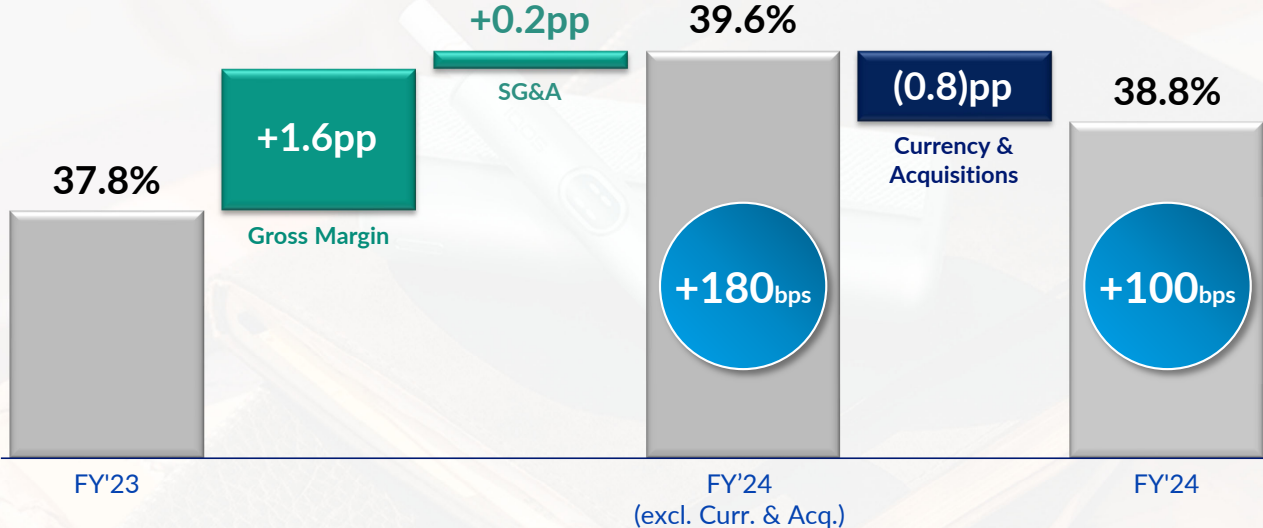
FY'24 Organic Growth vs. PY



(a) Represents Smoke-Free Business. Note: Organic gross margin growth is calculated based on organic gross profit, divided by organic net revenues. Chart not to scale. Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

OI Margin Expansion While Investing For Growth

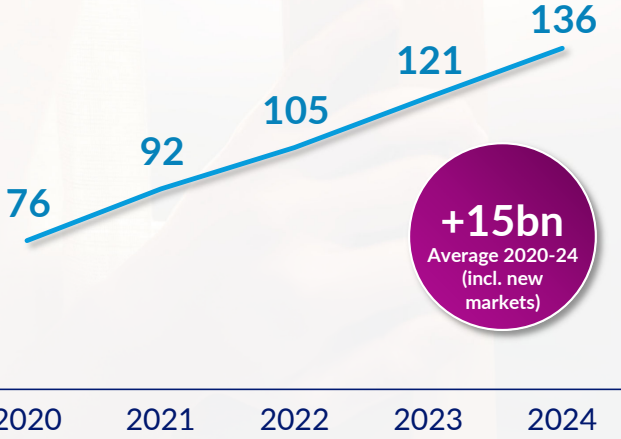
FY'24 Adjusted OI Margin



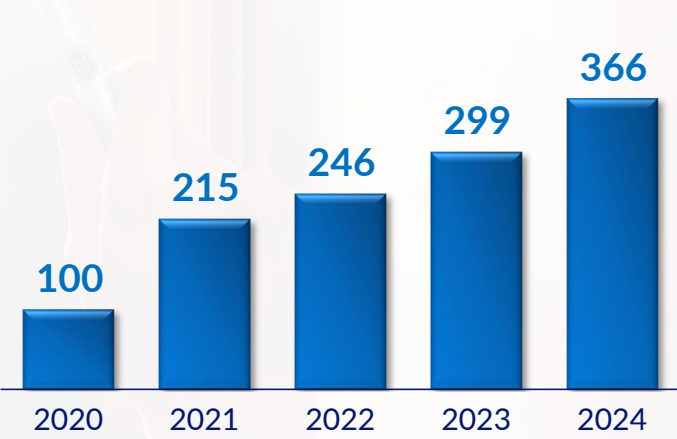
Note: Total may not foot due to rounding. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Continued IQOS HTU Momentum, Accelerating Profitability

HTU Adj. IMS (billion units)



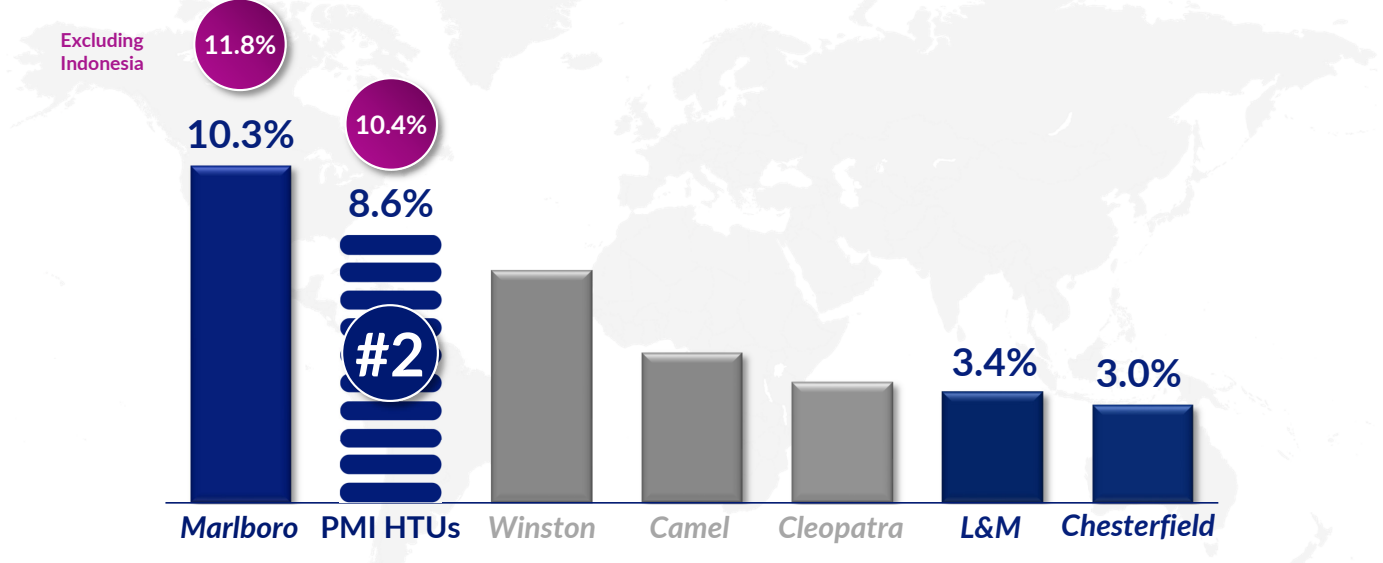
IQOS Product Contribution^(a) (Indexed, 2020 = 100)



Note: HTU Adj. IMS in 2020 and 2021 represent reported IMS. (a) At constant exchange rates. Product contribution calculated as gross profit minus commercial and R&D costs. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

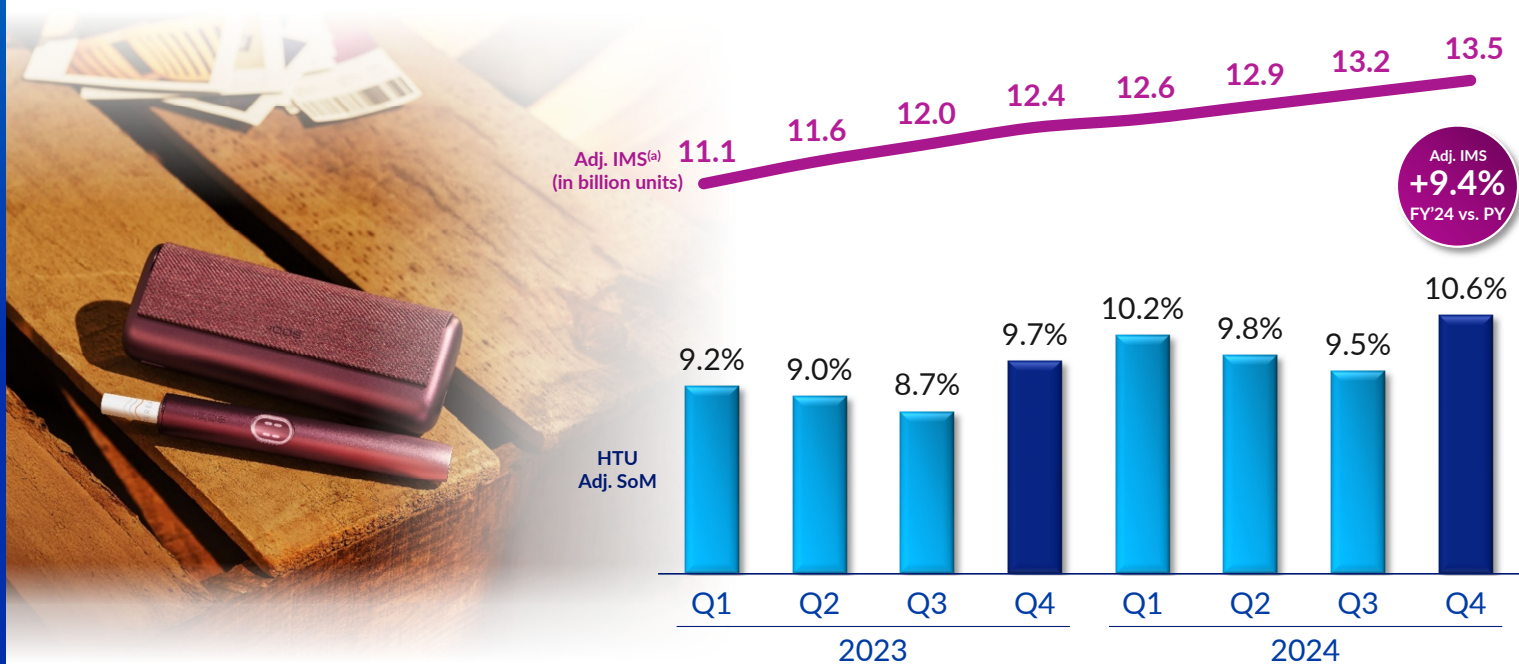
PMI HTUs: Second-Largest 'Brand' in IQOS Markets

Share in IQOS Markets (Q4'24)^(a)



(a) Reflects markets (including Indonesia, following broader commercialization in the market) where IQOS is available in key cities or nationwide at December 31, 2024
 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 as of January 29, 2025

Europe: Broadening Growth Drivers, Underlying Momentum

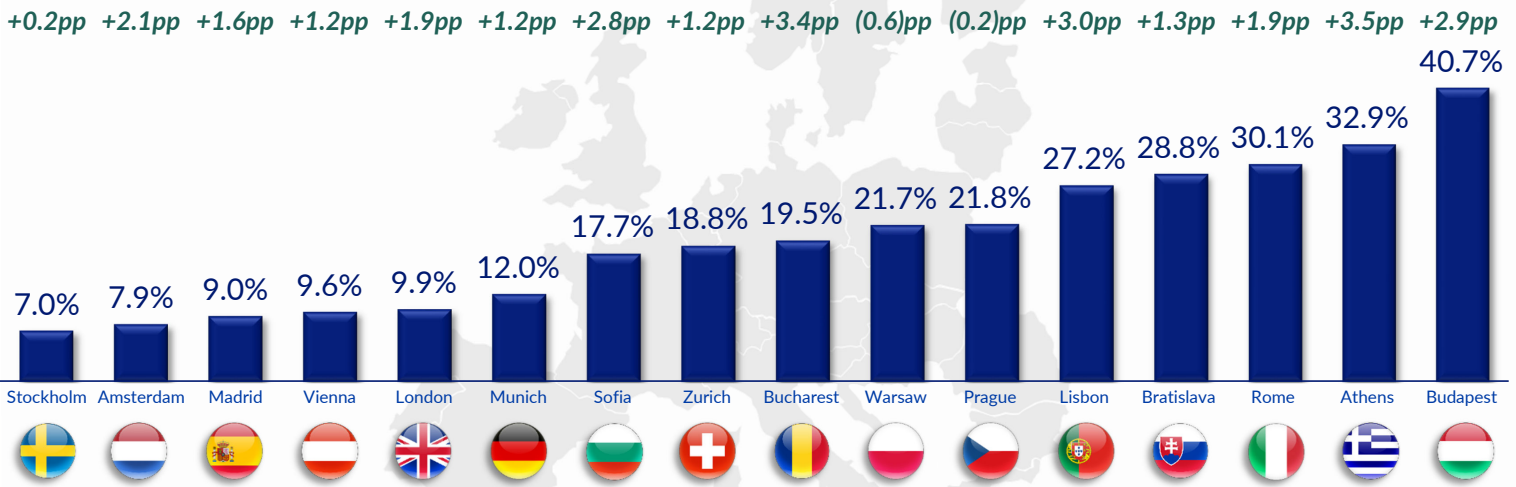


(a) Based on a four-quarter moving average. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Impressive Progress in European Key Cities

PMI HTU Offtake Share (Q4'24)

Change vs. PY

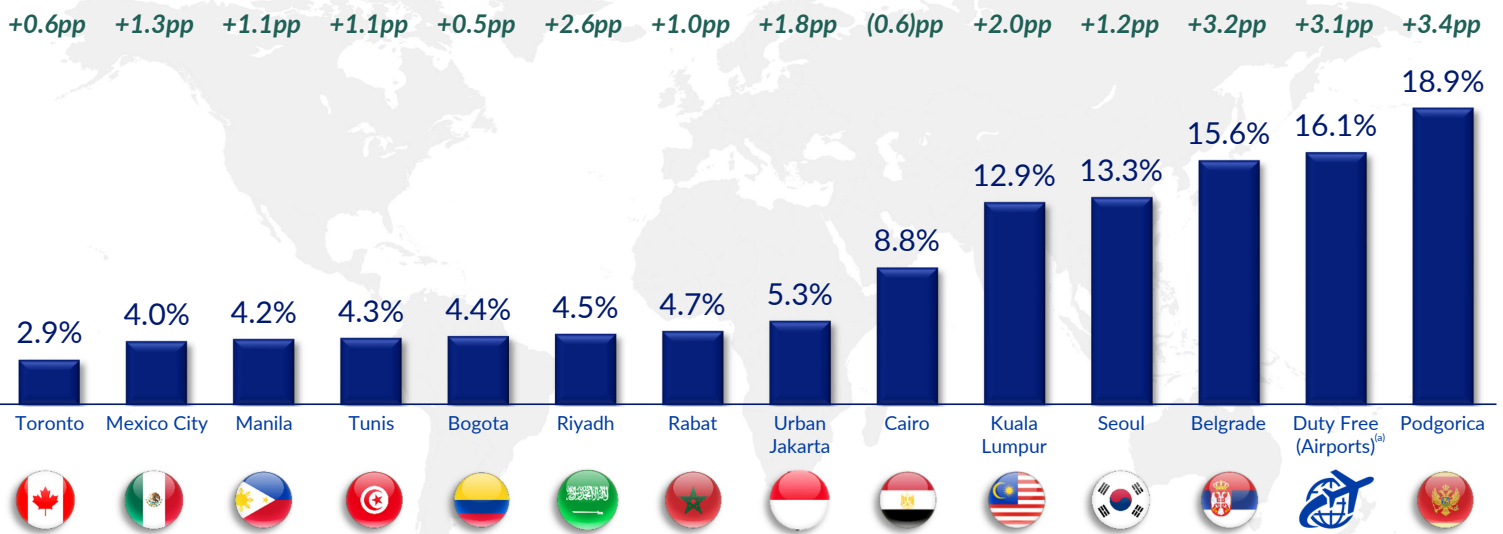


Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Strong Key City Growth Across Global Markets

PMI HTU Offtake Shares (Q4'24)

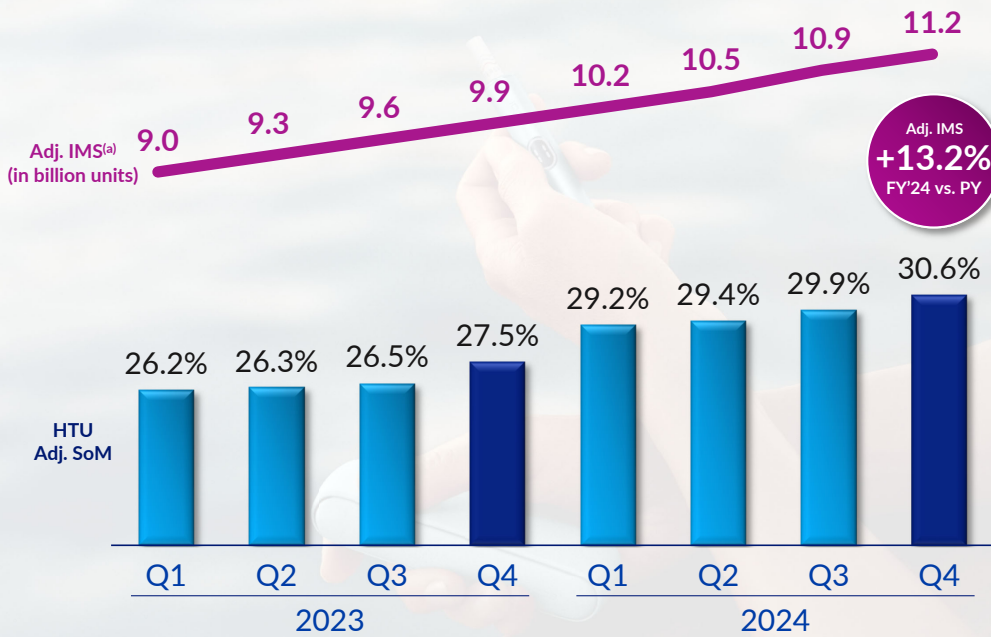
Change vs. PY



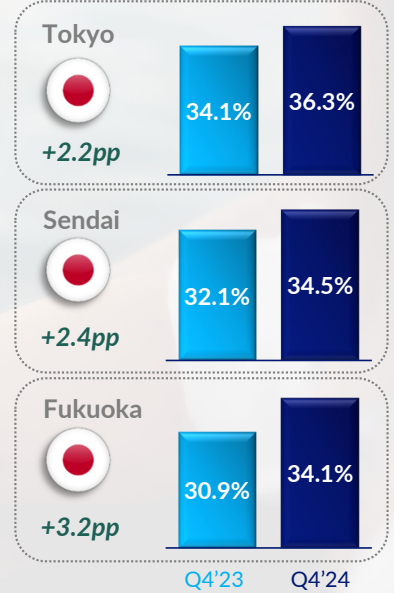
(a) Duty Free includes airports where IQOS is available, offtake share based on Sep-Nov'24 vs. Sep-Nov'23.

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. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Japan: Continued Excellent IQOS Performance



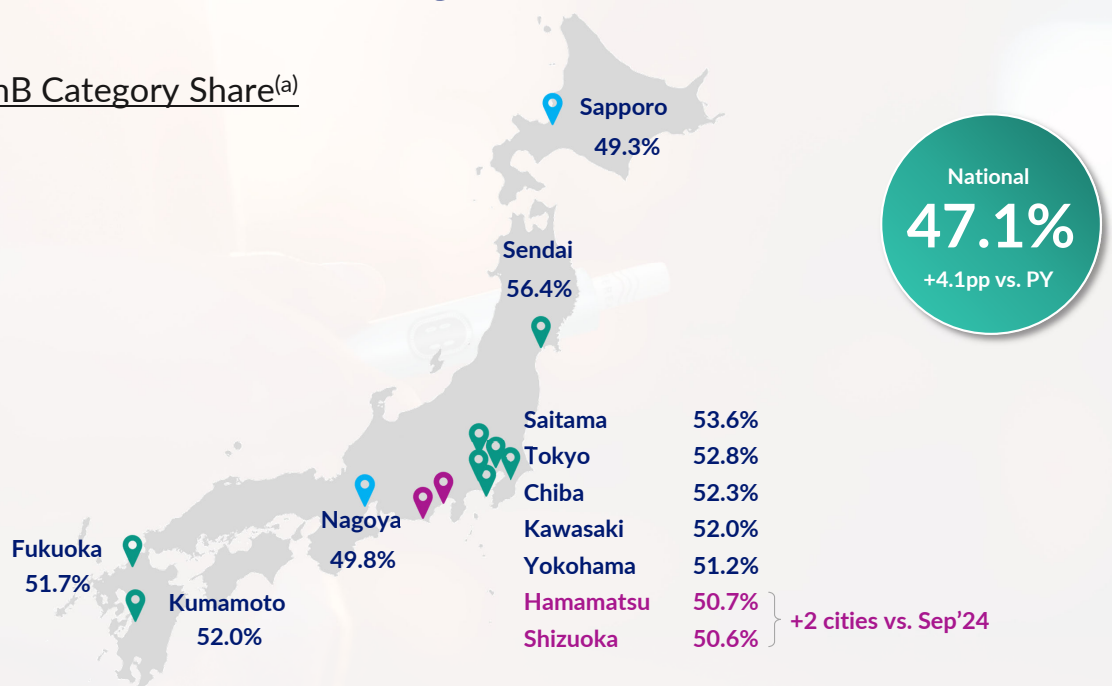
Japan HTU Offtake Share^(b)



(a) Based on a four-quarter moving average. (b) Based on 3 C-Store Chains offtake. Base includes cigarettes, cigarillos and HTUs. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Category Penetration Surpassing 50% In Multiple Key Cities

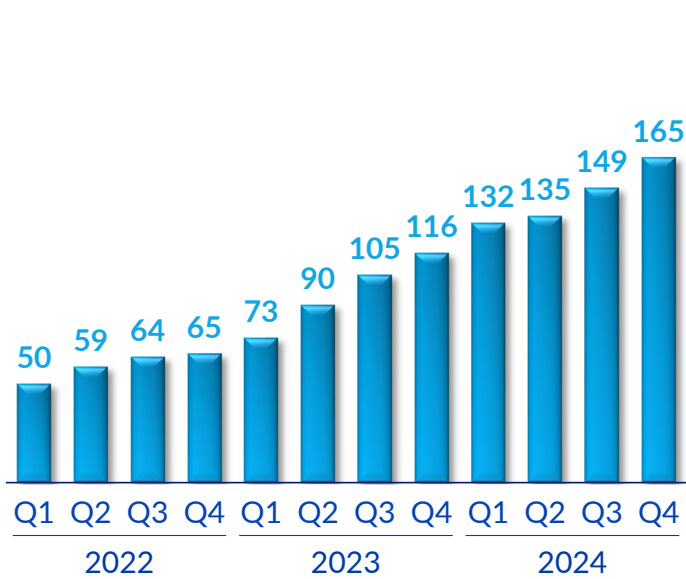
Dec'24 Offtake HnB Category Share^(a)



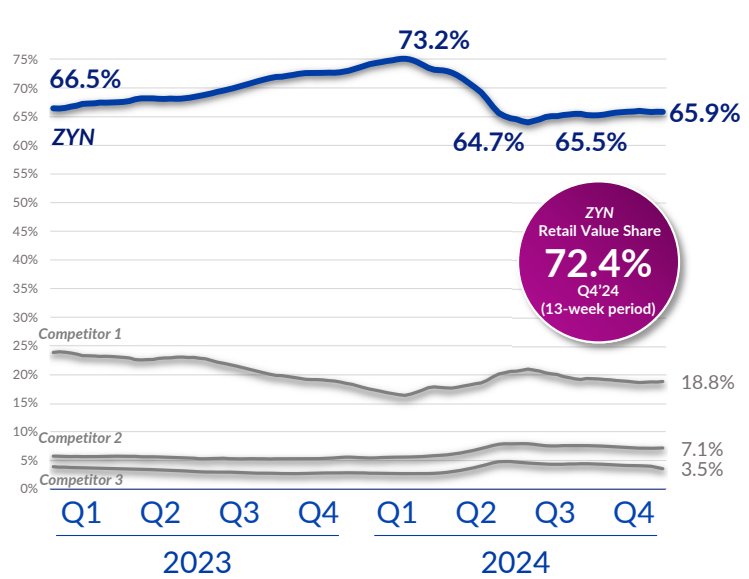
(a) Based on 3 C-Store Chains offtake. Base includes cigarettes, cigarillos and HTUs. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Strong ZYN Demand, Sequential Volume Acceleration

ZYN U.S. Shipment Volumes
(million cans)



U.S. Nicotine Pouch Category Volume Share
(4-week period, %)

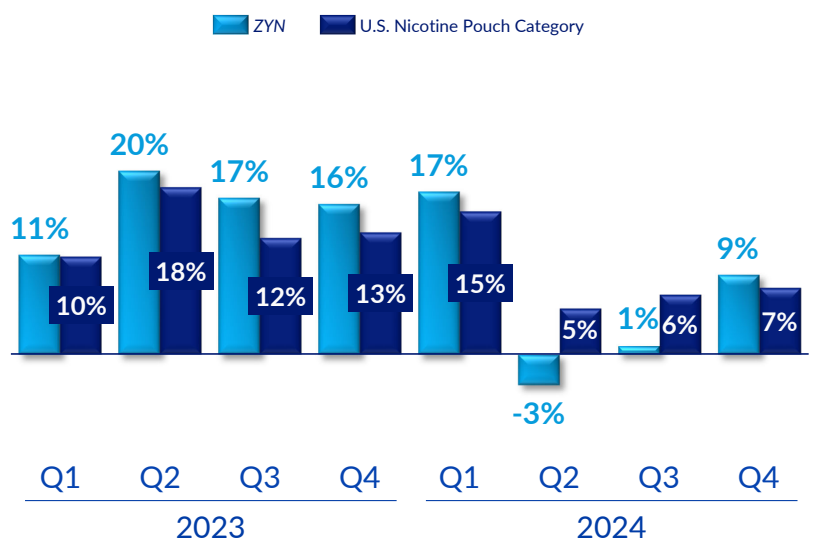


Source: PMI Financials or estimates, Circana, LLC, Nicotine Pouches, Week ending 12/29/24. Q4, 2024 Earnings, presented February 6, 2025

ZYN Leading Category Growth Again Despite Constraints

- Category trends driven by ZYN
- Stronger demand limits progress in retail availability:
 - Production capacity continues to grow
 - Target full normalization in H2'25
- Well-positioned for strong growth
- First and only FDA-authorized nicotine pouch brand

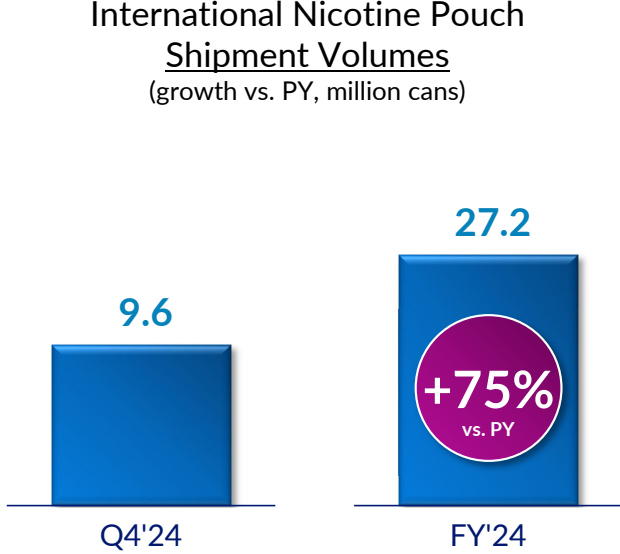
ZYN and U.S. Nicotine Pouch Category
(Offtake sequential volume change, %)



Source: PMI Financials or estimates, Circana, LLC, Nicotine Pouches, Week ending 12/29/24. Q4, 2024 Earnings, presented February 6, 2025

Increasing Growth Contribution from ZYN Internationally

International Nicotine Pouch
Shipment Volumes
 (growth vs. PY, million cans)



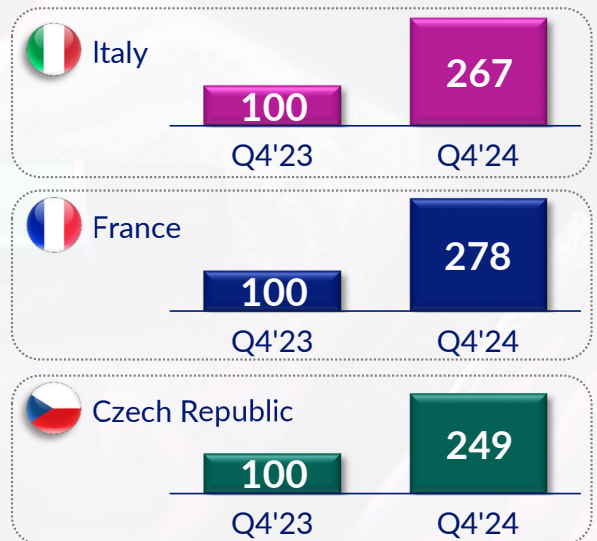
(a) Markets where PMI commercializes nicotine pouches, including U.S.
 Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Very Good VEEV Traction in Key Geographies

- Increasingly contributing to multi-category offer, generating incremental growth
- Top-3 pod brand in 13 European markets^(a):



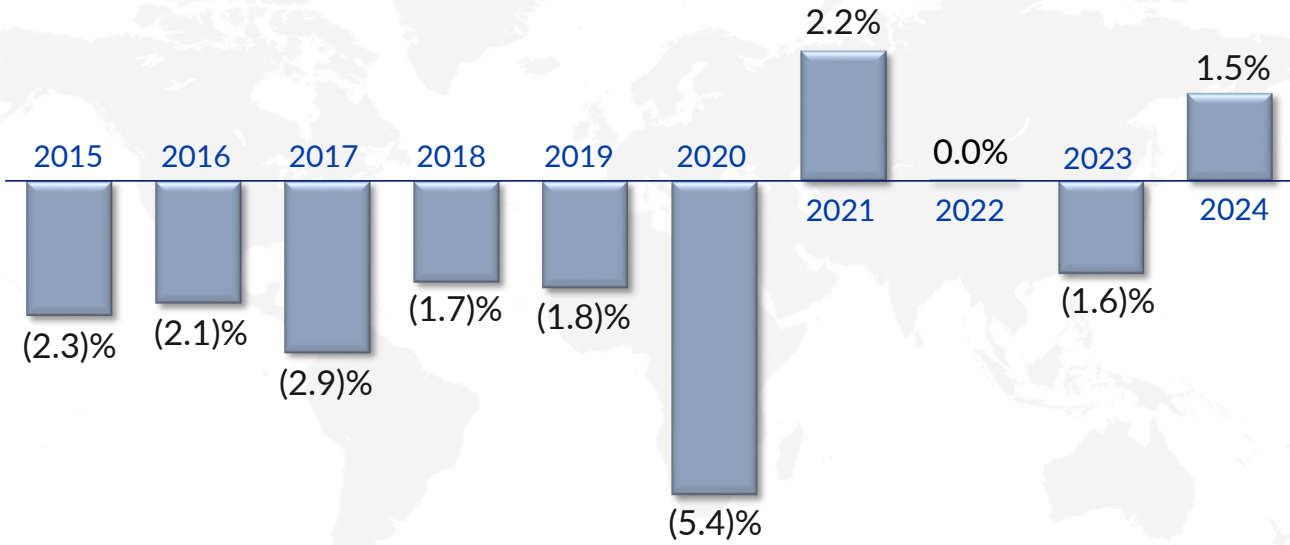
VEEV ONE Offtake Volumes^(b)
 (Indexed, Q4'23 = 100)



(a) Based on Sep-Nov'24 offtake volumes. (b) Italy and Czech Republic based on Nielsen, Italy including tobacco shops only. France based on Strator.
 Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025

Total Cigarette & HTU Industry Volume Trend (2014-2024)

(% Change vs. PY)

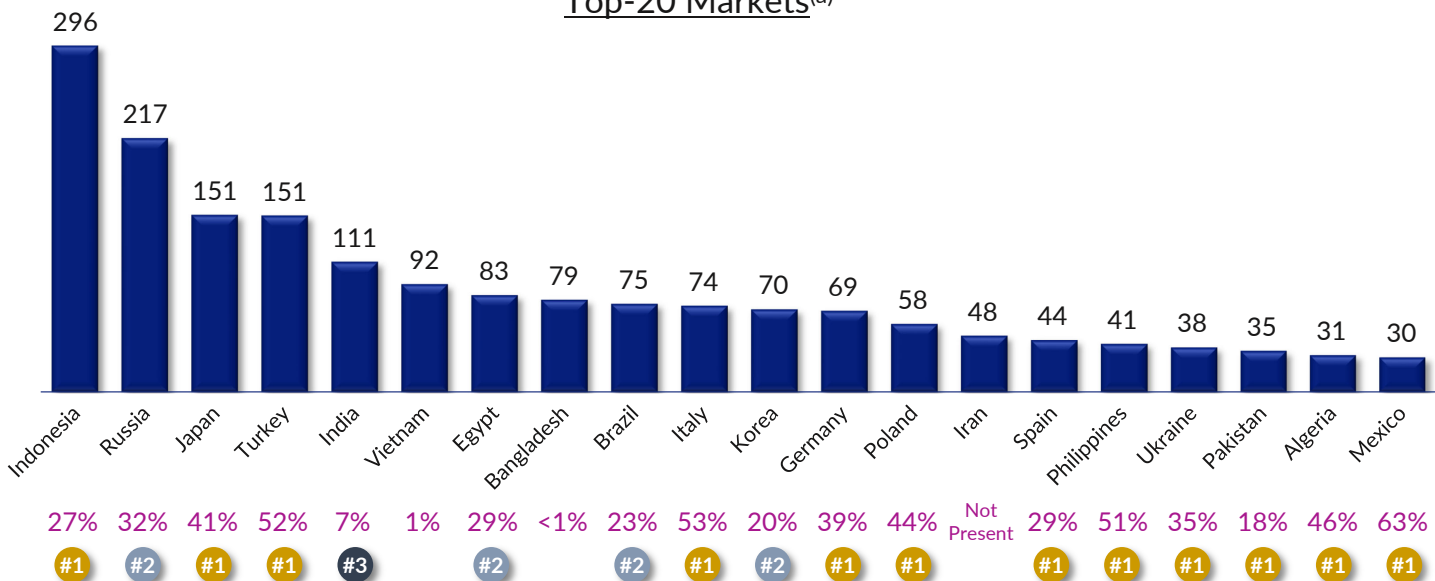


Note: Includes cigarillos in Japan. Excluding China and the U.S.
Source: PMI Financials or estimates as of January 27, 2025

Leadership in Top Industry Volume Markets (2024)

(billion units)

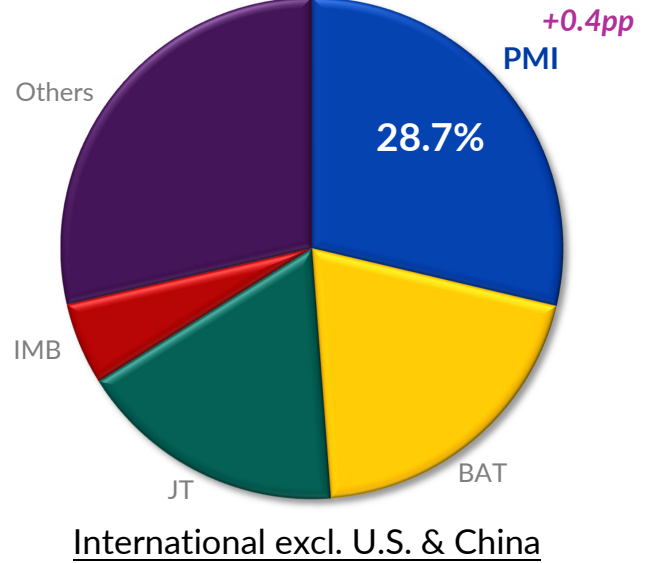
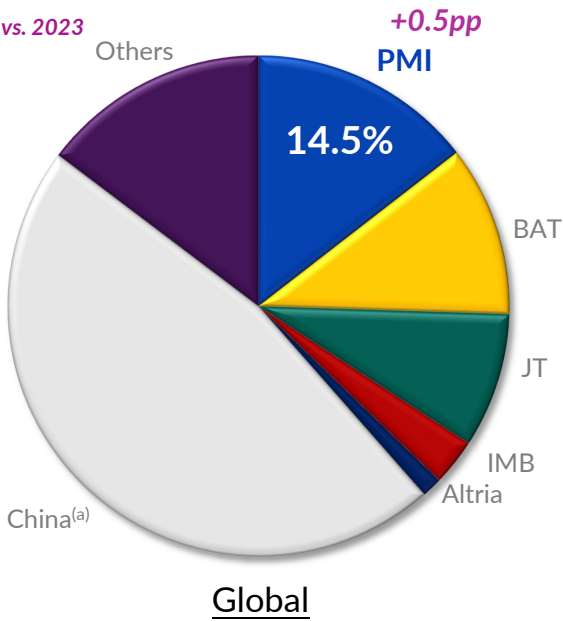
Top-20 Markets^(a)



(a) Top-20 markets ranked by 2024 total industry volume, excluding the U.S., China and Duty Free
Note: As per our Annual Report on Form 10-K for the year ended December 31, 2024, we do not sell products in Belarus, Iran, North Korea or Syria. Reflects cigarettes and HTUs (where applicable) and includes cigarillos in Japan. Source: PMI Financials or estimates as of January 27, 2025

2024 PMI Total Market Share (Cigarettes and HTUs)

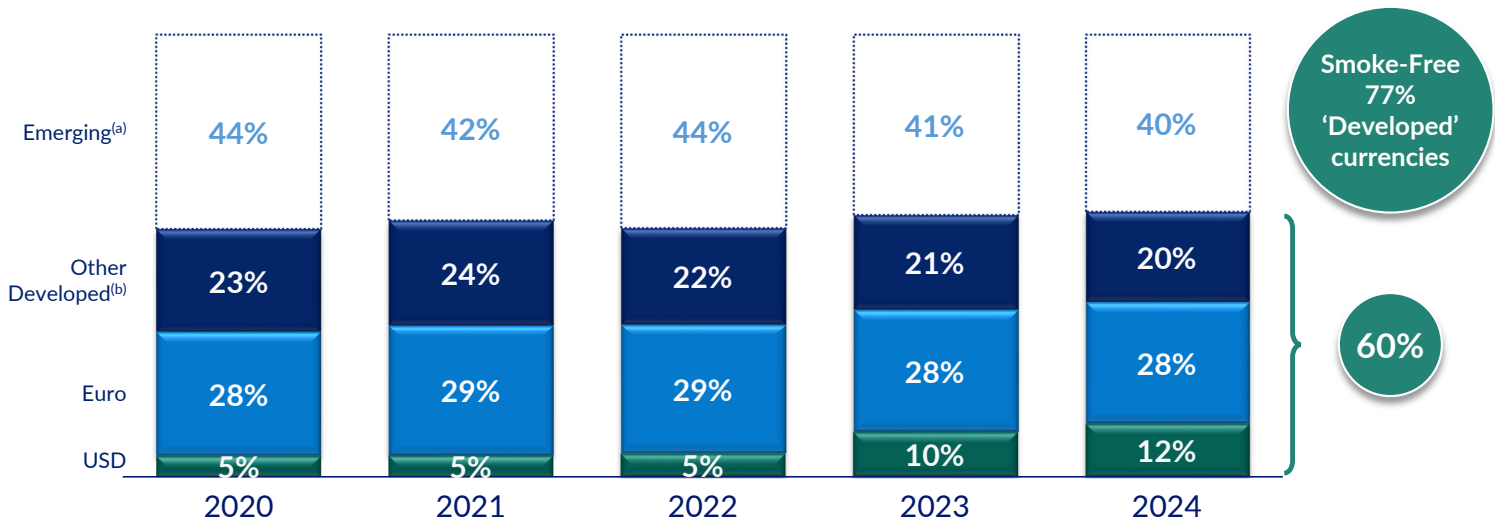
Change vs. 2023



(a) Excluding CNTC license production of *Marlboro* and *Parliament* cigarettes (2.3 billion units in 2024)
 Note: Reflects cigarettes and HTUs. Industry volume includes cigarillos in Japan
 Source: PMI Financials or estimates as of January 27, 2025

Improving Currency Profile Supports Real Growth

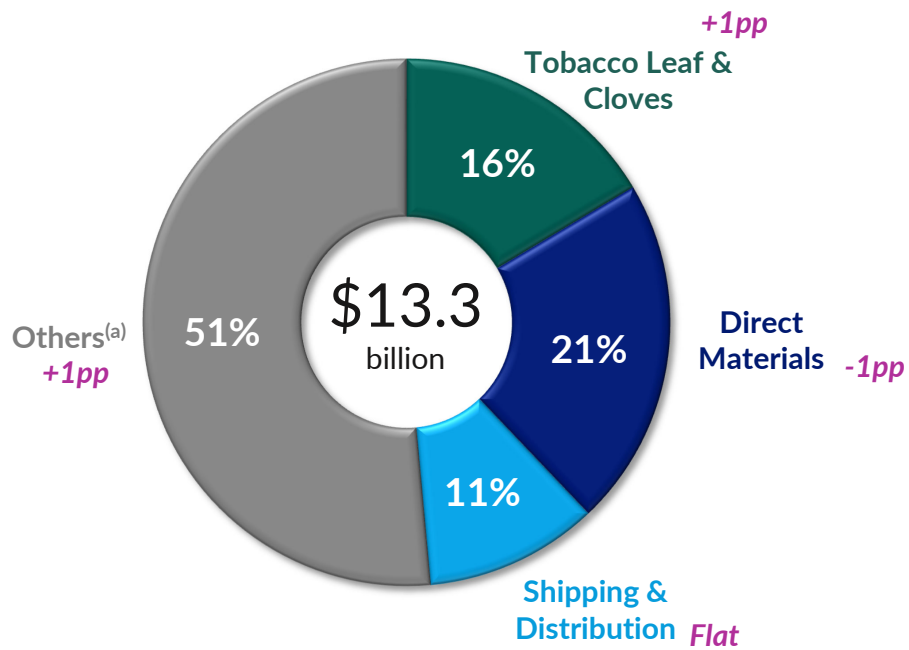
Adj. Net Revenues by Currency



(a) Includes Czech Krona, Egyptian Pound, Indonesian Rupiah, Mexican Peso, Philippine Peso, Polish Zloty, Russian Ruble and Turkish Lira. (b) JPY, CHF, KRW, GBP, ILS, AUD, HKD, NOK, SGD, SEK, DKK, CAD and NZD. Note: Reflects currencies in which net revenues are generated. Total may not foot due to rounding.
 Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

2024 PMI Adjusted Cost of Goods Sold

Change vs. 2023



(a) Conversion, fixed manufacturing expenses, devices and other costs. Note: Excludes amortization and impairment of intangibles (\$51 million). Including amortization and impairment of intangibles, total Cost of Goods Sold is 13.3 billion.
Source: PMI Financials or estimates

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Championing a Smoke-Free World

Section 2: Smoke-Free Transformation

10 Years of Smoke-Free Transformation

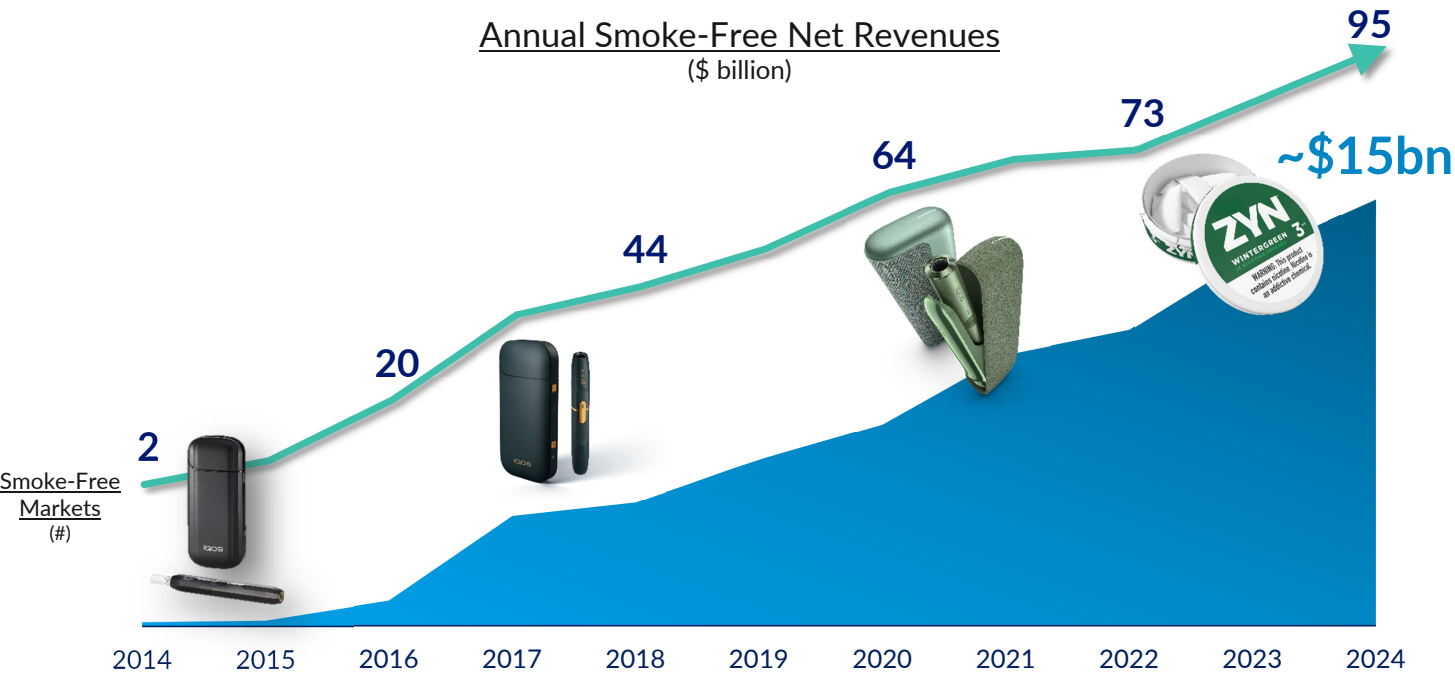
2024 Key Milestones

- Nearly \$15bn smoke-free net revenues, >\$10bn total PMI adj. net earnings^(a)
- Smoke-free net revenues 40% of total PMI in Q4, ~60% in Top-5 OI markets^(b)
- Multi-category strategy deployed in ~50% of 95 smoke-free markets, >38.5m users
- >1bn oral smoke-free product^(c) cans (644m nicotine pouch cans)
- FDA authorization for all ZYN products currently marketed by Swedish Match in the U.S.

(a) Adjusted net earnings attributable to PMI. (b) Ranking based on FY'24 OI (c) Excluding snuff, snuff leaf and U.S. chew. Source: PMI Financials or estimates. Q4, 2024 Earnings, presented February 6, 2025.

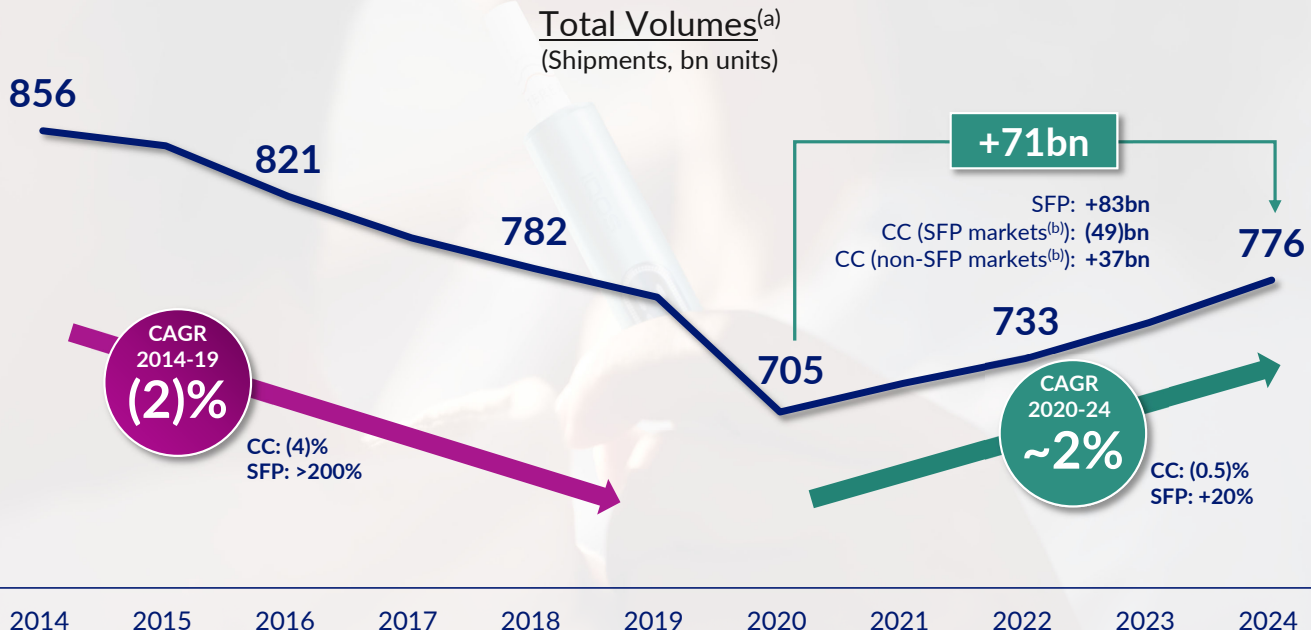
Smoke-Free Approaching \$15 billion Top-Line & 100 Markets

Annual Smoke-Free Net Revenues (\$ billion)



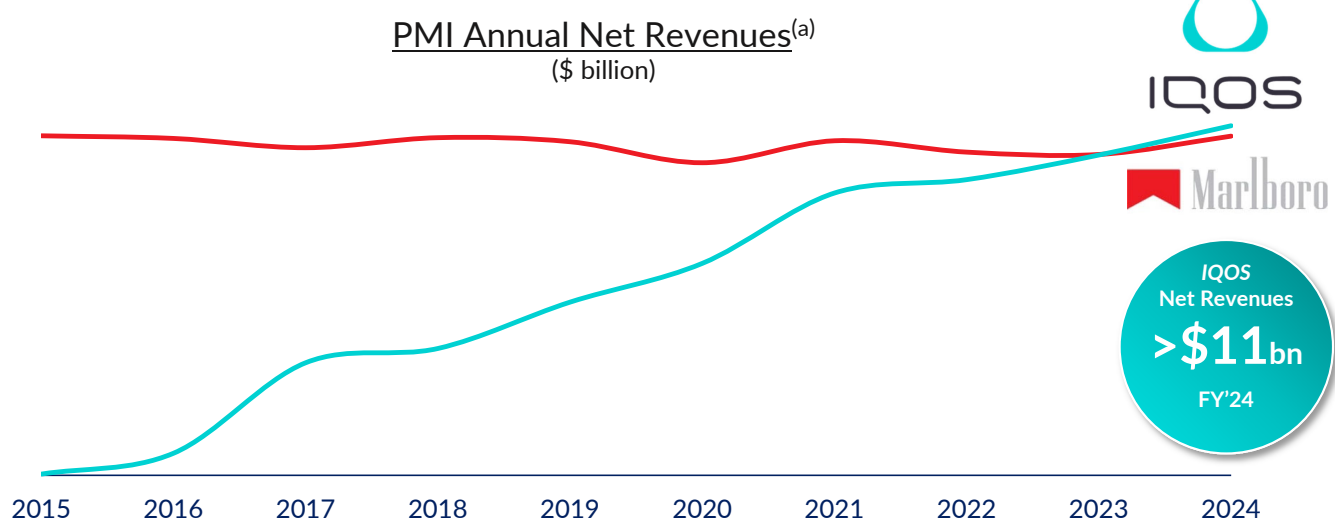
Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

Transforming From Decline to Growth in Total Volumes



(a) Volumes for cigarettes, HTUs, Oral SFPs and e-vapor. Oral SFPs volumes shown in pouches or pouch equivalents, excluding snuff, snuff leaf and U.S. chew, e-vapor volumes shown in stick equivalent units. (b) Based on 73 PMI SFP markets as of December, 2022. Note: CC refers to combustible cigarettes. Source: PMI Financials or estimates. Based on CAGNY 2025, presented February 19, 2025

IQOS Overtaking Marlboro Within a Decade

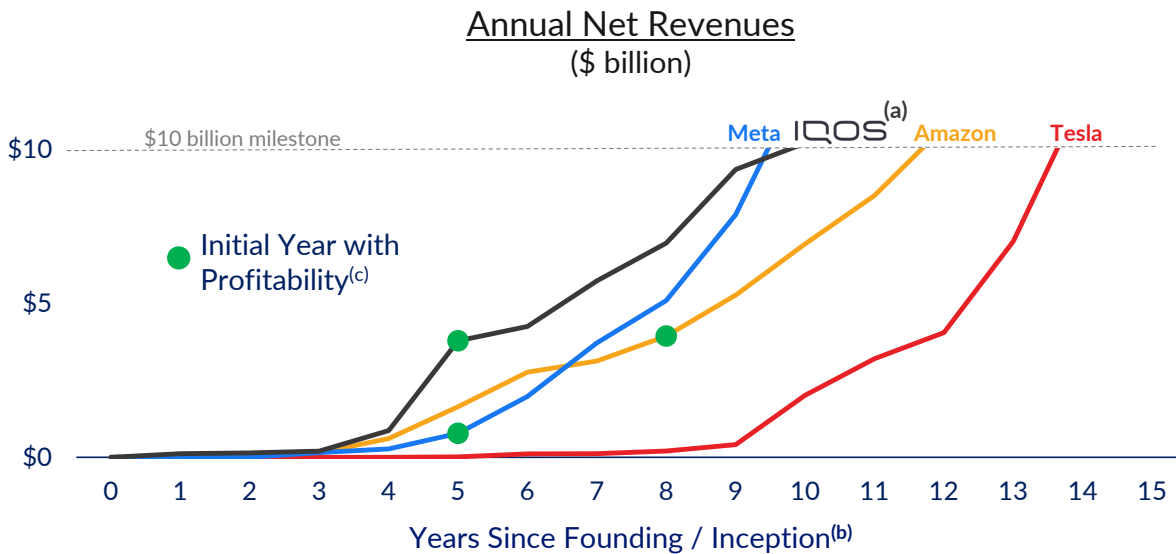


Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
IQOS SoM rank in IQOS markets ^(b)	-	#35	#15	#6	#4	#3	#3	#3	#2	#2
IQOS Markets, #	7	20	38	44	52	64	68	68	71	76

(a) Marlboro includes Marlboro combustibles, IQOS represents Heat-not-Burn net revenues. (b) IQOS HTU volume share of market compared to other cigarette and HTU brands. Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

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

(Presented at Investor Day 2023, PMI Data to 2022)



(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

10 Years of ZYN: Nearing \$2bn U.S. Net Revenues

ZYN Net Revenues (a)
(\$ billion)



#1 U.S. Smoke-free Brand (c)

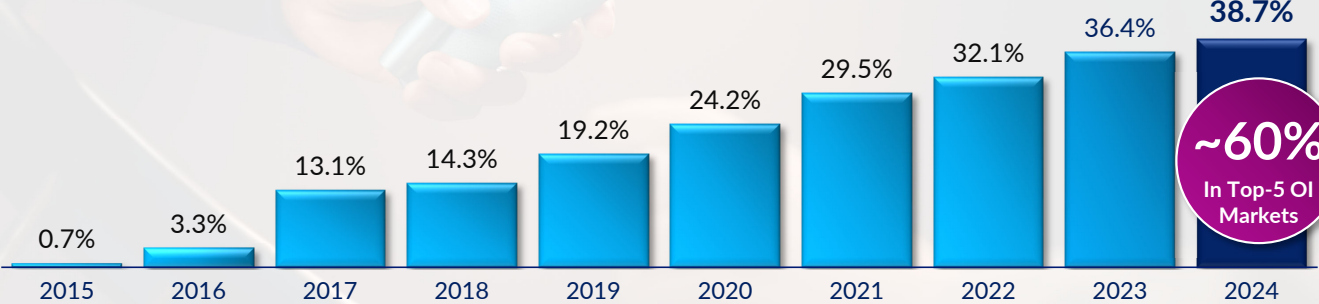
ZYN U.S. Nicotine Brand Rank (b)	2019	2020	2021	2022	2023	2024
Rank	#25	#20	#15	#11	#6	#4

(a) Represents Americas segment. (b) Ranking as of Q4 of each year, based on Circana LLC Retail Sales Value. (c) Ranking based on 2024, Circana LLC Retail Sales Value.
 Source: Data prior 2023 based on Swedish Match financials. PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

Becoming Substantially Smoke-Free By Net Revenues

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

2030 Vision
>2/3

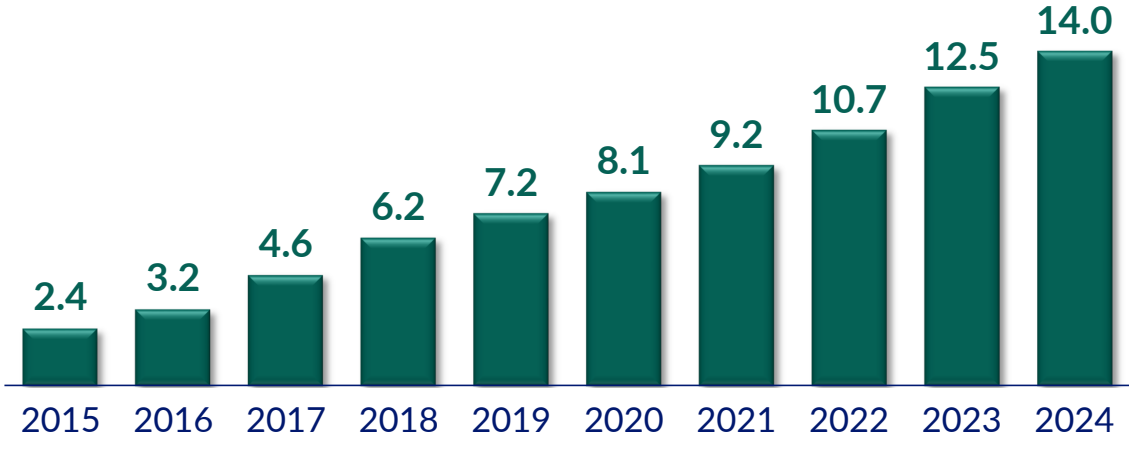


Markets, # (FY)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
>30%	-	-	2	6	15	24	29	37	43	45
>50%	-	-	1	3	4	6	10	17	25	23
>75%	-	-	-	-	-	-	-	-	3	6

(a) Smoke-free represents Smoke-Free Business. For further information, please see Section 9: Appendix and Reconciliation of non-GAAP Measures. Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

Substantial Investment in Best-in-Class Capabilities

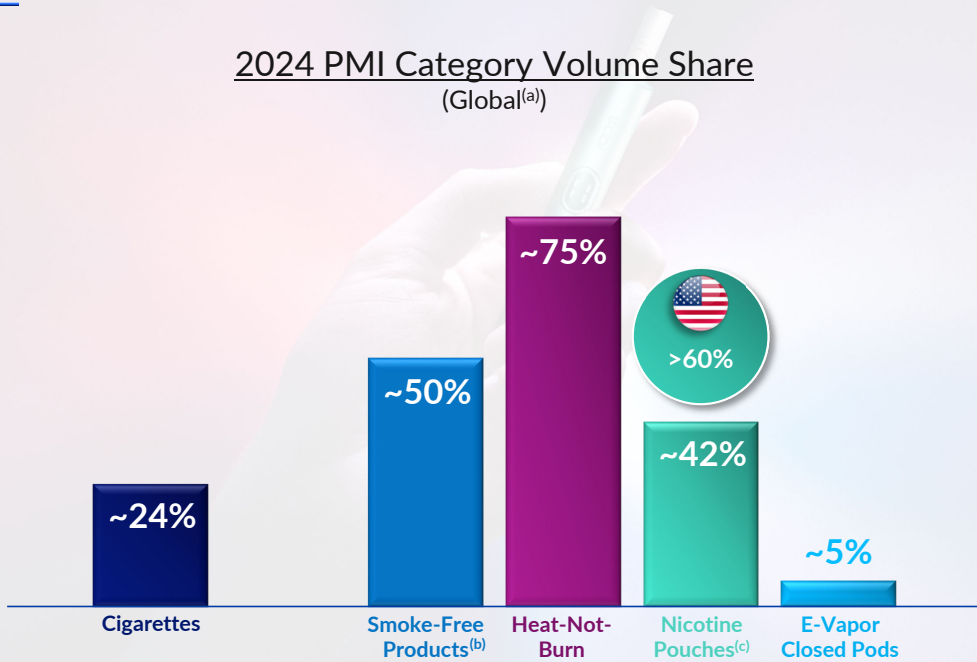
Cumulative Smoke-Free Product Investments
(\$ billion)



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 Swedish Match and wellness and healthcare business. Source: PMI Financials or estimates

Strong Leadership in Most Attractive SFP Categories

2024 PMI Category Volume Share
(Global^(a))



Note: PMI does not sell cigarettes in the U.S. (a) Excluding China. (b) Excludes open tank e-vapor systems and traditional oral products. (c) In cans.
Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

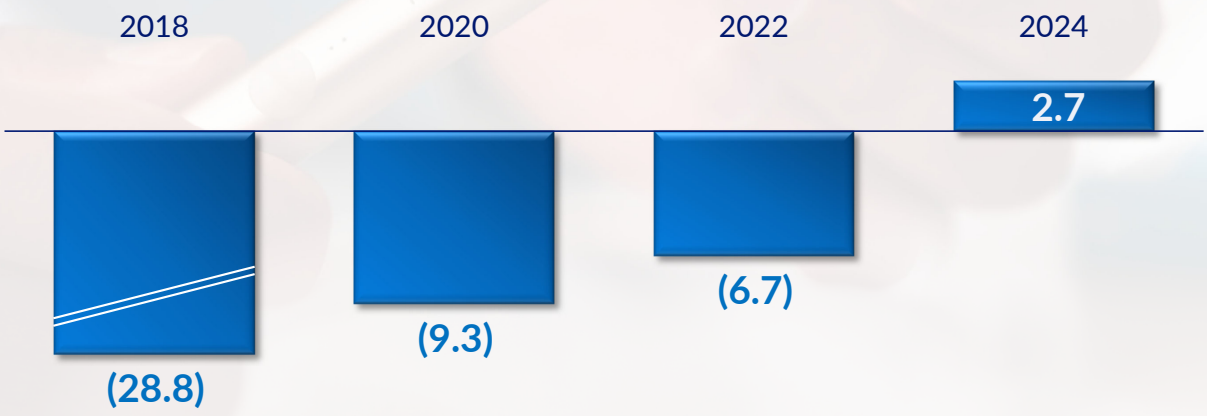
Favorable & Improving SFP Unit Economics: Key Growth Pillar

(\$/000, 2024)	Intl. Cigarettes PMI Average	Intl. IQOS (Incl. devices) ^(a) Average	Current Ratio vs Cig.	U.S. ZYN Average	Current Ratio vs Intl. Cig.
Net Revenue	~36	~80	~2.2x	~215	~6x
COGS	~13	~26		~30	
Gross Profit	~23	~54	~2.4x	~185	~8x

Per thousand rates, where one unit = one nicotine pouch or one HTU. (a) IQOS financials, including devices, allocated to HTU on per '000 basis.
Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

Smoke-Free Increasingly Profitable As Top-Line Grows

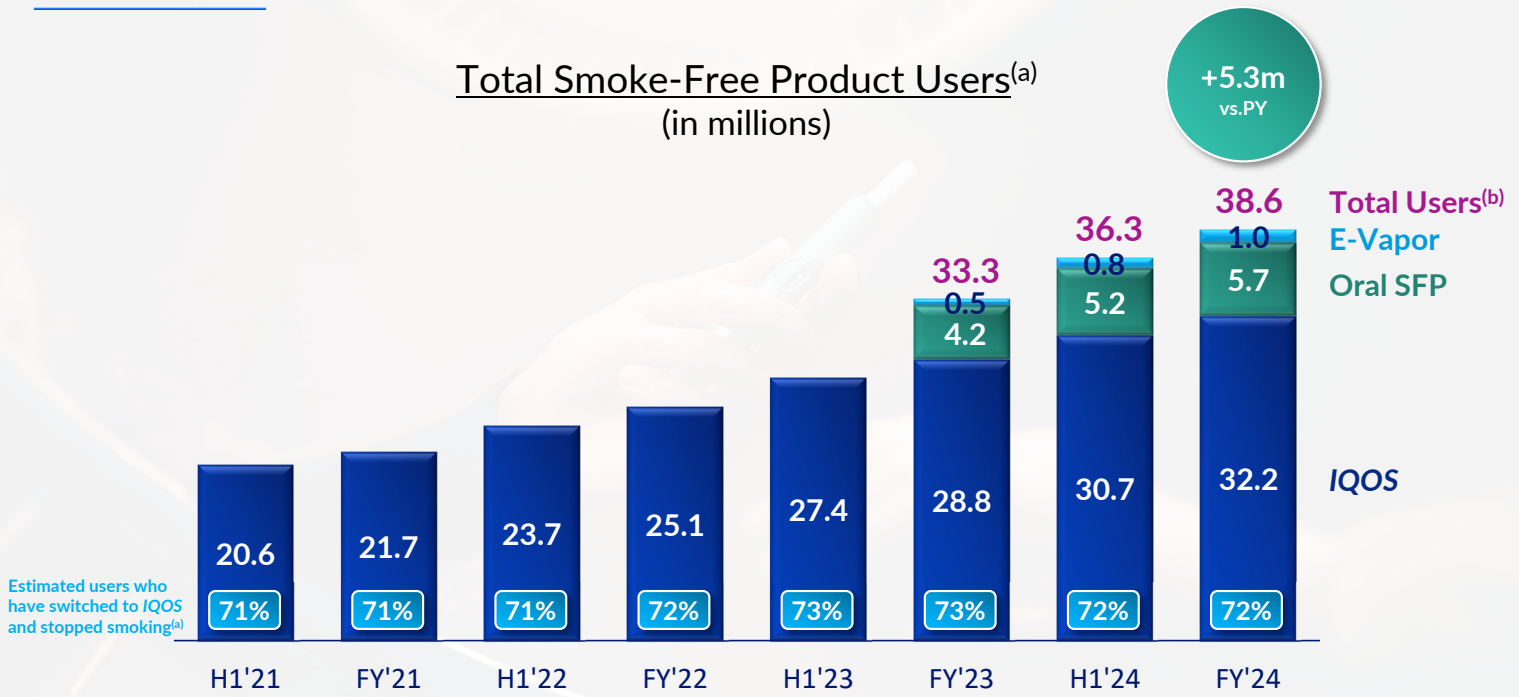
Adj. Gross Profit Margin Gap
(Smoke-Free vs. Combustibles, pp)



Note: Smoke-Free Business includes Wellness & Healthcare segment. Adjusted gross profit margin calculated based on adjusted gross profit, divided by adjusted net revenues. Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

Over 38m Users of PMI Smoke-Free Products

Total Smoke-Free Product Users^(a)
(in millions)

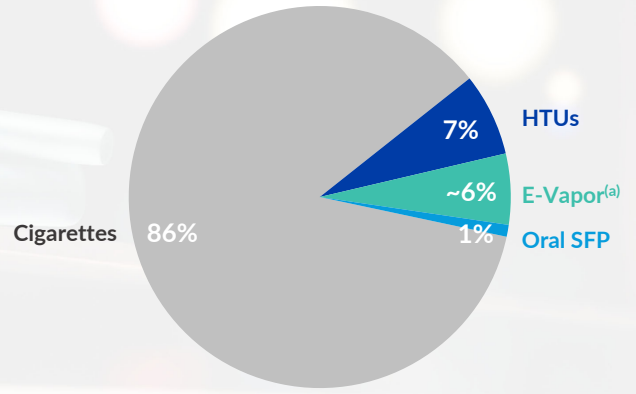


(a) See Glossary for definition. (b) Total Smoke-Free Product Users are net of estimated poly-users across categories. Note: periods up until H1'23 include only IQOS and exclude Swedish Match in FY'22 and H1'23. Source: PMI Financials or estimates and PMI Market Research. Q4, 2024 Earnings, presented February 6, 2025

Substantial Int'l Growth Opportunity for IQOS, ZYN & VEEV

- Total nicotine market close to stable, continued migration to smoke-free products
- Changing consumer preferences generate incremental growth opportunities:
 - IQOS & ZYN well-positioned for SFP poly-use in the U.S. and internationally
 - Multicategory approach to innovation and commercialization

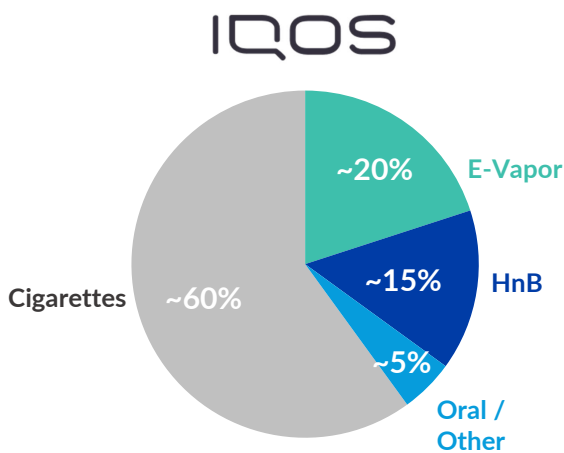
2024 International Volumes by Category (est. stick equivalent units)



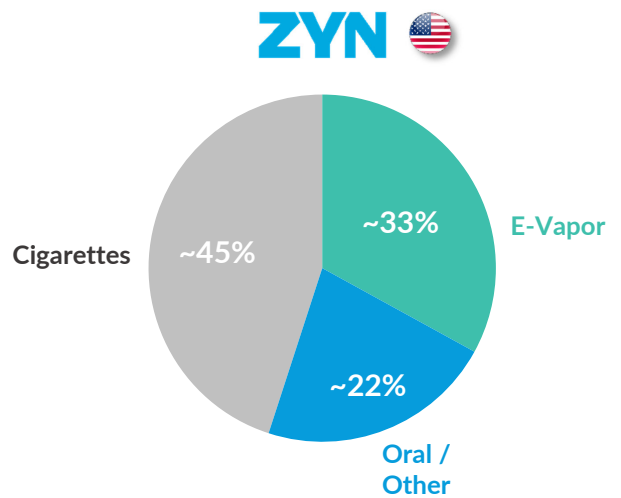
(a) Includes estimated size of open tank systems and illicit e-vapor. Note: Excludes China and U.S. Excludes other tobacco products (OTP). Source: PMI Financials or estimates, Various data sources. CAGNY 2025, presented February 19, 2025.

SFP Categories Source From Cigarettes & Each Other

IQOS Sourcing (Europe)^(a)



ZYN Sourcing (U.S.)^(b)

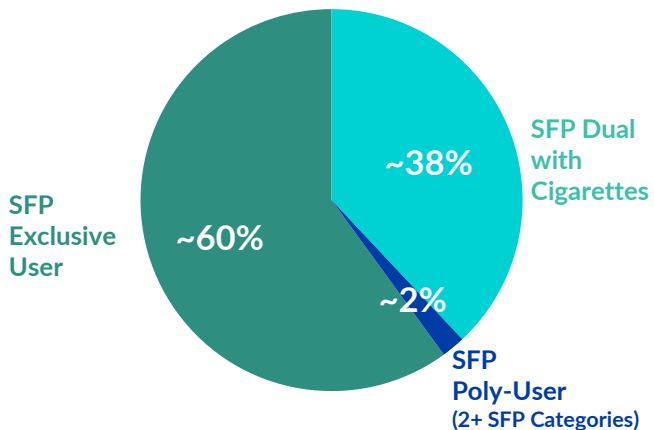


(a) PMI estimates as of Dec'24. (b) U.S. Sizing Research 2024, U.S. Market Landscape Q4 2023 through Q4 2024. Note: Total may not foot due to rounding. Source: PMI Market Research. CAGNY 2025, presented February 19, 2025

Smoke-Free Poly-Users Access More Consumption Occasions

SFP User Breakdown^(a)

(% of SFP Users)

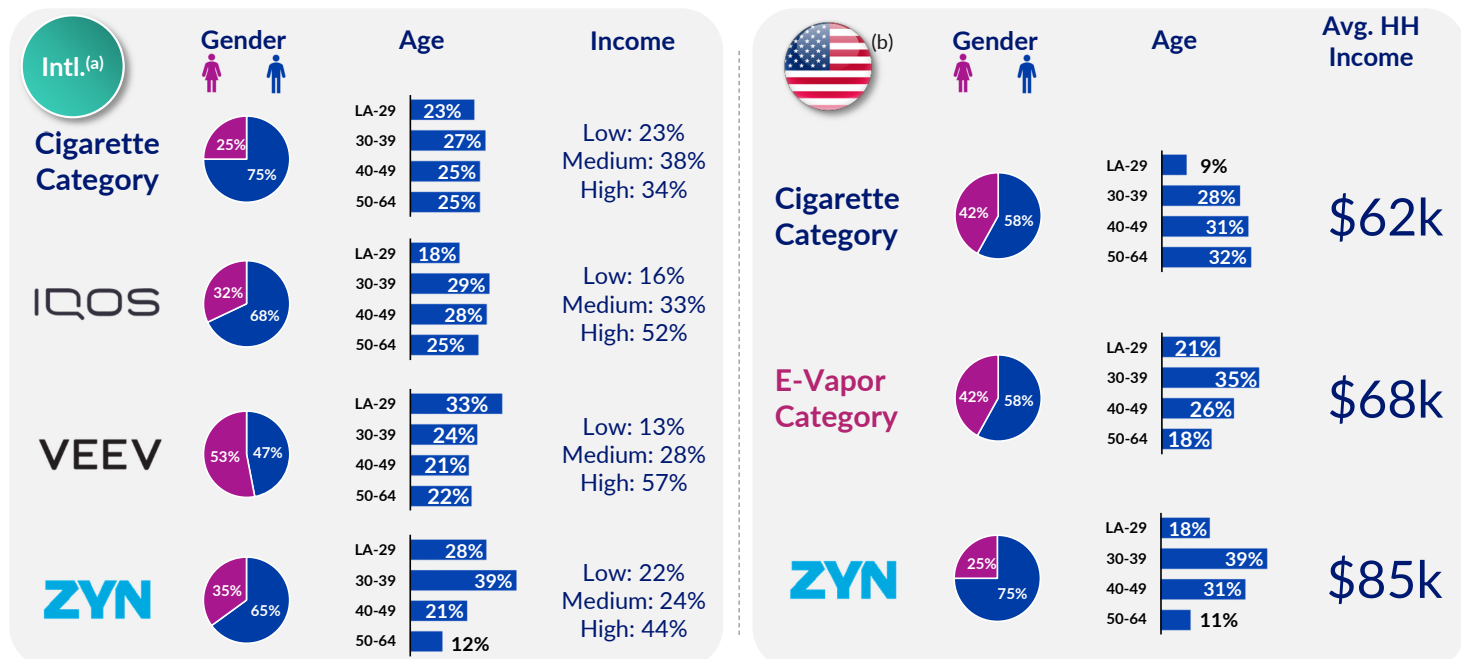


SFP Users: 21% of Total LANU^(a)

- Poly-usage is small on global scale but growing, notably in certain markets
- SFP poly-users tend to have substantially higher daily consumption vs. exclusive use of one SFP category^(b)
- Dual-users with cigarettes also consume more while they transition to SFPs
- Exclusive HnB users average daily consumption broadly in line with cigarettes
- Exclusive vapers tend to have lower daily consumption

(a) Based on consumer panel data from 62 international markets in Q3'24. (b) Based on 62 international markets, as of Q3, 2024. Estimates of daily consumption based on a number of simplifying assumptions and do not represent actual nicotine uptake by SFP users, which is a function of a number of factors including but not limited to type of product used, duration of use, and patterns of use. Source: PMI Market Research. CAGNY 2025, presented February 19, 2025

PMI SFPs Overindex to Consumers Aged 30-49, Higher Income



(a) PMI estimates as of Q3'24, excluding U.S., China, Russia and Ukraine. (b) U.S. Sizing Research 2024, U.S. Market Landscape Q4 2023 through Q4 2024. Note: U.S. legal age is 21 years old. Source: PMI Market Research. CAGNY 2025, presented February 19, 2025

Laser Focus on Responsible Marketing

- SFPs marketed in a responsible manner to legal-age smokers and nicotine users
- Responsibly selected flavors can play an important role in switching legal age smokers to SFPs
- National regulation and enforcement critical to minimizing underage usage and the availability of illicit products
- Those under the legal age of purchase should not have access to, or use, any nicotine product
- After ~10 years of IQOS globally and ZYN in the U.S., overall rates of underage use remain very low



Source: CAGNY 2025, presented February 19, 2025

Strong Brand Equity Drives Sustainable Growth

2024 Meaningful Difference Index



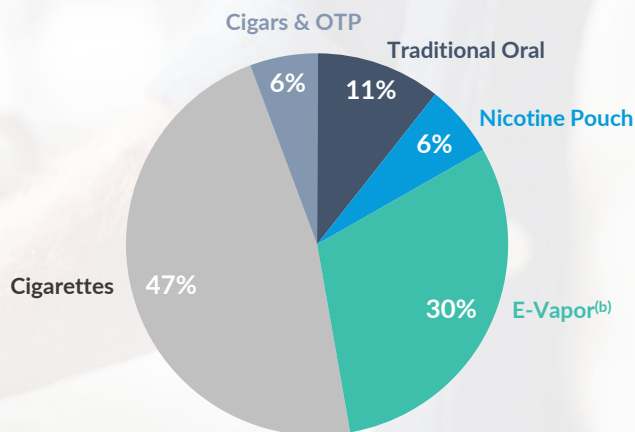
(a) Refers to Marlboro international and is based on select focus markets. (b) IQOS within SFPs & based on Kantar Brand Equity Advisor 2023 and 2024 in Top 15 HnB markets. (c) ZYN within U.S. total nicotine. Note: Meaningful difference index based on average of Meaningful and Difference metrics. Source: PMI Market Research. CAGNY 2025, presented February 19, 2025

Substantial U.S. Growth Opportunity for ZYN & IQOS



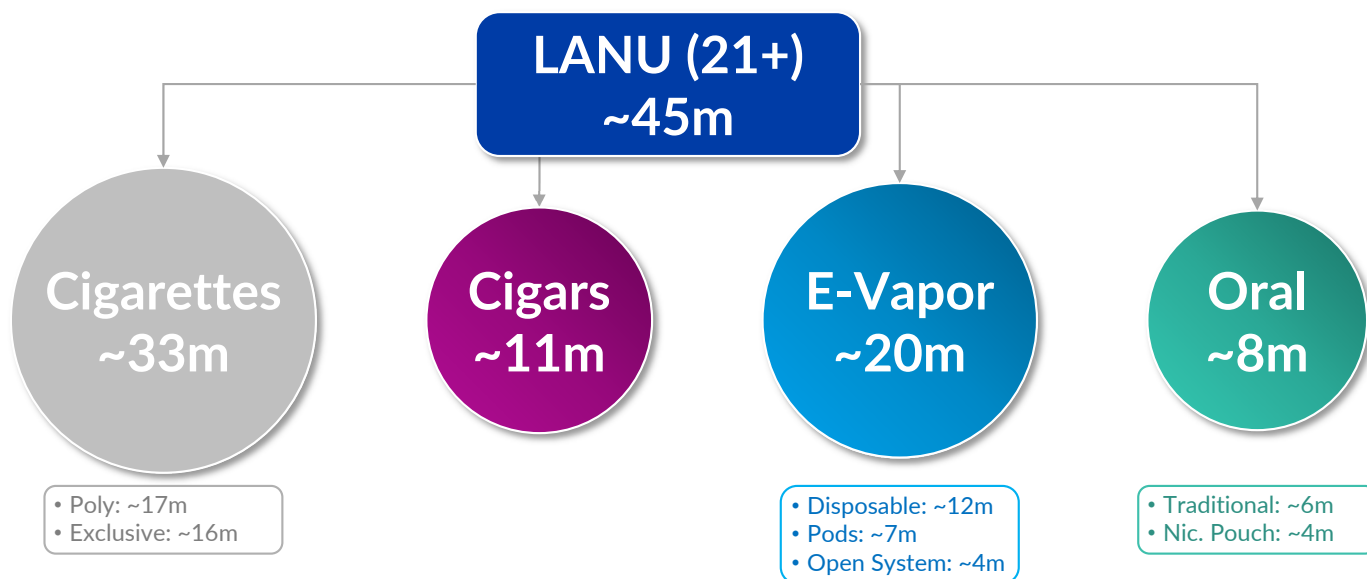
- The U.S. is likely to be our biggest market by net revenues over the mid-term
- Largest total nicotine market by value^(a), with ~\$25bn profit pool
- Nicotine industry >300bn units, rapidly going smoke-free
- Nicotine pouch growth potential: e-vapor & cigarettes 5x and 8x bigger
- IQOS designed for adult smokers, can also appeal to legal-age vapers, many of whom are not fully converted from cigarettes

2024 U.S. Volumes by Category
(est. stick equivalent units)



(a) Excluding China. Note: Cigars & OTP includes cigars, little filtered cigars and other tobacco (loose, roll, etc.). Traditional Oral includes moist snuff, snus and chew. (b) E-Vapor includes pods, open systems, disposables and includes estimated illicit consumption.
Source: PMI Financials or estimates based on Nielsen, MSA and industry experts. CAGNY 2025, presented February 19, 2025

... With ~45 Million Legal-Age Nicotine Users in 2023



High degree of poly-use across and within categories

Total LANU are net of estimated poly-users across categories. Estimated past 7-day use. Nb. CDC data (not shown) estimates use 'every day or some days'. LANU = Legal-age nicotine users. Source: PMI Market Research or estimates. Investor Meeting with PMI U.S. Management Team, presented September 24, 2024.

ZYN[®]

#1 U.S. smoke-free brand^(a)

Among Top-10 U.S. brands in convenience retail^(b)

Unique premium brand, strong resonance with LANUs

Strong underlying momentum

Distribution in ~170k stores

(a) Retail sales value, based on Circana, last 52 weeks ending Sep 1, 2024. (b) Retail sales value, based on Nielsen, last 52 weeks ending Aug 3, 2024
Source: PMI Financials or estimates. Investor Meeting with PMI U.S. Management Team, presented September 24, 2024

U.S. IQOS 'Be The First' Campaign Continues



Source: CAGNY 2025, presented February 19, 2025

Building Towards IQOS ILUMA Success

- IQOS ILUMA at-scale U.S. launch remains core focus:
 - Continue to assume H2, 2025 PMTA
- Bringing the best IQOS product yet to U.S. legal-age smokers
- Flexibility to leverage global supply chain
- IQOS 3 consumer pilots:
 - Consumer (adult smoker) engagement, category and brand education, small-scale experiences
 - Learnings to inform IQOS ILUMA launch
 - Designed to optimize readiness for IQOS ILUMA

Ambition

10% share 5 years from IQOS ILUMA launch^(a)

IQOS 3 consumer pilots




(a) Illustrative target share of U.S. Cigarette and HTU Industry Volume within five years of IQOS ILUMA launch
 Source: PMI Financials or estimates. Investor Meeting with PMI U.S. Management Team, presented September 24, 2024

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

Navigating the U.S. Regulatory Environment



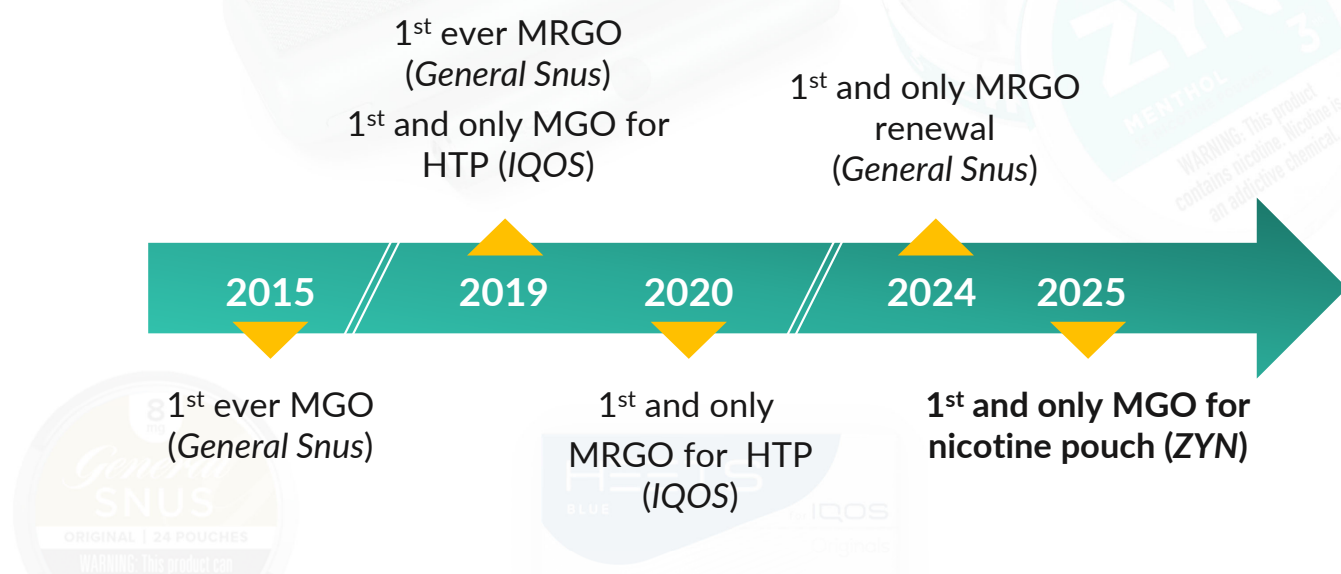
- FDA backlog of >500k PMTA applications:
 - Unpredictable timing, authorization after 2y+
- PMI is developing innovative products:
 - E.g.: IQOS ILUMA converts more smokers than IQOS 3
 - General snus and IQOS: the pioneering MRTP authorized smoke-free products
- Confident of success with authorizations:
 - Submitting robust data on 'appropriate for protection of public health'
- State and local regulation also important given slow action from FDA:
 - Advocating for policies which place public health and adult smokers at center



Source: PMI Financials or estimates. Investor Meeting with PMI U.S. Management Team, presented September 24, 2024

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Leading the Way On Science-Backed FDA Authorizations



Key pending applications include ZYN MRTPA, ZYN Ultra PMTA & IQOS ILUMA PMTA/MRTPA

Note: MGO stands for Marketing Granted Order (PMTA), while MRGO for Modified Risk Granted Order (MRTPA). CAGNY 2025, presented February 19, 2025

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Driving Industry Standards in Under-21 Prevention



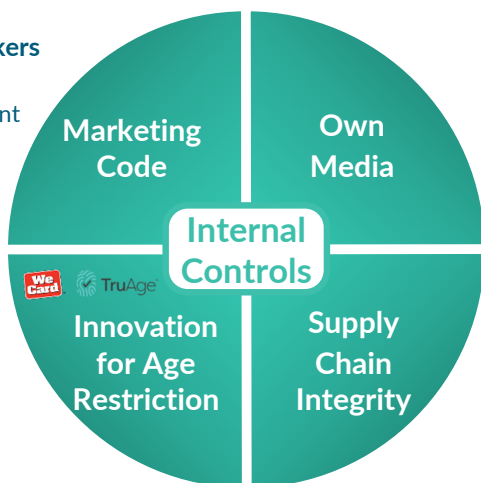
External Influence

Society & Policy Makers

- State / Federal regulatory engagement
- Law enforcement engagement

Social Sourcing

- Top-level support of industry solutions
- Consumer campaigns



Social Media

- Take-down requests of inappropriate content
- Call-out to social media companies

Retail Access

- Strict U21 contract terms
- Trade communication & training
- Monitoring & enforcement

☆☆☆
Swedish Match.

The maker of ZYN nicotine pouches.

OUR ACTIONS ADD UP.



AT SWEDISH MATCH WE MAKE NICOTINE PRODUCTS, AND WE'RE TAKING STEPS TO HELP KEEP OUR PRODUCTS ACCESSIBLE ONLY TO ADULT NICOTINE USERS 21+.

Underage nicotine pouch use remains very low at 1.8% in CDC's 2024 NYTS survey

Source: Investor Meeting with PMI U.S. Management Team, presented September 24, 2024

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Well Positioned to Capture and Lead U.S. Smoke-Free Growth



- Leading the industry with science-backed smoke-free products:
 - Integrated, complementary premium smoke-free portfolio with ZYN & IQOS
 - No combustible cigarette business, no cigarette cannibalization
- Building a strong engine to drive sustainable growth:
 - Combining the best of PMI & Swedish Match talent & knowhow
 - Building infrastructure & core capabilities to serve IQOS & ZYN
 - Dedicated to serving the U.S. legal-age nicotine consumer, with absolute focus on youth access prevention

Source: PMI Financials or estimates. Investor Meeting with PMI U.S. Management Team, presented September 24, 2024

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Section 3: Combustibles Strategy and Performance

Combustibles: Strong Pricing & Efficiencies Drive Profitability

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



Combustible Gross Profit
(% organic growth vs. PY)

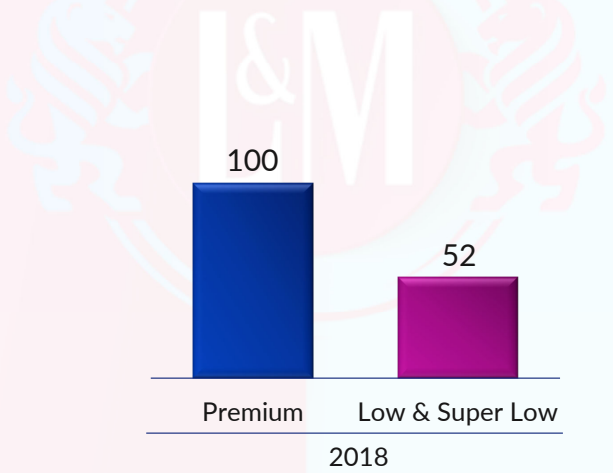


- Growing total industry, essentially driven by markets where SFPs are banned:
 - Secular declines persist elsewhere
- Maximizing value with pricing and cost efficiencies
- Infrastructure and expertise benefits smoke-free portfolio
- Strong performance from *Marlboro* and global brands

(a) Pricing variance is based on adjusted net revenues. Source: PMI Financials or estimates. Based on Q4, 2024 Earnings, presented February 6, 2025

Unit Rates Attractive Across Price Points

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

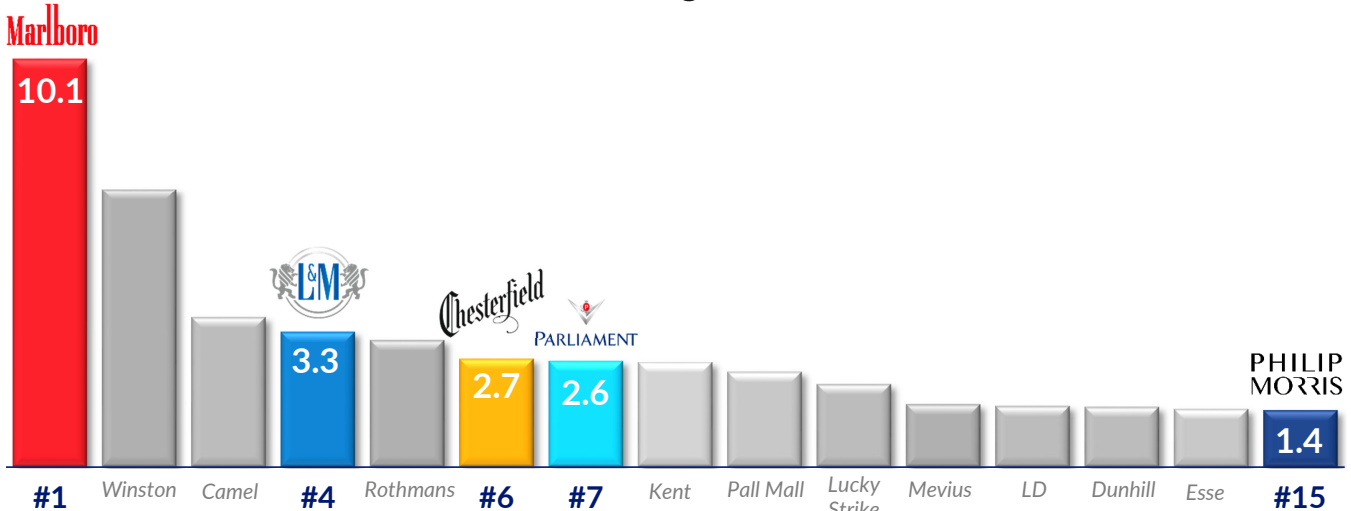


Note: Unit rates are net revenues per '000 sticks, evolution indexed in local currency, aggregated for Top 10 PMI pricing contribution markets (2018-2022)
Source: PMI Financials or estimates. Investor Day 2023, presented September 28, 2023

PMI Cigarettes: Top-15 International Brands (2024)

(%)

International Cigarette Share^(a)



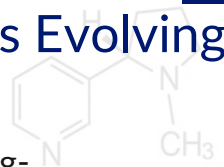
PMI Owns Five of the World's Top-15 International Cigarette Brands

(a) In-market sales volume of cigarette brand as a percentage of total estimated sales volume for cigarettes
Note: Excluding China and the U.S. Philip Morris includes Philip Morris, Philip Morris Dubliss, and Philip Morris/Dubliss. Marlboro includes Marlboro, Marlboro Chesterfield and Crafted by Marlboro. Includes cigarillos in Japan. Source: PMI Financials or estimates as of January 27, 2025



Section 4: Tobacco Harm Reduction: Regulatory & Science

Nicotine: The Science is Clear, Societal Understanding is Evolving



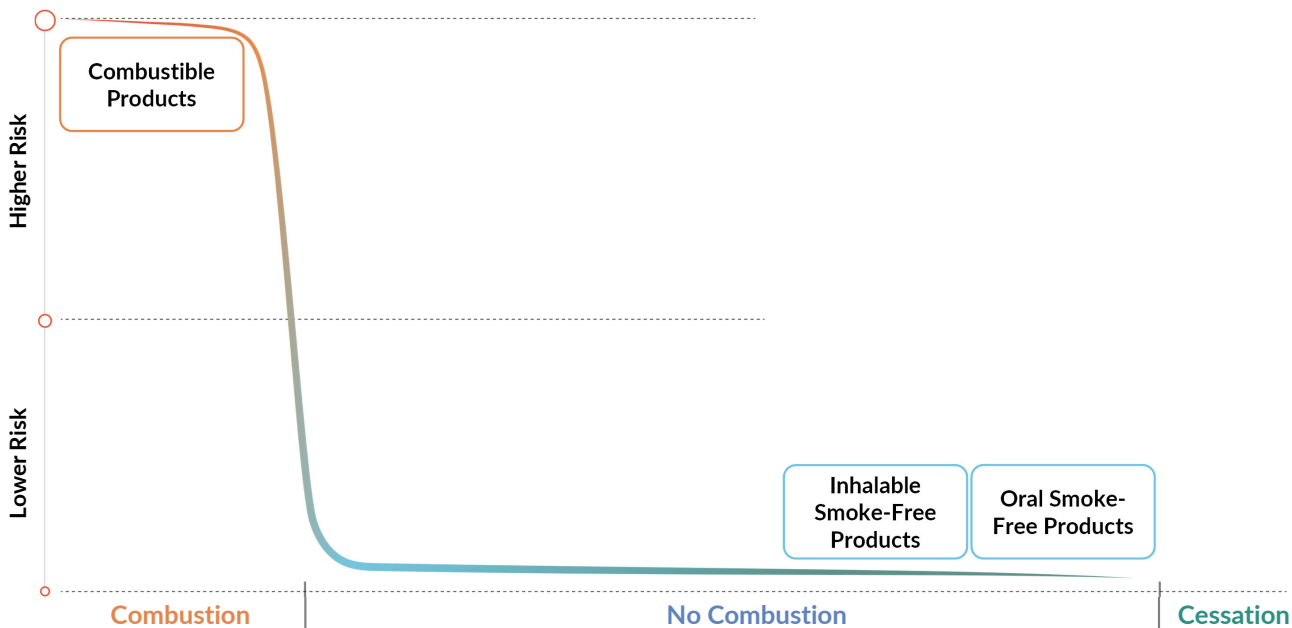
- Nicotine is addictive and not risk-free but is not the primary cause of smoking-related diseases
- Nicotine consumption changes the levels / release of chemicals like dopamine which can enhance mood, cognitive skills (e.g. attention and memory), but does not cause intoxication and is not functionally impairing
- Nicotine carries little risk for healthy adults at levels typical of consumer nicotine products
- Many authorities^(a) have looked extensively at the components of cigarette smoke and consistently conclude that nicotine is not a carcinogen and therefore does not cause cancer

(a) Includes WHO, US FDA, IARC, US HHS.

Source: Newhouse 2004, Benowitz 2009, Mayer 2014, Satel 2015, Gottlieb 2017, Royal College of Physicians, UK NHS, Various. CAGNY 2025, presented February 19, 2025

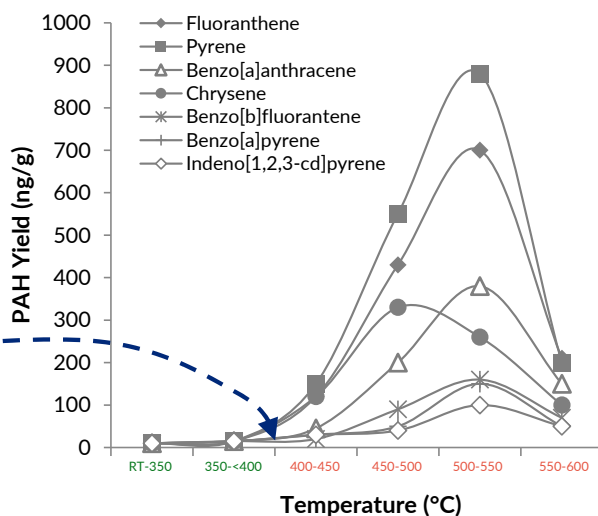
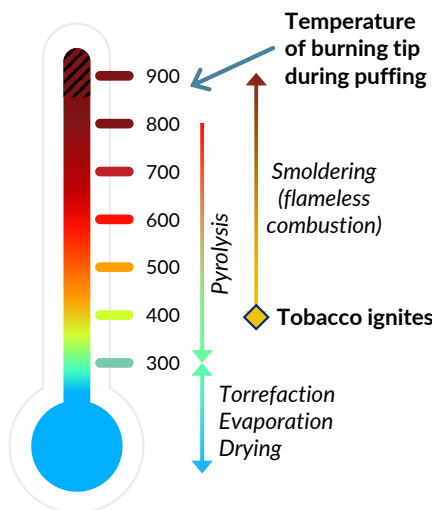
The Science is Clear: SFPs Are A Much Better Alternative

Tobacco Harm Reduction: Continuum of Risk



Note: Charts are used for illustrative purposes; not to scale. Combustible Products include cigarettes, cigars and cigarillos. Inhalable Smoke-Free Products include Heat-not-Burn and e-vapor. Oral Smoke-Free Products include nicotine pouches and snus. Nicotine Replacement Therapy products include patches and gums. Source: CAGNY 2024, presented February 21, 2024

Cigarette Combustion Causes Harm to Health



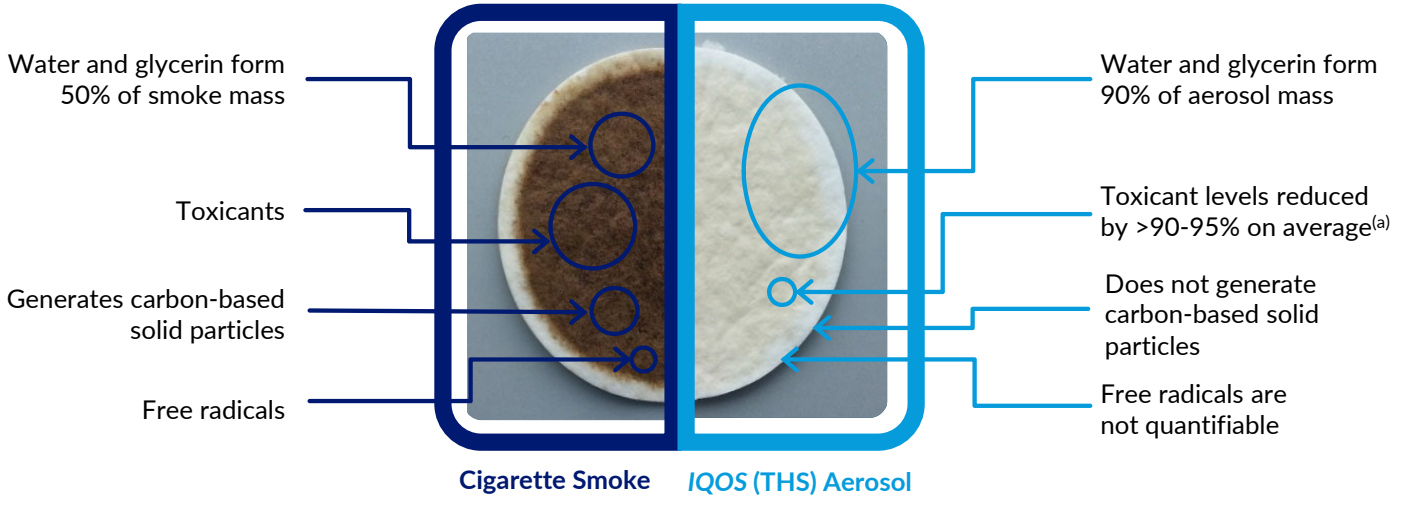
As the Temperature Increases Beyond the Ignition Point of Tobacco the HPHC Emission Increases

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

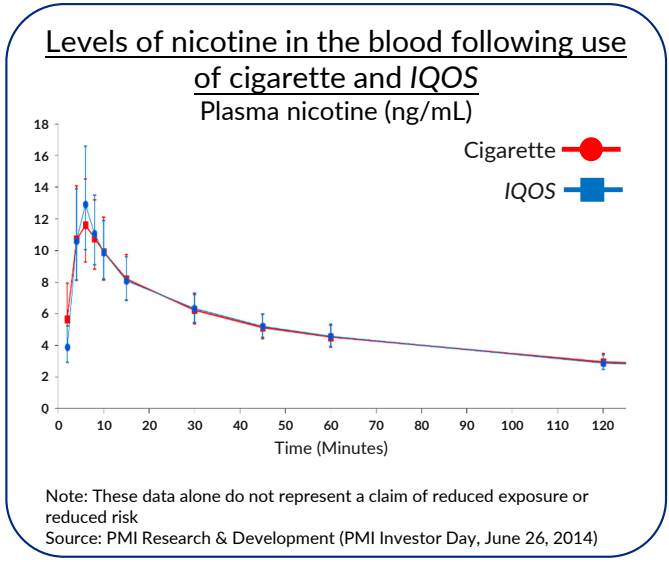
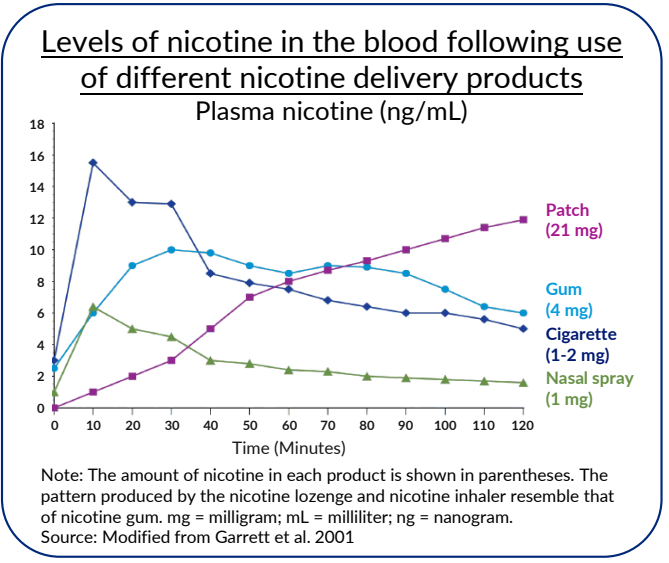
Heated Tobacco Aerosol Chemistry & Physics



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

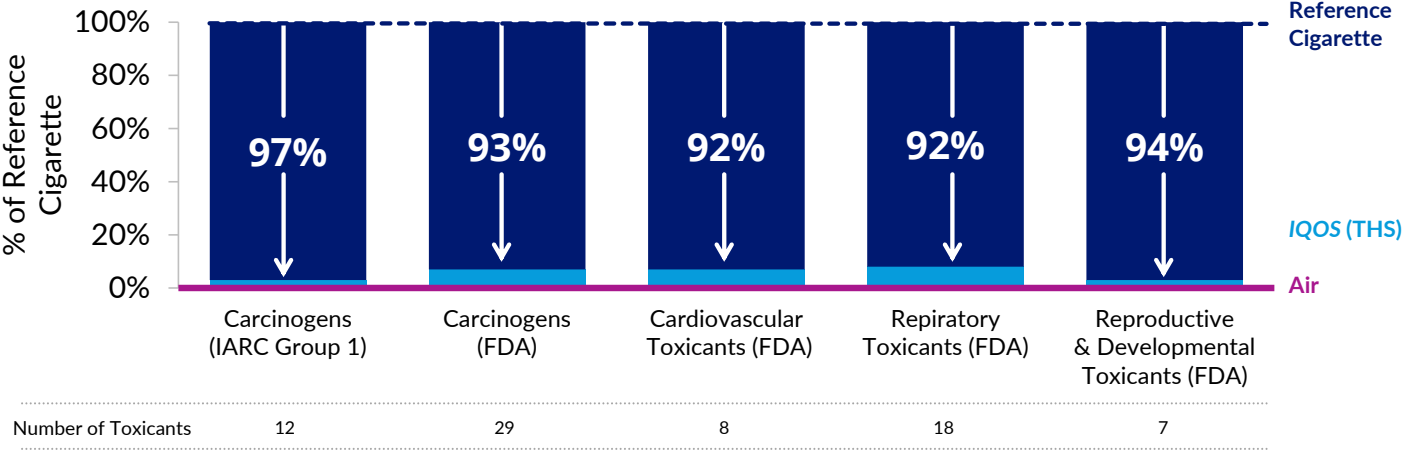


- The amount and rate of nicotine absorbed by the body is influenced by the route of absorption
- No notable difference in the nicotine absorption between cigarette and IQOS

Reduced Toxicant Formation in IQOS (THS) Aerosol

Heated Tobacco Aerosol Chemistry & Physics

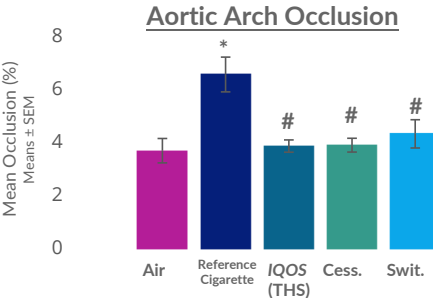
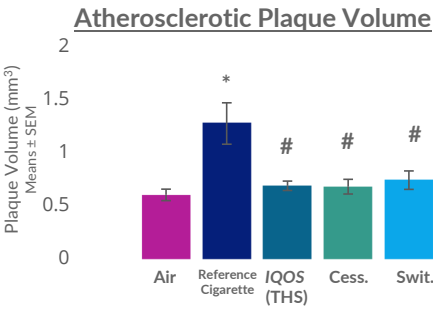
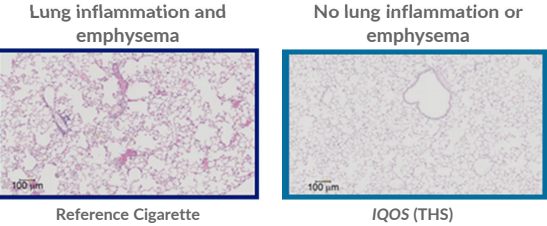
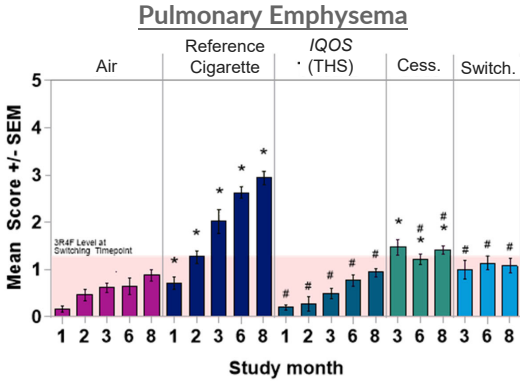
Average Reduction in Formation of Harmful or Potentially Harmful Constituents of IQOS (THS) Relative to Reference Cigarette, by Disease Category^(a)



(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



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



- 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

Snus



- 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

Nicotine Pouches



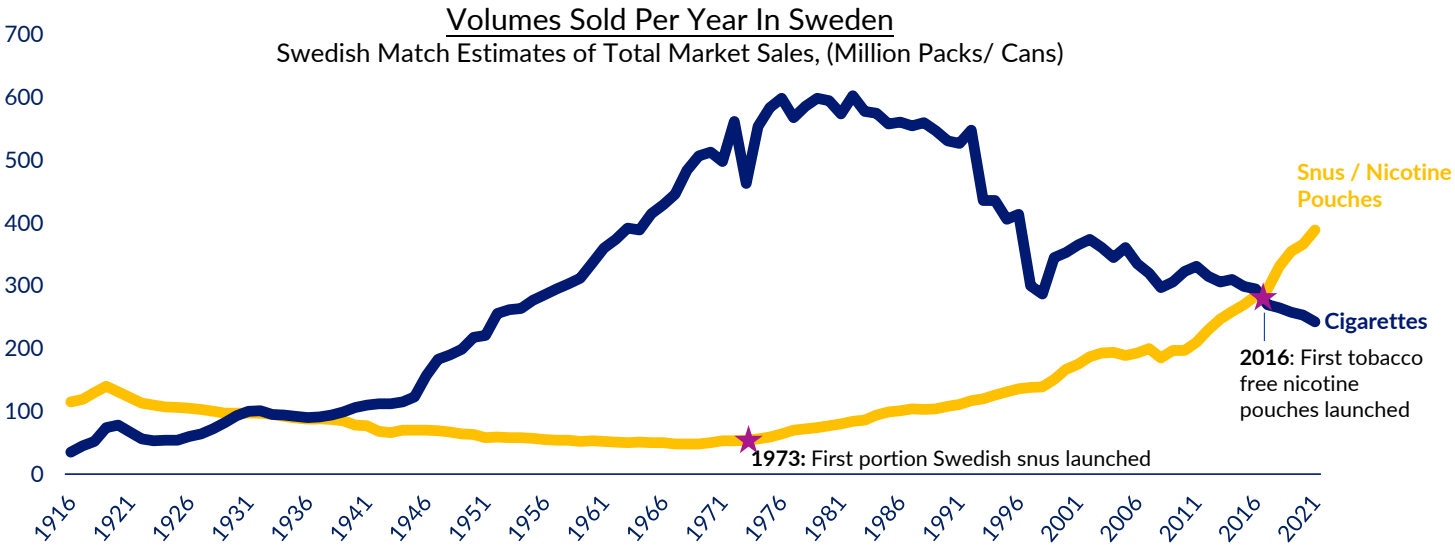
- Exposure to harmful chemicals even lower compared to Snus
- Exposure to 4^(b) HPHCs out of 36 HPHCs measured (c)
- No exposure to carbon-based nanoparticles and free radicals
- No direct lung exposure

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

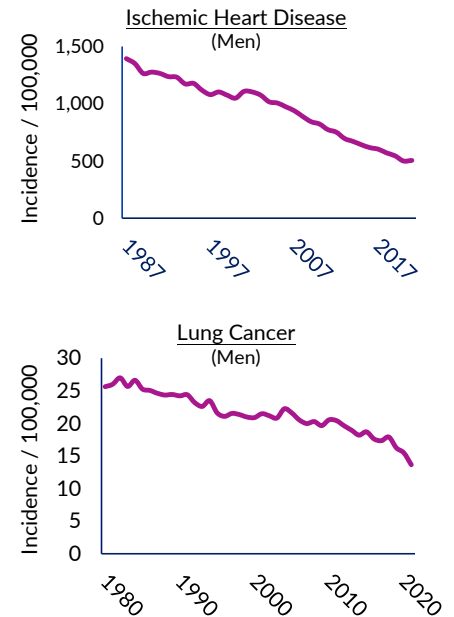
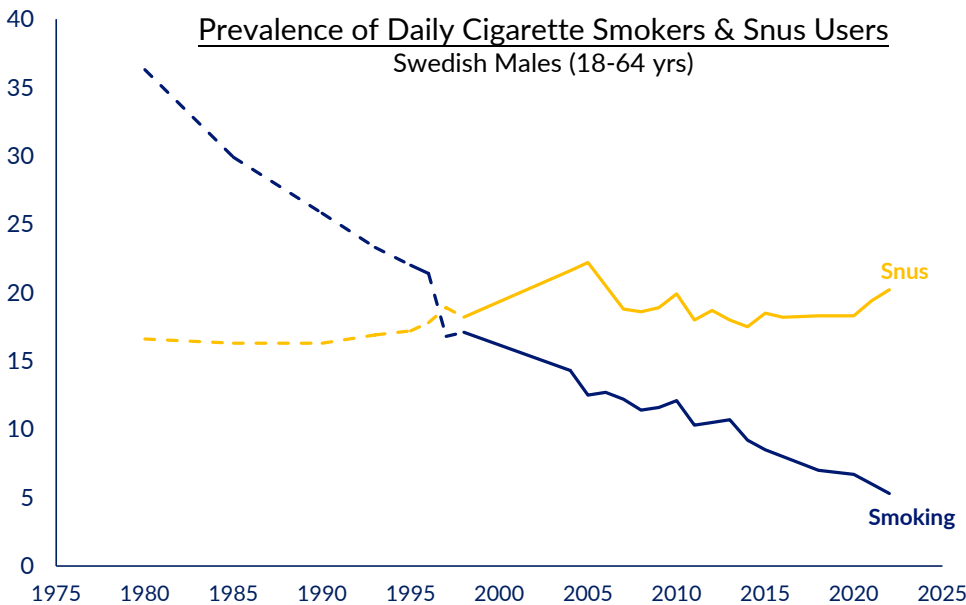


Note: Temporal associations do not demonstrate cause and effect and are subject to inherent limitations. Specific factors associated with changing cigarette sales volumes over time have not been fully analyzed. 20 cigarettes per pack; 21 estimated average pouches in can for snus and nicotine pouches. Source: [1] Swedish Match estimates; Scientific Literature [2] Ramström 2016 (DOI: 10.3390/ijerph13111110); [3] Clarke 2019 (DOI: 10.1186/s12954-019-0335-1); [4] Furberg 2005 (DOI: 10.1136/tc.2005.012476); [5] Ramström 2006 (DOI: 10.1136/tc.2005.014969); [6] Rodu 2002 (DOI: 10.1046/j.1365-2796.2002.01057.x). Jefferies Virtual Reduced Risk Seminar, presented May 7, 2024



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

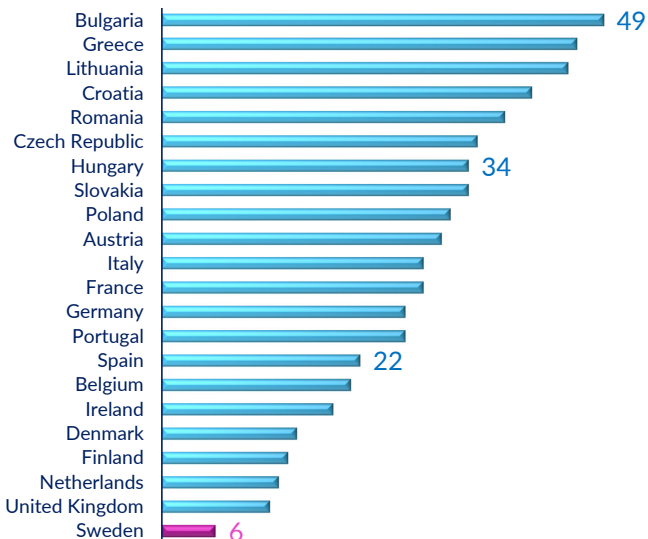


Note: Temporal associations do not demonstrate cause and effect and are subject to inherent limitations. Specific factors associated with changing daily smoker prevalence, ischemic heart disease and lung cancer over time have not been fully analyzed.
Source: Incidence Data - Swedish National Board Of 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 73

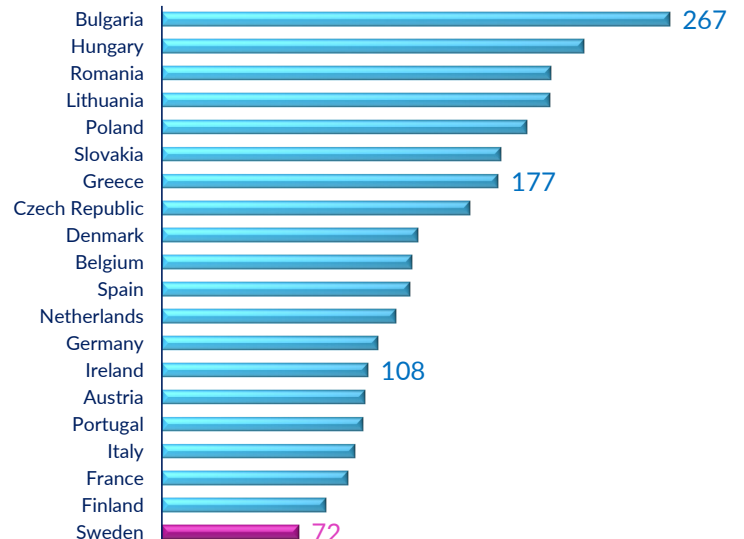


Sweden: Lowest Male Smoking Prevalence and Tobacco-Attributable Mortality in EU

Male Smoking Prevalence (2020)



Male Deaths per 100,000 Attributable to Tobacco (2019)



Note: The charts in this slide do not demonstrate cause and effect and are subject to inherent limitations
Source: Dataset Special Eurobarometer 506: Attitudes of Europeans towards tobacco and electronic cigarettes, February 2021 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/>, CAGNY 2024, presented February 21, 2024

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
 75

Source: Investor Day 2023, presented September 28, 2023

Integrity of Our Scientific Assessment

- Adhere to internationally recognized standards including Good Laboratory Practices and Good Clinical Practices
- Follow international test guidelines (e.g., OECD TG) and make nonguideline methods publicly available
- Share the raw data from our published nonclinical studies with the scientific community
- The methods and results from the IQOS systems toxicology studies, submitted to the FDA as part of our MRTP applications, were subjected to scientific scrutiny through the sbv IMPROVER methodology^(a)
- Welcome independent studies of our SFPs. 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 SFPs

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

541
Publications & Book Chapters

314
Toxicological Assessments

32
Clinical Assessments

76
Perception & Behavior Studies

(a) sbv IMPROVER stands for Systems Biology Verification combined with Industrial Methodology for Process Verification in Research
 Note: SFPs stands for Smoke-Free Products. All figures 2008 - 2024. Source: PMI Financials or estimates

SFPs: Independent Verification on PMI Science

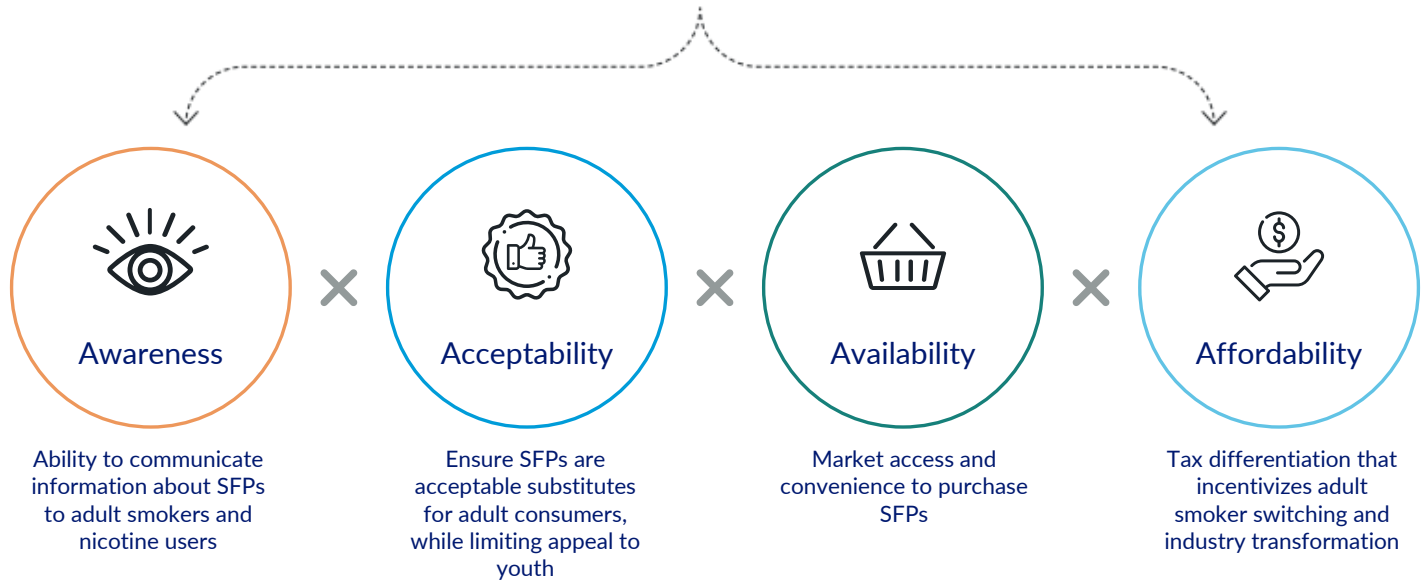
(Select Governmental Reports)

-  **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 SFPs versus continuing smoking, including the above select examples. Refer to Form 10-K for the year ended December 31, 2024, for additional information. SFPs stands for Smoke-Free Products 77

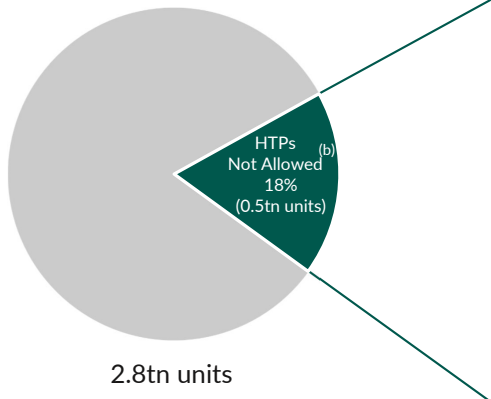
Policy Principles to Better Enable Switching to SFPs

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



Restrictive Regulations Prevent Adult Smoker Access to Better Alternatives in Many Markets (Presented at Investor Day 2023)

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

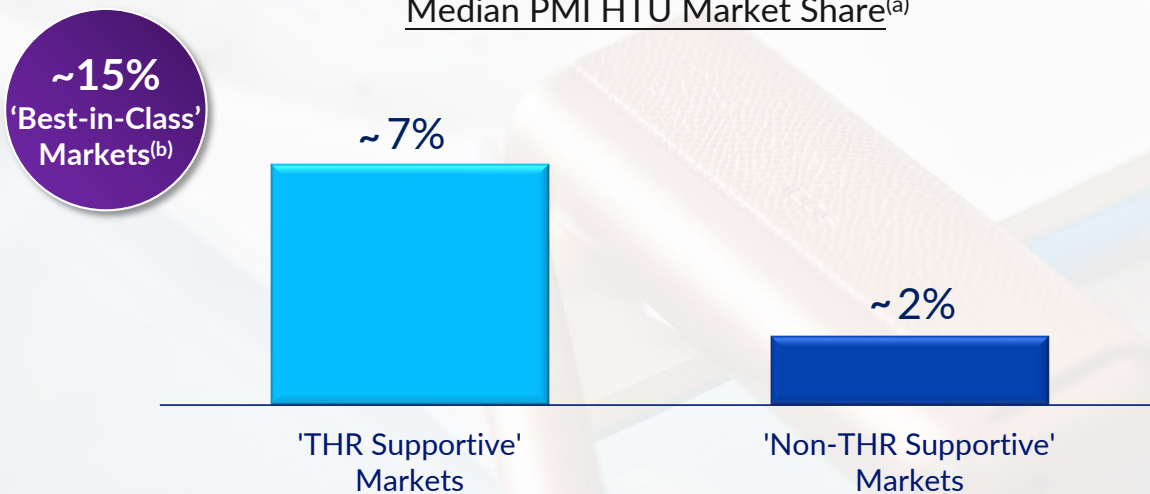
Top PMI Net Revenue / Unit Markets vs. PMI International Cigarette Average

	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 excise tax 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 harmonized 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

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EU Regulatory and Fiscal Developments (1/2)



- 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, after several delays, could be adopted by the College of Commissioners in 2025. Timeline for the revision has not yet been announced
 - Depending on the adoption date by the upcoming College, the proposal may still be discussed by the EU Council in the course of 2025. EU Council conclusions indicate SFPs likely to be included in the revised TED
 - Any final amendments to TED require unanimous agreement by all 27 EU Member States, followed by transposition of TED into national legislation
 - A potential enforcement date for any changes to TED, after the transposition in Member States' national legislation, could be beginning of 2027

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EU Regulatory and Fiscal Developments (2/2)

- EU Tobacco Products Directive (TPD) Review:
 - The proposal for a revision of TPD is announced to be published during the mandate of this new EU Commission. Open Public Consultation on an evaluation of the existing TPD and Tobacco Advertising Directive closed on May 16, 2023.
 - Ordinary legislative procedure: EU Parliament and Council co-deciding; Qualified majority
 - Once adopted, directive to be 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”
 - The majority of Member States have already adopted or published 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 and implement in 2025.

Note: Indicative timelines for TED and TPD reviews according to the latest public information

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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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Section 5: Sustainable Transformation

Our Statement of Purpose

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.

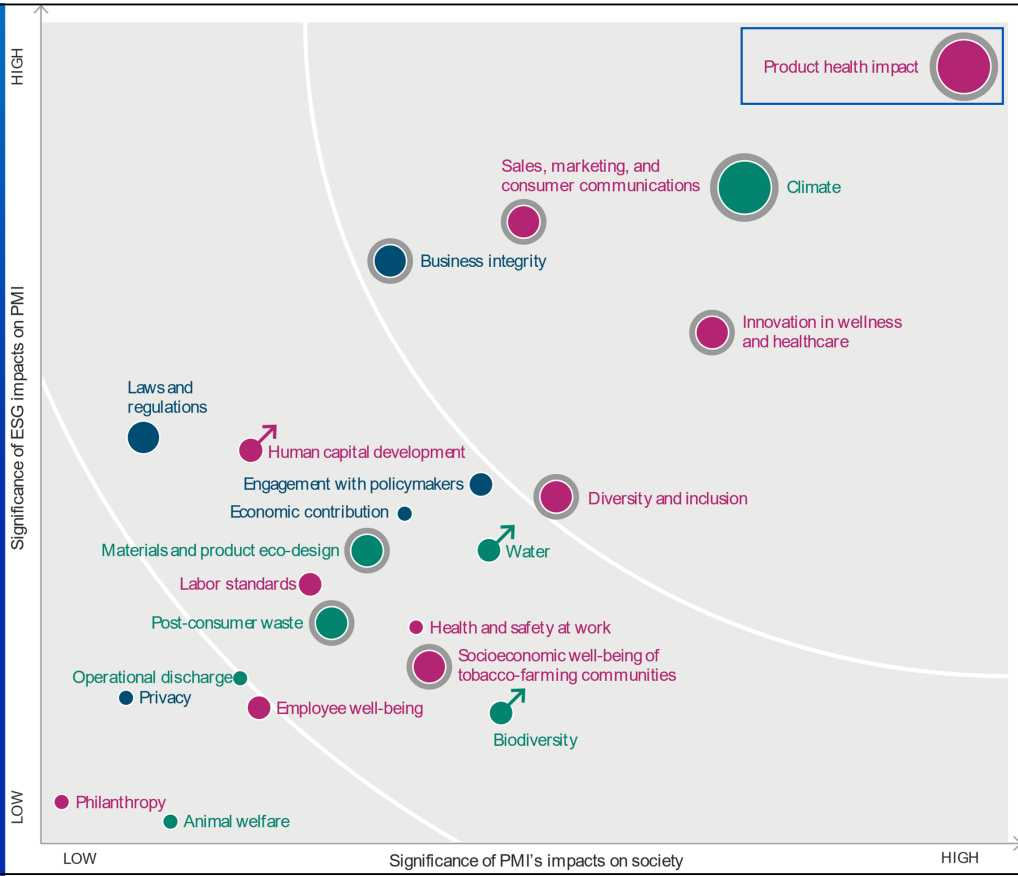


PMI believes that with the right regulatory encouragement and support from civil society, cigarette sales can end within 10 to 15 years in many countries.



Note: Issued by PMI's Board, PMI's Statement of Purpose was published in 2022 Proxy Statement as an update to the letter to shareholders published in 2017 Proxy Statement and the Statement of Purpose published in 2020 Proxy Statement
Source: ESG Highlights, May 2023. CECP CEO Investor Forum, presented November 14, 2023

Sustainability Materiality Assessment: the Right Focus



- E** ENVIRONMENTAL
- S** SOCIAL
- G** GOVERNANCE
- Our most material topics
- ↗ Emerging topics

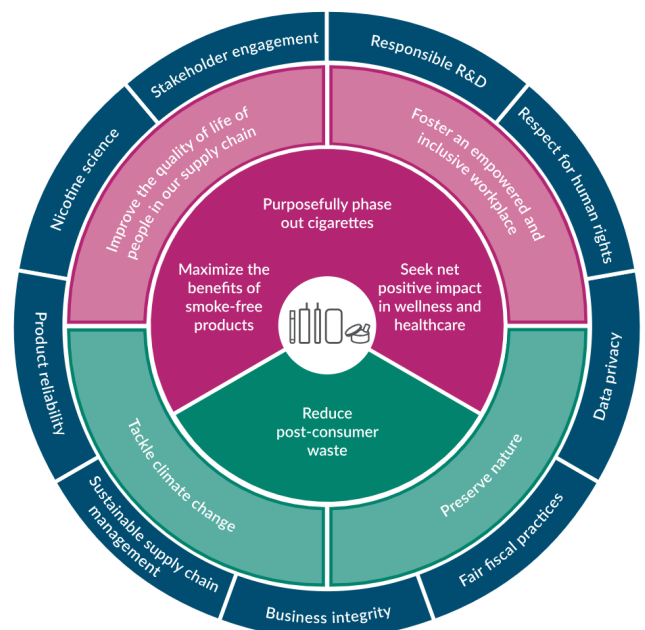
Relevance to our stakeholders

- Very high
- High
- Medium
- Low

Source: ESG Highlights, May 2023. CECP CEO Investor Forum, presented November 14, 2023

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: Business Transformation Metrics

	2015	2021	2022	2023	Aspirations
Number of markets where smoke-free products are available for sale ^(a)	7	71	73	84	100 by 2025
Number of markets where adjusted net revenues from smoke-free products exceed 50% of adjusted total net revenues [*]	-	10	17	25	~60 by 2030
Number of markets where adjusted net revenues from smoke-free products exceed 75% of adjusted total net revenues [*]	-	-	-	3	~40 by 2030
Commercial expenditure (Marketing) (smoke-free/total) [*]	8%	73%	74%	74%	
Change in combustible tobacco product shipment volume (billion units) vs. 2015 baseline ^(a)	n/a	(26.4)%	(26.8)%	(27.9)%	
R&D expenditure ratio ^(a) (smoke-free/total)	70%	99%	99%	99%	
Supply chain direct spend ^(a) (smoke-free/total)	n/a	35%	43%	41%	
Number of factories producing smoke-free products out of total number of factories ^(a)	3 out of 48	9 out of 39	14 out of 49	16 out of 50	

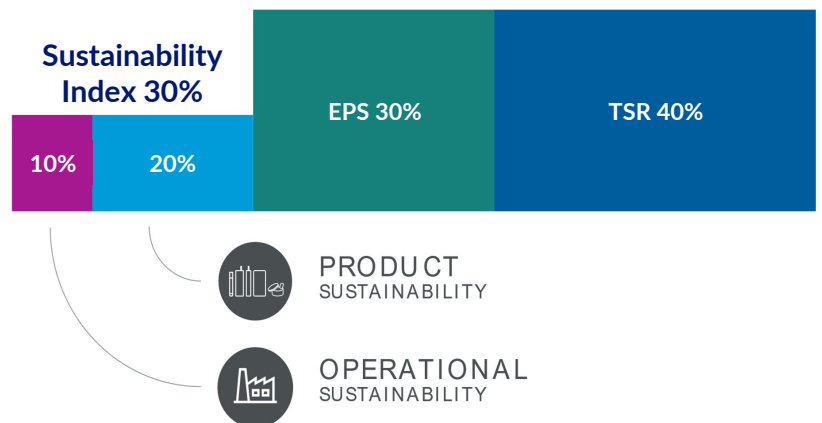
(a) See Appendix. Note: Select Business Transformation Metrics displayed. The 2023 metrics marked with an asterisk (*) are subject to PwC's Limited Assurance Report, available on PMI Integrated Report 2023, pp. 203-205. R&D expenditure and Net Revenues shown on an adjusted basis; Source: PMI Financials or estimates. Q1, 2024 Earnings, presented April 23, 2024

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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





Section 6: Capital Structure and Shareholder Returns

6

Strong, Sustainable Growth & Returns

Top-Line

- High single-digit organic growth: Volumes, pricing & smoke-free mix

OI Growth

- Robust margin expansion: Pricing, smoke-free mix & cost efficiencies

USD Delivery

- Best-in-class organic growth enables USD growth over time
Improving currency profile, growth levers on pricing & cost

Deleveraging

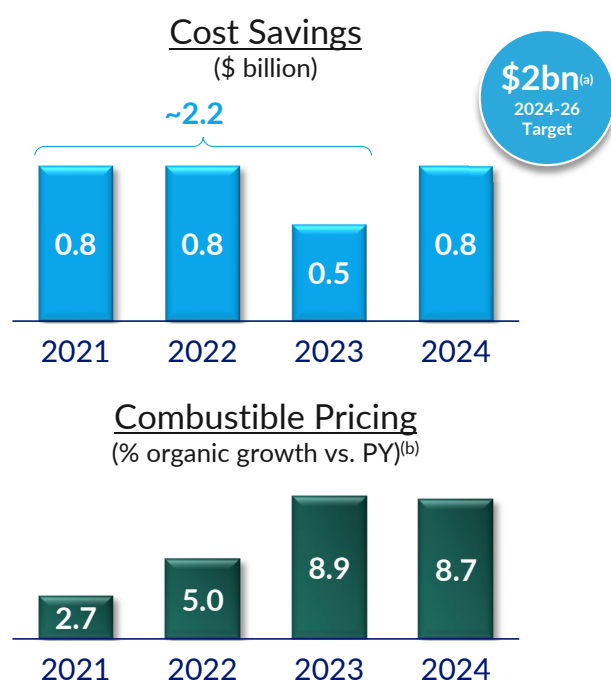
- Growing EBITDA, strong cash conversion

Superior Total Shareholder Return

- Consistent dividend growth and future optionality

Additional Levers for Growth: Cost Savings & Pricing

- Pricing and efficiencies key enabler of:
 - USD growth delivery
 - Investments in U.S. and international growth
- Strong pricing power on combustibles and SFPs
- Significant cost & margin opportunities over time:
 - Manufacturing productivities
 - SG&A
 - SFP operating leverage

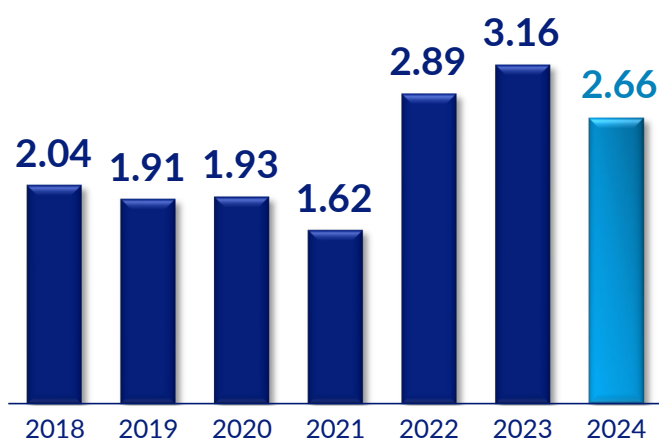


(a) Cumulative gross cost efficiencies. (b) Pricing variance is based on adjusted net revenues. Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

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Deleveraging For Future Shareholder Returns

Net Debt to Adjusted EBITDA Ratio^(a)



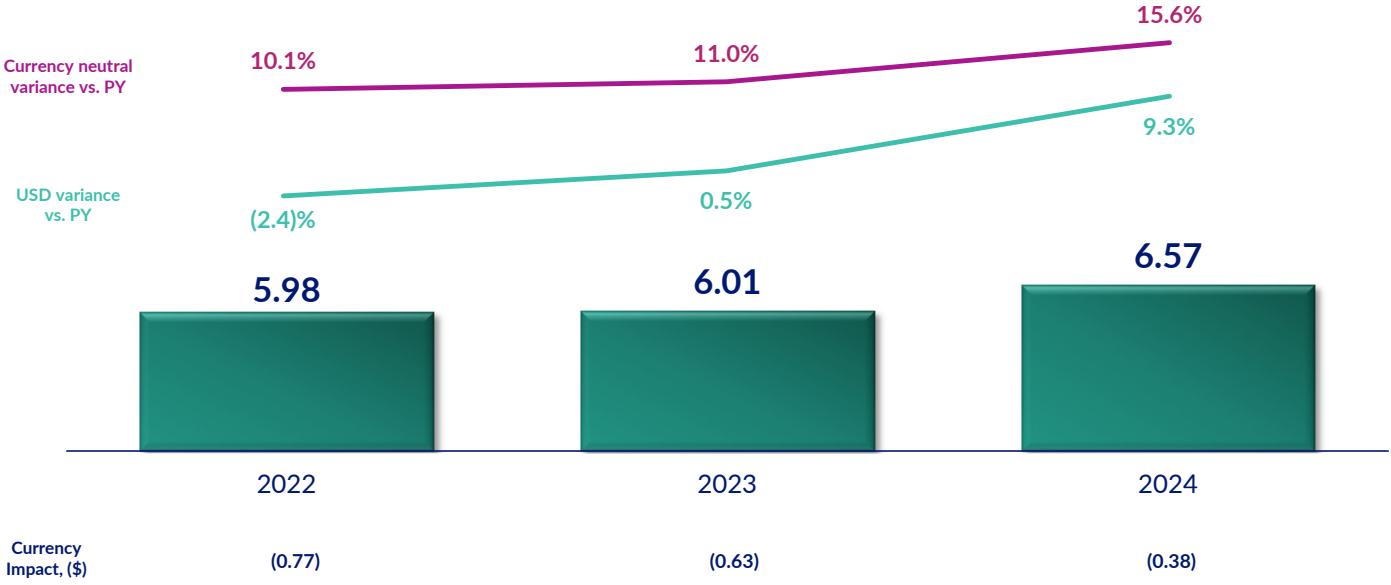
- Growing EBITDA
- Sustainably structured debt:
 - ~80% issued in USD, >60% effectively in EUR
 - 7 years weighted average maturity, mainly fixed
- Continue to target ~2.0x net debt to adjusted EBITDA by end of 2026, with further improvement in 2025
- Unwavering commitment to sustainable dividend growth
 - Long-term target payout ~75% of adjusted diluted EPS

(a) As of December 31, on a 12-month rolling basis. Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

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Converting Currency-Neutral Growth Into USD

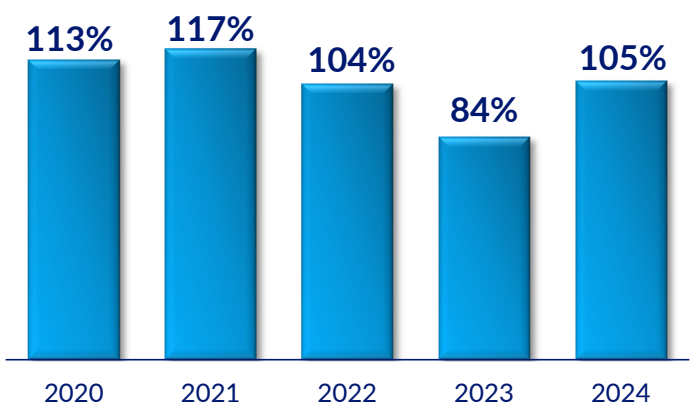
Adj. Diluted EPS
(\$)



Source: PMI Financials or estimates. Based on CAGNY 2025, presented February 19, 2025

Strong Cash Conversion & Returns on Capital

Cash Conversion^(a)
(Free Cash Flow / Adj. Net Earnings)



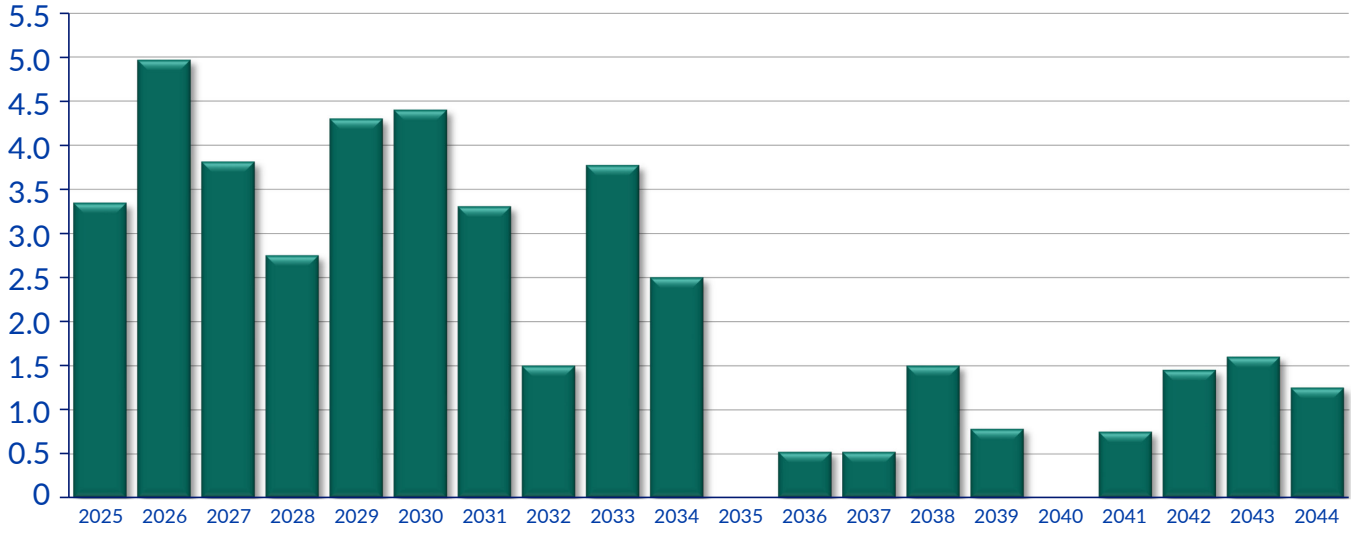
Return on Invested Capital



(a) Cash Conversion is calculated by Free Cash Flow / Adjusted Net Earnings attributable to PMI. (b) Return on Invested Capital from 2020 to 2024, calculated as NOPAT / (Average Shareholders Equity + Net Debt). Source: PMI Financials or estimates. CAGNY 2025, presented February 19, 2025

Well-Laddered Bond Portfolio

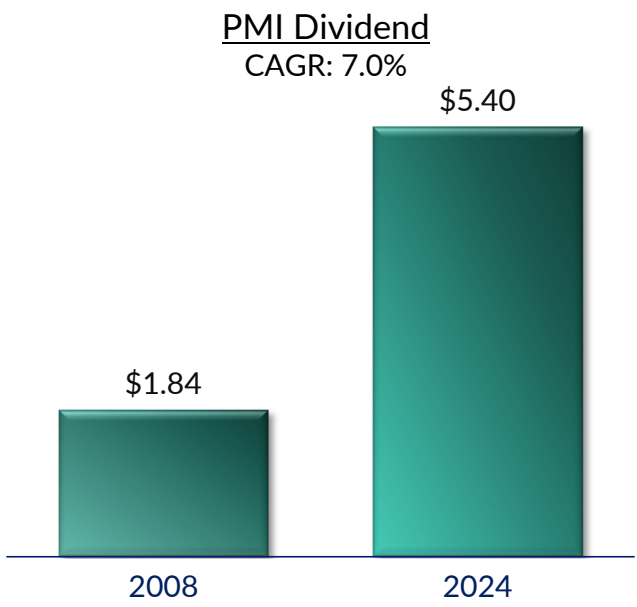
Bond Maturity Profile as of December 31, 2024 (\$ in billions)



Source: PMI Financials or estimates

Strong Financial Performance & Rewards to Shareholders

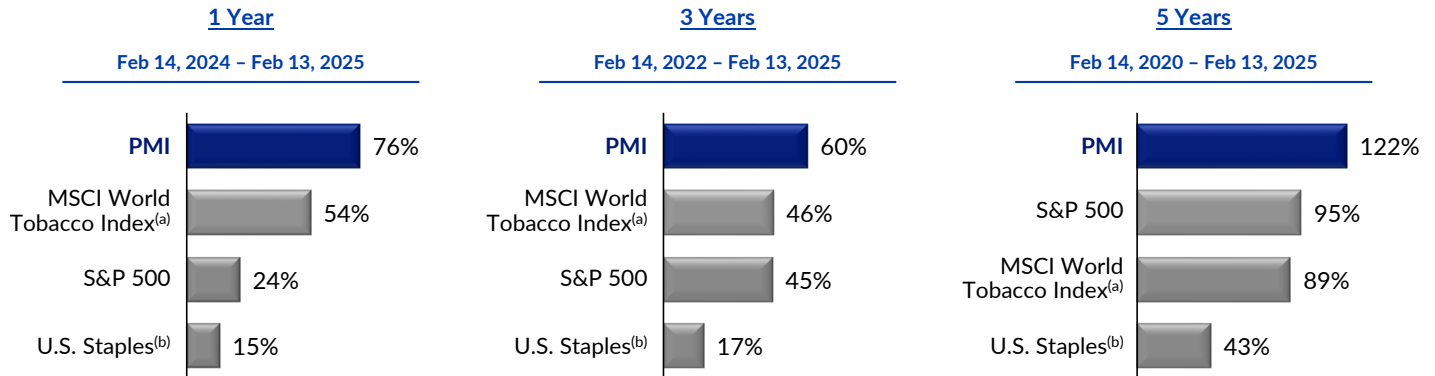
- Unwavering commitment to progressive dividend policy
- Seventeen years of dividend growth
- Total increase of ~194% since 2008
- Target dividend pay-out ratio of 75% over time



Note: Dividends for 2008 and 2024 are annualized rates. The 2008 annualized rate is based on a quarterly dividend of \$0.46 per common share, declared June 18, 2008. The 2024 annualized rate is based on a quarterly dividend of \$1.35 per common share, declared September 12, 2024. Source: PMI Financials or estimates.

Sustainable Performance with Superior Shareholder Returns

Total Shareholder Return (\$)



(a) Includes PMI, Altria, BAT, Imperial Brands and Japan Tobacco. (b) Based on XLP Index. Note: Exchange rates are as of February 14, 2024 and February 13, 2025 for 1 year comparison, February 14, 2022 and February 13, 2025 for 3 years comparison and February 14, 2020 and February 13, 2025 for 5 years comparison. TSR including dividend reinvestment. Chart not to scale. Source: Bloomberg, CAGNY 2025, presented February 19 2025

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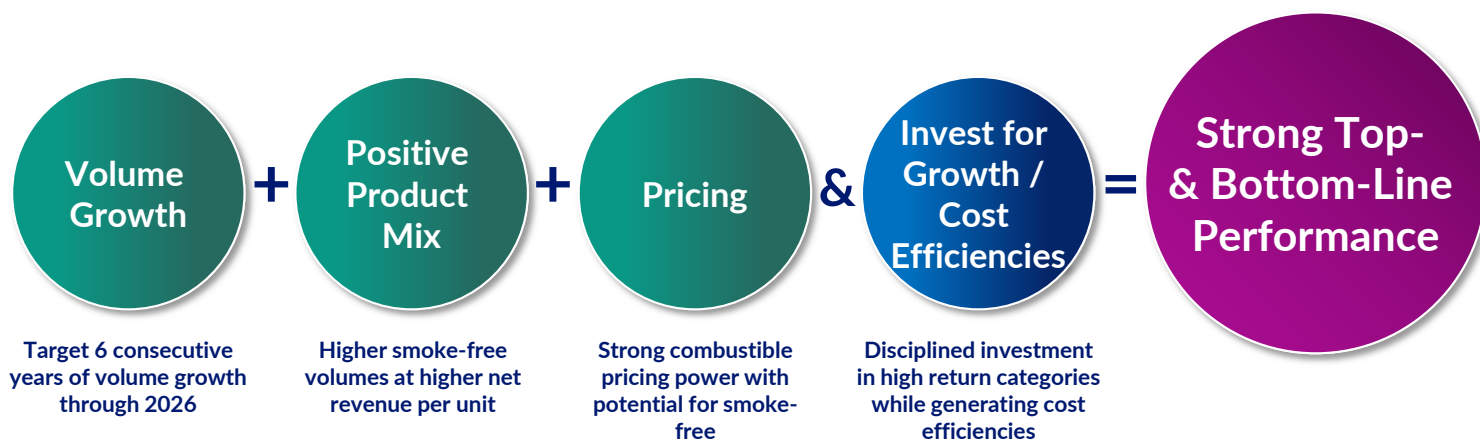


PHILIP MORRIS
INTERNATIONAL

Championing a Smoke-Free World

Section 7: 2024-2026 Targets and 2030 Vision

Strong Overall Financial Model for Sustainable Growth

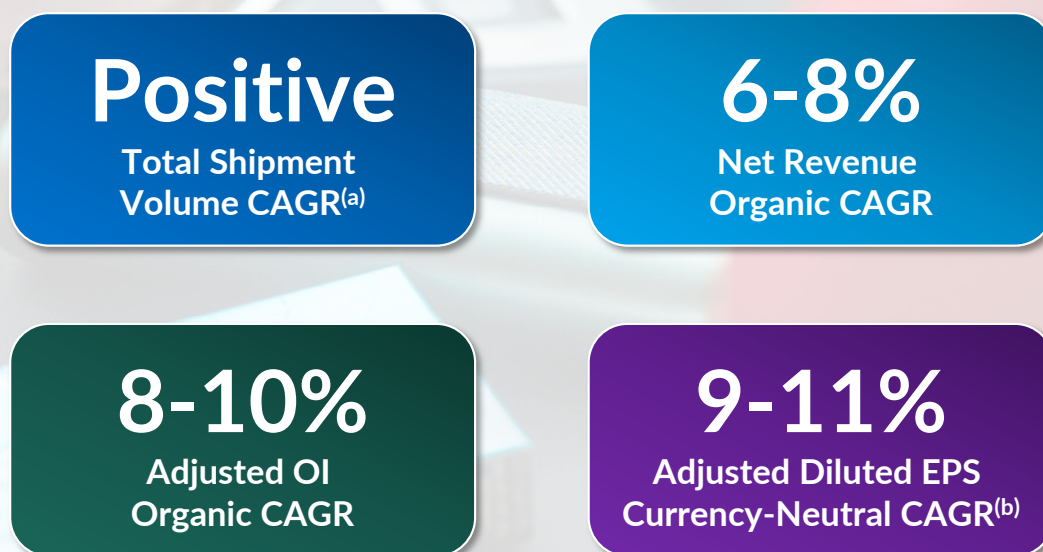


Delivering sustainable growth while investing and rewarding shareholders

Source: PMI Financials or estimates. CAGNY 2024, presented February 21, 2024

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



(a) Reflects cigarettes, HTUs and oral smoke-free products (excluding U.S. Chew)

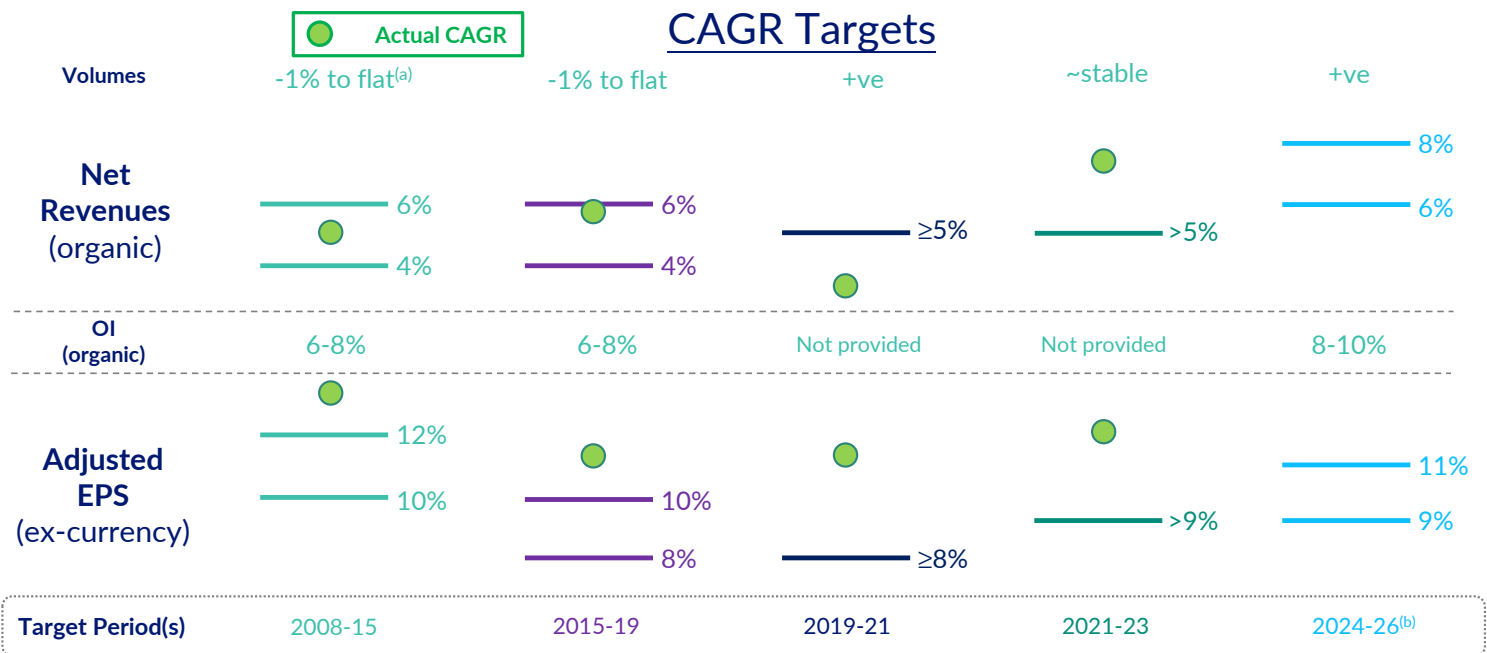
(b) At 2023 corporate income tax rates

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

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Enhanced Quality & Quantum of Growth As We Transform



(a) -1% to flat from 2014 onwards, target from '08 spin was +1%, achieved +0.2% over '08-'13. (b) At 2023 corporate income tax rates. Note: Net revenue and adjusted EPS actual CAGRs for the 2017-19 and 2019-21 periods reflect "like-for-like" performance, adjusted for the deconsolidation of RBH in 2019. Source: PMI Financials or estimates. Based on CAGNY 2025, presented February 19, 2025

2030 Ambition: Substantially Smoke-Free

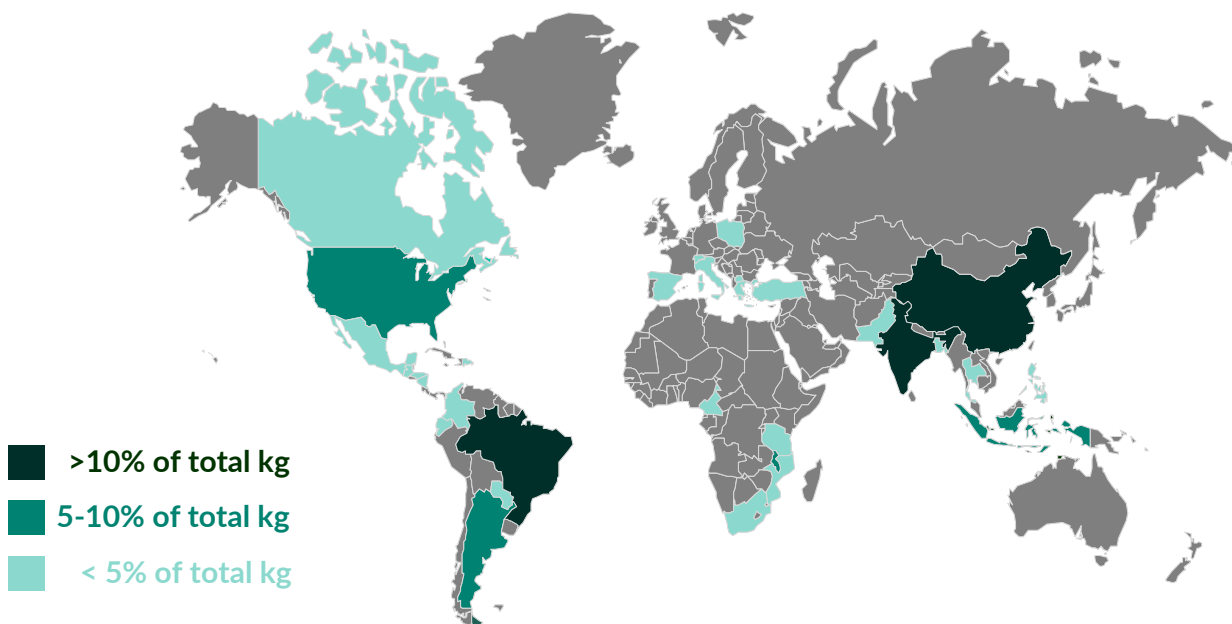


Note: Smoke-free markets are markets where PMI smoke-free products are available in key cities or nationwide. Source: PMI Financials or estimates. CAGNY 2024, presented February 21, 2024



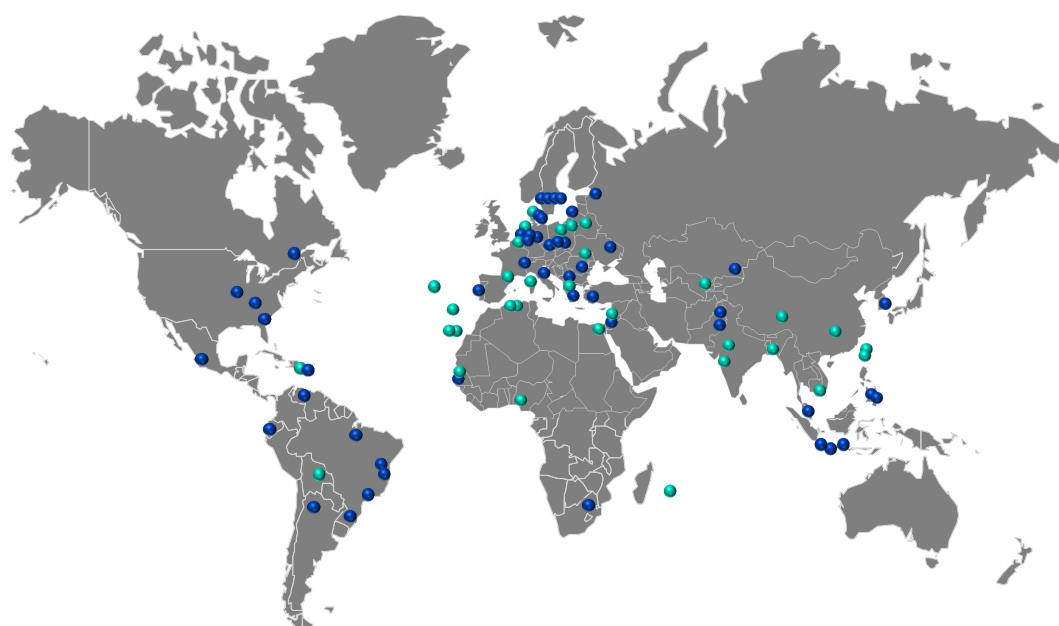
Section 8: Appendix and Reconciliation of non-GAAP Measures

PMI Tobacco Leaf Purchases by Geography (2024)



Note: Including Swedish Match
Source: PMI Operations

PMI Manufacturing Footprint (December 31, 2024)



● **51** PMI Manufacturing Facilities^(a)

● **33** Third-Party Manufacturers

43 Third-Party Operators (in Indonesia)

(a) Includes facilities in Greece, Indonesia, Italy, Korea, Poland, Romania, Russia, Switzerland and US that are fully or partially dedicated to the production of Heated Tobacco Units (HTUs). 16 of the 51 facilities are producing smoke-free products.
Source: PMI Operations and Form 10-K for the year ended December 31, 2024

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Cigarette Excise Tax Structures: Select Markets

(February 1, 2025)

Argentina			Australia		France			
	%							
	Nominal	RSP ^(f)						
Social Assistance Fund (SAF) ^(a)	7.00	7.00	Tobacco Excise Tax (AUD/Kg)	2,101.89	Ad Valorem Excise Tax	55.0%		
Special Tobacco Fund (STF) ^(b)	7.35	8.34	Tobacco Excise Tax (AUD/000) ^(a)	1,366.23	Specific Excise Tax (EUR/000)	72.70		
Excise Tax ^(c)	73.00	57.76	VAT (Nominal)	10.0%	Minimum Excise Tax (EUR/000)	378.80		
VAT ^(d)	21.00	4.49	(a) If not exceeding 0.8g per cigarette		VAT (Nominal)	20.0%		
Turnover Tax ^(e)	3.68	0.59						
Tax Burden		78.18						
			Egypt			Germany		
			Price Tier (RSP per pack in EGP)	1 (0 - 38.88)	2 (+38.88-56.40)	3 (56.41+)	Ad Valorem Excise Tax	19.84%
			Ad Valorem Excise Tax (% of RSP)	50%	50%	50%	Specific Excise Tax (EUR/000)	117.10
			Specific Excise Tax (EGP/000)	225.0	350.0	375.0	Minimum Total Tax (EUR/000) ^(a)	241.63
			Health Tax (EGP/000)	67.5	67.5	67.5	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 57.0596 (as of January 2025)
(c) $73\% \times [RSP - SAF - VAT - STF]$. Minimum excise tax: ARS 0.00
(d) $(NEFP + Wholesaler \& Retailer \text{ margin}) \times 21\%$
(e) $NEFP \times 3.68\%$
(f) Based on Philip Morris soft pack (ARS 3110.00)
Note: NEFP is net ex-factory price

Note: 20 cigarettes per pack

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Cigarette Excise Tax Structures: Select Markets (cont.)

(February 1, 2025)

Japan		Mexico		Italy	
National – Tobacco Tax (JPY/pack)	136.04	Ad Valorem Excise Tax ^(a)	160.0%	Ad Valorem Excise Tax	49.5%
National – Special Tobacco Tax (JPY/pack)	16.40	Specific Excise Tax (MXN/000)	644.5	Specific Excise Tax (EUR/000)	29.50
Local Excise Tax (JPY/pack)	<u>152.44</u>	VAT (Nominal)	16.0%	Minimum Total Tax (EUR/000) ^(a)	209.30
Total (JPY/pack)	304.88	(a) Ad valorem excise tax is 160% of manufacturer / wholesale price to retail excluding taxes (VAT and Excise)		VAT (Nominal)	18.0%
VAT (Nominal)	10.0%			(a) Minimum Total Tax also includes the VAT	

South Korea		Philippines		Spain	
Tobacco Consumption Tax (KRW/pack)	1,007	Specific Excise Tax (PHP/pack) ^(a)	66.15	Ad Valorem Excise Tax	48.5%
Public Health Tax (KRW/pack)	841	(a) January 1, 2024 onwards (+5% / year)		Specific Excise Tax (EUR/000)	33.50
Education Tax (KRW/pack)	443			Minimum Excise Tax (EUR/000)	150.00
Green Fund Tax (KRW/pack)	29			VAT (Nominal)	21.0%
Individual Consumption Tax (KRW/pack)	594				
Farmer's Subsidy Tax (KRW/pack)	5				
Total (KRW/pack)	2,919				
VAT (Nominal)	10.0%				

Poland		Turkey	
Ad Valorem Excise Tax	32.05%	Ad Valorem Excise Tax (% of RSP)	53.5%
Specific Excise Tax (PLN/000)	276.00	Specific Excise Tax (TRY/000)	419.5
Minimum Excise Tax (PLN/000)	585.50	Minimum Excise Tax (TRY/000)	1831.3
VAT (Nominal)	23.0%	VAT (Nominal)	20.0%

Note: 20 cigarettes per pack

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Cigarette Excise Tax Structure: Indonesia

(February 1, 2025)

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	2,375	2,260	1,354.1	1,354.1
	Volume Tier 2 (≤ 3 billion units)	1	1,485	1,380	820.6	820.6
Whites (SPM)	Volume Tier 1 (> 3 billion units)	1	2,495	2,380	1,469.6	1,469.6
	Volume Tier 2 (≤ 3 billion units)	1	1,565	1,465	873.4	873.4
Hand-Rolled Kretek (SKT) / Hand-Rolled White (SPT)	Volume Tier 1 (> 2 billion units)	1	2,170	1,981	531.3	531.3
	Volume Tier 2 (> 500 million units–2 billion units)	2	1,555	1,375	415.8	415.8
	Volume Tier 3 (≤ 500 million units)	1	995	865	245.3	245.3
			860	725	134.2	134.2

(a) HJE stands for banderole price

(b) Previous rates effective from January 1 to December 31, 2024

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Excise Tax Structure: Japan

(February 1, 2025)

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/heated tobacco units per pack

HTP Excise Tax Structure

	Pipe Tobacco Category	Heated Tobacco Category
RSP (JPY/pack) ^(a)	580	580
VAT (Nominal)	10%	10%
RSP Net of VAT (JPY/pack)	527	527
Effective Specific Rate (JPY/kg)	15,244	19,055 ^(b)
Tax Base	Full product weight (13.4 g/pack) ^(c)	Heated tobacco weight (5.4 g/pack) ^(d)
Specific Yield (JPY/000)	10,213	5,145
Effective Ad Valorem Rate	n/a	30%
Tax Base	n/a	RSP net of VAT
Ad Valorem Yield (JPY/000)	n/a	7,909
Total Excise Tax Yield (JPY/000)	10,213	13,054
	0%	100%
		13,054

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

(a) Illustrative RSP. (b) Reflects effective specific rate for the fifth year of five-year-phase-in period. (c) Reflects indicative "total weight" for TEREA Menthol HeatSticks. (d) Reflects indicative "heated tobacco weight" for TEREA Menthol HeatSticks 111

Multi-Year Tobacco Tax Plan: Japan

(February 1, 2025)

	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

Retail Selling Prices

You will find retail selling prices by market and product category at the following link:

- [February 2025 - RSPs](#)

PMI: Peer Group

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

Industry Volume Overview – Europe

(Billion Cigarette Equivalent Units)

Market	Product Group	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
France	Cigarettes	46.2	45.7	45.1	40.9	37.8	36.4	34.1	32.3	29.6	26.0
	HTU	-	-	0.0	0.0	0.1	0.2	0.2	0.2	0.2	0.2
	OTP	16.3	16.4	15.7	14.3	13.6	15.2	14.3	12.7	11.7	10.7
Germany	Cigarettes	80.0	78.1	76.7	74.8	72.4	73.0	71.6	66.5	65.4	64.5
	HTU	-	0.0	0.1	0.4	0.9	1.7	2.4	3.7	3.5	4.7
	OTP	43.0	42.5	41.3	40.9	40.3	42.2	41.3	40.0	39.9	40.0
Italy	Cigarettes	73.8	72.1	69.3	67.5	64.6	61.7	61.1	60.2	58.3	58.7
	HTU	0.0	0.1	0.5	1.5	3.3	5.7	9.3	12.6	14.9	14.9
	OTP	7.2	7.4	8.1	8.5	8.9	9.4	9.3	9.0	8.8	8.7
Poland	Cigarettes	41.1	41.3	41.6	42.8	45.0	43.2	45.6	49.4	49.2	49.9
	HTU	-	-	0.1	0.4	1.2	2.4	3.8	6.3	7.5	8.1
	OTP	4.0	4.1	5.0	5.5	6.2	7.2	7.8	7.9	7.7	7.2
Spain	Cigarettes	46.7	46.7	44.9	44.8	45.1	41.4	42.1	43.8	42.6	43.0
	HTU	-	0.0	0.1	0.2	0.3	0.4	0.5	0.8	1.0	1.3
	OTP	12.8	12.4	12.3	12.5	13.4	14.2	14.3	15.0	15.6	15.8

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 January 27, 2025

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Industry Volume Overview – Europe (cont.)

(Billion Cigarette Equivalent Units)

Market	Product Group	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Croatia	Cigarettes	6.1	6.0	6.2	6.2	6.1	5.7	5.7	6.0	6.4	7.0
	HTU	-	-	0.0	0.1	0.2	0.3	0.4	0.5	0.7	0.8
	OTP	0.3	0.2	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.4
Czech Republic	Cigarettes	20.4	20.5	20.3	20.0	19.7	17.0	15.2	14.5	12.8	12.0
	HTU	-	-	0.1	0.5	1.2	1.7	2.1	2.9	2.7	2.7
	OTP	2.6	2.5	2.4	2.2	2.2	1.9	1.7	1.5	1.3	1.2
Greece	Cigarettes	16.4	15.3	13.8	12.8	12.1	10.9	11.1	11.3	11.5	11.9
	HTU	-	0.0	0.2	0.6	1.2	1.5	2.0	2.7	3.4	4.2
	OTP	4.1	4.2	3.8	3.9	4.2	4.3	4.4	4.4	4.5	4.5
Hungary	Cigarettes	7.3	7.4	7.6	8.1	8.3	7.7	6.9	6.5	5.7	5.7
	HTU	-	-	-	-	0.2	0.8	1.6	2.7	3.0	3.5
	OTP	10.4	10.4	9.1	8.4	7.8	7.7	7.3	6.9	6.4	6.0
Latvia	Cigarettes	1.9	1.9	1.9	2.0	1.9	1.8	1.7	1.8	1.7	1.7
	HTU	-	-	-	0.0	0.1	0.2	0.2	0.2	0.3	0.3
	OTP	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2

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 January 27, 2025

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Industry Volume Overview – Europe (cont.)

(Billion Cigarette Equivalent Units)

Market	Product Group	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Lithuania	Cigarettes	3.1	3.1	2.9	2.8	2.7	2.4	2.4	2.2	2.1	2.0
	HTU	-	-	0.0	0.1	0.4	0.6	0.7	1.0	1.1	1.1
	OTP	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.3	0.2	0.2
Norway	Cigarettes	1.8	1.7	1.7	1.4	1.4	1.9	1.9	1.3	1.3	1.3
	OTP	1.0	1.0	0.9	0.7	0.7	0.9	0.9	0.7	0.6	0.5
	Snus	1.8	1.9	1.9	2.0	2.1	2.9	3.5	2.9	3.8 ^(a)	2.4
Portugal	Cigarettes	9.7	9.8	10.2	9.7	9.7	9.0	8.8	9.1	8.9	8.7
	HTU	0.0	0.0	0.1	0.3	0.6	0.9	1.2	1.7	2.1	2.5
	OTP	1.8	1.5	1.2	1.0	1.0	1.0	1.0	1.0	0.9	0.8
Romania	Cigarettes	24.0	24.2	24.3	24.4	25.5	25.6	25.9	26.4	25.8	26.2
	HTU	0.0	0.0	0.2	0.5	0.7	0.9	1.3	2.0	2.6	3.0
	OTP	-	0.0	0.0	0.0	0.0	0.1	0.2	0.2	0.3	0.4
Slovak Republic	Cigarettes	7.1	7.1	7.2	7.1	7.1	6.9	6.4	6.2	5.9	5.6
	HTU	-	-	0.0	0.3	0.5	0.7	0.9	1.2	1.2	1.3
	OTP	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.

(a) On a like-for-like basis (applying post-acquisition conversion methodology to 2022), the estimated total Snus market in Norway is higher by ~5%. This data does not include nicotine pouch volumes.

Source: PMI estimates as of January 27, 2025

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Industry Volume Overview – Europe (cont.)

(Billion Cigarette Equivalent Units)

Market	Product Group	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Slovenia	Cigarettes	3.6	3.6	3.5	3.5	3.4	3.2	3.2	3.3	3.1	2.9
	HTU	-	-	0.0	0.1	0.1	0.2	0.3	0.4	0.4	0.5
	OTP	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2
Sweden	Cigarettes	5.7	5.7	5.4	5.3	5.2	5.0	4.8	4.8	4.5	4.3
	HTU	-	-	-	-	0.0	0.1	0.1	0.1	0.1	0.1
	OTP	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.1
	Snus	8.0	8.3	8.5	8.9	9.0	8.8	8.8	9.2	6.1 ^(a)	5.8
Switzerland	Cigarettes	9.8	9.4	9.3	9.1	8.8	9.2	8.9	8.5	8.0	7.8
	HTU	0.0	0.0	0.1	0.2	0.3	0.4	0.6	0.9	1.1	1.2
	OTP	1.3	1.4	1.4	1.4	1.5	1.6	1.7	1.7	1.7	1.7
	Snus	-	-	-	-	-	-	-	-	-	-
United Kingdom	Cigarettes	31.4	29.6	27.9	26.0	23.5	24.1	23.7	20.3	17.0	14.7
	HTU	-	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.7	0.8
	OTP	10.0	10.3	10.5	10.6	10.7	13.8	14.4	11.9	9.6	7.7

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.

(a) On a like-for-like basis (applying post-acquisition conversion methodology to 2022), the estimated total Snus market in Sweden is lower by ~12%. This data does not include nicotine pouch volumes.

Source: PMI estimates as of January 27, 2025

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Industry Volume Overview – SSEA, CIS & MEA

(Billion Cigarette Equivalent Units)

Market	Product Group	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Egypt	Cigarettes	78.4	83.2	86.4	86.0	87.4	85.8	93.1	92.8	72.9	81.0
	HTU	-	-	-	-	-	-	0.2	0.8	1.3	1.5
Indonesia	Cigarettes	320.0	315.6	303.5	302.5	305.2	275.9	293.5	304.0	291.6	294.3
	HTU								0.2	0.6	1.2
	OTP	11.5	12.7	14.3	14.0	12.6	21.0	17.9	22.6	26.9	24.1
Philippines	Cigarettes	90.2	79.3	74.9	73.2	70.5	61.8	56.0	53.2	42.7	40.7
	HTU	-	-	-	-	-	0.0	0.2	0.2	0.2	0.3
Russia	Cigarettes	294.1	280.0	259.7	236.3	217.7	203.7	196.9	187.6	182.2	192.7
	HTU	0.0	0.0	0.3	2.6	8.8	15.4	19.9	21.2	21.2	23.8
Turkey	Cigarettes	103.2	105.5	106.2	118.5	119.7	114.8	125.1	116.8	137.4	150.5
	OTP	-	-	-	-	-	-	-	11.9	12.4	4.7

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 January 27, 2025

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Industry Volume Overview – EA, AU & PMI DF

(Billion Cigarette Equivalent Units)

Market	Product Group	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Australia	Cigarettes	16.5	15.7	13.9	12.8	12.0	11.0	9.7	8.9	7.2	5.1
	OTP	3.4	3.5	3.5	3.8	3.9	3.7	3.2	2.8	2.3	1.8
Japan	Cigarettes	182.3	173.8	151.4	132.7	121.1	102.8	94.4	92.7	89.2	84.0
	HTU	0.2	5.2	20.0	34.6	36.7	40.1	45.0	50.4	56.7	64.6
	OTP	-	-	-	0.9	4.0	12.4	11.2	5.1	3.1	2.4
South Korea	Cigarettes	67.3	73.6	69.0	62.8	61.2	64.1	62.8	61.9	60.0	57.4
	HTU	-	-	1.6	6.8	7.3	7.5	8.9	10.7	12.0	13.0
New Zealand	Cigarettes	1.8	1.8	1.7	1.7	1.5	1.4	1.2	1.1	1.0	0.9
	HTU	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	OTP	0.9	0.8	0.8	0.7	0.8	0.8	0.7	0.5	0.5	0.4
Singapore	Cigarettes	2.8	2.8	2.8	2.8	2.7	3.1	3.0	2.7	2.3	2.2

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 January 27, 2025

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Industry Volume Overview – Americas

(Billion Cigarette Equivalent Units)

Market	Product Group	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Argentina	Cigarettes	40.8	38.7	38.2	36.9	34.1	31.0	30.0	30.3	28.8	26.4
	OTP	0.2	0.2	0.3	0.2	0.1	0.1	0.2	0.0	0.1	0.1
Mexico	Cigarettes	33.8	36.2	35.8	35.5	35.5	30.5	32.0	32.2	29.9	29.3
	HTU	-	-	-	-	0.0	0.1	0.1	0.1	0.1	0.2

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 January 27, 2025

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Sustainability Business Transformation Metrics - Glossary

- Unless otherwise stated, all applicable business transformation metrics include Swedish Match related data as of November 11, 2022 (acquisition date), as well as Vectura Fertin Pharma. In 2023, we evaluated and republished a new set of aspirations for 2030 to ensure they remain ambitious, reasonable, and achievable in the context of a dynamic and evolving smoke-free industry, and impacts of our recent acquisitions.
- For definition of available for sale, see PMI Integrated Report 2023 Glossary.
- Related to number of markets where adjusted net revenues from smoke-free products exceed 75% of adjusted total net revenues: excluding PMI Duty Free. World Bank report issued in 2023 is used on a comparative basis for income level classification. For definition of low- and middle-income markets, see PMI Integrated Report 2023 Glossary.
- Change in combustible tobacco product shipment volume (billion units) vs. 2015 baseline is calculated based on millions of units. For definition of heated tobacco units and combustible tobacco products, see PMI Integrated Report 2023 Glossary. Combustible tobacco products shipment volume includes cigarettes and other tobacco products expressed in cigarette equivalent units.
- Adjusted R&D expenditure excludes asset acquisition cost related to OtiTopic, Inc. in 2021. Total reported R&D expenditure in 2021 including these items amounted to USD 617 million.
- Direct spend focuses on materials used in the manufacture of our products; it includes tobacco leaf, direct materials, and electronic devices and accessories. Data excludes Swedish Match and Vectura Fertin Pharma.
- Number of factories producing smoke-free products out of total number of factories reflects the number of factories operated and owned by PMI at the end of the respective year. As of 2023, "Smoke-free products factories" is defined as manufacturing facilities producing heated tobacco units and oral nicotine products. Additionally, in 2023, PMI evolved its approach to report the number of factories based on location instead of based on plant. If a facility is in one location but has several physical areas (plants), the facility is counted as one. To provide comparability, 2022 data has been restated on the same basis.

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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,		
	2024	2023	% Change
Reported Diluted EPS	\$ 4.52	\$ 5.02	(10.0)%
Less: Currency	(0.38)		
Reported Diluted EPS, excluding Currency	\$ 4.90	\$ 5.02	(2.4)%

	Years Ended December 31,		
	2024	2023	% Change
Reported Diluted EPS	\$ 4.52	\$ 5.02	(10.0)%
Restructuring charges	0.10	0.06	
Termination of distribution arrangement in the Middle East	-	0.04	
Impairment of goodwill and other intangibles	0.01	0.44	
Amortization of intangibles	0.40	0.25	
Charges related to the war in Ukraine	-	0.03	
Megapolis localization tax impact	0.05	-	
Swedish Match AB acquisition accounting related items	-	0.01	
Income tax impact associated with Swedish Match AB financing	0.14	(0.11)	
Egypt sales tax charge	0.03	-	
Loss on sale of Vectura Group	0.13	-	
South Korea indirect tax charge	-	0.11	
Termination of agreement with Foundation for a Smoke-Free World	-	0.07	
Impairment related to the RBH equity investment	1.49	-	
Fair value adjustment for equity security investments	(0.27)	(0.02)	
Tax items	(0.03)	0.11	
Adjusted Diluted EPS	\$ 6.57	\$ 6.01	9.3%
Less: Currency	(0.38)		
Adjusted Diluted EPS, excluding Currency	\$ 6.95	\$ 6.01	15.6%

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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	Adjusted Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions
							Quarters Ended December 31,				% Change		
							2024	2023					
\$ 4,056	\$ -	\$ 4,056	\$ 82	\$ 3,974	\$ -	\$ 3,974	Europe	\$ 3,766	\$ -	\$ 3,766	7.7%	5.5%	5.5%
2,868	-	2,868	(17)	2,885	-	2,885	SSEA, CIS & MEA	2,707	-	2,707	5.9%	6.6%	6.6%
1,434	-	1,434	(27)	1,461	-	1,461	EA, AU & PMI DF	1,430	-	1,430	0.3%	2.2%	2.2%
1,261	-	1,261	(40)	1,301	-	1,301	Americas	1,075	-	1,075	17.3%	21.0%	21.0%
87	-	87	2	85	-	85	Wellness and Healthcare	69	-	69	26.1%	23.2%	23.2%
\$ 9,706	\$ -	\$ 9,706	\$ -	\$ 9,706	\$ -	\$ 9,706	Total PMI	\$ 9,047	\$ -	\$ 9,047	7.3%	7.3%	7.3%
							Years Ended December 31,				% Change		
							2024	2023					
\$ 15,357	\$ -	\$ 15,357	\$ 116	\$ 15,241	\$ -	\$ 15,241	Europe	\$ 14,231	\$ -	\$ 14,231	7.9%	7.1%	7.1%
11,261	-	11,261	(610)	11,871	-	11,871	SSEA, CIS & MEA	10,629	(80) ^(a)	10,709	5.2%	10.9%	10.9%
6,393	-	6,393	(341)	6,734	-	6,734	EA, AU & PMI DF	6,201	-	6,201	3.1%	8.6%	8.6%
4,534	-	4,534	(9)	4,543	-	4,543	Americas	3,807	-	3,807	19.1%	19.3%	19.3%
333	-	333	3	330	-	330	Wellness and Healthcare	306	-	306	8.8%	7.8%	7.8%
\$ 37,878	\$ -	\$ 37,878	\$ (841)	\$ 38,719	\$ -	\$ 38,719	Total PMI	\$ 35,174	\$ (80)	\$ 35,254	7.4%	9.8%	9.8%

(a) Reflects a reduction in net revenues of \$80 million related to the termination of distribution arrangement in the Middle East

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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
							Quarters Ended December 31,				% Change		
2024							2023						
\$ 1,802	\$ (40)	\$ 1,843	\$ -	\$ 1,843	\$ -	\$ 1,843	Europe	\$ 1,618	\$ (72)	\$ 1,690	9.1%	9.1%	9.1%
806	(4)	810	8	802	13	789	SSEA, CIS & MEA	699	(5)	704	15.1%	13.9%	12.1%
574	(1)	575	(41)	616	-	616	EA, AU & PMI DF	576	-	576	(0.2)%	6.9%	6.9%
129	(210)	339	129	210	-	210	Americas	58	(71)	129	+100%	62.8%	62.8%
(52)	(5)	(48)	(1)	(47)	-	(47)	Wellness and Healthcare	(62)	(15)	(47)	(2.1)%	-	-
\$ 3,259	\$ (260)	\$ 3,519	\$ 95	\$ 3,424	\$ 13	\$ 3,411	Total PMI	\$ 2,889	\$ (163)	\$ 3,052	15.3%	12.2%	11.8%
							Years Ended December 31,				% Change		
2024							2023						
\$ 6,938	\$ (160)	\$ 7,099	\$ 6	\$ 7,093	\$ -	\$ 7,093	Europe	\$ 6,169	\$ (323)	\$ 6,492	9.3%	9.3%	9.3%
3,429	(63)	3,492	(592)	4,084	46	4,038	SSEA, CIS & MEA	3,136	(173)	3,309	5.5%	23.4%	22.0%
2,878	(3)	2,881	(298)	3,179	-	3,179	EA, AU & PMI DF	2,539	(250)	2,789	3.3%	14.0%	14.0%
548	(788)	1,336	205	1,131	-	1,131	Americas	582	(297)	879	52.0%	28.7%	28.7%
(391)	(271)	(120)	(3)	(117)	-	(117)	Wellness and Healthcare	(870)	(738)	(132)	9.1%	11.4%	11.4%
\$ 13,402	\$ (1,286)	\$ 14,688	\$ (682)	\$ 15,370	\$ 46	\$ 15,324	Total PMI	\$ 11,556	\$ (1,781)	\$ 13,337	10.1%	15.2%	14.9%

(a) See Slides 126 and 127

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

Reconciliation of Reported Operating Income to Adjusted Operating Income
(\$ in millions) / (Unaudited)

PMI	Quarters Ended December 31,	
	2024	2023
Reported Operating Income	\$ 3,259	\$ 2,889
Restructuring charges	(12)	-
Amortization of intangibles	(247)	(129)
Charges related to the war in Ukraine	-	(34)
Loss on sale of Vectura Group	(1)	-
Adjusted Operating Income	\$ 3,519	\$ 3,052

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

Reconciliation of Reported Operating Income to Adjusted Operating Income
(\$ in millions) / (Unaudited)

PMI	Years Ended December 31,	
	2024	2023
Reported Operating Income	\$ 13,402	\$ 11,556
Restructuring charges	(180)	(109)
Termination of distribution arrangement in the Middle East	-	(80)
Impairment of goodwill and other intangibles	(27)	(680)
Amortization of intangibles	(835)	(497)
Charges related to the war in Ukraine	-	(53)
Egypt sales tax charge	(45)	-
Loss on sale of Vectura Group	(199)	-
Swedish Match AB acquisition accounting related items	-	(18)
South Korea Indirect Tax Charge	-	(204)
Termination of agreement with Foundation for a Smoke-Free World	-	(140)
Adjusted Operating Income	\$ 14,688	\$ 13,337

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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	Years Ended December 31,	Adjusted Operating Income (a)	Adjusted Net Revenues (b)	Adjusted Operating Income Margin	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income Margin excluding Currency & Acquisitions
2024									Years Ended December 31,	2023			% Points Change		
\$ 7,099	\$ 15,357	46.2%	\$ 7,093	\$ 15,241	46.5%	\$ 7,093	\$ 15,241	46.5%	Europe	\$ 6,492	\$ 14,231	45.6%	0.6	0.9	0.9
3,492	11,261	31.0%	4,084	11,871	34.4%	4,038	11,871	34.0%	SSEA, CIS & MEA	3,309	10,709	30.9%	0.1	3.5	3.1
2,881	6,393	45.1%	3,179	6,734	47.2%	3,179	6,734	47.2%	EA, AU & PMI DF	2,789	6,201	45.0%	0.1	2.2	2.2
1,336	4,534	29.5%	1,131	4,543	24.9%	1,131	4,543	24.9%	Americas	879	3,807	23.1%	6.4	1.8	1.8
(120)	333	(36.0)%	(117)	330	(35.5)%	(117)	330	(35.5)%	Wellness and Healthcare	(132)	306	(43.1)%	7.1	7.6	7.6
\$ 14,688	\$ 37,878	38.8%	\$ 15,370	\$ 38,719	39.7%	\$ 15,324	\$ 38,719	39.6%	Total PMI	\$ 13,337	\$ 35,254	37.8%	1.0	1.9	1.8

(a) For the calculation of Adjusted Operating Income and Adjusted Operating Income excluding currency and acquisitions refer to slide 125

(b) For the calculation of Adjusted Net Revenues excluding currency and acquisitions refer to slide 124

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

Research & Development Expenditure by Product Category
(\$ in millions) / (Unaudited)

	Years Ended December 31,			
	2015	2022	2023	2024
Combustible Tobacco	\$ 129	\$ 7	\$ 4	\$ 3
Smoke-Free	\$ 294	\$ 634	\$ 705	\$ 755
Total PMI	\$ 423	\$ 642	\$ 709	\$ 759

Note: Sum of product categories might not foot to Total PMI due to roundings

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

Reconciliation of Net Earnings attributable to PMI to Adjusted Net Earnings attributable to PMI
(\$ in millions) / (Unaudited)

	Years ended December 31,		Change Fav./ (Unfav.)		Variance Fav./ (Unfav.)					
	2024	2023	Total	Excl. Curr. & Acquis.	Total	Currency	Acquisitions	Price	Vol/ Mix	Cost/ Other
Net Earnings attributable to PMI	\$ 7,057	\$ 7,813	(9.7)%	(2.2)%	(756)	(594)	9	2,203	764	(3,138)
Restructuring charges	(150)	(96)	(56.3)%	(56.3)%	(54)	-	-	-	-	(54)
Impairment of goodwill and other intangibles	(20)	(678)	97.1%	97.1%	658	-	-	-	-	658
Amortization of intangibles	(629)	(389)	(61.7)%	(61.7)%	(240)	-	-	-	-	(240)
Megaplis localization tax impact	(77)	-	-	-	(77)	-	-	-	-	(77)
Income tax impact associated with Swedish Match AB financing	(209)	170	-(100)%	-(100)%	(379)	-	-	-	-	(379)
Egypt sales tax charge	(39)	-	-	-	(39)	-	-	-	-	(39)
Loss on sale of Vectura Group	(206)	-	-	-	(206)	-	-	-	-	(206)
Impairment related to the RBH equity investment	(2,316)	-	-	-	(2,316)	-	-	-	-	(2,316)
FV Adjustment for equity security investments	418	38	+100%	+100%	380	-	-	-	-	380
Tax items	47	(173)	+100%	+100%	220	-	-	-	-	220
Other adjustments impacting 2023 only ^(a)	-	(411)	+100%	+100%	411	-	-	-	-	411
Adjusted Net Earnings attributable to PMI	\$ 10,238	\$ 9,352	9.5%	15.7%	886	(594)	9	2,203	764	(1,496)

(a) Represents adjustments impacting 2023 only: South Korea indirect tax charge (\$174 million), Termination of agreement with Foundation for a Smoke-Free World (\$111 million), Termination of distribution arrangement in the Middle East (\$70 million), Charges related to the war in Ukraine (\$43 million), and Swedish Match AB acquisition accounting related items (\$13 million). Source: PMI Financials or estimates

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

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

Years Ended December 31,

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Combustible Tobacco	\$ 26,595	\$ 25,818	\$ 24,970	\$ 25,378	\$ 24,083	\$ 21,747	\$ 22,067 ^(a)	\$ 21,572	\$ 22,334 ^(b)	\$ 23,218
Smoke-Free	199	867	3,778	4,247	5,722	6,947	9,338	10,190	12,840	14,660
Total PMI	\$ 26,794	\$ 26,685	\$ 28,748	\$ 29,625	\$ 29,805	\$ 28,694	\$ 31,405	\$ 31,762	\$ 35,174	\$ 37,878

(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) 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 \$35,254 million and for combustible tobacco \$22,414 million. Note: Sum of product categories or Regions might not foot to Total PMI due to roundings. Source: PMI Financials or estimates

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

Reconciliation of Gross Profit by Product Category to Adjusted Gross Profit
(\$ in millions) / (Unaudited)

Years Ended December 31,

	2018			2020			2022			2024		
	Gross Profit	Special Items	Adj. Gross Profit	Gross Profit	Special Items	Adj. Gross Profit	Gross Profit	Special Items ^(a)	Adj. Gross Profit	Gross Profit	Special Items ^(b)	Adj. Gross Profit
Combustible Tobacco	\$ 17,210	\$ -	\$ 17,210	\$ 14,986	\$ -	\$ 14,986	\$ 14,475	\$ (57)	\$ 14,532	\$ 14,830	\$ -	\$ 14,830
Smoke-Free	1,657	-	1,657	4,139	-	4,139	5,885	(299)	6,184	9,719	(51)	9,770
Total PMI	\$ 18,867	\$ -	\$ 18,867	\$ 19,125	\$ -	\$ 19,125	\$ 20,360	\$ (356)	\$ 20,716	\$ 24,549	\$ (51)	\$ 24,600

(a) 2022 full-year includes Swedish Match AB acquisition accounting related items (\$125 million of which \$18 million in Combustible Tobacco and \$107 million in Smoke-Free), impairment of goodwill and other intangibles (\$112 million in Smoke-Free), charges related to the war in Ukraine (\$61 million of which \$39 million in Combustible Tobacco and \$22 million in Smoke-Free) and amortization of intangibles (\$58 million in Smoke-Free). (b) 2024 full-year reflects amortization of intangibles in Smoke-Free, all amounts are related to cost of goods sold. Note: Sum of product categories and special items might not foot due to roundings. Source: PMI Financials or estimates

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

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

	Years Ended December 31,			Years Ended December 31,			Years Ended December 31,			Years Ended December 31,		
	2021	2020	% Change	2022	2021	% Change	2023	2022	% Change	2024	2023	% Change
Reported Diluted EPS	\$ 5.83	\$ 5.16	13.0%	\$ 5.81	\$ 5.83	(0.3)%	\$ 5.02	\$ 5.81	(13.6)%	\$ 4.52	\$ 5.02	(10.0)%
Restructuring charges	0.12	0.08		-	0.12		0.06	-		0.10	0.06	
Termination of distribution arrangement in the Middle East	-	-		-	-		0.04	-		-	0.04	
Impairment of goodwill and other intangibles	-	-		-	-		0.44	0.06		0.01	0.44	
Amortization of intangibles	0.05	0.04		0.15	0.05		0.25	0.09		0.40	0.25	
Saudi Arabia customs assessments	0.14	-		-	0.14		-	-		-	-	
Equity investee ownership dilution	(0.04)	-		-	(0.04)		-	-		-	-	
Asset acquisition cost	0.03	-		-	0.03		-	-		-	-	
Charges related to the war in Ukraine	-	-		0.08	-		0.03	0.08		-	0.03	
Megapolis localization tax impact	-	-		-	-		-	-		0.05	-	
Swedish Match AB acquisition accounting related items	-	-		0.06	-		0.01	0.06		-	0.01	
Costs associated with Swedish Match AB offer	-	-		0.06	-		-	0.06		-	-	
Income tax impact associated with Swedish Match AB financing	-	-		(0.13)	-		(0.11)	(0.13)		0.14	(0.11)	
Egypt sales tax charge	-	-		-	-		-	-		0.03	-	
Loss on sale of Vectura Group	-	-		-	-		-	-		0.13	-	
South Korea indirect tax charge	-	-		-	-		0.11	-		-	0.11	
Termination of agreement with Foundation for a Smoke-Free World	-	-		-	-		0.07	-		-	0.07	
Impairment related to the RBH equity investment	-	-		-	-		-	-		1.49	-	
Fair value adjustment for equity security investments	-	0.04		(0.02)	-		(0.02)	(0.02)		(0.27)	(0.02)	
Brazil indirect tax credit	-	(0.05)		-	-		-	-		-	-	
Tax items	-	(0.06)		(0.03)	-		0.11	(0.03)		(0.03)	0.11	
Adjusted Diluted EPS	\$ 6.13	\$ 5.21	17.7%	\$ 5.98	\$ 6.13	(2.4)%	\$ 6.01	\$ 5.98	0.5%	\$ 6.57	\$ 6.01	9.3%
Less: Currency	0.12	-		(0.77)	-		(0.63)	-		(0.38)	-	
Adjusted Diluted EPS, excluding Currency	\$ 6.01	\$ 5.21	15.4%	\$ 6.75	\$ 6.13	10.1%	\$ 6.64	\$ 5.98	11.0%	\$ 6.95	\$ 6.01	15.6%

Source: PMI Financials or estimates

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

Net Cash Provided by Operating Activities to Free Cash Flow (\$ in millions) / (Unaudited)

	Years Ended December 31,				
	2020	2021	2022	2023	2024
Net cash provided by operating activities	\$ 9,812	\$ 11,967	\$ 10,803	\$ 9,204	\$ 12,217
Capital expenditures	(602)	(748)	(1,077)	(1,321)	(1,444)
Free Cash Flow	\$ 9,210	\$ 11,219	\$ 9,726	\$ 7,883	\$ 10,773

Source: PMI Financials or estimates

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

Reconciliation of Net Earnings Attributable to PMI to Adjusted Net Earnings Attributable to PMI
(\$ in millions) / (Unaudited)

	Years Ended December 31,				
	2020	2021	2022	2023	2024
Net Earnings attributable to PMI	\$ 8,056	\$ 9,109	\$ 9,048	\$ 7,813	\$ 7,057
Restructuring charges	(123)	(181)	-	(96)	(150)
Termination of distribution arrangement in the Middle East	-	-	-	(70)	-
Impairment of goodwill and other intangibles	-	-	(98)	(678)	(20)
Amortization of intangibles	(59)	(78)	(129)	(389)	(629)
Saudi Arabia customs assessments	-	(215)	-	-	-
Equity Investee Ownership Dilution	-	55	-	-	-
Asset Acquisition Cost	-	(51)	-	-	-
Charges related to the war in Ukraine	-	-	(128)	(43)	-
Megapolis localization tax impact	-	-	-	-	(77)
Swedish Match AB acquisition accounting related item	-	-	(94)	(13)	-
Costs Associated to Swedish Match AB offer	-	-	(99)	-	-
Income tax impact associated with Swedish Match AB financing	-	-	203	170	(209)
Egypt sales tax charge	-	-	-	-	(39)
Loss on sale of Vectura Group	-	-	-	-	(206)
South Korea Indirect Tax Charge	-	-	-	(174)	-
Termination of agreement with Foundation for a Smoke-Free World	-	-	-	(111)	-
Impairment related to the RBH equity investment	-	-	-	-	(2,316)
FV Adjustment for equity security investments	(62)	-	39	38	418
Brazil Indirect Tax Credit	78	-	-	-	-
Tax items	93	-	40	(173)	47
Adjusted Net Earnings attributable to PMI	\$ 8,129	\$ 9,579	\$ 9,314	\$ 9,352	\$ 10,238

Source: PMI Financials or estimates

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

Calculation of Total Debt to Adjusted EBITDA and Net Debt to Adjusted EBITDA Ratios
(\$ in millions, except ratios) / (Unaudited)

	Years Ended December 31,						
	2018	2019	2020	2021	2022	2023	2024
Net Earnings	\$ 8,286	\$ 7,728	\$ 8,592	\$ 9,710	\$ 9,527	\$ 8,268	\$ 7,503
Equity investments and securities (income)/loss, net	(60)	(149)	(16)	(149)	(137)	(157)	(637)
Provision for income taxes	2,445	2,293	2,377	2,671	2,244	2,339	3,017
Interest expense, net	665	570	618	628	588	1,061	1,143
Impairment related to the RBH equity investment	-	-	-	-	-	-	2,316
Depreciation, amortization and impairment of goodwill and other intangibles	989	964	981	998	1,189	2,078	1,814
Restructuring charges and Others ^(a)	-	1,229	30	513	391	604	424
Adjusted EBITDA	\$ 12,325	\$ 12,635	\$ 12,582	\$ 14,371	\$ 13,802	\$ 14,193	\$ 15,580
	December 31,						
	2018	2019	2020	2021	2022	2023	2024
Short-term borrowings	\$ 730	\$ 338	\$ 244	\$ 225	\$ 5,637	\$ 1,968	\$ 137
Current portion of long-term debt	4,054	4,051	3,124	2,798	2,611	4,698	3,392
Long-term debt	26,975	26,656	28,168	24,783	34,875	41,243	42,166
Total Debt	\$ 31,759	\$ 31,045	\$ 31,536	\$ 27,806	\$ 43,123	\$ 47,909	\$ 45,695
Cash and cash equivalents	6,593	6,861	7,280	4,496	3,207	3,060	4,216
Net Debt	\$ 25,166	\$ 24,184	\$ 24,256	\$ 23,310	\$ 39,916	\$ 44,849	\$ 41,479
Ratios:							
Total Debt to Adjusted EBITDA	2.58	2.46	2.51	1.93	3.12	3.38	2.93
Net Debt to Adjusted EBITDA	2.04	1.91	1.93	1.62	2.89	3.16	2.66

(a) For the year ended December 31, 2024 "Others" includes loss on sale of Vectura Group (\$199 million) and Egypt sales tax charge (\$45 million). For the year ended December 31, 2023 "Others" includes South Korea indirect tax charge (\$204 million), Termination of agreement with Foundation for a Smoke-Free World (\$140 million), a reduction in revenues related to the termination of a distribution arrangement in the Middle East (\$80 million), charges related to the war in Ukraine (\$53 million) and Swedish Match AB acquisition accounting related items (\$18 million). For year ended December 31, 2022 "Others" includes charges related to the war in Ukraine (\$151 million), costs associated with Swedish Match AB offer (\$115 million) and Swedish Match AB acquisition accounting related item (\$125 million). For the year ended December 31, 2021 "Others" includes a reduction in net revenues related to the Saudi Arabia customs assessments (\$246 million) and asset acquisition cost (\$51 million). For the year ended December 31, 2020 "Others" include the Brazil indirect tax credit (\$119 million). For the year ended December 31, 2019 "Others" include the Canadian tobacco litigation-related expense (\$194 million), the loss on deconsolidation of RBH (\$239 million) and the Russia excise and VAT audit charge (\$374 million). Source: PMI Financials or estimates

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Calculation of Non-GAAP Measures

Calculation of Net Operating Profit After Tax (NOPAT)
(\$ in millions, except effective tax rate) / (Unaudited)

	Years Ended December 31,				
	2020	2021	2022	2023	2024
Operating income	\$ 11,668	\$ 12,975	\$ 12,246	\$ 11,556	\$ 13,402
Pension and other employee benefit costs	(97)	(115)	(24)	(45)	(60)
Operating income net of pension and other employee benefit costs	11,571	12,860	12,222	11,511	13,342
<i>Effective tax rate</i>	(21.7)%	(21.8)%	(19.3)%	(22.4)%	(24.7)%
Net operating profit after tax (NOPAT)	\$ 9,060	\$ 10,052	\$ 9,865	\$ 8,935	\$ 10,042

Note: Net operating profit after tax may not foot due to roundings. Source: PMI Financials or estimates