

...and the Positive Contribution of Our Charitable Giving Programs

Contributing to the community is part of our culture. We are committed to addressing the most pressing needs in the communities where our employees live and work, as well as in the farming communities where we source tobacco.

Our contributions are allocated to programs in five giving areas:

HUNGER AND POVERTY

Our ambition: to reduce poverty and hunger by empowering people to improve their living conditions, and by providing direct relief to the poor and hungry all over the world.

In Indonesia, we have joined forces with the Nagrak Organic SRI Center, a local non-governmental organization (NGO) specializing in community empowerment projects, to train 750 farmers in the System of Rice Intensification, which in 2011 helped farmers harvest 60-70% more rice at a significantly lower cost.

In Ecuador, through financial and volunteer support in 2011, we helped construct emergency housing for 40 families living under conditions of extreme poverty in the provinces of Los Rios and Guayas.

EDUCATION

Our ambition: to enable better access to schooling and improve the quality of education from primary school to university and beyond. This includes providing scholarships, training to teachers, building new schools and improving existing facilities.

In Russia, we ran a program in 2011 with the Training Center of the Russian Educational Academy, a highly respected think-tank, to help 880 high school teachers receive training and upgrade their professional qualifications, thereby improving the quality of teaching in eight regions throughout the country.

In Colombia, we have been supporting the program "Harvesting the Future," a multi-faceted initiative that aims to improve the quality of primary education in tobacco-growing areas. In 2011, 140 teachers from 72 schools participated in training workshops; infrastructure improvements were made in 35 schools; and libraries were set up in 21 schools, benefiting more than 2,300 children of tobacco farmers.

RURAL LIVING CONDITIONS

Our ambition: to protect and enhance natural resources, reforest the land, provide clean water, ensure food security, and improve the livelihoods of people living in rural communities. The projects we fund are diverse, but they have key goals in common: long-term, sustainable results and self-sufficiency.

In Malawi, Mozambique and Tanzania, we are partnering with the African NGO Total LandCare on a multi-year initiative to preserve forests, build



schools and provide villages with clean water, improved sanitation and fuel-efficient stoves. We are also helping to plant tens of millions of trees for household fuel consumption. Our 2011 investment is expected to benefit about 85,000 households.

DISASTER RELIEF

Our ambition: to provide immediate relief and reconstruction aid to communities affected by natural disaster.

In the northeast of Japan, for example, following the catastrophic earthquake and tsunami that struck in March 2011, we channeled a substantial financial donation to support relief efforts. Many of our employees became volunteers and donors, assisting organizations such as the NGO Caring for Young Refugees, which operated kindergartens for children living in temporary shelters.

DOMESTIC VIOLENCE

Our ambition: to fight against violence in the home by supporting a variety of programs ranging from awareness building to violence prevention, victim protection, and rehabilitation of those affected by domestic violence.

In Germany, we have been supporting the Berlin Initiative against Violence against Women since 2001, which offers professional counseling and help to domestic violence victims through emergency hot-line support and on-site help through a mobile intervention unit.

Employees from Philip Morris Japan participating in volunteer activities, from cleaning gutters to renovating homes, in Ishinomaki City, Miyagi Prefecture, one of the areas hardest hit by the devastating tsunami of March 2011.

