

PHILIP MORRIS U.S.A.



OUR BUSINESS IS TOBACCO.  
OUR SUCCESS IS IN OUR PEOPLE.





Michael E. Szymanczyk  
Chairman and CEO



John R. Nelson  
President, Operations  
and Technology





## OUR MISSION

Our goal is to be the most responsible, effective and respected developer, manufacturer and marketer of consumer products, especially products intended for adults. Our core business is manufacturing and marketing the best quality tobacco products to adults who choose to use them.

We will support our Mission by proactively engaging with our stakeholders to enhance our ability to act in a way that is consistent with society's expectations of a responsible company.

**We will be successful in achieving our goal when we:**

- **Help Reduce Youth Smoking** – Identify, support and develop programs to discourage youth smoking while promoting positive youth development.
- **Market Our Products Responsibly** – Responsibly market our brands to adults who choose to smoke.
- **Communicate Health Effects of Our Products** – Communicate openly, honestly and effectively about the health effects of our products.
- **Provide Smoking Pleasure/Reduced Harm** – Respect our adult consumers by meeting or exceeding their preferences, providing them with smoking pleasure and continuously developing new methods and technologies with the potential to reduce harm associated with our products.
- **Support Reasonable Regulation** – Engage with the public health community and government to help set objective standards for reducing harm associated with tobacco products and to establish rigorous regulatory processes for manufacturing our products and communicating to adult consumers.
- **Comply with Legal and Regulatory Requirements** – Meet or exceed the legal and regulatory requirements that govern our products and business.
- **Value Our Employees** – Respect each member of our diverse workforce by providing an attractive and safe work environment where rewards and growth opportunities are based on contributions to our Mission and behaviors consistent with our Values.
- **Engage with Our Business Partners** – Establish and maintain productive relationships with our business partners, including farmers, suppliers, distributors and retailers, and advocate financially and socially responsible actions as part of those relationships.
- **Reduce Environmental Impact** – Explore and advocate policies to reduce the environmental impact of our business and products from sourcing to disposal.
- **Play an Active Role in Community Development** – Enhance and support the communities where we live, work and do business to help improve quality of life.
- **Provide Shareholder Return** – Provide returns to our shareholder, Philip Morris Companies, to justify its investment and confidence in us.



## OUR VALUES

- **We believe in operating with integrity, trust and respect, both as individuals and as a company.**

We conduct ourselves within both the spirit and the letter of the law, regulations, agreements and policies that govern us. We are honest with one another and with our stakeholders, fully disclosing all appropriate information, and not just that which supports our point of view. We have the courage to do what's right.

- **We demonstrate a passion to succeed in every aspect of our business.**

We bring optimism, initiative and dedication to our work, displaying confidence in our ability to succeed. We continually raise our expectations for what is possible, and encourage a constructive dissatisfaction with our results. We apply our learnings to the future, using both our successes and our disappointments as stepping stones to continued success.

- **We believe in executing with quality, by understanding and responding to our adult consumers' preferences.**

We plan collaboratively to ensure consistent and achievable goals. We execute by saying what we will do, doing what we say, and documenting the results. We establish clear accountabilities and strive to produce superior results for our shareholder.

- **We believe in driving creativity into everything we do, resulting in innovation and continuous improvement for our adult consumers and our business processes.**

We encourage everyone to think about things differently and to think about different things, bringing vigorous challenge to everything we do. We build and develop ideas through collaborative leadership and by fully utilizing the unique talents within our Company. We are receptive to new ideas, and applaud those who dare to think differently.

- **We believe in sharing with others, unleashing the tremendous resources of our people as a force for good into the communities in which we live and work.**

We foster an environment where our people can contribute their time, energy and commitment to their families, their neighbors, their colleagues and their communities. We share ideas, opinions and expertise openly and unselfishly both within the Company as well as with those with whom we interact in our business dealings, in the true spirit of collaboration. We promote personal and professional pride and growth. As a company, we acknowledge and embrace our role as a responsible, involved citizen and community leader.

HOW TO SUBMIT YOUR RESUME  
CHARITABLE GIVING  
CORPORATE AFFAIRS  
YOUTH SMOKING PREVENTION  
SALES  
BRAND MARKETING  
MANUFACTURING  
RESEARCH, DEVELOPMENT & ENGINEERING  
OPERATIONS PURCHASING  
LEAF  
MARKET INFORMATION AND PLANNING  
INFORMATION SERVICES  
HUMAN RESOURCES  
FINANCE  
BRANDS  
MISSION AND VALUES



# ONE OF OUR TOBACCO BRANDS IS THE BIGGEST IN THE WORLD. OUR OTHERS AREN'T FAR BEHIND.

*Philip Morris U.S.A. is committed to acting responsibly in marketing its tobacco products to adults who choose to smoke. We demonstrate this commitment by implementing all of our marketing programs in compliance with both the letter and the spirit of the laws, rules, policies and restrictions that govern our business practices.*

Marlboro is the largest tobacco brand in the world—and bigger than the next seven tobacco brands combined.

And that's just one of our brands. Others, such as Basic, Merit, Benson & Hedges 100's, Virginia Slims, Parliament and Cambridge account for approximately 25% of all cigarettes sold in the U.S.

An interesting set of facts. And some might say, an impressive set of conclusions. But we look at it as someplace to start.

Because there was a time when most of these brands didn't exist, or were barely a bump in the marketplace.

That's changed because of the leadership of PM USA people in Manufacturing, Human Resources, Marketing, Sales, Leaf, Finance and a half dozen of our other divisions. And, as always, we're looking for other leaders to join them.

We need people who pursue bigger ideas and better ways to execute them. People who thrive on teamwork, who are smart, energetic, creative, who bring diversity and enthusiasm to the table. People who want to leave the status quo at the door. People who will be satisfied

with nothing less than starting at the top, and working their way up from there.

And people who will join us in our goal to be the most responsible, effective and respected developer, manufacturer and marketer of consumer products made for adults.

We hope you're one of them.





# ANYBODY CAN CRUNCH NUMBERS. HERE, WE MAKE THEM TALK.

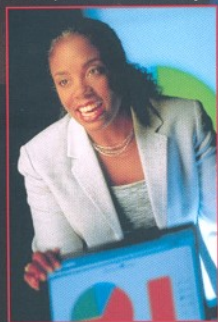
*Our Role: To be the best provider of financial solutions, strategies and services within the Philip Morris Companies and across the consumer products industry.*

For Robin Hannah, a career in finance was a natural. "My grandfather was a successful entrepreneur in finance and insurance—for me, going into finance was like the family business.

"When I moved to New York, Philip Morris U.S.A. offered me a Financial Analyst position that was interesting, challenging and wide-ranging. I jumped at the opportunity."

Today, Robin acts as a National Credit Manager, supervising a department of five who evaluate wholesaler creditworthiness on a daily basis. "I was given immediate, hands-on responsibility—and the opportunity and support to grow in my career. As I've progressed in my career, my responsibilities have grown tremendously. Everything from resolving customer issues to managing the transition of the Accounts Receivable group from Richmond to New York... even completing an analysis of the wholesaler community for senior management presentation.

Robin Hannah  
B.B.A., Howard University: 1991



"Strategic thinking and initiative are rewarded at Philip Morris U.S.A. I'm constantly expanding my skill set into new areas. That's allowed me to rapidly progress in my career. There is an abundance of opportunities for career progression, and we have good people to help you take advantage of it.

"There are over 300 people in my department, but we all have the same goal: the financial success of the Company. Knowing how much my position impacts the business is a powerful motivator."

Bar charts, bottom lines and presentations are standard in the world of finance. Part of what makes Robin Hannah's work special are the upswings, positive results and teamwork involved.



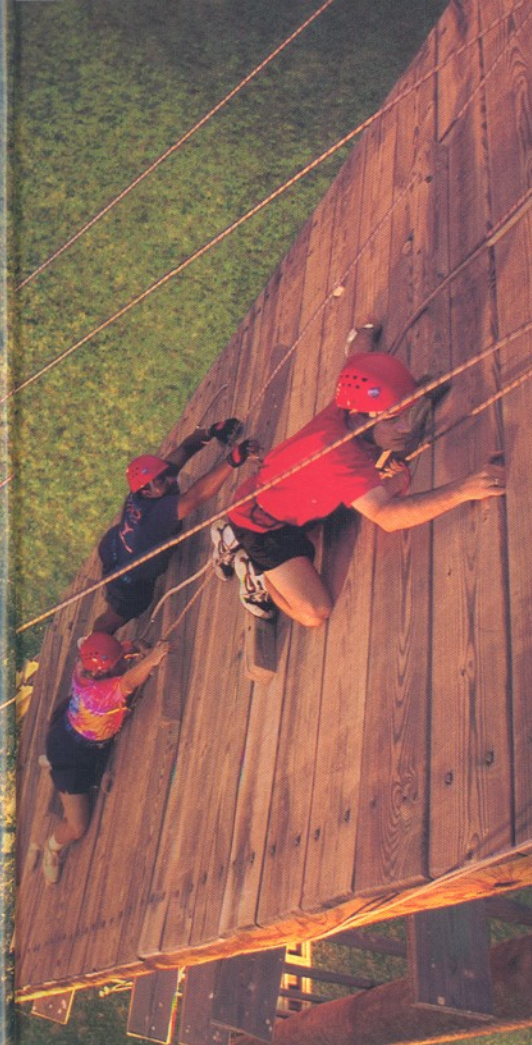


# YOU START WITH A BIG, HIGHLY SUCCESSFUL COMPANY. AND THEN YOU REINVENT IT.

*Our Role: To contribute to the PM USA Mission by providing knowledge, counsel and services—all focused on helping the line and staff functions of PM USA build individual and organizational capability. We contribute what we know about "people at work" to the PM USA equation, helping to build a mission-capable company, made up of talented, engaged and committed people, all fully aligned with our Values, and focused on our strategies.*



Chris Hilton  
B.S. Wingate University: 1988  
M. Ed., Auburn University: 1991  
Master of Labor & Human Resources,  
Ohio State University: 1994



The opportunities to be proactive and approach work energetically are two of the reasons Chris Hilton came to Philip Morris U.S.A.

"I wanted interesting and challenging work in a place with options and opportunity."

As a Senior Decision Support Professional, he functions as a business partner with department functions throughout the Company, providing consultation and assisting in the implementation of programs and systems that enhance effectiveness and build the capabilities of PM USA employees.

Chris came to Philip Morris U.S.A. as a Benefits Analyst, and also worked in Compensation before becoming the primary Human Resources contact for managers and directors in departments such as Purchasing, Operations Planning, Manufacturing, Information Systems and Quality. Chris was recently appointed to a manager position within the Management and Organizational Development Department and is excited about new challenges and opportunities.

"I enjoy the challenge of helping people develop to their fullest potential. Our Company is doing exciting and innovative things in Human Resources. Recent initiatives have helped to develop capability from executive management down to 'front line' supervisors at our manufacturing facilities by giving them exposure to the Company's leadership model and clarity about their responsibilities. Other programs for new employees and for production workers have helped to build strong connections between each person and the larger corporation, giving us all a powerful voice in our Company. Through these structures, we have empowered our people as leaders within PM USA, who represent our future success. It's very rewarding to see the difference we can make.

"I came to Philip Morris U.S.A. after four years with another company. What drew me to PM USA was the ability to move, grow and handle diverse opportunities—all within a company with limitless potential. My other employer was excellent, but if I could do it all over again, I would have started here."

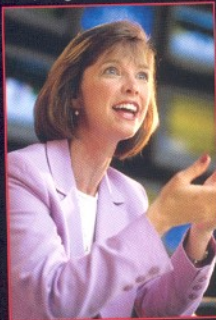
During a day of team-building, Chris Hilton tackles the Climbing Wall in Richmond, where "team" takes on an even deeper m



# YOU HAVE THE RESPONSIBILITY AND THE AUTHORITY TO GET THE JOB DONE.

*Our Role: To maximize our business clients' contribution to the PM USA Mission by optimizing the use of information technology for business success.*

Lisa Hunt  
B.S., Virginia Tech: 1987



PM USA offers Information Technology career paths in areas such as Project Management, Portfolio Management, Service Management and Vendor Management. Each one requires people who think independently, strategically and who are comfortable with change. One of these people is Lisa Hunt.

"I'm responsible for supporting 500-plus business applications and help-desk services that run the entire Philip Morris U.S.A. business operations. This includes everything from large-scale mainframe systems to web-based applications. And of course, information technology being what it is, these applications change almost every day."

As part of a team of 135, Lisa does much more than support existing applications and systems. "A big part of my job involves

setting the direction for future initiatives. The decisions my team and I are making today have long-term impact for optimizing the use of IT and harnessing technology's power to provide a competitive advantage.

"One of the best things about working at PM USA has been my ability to make career changes within the Company. I have personally had over seven different career opportunities offered to me, and have been given the leadership training and encouragement to pursue them all along the way. I came to PM USA because I recognized the opportunity for growth in such a large 'people-oriented' Company. Obviously, it was a great choice."



Ask Lisa Hunt an information-heavy question from any PM USA local office. She'll plug the high-speed robot sources the disk, plugs it in and sends the answer.





## WHERE INSIGHTS ARE GLEANED THROUGH MARKET ANALYSIS.

*Our Role: To be a high performance team that provides accurate marketplace intelligence and insights that drive the development of successful strategy.*

Christina Hollis  
B.A., Franklin & Marshall College: 1991  
M.B.A., NYU: 2002

"My first exposure to Philip Morris U.S.A. was through an on-site consultant position with an outside research company. I knew right away I wanted to work here. The people, the corporate culture, career development opportunities...they were all very powerful reasons to join."



Christina Hollis' position in the Market Information and Planning (MIP) department is responsible for providing marketplace intelligence for Marketing, Sales and Corporate Affairs. Beyond that, the role of MIP is also to identify business opportunities by generating ideas and analyzing potential strategies.

"The thing I love most about my learning. MIP is a never-ending quest for answers to complex questions; I'm responsible for both quantitative and qualitative analysis of cigarette brand data. The marketplace we obtain and analyze is needed to develop solid business strategies.

"It's about finding insights and understanding implications. It takes creativity, savvy and keen market understanding. Luckily, I don't have to do it all alone. Not only do my colleagues in MIP support me, but we work together with our clients and vendors."

"At PM USA, there's open sharing between departments to find the best and most efficient ways to achieve our goals. It shows the integrity, trust and respect we have for each other. We share a common passion to succeed."

Sometimes the best way to uncover new market strategies is to talk to customers. Here, Christina Hollis leads an off-site brainstorming session with colleagues from





## A BACKGROUND IN AGRICULTURE, BUSINESS MANAGEMENT OR CIGARETTE MANUFACTURING HELPS. AND SOME REALLY GOOD LUGGAGE WOULDN'T HURT.

*Our Role: To supply appropriate tobacco in a timely delivery to the Manufacturing facilities that meets quarterly standards at the best possible costs.*

Bill Baker, checking leaf quality in a Rocky Mount, NC, tobacco warehouse. Everything here will be processed in less than four hours.



Bill Baker  
Virginia Commonwealth University:  
B.S., 1994; M.B.A., 1997

Fresh out of Virginia Commonwealth University with a Master's degree in Business Administration, Bill Baker's first job was in Finance.

"I had provided support for some folks in the Leaf Department, and when there was an opening, they knew I was interested. It didn't matter that I was currently in a desk job. They were looking for someone with initiative, someone who could solve problems

quickly, effectively and come up with creative solutions. Philip Morris U.S.A. gives lots of chances like that."

As Leaf Market Operations Coordinator, Bill is working to develop new, more efficient ways of procuring the highest quality tobacco. "Through the Tobacco Farming Partnership Program (TFPP), PM USA is able to contract directly with tobacco growers instead of purchasing through the auction system. That allows us to better monitor the quality of leaf that we buy and communicate our needs directly to farmers. This new initiative is extremely efficient and superior in many ways to our older procurement processes."

In addition, Bill's division is involved in forecasting, buying, inventory and cash requirements; monitoring agricultural conditions in tobacco-producing areas of the world; analyzing world tobacco markets; and maintaining relations with foreign government tobacco units, private tobacco merchants and universities engaged in tobacco research and extension work. "This is important, exciting work. Because there's nowhere in the process where you can make up for quality that's missing at the very beginning. This is where it all starts."



## SIX DIVISIONS, THREE LOCATIONS, BIG BUDGETS AND A WORLD-CLASS REPUTATION FOR BEING SMART ABOUT EVERY DIME.

*Our Role: To provide the right quality direct materials, indirect materials and services at the lowest total system cost.*



Immanuel Sutherland  
B.B.A., James Madison University: 1993

"After graduating with a finance degree from James Madison University, I worked with a bank card company, then a local engineering company.

"The interview with Philip Morris U.S.A. was an eye-opener because I hadn't realized there were companies out there with jobs like this. I came from a role in purchasing that involved day-to-day, operational types of activities. PM USA is different. It is both strategic and tactical thinking that's required here. And I realized that was what I wanted: to challenge myself, and to think bigger picture."

The Operations Purchasing division procures more than \$2 billion of non-tobacco goods and services every year. New to the department is the e-Enabled Procurement (eEP), a collaborative effort by Purchasing, Finance and Information

Systems to reinvent PM USA's procurement and payment processes. With eEP, Operations Purchasing saves time, reduces cost and creates new efficiencies.

In Immanuel's role as a Business Analyst, Maintenance, Repair and Operations Decision Support, his responsibilities include determining key suppliers to partner with Philip Morris U.S.A. in the area of electronic business-to-business purchasing initiatives. An expanded skill set of strategic thinking, finance, written and verbal communication and project management are vital to his success—and something he strives to improve through Company training and support.

The other thing Immanuel likes about working here is the Company atmosphere that stresses work/life balance. "I'm a single parent with a gorgeous son, and I'm passionate about my role as a father. PM USA understands and supports that."



Immanuel Sutherland watches as a timed stro



# NEW TECHNOLOGIES. NEW PROCESSES. NEW PRODUCTS. JUST THE STANDARDS DON'T CHANGE.

*Our Role: The primary role of the RD&E function, in support of the PM USA Mission, is to develop and commercialize products which meet societal and adult consumer expectations. To this end, RD&E is conducting research and exploring technologies with the objective of*

*producing cigarettes with significant reductions in smoke constituents of concern to the public health community. In addition, RD&E develops and implements technologies aimed at enhancing the manufacturing process and supporting our quality initiatives.*

Raquel Olegario came to Philip Morris U.S.A. as a Postdoctoral Fellow in August 2000. "I had worked for Philip Morris in my home country, Brazil, and I knew the reputation and strength of the Company. I knew that I wanted to work here."

As a research scientist, Raquel is deeply involved in the research and development of cigarettes with the objective of reducing health risks to smokers. "We are working very hard at it. If successful, my own work could have a tremendous impact. Our role is to research and develop the Company's future products, and I am right in the middle of it."

Raquel is one of nearly 200 advanced-degree scientists and technicians working in the Research, Development & Engineering division. Together, they support Manufacturing Operations, Marketing and international affiliates, working to improve

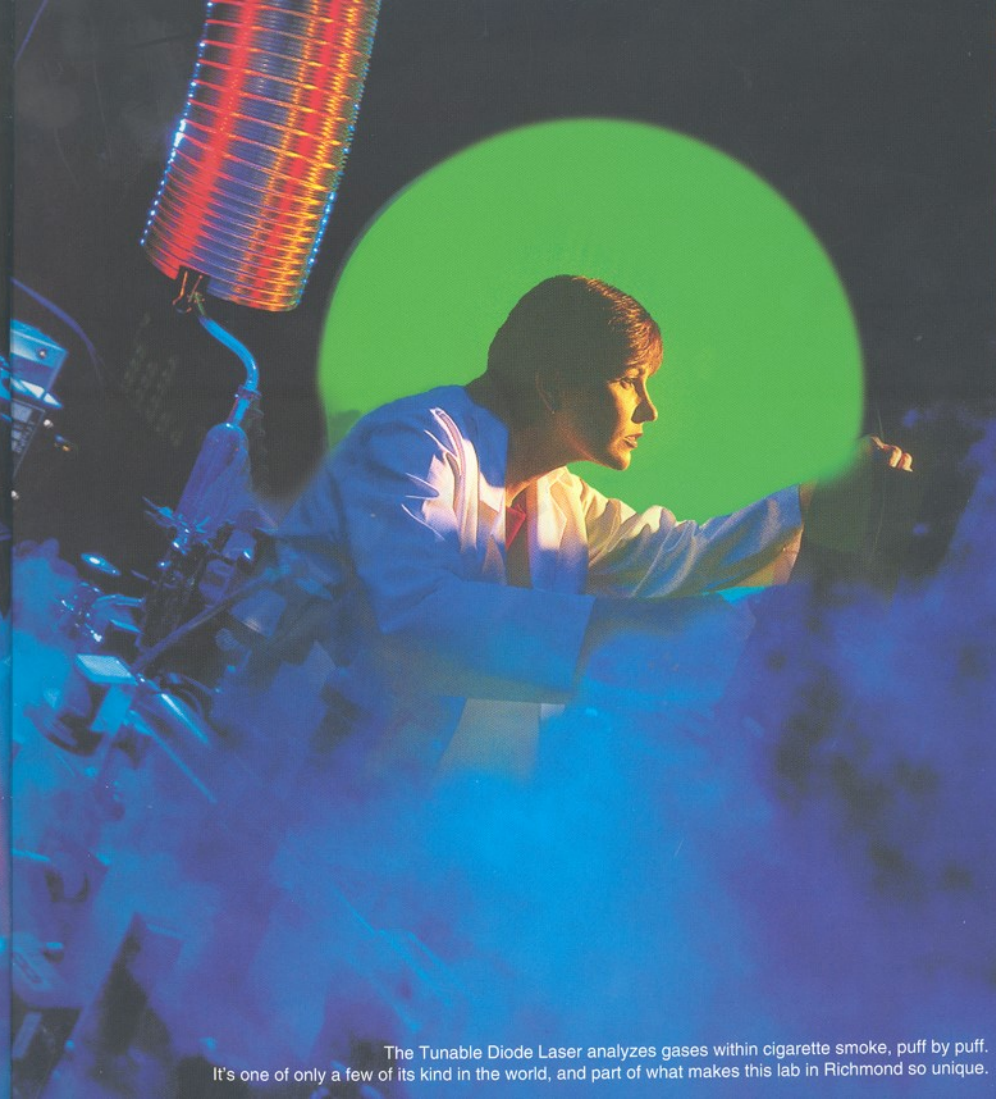
productivity by implementing new technologies, developing products and upholding PM USA's quality standards.

In their work, the members of RD&E explore and apply agronomy, chemistry, entomology, filter and paper technologies, flavor chemistry, microbiology, physics and tobacco agricultural science. They perform fundamental studies and provide technical services for quantitative and qualitative analyses, and for methods development.

"My job allows freedom to decide how to address the scientific and technological challenges in our research project. Technical skills are important, and a solid scientific background in chemistry and physics is vital. But mostly, it takes drive, discipline and patience. And knowing you have the trust and resources of PM USA behind you."



Raquel Olegario  
B.S., UFRGS Brazil: 1986  
Ph.D., University of Cambridge UK: 1997



The Tunable Diode Laser analyzes gases within cigarette smoke, puff by puff. It's one of only a few of its kind in the world, and part of what makes this lab in Richmond so unique.



# STAYING AHEAD OF OUR BIGGEST COMPETITOR IS TOUGH. IT'S US.

*Our Role: To produce the highest quality and lowest cost tobacco products in a work environment that is safe, clean, and where all employees are highly committed, effective and valued.*

Greg Shiflett  
B.S., Virginia Tech: 1991  
M.B.A., University of North Carolina: 1997



"You could say I started making a contribution before I even had an official position. I did my M.B.A. internship at Philip Morris U.S.A. in Richmond and was able to immediately apply my skills and develop solid relationships with bright and dedicated people.

"I knew right away that this was a company open to input from all people, at all levels. The culture and the people here are really different. Contributions are taken from, and expected of, everyone in the organization. You learn to be a leader right away."

The Richmond Manufacturing Center is the largest cigarette plant in the world. There, Greg's responsibility is for the overall operation of the On-Site Finished Goods Warehouse, where cases of finished product are sorted,

palletized and shipped all through automation.

"I enjoy the challenge of running a department that has a critical impact on the entire organization and working with individuals who are dedicated to the highest levels of performance. The people in my department have a long tenure with the Company and have much to offer in relation to process knowledge. We meet daily to discuss ways that we can make our operation more successful."

Working with shift leaders and other members of his team, Greg makes sure the warehouse runs as efficiently and flawlessly as possible. He and his team make great efforts in their strive for perfection and it shows—customer service levels are at 99.6%.



Here, Greg Shiflett talks with one of his line managers about the day-to-day operation of finished goods for the largest cigarette plant in the world. Manufacturing takes charge of everything from handling through sorting and



## IN INTEGRATED MARKETING CIRCLES, THIS IS A HALL OF FAME.

*Our Role: Marketing's unique contribution is to discover the most responsible, effective and profitable ways to connect to adults who choose to smoke.*



Tom Lauinger  
B.A., Georgetown University: 1991  
M.B.A., Columbia Business School: 1995

"My very first job was in banking operations. After business school, I wanted to be in a field that combined the analytic challenge of running a business and the creative challenge of connecting to consumers with compelling messages and offers.

"When I interviewed with PM USA, I knew this was it: well-known and exciting brands, the resources to engage in exciting marketing programs, and most of all, creative, intelligent and dynamic people."

Brand Marketing strives to make connections with adult smokers by constantly learning about our consumers and developing exciting programs that exceed their expectations. From Party at the Marlboro Ranch to Basic's Antique and Appraisal Fest, Virginia Slims' fashion and lifestyle V-Catalog or Parliament's Escape to Summer Sweepstakes, every big idea at Philip Morris U.S.A. requires keen market understanding—along with planning and management of enormous scale.

Tom's current job as Senior Brand Manager for Marlboro Retail Promotions involves managing all elements of Marlboro retail promotions and creating exciting offers for adult smokers. Price promotions, product promotions and incentives with purchase are a few of the programs

created to reward loyalty and generate trial among competitive adult smokers.

Managing all of these tasks makes for a job that varies day-to-day. "One minute, I'm working on a business analysis using geographic trend information, the next I'm evaluating creative concepts for a new pool of point-of-sale materials, and then it's off to working on logistical issues with a cross-departmental task squad. And it's not just work in the office, either. In my other brand assignments, I've traveled from Alaska to Hawaii to get the job done.

"It's never boring here. There's always a new challenge or responsibility to keep you motivated."



Here in the retail set-up area on the twelfth floor, in-store signage and materials are planned, evaluated and judged in mock environments to make sure they meet our strict standards.

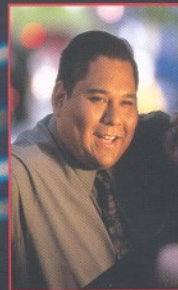


*Our Role: To further our partnership with distributors and retailers and to enhance our in-store platform in a way that responsibly and effectively offers our brands to adults who choose to smoke.*

IT'S A LITTLE LIKE RUNNING YOUR OWN BUSINESS.  
ONLY YOU HAVE THE RESOURCES OF A BIG,  
SUCCESSFUL COMPANY BACKING YOU UP.

On his way to a sales call, William Antunez gives us a sneak peek of the merchandising and marketing materials that are normally out of sight in the back of his van.

William Antunez  
B.A., Baruch College; City University of New York; 1998



"When I graduated from college, I was interviewed by several companies—but after I experienced the culture of Philip Morris U.S.A. during a 'day in the field' interview, no decision was made. I knew that if I pursued a career with PM USA, there was no limit to the success I could achieve."

"As a Territory Sales Manager, my responsibility is to grow PM USA's business within my geographic area. Working in partnership with the retail and wholesale community in my territory has allowed me to conduct business with people of diverse cultures and backgrounds. On a typical day, I visit 10 to 12 accounts and perform an 'in-store mission' in each. The goal of this mission is to sell and execute the Retail Leader merchandising platform and the PM USA promotion plan, and to discuss issues or concerns a retailer may have. I also conduct business reviews and give presentations to help the retailer know where they stand relative to their business objectives for the cigarette category. As a result, my customers view me as the 'Cigarette Category Consultant,' which allows me to play an active and integral role in their business—and importantly, to help ensure that they market and sell our cigarette brands responsibly."

"I've spent a day in the field with colleagues from Finance, Marketing and Corporate Affairs to demonstrate the impact Sales has on the marketplace. By working together with other departments, we can identify opportunities that lead to the implementation of new strategies in the marketplace."

"Once you're in PM USA, you are part of a large family that runs from coast to coast. Everyone is always available to help and support you no matter what level or position they hold."



# A PASSION TO DO WHAT'S RIGHT. AND THE TOOLS, KNOWLEDGE AND SUPPORT TO DO IT WELL.

*Our Role: At Philip Morris U.S.A., we believe we have an important role to play in helping to prevent youth smoking.*

"As I was finishing my M.B.A., I interviewed and accepted a job with PM USA. After two years there, an opportunity was presented to work in the Youth Smoking Prevention (YSP) department. I was very excited to be involved with one of the most important initiatives at PM USA. I knew it would give me a chance to broaden my skill set and learn more about our Company overall."

As a Senior Research Analyst in YSP, Alvin's job involves working with primary and secondary information sources for topics concerning youth smoking prevention and positive youth development. This includes an internal study, the Teenage Attitudes and Behavior Study (TABS). TABS is an ongoing survey that provides a current view of underage smoking and helps identify potential explanatory factors for underage smoking. It's information Alvin and his colleagues use to help aid in the prevention of youth smoking.

Philip Morris U.S.A.'s youth smoking prevention communication efforts are directed at the most important influencer



Alvin Mathew  
NYU: B.S., 1995; M.B.A., 2000

in kids' lives: their parents. Through print and TV, direct mail and internet, community outreach and other venues, YSP's efforts are intended to help parents help their kids stay away from cigarettes. Beyond parental communication, YSP supports programs that provide kids with the skills and

knowledge needed to make good decisions and to avoid risky behaviors, including the decision not to smoke. YSP also focuses on access prevention through retailer education and training programs such as "We Card."

"My job involves conducting market research, viewing focus groups, attending YSP commercial shoots, website maintenance and any ad hoc analyses that may be needed to help prevent youth smoking.

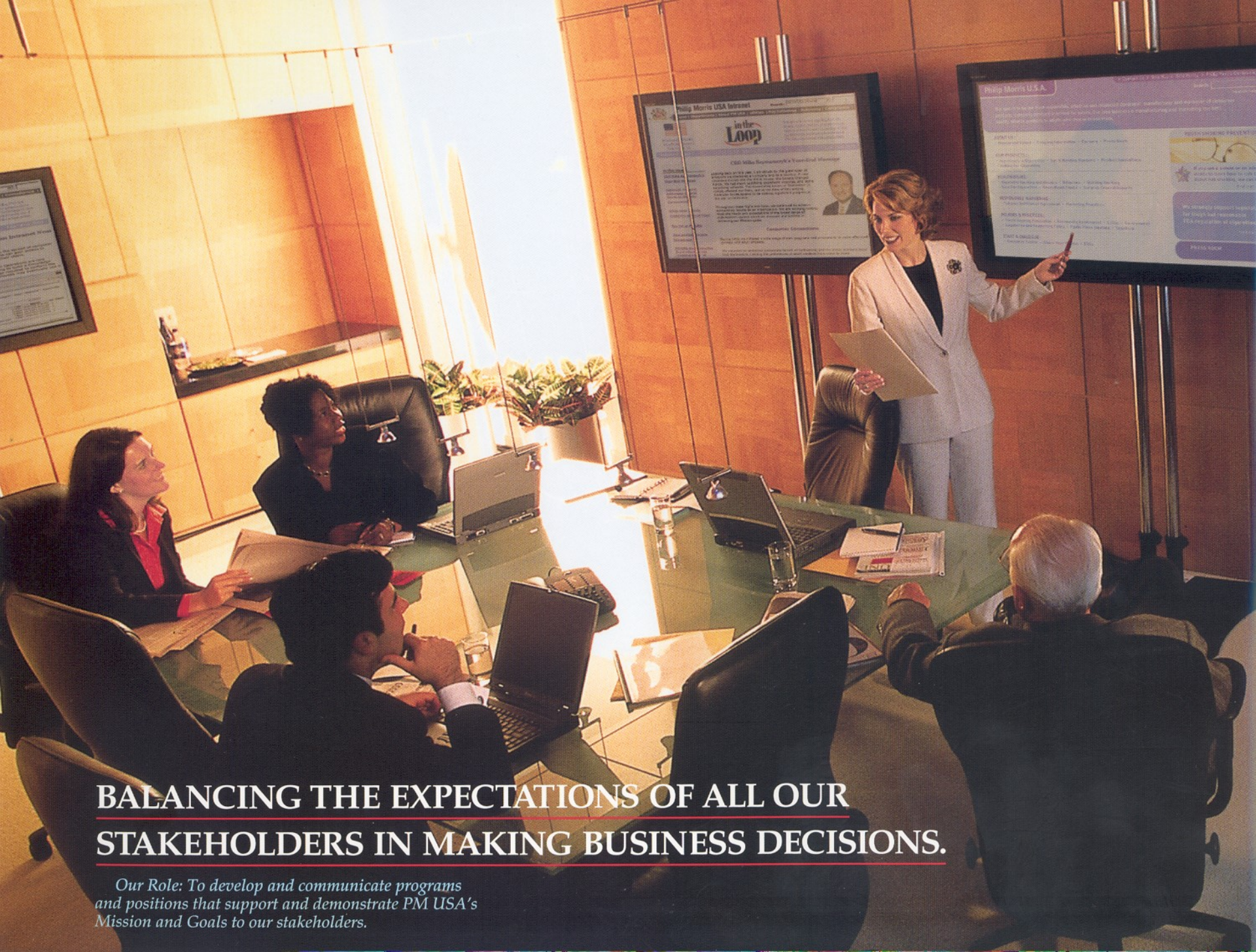
"As the manufacturer of a product made for adult smokers that has serious health effects, we have a responsibility to help prevent kids from using it. And we take that responsibility very seriously."





Alvin Mathew works to help ensure that kids don't smoke. Whether at a focus group, a meeting or in the middle of a television shoot, he's researching what programs and communications work best to help prevent youth smoking.





## BALANCING THE EXPECTATIONS OF ALL OUR STAKEHOLDERS IN MAKING BUSINESS DECISIONS.

*Our Role: To develop and communicate programs  
and positions that support and demonstrate PM USA's  
Mission and Goals to our stakeholders.*



Colleen Herndon  
B.A., Elon University: 1998



While PM USA is and should be judged by our actions, our words also matter.

Corporate Affairs helps to provide those words, serving in many cases as the Company's voice to internal and external audiences,

through people like Colleen Herndon.

"What first brought me to PM USA was the people I met. It's very clear how passionate and dedicated my colleagues are to the Company's Mission. I knew that I wanted to be part of a team that was devoted to their role in supporting our Mission.

"I began with Philip Morris U.S.A. in Corporate Affairs as a full-year intern on programs to support comfortable accommodation of both non-smokers and smokers, and then accepted a full-time position in Public Affairs working on Trade and Business Relations. Based on my communications background, my experience with PM USA policy

issues and various stakeholders, I was offered a position in the newly formed Corporate Responsibility department in Corporate Affairs."

Working in the Corporate Responsibility department involves dialogue with and among many external audiences regarding tobacco issues, monitoring and analysis of issues and trends and supporting the development of corporate responsibility initiatives. From day-to-day that may include developing communication materials; coordinating research among stakeholders, including managing focus groups and surveys; or serving as part of a cross-functional team to understand and discuss emerging trends, our stakeholders and our issues.

"We are committed to addressing the complex issues related to our Company in a responsible way. Corporate responsibility is not only *what* you do, but *how* you do business. Our Values act as a guidepost in how we manage our Company. And I'm proud to play an important role in communicating our actions that support our Mission and Values.

"This is the most challenging work I have ever done, but also the most exciting."



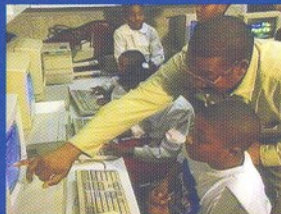
# A LONG HISTORY OF HELPING OTHERS AND GIVING BACK TO THE COMMUNITIES WHERE WE LIVE AND WORK.

At Philip Morris U.S.A., sharing with others is one of the core values that guides our decisions and our actions. We strive to foster an environment in which our employees can contribute their time and energy to their families, their neighbors, their colleagues and their communities. As a company, we are committed to supporting and strengthening the communities where our employees live and work.

In order to better serve those communities and to better align our corporate contributions with our Mission and Values, we focus our giving in specific program areas: positive youth development, education, the environment and community development.

## **Positive Youth Development**

Our positive youth development grantmaking initiative supports the objectives of Philip Morris U.S.A.'s Youth Smoking Prevention department by funding programs that focus on positive youth development by providing young people with the protective factors needed to help them make the right decisions in their lives, including the decision



not to smoke. In the three years that we have been supporting this initiative, PM USA has



made nearly 600 grants in 40 states plus Washington D.C. and Puerto Rico to support after-school and summer programs as well as food expenditures

for youth-focused programs.

## **Education**

Our goal is to help universities and colleges develop and prepare tomorrow's leaders to enter a workforce that is rich in diversity. We provide university-administered scholarships for minorities and those pursuing engineering and M.B.A. degrees; grants to support educational programs, such as providing new technology to support marketing curriculum; grants that sponsor activities, such as interview training; and grants that aid placement office activities, such as providing new equipment, internships and facility improvements. We are proud to fund scholarships through the Thurgood Marshall Scholarship Fund, a merit-scholarship program that awards four-year scholarships to students who attend historically black colleges and universities throughout the United States.



### **The Environment**

Philip Morris U.S.A. supports programs that increase the public's awareness of the environmental and economic impact of consumer product waste. As a consumer products company, we are particularly focused on having our environmental contributions support initiatives that combat litter, such as clean-up campaigns for beaches, parks and other public venues in communities across the country.



### **Community Development**

Philip Morris U.S.A. is an involved corporate citizen and community leader in strengthening the communities in which we work and live. Both as individuals and as a company, we contribute time and resources to projects that support a community's infrastructure; promote economic development and vitality; and improve the quality of life. We believe all of these actions



make a community a better place to live and work and help create an environment that attracts other businesses to the community. Our community efforts range from a hands-on project to help build a home for Habitat for Humanity to making financial contributions to help a local food bank or a meal program for seniors.



### **Employee Volunteerism**

Our employees' involvement in the community goes beyond financial support.



In 2001, Philip Morris U.S.A. employees generously donated more than 25,000 hours of their time and energy to local service projects across the country. Their community



outreach efforts included constructing a home for Habitat for Humanity, making meal deliveries for local Meals on Wheels organizations and building playgrounds at community youth centers. Our employees are taking an active role in sharing with others to help strengthen the communities where they live and work.





## WHERE TO SEND YOUR RESUME:

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Philip Morris U.S.A. accepts applications for specific job opportunities via the Internet. To be treated as an applicant and considered for one of these opportunities, you may access [www.philipmorrisusa.com/careers](http://www.philipmorrisusa.com/careers) on the Internet. If you do not have access to the Internet, you can call 1-866-2JOINPM to request that the necessary Internet forms be mailed to you. Please note, we do not retain resumes submitted outside of the application process.



Philip Morris U.S.A. is an equal opportunity/affirmative action employer (M/F/V/D). We support diversity in our workforce.