

Disclose Relationship with Foundation for a Smoke-Free World 2018 – Philip Morris International

WHEREAS: Philip Morris International (“PMI”) has provided the initial funding for The Foundation for a Smoke-free World, which describes itself as “an independent, non-profit organization created to accelerate global efforts to reduce health impacts and deaths from smoking, with the goal of ultimately eliminating smoking worldwide.”

The Foundation states it has secured funding of \$80 million a year for the next twelve years from PMI, beginning in 2018. In regards to its relationship with PMI, the Foundation website states: “ as established in the Foundation’s bylaws, PMI and the tobacco industry are precluded from having any influence over how the Foundation spends its funds or focuses its activities. Independence and transparency are core principles of the Foundation and all activities will be conducted with full transparency, free of tobacco industry influence. The Foundation has, constituted in its bylaws, an independent research agenda, independent governance, ownership of its data, freedom to publish, and protection against conflict of interest. Furthermore, strict rules of engagement will be put into place to ensure any interactions with the tobacco industry are fully transparent and publicly reported.”

The by-laws, published on the Foundation’s website, allow for the Foundation’s Board to appoint “Advisor Directors” to serve at the pleasure of the Board. The by-laws do not describe the purpose and role of Advisor Directors.

Financial Times, in reporting PMI’s announcement of its multi-year \$1 billion pledge wrote: “The move will spark skepticism at a time when recent investigations have highlighted continued efforts to sell tobacco in developing countries, as well as lobbying to silence industry opponents and fight restrictions imposed by governments. A number of organisations have banned funding from tobacco companies or to researchers funded by the industry. Professor Linda Bauld of Sterling University, and Cancer Research UK’s prevention expert, said: ‘I’m very cautious. Amongst the transnational companies, PMI has been the most positive about harm reduction but it’s not going to happen quickly and it’s focused in the developed world. I’d prefer research completely independent from industry.’” <
<https://www.ft.com/content/d9acceae-97d5-11e7-a652-cde3f882dd7b>>

The World Health Organization issued a statement regarding the Foundation which said in part: “Strengthening implementation of the WHO FCTC (Framework Convention on Tobacco Control) for all tobacco products remains the most effective approach to tobacco control.” It expressed a concern about “conflicts of interest involved with a tobacco company funding a purported health foundation, particularly if it promotes sale of tobacco and other products found in that company’s brand portfolio.”

RESOLVED: Shareholders request that PMI disclose to shareholders by December 1, 2018 (at reasonable cost and omitting proprietary information) the following information: 1) any formal or informal relationship between our Company and the Foundation for a Smoke-Free World; 2) the rules of engagement to ensure that interactions with the Foundation are transparent and publicly reported; 3) the Company’s position as to how the Foundation’s work relates to the business of the Company.