



Alliance for Water Stewardship Assessment Report

Prepared for Philip Morris ČR a.s.

Prepared by: SGS

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REPORT DETAILS


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1 EXECUTIVE SUMMARY

The scope of services covers the conformity assessment in compliance with the AWS International Water Stewardship Standard Standard Version 2.0 for Philip Morris ČR a.s. (hereinafter referred to as PM ČR) located in Kutná Hora, Czech Republic.

The assessment has been completed in compliance with AWS Certification requirements, Version 2.0, December 2019.

Philip Morris ČR, a.s. is the subsidiary of Philip Morris International and the largest producer and seller of tobacco products in the Czech Republic. The Philip Morris ČR a.s. company was established in 1992, and is based in Kutná Hora. Since August 2002, the management of the company has been located in Prague on Karlovo náměstí, where now the Marketing, Finance, Sales and Distribution, Information Technologies, Human Resources, and Public Relations departments are located.

From 30th September till 1st October 2021, SGS Poland with SGS Czech Republic support (hereinafter referred to as “SGS”) conducted the conformity assessment for site’s facilities and activities with regard to certification to the AWS Standard on-site. A total of two findings were raised during the course of the audit process, and they were all categorized as observations.

Given the document review undertaken, verification of evidence and site visit inspections performed by Lead Auditor, SGS recommends that Philip Morris ČR a.s. in Kutná Hora is awarded AWS Core Certified status with a surveillance audit interval of annual frequency.

2 SCOPE OF ASSESSMENT

The scope of services covers the conformity assessment in compliance with the AWS International Water Stewardship Standard Version 2.0 for Philip Morris ČR a.s. (hereinafter referred to as PM ČR) located in Kutná Hora.

The assessment was conducted during 2 days on-site, from 30th September 2021, with a team of a Lead Auditor AWS from SGS Poland (Gabriela Procyk) and 1 Local Expert and Interpreter from SGS Czech Republic (Radka Pusova), and 1 day off-site (preliminary review and local expert review). The geographical scope has been only the PM ČR Factory, located at Vítězná 1, 284 03 Kutná Hora in Czech Republic. PM ČR catchment area includes catchment of the Vrchlice River and the Vrchlice Reservoir.

The audit interviews were held at PM ČR over two days presencially, following the safety rules due to the COVID-19 outbreak, including interviews to below stakeholders:

- Vice Mayor of the City Kutna Hora, Ms. Silvia Dousova
- IFMS PMCR, Mr. Jan Zoul
- PST CLC Logistics, Mr. Igor Stas
- Trade Unions, Mr. Radek Liska
- Aramark, Ms. Iveta Kleinova
- ISS International Czech Republic, Mr. Radek Michalicka

and performing a visit to the factory. PM ČR provided the requested supporting documentation as evidence whilst on site and remotely. SGS provided feedback on observations and findings raised during the closing meeting of the audit on the 1st October 2021 at the PM ČR Factory.

3 STAKEHOLDER ANNOUNCEMENT AND CONSULTATION

Following the AWS Certification Requirements, before the on-site conformity assessment, SGS prepared a stakeholder announcement on 31st August 2021, which stated PM ČR intention to pursue AWS certification. Besides submitting to AWS for publication on the AWS website, the stakeholder announcement was also displayed on the PM ČR website, PM ČR Facebook and PM ČR EnviCorner.

SGS received no feedback information since the release of the stakeholder announcement.

A stakeholder consultation meeting was held in person and by phone on 30th September and 1st October 2021. Personnel interviewed during Stakeholder Consultation Meeting was from companies and institutions listed below:

- Vice Mayor of the City Kutna Hora, Ms. Silvia Dousova
- IFMS PMCR, Supervisor, Mr. Jan Zoul
- PST CLC Logistics, Key Client Manager, Mr. Igor Stas
- Trade Unions, Mr. Radek Liska
- Aramark, Ms. Iveta Kleinova
- ISS International Czech Republic, Key Account Manager, Mr. Radek Michalicka

All stakeholders during this interview answered on questions about their contact with PM ČR, risk and opportunities related to water and chances that they see because of cooperation with PM ČR in water management area.

4 DESCRIPTION OF CATCHMENT

PM ČR catchment area has been identified, in more detail, as an area covering a territory between Vrchlice River and Vrchlice Reservoir. The catchment area also identifies the territory on which the site is reliant upon for water and that could be influenced either direct or indirectly by the site's activity.

PM ČR receives water from Vrchlice Reservoir which is purified and supplied by the municipal company – Vodohospodářská společnost Vrchlice – Maleč, a.s..

PM ČR also has 6 water wells. Water from 2 of them is used to irrigate green areas and water from one of them is pumped into the Vrchlice River to equalize the groundwater level. The rest of the water wells are not used.

In terms of the wastewater, it is also managed by municipal company – Vodohospodářská společnost Vrchlice – Maleč, a.s. and discharged to the municipal sewage system and then to the municipal wastewater treatment plant. The final receiver is Vrchlice River.

The rainwater is discharged directly into the Vrchlice River, and about 5% of the rainwater is discharged with the process wastewater to the municipal wastewater treatment plant.



Figure 2: PM ČR catchment area

5 SUMMARY OF SHARED WATER CHALLENGES

PM ČR identified shared water challenges which are listed below.

Table 1 Shared water challenges

Challenges/Opportunities	Goal	Action	Benefit	AWS Outcomes	Status	Value generated by the site
Improve water management in Kutna Hora factory thru application the AWS Standard	Get the certificate in 2021	GAP Assessment	Go thru the preassessment to know nonconformities and close the GAPS.	All	Done	Social, Environmental, Economical
		Fulfill all the requirements and go thru the audit.	AWS certification for our factory - duty to fulfill the all requirement for good water management.	All	Done	Social, Environmental, Economical
	AWS Level 2 Training	Go thru the webinars, learning and test and gain the Step 2 card - Level 2 (Specialist).	AWS Specialist in place - better water management for the factory.	All	Prepared	Social, Environmental, Economical
Establish a leadership commitment on water stewardship	Define AWS policy and commitment; communicate internally	Prepare a local AWS commitment and include AWS requirement in EHS policy; get them signed by Kutna Hora Manufacturing Director (Piotr Cerek)	Created water stewardship commitment on water stewardship, rules need to be followed.	All	Done	Social, Environmental, Economical
		Create the local AWS Team and define the responsibilities	Create the AWS team and Inform them about the requirements of the standard, the benefits deriving from its implementation and actions to be followed	All	Done	Social, Environmental, Economical
		Presentation for factory management	Inform Operations management team about the requirements of the standard, the benefits deriving from its implementation and actions to be followed	Good water governance	Done	Social, Environmental, Economical

Challenges/Opportunities	Goal	Action	Benefit	AWS Outcomes	Status	Value generated by the site
		Inform Ops employees about AWS certification	Inform Ops employees that AWS Certification is one of the Site's Goals for 2021 and raise employees'awareness on AWS	Good water governance	Done	Social, Environmental
		Inform Czech Market employees about AWS certification	Inform Market employees that AWS Certification is one of the Site's Goals for 2021 and raise employees'awareness on AWS	Good water governance	Done	Social, Environmental
	Envicorner instalation	New type of the internal communication with our employees in Kutna Hora factory.	New informational channel.	Good water governance	Done	Social, Environmental, Economical
Reduce water consumption and manage water quality in Kutna Hora factory ; Improve water balance and governance	Internal reporting (PMS)	Regular monthly PMI reporting of water consumption.	Good water management and KPI mapping.	Good water governance	Ongoing	Environmental
	Envi Program	Regular meeting of employees from different departments (from factory). Environmental initiatives.	Good water management and KPI mapping.	All	Ongoing	Social, Environmental, Economical
	90days plan, EHS Pillar	Regular EHS meeting. EHS initiatives, project, KPIs.	Good water management and KPI mapping.	All	Ongoing	Social, Environmental, Economical
	ISPOP reporting	Regular annual reporting of well water consumption.	Requirement by the czech law.	Good water governance, Good warer quality status	Done	Environmental
	Installation of automatic waching machines in secondary	Instalation of three automatic washing machines for cleaning of parts of machines in secondary.	Reduction of water consumption, less working hours for employees, cost saving.	Good water governance	Done	Environmental, Economical
	Water piping network mapping update	Detailed map of water piping in site.	Better internal water mapping/reporting	Good water governance	Ongoing	Environmental, Economical

Challenges/Opportunities	Goal	Action	Benefit	AWS Outcomes	Status	Value generated by the site
	Water consumption reporting update	More detailed watermeter reporting in site.	Better internal water mapping/reporting	Good water governance	Ongoing	Environmental, Economical
	New water management (AWS) guideline placed	Implementation of an updated guideline.	More dateiled PMI guideline, including AWS standards and requirements.	Good water governance	Ongoing	Social, Environmental, Economical
	Planned maintenance	Sevices, quality measurements, etc.	Good state of wate and piping network.	Good water governance	Done	Environmental, Economical
	Municipal water fees	Water in & Waste water fees to Water provider	Regular fees for water in and out to water provider.	Good water governance	Done	Economical
	Catchment water quality mapping	Investigation about water quality in the Vrhlice river. Discuss the data with water supplier/water management, mapped periodically data in public sources (websites).	Water quality of whole catchment under the control.	Good warer quality status	Ongoing	Environmental, Economical
Contribute to the environmental awareness of internal staff and community (external stakeholders)	Communications & Environmental campaigns related to water	Sustainability report	Annual report from all departments	Good water governance	Done	Social, Environmental, Economical
		Water report 2020	Increased awareness of proper management of resources, and on water scarcity problems, water risks and actions taken by Kutna Hora to address them	Good water governance	Ongoing	Social, Environmental, Economical
		World Water Day Awareness Message	Raise awareness about global/local water concerns	Good water governance	Ongoing	Social, Environmental
		Identify all water concerned stakeholders; and communicate them on catchment area water problems and risks; meet regular to discuss and find	Increased awareness of proper management of resources, and on water scarcity problems, water risks Reduce reputational risk	All	Done	Social, Environmental

Challenges/Opportunities	Goal	Action	Benefit	AWS Outcomes	Status	Value generated by the site
		opportunities to improve sustainable water management within catchment.				
		Plan to mitigate or adapt to identified water risks developed in co-ordination with relevant public-sector and infrastructure agencies shall be identified	Water risks for whole catchment under the control, shared water related opportunities, sharing best practice.	All	Ongoing	Social, Environmental, Economical
Contribute to prevention of spread of Covid-19 within the premises. Provide support to the already stressed Czech Healthcare system	Prevent the spread of Covid-19 due to pure hygiene conditions in our premises	Provide every employee with surgical masks and hand disinfection. Remote working for all positions where it is eligible. Perform temperature check before entering the premises.	To prevent the spread of Covid-19 within premises	Safe water, Sanitation and hygiene for all (WASH)	Ongoing	Social
		Regular Antigen testing of all employees and contractors entering our premises.	To prevent the spread of Covid-19 (not only) within premises	Safe water, Sanitation and hygiene for all (WASH)	Ongoing	Social
		Deeper cleaning and sanitation of all PM premises (over regular cleaning).	To prevent the spread of Covid-19 overall	Safe water, Sanitation and hygiene for all (WASH)	Ongoing	Social
		Covid-19 Minimum requirements for employees and contractors/3rd parties	To prevent the spread of Covid-19 overall	Safe water, Sanitation and hygiene for all (WASH)	Ongoing	Social
	Assist the Czech Healthcare system in the fight against Covid-19	Donation of 200,000 face masks + 1,380 liters of disinfection to CZ cities and nonprofit organizations all over the country	To prevent the spread of Covid-19 overall	Safe water, Sanitation and hygiene for all (WASH)	Ongoing	Social

Challenges/Opportunities	Goal	Action	Benefit	AWS Outcomes	Status	Value generated by the site
		Monetary gift for a total of 12 hospitals throughout the Czech Republic (to buy protective equipment, devices, lung ventilators, etc. AND Purchase of 5 ozone generators for ambulance cars	To prevent the spread of Covid-19 overall	Safe water, Sanitation and hygiene for all (WASH)	Done	Social
To support communities to overcome the difficulties arised by COVID-19 pandemic	The kind of support to the seniors in the time of the worldwide pandemic COVID-19. Philip Morris ČR provides the tablets for the group of people threatened by the loneliness, elderly, which are in the retirement homes without the personal contact with their families in the time of pandemic. As the visits are/were forbidden.	"Tablet from a Heart" donation of 900 digital tablets with internet connection to retirement homes	To relieve a difficult situation	Safe water, Sanitation and hygiene for all (WASH)	Ongoing	Social
	To support medical staff and to appreciate efforts and commitment	Matching Member-gets-Member reward donation to a good cause (CZK 1 mio to Czech Association of Nurses)	To relieve a difficult situation	Safe water, Sanitation and hygiene for all (WASH)	Done	Social
	To relieve a difficult situation of families in difficult social and economic situation	1,550 portions of lunch cooked in our factory restaurant for families in difficult social and economic situation	To relieve a difficult situation	Safe water, Sanitation and hygiene for all (WASH)	Done	Social
Water/Environmental related Projects/Donations	World Cleanup Day 2020	Voluntary event for employees and their families - cleaning up of treir neighborhoods. In 2020	Employee involvement for better nature.	Good water governance Good water quality status	Done	Social


Challenges/Opportunities	Goal	Action	Benefit	AWS Outcomes	Status	Value generated by the site
		just in individual base (due to Covid).				
	World Cleanup Day 2021	Voluntary event for employees and their families - cleaning up of river Vrchlice basin and Lorec pond in Kutna Hora.	Employee involvement for better nature.	Good water governance Good water quality status	Done	Social
	Anti-litter Campaign "World is not ashtray"	Creation of "World is not ashtray" website which should help an adult smokers to understand what happens the cigarret waste in nature.	Educational campaign for adult smokers.	Good water governance	Ongoing	Social, Environmental
	Glutton vacuum cleaners	Donation of two special vacuum cleaners for Kutna Hora and Caslav cities for better cleaning of the town.	Cleaner town.	Good water governance Good water quality status	Done	Social, Environmental
	"Where to put it?" App	Monetary donation for special app developement. "Where to put it?" Is a non-profit project of NGO Let's Clean Up the Czechia. It offers quick and easy to find locations near you where you can legally "get rid of" unwanted goods and waste.	Better waste management for whole Czech Republic.	Good water governance	Ongoing	Social, Environmental
	„Journey to Education with „The Well“ Project ”	The educational project focuses on three areas: 1) Improving knowledge and skills in PLC programming (Programmable Logic Controller), 2) Environment - the use of renewable resources (solar energy) and water management, 3)	Education of children.	Good water governance	Ongoing	Social, Environmental

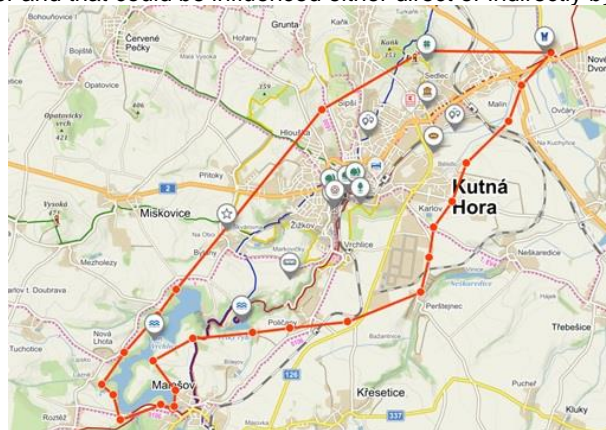
Challenges/Opportunities	Goal	Action	Benefit	AWS Outcomes	Status	Value generated by the site
		Strengthening students' relationship to history and historical places around them.				
	„Meaningful Garden”, „POD HORAMI in terrain”, „Community Garden”, „Community Garden II”	Ecological and regional education for children, which is offered to kindergartens, primary schools and secondary schools. Pupils and students can learn to care for the land, grow crops and harvest them, the importance of caring for land, plants and water.	Education of children.	Good water governance	Ongoing	Social, Environmental

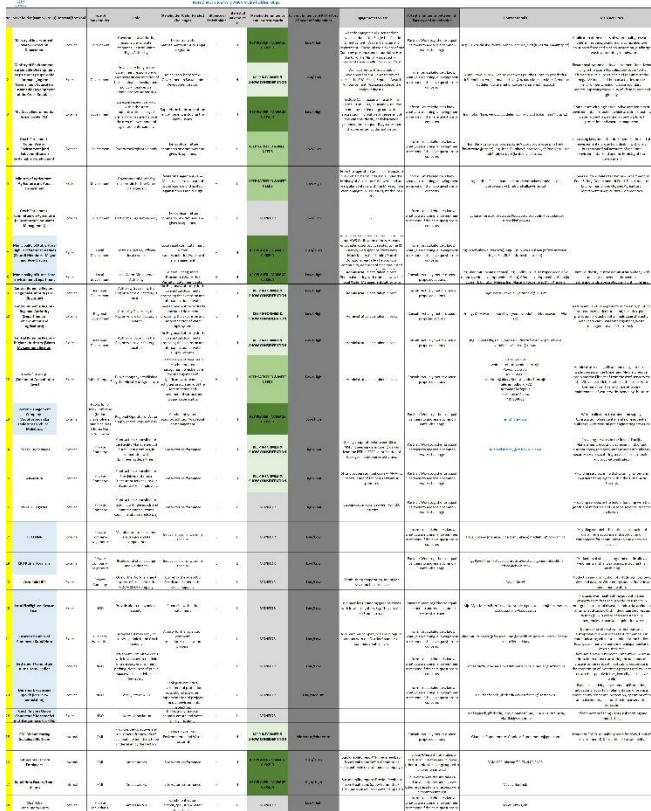
6 INDICATORS CHECKLIST

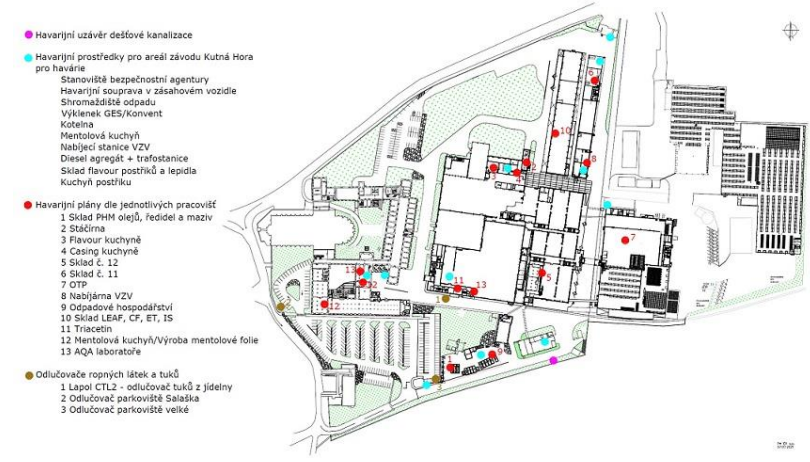
As per the requirement set out in the AWS certification requirements it was prepared a checklist of all the CORE AWS indicators with the relevant reviewed evidence provided by PM ČR and the indicator with which it is associated. The checklist was aligned to the clauses / indicators of the AWS standard Version 2.0.

Table 2 Evidence reviewed by SGS against each CORE AWS indicator

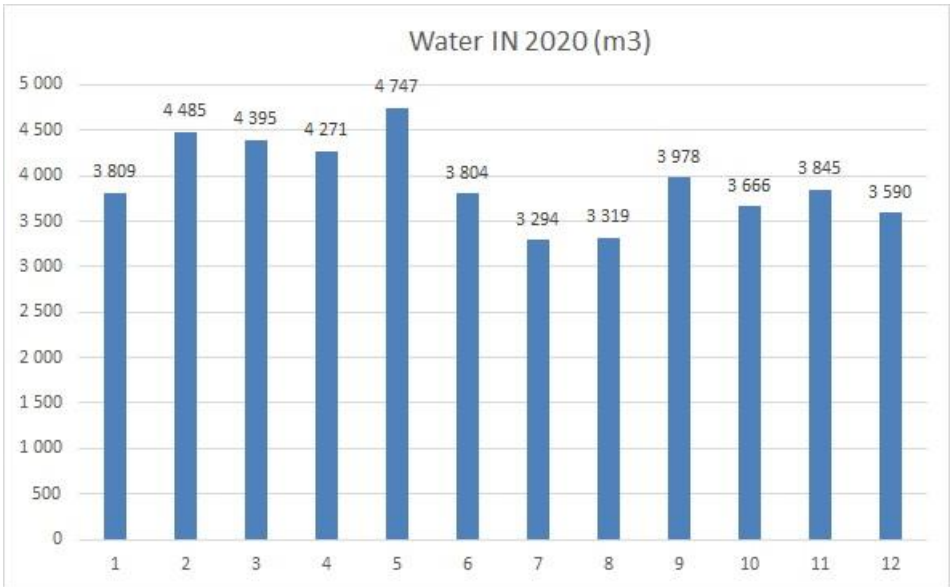
Clause	Details	Yes	No	Comments/Evidence
1	GATHER AND UNDERSTAND			
1.1	Gather information to define the site's physical scope for water stewardship purposes, including: its operational boundaries; the water sources from which the site draws; the locations to which the site returns its discharges; and the catchment(s) that the site affect(s) and upon which it is reliant.			
1.1.1	<p>The physical scope of the site shall be mapped, considering the regulatory landscape and zone of stakeholder interests, including:</p> <ul style="list-style-type: none"> - Site boundaries; - Water-related infrastructure, including piping network, owned or managed by the site or its parent organization; - Any water sources providing water to the site that are owned or managed by the site or its parent organization; - Water service provider (if applicable) and its ultimate water source; - Discharge points and waste water service provider (if applicable) and ultimate receiving water body or bodies; 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Within the framework the AWS Policy, the company defined as the scope of the public commitment to respect AWS "the area under its control/influence". PM ČR's boundaries delimitate the entire area over which the site has control and includes the built area as well as the green lands associated to the facility. The site boundary map is presented below.</p>  <p>PM ČR 's receives water from: - 2 wells (only to irrigate green areas)</p>

Clause	Details	Yes	No	Comments/Evidence
	- Catchment(s) that the site affect(s) and is reliant upon for water.			<p>- Vrchlice Reservoir which is purified and supplied by the municipal company – Vodohospodářská společnost Vrchlice – Maleč, a.s.</p> <p>The water from one of wells is pumped into the Vrchlice River to equalize the groundwater level. The rest of the water wells are not used.</p> <p>The wastewater, it is also managed by municipal company – Vodohospodářská společnost Vrchlice – Maleč, a.s. and discharged to the municipal sewage system and then to the municipal wastewater treatment plant.</p> <p>The rainwater is discharged directly into the Vrchlice River, and about 5% of the rainwater is discharged with the process wastewater to the municipal wastewater treatment plant.</p> <p>PM ČR has a plan to increase using of the groundwater from wells and they want to ask for approval their Water Authorities in the next year.</p> <p>PM ČR catchment area has been identified, in more detail, as an area covering a territory between Vrchlice River and Vrchlice Reservoir. The catchment area also identifies the territory on which the site is reliant upon for water and that could be influenced either direct or indirectly by the site's activity.</p> 
1.2	Understand relevant stakeholders, their water-related challenges, and the site's ability to influence beyond its boundaries.			

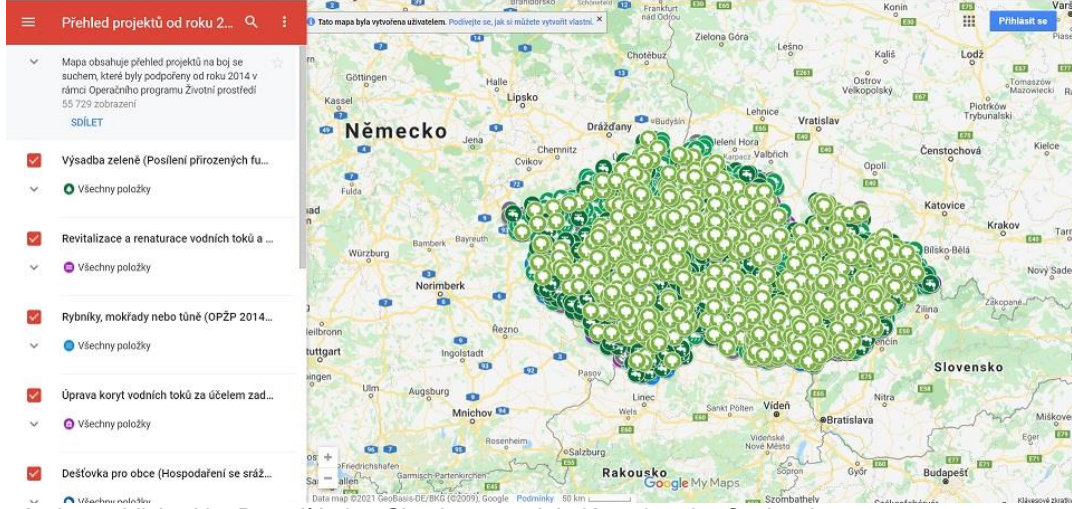
Clause	Details	Yes	No	Comments/Evidence
1.2.1	<p>Stakeholders and their water-related challenges shall be identified. The process used for stakeholder identification shall be identified. This process shall:</p> <ul style="list-style-type: none"> - Inclusively cover all relevant stakeholder groups including vulnerable, women, minority, and Indigenous people; - Consider the physical scope identified, including stakeholders, representative of the site's ultimate water source and ultimate receiving water body or bodies; - Provide evidence of stakeholder consultation on water-related interests and challenges; - Note that the ability and/or willingness of stakeholders to participate may vary across the relevant stakeholder groups; - Identify the degree of stakeholder engagement based on their level of interest and influence. 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has identified and listed stakeholders (all relevant groups covered). The scope of their participation was also agreed.</p>  <p>The evidence of communication with stakeholders (emails, calls, face to face meetings, Virtual Teams meeting about AWS Standard, communication with PMCR employees, etc.) was provided.</p>
1.2.2	<p>Current and potential degree of influence between site and stakeholder shall be identified,</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>The current and potential degree of influence between PM ČR and the various stakeholders has also been identified in the file: AWS_Stakeholders_CZ_Kutna_Hora_23_04_2021</p>

Clause	Details	Yes	No	Comments/Evidence
	within the catchment and considering the site's ultimate water source and ultimate receiving water body for wastewater.			
1.3	Gather water-related data for the site, including: water balance; water quality, Important Water-Related Areas, water governance, WASH; water-related costs, revenues, and shared value creation.			
1.3.1	Existing water-related incident response plans shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has an Emergency Response Plan in place, regarding to Czech Water Law. It was approved by Water Authority and is valid till 30th March 2031. In the case of water incidents, a response team has also been selected, which includes representatives of an external company ISS.</p> <p>PM ČR has also a map of sensitive points with pollution potential.</p>  <ul style="list-style-type: none"> ● Havarijní uzávěr dešťové kanalizace ● Havarijní prostředky pro areál závodu Kutná Hora pro havárie <ul style="list-style-type: none"> Stanoviště bezpečnostní agentury Havarijní souprava v zásahovém vozidle Shromážděné odpady Výkenné GES/Konvent Kotelna Mentolová kuchyně Nabíjecí stanice VZV Diesel agregát + trafostanice Sklad flauour postřiků a lepidla Kuchyní postřiku ● Havarijní plány dle jednotlivých pracovišť <ol style="list-style-type: none"> 1 Sklad PHM olejů, ředidel a maziv 2 Stlačárna 3 Flavour kuchyně 4 Casing kuchyně 5 Sklad č. 12 6 Sklad č. 11 7 OTP 8 Nabíječka VZV 9 Odpadové hospodářství 10 Sklad LEAP, CF, ET, IS 11 Triacetin 12 Mentolová kuchyně/Výroba mentolové folie 13 AQA laboratoře ● Odlučovače ropných látek a tuků <ol style="list-style-type: none"> 1 Lapoi CTL2 - odlučovač tuků z jídelny 2 Odlučovač parkoviště Satelita 3 Odlučovač parkoviště velké
1.3.2	Site water balance, including inflows, losses, storage, and outflows shall be identified and mapped.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Annually, it is completed at the company level the water balance, based on the records of the data from the internal metering (for water and wastewater). For recording water consumption and wastewater production PM ČR is using local GMT system.</p>

Clause	Details	Yes	No	Comments/Evidence																																																																																																																																																																																																																																																																																																																																												
1.3.3	Site water balance, inflows, losses, storage, and outflows, including indication of annual variance in water usage rates, shall be quantified. Where there is a water-related challenge that would be a threat to good water balance for people or environment, an indication of annual high and low variances shall be quantified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has a quantified site water balance in place for 2020 as illustrated in the graph below. <div><table><tr><th colspan="2">Please get data from "Summary" sheet only. Do not use data if MDV attribute is set to 0.</th><th colspan="12">2020</th></tr><tr><th colspan="2">Month data valid attribute (Data Valid)</th><th>0</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th></tr><tr><th colspan="2">SUBJECT</th><th>Unit</th><th>YTD2020</th><th>JAN</th><th>FEB</th><th>MAR</th><th>APR</th><th>MAY</th><th>JUN</th><th>JUL</th><th>AUG</th><th colspan="2"></th></tr><tr><td rowspan="5">WATER</td><td>Consumption of water (invoice)</td><td>m3</td><td>45 498</td><td>47 203</td><td>3 809</td><td>4 485</td><td>4 395</td><td>4 271</td><td>4 747</td><td>3 804</td><td>3 294</td><td>3 319</td><td></td></tr><tr><td>Cost of water</td><td>1000 CZK</td><td>2 071,524</td><td>2 247</td><td>181</td><td>214</td><td>209</td><td>203</td><td>226</td><td>181</td><td>157</td><td>158</td><td></td></tr><tr><td>Consumption of water (GEMT+st) - ne souhl. a fakturova</td><td>m3</td><td>48 003</td><td>3 809</td><td>4 485</td><td>4 395</td><td>4 321</td><td>4 828</td><td>3 888</td><td>3 412</td><td>3 436</td><td></td><td></td></tr><tr><td>Average cost of water</td><td>CZK/m3</td><td>45,53</td><td>47,61</td><td>47,61</td><td>47,61</td><td>47,61</td><td>47,61</td><td>47,61</td><td>47,61</td><td>47,61</td><td>47,61</td><td></td></tr><tr><td>Cost of water per mio. cig.</td><td>\$mio.cig.</td><td></td><td>1,378</td><td>1,725</td><td>1,447</td><td>1,290</td><td>1,398</td><td>1,316</td><td>1,343</td><td>1,251</td><td>1,393</td><td></td></tr><tr><td rowspan="5">WASTE WATER</td><td>Total cost of consumed water per mio. cig.</td><td>CZK/mio.cig.</td><td></td><td>65</td><td>82</td><td>69</td><td>61</td><td>66</td><td>62</td><td>63</td><td>57</td><td>64</td><td></td></tr><tr><td></td><td>\$mio.cig.</td><td></td><td>0,00</td><td>0,04</td><td>0,02</td><td>0,02</td><td>0,02</td><td>0,02</td><td>0,02</td><td>0,02</td><td>0,03</td><td></td></tr><tr><td>Sewage water generation (invoice)</td><td>m3</td><td>33 995</td><td>39 768</td><td>2 887</td><td>3 784</td><td>3 976</td><td>3 316</td><td>3 516</td><td>3 810</td><td>3 026</td><td>3 128</td><td></td></tr><tr><td>Cost of sewage water</td><td>1000 CZK</td><td>1 533,119</td><td>1 870</td><td>136</td><td>178</td><td>187</td><td>156</td><td>165</td><td>179</td><td>142</td><td>147</td><td></td></tr><tr><td>Sewage water generation (GEMT)</td><td>m3</td><td>39 768</td><td>2 887</td><td>3 784</td><td>3 976</td><td>3 316</td><td>3 516</td><td>3 810</td><td>3 026</td><td>3 128</td><td></td><td></td></tr><tr><td rowspan="5">WASTE WATER</td><td>Average cost of sewage water</td><td>CZK/m3</td><td>45,10</td><td>47,02</td><td>47,02</td><td>47,02</td><td>47,02</td><td>47,02</td><td>47,02</td><td>47,02</td><td>47,02</td><td>47,02</td><td></td></tr><tr><td>Rain water volume</td><td>m3</td><td>2 581</td><td>2 581</td><td>215</td><td>215</td><td>215</td><td>215</td><td>215</td><td>215</td><td>215</td><td>215</td><td></td></tr><tr><td>Cost of rain water</td><td>1000 CZK</td><td>96,736</td><td>97</td><td>8</td><td>8</td><td>8</td><td>8</td><td>8</td><td>8</td><td>8</td><td>8</td><td></td></tr><tr><td>Average cost of rain water</td><td>CZK/m3</td><td>37,48</td><td>37,48</td><td>37,48</td><td>37,48</td><td>37,48</td><td>37,48</td><td>37,48</td><td>37,48</td><td>37,48</td><td>37,48</td><td></td></tr><tr><td>Cost of sewage water per mio. cig. 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CZK/mio.cig.		65	82	69	61	66	62	63	57	64			\$mio.cig.		0,00	0,04	0,02	0,02	0,02	0,02	0,02	0,02	0,03		Sewage water generation (invoice)	m3	33 995	39 768	2 887	3 784	3 976	3 316	3 516	3 810	3 026	3 128		Cost of sewage water	1000 CZK	1 533,119	1 870	136	178	187	156	165	179	142	147		Sewage water generation (GEMT)	m3	39 768	2 887	3 784	3 976	3 316	3 516	3 810	3 026	3 128			WASTE WATER	Average cost of sewage water	CZK/m3	45,10	47,02	47,02	47,02	47,02	47,02	47,02	47,02	47,02	47,02		Rain water volume	m3	2 581	2 581	215	215	215	215	215	215	215	215		Cost of rain water	1000 CZK	96,736	97	8	8	8	8	8	8	8	8		Average cost of rain water	CZK/m3	37,48	37,48	37,48	37,48	37,48	37,48	37,48	37,48	37,48	37,48		Cost of sewage water per mio. cig. (GEMT+st)	\$mio.cig.		1,143	1,308	1,221	1,167	1,073	0,958	1,316	1,100	1,268		WASTE WATER	Cost of sewage water per mio. cig.	CZK/mio.cig.		54	61	57	55	50	45	62	52	60			\$mio.cig.		0,00	0,03	0,02	0,02	0,02	0,01	0,02	0,02	0,02					4233,130	325,143	399,501	404,243	367,309	399,374	368,301	307,159	313,145						JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG		Water IN			m3	3 809	4 485	4 395	4 271	4 747	3 804	3 294	3 319		Waste Water			m3	2 887	3 784	3 976	3 316	3 516	3 810	3 026	3 128		Well Water			m3	0	0	2	50	81	84	118	117	
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Clause	Details	Yes	No	Comments/Evidence
				 <p>Water IN 2020 (m3)</p> <p>In 2020, the highest water consumption was recorded in May, and the lowest in July.</p>
1.3.4	Water quality of the site's water source(s), provided waters, effluent and receiving water bodies shall be quantified. Where there is a water-related challenge that would be a threat to good water quality status for people or environment, an indication of annual, and where appropriate, seasonal, high and low variances shall be quantified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>The physical, chemical and biological status of PM ČR's water sources, provided waters, effluent and receiving water bodies are determined by PM ČR as well as Vodohospodářská společnost Vrchlice – Maleč, a.s.:</p> <ul style="list-style-type: none"> • Water IN (potable and domestic water – quartaly measurements) • Water OUT (wastewater which is discharged to the WWTP) <p>The water quality in Vrchlice Reservoir is published on the Povodí Labe's website: www.pla.cz/portal/jvn/en/index.htm. Tests are carried out in the scope of the following parameters: water temperature, pH, oxygen saturation [%], the dissolved oxygen and turbidity.</p> <p>OBS1: It's recommended to understand also in a depth way the water quality of Vrchlice River and how PM CR affect to this quality.</p>

Clause	Details	Yes	No	Comments/Evidence																																																																																					
1.3.5	Potential sources of pollution shall be identified and if applicable, mapped, including chemicals used or stored on site.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	As referred in point 1.3.1. PM ČR has released a map with potential sources of pollution.																																																																																					
1.3.6	On-site Important Water-Related Areas shall be identified and mapped, including a description of their status including Indigenous cultural values.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<div>PM ČR has identified and mapped all IWRAs.</div> <table><tr><th colspan="5">IWRAs</th></tr><tr><th></th><th>Name</th><th>Category</th><th>Sub-category</th><th>Impact</th></tr><tr><td>1</td><td>Vrchlice reservoir</td><td>Environmental area</td><td>Reservoir</td><td>Community/Economic/Cultural/Environmental</td></tr><tr><td>2</td><td>Velký rybník</td><td>Environmental area</td><td>Pond</td><td>Environmental</td></tr><tr><td>3</td><td>Bylanka creek</td><td>Environmental area</td><td>River</td><td>Environmental</td></tr><tr><td>4</td><td>Vorlíčkovy sady</td><td>Envi Area/Culture</td><td>Park</td><td>Community/Cultural/Environmental</td></tr><tr><td>5</td><td>Zahrady u Jezuitské koleje</td><td>Envi Area/Culture</td><td>Park</td><td>Community/Cultural/Environmental</td></tr><tr><td>6</td><td>Břežerovy sady</td><td>Envi Area/Culture</td><td>Park</td><td>Community/Cultural/Environmental</td></tr><tr><td>7</td><td>Sady Dr. Bedřicha Pacáka</td><td>Envi Area/Culture</td><td>Park</td><td>Community/Cultural/Environmental</td></tr><tr><td>8</td><td>Dub nad mlýnem</td><td>Environmental area</td><td>Significant tree</td><td>Community/Cultural/Environmental</td></tr><tr><td>9</td><td>Historical centrer</td><td>Culture</td><td>UNESCO site, Caves&Underground</td><td>Community/Economic/Cultural</td></tr><tr><td>10</td><td>Pond Lorec</td><td>Environmental area</td><td>Pond</td><td>Environmental</td></tr><tr><td>11</td><td>Industrial water treatment (ČOV)</td><td>Other</td><td>Wastewater treatment</td><td>Community/Economic</td></tr><tr><td>12</td><td>Vrchlice river</td><td>Environmental area</td><td>River</td><td>Environmental</td></tr><tr><td>13</td><td>Kostnice Sedlec</td><td>Culture</td><td>Ossuary</td><td>Community/Economic/Cultural</td></tr><tr><td>14</td><td>NPP Kaňk</td><td>Environmental area</td><td>Protected area</td><td>Community/Cultural/Environmental</td></tr><tr><td>15</td><td>Vrchlice river (confluence to Klejnárka river)</td><td>Environmental area</td><td>Confluence</td><td>Environmental</td></tr></table> <div>https://en.mapy.cz/s/nosuzejaja</div>	IWRAs						Name	Category	Sub-category	Impact	1	Vrchlice reservoir	Environmental area	Reservoir	Community/Economic/Cultural/Environmental	2	Velký rybník	Environmental area	Pond	Environmental	3	Bylanka creek	Environmental area	River	Environmental	4	Vorlíčkovy sady	Envi Area/Culture	Park	Community/Cultural/Environmental	5	Zahrady u Jezuitské koleje	Envi Area/Culture	Park	Community/Cultural/Environmental	6	Břežerovy sady	Envi Area/Culture	Park	Community/Cultural/Environmental	7	Sady Dr. Bedřicha Pacáka	Envi Area/Culture	Park	Community/Cultural/Environmental	8	Dub nad mlýnem	Environmental area	Significant tree	Community/Cultural/Environmental	9	Historical centrer	Culture	UNESCO site, Caves&Underground	Community/Economic/Cultural	10	Pond Lorec	Environmental area	Pond	Environmental	11	Industrial water treatment (ČOV)	Other	Wastewater treatment	Community/Economic	12	Vrchlice river	Environmental area	River	Environmental	13	Kostnice Sedlec	Culture	Ossuary	Community/Economic/Cultural	14	NPP Kaňk	Environmental area	Protected area	Community/Cultural/Environmental	15	Vrchlice river (confluence to Klejnárka river)	Environmental area	Confluence	Environmental
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14	NPP Kaňk	Environmental area	Protected area	Community/Cultural/Environmental																																																																																					
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1.3.7	Annual water-related costs, revenues, and a description or quantification of the social, cultural, environmental, or economic water-related value generated by the site shall be identified and used to inform the evaluation of the plan in 4.1.2.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<div>There is no IWRAs located on-site PM ČR's area.</div> <div>PM ČR summarized annual water-related costs for 2020, which include:<ul style="list-style-type: none">- Water IN (direct costs),- Water OUT (direct cost),- Water maintenance & measurements,- Water projects & donations.</div>																																																																																					
1.3.8	Levels of access and adequacy of WASH at the site shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has declared WASH for for all employees, cleaning plans in factory, COVID-19 initiatives and donations: COVID-19 minimum requirements for employees and contractors guidebook, COVID donations (municipality, NGOs, authorities etc.).																																																																																					
1.4	Gather data on the site's indirect water use, including: its primary inputs; the water use embedded in the production of those primary inputs the status of the waters at the origin of the inputs (where they can be identified); and water used in out-sourced water-related services.																																																																																								
1.4.1	The embedded water use of primary inputs, including quantity, quality and level of	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Global PM Team is conducting the survey for all supplier in case of water management. No of them is on PM ČR's catchment area.																																																																																					

Clause	Details	Yes	No	Comments/Evidence
	water risk within the site's catchment, shall be identified.			
1.4.2	The embedded water use of outsourced services shall be identified, and where those services originate within the site's catchment, quantified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified several providers of outsourcing services, which are: ISS and Mewa. None of them are located in the catchment area.
1.5	Gather water-related data for the catchment, including: water governance, water balance, water quality, Important Water-Related Areas, infrastructure, and WASH			
1.5.1	Water governance initiatives shall be identified, including catchment plan(s), water-related public policies, major publicly-led initiatives under way, and relevant goals to help inform site of possible opportunities for water stewardship collective action.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has identified water governance, catchment plans, water-related public policies and publicly-led initiatives:</p> <p>-The map (shared on Google Maps) which contains an overview of drought control projects in Czech Republic that have been supported since 2014 under the Operational Environment Program 2007-2013, the Operational Environment Program 2014-2020 and the National Environment Program; On the catchment area there is one project – planting the trees;</p>  <p>- A plan published by Povodí Labe: Skupinový projekt Kutnohorský-Caslavský.</p>
1.5.2	Applicable water-related legal and regulatory requirements shall be identified, including	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has provided a list of legislative document and legal requirements regarding water management. This document is updated once a year.


Clause	Details	Yes	No	Comments/Evidence
	legally-defined and/or stakeholder-verified customary water rights.			
1.5.3	The catchment water-balance, and where applicable, scarcity, shall be quantified, including indication of annual, and where appropriate, seasonal, variance.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has analysed the catchment water balance based on information provided by the City of Kutná Hora. Water consumption by PM ČR is approximately 4.57% of the total water consumption in the city of Kutná Hora. The water balance of the catchment area is basic and should be improved in the coming years, e.g. due to seasonal fluctuations and environmental conditions.
1.5.4	Water quality, including physical, chemical, and biological status, of the catchment shall be identified, and where possible, quantified. Where there is a water-related challenge that would be a threat to good water quality status for people or environment, an indication of annual, and where appropriate, seasonal, high and low variances shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	As was described in point 1.3.4, the water quality in Vrchlice Reservoir is published on the Povodí Labe's website: www.pla.cz/portal/jvn/en/index.htm . Tests are carried out in the scope of the following parameters: water temperature, pH, oxygen saturation [%], the dissolved oxygen and turbidity. But there is no information on the status of the water on the website. OBS1: The same as in point 1.3.4.
1.5.5	Important Water-Related Areas shall be identified, and where appropriate, mapped, and their status assessed including any threats to people or the natural environment, using scientific information and through stakeholder engagement.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified, mapped and assessed the status of the IWRAs (as is shown in point 1.3.6).
1.5.6	Existing and planned water-related infrastructure shall be identified, including condition and potential exposure to extreme events.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR does not have water-related infrastructures such as a WWTP. For piping, the system gives a warning and if consumption increases within 50 min. The GMT system is able to send a warning email when the water consumption exceeds standard consumption. In the event of a minor leakage, a checking procedure is carried out daily, and PM ČR is able to find the problem. In the past, there was a situation of constant rising KIPs and PM ČR investigated for a possible leak. Three years ago, there was also a situation where GMT alerted about a major pipeline system failure. The system also allows you to shut down a pipeline where there is a problem. PM ČR also conducts regular investments and modernization of the pipeline system.


Clause	Details	Yes	No	Comments/Evidence
1.5.7	The adequacy of available WASH services within the catchment shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified WASH principles throughout the catchment territory: - WASH for for all employees, - COVID-19 initiatives and donations.
1.6	Understand current and future shared water challenges in the catchment, by linking the water challenges identified by stakeholders with the site's water challenges.			
1.6.1	Shared water challenges shall be identified and prioritized from the information gathered.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified and prioritized shared water challenges and reported them (as shown in point 5).
1.6.2	Initiatives to address shared water challenges shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified, reported and realizes initiatives addressed to shared water challenges (as shown in point 5).
1.7	Understand the site's water risks and opportunities: Assess and prioritize the water risks and opportunities affecting the site based upon the status of the site, existing risk management plans and/or the issues and future risk trends identified in 1.6.			
1.7.1	Water risks faced by the site shall be identified, and prioritized, including likelihood and severity of impact within a given timeframe, potential costs and business impact.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified and prioritized water risks and water-related opportunities as well as the potential savings/value creation.
1.7.2	Water-related opportunities shall be identified, including how the site may participate, assessment and prioritization of potential savings, and business opportunities.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	


Clause	Details	Yes	No	Comments/Evidence																																								
				<table><tr><th colspan="4">Water Risks and Opportunities defined for Kutna Hora factory (2021)</th></tr><tr><th>Risks</th><th>Priority (updated 2021)</th><th>Impacts/Opportunities</th><th>Potential savings /value creation</th></tr><tr><td>Drought occurrence and predicted increase in the future</td><td>Moderate-High</td><td>Kutna Hora factory is increasing water efficiency and decreasing its water consumption rate by use of innovative technology (i.e. new irrigational solutions, automatic washingmachines in secondary etc.) KH factory is also sustaining good water governance and implementing best water-management practices in the local territory.</td><td>Decrease in potable water use by optimization of on-site procedures Value generation: - increased common understanding of shared water challenges to prioritize actions - cooperation understanding and values towards common objectives and outcomes related to water management - Reduction of water removal from the catchment area</td></tr><tr><td>Access to Sanitation</td><td>Moderate-High</td><td>Located in the same territory, PMCR Kutna Hora has the opportunity to implement action and project with the aim of raising awareness on the importance of having a good water management for all and WASH for all.</td><td>Internal and joint campaign with relevant stakeholders, in order to raise awareness on the importance of a good water stewardship for the well-being of all, support of NGOs and stakeholders.</td></tr><tr><td>Ecosystem Degradation</td><td>Moderate</td><td>The impacts of rapid population growth and urbanization are leading to poor water quality: untreated domestic sewage, sediment and nutrients from agricultural, and industrial wastes flow into rivers and lakes</td><td>- Better understanding regarding catchment water quality and cooperation with catchment Stakeholders for data gathering - Active and shared actions and project with relevant stakeholders to raise awareness on water-related risks and mitigate them - Decrease in waste waters discharge, by reutilization of treated waste waters in production processes</td></tr><tr><td>Surface Water Contamination</td><td>Moderate</td><td>PMCR Kutna Hora is located near several important water-related area (WRA) - Overfishing - Pollution from industries - Impact of agriculture (use of pesticides) - Introduction of invasive alien species PMCR Kutna Hora is located near these important surface water sources, and may cause a direct impact. 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1.8	Understand best practice towards achieving AWS outcomes: Determining sectoral best practices having a local/catchment, regional, or national relevance.																																											
1.8.1	Relevant catchment best practice for water governance shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has identified relevant catchment best practices for water government which are listed below.</p> <p>a) Water stewardship strategy & plan is in place and will be periodically updated with new resilient and responsive actions and initiatives in the following implementation years;</p> <p>b) AWS Commitment has been signed by the Factory Manager and publicly disclosed on PM ČR Website, PM ČR Facebook and ENVI Corner;</p> <p>c) Internal tools for sharing of information and best practices: ENVI Program, ENVI Corner, Global Program for AWS;</p> <p>d) Sharing best practices with other affiliates (OnePlace tool);</p> <p>e) Engagement with stakeholders e.g. City of Kutná Hora, Ministry of the Environment etc.</p>																																								

Clause	Details	Yes	No	Comments/Evidence
				f) Public communication of PM ČR's water stewardship journey to set a leading example to others: - Publication of Sustainability Report with chapters on water management; - Publication of Water Stewardship Report;
1.8.2	Relevant sector and/or catchment best practice for water balance (either through water efficiency or less total water use) shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified best practices for water balance which are listed below. a) Site water balance for 2020 has been identified; b) Water monitoring for consumption is in place and water-related KPI are available for tracking; c) Water savings actions are periodically measured and evaluated – EHS 90 days plan; d) Water use anomaly detection system is in place (GMS); e) Employees are informed on the importance of water by ENVI Corner and environmental brochures;
1.8.3	Relevant sector and/or catchment best practice for water quality shall be identified, including rationale for data source.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified best practices for water quality which are listed below. a) Water quality control strategies are in place for incoming water and outgoing wastewater: • Water IN (potable and domestic water – quarterly measurements) • Water OUT (wastewater which is discharged to the WWTP) b) Emergency response plan in place for water-related incidents; c) Water-related Risk Assessment has been conducted and mitigation actions have been identified;
1.8.4	Relevant catchment best practice for site maintenance of Important Water-Related Areas shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has identified best practices for site maintenance of IWRA, which are listed below. a) Active engagement in the annual Clean Up Event, with local clean-up activities that will encourage the local community to safeguard natural sensitive environments and adopt resilient conservational values – cleaning the areas near the river; b) Donation for Glutton vacuum cleaners which are used for cleaning e.g. green areas of Kutná Hora; c) Informing environmental authorities about litter incidents on the Vrchlice River; d) Creation of "World is not ashtray" website which should help adult smokers to understand what happens the cigarette waste in nature; e) Donation for special app development: "Where to put it?"; Is a non-profit project of NGO Let's Clean Up the Czechia; It offers quick and easy to find locations near you where you can legally "get rid of" unwanted goods and waste;

Clause	Details	Yes	No	Comments/Evidence
				<p>f) Support for the educational project „Journey to Education with „The Well” Project” which focuses on three areas: 1) Improving knowledge and skills in PLC programming (Programmable Logic Controller); 2) Environment – the use of renewable resources (solar energy) and water management; 3) Strengthening students' relationship to history and historical places around them;</p> <p>g) Support ecological and regional education for children: „Meaningful Garden”, „POD HORAMI in terrain”, „Community Garden”, „Community Garden II”, which are offered to kindergartens, primary schools and secondary schools; Pupils and students can learn to care for the land, grow crops and harvest them, the importance of caring for land, plants and water;</p>
1.8.5	Relevant sector and/or catchment best practice for site provision of equitable and adequate WASH services shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has identified best practices for site provision of equitable and adequate WASH services, which are listed below.</p> <p>a) Provision of sufficient supplies of safe drinking water for all workers are in place;</p> <p>b) Provision of sufficient and high standard facilities for bathroom and washrooms for men and women are in place;</p> <p>c) WASH awareness activities were carried out, especially during the COVID-19 emergency period;</p>
2	COMMIT AND PLAN			
2.1	Commit to water stewardship by having the senior-most manager in charge of water at the site, or if necessary, a suitable individual within the organization head office, sign and publicly disclose a commitment to water stewardship, the implementation of the AWS Standard and achieving its five outcomes, and the allocation of required resources.			

Clause	Details	Yes	No	Comments/Evidence
2.1.1	<p>A signed and publicly disclosed site statement OR organizational document shall be identified. The statement or document shall include the following commitments:</p> <ul style="list-style-type: none"> - That the site will implement and disclose progress on water stewardship program(s) to achieve improvements in AWS water stewardship outcomes - That the site implementation will be aligned to and in support of existing catchment sustainability plans - That the site's stakeholders will be engaged in an open and transparent way - That the site will allocate resources to implement the Standard. 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has in place the AWS Commitment for the 2.0. Version of the AWS Standard. The document, signed by the factory manager, explicitly covers the 5 outcomes of the AWS 2.0.</p> <p>The evidence of disclosure is available on the PM ČR Website, PM ČR Facebook, and ENVI Corner.</p> <p>Website (https://www.pmi.com/resources/docs/default-source/czech-market/kutna-hora-alliace-for-aws-commitment_2.pdf?sfvrsn=57712bb7_10):</p> <div style="text-align: center;">  <p>PHILIP MORRIS ČR</p> <p>Kutná Hora Alliance for Water Stewardship (AWS) Commitment</p> <p>Philip Morris ČR a.s. as a result of its public commitment to good water management, undertakes to:</p> <ul style="list-style-type: none"> • Endorse and sustain the Alliance for Water Stewardship outcomes (good water governance, sustainable water balance, good water quality, conservation of important areas related to water and safe water, sanitation and hygiene for all); • Implement and disclose progress on water stewardship program(s) to achieve improvements in AWS water stewardship outcomes; • Implement the AWS standard by being aligned to and in support of existing catchment sustainability plans; • Engage stakeholders in an open and transparent manner; • Maintain the organizational capacity required to successfully implement the AWS requirements, by ensuring that employees have the time and resources required to accomplish the implementation and maintenance of AWS; • Comply with the legal requirements and regulations respecting the rights related to water, including adequate access to clean drinking water, sanitation and hygiene for all workers in all premises under the site's control; • Support water-related national and international treaties; • Disclose material information related to water for the relevant public. <p style="text-align: right;">Director Manufacturing CZ, Kutná Hora <i>Petr Cerek</i> July 2021</p> </div>

Clause	Details	Yes	No	Comments/Evidence
				<p>Facebook:</p>  <p>The image shows a Facebook post from Philip Morris International, dated August 6th at 18:00. The post is in Czech and discusses the company's commitment to water stewardship and its pursuit of the Alliance for Water Stewardship (AWS) certification. It lists five key areas of focus: responsible water management, sustainable water use, good water quality, important water-related areas, and safe drinking water and hygiene for all. The post includes a link to a website for more information and a large graphic of the AWS logo, which is a stylized 'A' made of water ripples.</p> <p>Philip Morris International 6. srpna v 18:00</p> <p>Voda je jedno z největších přírodních bohatství, a proto s ní nakládáme maximálně šetrně. 💧</p> <p>V našem kutnohorském závodu se letos ucházíme o certifikaci Alliance for Water Stewardship (AWS). V rámci něj podstoupíme náročný audit, který bude hodnotit zejména 5 klíčových oblastí:</p> <ul style="list-style-type: none"> 🌊 Správné hospodaření s vodou ♻️ Udržitelná spotřeba vody ✅ Dobrá kvalita vody 🌿 Důležité oblasti spojené s vodou 💧 Pitná voda, sanitace a hygiena pro všechny <p>Další informace o našich závazcích k ochraně vodních zdrojů si můžete přečíst na našem webu: http://spr.ly/6185yclaf</p> <p>Hospodaříme s vodou zodpovědně a ucházíme se o certifikaci AWS.</p>

Clause	Details	Yes	No	Comments/Evidence
				<p>ENVI Corner:</p> 
2.2	Develop and document a process to achieve and maintain legal and regulatory compliance.			
2.2.1	<p>The system to maintain compliance obligations for water and wastewater management shall be identified, including:</p> <ul style="list-style-type: none"> - Identification of responsible persons/positions within facility organizational structure - Process for submissions to regulatory agencies. 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has implemented the system to maintain compliance obligations for water and wastewater management.</p> <p>Monitoring of legal requirements is carried out by the legal department. There is a list of requirements updated annually. PM ČR is a member of EnviGroup and has access to a website with environmental law requirements. EnviGroup also sends e-mails with alerts about changes in legal requirements.</p> <p>The positions of those accountable to maintain and manage water and wastewater conformities is available in the Emergency Response Plan and the maintenance plan/protocol.</p> <p>No water-related emergency incidents nor major compliance violations have been registered for PM ČR.</p>

Clause	Details	Yes	No	Comments/Evidence
2.3	Create a water stewardship strategy and plan including addressing risks (to and from the site), shared catchment water challenges, and opportunities.			
2.3.1	A water stewardship strategy shall be identified that defines the overarching mission, vision, and goals of the organization towards good water stewardship in line with this AWS Standard.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	AWS objectives come to detail the general objectives defined by the AWS Policy according to the AWS standard.
2.3.2	<p>A water stewardship plan shall be identified, including for each target:</p> <ul style="list-style-type: none"> - How it will be measured and monitored - Actions to achieve and maintain (or exceed) it - Planned timeframes to achieve it - Financial budgets allocated for actions - Positions of persons responsible for actions and achieving targets - Where available, note the link between each target and the achievement of best practice to help address shared water challenges and the AWS outcomes. 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has appointed the responsive and resilient Water Stewardship Strategy Plan for 2019-2020. The plan was also updated, monitored and assessed throughout 2021. The responsive and resilient Water Stewardship Strategy Plan has been created in response to the identified risks and opportunities:</p> <ul style="list-style-type: none"> - Improving water management in the factory in Kutná Hora by applying the AWS standard; - Establish a water leadership commitment; - Reduction of water consumption and water quality management at the Kutná Hora factory; Improving the water balance and management; - Contributing to the environmental awareness of internal staff and the community (external stakeholders); - Contributing to the prevention of the spread of the Covid-19 virus on the site; Supporting for the already burdened Czech healthcare system; - Supporting communities in overcoming the difficulties arising from the COVID-19 pandemic; - Supporting water / environment related projects / donations;
2.4.1	Demonstrate the site's responsiveness and resilience to respond to water risks			
2.4.1	A plan to mitigate or adapt to identified water risks developed in co-ordination with relevant public-sector and infrastructure agencies shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR cooperates with the City of Kutná Hora and the Ministry of the Environment to support initiatives aimed at mitigating or adapting to identified risks related to water.

Clause	Details	Yes	No	Comments/Evidence
3	IMPLEMENT			
3.1	Implement plan to participate positively in catchment governance.			
3.1.1	Evidence that the site has supported good catchment governance shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has outreached and engaged with relevant external and internal stakeholders in order to express support for water governance and management. PM ČR also communicated with stakeholders e.g. the Ministry of the Environment on water management and the Ministry's long-term water plan which will focus on rainwater. This information and evidence is illustrated in the responsive and resilient Water Stewardship Strategy Plan.
3.1.2	Measures identified to respect the water rights of others including Indigenous peoples, that are not part of 3.2 shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	N/A
3.2	Implement system to comply with water-related legal and regulatory requirements and respect water rights.			
3.2.1	A process to verify full legal and regulatory compliance shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has implemented a process to verify full legal and regulatory compliance (as shown in point 2.2.1). The legal compliance is confirmed and no legal compliance deviations have been detected. There were also no water related incidents.
3.2.2	Where water rights are part of legal and regulatory requirements, measures identified to respect the water rights of others including Indigenous peoples, shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local water service provider, Vodohospodářská společnost Vrchlice – Maleč, a.s., provides safe drinking potable water to the catchment area. Vodohospodářská společnost Vrchlice – Maleč, a.s.'s water analysis are public and available on the website (https://vhskh.cz/kvalita-vody-v-obci-kutna-hora/).
3.3	Implement plan to achieve site water balance targets.			
3.3.1	Status of progress towards meeting water balance targets set in the water stewardship plan shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has implemented the following site water balance improvement activities, included in the responsive and resilient Water Stewardship Strategy Plan, to improve water balance targets: - Regular monthly reporting of water consumption – Internal reporting (PMS) – with status: ongoing; - Regular annual reporting of well water consumption – reporting to Water Authority (ISPOP) – with status: done (for 2020);

Clause	Details	Yes	No	Comments/Evidence
				<ul style="list-style-type: none"> - Installation of three automatic washers for cleaning machine parts on the secondary line – with status: done; - Improvement of water network mapping and also metering for better monitoring and reporting – with status: ongoing; - Water savings actions are periodically measured and evaluated – EHS 90 days plan, KPIs etc. – with status: ongoing;
3.3.2	Where water scarcity is a shared water challenge, annual targets to improve the site's water use efficiency, or if practical and applicable, reduce volumetric total use shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR measures water quantity flows and trends 24/7 in order to monitor water efficiency and improve water savings in accordance to limits and targets.</p> <p>The following measurement system are in place:</p> <ul style="list-style-type: none"> - Water meters that record municipal water consumption are in place - Water meters that record well water are in place - Wastewater meter that record amount of process wastewater are in place - Water-related KPI's are established, tracked, reported on regular basis
3.3.3	Legally-binding documentation, if applicable, for the re-allocation of water to social, cultural or environmental needs shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	N/A
3.4	Implement plan to achieve site water quality targets.			
3.4.1	Status of progress towards meeting water quality targets set in the water stewardship plan shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has included the following site water quality activities are included in the responsive and resilient Water Stewardship Strategy Plan:</p> <ul style="list-style-type: none"> - Planned maintenance – services and quality measurements – with status done (for 2020); <p>PM ČR conducts the following measurements in order to guarantee and monitor water quality parameters in accordance to limits and targets:</p> <ul style="list-style-type: none"> • Water IN (potable and domestic water – quartaly measurements) • Water OUT (wastewater which is discharged to the WWTP) <p>No threshold exceedances has been noted.</p> <p>PM ČR has conducted also well water measurements for monitoring purposes.</p>

Clause	Details	Yes	No	Comments/Evidence
3.4.2	Where water quality is a shared water challenge, continual improvement to achieve best practice for the site's effluent shall be identified and where applicable, quantified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Vodohospodářská společnost Vrchlice – Maleč, a.s., supplies and guarantees potable water quality in line with legislative requirements. Vodohospodářská společnost Vrchlice – Maleč, a.s.'s water analysis are public and available on the website (https://vhskh.cz/kvalita-vody-v-obci-kutna-hora/).
3.5	Implement plan to maintain or improve the site's and/or catchment's Important Water-Related Areas.			
3.5.1	Practices set in the water stewardship plan to maintain and/or enhance the site's Important Water-Related Areas shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has implemented the following activities related to IWRA:</p> <ul style="list-style-type: none"> - Active engagement twice a year in the Clean Up Event, with local clean up activities that will be encourage the local community to safeguard natural sensitive environments and adopt resilient conservational values – cleaning the areas near the river; - Donation for Glutton vacuum cleaners which are used for cleaning e.g. green areas of Kutná Hora; - Creation of "World is not ashtray" website which should help an adult smokers to understand what happens the cigarret waste in nature; - Donation for special app development: "Where to put it?"; Is a non-profit project of NGO Let's Clean Up the Czechia; It offers quick and easy to find locations near you where you can legally "get rid of" unwanted goods and waste; - Support for the educational project „Journey to Education with „The Well” Project” which focuses on three areas: 1) Improving knowledge and skills in PLC programming (Programmable Logic Controller); 2) Environment – the use of renewable resources (solar energy) and water management; 3) Strengthening students' relationship to history and historical places around them; - Support ecological and regional education for children: „Meaningful Garden”, „POD HORAMI in terrain”, „Community Garden”, „Community Garden II”, which are offered to kindergartens, primary schools and secondary schools; Pupils and students can learn to care for the land, grow crops and harvest them, the importance of caring for land, plants and water;
3.6	Implement plan to provide access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers at all premises under the site's control.			
3.6.1	Evidence of the site's provision of adequate access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has implemented the following WASH-related actions:</p> <ul style="list-style-type: none"> - Provision of sufficient supplies of safe drinking water for all workers are in place; - Provision of sufficient and high standard facilities for bathroom and washrooms for men and women are in place;

Clause	Details	Yes	No	Comments/Evidence
	onsite shall be identified and where applicable, quantified.			<p>- WASH awareness activities were carried out, especially during the COVID-19 emergency period:</p> <ul style="list-style-type: none"> • Prevent the spread of COVID-19 through hygienic indoor conditions; • Support the Czech healthcare system in the fight against COVID-19; • Support to the seniors in the time of the worldwide pandemic COVID-19; PM ČR provides tablets for a group of people at risk of loneliness, the elderly who stay in retirement homes during the pandemic without personal contact with their families, because visits are / were forbidden; • Support medical staff and appreciate efforts and commitment; • Alleviating the difficult situation of families in a difficult socio-economic situation;
3.6.2	Evidence that the site is not impinging on the human right to safe water and sanitation of communities through their operations, and that traditional access rights for Indigenous and local communities are being respected, and that remedial actions are in place where this is not the case, and that these are effective.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	In accordance to legal and regulatory requirements PM ČR has not violated human rights to safe water and sanitation. All agreements and permits with Vodohospodářská společnost Vrchlice – Maleč, a.s. regarding potable water provision and waste water discharge are available on site.
3.7	Implement plan to maintain or improve indirect water use within the catchment.			
3.7.1	Evidence that indirect water use targets set in the water stewardship plan, as applicable, have been met shall be quantified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR's raw material suppliers have been mapped and information on their water use has been requested by Global PM Team.</p> <p>No raw material supplier is located within PM ČR's catchment area.</p>
3.7.2	Evidence of engagement with suppliers and service providers, as well as, when applicable, actions they have taken in the catchment as a result of the site's engagement related to indirect water use, shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has listed as internal stakeholders its outsourced service providers (ISS and Mewa). None of them are located in the catchment area.
3.8	Implement plan to engage with and notify the owners of any shared water-related infrastructure of any concerns the site may have.			

Clause	Details	Yes	No	Comments/Evidence
3.8.1	Evidence of engagement, and the key messages relayed with confirmation of receipt, shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR cooperates with Vodohospodářská společnost Vrchlice – Maleč, a.s. which is the owner of the water related infrastructures that supply potable water to PM ČR from the Vrchlice Reservoir. Throughout AWS certification journey, PM ČR has contacted with Vodohospodářská společnost Vrchlice – Maleč, a.s. and also with City of Kutná Hora.
3.9	Implement actions to achieve best practice towards AWS outcomes: continually improve towards achieving sectoral best practice having a local/catchment, regional, or national relevance.			
3.9.1	Actions towards achieving best practice, related to water governance, as applicable, shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR's actions and projects related to the achievement of the 5 AWS outcomes have been: - described and explained in the responsive and resilient Water Stewardship Strategy Plan - evaluated in the evaluation of the responsive and resilient Water Stewardship Strategy Plan
3.9.2	Actions towards achieving best practice, related to targets in terms of water balance shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3.9.3	Actions towards achieving best practice, related to targets in terms of water quality shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3.9.4	Actions towards achieving best practice, related to targets in terms of the site's maintenance of Important Water-Related Areas shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3.9.5	Actions towards achieving best practice related to targets in terms of WASH shall be implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4	EVALUATE			
4.1	Evaluate the site's performance in light of its actions and targets from its water stewardship plan and demonstrate its contribution to achieving water stewardship outcomes.			
4.1.1	Performance against targets in the site's water stewardship plan and the contribution to achieving	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has evaluated their Site's responsive and resilient Water Stewardship Strategy Plan, the value/benefits generated from its performance and also how the plan has contributed to achieving the 5 AWS Outcomes.

Clause	Details	Yes	No	Comments/Evidence
	water stewardship outcomes shall be evaluated.			
4.1.2	Value creation resulting from the water stewardship plan shall be evaluated.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4.1.3	The shared value benefits in the catchment shall be identified and where applicable, quantified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4.2	Evaluate the impacts of water-related emergency incidents (including extreme events), if any occurred, and determine the effectiveness of corrective and preventative measures.			
4.2.1	A written annual review and (where appropriate) root-cause analysis of the year's emergency incident(s) shall be prepared and the site's response to the incident(s) shall be evaluated and proposed preventative and corrective actions and mitigations against future incidents shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has not registered any significant water-related emergency incidents.</p> <p>PM ČR has provided evidences of the evaluation the impact of emergency incidents: register of all EHS incidents in place, sharing with the employees and stakeholders if it's necessary, water provider alerts about maintenance/outages/accidents.</p> <p>PM ČR is not subjected to severe water-related emergency incidents and/or environmentally based extreme events. According to available information, no extreme events have ever occurred on-site.</p>
4.3	Evaluate stakeholders' consultation feedback regarding the site's water stewardship performance, including the effectiveness of the site's engagement process.			
4.3.1	Consultation efforts with stakeholders on the site's water stewardship performance shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has sent their commitment to all identified stakeholders and inform them on PM ČR's water stewardship journey (e.g. City of Kutná Hora, Ministry of the Environment etc.).</p> <p>PM ČR has also shared with their stakeholders the sustainability brochure and they will share a Water Stewardship Report "Zpráva o vodě".</p> <p>OBS2: PM ČR should improve communication with stakeholders about water-related challenges and initiatives, especially with stakeholders who also operate in the catchment area.</p>
4.4	Evaluate and update the site's water stewardship plan, incorporating the information obtained from the evaluation process in the context of continual improvement.			

Clause	Details	Yes	No	Comments/Evidence
4.4.1	The site's water stewardship plan shall be modified and adapted to incorporate any relevant information and lessons learned from the evaluations in this step and these changes shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR has declared that the responsive and resilient Water Stewardship Strategy & Plan will be subjected to continual improvements and integrations, due to a regular data collection, progressive monitoring, evaluation and periodical update. This will ensure a positive progress in PM ČR's water stewardship.</p> <p>So far, the evaluated outcome can be summarized as follows:</p> <ul style="list-style-type: none"> - As required by the V 2.0 Standard, all 5 AWS outcomes have been fulfilled - Water stewardship actions and efforts are being effective in mitigating water risks, decreasing shared water challenges and creating beneficial values for the local territory - Successful strategies and/or best management practices have emerged/been implemented - Stakeholder engagement efforts have been well-received - Many actions/projects are still ongoing and will be evaluated in 2021 and 2022
5	COMMUNICATE & DISCLOSE			
5.1	Disclose water-related internal governance of the site's management, including the positions of those accountable for legal compliance with water-related local laws and regulations.			
5.1.1	The site's water-related internal governance, including positions of those accountable for compliance with water-related laws and regulations shall be disclosed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR's water-related internal governance has been disclosed both internally and externally in the organizational chart.

Clause	Details	Yes	No	Comments/Evidence
				<p style="text-align: center;">AWS factory team Kutna Hora factory, Czech Republic</p> <pre> graph TD PL[Project Lead Pavlina Pupikova] --> SC[Steering Committee Tomas Cech] PL --> PS[Project Sponsor Piotr Cerek] SC --> EES["(EA) External Stakeholders Roman Grametbauer"] SC --> P[Process Otakar Korel] SC --> FP[Factory Projects Tomas Havranek] PS --> PMA[Project manager assistant Pavla Stavelova] PMA --> IC[Internal Communicat. Ondrej Lapacek] PMA --> BF[Budy Factory Theotokis Emmanouil] EES --- F1[Communication] EES --- F2[Quality] EES --- F3[Sustainability] EES --- F4[PMI Team] EES --- F5[Procurement] EES --- F6[Engineering] EES --- F7[Logistics] </pre> <p>The AWS Commitment has also been disclosed externally and internally.</p> <p>The AWS team members as well as their roles and responsibilities have been defined and AWS team organizational chart has been disclosed.</p>
5.2	Communicate the water stewardship plan with relevant stakeholders.			
5.2.1	The water stewardship plan, including how the water stewardship plan contributes to AWS Standard outcomes, shall be communicated to relevant stakeholders.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PM ČR's actions, projects and best-practices, illustrated in the responsive and resilient Water Stewardship Strategy Plan have been shared with relevant stakeholders throughout engagement activities and periodic follow-ups.</p> <p>Implemented best-practices in the water stewardship plan as well as obtained achievements have also been shared with PM ČR's employees.</p> <p>OBS2: The same as in point 4.3.1.</p>
5.3	Disclose annual site water stewardship summary, including the relevant information about the site's annual water stewardship performance and results against the site's targets.			

Clause	Details	Yes	No	Comments/Evidence
5.3.1	A summary of the site's water stewardship performance, including quantified performance against targets, shall be disclosed annually at a minimum.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR has declared disclosing its water stewardship performance, targets and implemented best practice actions for 2020. This will be disclosed in a Water Stewardship Report "Zpráva o vodě", which will be shared with relevant stakeholders and employees.
5.4	Disclose efforts to collectively address shared water challenges, including: associated efforts to address the challenges; engagement with stakeholders; and co-ordination with public-sector agencies.			
5.4.1	The site's shared water-related challenges and efforts made to address these challenges shall be disclosed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PM ČR's water-related challenges will be also shared with relevant stakeholders (e.g. City of Kutná Hora, Ministry of the Environment etc.) in a Water Stewardship Report "Zpráva o vodě". Joint projects, campaigns and engagements have been executed in order to mitigate shared water risks and implement best practices in the catchment territory. Projects, actions and related efforts to address challenges with fellow stakeholders are illustrated in the responsive and resilient Water Stewardship Strategy Plan.
5.4.2	Efforts made by the site to engage stakeholders and coordinate and support public-sector agencies shall be identified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5.5	Communicate transparency in water-related compliance: make any site water-related compliance violations available upon request as well as any corrective actions the site has taken to prevent future occurrences.			
5.5.1	Any site water-related compliance violations and associated corrections shall be disclosed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	This criteria is not applicable: no water related violations have ever been detected by PM ČR. PM ČR has declared that in case of any such situations, it will follow the relative compliance actions and inform the authorities as per Emergency Response Plan.
5.5.2	Necessary corrective actions taken by the site to prevent future occurrences shall be disclosed if applicable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5.5.3	Any site water-related violation that may pose significant risk and threat to human or ecosystem health shall be immediately communicated to relevant public agencies and disclosed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

7 AUDIT FINDINGS

7.1 MAJOR NONCONFORMANCES

During the course of the audit non major non-conformances were raised.

7.2 MINOR NONCONFORMANCES

Non minor non-conformances were raised during the audit process.

7.3 OBSERVATIONS

Two observations were raised during the audit which are only to be considered as improvement opportunities. No action is necessary during this audit period but these issues would most likely come under scrutiny during a surveillance audit scenario.

Table 3: Observations identified during the AWS surveillance audit process

No.	Type	Ref.	Details
OBS01	Observation	1.3.4, 1.5.4	It's recommended to understand also in a depth way the water quality of Vrchlice River and how PM CR affect to this quality.
OBS02	Observation	4.3.1, 5.2.1	PM ČR should improve communication with stakeholders about water-related challenges and initiatives, especially with stakeholders who also operate in the catchment area.

8 SUMMARY

In reviewing the body of evidence presented by Philip Morris ČR a.s. it is apparent that a considerable quantity of effort and work has been put into the preparation for the audit for Alliance for Water Stewardship Certification.

Non major and minor non-conformances has been identified.

9 OPPORTUNITIES FOR IMPROVEMENT

During this audit for Philip Morris ČR a.s. against the AWS Standard V 2.0, two observations were raised.

One of them – OBS01 – concerns the monitoring of river waters and the ČR PM, and may, in the future, consider an in-depth understanding of the water quality of the Vrchlice River and the impact of PM ČR on this quality.

10 CONCLUSIONS AND RECOMMENDATIONS

Given the review of evidence produced and audit performed at the Philip Morris ČR a.s., SGS recommends that Philip Morris ČR a.s. is awarded AWS Core Certified status with a surveillance audit interval of annual frequency.