



Jacek Olczak

EDITORS' NOTE Jacek Olczak became Chief Operating Officer in January 2018. He joined Philip Morris Polska in 1993 as Manager, Finance and Administration. After serving as Manager, Internal Controls, in 1995 in Lausanne, Switzerland, Olczak returned to Poland where he held various positions in finance, sales, and operations. Between 2002 and 2006, he worked extensively across Central Europe and the Baltic States, and in 2004 was appointed Managing Director, Poland and Baltic States. In October 2006, he became Managing Director, Germany and Austria, and from April 2009 until July 2012, he served as President of PMI's European Union Region. From August 2012 until his current appointment, he held the role of Chief Financial Officer. Prior to joining PMI, he worked for BDO Binder in London and Warsaw. Olczak holds a master's degree in economics from the University of Lodz, Poland.

COMPANY BRIEF Philip Morris International (*pmi.com*) is leading a transformation in the tobacco industry to create a smoke-free future and ultimately replace cigarettes with smoke-free products for adult smokers who would otherwise continue to smoke. With more than 77,000 employees across the globe, PMI is selling products made in their 46 worldwide production facilities to over 150 million consumers in more than 180 markets around the world.

Will you discuss the transformation taking place at PMI?

PMI's global business transformation is about delivering on our vision to create a smoke-free future. For us, this means replacing cigarettes as quickly as possible with scientifically substantiated smoke-free products that are a much better alternative for all adults who would otherwise continue smoking.

Despite the best efforts of governments to curb smoking, the World Health Organization estimates that there will be as many smokers in 2025 – around 1.1 billion – as there are today. Our position is that adult smokers who do not quit should have access to, and information

PMI's Purpose

An Interview with Jacek Olczak, Chief Operating Officer, Philip Morris International (PMI)

about, smoke-free alternatives to cigarettes. These smoke-free products contain nicotine and are not risk-free. However, science supports that these products have the potential to be a better choice than continued smoking.

The company has invested more than \$6 billion over the past decade to develop and commercialize a portfolio of scientifically substantiated smoke-free products. The history of commercial progress is that the better product always replaces the previous one. Even in a company that throughout most of its history primarily commercialized cigarettes, radical change is wholly possible.

How critical was it to communicate this transformation internally and to engage PMI's employees in the process?

I am a big believer that the best way to communicate with your own people is by simply talking to them. You obviously can send a memo. You can do a town hall. You can make yourself available through various means of internal communication or external communication, but nothing will replace a normal face to face conversation.

I personally spend a lot of time making myself available to anyone here regardless of the rank, function or position. We're moving the company into truly uncharted waters and our people need and deserve to know our plans. Other companies have undergone massive transformation, but I haven't heard about another company who is saying that it is better to get rid of the product that it sells today. We spend an enormous amount of time talking with our people. We are in this beautiful constellation at PMI today where our human internal values are being aligned with what the company wants to do. There is a lot of support for our mission which is very important in a transformation of this nature.

Is there an effective understanding about smoke-free products today and how important is it for PMI to continue to educate the market?

When I see negativism around PMI and our new mission, I always give the benefit of the doubt that the other party maybe didn't have the time to look into the science or maybe they're still judging us based on the past or maybe we have not done an effective job communicating with them.

It is our job to continue talking, presenting, meeting, and being transparent and listening to our audience. One by one, we will continue to share our view that harm reduction is the best approach for those who would

otherwise continue smoking. There is still a lot of confusion in the market.

How do you define PMI today?

PMI is a science and technology-minded company developing science-backed smoke-free products for adult smokers who would otherwise continue smoking. Today, this company has the consumer spelled with a capital C since the consumer is in the center. It is a science company because science is needed for our discussions with regulators, but even more importantly, science is needed to help consumers to make the right decision. Adult smokers deserve the right to be properly informed as to what the better choices are. I think that every dollar over the last decade that we have invested behind science, and this is billions of dollars, was the best investment we could have made because when we talk with our consumers, the science moves the discussion away from emotional and into a fact-based direction.

Are you able to take moments to reflect on PMI's evolution and to appreciate what PMI has become?

I joined PMI 26 years ago. When you have been at a company for as long as I have and you realize that you are in a position to address the one big fundamental problem the company has – the product – and come up with a better alternative to cigarettes, that chance to transform the company becomes life-changing.

When I joined, I didn't expect that I would stay here for a quarter of a century. I actually thought as a young person at the time, you get a good job, stay there for two or three years and then move to another job in another company. I fell in love with PMI. Many people ask me what the recipe is for a fast career. A fast career is not how quickly you advance in different positions, but how engaging and exciting is the work that you're doing for the company.

Some people count the days or weeks until they retire, but not me. When that time comes, I will miss one of the best parts of my life. I am not a morning person, but I do wake up in the morning with satisfaction knowing that I'm coming to PMI.

It's not about the money or the perks. I am living a fulfilling life and there is a lot of energy and drive in the company to accomplish our smoke-free future vision. When I go on vacation, I enjoy my time with my family, but I miss the office. ●