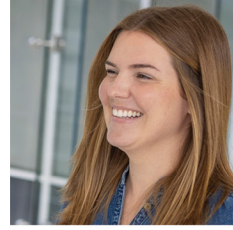




2024 Corporate Responsibility Progress Report



Altria





We have a leading portfolio of tobacco products for U.S. tobacco consumers age 21+. Our Vision is to responsibly lead the transition of adult smokers to a smoke-free future. We are *Moving Beyond Smoking™*, leading the way in moving adult smokers away from cigarettes by taking action to transition millions to potentially less harmful choices - believing it is a substantial opportunity for adult tobacco consumers, our employees, our shareholders and society.

We have been committed to responsibility for over 25 years - a commitment we have upheld through all our business practices. Responsibility is intentionally embedded in our Vision statement as it is a critical part of our future. To achieve our Vision, we are pursuing initiatives designed to promote long-term sustainability. We believe the actions we are taking are creating a different Altria and a different tobacco landscape. We believe these actions will benefit our businesses, supply chains, trade partners, operating and grower communities and the environment. Our responsibility focus areas address the issues we believe are most important to drive this progress.



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What's in this report?

In 2021, we announced six responsibility focus areas as an output of our in-depth 2020 responsibility **materiality assessment**, each with associated 2025 goals. We believe these are the most important areas we can address to help us achieve our **Vision** and drive long-term business value. Importantly, these areas are aligned with our stakeholders' expectations of companies broadly and tobacco companies specifically.

This report provides an overview of our 2024 progress across all six focus areas. At Altria, we are committed to being good corporate citizens and making a positive impact where we can. This report highlights how we engage with stakeholders and why they are important to our business. As we move toward the end of our 2025 goal cycle, it outlines our 2025 priorities.

Note: When used in this report, the terms "Altria", "we", "us", and "our" refer to Altria Group, Inc. and its consolidated subsidiaries, unless otherwise noted. All references to "adult tobacco consumers" or "ATC's" in this report refer to consumers who are 21 years of age or older.

Beyond This Report

This report is not designed to provide detailed coverage across all our responsibility focus areas. We share this information in the Responsibility section of our site, aligned with the respective focus area. Additional metrics and data, designed to meet the needs of multiple stakeholders, are published in disclosures linked below. All 2024 progress, namely Environmental data, will be published by October 2025. Visit the [ESG Progress Dashboard](#) section to view complete reporting.

Focus Area Progress

Click links below to see the progress we're making toward our 2025 responsibility goals.



ENVIRONMENTAL



SOCIAL



GOVERNANCE

[Responsibility Progress Dashboard](#)

[Protect the Environment](#)

[Drive Responsibility Through Our Value Chain](#)

[Reduce Harm of Tobacco Products](#)

[Prevent Underage Use](#)

[Support Our People & Communities](#)

[Engage & Lead Responsibly](#)

Reporting Disclosures¹

Read more about our disclosures through the **links** below.



[SASB](#)



[GRI](#)



[TCFD](#)



[CDP](#)



[ESG² Data Tables](#)



[EEO-1 Report](#)



[LCTP](#)

¹These disclosures are created with reference to the Global Reporting Initiative (GRI) standards and the standards set forth by the Sustainability Accounting Standards Board (SASB)

²Environment, Social, and Governance

From Our Chief Executive Officer

At Altria, we recognize that being a responsible corporate citizen is critical to our long-term business success and to achieving our Vision. Engaging and leading responsibly is core to who we are and how we behave. This means adhering to sound governance and ethical behavior within our operations. It means understanding and actively addressing the significant responsibility issues that affect our company and our stakeholders. And it means engaging constructively with external stakeholders, responsibly managing our investments, and communicating transparently about our actions.

We established our responsibility focus areas and goals in 2021 to guide our efforts through 2025. I'm immensely proud of the progress we've made and invite you to read this full report for a summary of our responsibility approach and achievements in 2024.

Our Vision reflects our most urgent responsibility priority - to reduce the harm associated with our companies' products. This is also a transformative business opportunity. Consumers are seeking smoke-free alternatives at a faster pace than we've seen historically, and our strategy is to deliver a compelling portfolio of products across today's most promising innovative smoke-free platforms: e-vapor, oral nicotine pouches, and heated tobacco. In 2024 our innovative smoke-free products, *NJOY* and *on!*, demonstrated encouraging performance through volume and share growth in their respective categories. We also hit meaningful milestones that helped solidify our smoke-free portfolio and position us for sustained success in the U.S. nicotine space, including:

- *NJOY* receiving the first and only marketing granted orders from the Food & Drug Administration (FDA) for menthol e-vapor products;¹
- Submitting Pre-Market Tobacco Application applications to the FDA for next generation *NJOY* and *on!* products;
- Continuing preparations to commercialize *Ploom*, a heated tobacco stick product, through our joint venture with Japan Tobacco;
- Advocating for a responsible and well-regulated marketplace, including stepped-up enforcement against illicit market activity; and
- Contributing to the continued decline in underage use of tobacco and nicotine products, which is now at historic lows.

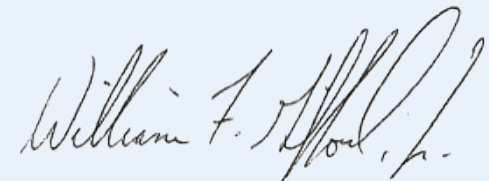
While we're proud of these important steps toward our Vision, our ability to compete and win in the marketplace is being hampered by the widespread availability of illicit disposable e-vapor products, which now represent more than 60% of the category. This illicit market is jeopardizing the long-term opportunity for tobacco harm reduction. It has become clear that two markets exist in the U.S. – one for those who operate within the regulatory framework and one for those who flagrantly violate and evade the rules. The FDA has not authorized enough smoke-free products to meet consumer demand with legal products and regulators are not holding bad actors accountable. This dynamic continues to make the operating environment challenging for responsible manufacturers and retailers and is confusing for consumers seeking FDA-authorized products. It also compromises our ability to achieve the 2028 smoke-free volume and revenue goals we established in 2023.

We've earned our reputation as the industry leader, and for more than two decades we've been advocating for a regulatory system that advances harm reduction. We believe adult tobacco consumers and society deserve a marketplace consisting of an array of FDA-authorized products led by responsible players throughout the value chain. And we believe the FDA can and will restore order to the market over time. Once the benefits of appropriate regulation are realized, we believe Altria has the experience and capabilities to make significant progress toward our Vision and responsibly lead the U.S. nicotine market over the long-term.

Thank you for your interest in Altria and for taking time to read this important report.

¹Due to orders issued by the International Trade Commission, effective March 31, 2025, *NJOY* is prohibited from importing, marketing, selling and distributing *NJOY* ACE devices and pods in the United States.

“Our vision reflects our most urgent responsibility priority - **to reduce the harm associated with our companies' products.** This is also a transformative business opportunity.”



Billy Gifford

Chief Executive Officer
Altria Group, Inc.



From Our Chief Sustainability Officer

Every year I look forward to this opportunity to reflect on the progress we've made toward our corporate responsibility goals and to refocus our efforts for the year ahead. This is a dynamic time, and evolving societal expectations and political polarization require that we remain grounded in the business case for responsibility and stay focused on our most material responsibility risks and opportunities. I'm proud of our steadfast commitment to this work and of our progress in 2024.

As we approach the end of our 2025 goal cycle, our primary focus continues to be on reducing the harm of tobacco products and preventing underage use. These responsibility focus areas are crucial for achieving our Vision, ensuring the long-term sustainability of our business, and benefiting adult tobacco consumers and society. Protecting the environment, driving responsibility throughout our value chain, supporting our people and communities, and engaging and leading responsibly also remain important stakeholder expectations.

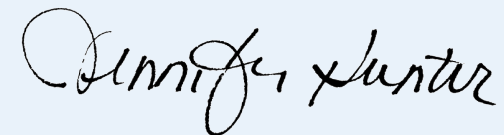
I'm proud to report that we're broadly on track to meet our 2025 responsibility focus area goals. Billy shared important progress highlights in his letter related to harm reduction. Here are a few additional highlights from 2024:

- Underage tobacco use is low and continues to decline. In 2024, youth smoking rates were estimated to be 1.6%, down 94% from their peak in 1997.¹ And youth e-vapor use is at its lowest level in a decade at 5.9% in 2024 versus a peak of 20% in 2019. In fact, all five of the Department of Health and Human Services' "Healthy People 2030" goals to reduce adolescent use of tobacco and nicotine products have been met and exceeded.²
- We completed an Equity and Civil Rights Assessment in response to a 2022 shareholder proposal requesting that we conduct a civil rights and equity audit. The Assessment, which was Altria-led and overseen by an external independent advisory Review Board, reviewed Altria's policies, practices, programs, and services intended to address the harm associated with tobacco use and the effectiveness of our harm reduction efforts, and evaluated impacts on communities of color and youth. The Assessment yielded compelling conclusions that shed light on our strengths, identified opportunities for improvement, and paved the way for transformative actions. The third-party assured final report is available on Altria.com.
- After achieving our 2030 environmental targets seven years ahead of schedule (at year-end 2023), we set and received Science Based Targets initiative (SBTi) validation for new near-term and long-term environmental targets, include a 2050 target for net-zero emissions.

As we look to the future, we remain committed to responsibility as a driver of business and social value. However, our strategy will continue to evolve to meet evolving societal expectations, business priorities, and legislative and regulatory demands. To that end, this year we will conduct a Double Materiality Assessment to establish our responsibility focus areas, goals, and metrics for 2026 – 2030. The work ahead will require continued dedication, innovation, engagement, and collaboration, and we are confident that our ongoing efforts will help shape a more sustainable future for our company and society.

Thank you for your continued support as we progress on this important journey.

“As we look to the future, **we remain committed to responsibility** as a driver of business and social value.”



Jennifer Hunter

Senior Vice President
Corporate Citizenship &
Chief Sustainability Officer
Altria Client Services



¹Source: Past 30-day Cigarette Use Among 8th, 10th, and 12th graders — 2024 Combined Tables ([monitoringthefuture.org](https://www.monitoringthefuture.org))

²Source: Past 30-day Tobacco Product Use Among U.S. Middle and High School Students — National Youth Tobacco Survey, 2024, [Tobacco Use - Healthy People 2030 | health.gov](https://www.tobaccoindustry.com/healthypeople2030/)

Corporate Profile

Smokable Companies

Smoke-Free Companies

Complementary Assets

Altria's Companies

PhilipMorrisUSA
an Altria Company

Largest cigarette company in the U.S. that manufactures *Marlboro*, the largest-selling cigarette brand for over 45 years

John Middleton
an Altria Company

Leading producer of one of the best-selling tipped machine-made large cigars sold in the U.S., *Black & Mild*

HELI
INNOVATIONS
an Altria Company

Manufacturer of *on!* nicotine pouches

US Smokeless TOBACCO CO.
an Altria Company

Leading producer and marketer of moist smokeless tobacco, including *Copenhagen* and *Skoal*

NJOY
an Altria Company

NJOY's product portfolio includes *NJOY ACE* and *NJOY DAILY*, the first e-vapor products to receive market authorizations from the FDA for both tobacco and menthol variants.¹

Joint Venture & Investments

HORIZON
INNOVATIONS

Joint venture with Japan Tobacco for U.S. marketing and commercialization of heated tobacco stick products

CRONOS
GROUP

~40.9% equity investment in Cronos Group, a leading Canadian cannabinoid company

AB InBev

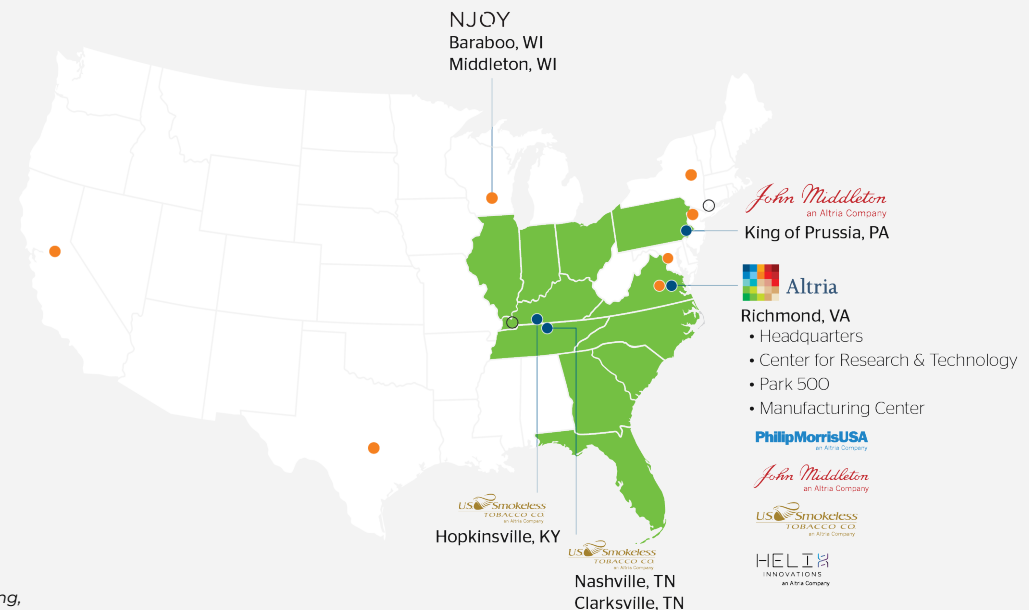
~8.1% equity investment in Anheuser-Busch InBev, the world's largest brewer

Where We Operate

We operate and sell our products principally in the United States. Substantially all of our net revenues are generated from sales in the U.S.

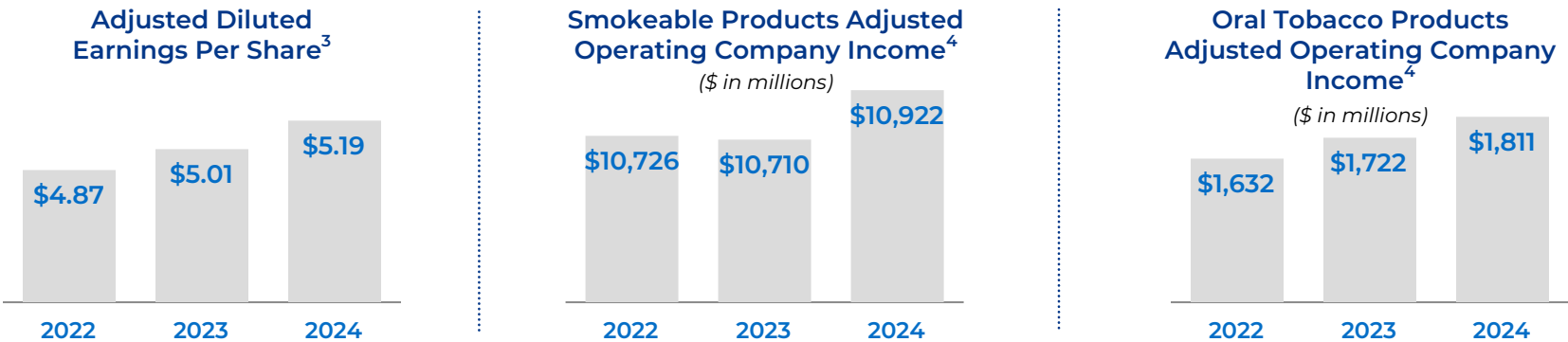
Map Key

- Key Tobacco Growing States
- Manufacturing Facilities
- Offices
- Offices Closed in 2024



¹ Due to orders issued by the International Trade Commission, effective March 31, 2025, NJOY is prohibited from importing, marketing, selling and distributing NJOY ACE devices and pods in the United States.

2024 Company Performance



Other Direct Economic Value

\$3.57B

in excise taxes on products sold⁵

\$548M

paid from pension and post-retirement plans

\$254M

in charges for FDA user fees⁵

\$6.8B

in dividends paid on common stock⁵

\$3.47B

in charges for state settlement agreements⁵

Communities Where We Live and Work

~\$59.7M donated

in cash and in-kind contributions⁶ nationally

61% of executives

served on nonprofit boards

56% of employees

engaged through volunteering with and/or donating to at least one 501(c)3

1. Altria's Financial Statements included in 2024 Form 10-K, filed with the SEC on February 26, 2025.

2. Annualized dividends per share calculated using annualized quarterly dividend per share as of December 31st of each year.

3. Recast amounts included with Altria's Q1 2025 Earnings Release furnished as Exhibit 99.1 to Altria's 8-K filed with the SEC on April 29, 2025.

4. Included in Altria's 2024, 2023 and 2022 Form 10-K, filed with the SEC on February 26, 2025, February 27, 2024 and February 27, 2023 respectively.

5. Altria's Q4/FY 2024 Earnings Release furnished as Exhibit 99.1 to Altria's Form 8-K filed with the SEC on January 30, 2025.

6. Includes cash and equipment donations, facility uses and services.

Delivering Value Responsibly

Our Purpose: Elevating the Everyday - one moment at a time

Our Vision: Responsibly lead the transition of adult smokers to a smoke-free future.

Our Resources



Financial Capital

Balancing earnings growth and shareholder returns with strategic investments toward our Vision.



Human Capital

We're attracting, developing, retaining and deploying the talent needed to achieve our Vision and every employee has ownership in positively contributing to our business.



Intellectual Capital

Our R&D teams are building unique intellectual property and pipeline of differentiated, innovative smoke-free tobacco products.



Manufacturing Capital

Our operating companies' manufacturing organizations combined have hundreds of years of operational excellence in producing our heritage brands and innovative tobacco products.



Social & Relationship Capital

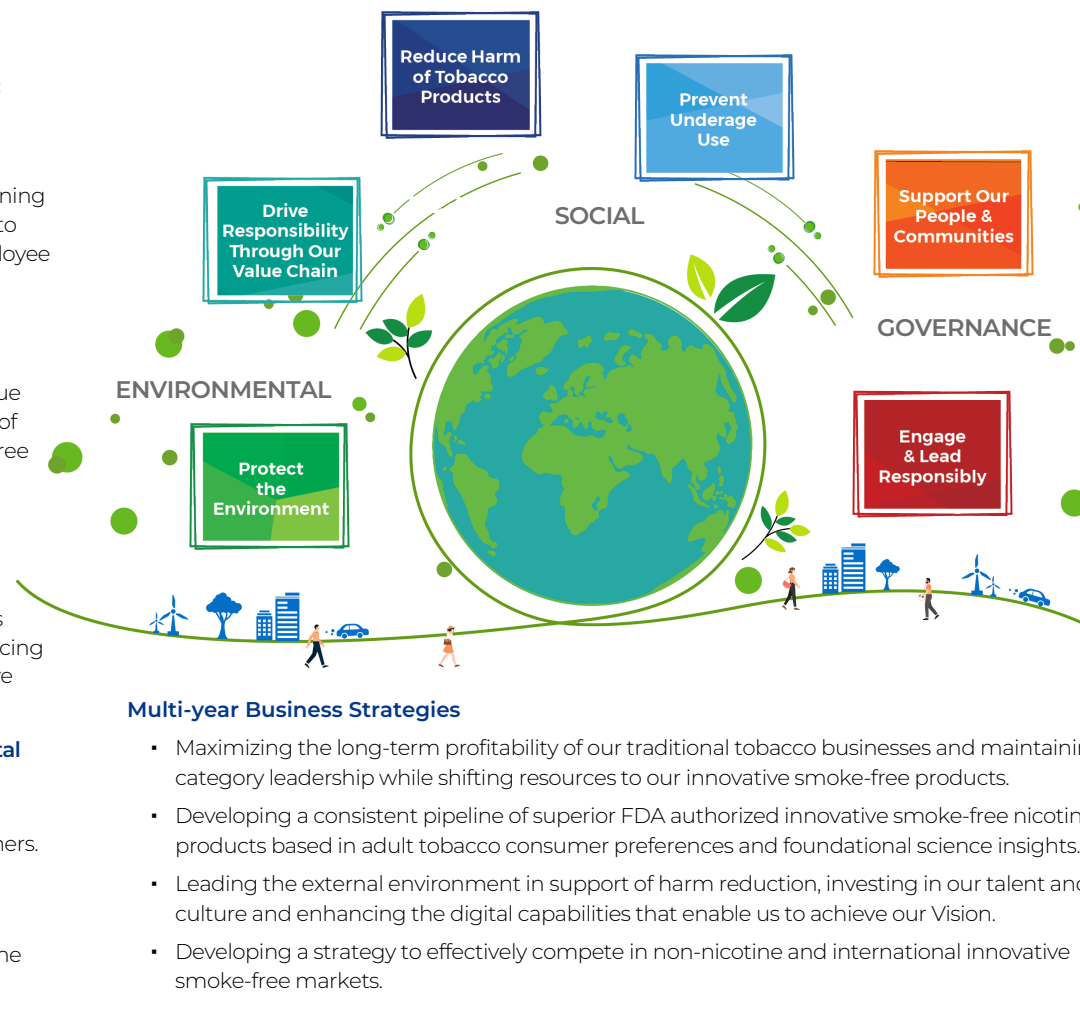
We rely on strong, sustainable partnerships with our network of growers, suppliers and trade partners.



Natural Capital

Our businesses are dependent on agricultural inputs so protecting the environment is important to our businesses and communities.

Responsibility Focus Areas & Multi-Year Business Strategies



Multi-year Business Strategies

- Maximizing the long-term profitability of our traditional tobacco businesses and maintaining category leadership while shifting resources to our innovative smoke-free products.
- Developing a consistent pipeline of superior FDA authorized innovative smoke-free nicotine products based in adult tobacco consumer preferences and foundational science insights.
- Leading the external environment in support of harm reduction, investing in our talent and culture and enhancing the digital capabilities that enable us to achieve our Vision.
- Developing a strategy to effectively compete in non-nicotine and international innovative smoke-free markets.

Shared Value



Our Businesses

Long-term sustainable profit growth.



Society

Contributions to solving environmental and social changes.



Employees

An inclusive and equitable culture where all employees can thrive.



Our Customers

Profitable premium brands and programs.



ATCs 21+

A robust portfolio of potentially reduced-harm options.



Suppliers

Mutually beneficial relationships and enhanced business practices.

Our Cultural Aspiration



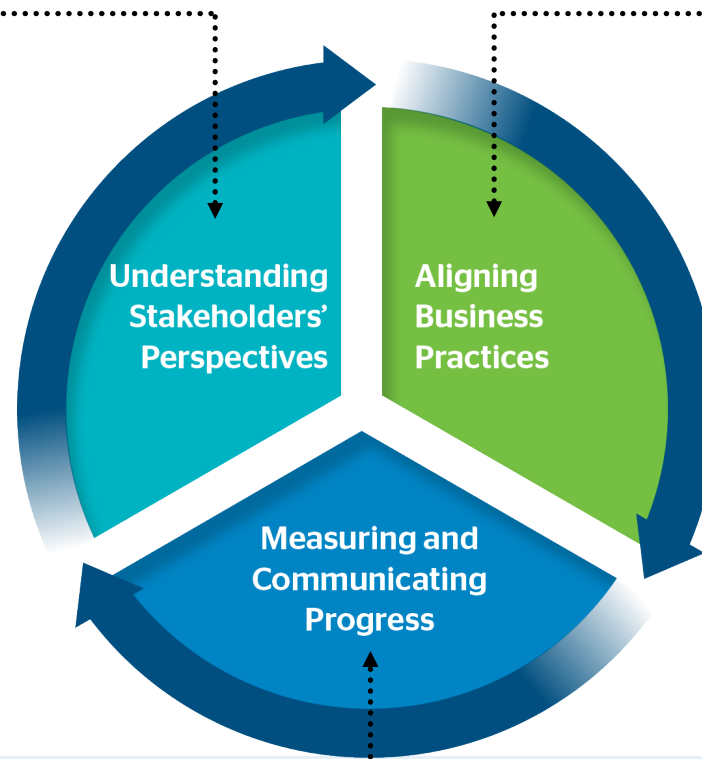
We shape our future. We do what's right. We care for each other. We deliver for our consumers and our customers. We rise to the challenge, together.

Our Approach

We approach responsibility by 1) seeking to understand stakeholders' perspectives and evolving expectations, 2) aligning our business practices – strategically and pragmatically, and 3) measuring and transparently communicating our progress. Through this approach we foster positive relationships with stakeholders through meaningful engagement; understand the changing external landscape through regulatory and societal lenses; and determine where we need to focus in order to drive long-term value by mitigating risks and capitalizing on opportunities for our businesses.

Understanding Stakeholders' Perspectives

Stakeholder engagement underlies our approach to effective responsibility progress. Two-way dialogue, based on open and honest communication, helps us understand the issues that present risks and opportunities for our businesses. Through their daily work, employees across the enterprise regularly engage with a wide variety of stakeholders to inform our strategies, initiatives and approaches. This includes talking with our employees, adult consumers 21+, investors, suppliers, policymakers, regulators, trade partners and community leaders.



Aligning Business Practices: We implement long-term strategies and annual initiatives aligned to our Vision and guided by our responsibility focus areas. In response to a rapidly evolving external landscape, they leverage a multi-faceted approach to continuous improvement by regularly evaluating their strategies against factors such as consumer confidence, economic patterns, regulatory and legislative developments, industry trends and stakeholder expectations. Additionally, we regularly evaluate our strategies against enterprise direction in support of our Vision, as well as other factors like the regulatory and legislative landscape and evolving stakeholder expectations. The intersection between the above and what is important to our responsibility focus areas guides our alignment.

Measuring and Communicating Progress: As responsible corporate citizens, we understand the importance of clearly communicating where we're focused, what we aim to achieve and how we're doing. Our 2025 responsibility goals and 2028 enterprise goals allow us to hold ourselves accountable to transparent outcomes. We communicate progress through one-to-one discussions, meetings, webcasts, conferences, our website and other communications, including this report. Additionally, we align our reporting with the GRI, SASB (Tobacco and Agricultural Products) and Task Force on Climate-related Financial Disclosure (TCFD) frameworks and respond to surveys like CDP.

Where We're Focused

Our focus areas and initiatives are rooted in our responsibility [materiality assessment](#) process – a comprehensive, formal approach to identify the most impactful responsibility issues that we believe promote long-term sustainability and success. In 2020, we conducted a comprehensive review of stakeholder expectations and determined how those align with our business priorities. Through this exercise, we established our responsibility focus areas, as well as goals and metrics within each that have guided our actions.

Since setting our responsibility focus area goals, our teams have learned a great deal and continue to evolve our approach to meet ever-changing standards and stakeholder expectations. We monitor the external environment to stay informed of these changing expectations and evaluate the implications for our businesses. Stakeholder expectations continue to influence our approach and initiatives on topics such as human rights, employee development, responsible sourcing in the supply chain and transparent reporting and disclosure.

Several of the environmental and social issues that our focus areas seek to address are intersectional in nature. These intertwined focus areas require us to think differently about complex business and societal challenges and collaborate across departments to refine our approach.

Our 2025 Corporate Responsibility Focus Areas:

Protect the Environment	Drive Responsibility Through Our Value Chain	Reduce Harm of Tobacco Products	Prevent Underage Use	Support Our People & Communities	Engage & Lead Responsibly
<ul style="list-style-type: none"> Climate change Natural resource conservation Environmental impact of products 	<ul style="list-style-type: none"> Responsible sourcing, distribution and retail Supplier diversity Grower support and agricultural sustainability Human rights Ethics and compliance 	<ul style="list-style-type: none"> Adult smoker transition to products External conditions for tobacco harm reduction success Cessation support 	<ul style="list-style-type: none"> Responsible marketing Underage access prevention Positive youth development 	<ul style="list-style-type: none"> Workplace and community inclusion, diversity and equity Well-being of employees and communities Workforce and community capability building 	<ul style="list-style-type: none"> Corporate governance and behavior Measurement and Transparency Positive impact through engagement and partnership Responsible investment governance

Positive Impact Through Stakeholder Engagement

Across Our Value Chain

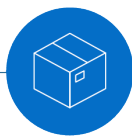
At Altria, stakeholder engagement is part of the foundation for our responsibility efforts, helping us identify and accelerate progress on the environmental and social issues most relevant to our businesses and where we can have the greatest impact. Our businesses regularly engage with employees, adult consumers, investors, suppliers, growers, trade partners, regulators and those in our communities. This continuous engagement helps us understand the issues that present risks and opportunities for our businesses and strengthens our approach in

addressing expectations strategically and pragmatically – preserving our license to operate and advancing our Vision.

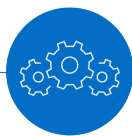
We evolve and adapt to changing consumer interests, marketplace forces and societal expectations. One of the reasons we believe we are equipped to meet and exceed expectations is the strength of our stakeholder engagements.



Tobacco
Growers



Suppliers



Our Manufacturing
Operations



Distributors
and Wholesalers



Retail Trade
Partners



Adult Tobacco
Consumers

Stakeholder Groups

Adult Tobacco Consumers 21+

Why

We believe a deep understanding of adult tobacco consumers is critical to achieving our Vision. We engage extensively with adult tobacco consumers to deliver new and innovative products and brand experiences and facilitate their transition to smoke-free products.

How

- Consumer insights research
- Brand and corporate websites
- Direct-to-consumer communications
- Customer care channels

Employees

Why

Our companies employ approximately 6,200 talented individuals who are critical to our ongoing success. We seek input from and engage with our employees to improve their work experience, inspire them to innovate, be more inclusive and win in the marketplace.

How

- Community gatherings led by senior leaders
- Engagement and pulse surveys
- Internal communications channels and apps
- Functional, departmental and team meetings
- Labor negotiations
- Employee Resource Groups

Community Partners & Grantees

Why

We collaborate on issues important to our communities so that we can invest resources and time to help strengthen our communities and businesses. We work to address relevant social and environmental concerns in partnership with others.

We seek to build long-standing relationships with parties in our operating communities and nationally who lead valuable efforts to strengthen their communities.

How

- Service on boards and in other leadership roles
- Grantee forums
- Employee volunteer service
- Meetings with organization leaders and key staff

Investors

Why

We engage with investors to understand their interests and expectations and to communicate our business results and how we achieved them, including ESG performance and disclosures.

Through regular engagement, we gather valuable feedback from investors. Acting on investor input, we focus our responsibility reporting and disclosure on providing more stakeholder-centric, timely and relevant content.

How

- Annual Shareholder Meetings
- Investor roadshows
- Various meetings
- Conferences

Suppliers & Growers

Why

Our value chain includes approximately 960 direct contracted tobacco growers and third-party suppliers across the globe. While the majority of our tobacco suppliers are U.S.-based, our companies work with over 3,200 total suppliers worldwide.

To promote the responsible procurement of high-quality products, services and materials, it is important to convey our expectations and shared goals. We also collaborate on effective ways to address risks and societal issues in the supply chain.

How

- Supplier scorecards and meetings
- Supplier Code of Conduct
- Assessments, audits and surveys
- Contracted terms
- Workshops and training events

Trade Partners

Why

Our businesses rely on a distribution network of over 300,000 retail stores along with a network of wholesalers to deliver our quality products to adult tobacco consumers.

We aim to help retail and wholesale trade partners strengthen their businesses and ours. We do this by offering category management solutions to promote mutual success and responsible retailing, and to better understand marketplace dynamics and the preferences of adult tobacco consumers.

How

- “Top-to-Top” meetings
- Visits with retailers
- Online tools
- Annual trade meetings

Public Health, Scientific & Medical Communities

Why

Our priority is to understand and share research and perspectives on tobacco product issues to inform and advance our approach to tobacco harm reduction and effective regulation.

Our scientists engage with individuals and organizations to share research and evidence and advance the science around smoke-free products and harm reduction.

How

- Conferences and workshops
- Meetings with key organizations
- Research publications

Government & Regulatory Agencies

Why

As our industries are subject to a range of laws and regulations, we engage constructively with government officials and regulatory agencies to share our public policy positions on issues important to us, maintain compliance and help achieve our business objectives.

Our teams strive to identify the most important pathways to create the regulatory and policy conditions for harm reduction to succeed.

How

- Meetings with elected and appointed officials and staff
- Regulatory submissions and engagements
- Workshop participation
- Trade association memberships
- Support of public policy organizations

Data, Analytics & Technology Investments

Our data, analytics and technology investments support our progress in each of our responsibility focus areas:

Protect the Environment

We used digital tools to enhance our environmental reporting, including using Workiva for audit-ready CDP reporting and a supplier using AI to match our spend data categories to improve our Scope 3 inventory.

We continued using a tool to **identify water stressed areas** in proximity of our facility and leaf sourcing locations. This ongoing assessment guides our progress to preserving the natural resources on which our businesses rely.

Reduce Harm of Tobacco Products

We continue to develop a deep understanding of adult tobacco consumers 21+, the role tobacco products play in their lives, and how they choose products and brands across a range of usage occasions. In 2024, we analyzed billions of retail transactions and engaged with adult tobacco consumers millions of times through our brands. **We use this data to support adult smokers' transition to smoke-free products.**

Engage & Lead Responsibly

We established an Optimize & Accelerate Initiative to modernize our ways of working to accelerate our progress toward achieving our goals. Through this initiative, we will optimize our ways of working, use technology more effectively and leverage external partners to position ourselves for success in a continuing complex external environment.

We implemented an AI Governance Framework, integrated GenAI into existing Data Governance & AI Board to ensure models avoid bias, and created an AI Council to strengthen our AI capabilities and ensure strategic alignment with business priorities.

Drive Responsibility Through Our Value Chain

We partnered with [SupplyShift](#) to **screen suppliers' ESG initiatives in our non-tobacco value chain**. This partnership allows us to understand our suppliers' ESG commitments, aid in data collection for reporting, and drive responsibility in our value chain.

Our sales force updated its customer management interface to support stronger engagements with trade partners. This new interface allows for optimized planning, improved mobile functionality and better data visualization for partner-specific offerings and solutions.

Prevent Underage Use

Our approach to responsible marketing has to keep up with trends in technology for us to continue to be effective.

Supporting retailers with solutions to remain the most trusted place to responsibly sell tobacco products is an essential element to our Underage Access Prevention efforts. In 2024, we continued providing support for **innovative technology solutions at retail to prevent underage access to tobacco products** and expanded retailer adoption of point-of-sale age validation technology to approximately 151,000 retail stores representing close to 85% of Philip Morris USA volume.

Support Our People & Communities

As part of our commitment to transform Altria through leading-edge analytics and innovative technologies that drive productivity and top-line growth, we launched GenAI training. This program was designed to equip individuals with the skills and knowledge needed to excel in the rapidly evolving field of GenAI. Hundreds of employees completed the 20 hour curriculum inclusive of topics such as Responsible AI Use.

Responsibility Governance

Our CEO and senior management oversee our responsibility efforts. We engage with our Board on responsibility strategies and issues at the full Board level and through various committees. The **Nominating, Corporate Governance and Social Responsibility (NCGSR) Committee** oversees our public affairs, corporate reputation and corporate responsibility focus area strategies.



In addition to the NCGSR Committee, the Board has also delegated oversight for specific responsibility efforts to other committees. For example, the **Innovation Committee** oversees our innovation and marketing strategies, which are critical to harm reduction and preventing underage use, as well as our efforts to reduce the environmental impact of our companies' manufacturing operations and products.

The Compensation and Talent Development Committee oversees initiatives, programs and processes related to talent development and culture.

The Audit Committee oversees our risk assessment and risk management policies and practices and our compliance with legal and

regulatory requirements. This includes oversight of our cybersecurity program and associated risks.

Board and Board Committee updates on responsibility include the review of topics such as:

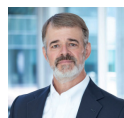
1. trends in corporate responsibility, including emerging regulation and legislation,
2. our underage tobacco use prevention programs,
3. harm reduction initiatives,
4. environmental initiatives,
5. community and public policy engagement activities,
6. talent and culture initiatives, and
7. monitoring and reporting of responsibility progress.

Our responsibility focus areas are integrated into enterprise planning, strategies and initiatives. For each focus area, we formed **Steering Committees** led by senior executives with accountability for strategic alignment of initiatives and investments, outcomes and progress toward 2025 goals. These committees convene regularly and are comprised of senior leaders from accountable functions, functional director-level employees and subject matter experts.

We acknowledge stakeholder expectations for transparent, decision-useful disclosures of our progress, and we have taken steps to further enhance governance of our ESG reporting by implementing improved tools and processes for data collection and disclosure review, substantiation and reporting. An important element of this process is an **ESG Disclosure Working Group** with representation from Corporate Citizenship, Law, and Finance. The ESG Disclosure Working Group is involved in the oversight and review of sustainability reporting and is focused on the accuracy and quality of our disclosures. We have also implemented an ESG data collection and auditing software system to strengthen internal data governance infrastructure.

Management Oversight

At Altria, everyone has a part in working toward our Vision and engaging and leading responsibly. Each member of the Executive Leadership team contributes to our responsibility efforts. We recognize this important work requires cross-functional collaboration. Here are the specific duties of the members of our Executive Leadership team:



Billy Gifford

Chief Executive Officer
Altria Group, Inc.

As the CEO, Billy oversees progress toward our Vision and 2028 Enterprise Goals, including how management of our responsibility focus areas enables that progress.



Jody Begley

Executive Vice President
Chief Operating Officer
Altria Group, Inc.

In Jody's role as the COO, he leads our operating companies, Consumer Experience Organization, Altria Group Distribution Company and Altria Client Services' Operations teams. He also serves as co-Executive Sponsor of Altria's Environment & Value Chain Steering Committee. Among other responsibilities, Jody leads efforts to responsibly market our products, prevent underage access and use and promote environmental sustainability in manufacturing, product/packaging design, and distribution.



Sal Mancuso

Executive Vice President
Chief Financial Officer
Altria Group, Inc.

Sal leads Altria's finance, investor relations and procurement organizations. He also serves as co-Executive Sponsor of Altria's Protect the Environment Steering Committee. Among other duties, he plays a key role in driving responsibility in our supply chains through our Supplier Code of Conduct, supplier engagement on Scope 3 emissions, grower sustainability and human rights, and supplier diversity. He also leads our ESG engagement with debt and equity investors and other related initiatives.



Bob McCarter

Executive Vice President
General Counsel
Altria Group, Inc.

Bob leads Altria's Law department and Corporate Secretary office, which oversees Altria's Corporate Governance and Board of Directors engagement. He also leads Altria's Regulatory Affairs organization, which helps to advance harm reduction through science, advocacy and regulatory submissions.



Olivier Houpert

Chief Innovation and Product Officer
Altria Client Services

As Chief Innovation and Product Officer, Olivier oversees Altria's long-term product pipeline and is building a comprehensive innovation system inclusive of partnerships and internal capabilities. He has centralized responsibility for all product development and innovation, consumer and marketplace insights, and systems that support innovation needs for smoke-free and future growth opportunities. He also serves as co-Executive Sponsor of Altria's Environment & Value Chain Steering Committee.



Jennifer Hunter

Senior Vice President Corporate Citizenship
Chief Sustainability Officer
Altria Client Services

As the Chief Sustainability Officer, Jennifer drives the responsibility strategy for the enterprise. This includes strategy and programs that support inclusion, diversity and equity, community giving and volunteering, underage use prevention, adult tobacco cessation, environmental initiatives, and internal and external communications and reporting. She serves as an Executive Sponsor of Altria's People & Communities, Prevent Underage Use, Create The Conditions Steering Committees and co-Executive Sponsor of Protect the Environment steering committee.



Heather Newman

Senior Vice President
Chief Strategy and Growth Officer
Altria Group, Inc.

Heather leads Altria's long-term enterprise strategy, planning & goals, data and technology, international and corporate development functions. She drives the inclusion of responsibility considerations and requirements through Altria's portfolio of investments.



Todd Walker

Senior Vice President
Government Affairs and Public Policy
Altria Client Services

Todd leads Altria's federal and state government affairs functions and engagement strategy on policy positions across a broad range of topics spanning our responsibility focus areas. He also serves as co-Executive Sponsor of Altria's Create The Conditions Steering Committee focused on external engagement and advocacy for tobacco harm reduction to succeed.



Charlie Whitaker

Senior Vice President
Chief Human Resources Officer
Chief Compliance Officer
Altria Group, Inc.

In Charlie's role leading Altria's human resources and compliance functions, he oversees recruiting, employee development and retention strategies to align a highly engaged workforce with the pursuit of our Vision. He is responsible for continually strengthening our culture of compliance and integrity and advancing progress toward many of Altria's 2025 goals related to supporting our people and communities. He serves as co-Executive Sponsor of Altria's People & Communities Steering Committee.

Reduce the Harm of Tobacco Products

Scope

- Adult smoker transition to smoke-free products
- External conditions for tobacco harm reduction success
- Cessation support

UN SDG Alignment:



Goals

- Accelerate investments in innovation, science and regulatory support for new smoke-free product platforms.
- Establish harm reduction, not prohibition, as the proper framework for tobacco regulation in the United States.
- Provide access to expert quitting information for those who have decided to quit.

Accelerate investments in innovation, science and regulatory support for new smoke-free product platforms.

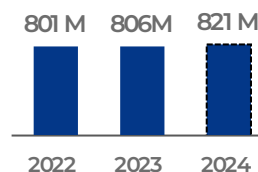
To achieve our Vision, we plan to deliver a portfolio of innovative, FDA-authorized, smoke-free products and equitably transition adult smokers to them.

We have developed a deep understanding of adult tobacco consumers, the role tobacco products play in their lives and how they choose products and brands across a range of usage occasions. We:

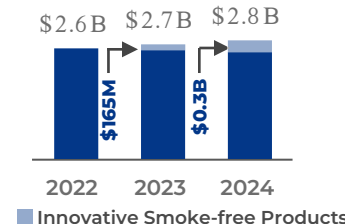
- analyzed ~4 billion adult tobacco consumer transactions at retail
- engaged with age-and-identity-verified adult tobacco consumers 21+ more than 42MM times through our brands

We estimate that, of the 55 million adult tobacco consumers in the U.S., nearly 33% exclusively use smoke-free products.

U.S. Smoke-free Product Volume (Units)



Smoke-free Net Revenues

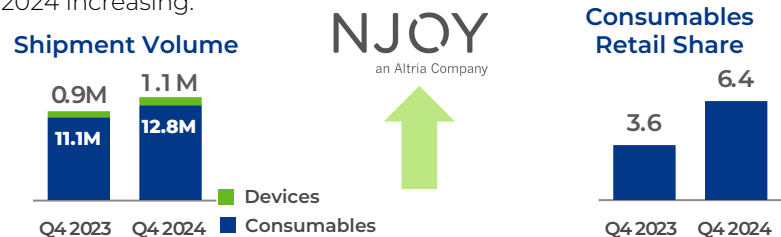


292 Harm Reduction patents filed in 2024 and more than 1,700 patents filed over two decades.

The number of adult nicotine consumers in the e-vapor and oral tobacco categories grew to approximately 28 million, nearly as large as the adult smoker population.

E-Vapor

- Expanded distribution of NJOY ACE to 100,000 stores by the end of 2024 increasing:

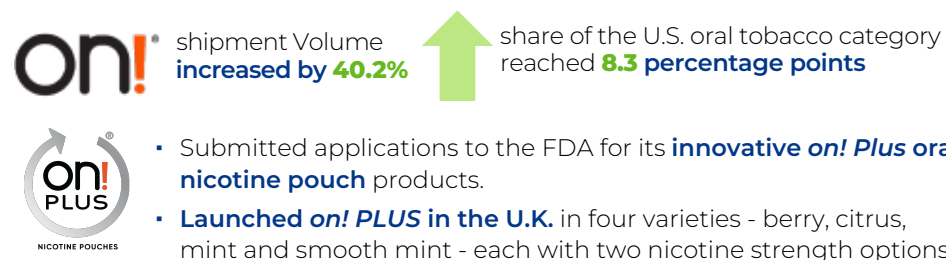


Sold in the U.S. multi-outlet and convenience channels. Consumables include NJOY ACE pods and DAILY disposables. Due to orders issued by the International Trade Commission, effective March 31, 2025, NJOY is prohibited from importing, marketing, selling and distributing NJOY ACE devices and pods in the United States.

- We secured a premium position at retail in more than 80% of contracted stores through NJOY's first retail trade program.
- NJOY submitted applications to the FDA for NJOY ACE 2.0, a new device that incorporates access restriction technology designed to prevent underage use.
- NJOY received the first and only marketing granted orders from the FDA for menthol e-vapor products.

Oral Tobacco

In 2024 compared to 2023:



Heated Tobacco

- We continued preparations to commercialize Ploom heated tobacco stick products in the U.S. through Horizon, and we commenced a small-scale test launch of SWIC, our internally developed heated tobacco capsule product, through e-commerce in Great Britain.

Establish harm reduction, not prohibition, as the proper framework for tobacco regulation in the United States

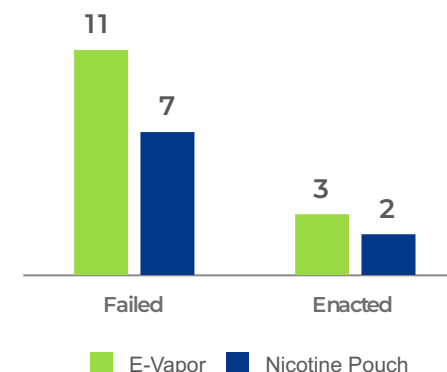
We engage responsibly with regulators, legislators and the public health community to advocate for policies and actions that we believe will advance tobacco harm reduction and support our Vision. Our team lobbied at federal, state and local levels to **avoid broad-based flavor bans** and other policies that could hinder harm reduction progress by creating large illicit markets and other unintended consequences. We also advocated for more and faster FDA product authorizations to expand the legal market of smoke-free products for adult smokers seeking alternatives to cigarettes.

Continued **advocating for vapor directories and appropriate enforcement** with adoption covering **27%** of NJOY volume and **29%** of industry vapor volume.

- **Advocated for more and faster FDA product authorizations** to expand the legal market of smoke-free products for adult smokers seeking alternatives to cigarettes.
- Engaged policymakers, regulators and many other stakeholders to **raise awareness about illicit e-vapor products** that flagrantly violate and evade public health and tobacco industry rules and regulations, which was estimated to be greater than 60% of the e-vapor category at year end 2024.
- **Led the industry** in engaging with public health and medical professionals and policymakers to **adopt harm reduction, not prohibition**, as the proper framework for tobacco regulation in the U.S.

Continued **activating against burdensome taxation of smoke-free products** to preserve the opportunity for adult smokers to transition to these products.

of States with Failed vs. Enacted Tax Increases



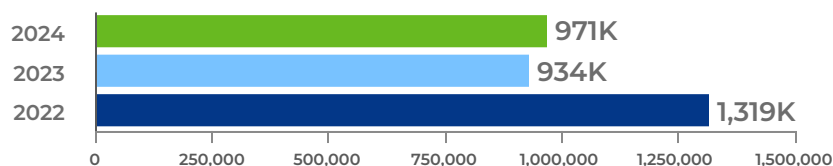
Our research on discarded e-vapor packaging in New York City and Washington, D.C. **confirmed our perspective that prohibition-based policies do not work and lead to significant unintended consequences**. The studies surveyed more than 100 different zip code locations collecting samples from close to 200 neighborhoods throughout New York City's five boroughs and Washington, D.C.

- In **New York City**, of the **2,000 discarded vape samples** collected, **98.6%** were **imported from China** and **99.1%** were **flavored** – despite a flavor ban in the state since May 2020.
- In **Washington, D.C.**, **99.5% of the 2,000 e-vapor** products collected were **imported from China** and **99.6% were flavored**, despite a flavor ban since October 2022.

Provide access to expert quitting information for those who have decided to quit

QuitAssist® is our website dedicated to providing expert resources for adult tobacco consumers who want to quit using tobacco and nicotine products. Our aim is to connect site visitors to helpful resources and we measure progress through website visits and outbound clicks to cessation resources. We commissioned a series of studies to determine the overall appeal of the *QuitAssist*® site, test potential campaign messaging, and ensure messaging and imagery for both the website and campaign align with insights from our 2023 research. This research was designed to provide a comprehensive understanding of diverse groups of ATCs who have decided to quit, gain insights into what they are looking for in cessation support, and inform next steps for Altria's long-term cessation support strategy, including the *QuitAssist*® site and awareness campaign.

Visits to *QuitAssist*® Website



Outbound clicks to expert cessation resources in 2024:

121,800+ **-4.1%** (Δ year over year)

Decrease due to reduced media spend implemented while conducting research on *QuitAssist*® site and campaign.

Prevent Underage Use

Scope

- Responsible marketing
- Underage access prevention
- Positive youth development

UN SDG Alignment:



Goals

- Lead the industry in preventing underage use of products intended for adults 21 and over.
- Contribute to the healthy development of youth ages 12 – 18.

Lead the industry in preventing underage use of products intended for adults 21 and over.

Responsible Marketing: We know that to “responsibly lead” as outlined in our Vision means we must limit access to our products and appeal of our companies’ marketing materials to unintended audiences. This is a key pillar of our underage tobacco prevention framework and imperative to tobacco harm reduction.

We’re led by our Code of Conduct and our marketing and product communication policies. In 2024, **100%** of our companies’ Brand Management departments, key personnel* and marketing vendors/ advertising agencies **received training on our product communication and marketing policies.**

*Key personnel includes 270+ employees who were assigned marketing compliance/legal training based on their role or job.



We **validate the third-party Age Verification process**, which is designed to screen out persons under the minimum legal age from accessing our companies’ branded tobacco websites.

Many retailers, especially regional and national chains, have custom training systems designed to train retail employees to prevent underage access. For those that don’t, we offer free **We Card™** training through AGDC’s online retailer portal.

Introduced an **Underage Access Prevention pledge** for independent retailers, signing up more than **55,000 stores.**

We continued to engage our retailers on the importance of underage access prevention and created a **toolkit to support retailer best practices and FDA compliance education.** The toolkit included education materials on important steps for retailers to take to remain compliant with FDA requirements and featured a Mystery Shop (secret shopper) offer and free clerk training via a partnership with **We Card™** and The BARS® Program.



Altria funded **We Card™** training for **5,283 retail employees in 2024.**

We launched **NJOY’s mystery shopping program** to monitor effects of increased distribution and retail positioning on underage use. Expanded distribution and visibility **has not resulted in increased underage purchases** of NJOY products.

86% of the retailers supported by AGDC (over **182,000 stores**) **are required to display We Card™** or equivalent signage. In addition, these retailers display underage access prevention signage that reminds adults not to buy tobacco products for underage persons.

~99% of contracted stores that were surveyed have **We Card™, We Scan IDs** or equivalent signs placed at **point of entry** and **~95%** have underage access prevention signs placed in another **prominent location.**

Note: Based on a 2024 survey of a sample of 300,000+ AGDC retail visits.



Responsible Retailing Incentive Program, encouraging retailer adoption of AVT:

	2022	2023	2024
# of Retail Stores Participating with AVT Adoption	~137,000	~143,000	~151,000
Product Volume Represented	~80% of PM USA Volume	~82% of PM USA Volume	~85% of PM USA Volume

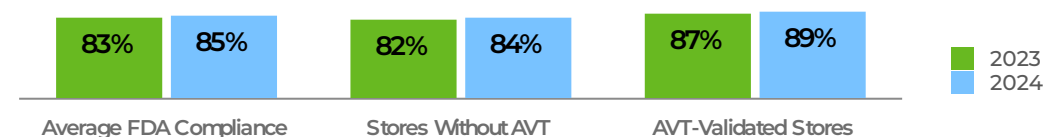
Policy Advocacy & Regulatory Engagement

We continued regular updates to the FDA on the latest underage tobacco use trends and **Altria’s Underage Tobacco Use Survey (UTUS)** results, including underage use of illicit disposable e-vapor.

We continued to advocate for state-level Tobacco 21 laws to align with federal law.

Move to 21	2022	2023	2024
# of States Enacted	41 states + D.C.	42 states + D.C.	43 states + D.C.
% of U.S. Population	87%	89%	90%

Retail stores with AVT have higher average FDA Compliance Rates than stores without AVT*

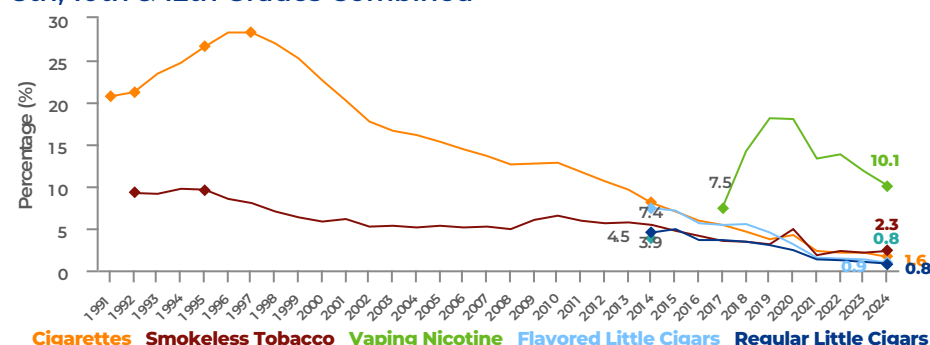


*FDA CTP Violation Report from 10/2022 - 9/2024 as of 12/31/24. Average FDA Compliance is All FDA Data. AGDC store and FDA databases matched using certain elements of a store's address and Melissa Address Keys. AVT/Non-AVT store data only includes matched stores.

Continued **progress toward our 90-95% FDA retail compliance metric**. FDA-reported violation data show a **14.7% violation rate for FFY2024, down from 16.8%** for the same period in FFY2023. Violation rates in AVT stores are 10.9%.

Contribute to the healthy development of youth ages 12 – 18

Past 30-Day Tobacco Product Use Among 8th, 10th & 12th Grades Combined

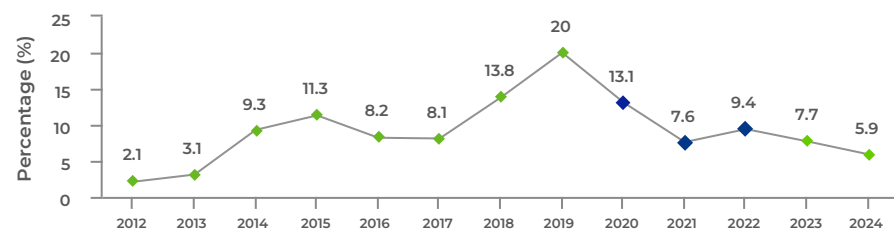


Source: 2024 Combined Tables (monitoringthefuture.org) * For e-cigarettes, 2017 and prior years are not comparable due to methodological changes.

¹Vaping nicotine does not include vaping just flavoring or vaping marijuana.

2024 Monitoring the Future study **estimates the youth smoking rate to be 1.6%, a 94% reduction** from its 1997 peak.¹

Past 30-Day E-Cigarette Use Among Middle and High School Students Combined



Sources: ALCS analysis of NYTS 2011-2024, and Tobacco Product Use Among U.S. Middle and High School Students — National Youth Tobacco Survey, 2024

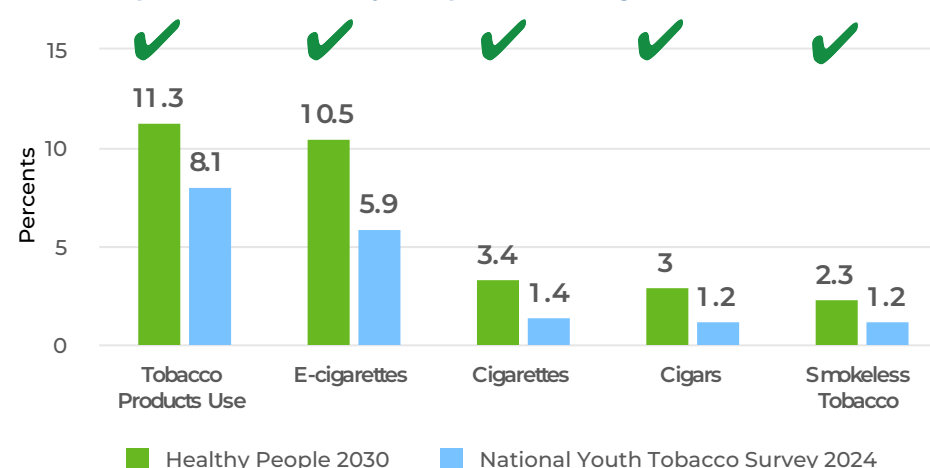
Note: Blue data points from 2020-2022 represent differences in data collections procedure during the COVID-19 pandemic.

²Due to differences in data collection procedures, the Centers for Disease Control and Prevention advises that any comparison of the 2021 NYTS estimates to previous NYTS survey years that were primarily conducted on school campuses should be interpreted with caution.

The 2024 National Youth Tobacco Survey (NYTS) recorded a significant decline of past 30-day e-vapor use among middle and high schoolers from its peak of 20% in 2019 to 5.9%, the lowest level in a decade.

Underage tobacco use continues to decline: The most recent data from 2024 NYTS demonstrates that **all five U.S. Department of Health and Human Services' "Healthy People 2030" goals** to reduce adolescent use of tobacco and nicotine products **have been met and exceeded**.

Comparison of Healthy People 2030 Targets and Current Data



Sources: Tobacco Use - Healthy People 2030 | health.gov, Tobacco Product Use Among Middle and High School Students — National Youth Tobacco Survey, United States, 2024

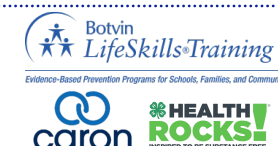
Positive Youth Development

We continued to invest in impactful evidence-based positive youth development, prevention and cessation programs. Positive youth development theory posits that emphasizing protective factors in kids' lives – such as positive relationships and activities – and reducing risk factors, helps kids make healthy decisions and resist a broad range of risky behaviors, including tobacco use.

We invested approximately **\$23.6M in Success360°**, partnering with leading youth-serving organizations such as 4-H, Big Brothers Big Sisters, Boys & Girls Clubs, Communities In Schools and The First Tee. Success360° programs include mentoring, adolescent substance abuse prevention and tobacco cessation programs.

Success360°

We supported prevention and cessation programs in more than **20 states** through LifeSkills Training, Caron Treatment Centers and 4-H Health Rocks!



Protect the Environment

Scope

- Climate change
- Natural resource conservation
- Environmental impact of products

UN SDG Alignment:



Goals

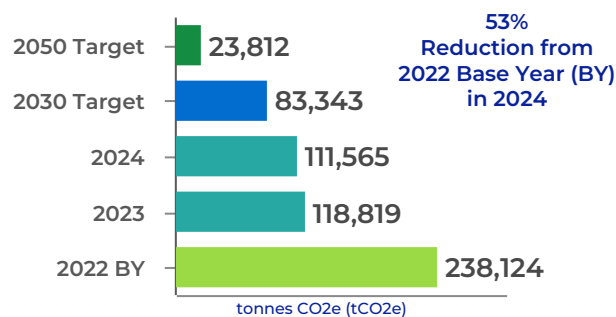
- Manage climate change impacts and risks through science-based business practices.
- Conserve the natural resources on which our businesses and communities rely.
- Reduce the environmental impact of using our companies' products and packaging.

Manage climate change impacts and risks through science-based business practices

Reduce absolute Scope 1 & 2 GHG emissions

2030 Near-Term Reduction Targets
by 65%

2050 Long-Term Reduction Targets
by 90%

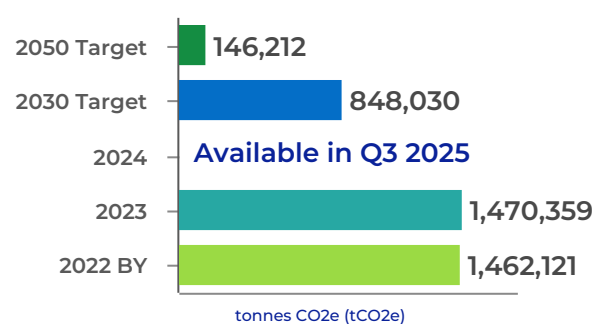


Note: Data reflects market-based Scope 2 emissions to align with renewable energy procurement per the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

Reduce absolute Scope 3 energy/ industrial GHG emissions

2030 Near-Term Reduction Targets
by 42%

2050 Long-Term Reduction Targets
by 90%

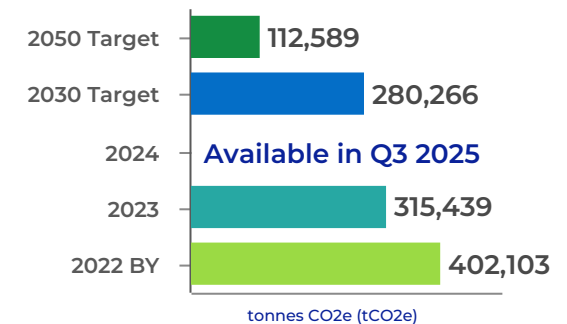


Note: Scope 3 and Deforestation-related data are currently undergoing finalization. This report will be updated to include this information when available. The update is anticipated in the third quarter of 2025.

Reduce absolute Scope 3 forest, land & agriculture (FLAG) GHG emissions

2030 Near-Term Reduction Targets
by 30.3%

2050 Long-Term Reduction Targets
by 72%



Near-Term Supporting Targets

Annually source 100% renewable electricity by 2030



Commit to no deforestation across primary deforestation-linked commodities with a target date of 2025

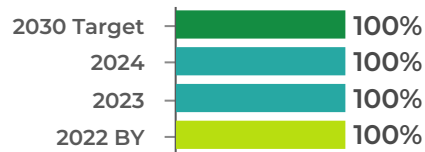
Available in Q3 2025

Note: Scope 3 and Deforestation-related data are currently undergoing finalization. This report will be updated to include this information when available. The update is anticipated in the third quarter of 2025.

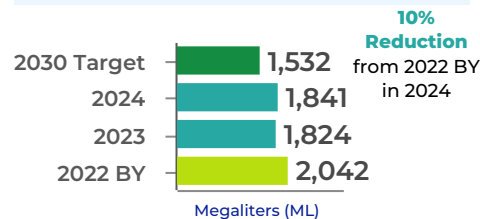
Conserve the natural resources on which our businesses and communities rely

2030 Water Targets

Maintain 100% compliance with water quality permits



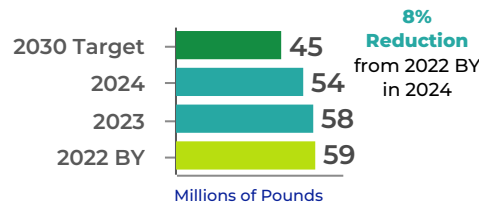
Reduce water withdrawals by 25%



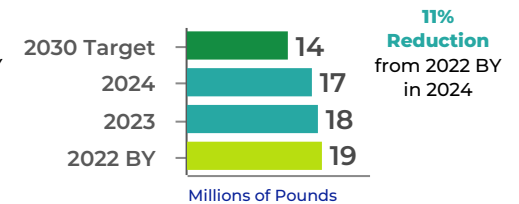
Through the water reclamation hub at our Philip Morris USA (PM USA) manufacturing center, we **reused nearly 122 million gallons of water** in 2024. The PM USA wetlands' natural treatment system **treated over 237 million gallons of water** before returning it to the James River, a tributary of the Chesapeake Bay.

2030 Waste Targets

Reduce waste generated by 25%



Reduce waste directed to disposal by 25%



We contributed **\$4.1 million** in 2024 toward **environmental sustainability efforts**, including support for education and conservation projects that protect natural habitats and reduce the environmental impact of agricultural practices on watersheds local to our companies' operations and grower communities.

Learn more about our agricultural sustainability efforts [here](#).

Reduce the environmental impact of using our companies' products and packaging

Products: We recognize the importance of addressing cigarette butt litter to protect the environment. We partner with Keep America Beautiful® (KAB) to support initiatives that address cigarette waste while beautifying neighborhoods.

- **Programs:** The national **Cigarette Litter Prevention Program (CLPP)** offers grants to install cigarette butt collection receptacles in highly-trafficked areas. **The Great American Cleanup (GAC)** program is an annual effort that engages thousands of volunteers to improve their communities.
- **Impact:** In 2024, **10 new communities** received grants through our support of the CLPP. Since our support began in 2002, **more than 1,850 communities** participate in the program. After implementation, KAB documented an average of **62% reduction** in cigarette butt litter in new participating communities. Our CLPP and GAC funding has reached **more than 5 million** individuals and supported cleanup activities in **nearly 500** public spaces.



CIGARETTE LITTER
PREVENTION



GREAT AMERICAN
CLEANUP

KEEP AMERICA BEAUTIFUL® KEEP AMERICA BEAUTIFUL®

In 2024, adult tobacco consumers 21+ were offered the opportunity to redeem **Marlboro® Rewards*** points for litter devices and complimentary waste recycling pouches in partnership with KAB to recognize America Recycles Day and to raise awareness and encourage cigarette waste recycling.

*Marlboro® Rewards is an engagement program where adult smokers 21+ can earn points by scanning unique codes printed on Marlboro® packs and redeem those points for gear, coupons and charitable donations.

Packaging: We are actively preparing to comply with recently-enacted state extended producer responsibility laws, which aim to reduce the use of plastics and increase recyclability of packaging materials. A cross-functional group is working to complete a comprehensive packaging assessment and engage with state-level regulatory bodies and producer responsibility organizations.

We **developed and launched new Sustainability Design Guidelines** to help our product and packaging designers keep sustainability top-of-mind when making packaging decisions. We also launched a Sustainability Champions network within the innovation and product development organization to provide cross-functional information-sharing and advocacy around sustainable practices.

Drive Responsibility Through Our Value Chain

Scope

- Responsible sourcing, distribution and retail
- Supplier diversity
- Grower support and agricultural sustainability
- Human rights
- Ethics and compliance

UN SDG Alignment:



Goals

- Support the financial viability of our supplier base and trade partners.
- Deliver continuous improvement on environmental and social issues in our tobacco supply chains.
- Source goods and services responsibly and in a way that optimizes business value.
- Improve inclusion, diversity, and equity in our value chains.

Support the financial viability of our supplier base and trade partners.

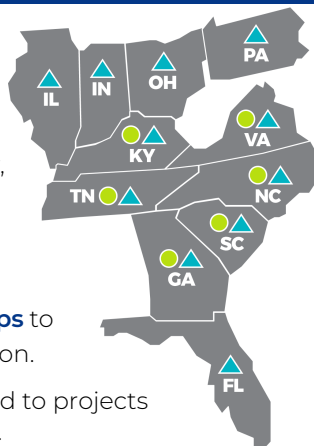
Investing in the Future of Agriculture

We partnered with **seven** universities across U.S. tobacco regions to sponsor:

- 38 research projects** aimed at improving crop quality, profitability and reducing environmental impact,
- 15 outreach programs** that provide education and training to growers and communities, and
- 77 undergraduate and graduate student scholarships** to advance agricultural education, research and innovation.

~75% of spend for research/agronomy activities allocated to projects related to grower sustainability and their financial viability.

▲ Tobacco growing states ● States with University partnerships



Continue to support growers achieving GAPC certification with incentives to offset **~44 %** of a growers annual certification costs.

Supporting Trade Partners

The success of our trade partners depends on much more than financial incentives and high-quality promotional products. It is crucial for product manufacturers to have a deep understanding of the industry and to uphold a commitment to building long-lasting and mutually beneficial partnerships. Both of these factors influence the way we support our trade partners. In addition to providing financial incentives through our trade programs, we also invested in merchandising resources to enhance the positioning of our products at retail.

Deliver continuous improvement on environmental and social issues in our tobacco supply chains

GAP Connection's (GAPC's) Tobacco Certification Program requires a grower to attend annual training on responsible crop, environmental and labor practices, complete an annual self-assessment and receive passing scores on the farm audit conducted by an approved third-party monitoring firm.

Achieved 100% global leaf & nicotine supplier* participation in the **Sustainable Tobacco Program (STP)**; an industry initiative that seeks to enable agricultural supply chain due diligence and accelerate positive impacts on social and environmental footprints. STP expanded the program in 2024 to include tobacco crops grown for nicotine extraction.

Tobacco Grower Participation in GAPC's Tobacco Certification Program

Year	% of Grower Base Participation	% of Program Participants Achieving Certification
2022	100%	~98%
2023	100%	~97%
2024	100%	~99%*

*Nicotine Suppliers for Altria apply only to pouch products and not inclusive of NJOY suppliers.

*In 2024, 13 contracted growers did not achieve certification. 9 of those were removed from our supply chain before marketing leaf. 4 were denied certification and Corrective Action Plans were implemented to allow leaf marketing.

Some growers may be unable to complete the audit due to reasons beyond their control, including environmental-induced crop failure.

The continuous improvement cycle built into the STP program and its tools allows the program to evolve ensuring it is fit for purpose and equipped to drive positive change. In 2024, STP initiated theme reviews for both climate change and natural habitat self-assessment guidebooks in context of potential regulatory requirements applicable to the industry.

Source goods and services responsibly and in a way that optimizes business value

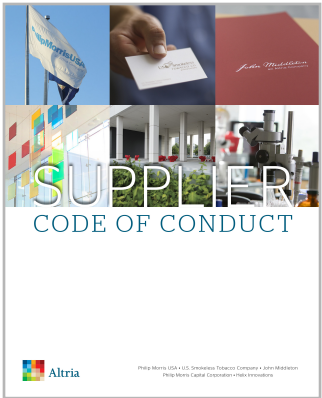
We partnered with [SupplyShift](#) to begin screening suppliers' ESG initiatives in our non-tobacco supply chain. We believe this partnership will allow us to understand our suppliers' ESG commitments, aid in data collection for reporting and drive responsibility in our value chain.

48.5% supplier participation in the first full year of implementation

[Supplier Code of Conduct](#)

Our Supplier Code of Conduct sets expectations for all of our suppliers, which include complying with legal obligations and **operating as good corporate citizens**.

We have updated the Supplier Code of Conduct to include enhanced sections on **supplier diversity, information management, ESG reporting and conflicts of interest**.



Minimum Age Provision: The standards we set for our growers exceed the standards of U.S. labor law.

	Our Contract Tobacco Growers	U.S. Labor Law
Agricultural Employment	16 years ¹	12 years
Perform Hazardous Duties	18 years	16 years

¹Some exceptions for religious communities.

We enhanced our marketing compliance training programs to help employees and suppliers understand the Master Settlement Agreement, how it applies to our marketing practices and the importance of compliance.

Affiliate member of the Responsible Business Alliance, a nonprofit industry coalition committed to supporting the rights and well-being of workers and communities worldwide affected by the global supply chain.

Learn more about our [Human Rights Framework](#).



Improve inclusion, diversity, and equity in our value chains

Responsibly sourcing the raw materials and services for our companies' products and ensuring they are sold only to adults 21+ is not only a benefit for the communities with which we do business, but also necessary to sustain our businesses into the future.

We also believe having a value chain that resembles our diverse adult consumers and communities is critical to our future success. The utilization of diverse suppliers promotes innovation, drives competition and provides greater supply chain flexibility.

AGDC is committed to supporting trade partners in their efforts to promote inclusion and diversity and continues to invest through its Stronger Together Fund. These investments include sponsorships for various retailer events, start-up money for new Employee Resource Groups, and industry sponsorships for events and awards.

	2022	2023*	2024
Number of Diverse Suppliers	262	282	234
Percentage of Spend on Diverse Suppliers	10.5%	12.3%	11.6%

*In 2025, revisions were made to 2023 data.

Support Our People & Communities 2024 Progress

Scope

- Workplace and community inclusion, diversity and equity
- Well-being of employees and communities
- Workforce and community capability building

UN SDG Alignment:



Goals

- Contribute to vibrant communities where everyone can thrive.
- Enhance the diversity of our organization and leadership teams while building an inclusive and equitable culture.
- Build employee capability and well-being to succeed in uncertain and rapidly changing environments.

Contribute to vibrant communities where everyone can thrive

In 2024, Altria contributed approximately **\$59.7M** to local and national **nonprofit organizations** as part of our **2021-25 community impact plan**. The plan addresses issues of shared interest to our business, communities and employees. Through it, we invest in leading partners who drive positive societal change using best-practice programming in five focus areas:

- Workforce and economic equity
- Environment
- Equitable and vibrant communities
- Success 360
- Altria Contributing Together

We take a variety of approaches to drive positive community impact; like,

- Investing in the development of 1500+ new housing units for 3000+ low-income residents;
- Helping 6,000+ businesses to get support to grow and create/retain 1,800+ jobs.

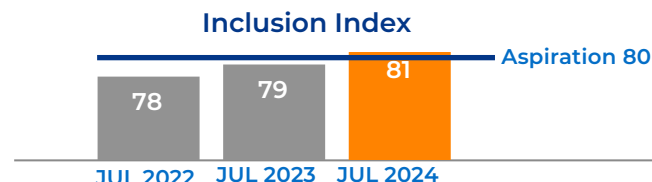
Participated in a community-level regional planning process to improve economic mobility, focusing on housing affordability and accessible career pathways.

Volunteering

- Of eligible employees, **56% engaged in community activities** through work, including employee giving, volunteering and civic action.
- The Chief Executives for Corporate Purpose reports the **mean employee participation rate** as **23%**. Altria **exceeded that rate** by **10** percentage points.
- Piloted a skills-based volunteering program** that set the groundwork for expansion in 2025.

Enhance the diversity of our organization and leadership teams while building an inclusive and equitable culture

We're focused on identifying the most qualified talent and investing in leader and employee development to build a diverse talent pipeline prepared and willing to lead at every level. We're dedicated to being an inclusive place to work for all employees, regardless of personal background or work function. As with all of our work, these activities are conducted in full compliance with the Altria Code of Conduct, our policies and the law. And, we use a number of quantitative benchmarks and metrics to track our progress and identify areas of opportunity.



Inclusion Composite Score represents an unweighted average of the rounded results of inclusion related questions in our Employee Engagement Survey. Includes all Salaried Respondents, excluding Nuvona.

Our Inclusion Index Score has steadily increased since we began tracking in 2017.* The Inclusion Index reflects employee sentiment regarding sense of belonging, authenticity, equal opportunity, manager support and the value of input.

**In September 2017 the Inclusion Index Score was 73 and excluded equal opportunity and authenticity questions.*

Pay Equity

Female Employees' Salaries		Employees of Color Salaries	
Unadjusted ¹ are 98.2% of male employees' salaries	Adjusted ² are 99.8% of male employees' salaries	Unadjusted ¹ are 98.2% of white employees' salaries	Adjusted ² are 99.9% of white employees' salaries

¹ Calculated from pay data for employees performing same or similar duties, regardless of differentiating factors such as experience, performance and tenure.

² Calculated after pay data is adjusted for factors generally considered to be legitimate differentiators of salary, such as experience, performance and tenure.

Organization and Leadership Diversity

We are committed to identifying top talent and fostering leadership and employee growth to create a diverse pipeline of future leaders ready to excel at every level. We are focused on cultivating an inclusive workplace and this comprehensive approach contributes to our long-term business success.

	Women	AAP, American Indian/Alaskan, Black, Hispanic, Two or more races
Year End 2024 Total Salaried Workforce (% point Δ vs. YAGO)	42% (—%)	31% (—%)
Year End 2024 Director+ (% point Δ vs. YAGO)	40% (—%)	25% (-1%)
Year End 2024 VP+ (% point Δ vs. YAGO)	36% (—%)	23% (-1%)

Build employee capability and well-being to succeed in uncertain and rapidly changing environments

According to our employee Engagement Survey (January 2025), Altria maintained a high Engagement Index Score, which was two points above the industry benchmark. The Engagement Index consists of two questions designed to understand how **happy employees** are working at Altria’s companies and whether they would **recommend Altria as a great place to work**.

¹This number does not include certain employee groups including but not limited to new hires that were in process or individuals on leave as of 12/31/2024. The score is a weighted average of all employee responses on a five-point scale. This data represents the response from salaried employees.

January 2025 Engagement Score¹ 77

Benchmark Engagement Score 75

To strengthen employees’ well-being, we:

- Moved health care coverage to a new provider to improve participants’ health care experience, strengthen our provider and pharmacy network, offer innovative digital tools and clinical programs, and reduce costs for participants and the company;
- Expanded the definition of fertility to allow more employees to take advantage of our coverage to create a family; and
- Added doula support to our benefits to support our employees or their partners on their pregnancy and postpartum journey.

Creating a Safe Workplace

	2022	2023	2024
Altria safety assessment performance	98%	98%	98%
OSHA recordable injury rate compared to U.S. Beverage and Tobacco Product Manufacturing benchmark*	1.3, lower than benchmark	1.2, lower than benchmark	1.8, lower than benchmark
OSHA lost day rate compared to U.S. Beverage and Tobacco Product Manufacturing benchmark*	0.7, lower than benchmark	0.6, lower than benchmark	0.9, lower than benchmark

*Industry benchmark determined by Bureau of Labor Statistics.

Workforce Development and Capability Building

- Employees completed **261,373** total **professional development training hours**, an **increase of 98.2%** when compared to 2023.
- 181 experienced and rehired employees** joined our workforce.
- When asked if they can **meet their career goals here**, the overall employee score was **74**, exceeding the U.S. Benchmark of 69.
- We **outperformed the U.S. Benchmark on building employee capability by 8 points**. Our Capability composite score consists of two questions designed to understand employee perspective on whether managers provide feedback that helps them improve their performance and whether they believe they have good opportunities to learn and grow at Altria.
- 57%** of **salaried postings were filled internally** by using our Open Talent Marketplace, our internal system for job postings and learning experiences.
- Established an Optimize & Accelerate Initiative to **optimize our ways of working and use technology more effectively**.
- Launched **GenAI training** designed to equip individuals with the skills and knowledge needed to excel in this new rapidly evolving field.

About this Report

Unless otherwise noted, this report includes data and progress for Altria Group, Inc. and its consolidated subsidiaries for calendar year 2024. It includes Altria's operating companies, Philip Morris USA Inc., John Middleton Co., U.S. Smokeless Tobacco Company LLC, Helix Innovations LLC and NJOY, LLC which represent more than 99 percent of Altria's net revenues. The report also covers other Altria subsidiaries, including Altria Group Distribution Company, which provides sales and distribution services to our domestic operating companies, and Altria Client Services LLC, which provides various support services to our companies in areas such as legal, regulatory, research and product development, consumer engagement, finance, procurement, human resources and external affairs. Altria operates principally in the United States, and substantially all of Altria's net revenues are from sales generated in the United States.

This report is a summary of progress on our responsibility priorities and is not exhaustive of all information on these topics. Some statements may be forward-looking or aspirational, and these statements may involve many risks or uncertainties. Such statements are indicated by use of terms such as "expect" and "believe" and may relate to "goals," "objectives" or "targets." The term "materiality," "material," and similar terms, when used in this report are in the context of economic, environmental and social topics. These terms are defined in the referenced sustainability standards and are not meant to correspond to the concept of materiality under the U.S. securities laws and/or disclosures required by the U.S. Securities and Exchange Commission.

If you have questions about our report, please feel free to [contact us](#).



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