

Protect the Environment 2022 Progress

Scope

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

2025 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.
- The goals above are supportive of our progress toward long-term, 2030 targets to:
 - Reduce absolute Scope 1 & Scope 2 emissions by 55%
 - Reduce absolute Scope 3 emissions by 18%
 - Achieve 100% renewable electricity
 - Reduce waste sent to landfill by 25%
 - Achieve 100% water neutrality

UN SDG Alignment:



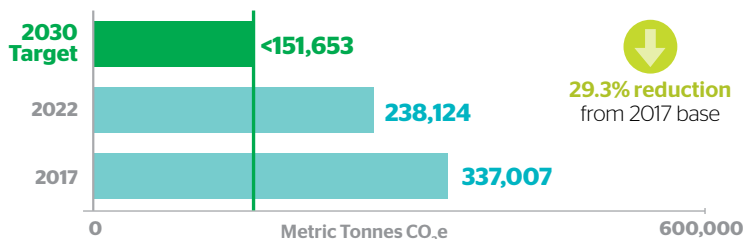
“ You do not need to look beyond your own community to see the growing impact of climate change across the globe. We've seen the effects on our operations, and we also know our companies and their products have an impact on our planet. Our teams have been focused on understanding potential climate-change-related risks, reducing our operational environmental impact and sustaining the natural resources we rely on to operate. Over the last year, we've been monitoring and preparing for emerging regulation and legislation that will ask our business to enhance our environmental disclosures and focus on minimizing the environmental impact of our companies' products and packaging – including a focus on recyclability, sustainable materials and consumer waste. We see the growing global conversation on the importance of limiting deforestation and understanding the nature-related impacts on our business. Underlying our ability to contribute positively is our ability to be informed by strong and accurate data that helps us drive decisions that are aligned with science. We are focused on how best to enhance our data collection and analytics capability to better understand where we are and where we are headed. Clear and decision-useful data is a critical input in achieving and resetting some of our environmental targets. We anticipate achieving some of our targets early, like our 2030 100% renewable electricity target through our renewable Virtual Power Purchase Agreement. This year we'll take a closer look at where we must increase our efforts and where we can set new targets to continue to push ourselves further. ”

Sal Mancuso
Executive Vice President
Chief Financial Officer
Altria Group, Inc. (ALG)



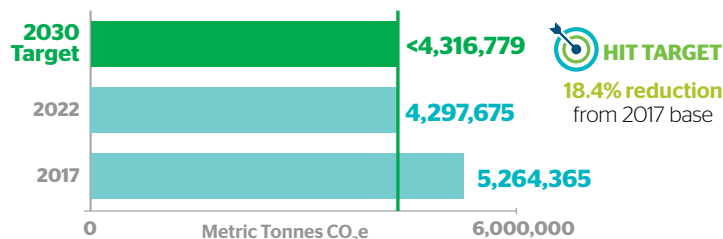
Climate Change

2030 Target: Reduce Absolute Scope 1 & Scope 2 Emissions by 55%¹



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

2030 Target: Reduce Absolute Scope 3 Emissions by 18%¹



Direct Operations | Scope 1

- 2.2% Manufacturing operations
- <1% Company aircraft
- <1% Company vehicles, including field sales force fleet
- <1% Offices

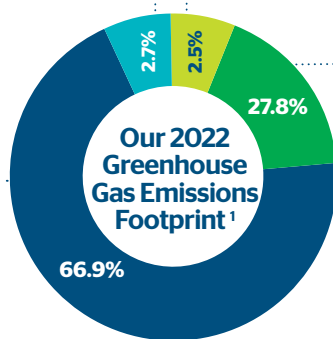
Downstream Value Chain | Scope 3

- 4% Downstream transportation & distribution
- <1% End-of-life treatment of sold products
- 62.1% Investments (represented almost entirely by our 10% investment in Anheuser-Busch InBev SA/NV (ABI))²
- <1% Downstream leased assets

Purchased Electricity | Scope 2 (market-based)

Upstream Value Chain | Scope 3

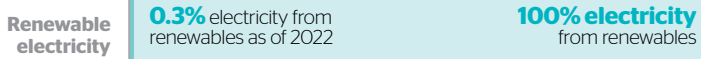
- Purchased goods and services **20.4%** (Tobacco growing **10%**)
- Capital goods **<1%**
- Fuel and energy related activities **1.5%**
- Upstream transportation & distribution **4.9%**
- Waste generated in operations **<1%**
- Business travel **<1%**
- Employee commuting **<1%**



¹ In 2022 we had structural and methodology changes that, per Greenhouse Gas Protocol and Science Based Targets initiative (SBTi), would guide us to restate our emissions inventory and recalculate our validated science-based targets. These changes include the sale of Ste. Michelle Wine Estates in 2021 (primarily impacting Scope 1 and 2), a more accurate methodology for modeling emissions associated with tobacco growing (primarily impacting Scope 3, Category 1), and an investee, ABI, restating its own emissions inventory due to the pending sale of an ABI subsidiary (primarily impacting Scope 3, Category 15). As we plan to reset our science-based targets to align with the latest guidance from SBTi, we will incorporate these changes into our new targets with a new base year and have elected not to restate data in this report at this time.

² We estimate our share of investee emissions based on our ownership interest or equity stake. For ABI, we use Scope 1, 2 and 3 emissions as disclosed in ABI's [ESG report](#). Percentages are rounded to whole numbers and may not add up to 100.

2030 Target: 100% Electricity from Renewables



Under our first virtual power purchase agreement, we are purchasing power from a Texas wind farm that is operational as of January 2023 bringing new, additional clean electricity to the U.S. electric grid. The project also is generating renewable energy credits, offsetting our use of fossil fuel energy and providing a clear path to achieve our renewable electricity and operational greenhouse gas emissions targets ahead of schedule. We will report the impact of these renewable energy credits towards our target when full year 2023 data is available.



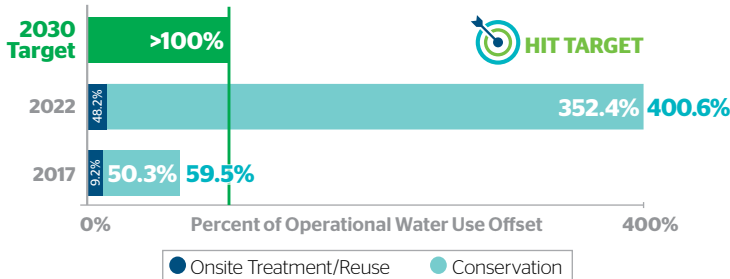
Recognized as a member of **CDP's 2022 Supplier Engagement Leaderboard** for our work in sustainable supply chain management. The Leaderboard for **climate change** represents the top **8%** of companies who responded to CDP's full climate questionnaire.

Continued to demonstrate environmental leadership with recognition from CDPGlobal

Climate Change A- | **Water A-** | **Forest B**

Natural Resource Conservation

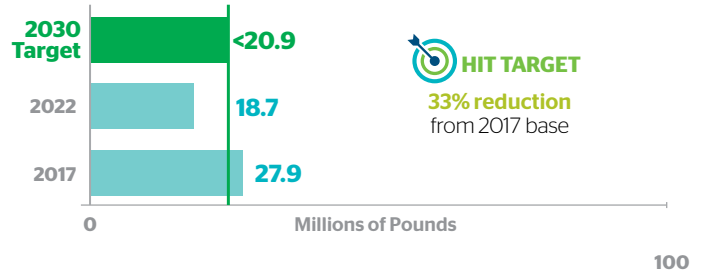
2030 Target: Achieve 100% water neutrality each year



Note: Water neutrality means we offset our operational water use through onsite treatment and/or conservation projects with non-profit partners in our operating and growing communities.

2022 water neutrality result driven by sale of Ste. Michelle Wine Estates, which previously was the largest user of water for our operating companies.

2030 Target: Reduce waste sent to landfill by 25%



Note: From 2017-2020, landfill is calculated as total waste by disposal methods as defined in the 2016 GRI Standards. Beginning in 2021, landfill is calculated as total waste directed to disposal as defined in the 2020 GRI Waste Standards.

100% of our domestic tobacco growers participated in the GAP Connections (GAPC) Certification Program.

GAPC certified tobacco growers strive to use water resources efficiently, care for soil health and natural habitats, follow soil testing and scouting guidelines to reduce the use of agrochemicals and respect workers' rights and wellbeing.

In 2022, Philip Morris USA (PM USA) wetlands treated over **260 million** gallons of water through a natural treatment system before returning it to the James River. We also reused over **104 million** gallons of water through a manufacturing center water reclamation hub.



100% of our global tobacco leaf suppliers participated in the Sustainable Tobacco Program, an industry initiative to enhance agricultural supply chain due diligence and accelerate positive impacts on social and environmental footprints.

Altria donated **\$4 million** in 2022 to support education and conservation projects that protect natural habitats and reduce the environmental impact of agricultural practices on local watersheds.

Environmental Impact of Products



America Beautiful® (KAB) through the *Marlboro*® Rewards program.

In 2022, over **114,000** adult smokers 21+ pledged not to litter cigarette filters. Since 2019, adult smokers 21+ donated over **\$175,000** to Keep



CIGARETTE LITTER PREVENTION

KEEP AMERICA BEAUTIFUL®

Altria's support helps KAB offer grants to help communities and local KAB chapters install cigarette butt collection receptacles in highly-trafficked areas to collect cigarette waste, while beautifying their neighborhoods. In 2022, **14 communities** received grants through the Cigarette Litter Prevention Program contributing to a running total of **1,800 participating communities** since our support began in 2002. After implementation KAB documented more than a **50% reduction** in cigarette butt litter in participating communities.

* *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.

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For more information on our progress to Protect the Environment, please visit Altria.com/Responsibility