

# on!® Nicotine Pouches

## Unique Harm Reduction Opportunity

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# Agenda

- Background
- Modern Oral Tobacco Products
- on!® Nicotine Pouches
- Scientific Evidence Demonstrating the Harm Reduction Opportunity
- Conclusions



# The Problem: Harm Caused from Cigarette Smoking

## COMBUSTIBLE TOBACCO – MOST HAZARDOUS FORM OF TOBACCO



**30.8MILLION<sup>1</sup>**  
**US adult smokers**

**OVERWHELMING  
EVIDENCE**

**Cigarette smoking is addictive and  
causes serious diseases including:**

Lung cancer | Emphysema | Cardiovascular disease

**~443,000 U.S. Deaths Attributable Each Year to Cigarette Smoking<sup>2</sup>**



Source: <sup>1</sup>Tobacco product use among adults – United States 2020. MMWR March 2022; 71 (11) 397-405; <sup>2</sup>Average annual number of deaths, 2000-2004. MMWR 2008; 57 (45): 1226-1228.



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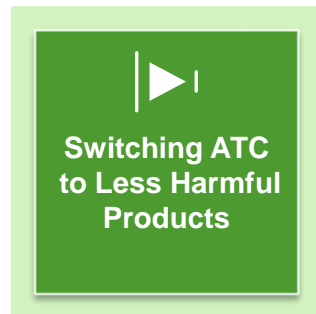
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# The Solution: Tobacco Harm Reduction Framework

**Traditional  
Strategies**



**Complement to  
Existing Approach**



**Tobacco  
Harm  
Reduction  
Framework**

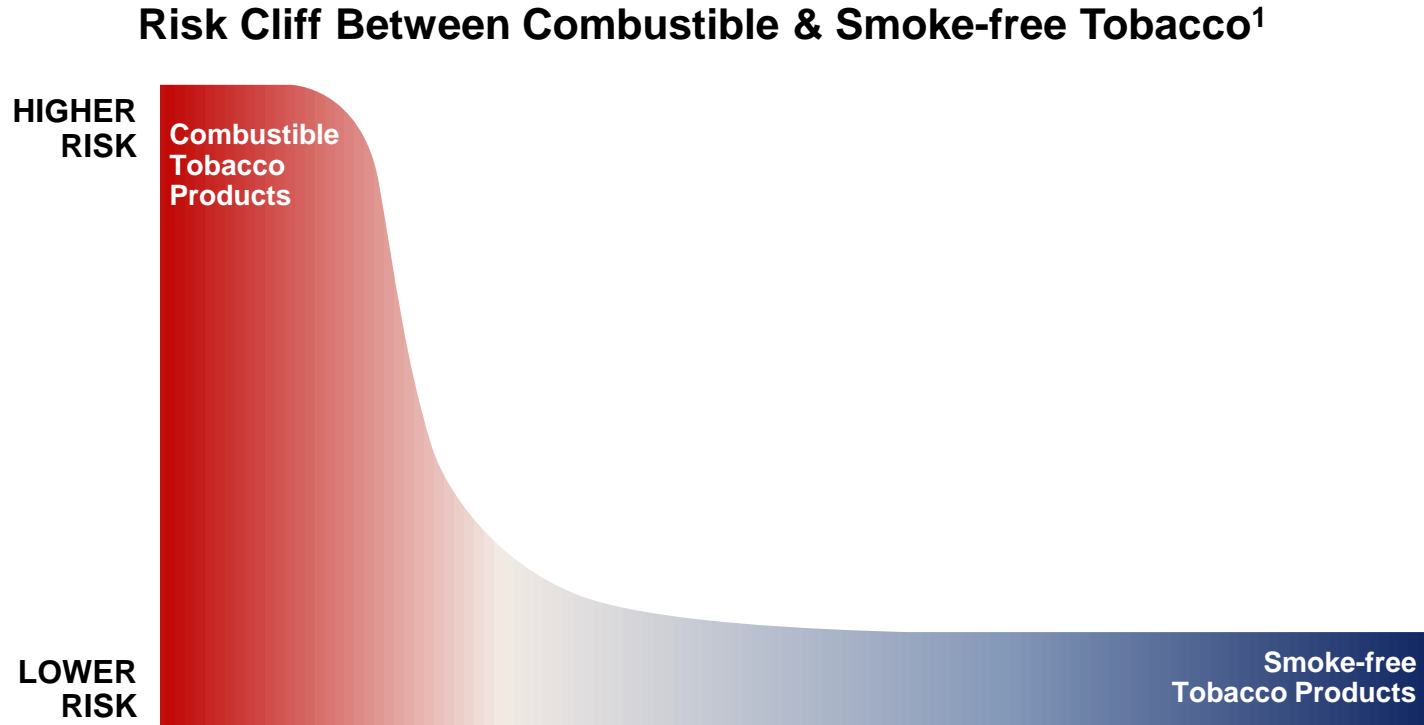
ATC=Adult Tobacco Consumers



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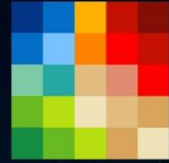
# Risk Differential – Combustible vs. Smoke-free Products



<sup>1</sup>Adapted from Nutt, et. al Estimating the Harms of Nicotine-Containing Products Using the MCDA Approach. *Eur. Addict Res* 2014; 20:218-225.



Moving beyond smoking™



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Responsibly lead  
the transition of adult smokers to a  
**SMOKE-FREE FUTURE**

# A Portfolio Approach to Harm Reduction

Advance Altria's harm reduction aspiration through smoke-free product platforms



**Smokeless  
Tobacco Products**  
e.g., Copenhagen®

**Heated  
Tobacco Products**  
e.g., IQOS®\*

**Modern Oral  
Tobacco Products**  
e.g., on!® Nicotine Pouches

**E-Vapor  
Products**  
e.g., JUUL\*\*



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\*IQOS Devices and HeatSticks® are currently unavailable for sale in the United States.

\*\*Altria's investment represents a 35 percent economic interest in JUUL

# Current Nicotine Pouch Landscape

## TOBACCO DERIVED NICOTINE



**on!®**

**7**

Mint,  
Wintergreen,  
Cinnamon,  
Citrus,  
Coffee,  
Berry,  
Original



**VELO**

**10**

Mint\*, Citrus\*,  
Spearmint,  
Wintergreen,  
Cinnamon,  
Citrus Burst,  
Dragon Fruit,  
Coffee,  
Peppermint,  
Black Cherry



**Zyn**

**9**

Cool Mint,  
Wintergreen,  
Peppermint,  
Spearmint,  
Cinnamon,  
Coffee,  
Citrus,  
Smooth, Chill



**Rogue**

**4**

Wintergreen,  
Peppermint,  
Mango,  
Honey Lemon

## SYNTHETIC/ NON-TOBACCO DERIVED NICOTINE



**FRĒ**

**4**

Mint,  
Mocha,  
Flavorless,  
Lush



**Bidi**

**6**

Watermelon+  
Melon+Menthol,  
Mint+Menthol,  
Blueberry+  
Pomegranate,  
Strawberry+  
Blueberry,  
Dragon Fruit+  
Strawberry,  
Cucumber+Mint



**2ONE**

**9**

Glacier Mint,  
Very Berry,  
Eucalyptus Rush,  
Ginger Mint,  
Strawberry  
Lemonade,  
Citrus Chill,  
Mocha Java,  
Pineapple Mango,  
Chocolate Dream



**FR3SH**

**4**

Mint,  
Mango,  
Berries,  
Coffee



**Fully Loaded**

**6**

Wintergreen,  
Mint,  
Peach,  
Classic,  
Bourbon,  
Straight



**Rush**

**4**

Mintsanity,  
Cinnabuzz,  
Winter Blast,  
Citrus Crush



**Niin**

**5**

Cool Mint,  
Spearmint,  
Wintergreen,  
Cinnamon,  
Citrus Chill

FLAVORS

STRENGTHS

**5**  
1.5mg  
2mg  
3.5mg  
4mg  
8mg

**3**  
2mg  
4mg  
7mg

**2**  
3mg  
6mg

**2**  
3mg  
6mg

**2**  
9mg  
12mg

**1**  
8mg

**2**  
3mg  
6mg

**3**  
2mg  
4mg  
6mg

**2**  
0mg  
7mg

**2**  
3mg  
7mg

**2**  
3mg  
6mg

\*Only available in 2mg & 4mg





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# Current Landscape of Other Modern Oral Tobacco Products

								
	<b>VELO</b>	<b>Rogue</b>	<b>Rogue</b>	<b>Rogue</b>	<b>Solace</b>	<b>Lucy</b>	<b>Lucy*</b>	<b>Pixotine</b>
FORM	Lozenge	Lozenge	Gum	Tablet	Gum	Gum	Lozenges	Sticks
FLAVORS	<b>4</b> Mint Dark Mint Berry Crema	<b>3</b> Wintergreen Peppermint Citrus	<b>3</b> Wintergreen Peppermint Fruit	<b>3</b> Wintergreen Peppermint Berry	<b>3</b> Mint Cinnamon Fruit Medley	<b>3</b> Wintergreen Cinnamon Pomegranate	<b>3</b> Mint Citrus Cherry Ice	<b>4</b> Winter Ice Tobacco Cinnamon Original
STRENGTHS	<b>1</b> Low	<b>2</b> 2mg 4mg	<b>2</b> 2mg 4mg	<b>2</b> 2mg 4mg	<b>1</b> 4mg	<b>1</b> 4mg	<b>1</b> 4mg	<b>1</b> 3mg

\*Note: According to their website the Lozenge is sold as an NRT for cessation indication

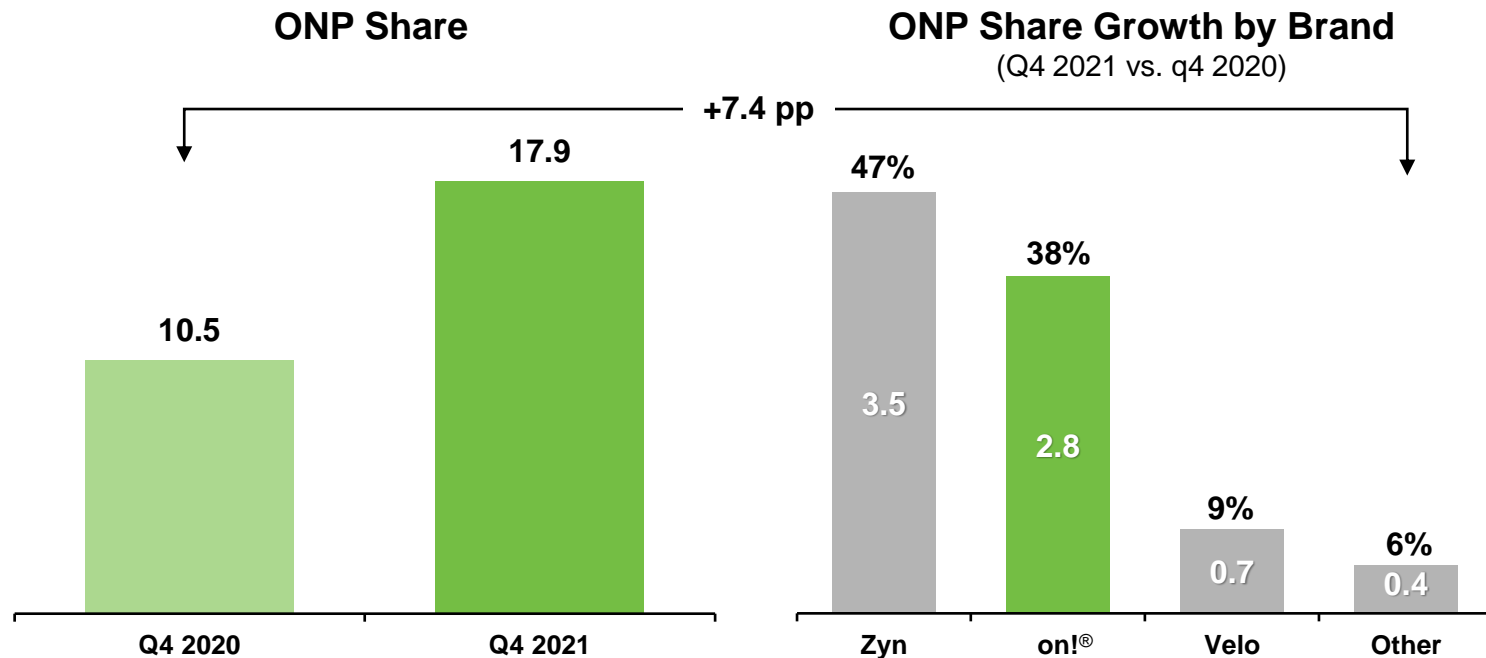


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# Oral Nicotine Pouch (ONP) Category

(share of total U.S. oral tobacco category)



There are now ~1 million adult oral nicotine pouch consumers\*

Source: IRI InfoScan Oral Tobacco MOC, We 01/02/22

Source: ATCT 12MM as of September 2020, Awareness Study and Innovative Products Study  
\*Based on responses for Oral Tobacco Derived Nicotine Products.



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# on!® Harm Reduction Opportunity

on!® nicotine pouches have the most variety of any nicotine pouches currently in the U.S. market



All flavors are available for purchase through e-commerce. Select SKUs are available in retail.



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# Scientific Framework

## CONSTITUENT REDUCTION



### THE PRODUCT

- Chemistry Manufacturing and Controls
- Product Stability
- Chemical characterization

## INDIVIDUAL RISK REDUCTION



### EXPOSURE and HEALTH RISK

- Toxicology & Risk Assessment
- Health risk assessment (absolute and relative)
- Human Studies
- Human Factors Assessment

## POPULATION HARM REDUCTION



### IMPACT on the POPULATION

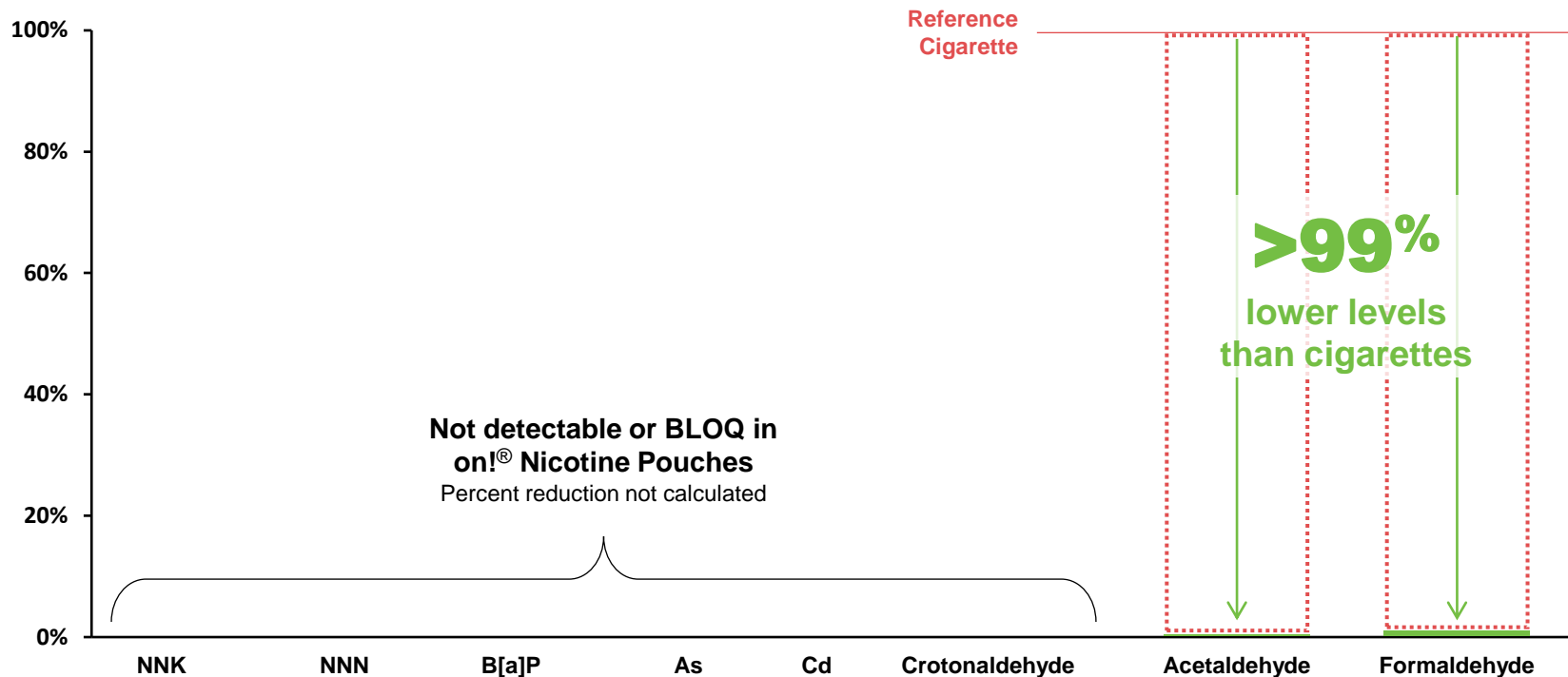
- Risk perceptions (absolute and relative)
- Impact of product on users
- Impact on non-users
- Overall impact on the population
- Environmental Assessment



# HPHCs in on!® Nicotine Pouches are Absent or Substantially Reduced Compared to Cigarettes



CONSTITUENT REDUCTION



As=Arsenic; B[a]P=Benzo[a]pyrene; BLOQ=Below Limit of Quantitation; Cd=Cadmium; NNK=4-(methylnitrosamino)-1-(3-pyridyl)-1-butanone; NNN=N-nitrososonornicotine.  
Source: Percent reductions based on average HPHC levels in 4 mg on! Mint product compared to cigarette mainstream smoke levels measured under ISO conditions.



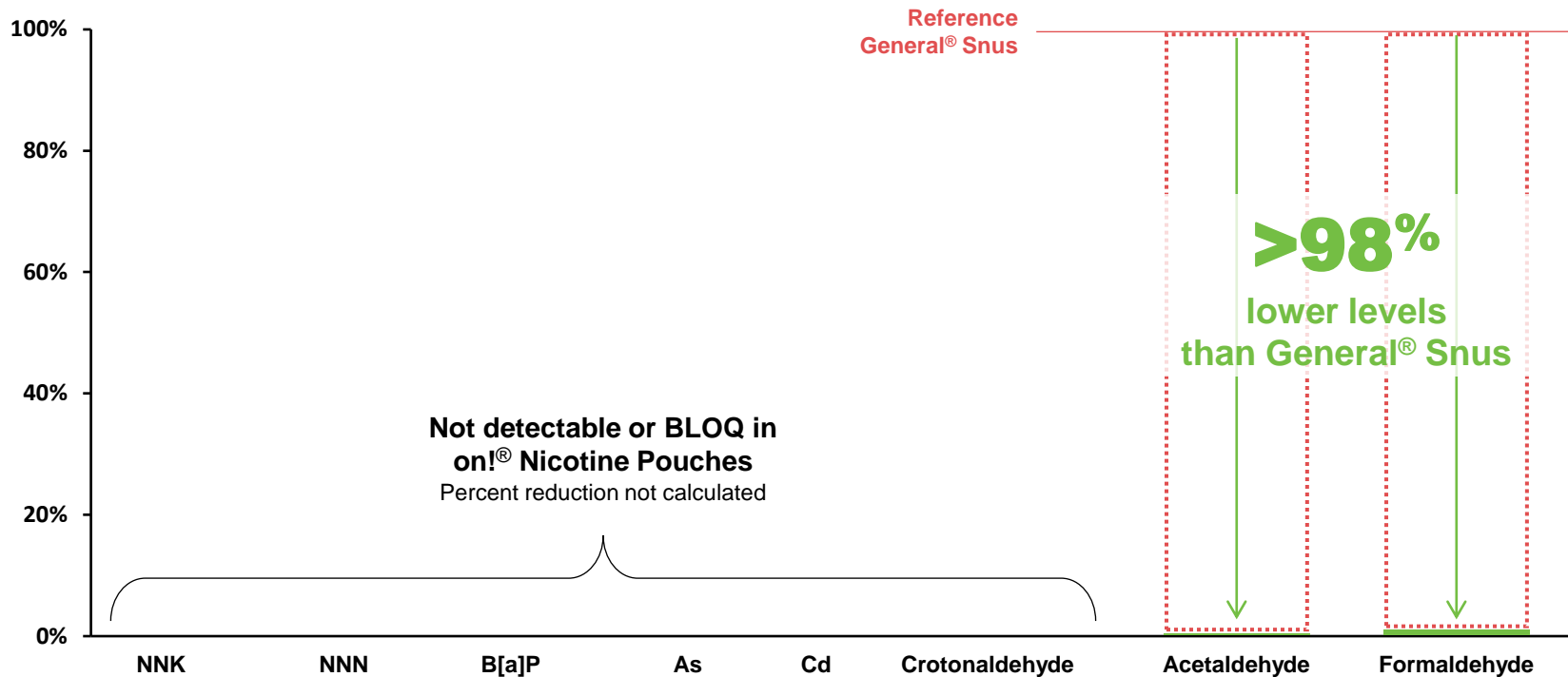
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# HPHCs in on!® Nicotine Pouches are Absent or Substantially Reduced Compared to General® Snus



CONSTITUENT REDUCTION



As=Arsenic; B[a]P=Benzo[a]pyrene; BLOQ=Below Limit of Quantitation; Cd=Cadmium; NNK=4-(methylnitrosamino)-1-(3-pyridyl)-1-butanone; NNN=N-nitrososonornicotine.  
Source: Percent reductions based on average HPHC levels in 4 mg on! Mint product compared to the average HPHC levels for the eight MRTPT authorized General® Snus products.



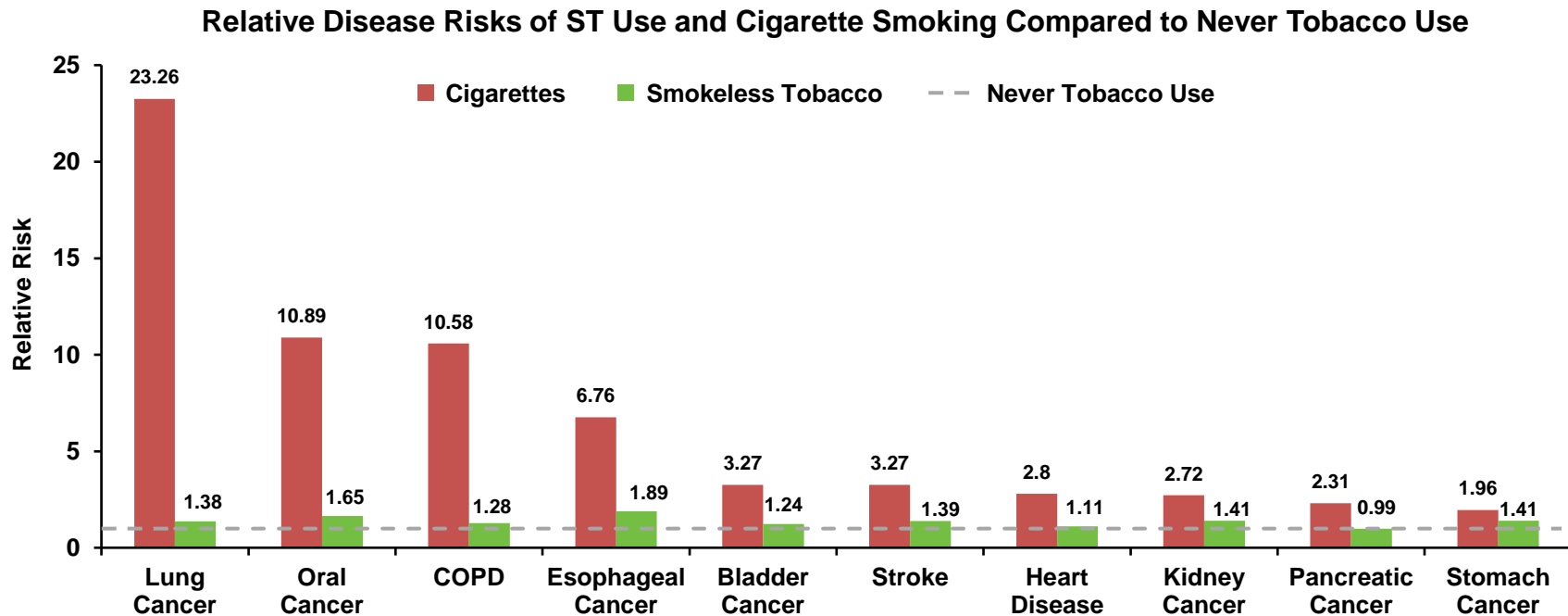
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# Health Risks From Using on!® Nicotine Pouches are Substantially Lower Than Cigarettes



INDIVIDUAL RISK REDUCTION



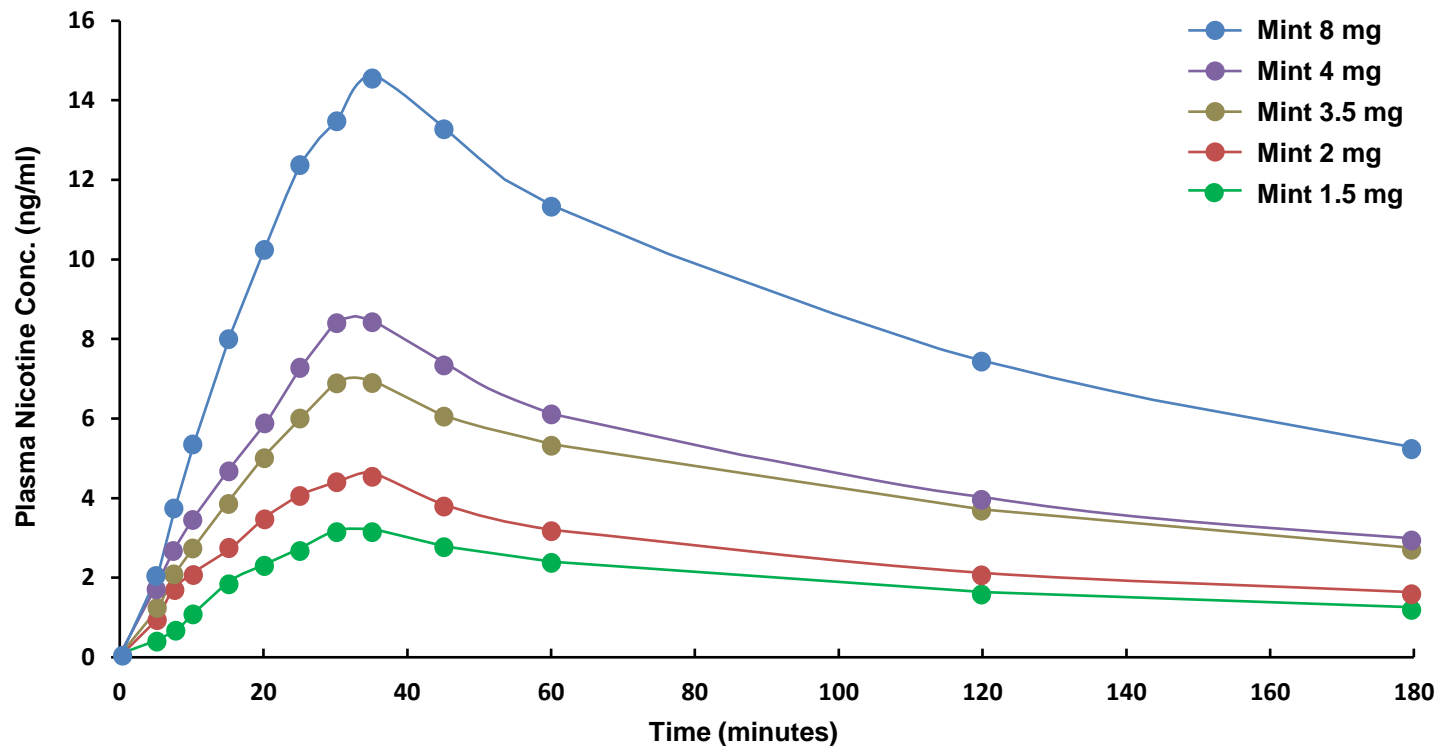
The relative risk (RR) data for cigarette smoking are obtained from Rostron (2013). Data shown in the figure pertain to RR of male smokers. For ST use, relative cancer risk estimates are from the “smoking-adjusted” results reported in Lee and Hamling (2009); relative risk estimates of heart disease and stroke are from Lee (2007); COPD risk is from CPS-II analysis conducted by Henley et al. (2005).



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# The on!® Portfolio Delivers a Wide Range of Nicotine

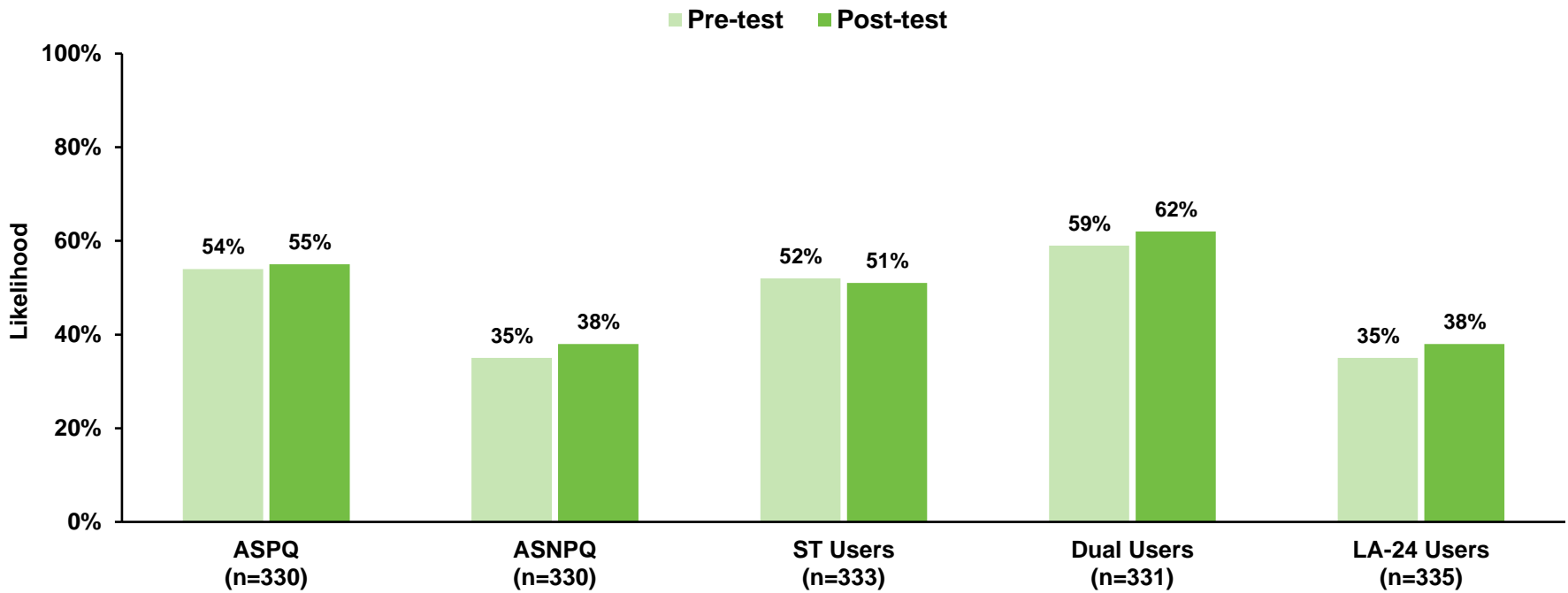




# Moderate to Large Proportion of Adult Tobacco Users Classified as Likely to Use on!® Nicotine Pouches



POPULATION HARM REDUCTION



Results shown in the chart are from participants assigned to Reduced Exposure condition. Similar results were observed among tobacco user groups assigned to Full Exposure Condition. Likelihood to use the on!® product was based on an intention composite score >3.5 and answered Yes to the purchase intent question. ASNPQ=adult smokers planning to quit; ASNPQ=adult smokers not planning to quit; LA=Legal age to purchase tobacco; ST=smokeless tobacco. Source: Section 9A.6, *PBI Study Report*, Appendix 9A.6-34, Table 11 and 88.



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# Large Proportions of Adult Tobacco Users Switched or Reduced Traditional Tobacco Usage

Adult Smokers  
n=399

28%

Adult Dippers  
n=353

72%

**SWITCHED  
COMPLETELY**  
to on!<sup>®</sup>  
Nicotine Pouches



Adult Smokers  
n=399

39%

**Reduced cigarette consumption by  
50% or more**

Adult Dippers  
n=353

14%

**Reduced ST use by 50% or  
more**

ST: Smokeless Tobacco.



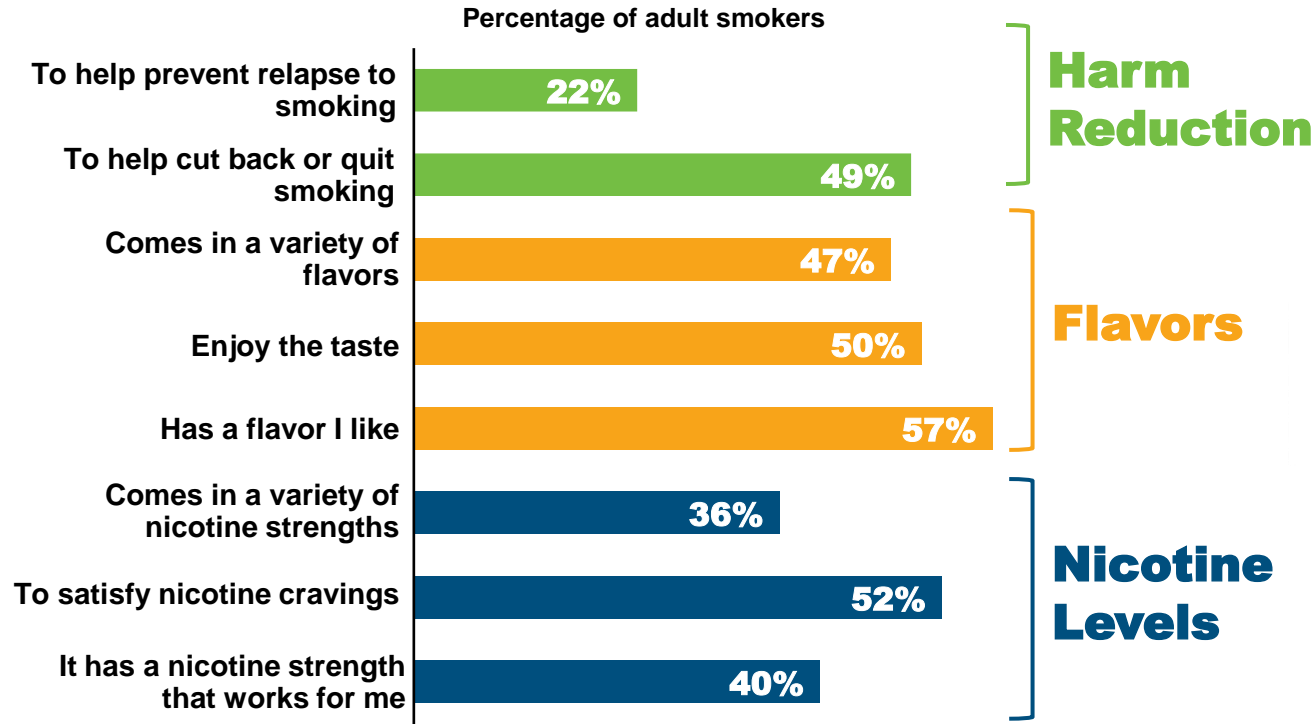
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# Reasons for Future Use of on!® Among Adult Smokers



POPULATION HARM REDUCTION



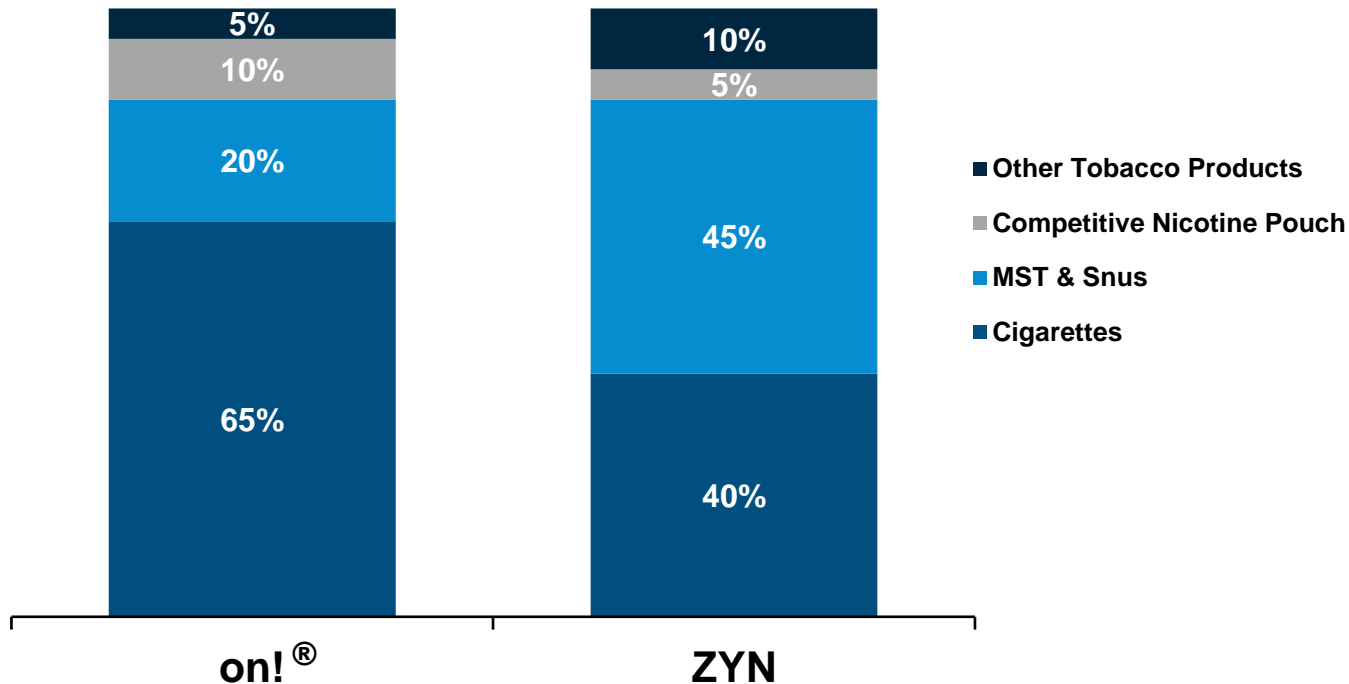
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# on!® Nicotine Pouch Sourcing Dynamics

**Category Sourcing**  
(By Primary Tobacco Category)



Source: POS Scan Data WE 1/1/22; Loyalty ID Sourcing for repurchasers (purchased 6+ weeks); Geo: All stores consistently submitting Altria and AOM Data; Excludes IDs who previously used the brand (on!®, Zyn). Timing: Pre-Q3+Q4 2020, Post – Q1, Q2, Q3, Q4 2021



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# Impact of on!® Nicotine Pouches on Nonusers of Tobacco Products



POPULATION HARM REDUCTION

## **Low likelihood of appeal**

among nonusers  
and low intentions to  
try and use

## **Adult nonusers understand that the on!® products are not risk free**

absolute risk perceptions are  
not lowered from exposure to  
marketing and advertising

## **Low likelihood of initiation by youth**



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# Integration of Multiple Lines of Evidence to Demonstrate APPH\*

- ✓ HPHC reduced / eliminated
- ✓ Switching will reduce exposure to most HPHCs which should reduce smoking related disease risks
- ✓ Many adult smokers switch completely or reduce cigs  $\geq 50\%$
- ✓ Adult tobacco users perceive products not risk-free
- ✓ Abuse potential lower or comparable to cigs or ST
- ✓ Low likelihood of use among nonusers, including youth



Net Population Benefit

**APPH**

\*Appropriate for the Protection of Public Health



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# MRTPA Path Forward

**OVERCOME MISPERCEPTIONS  
AND BARRIERS TO TRANSITION**



**OPTIMIZE CLAIM  
COMMUNICATIONS**



**SUBMIT MRTPAS  
TO ACCELERATE TRANSITION**





# Advancing Tobacco Harm Reduction



## CHOICES

A variety of FDA authorized reduced risk products for adult tobacco consumers



## COMMUNICATION

Accurate, non-misleading information about reduced risk products, authorized by FDA, directed to adult tobacco consumer



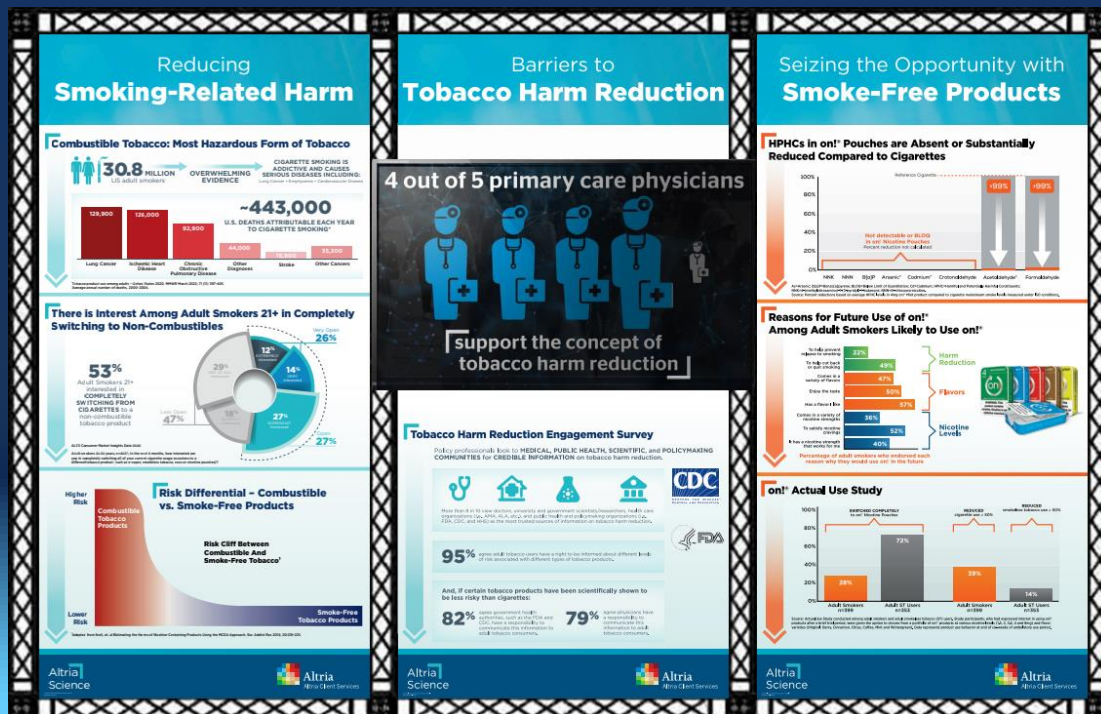
## CONSISTENCY

A consistent message from public health authorities in addition to FDA-authorized claims from manufacturers





# Any Questions?



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