

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

CAGNY 2022

Moving beyond smoking™



Altria

Safe Harbor Statement

Statements, including earnings guidance, in this presentation that are not reported financial results or other historical information are “forward-looking statements” within the meaning of Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current plans, estimates and expectations, and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. Altria undertakes no obligation to publicly update or revise any forward-looking statement other than in the normal course of its public disclosure obligations. The risks and uncertainties relating to the forward-looking statements in this presentation include those described in Altria’s publicly-filed reports, including its Annual Report on Form 10-K for the year ended December 31, 2020 and its Quarterly Report on Form 10-Q for the period ended September 30, 2021, and under “Forward-looking and Cautionary Statements” in today’s press release.

Reconciliations of non-GAAP financial measures included in this presentation to the most comparable GAAP measures are available on Altria’s website at altria.com

Our Responsibility Focus Areas



Climate change

Natural resource conservation

Environmental impact of products



Responsible sourcing, distribution and retail

Supplier diversity

Grower support and agricultural sustainability

Human rights

Ethics and compliance



Adult smoker transition to non-combustible products

External conditions for tobacco harm reduction success

Cessation support



Responsible marketing

Underage access prevention

Positive youth development



Inclusion and diversity

Racial and economic equity

Positive impact through engagement and partnership

Well-being of employees and communities

Workforce and community capability building



Corporate governance and behavior

Stakeholder engagement and transparency

Responsible investment governance

Investments in Support of Our Vision

- Deepen our understanding of U.S. adult tobacco consumers (ATC) and our digital consumer engagement
- Increase adult smoker transition to our in-market smoke-free products
- Accelerate smoke-free product research, development and regulatory sciences



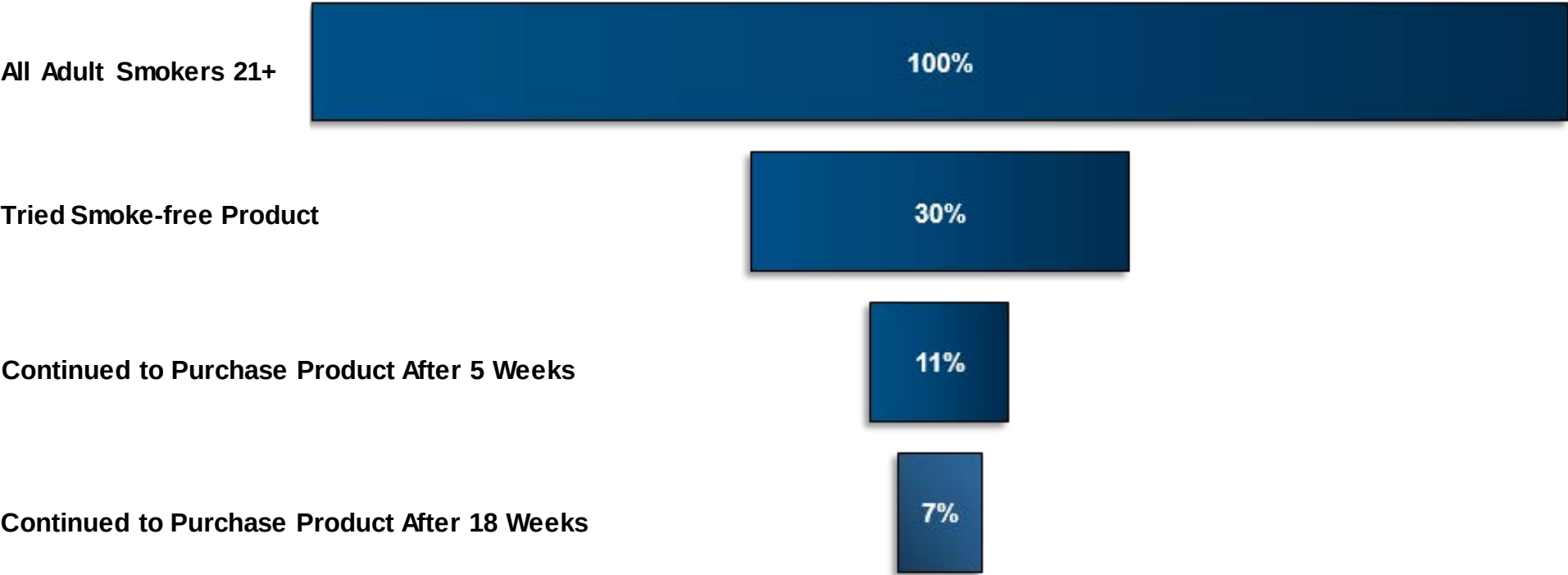
Moving in a new direction.

Moving beyond smoking™

Adult Smoker Interest in Smoke-free Products

~3 Year Tobacco Consumer Purchase Data By Purchase Stage

Transition Purchase Stages*



Source: POS Scan Loyalty Data; LIDs with 10+ weeks and 20+ tobacco unit purchases; Timeframe: Jan 2019 to Oct 2021
*Individual ATC21+ may have multiple LIDs or purchases by multiple ATC21+ may be represented by 1 LID, this information is directional only
Tried Smoke-free Product: LID purchased a combustible product, and then purchased a smoke-free product at least once.
Continued to Purchase Product After 5 Weeks: LID purchased 5 or more smoke-free products over 5 or more distinct weeks
Continued to Purchase Product After 18 Weeks: LID continued to purchase smoke-free products for more than 18 weeks

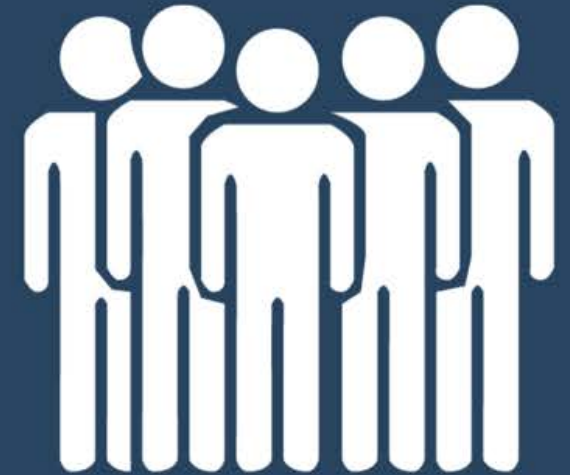
Meeting ATC Expectations



enjoyable sensory
experiences and
nicotine satisfaction



reduced health risks
and clear, authorized
information about the
benefits of switching



the ability to avoid social
friction associated with
cigarettes

Our Holistic View of the Adult Smoker

Using Behavioral Science and Research to Deepen our Insights



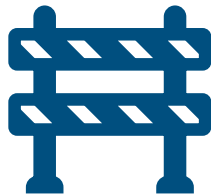
**Consumer
Lifestyles and
Behaviors**



**Usage
Occasions**



**Product
Requirements**



**Barriers and
Motivators**



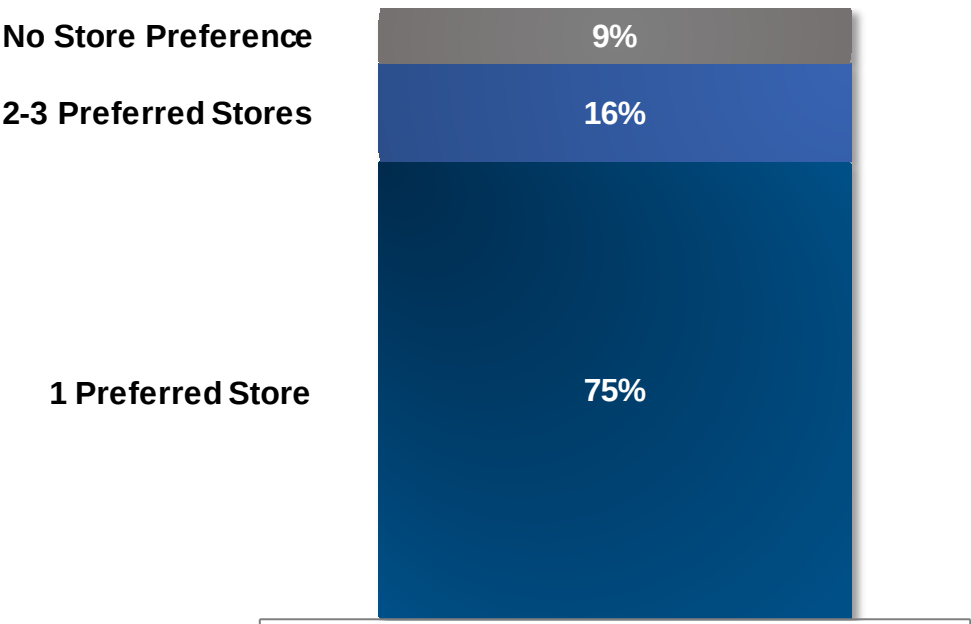
**Information
Needed For
Informed Choice**



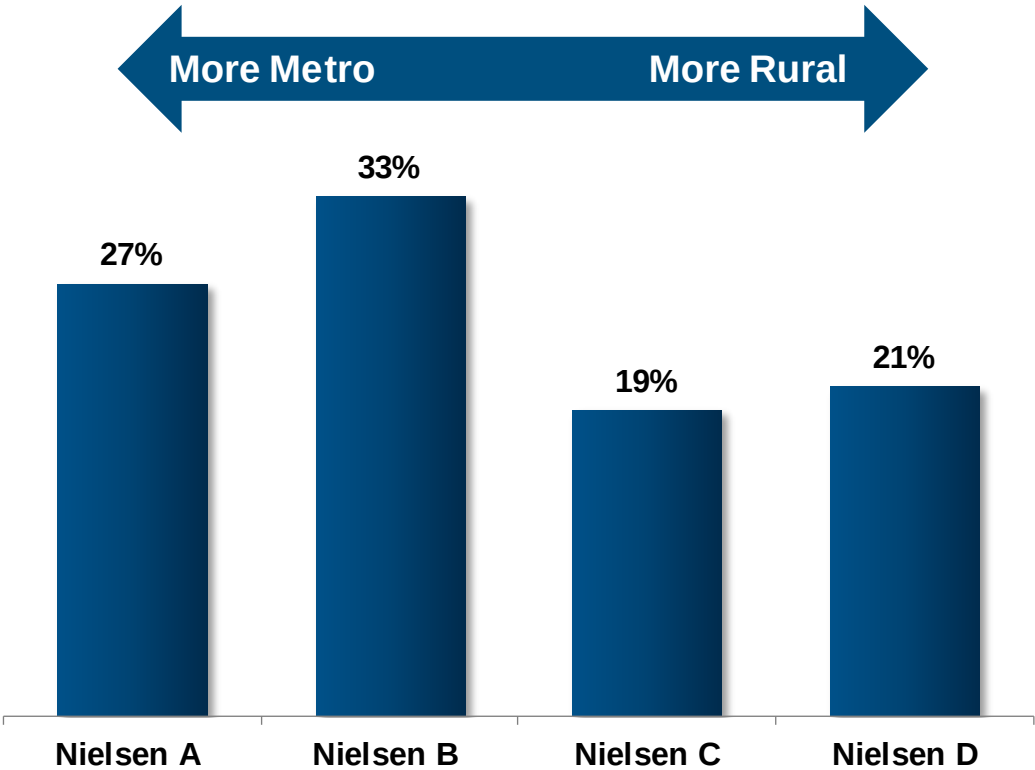
**Purchasing
Channels**

U.S. Tobacco Retail Landscape

ATC Shopping Behavior
(When Purchasing Tobacco Products)



Tobacco* Volume By Nielsen County
(FY 2021)

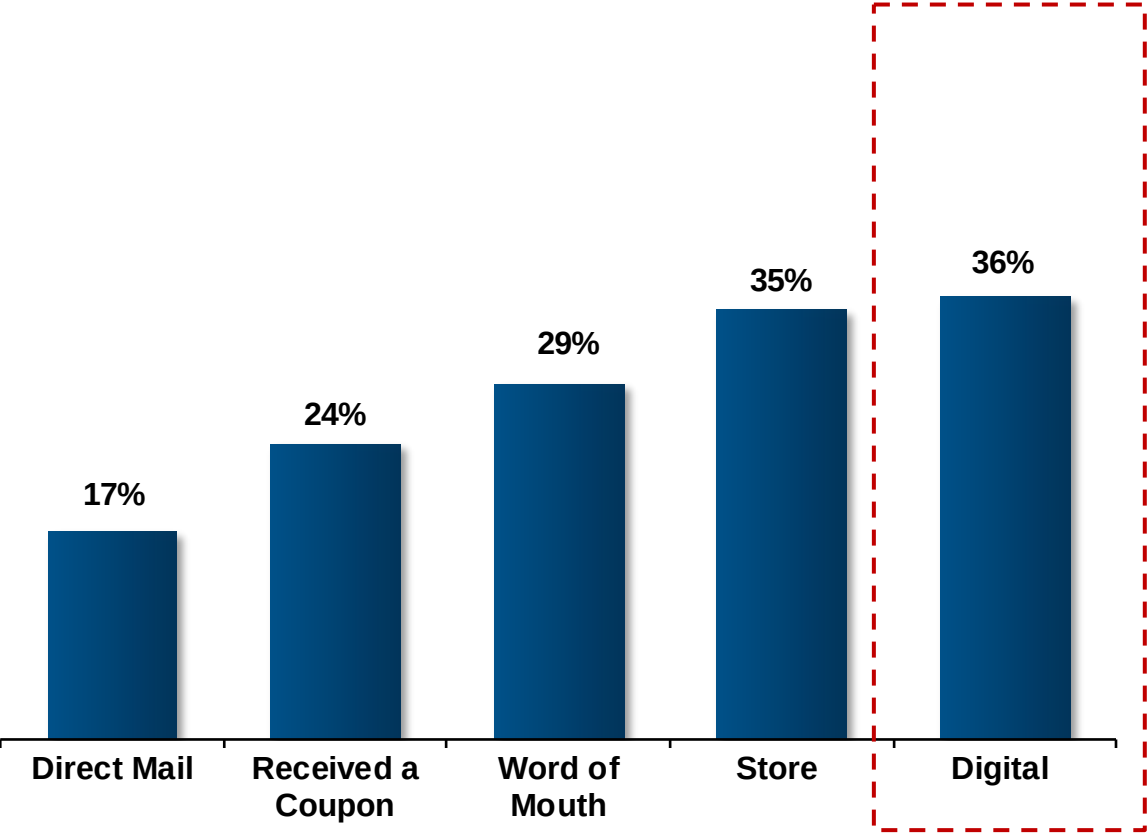


Source: AVI SCMI Path to Purchase Study
Source: STARS Store Count Data as of Week Ending 12/31/21

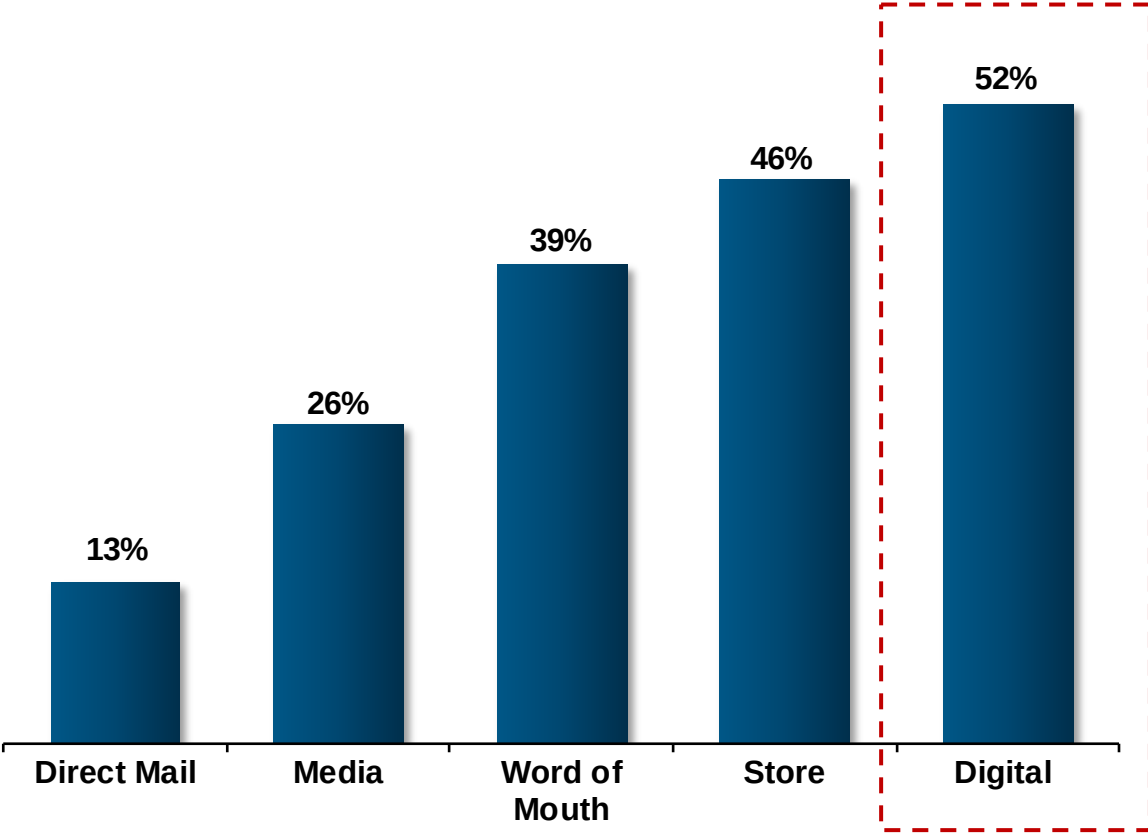
*Includes cigarettes, cigars, moist smokeless tobacco and oral nicotine pouches

Digital is Driving Awareness and Engagement

ATC Source of New Tobacco Product Awareness



ATC Source of IQOS Awareness



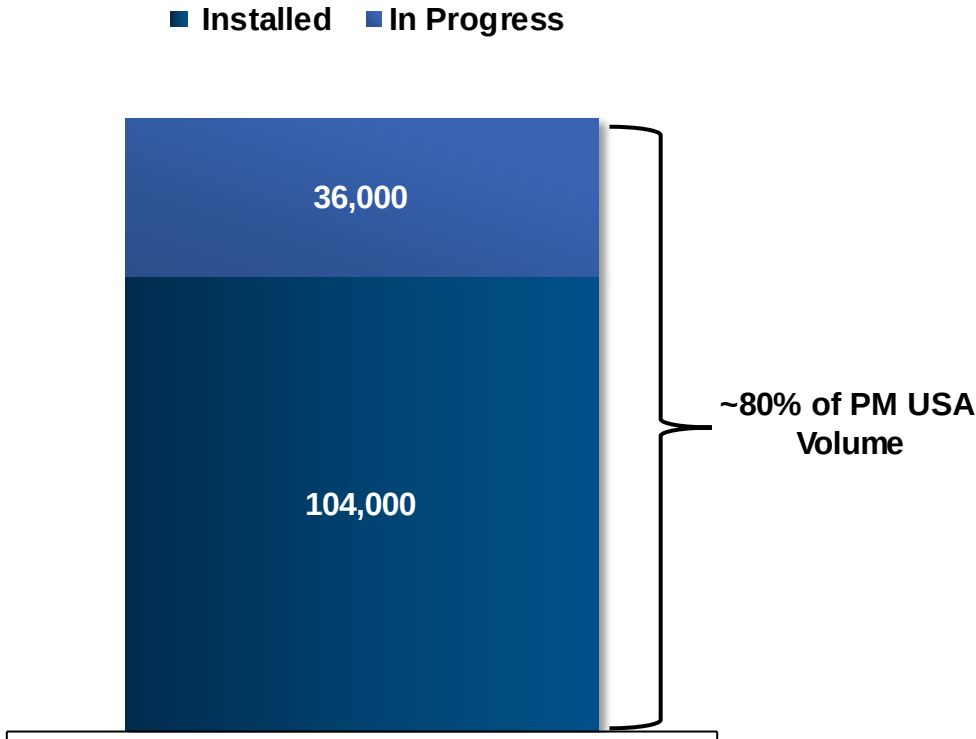
Source: AVI SCMI Path to Purchase Study
Study examined source of new tobacco, smoke-free tobacco, or nicotine product awareness among adult tobacco consumers age 21-64
QUESTION: How do you typically become aware of new tobacco, smoke-free tobacco or nicotine products? (Q.57g) Note: ATC can choose more than one answer

Source: AVI SCMI Quality of Awareness October 2021 Study
Study examined individuals who were aware of IQOS and Heated Tobacco
QUESTION: Please tell us all the other ways you have heard about IQOS? Note: ATC can choose more than one answer

Age Validation Technology



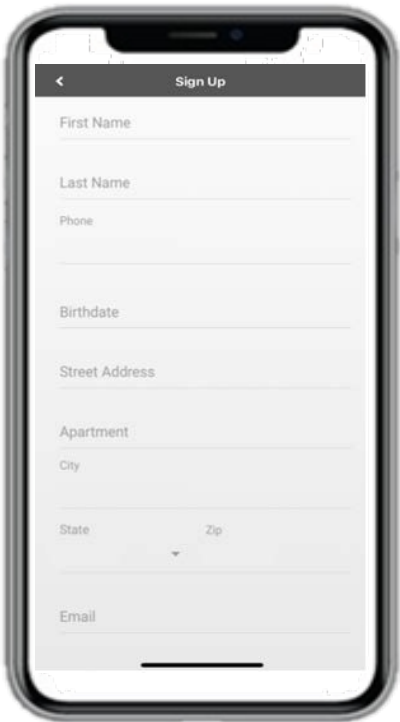
Stores with Age Validation Technology



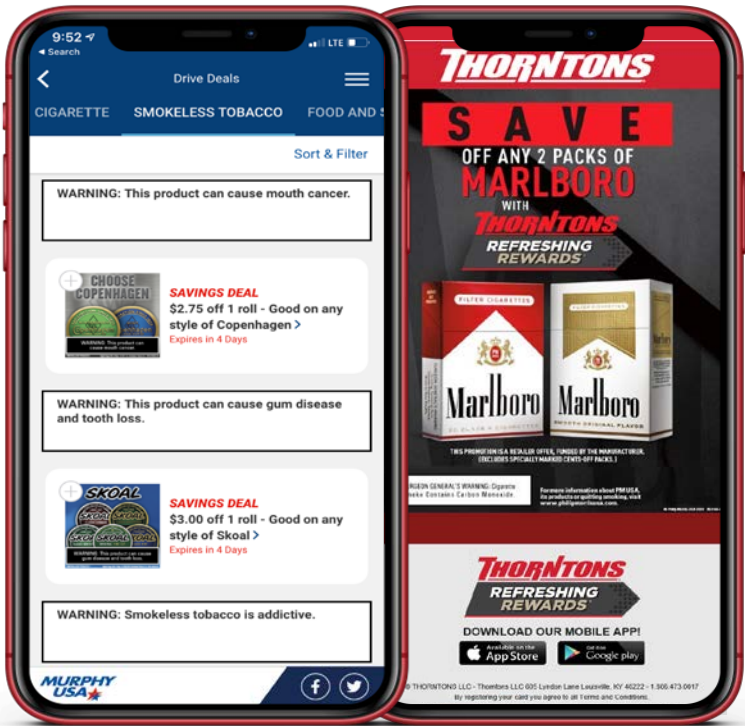
Source: STARS Unify Reporting CY 2021 Ending 01-02-22, FOCUS Reporting through 1.2.22

Responsible Digital Engagement at Retail

Step 1: Electronic Age & Identity Verification on Retailer Owned Digital Platforms

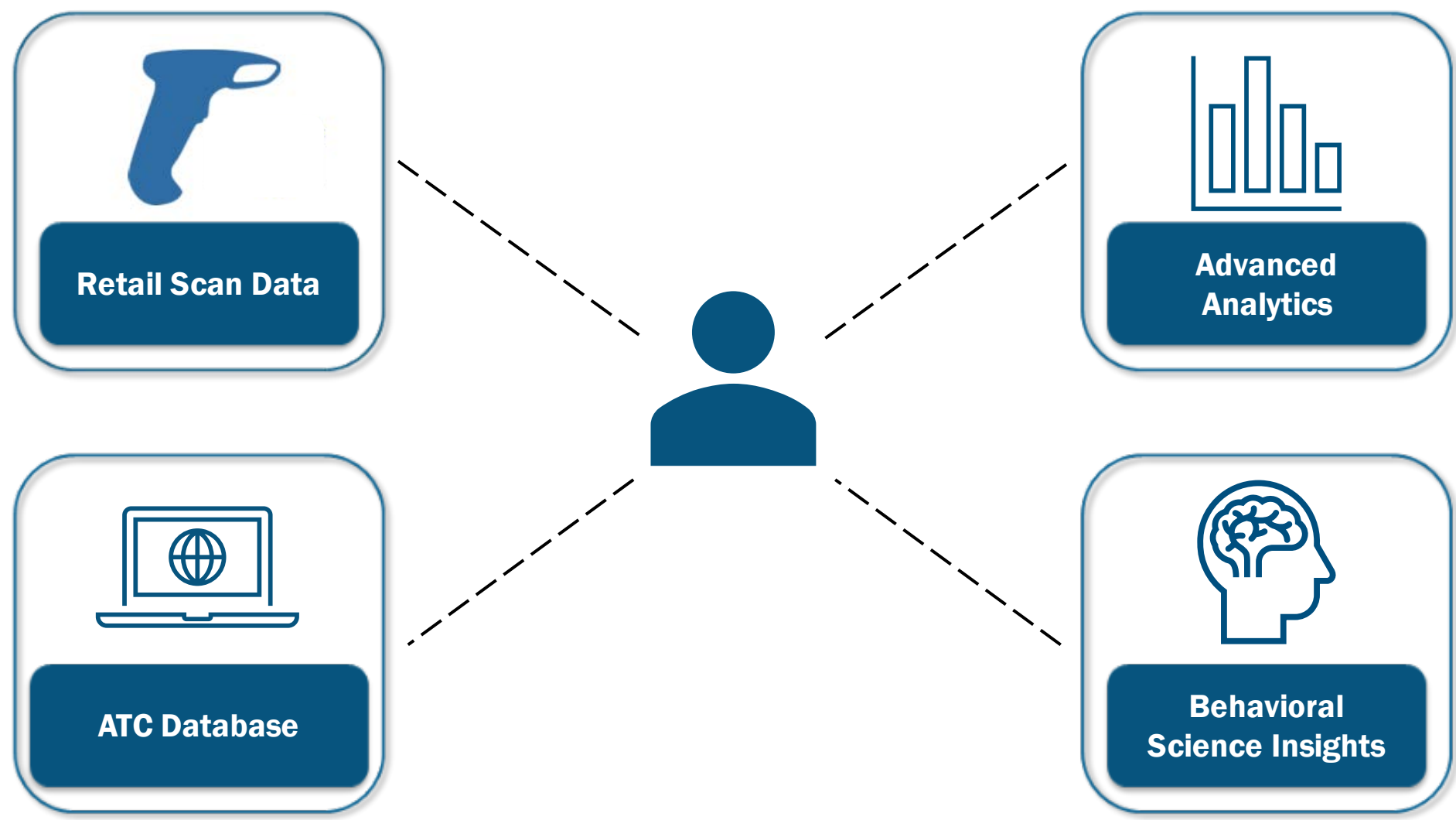


Step 2: Access to Brand Messaging On Retailer Owned Digital Platforms



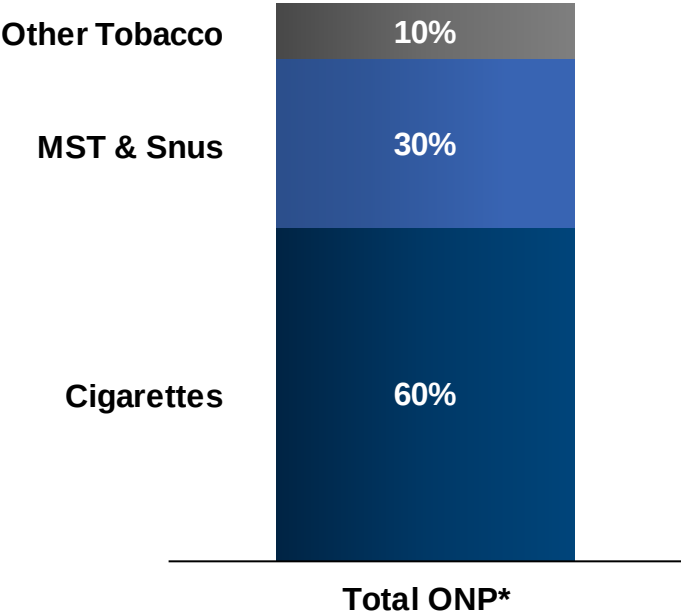
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Creating a Unified and Real-Time ATC Identity

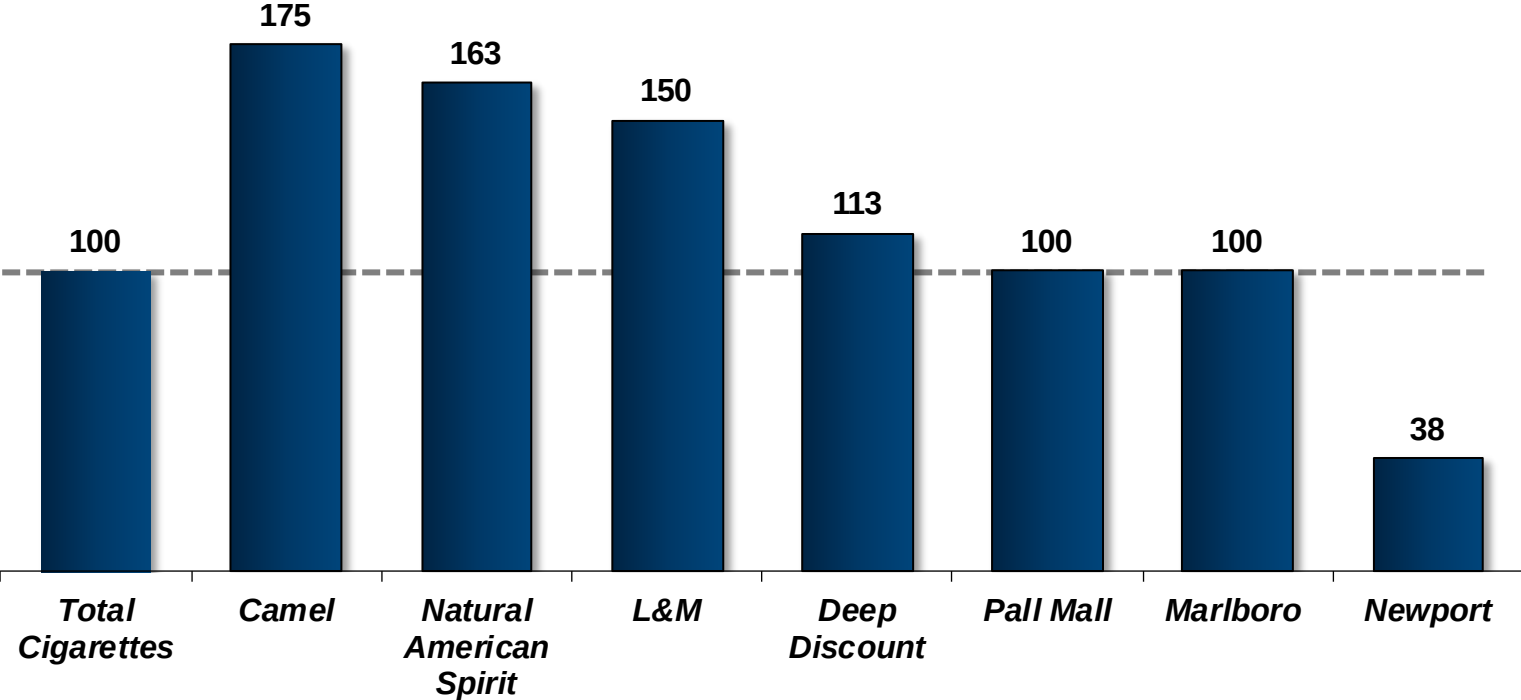


Oral Nicotine Pouch (ONP) Category Dynamics

ONP Category Sourcing
(By Primary Tobacco Category)



ONP Repurchase Index
(By Usual Cigarette Brand)



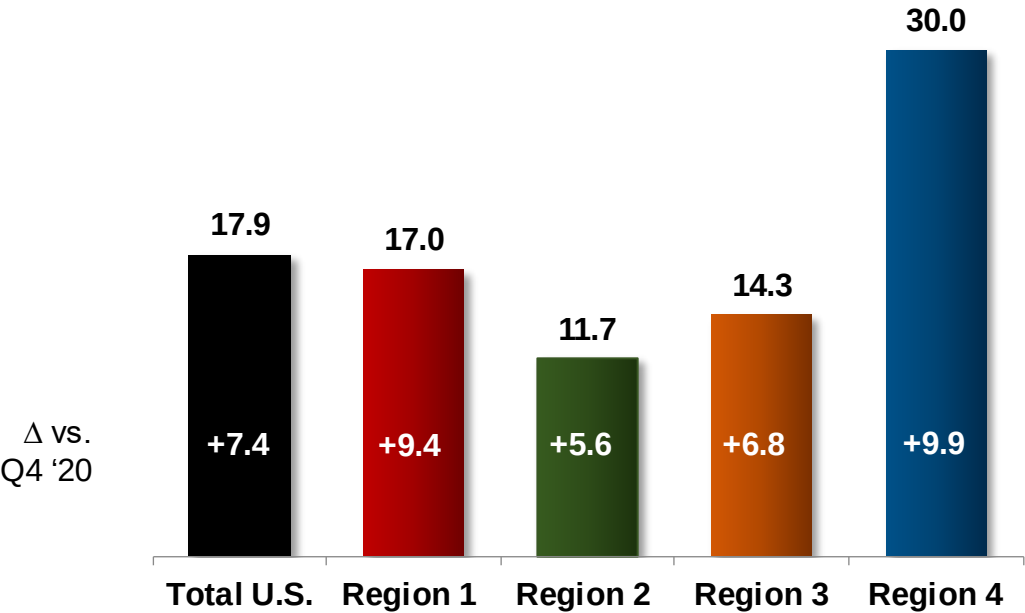
Source: POS Scan Data as of week ending 1/1/2022.
Loyalty ID sourcing for repurchasers (purchased 6+ weeks).
Geo: All stores consistently submitting Altria and AOM data. Excludes IDs who previously used the category/brand
Timing – Pre-Period: Q3+Q4 2020; Post-Period: Q4 2021
**Values rounded to the nearest 5th%

Source: POS Scan Data as of week ending 1/1/2022
Loyalty ID sourcing for repurchasers (purchased 6+ weeks)
Geo: All stores consistently submitting Altria and AOM data. Excludes IDs who previously used the category/brand
Timing – Pre-Period: Q3+Q4 2020; Post-Period: Q4 2021

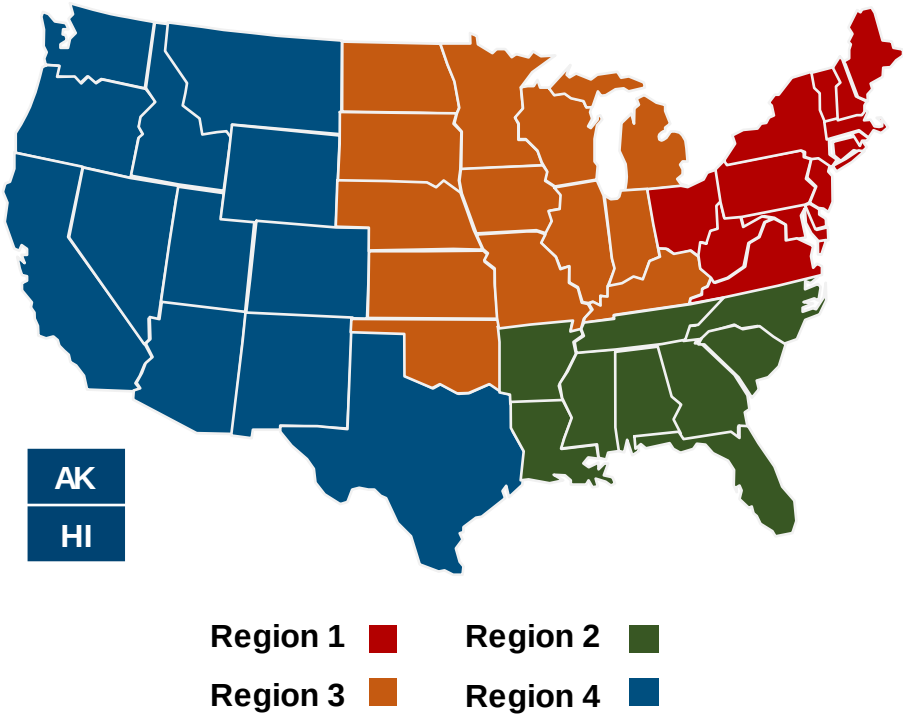


ONP Retail Share Momentum

ONP Share of Total Oral Tobacco
(Total U.S. and by AGDC Region)



Altria Group Distribution Company (AGDC)
Region Map

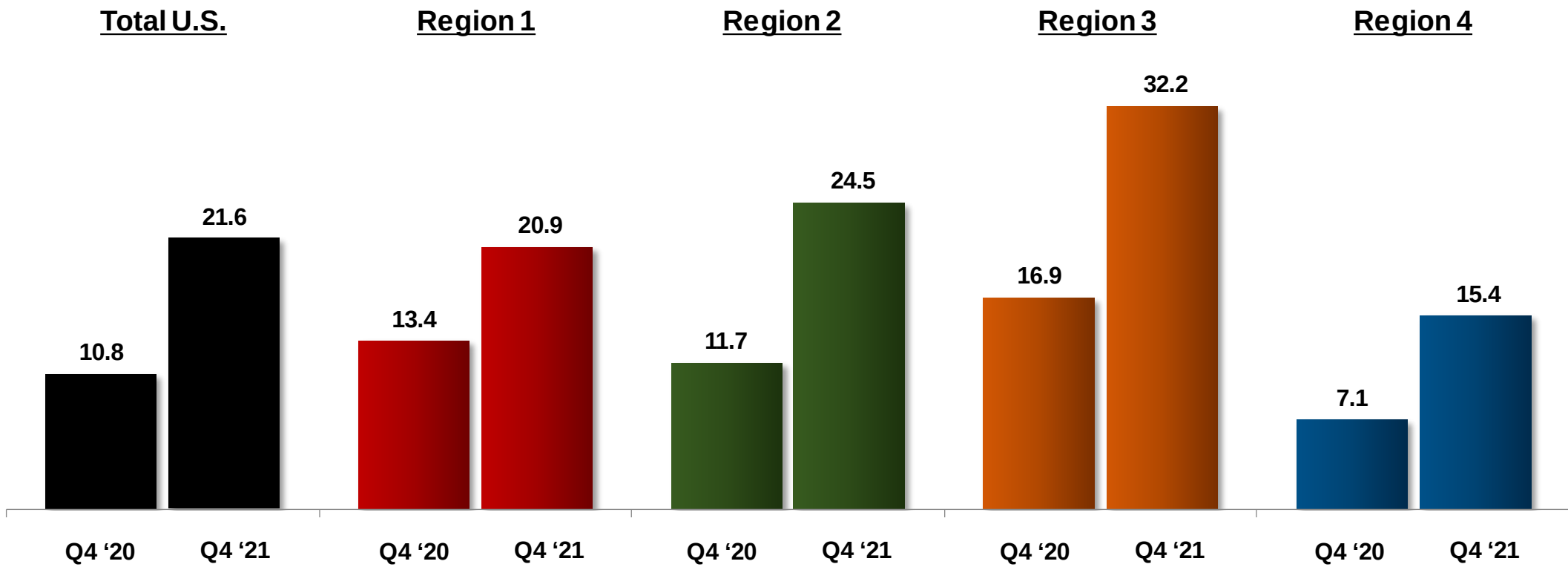


Source: IRI InfoScan Oral Tobacco MOC, WE 01/02/2022

on! Retail Share Momentum

on! Share of Total ONP

(Total U.S. and by AGDC Region)

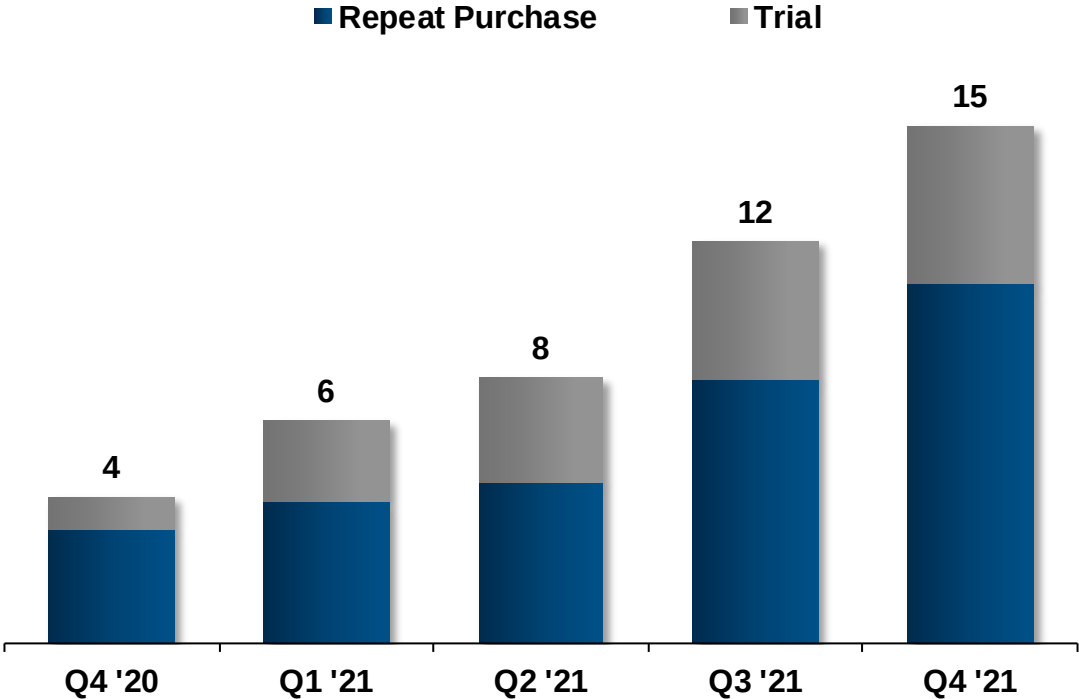


Source: IRI InfoScan Oral Tobacco MOC, WE 01/02/2022

Increased *on!* Trial and Repurchases



***on!* Sales Volume**
(In Millions of Cans)

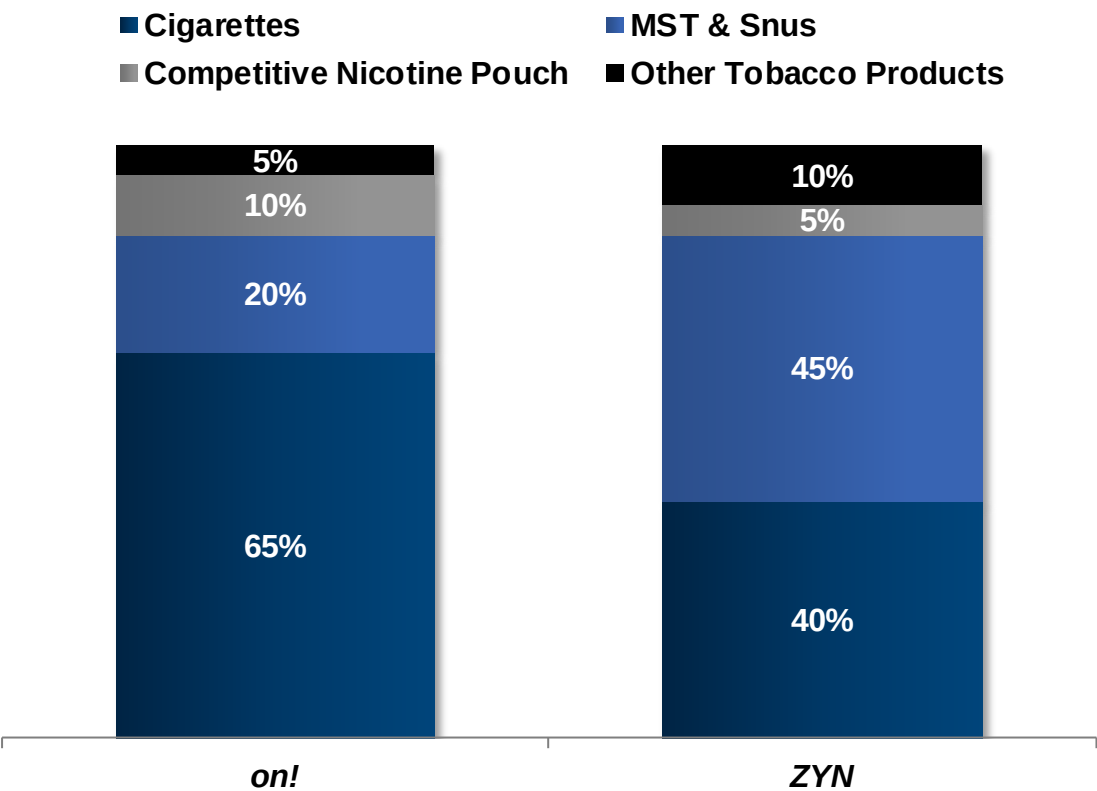


Source: SCMI Estimates based on IRI Projected (MOC) data as of week ending 1/2/2022 and POS Scan Data as of week ending 1/1/2022
*Represents growth rate from Q4 2020 to Q4 2021

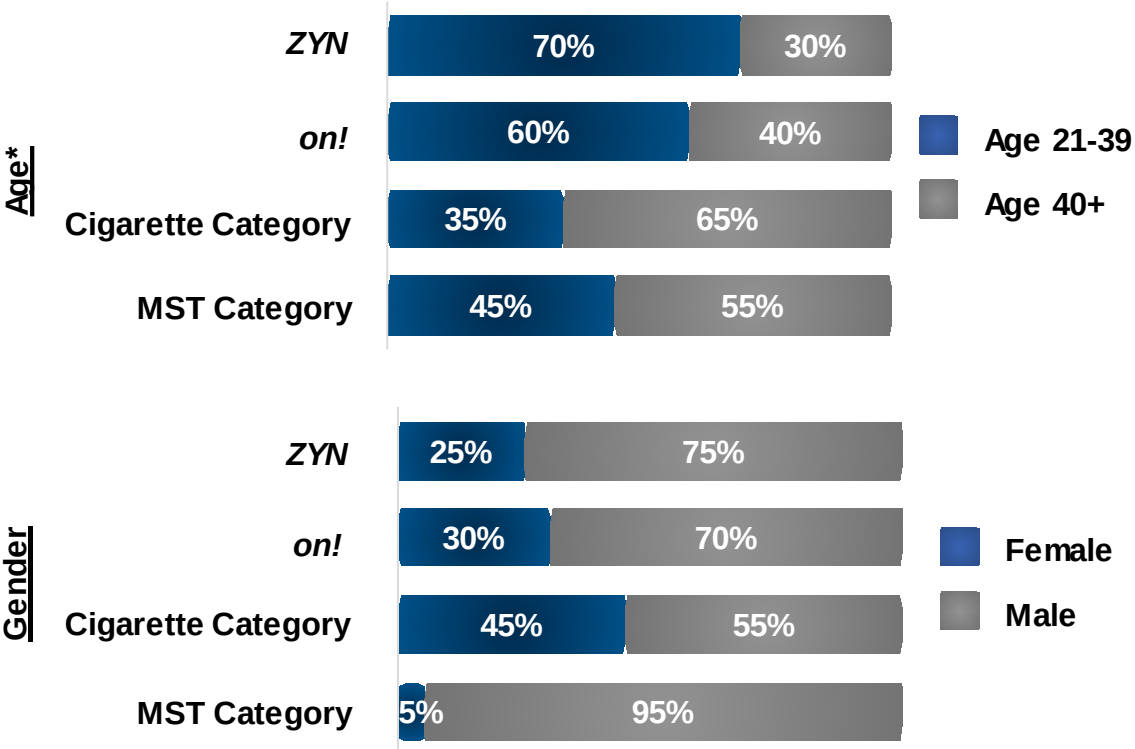
on! Sourcing Dynamics

Category Sourcing

(By Primary Tobacco Category)



Demographics



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

Source: Q4 2021 Nicotine Pouch Awareness & Perceptions Study (Based on Regular Brand); ATCT 12MM Dec'21
*The Nicotine Pouch Awareness & Perceptions Study includes ATCS age 21-54 only
**Values rounded to the nearest 5th%



on! ATC Testimonials

“on!® is more **comfortable** in my mouth; it’s a thinner pouch and **smaller** and I like the specific pouch materials used.”

Farah

“I was **surprised** at how much I enjoyed the **flavors**. I thought they wouldn’t be for me, as I enjoyed non-flavor cigarettes, but **it was actually really nice to enjoy the variety of flavors like coffee, cinnamon and mint.**”

Tom V

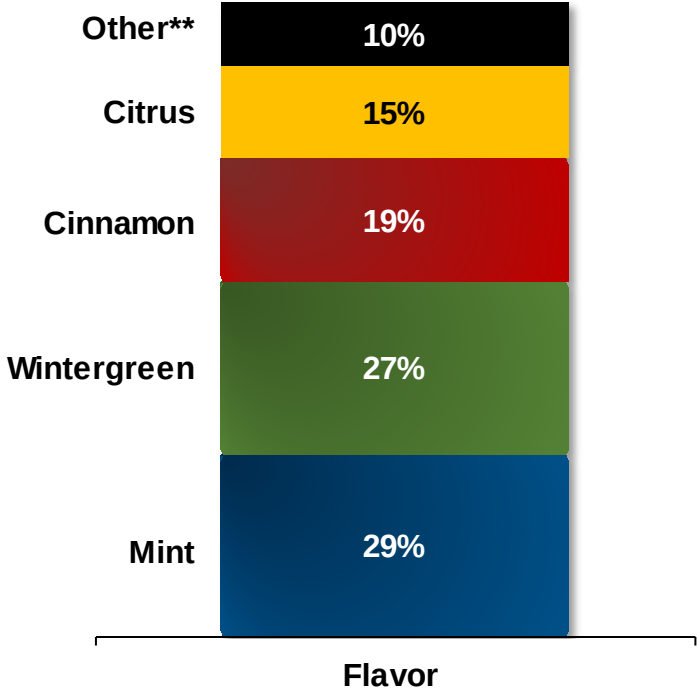
“I like the flavor and how long the flavor lasts. I also like the fact that I am able to use it without having to spit.”

Dustin O

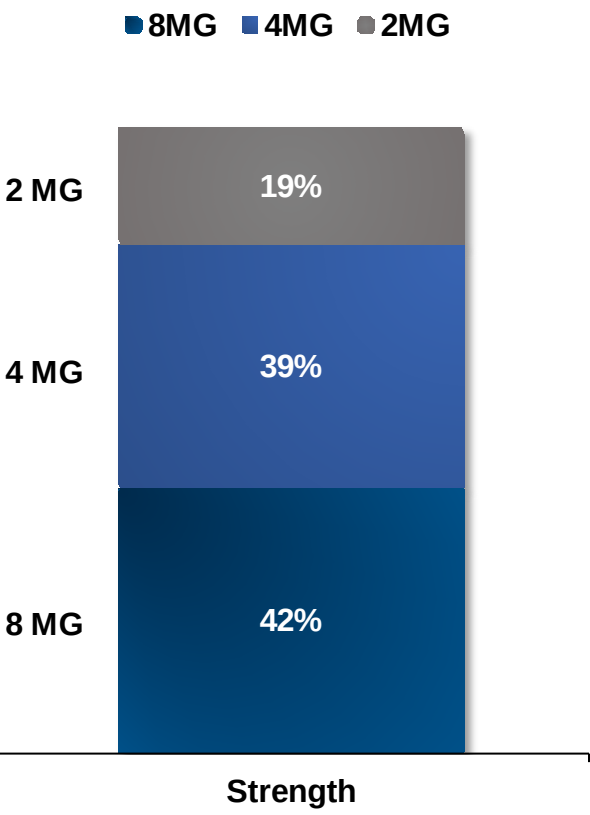
Source: on! ATC 21+ Testimonials Qualitative Research Final Report 2021

on!'s Product Portfolio

on! Volume* Contribution by Flavor

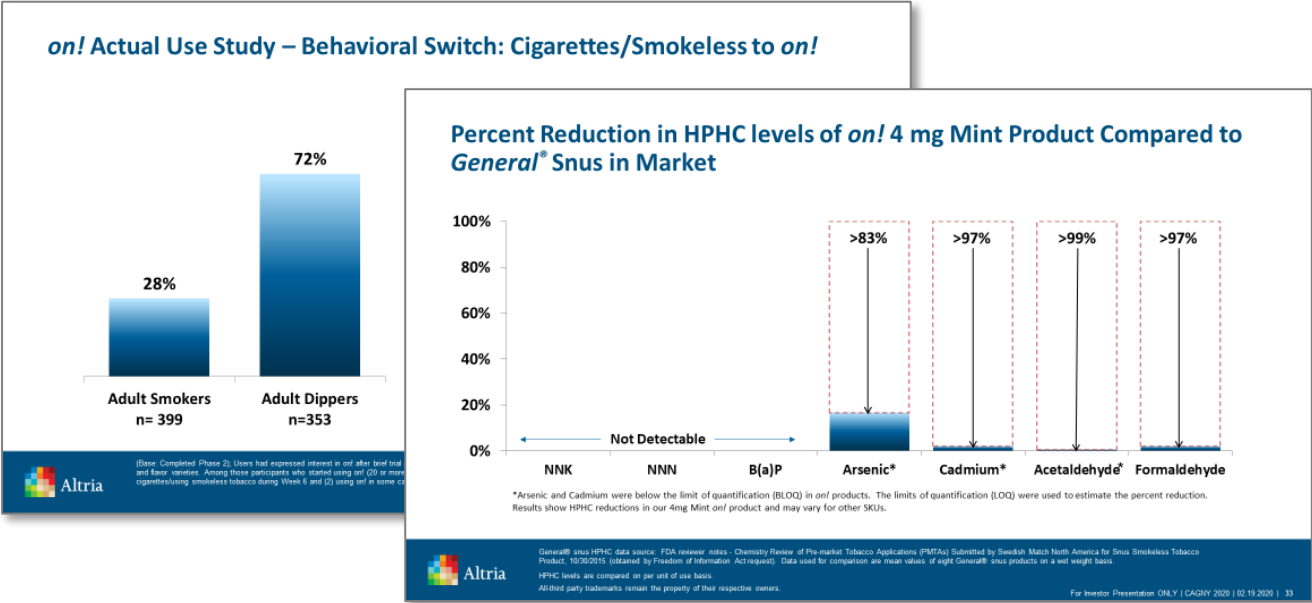


on! Volume* Contribution by Strength



Source: IRI Projected (MOC) data as of week ending 1/2/2022
*Certain flavors and strengths only available for purchase online
**Other: Coffee, Original, Berry

Helix Regulatory Update



“on!® was the first pouch I tried, and the one that inspired me to replace cigarettes.”

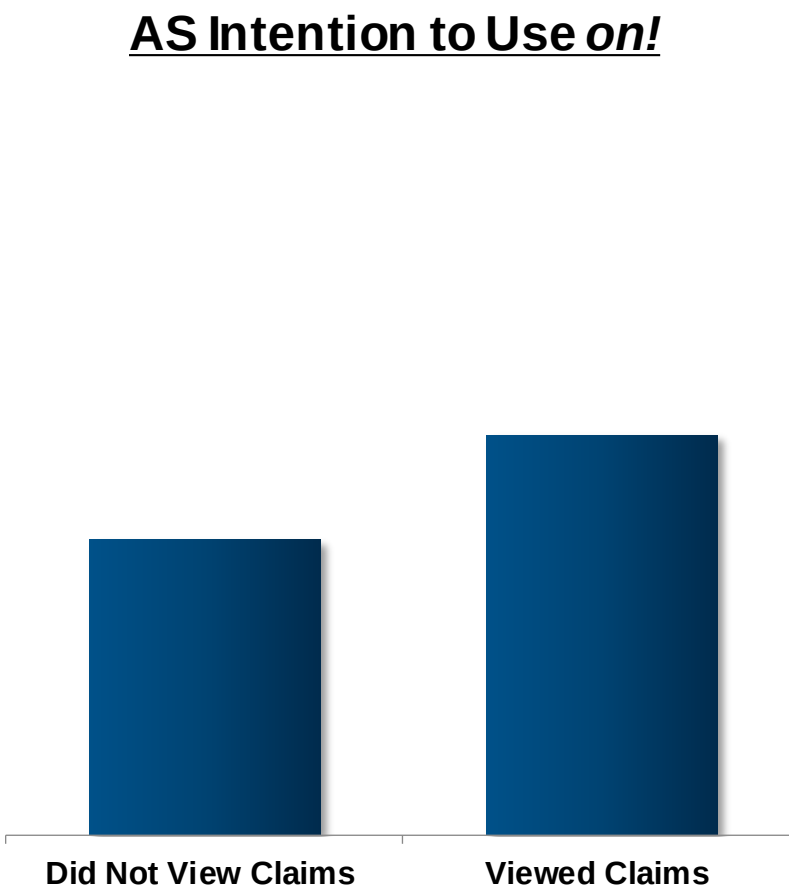
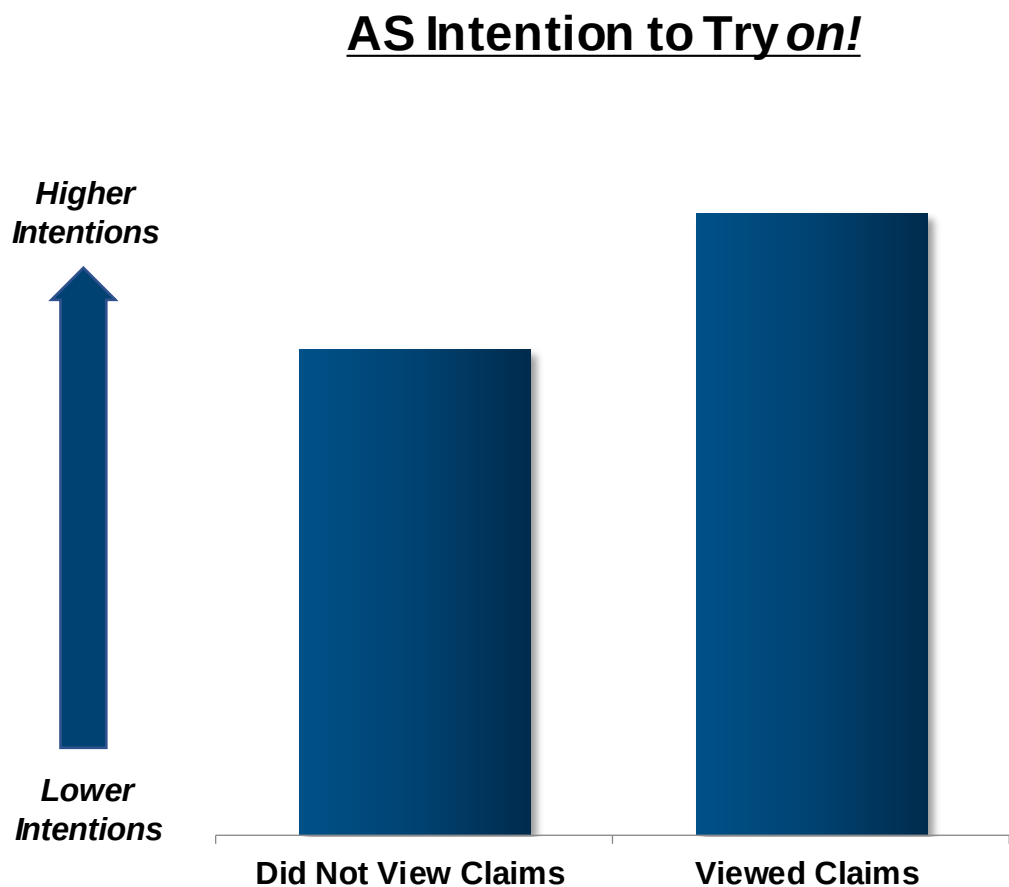
James A

“Using on!® made me replace using cigarettes significantly, because I could enjoy the convenience and ease of using a pouch from virtually anywhere, versus having to make a special trip outside to have a cigarette.”

Tom V

Source: on! ATC 21+ TestimonialsQualitative Research Final Report 2021

Impact of Proposed MRTP Claims on Adult Smoker (AS)



Source: Claim Comprehension & Intentions Study (CCIS) for the Products Currently Marketed as *on!*[®] Nicotine Pouches (ALCS-REG-21-01-OTDN)
Study findings were statistically significant

Heated Tobacco and E-Vapor

IQOS

- Steady progress building the heated tobacco category in our early markets
- We demonstrated improved performance in each successive market
- We stand ready to bring *IQOS* back to market when the product is once again available to us

JUUL

- Our minority investment remains subject to a challenge by the Federal Trade Commission
- JUUL awaits determinations from the U.S. Food & Drug Administration on its premarket tobacco product applications
- We continue to believe that a responsible, regulated e-vapor category consisting of authorized products can play an important role in harm reduction

Our Product Approach

- We expect to vigorously compete in the major smoke-free categories through our investments, licensing agreements and tobacco operating companies
- We believe it's important to have multiple products in these smoke-free categories to help smokers transition away from cigarettes

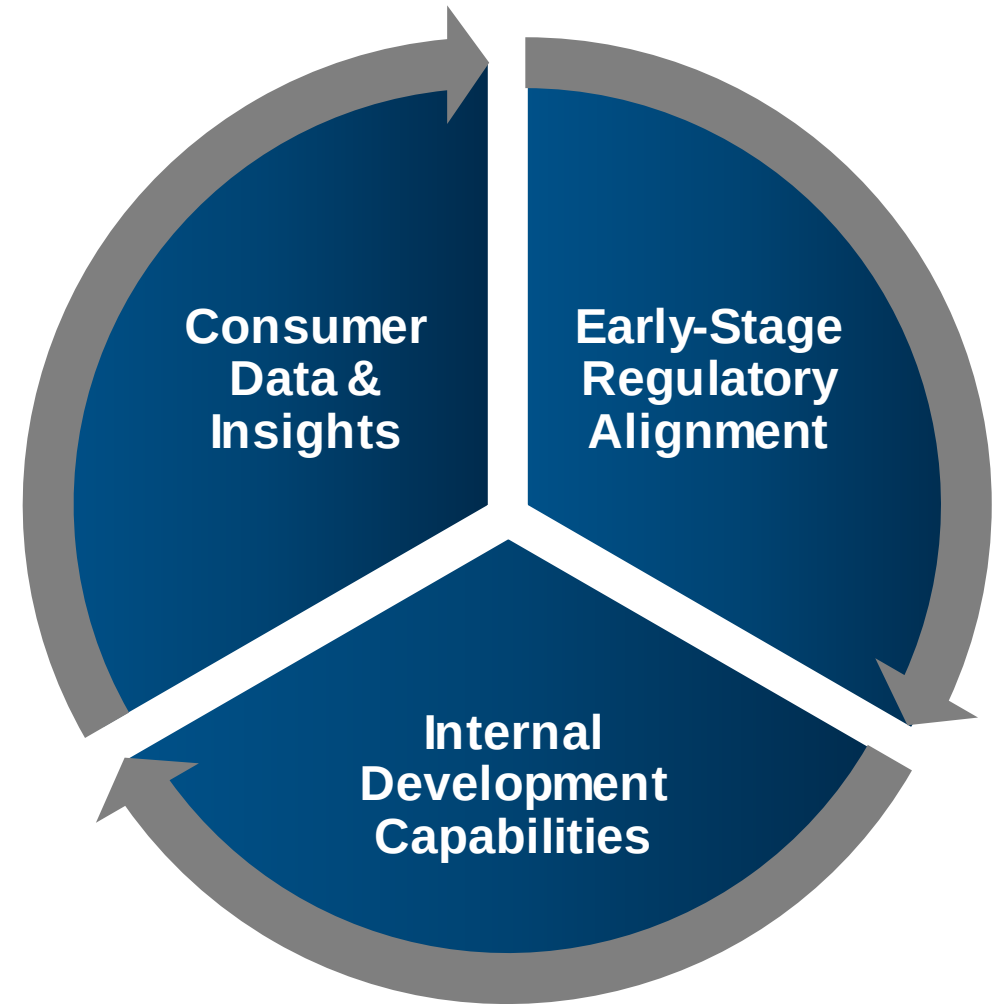
Our Product Development System

(Differences vs. 5 YAGO)

1. We receive more data on adult tobacco consumer preferences, purchasing patterns and friction points with existing products to better meet their expectations
2. Our regulatory sciences team are embedded early in the process to help develop products that are aligned with FDA expectations for risk to the individual and the population
3. We are committed to internal development, with more focused resources supporting consumer research, product design and science

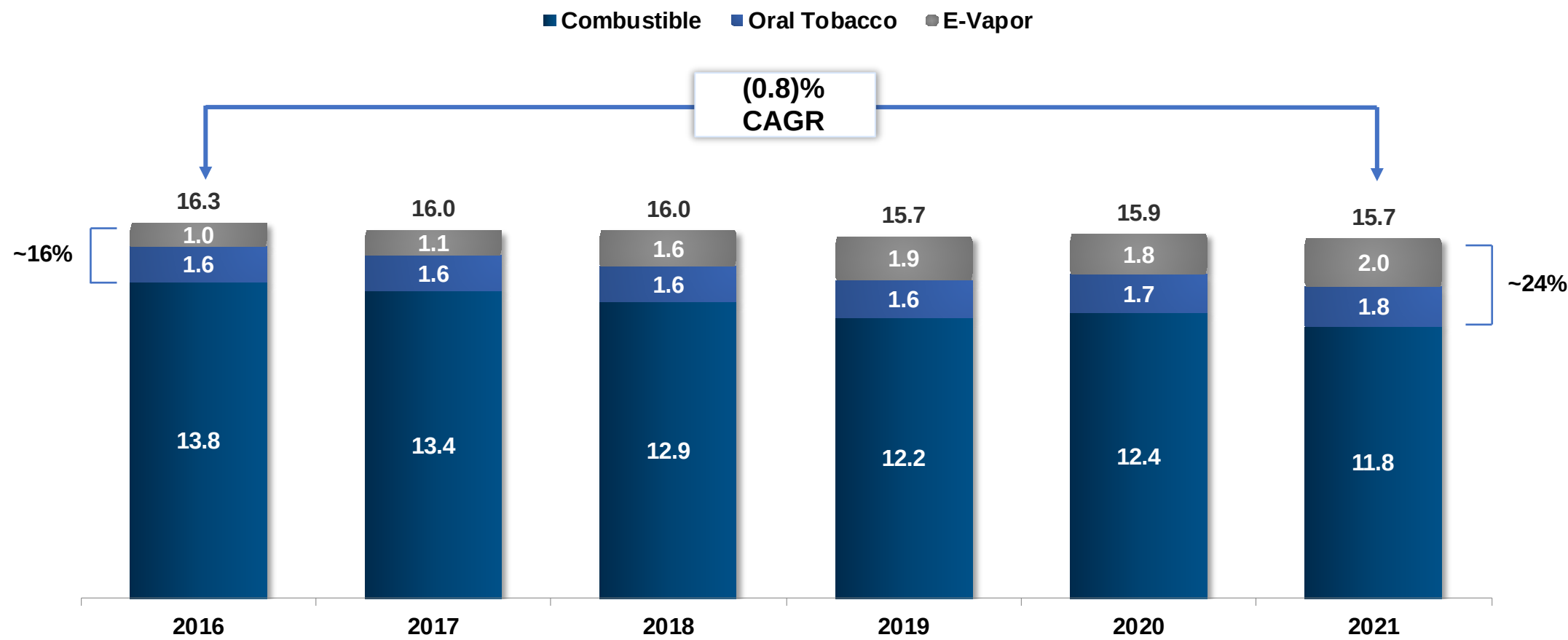
Consumer Centric Product Development

- Conducted more than 40 consumer research studies involving thousands of tobacco consumers
- Performed more than 15,000 scientific analyses on prospective smoke-free products
- Developed several encouraging products in the oral and heated tobacco categories
- We expect to finalize designs for two products by the end of 2022



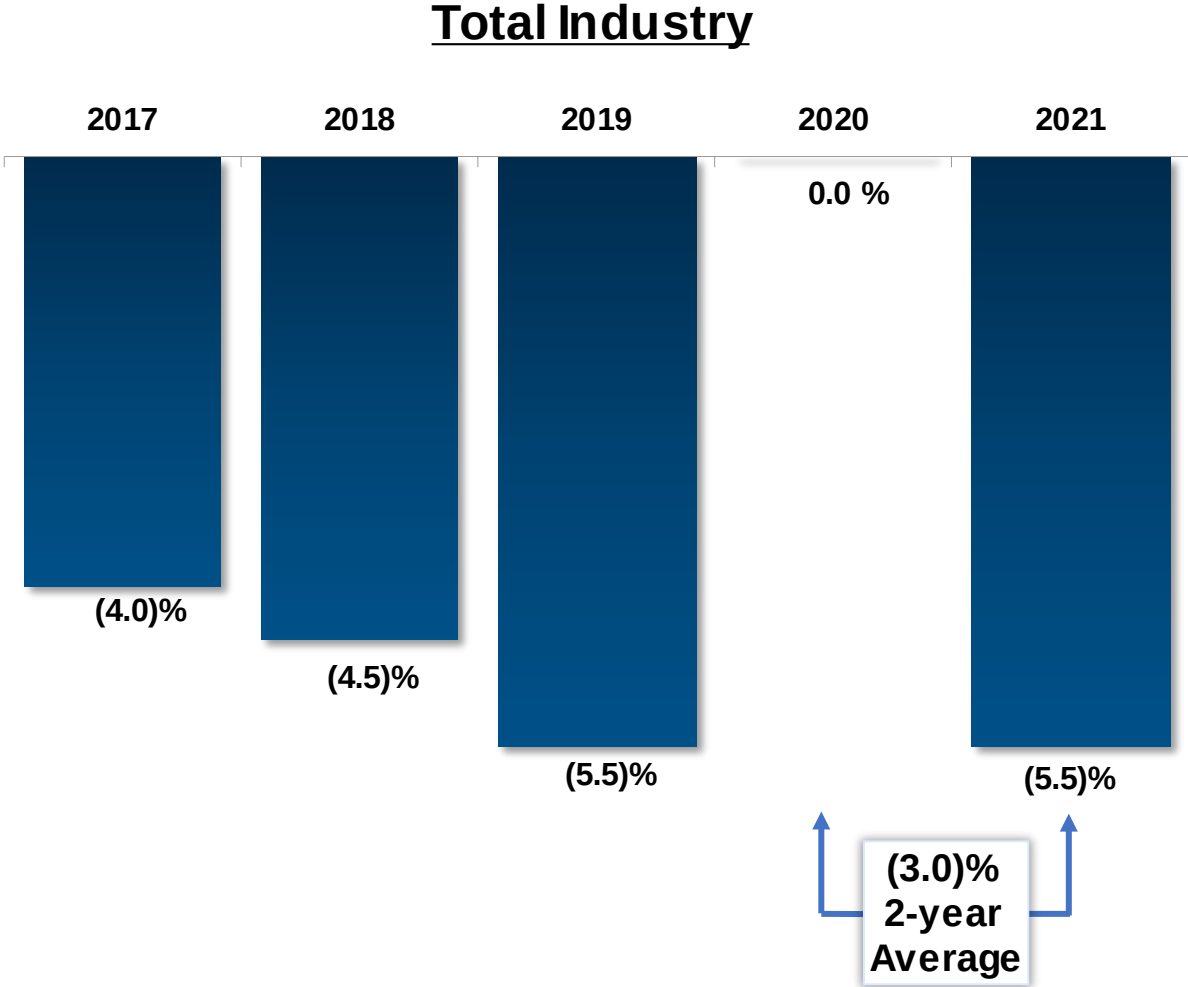
Tobacco Space Estimated Volume

Equivalized Volume in Billions



Note: annual volume for Heated Tobacco products rounded to 0.0 for 2019 - 2021
Sources: AVI Strategy, Consumer & Marketplace Insights Estimates; IRI MOC; Capstone; ComScore; Merkle
For purposes of this theoretical analysis, the tobacco space may combine different product categories under a single descriptor. In this analysis, "Combustible" contains Cigarettes and Cigars and "Oral Tobacco" contains Moist Smokeless Tobacco (MST), Snus and Oral Tobacco-Derived Nicotine Products (OTDN)
EQ Estimation – For purposes of this theoretical analysis the following are assumed to be equivalent: 1 pack of cigarettes = 1 can of MST/Snus/OTDN = 10 Cigars = 1 E-Vapor cartridge

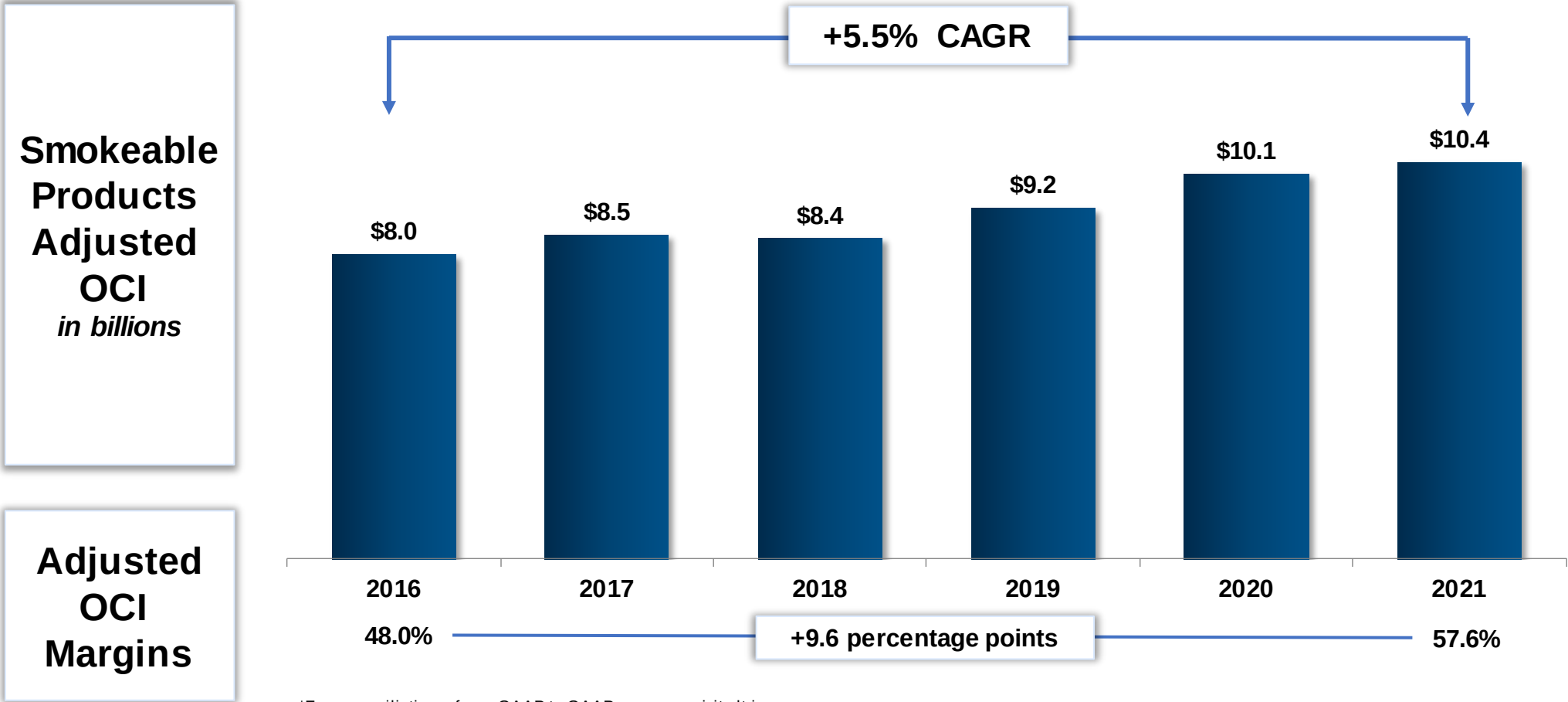
Adjusted Annual Cigarette Decline Rates



Source: AVI SCMI estimates – rounded to nearest 0.5%
Note: Estimates are subject to revision due to wholesaler resubmission of inventory data

Smokeable Products Segment

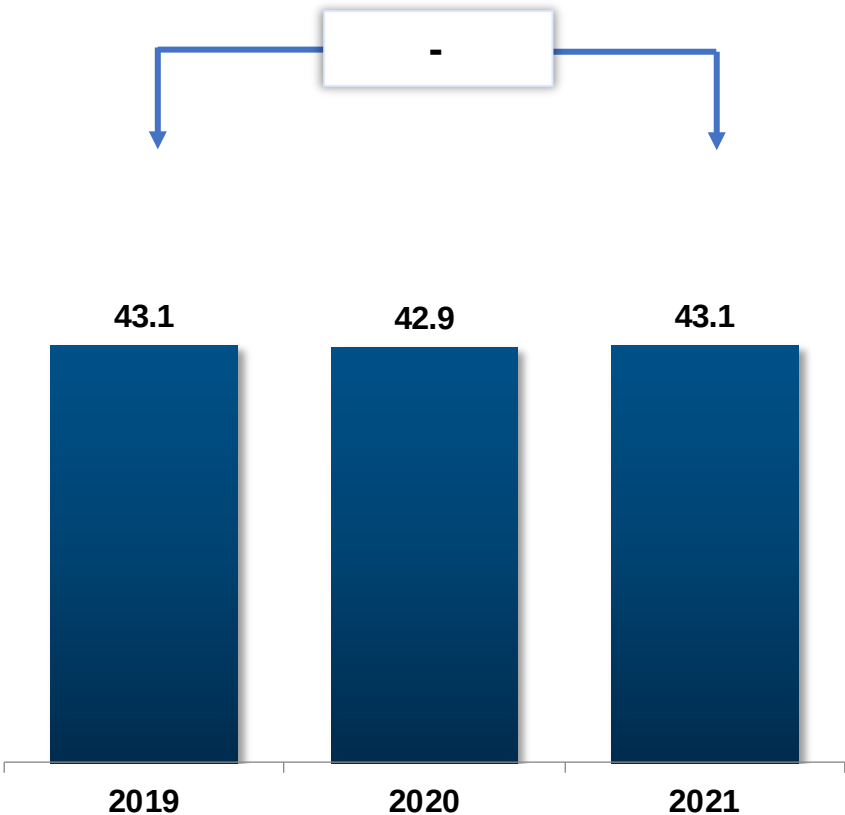
Adjusted Operating Companies Income (OCI) Growth & Adjusted OCI Margins Growth*



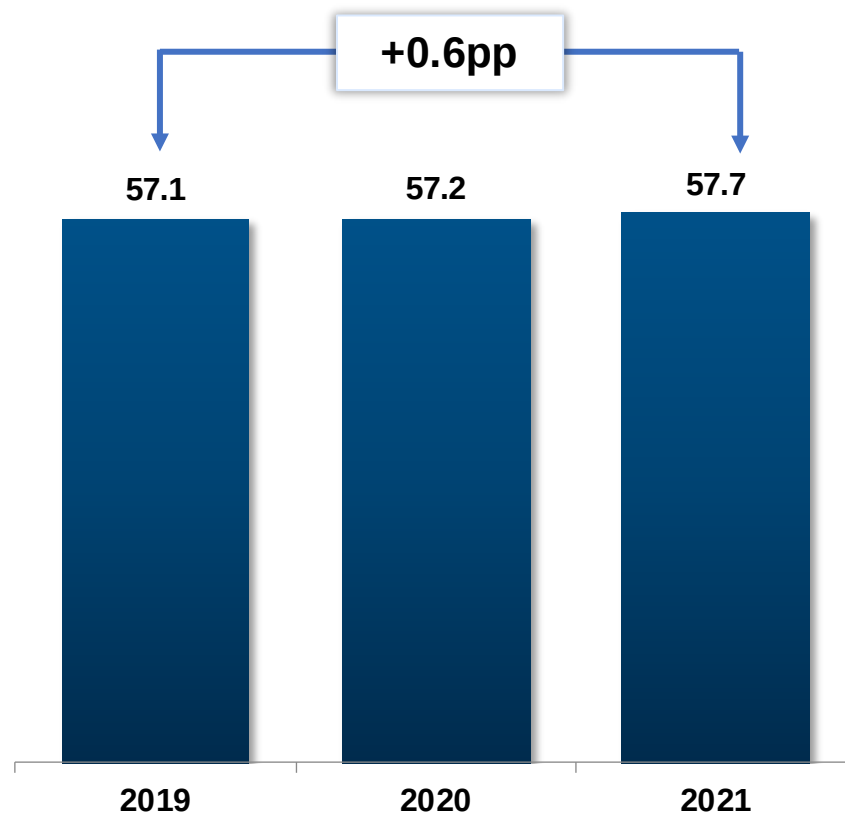
*For reconciliation of non-GAAP to GAAP measures visit altria.com.

Marlboro Performance

Marlboro Retail Share



Marlboro Share of Premium Segment



Source: IRI/MSAi InfoScan Cigarette 2021 – Blended, WE 01/02/22

FY 2021: Oral Tobacco Products Segment

Adjusted OCI*

\$1.7 billion

Adjusted OCI
Margins*

68.5%

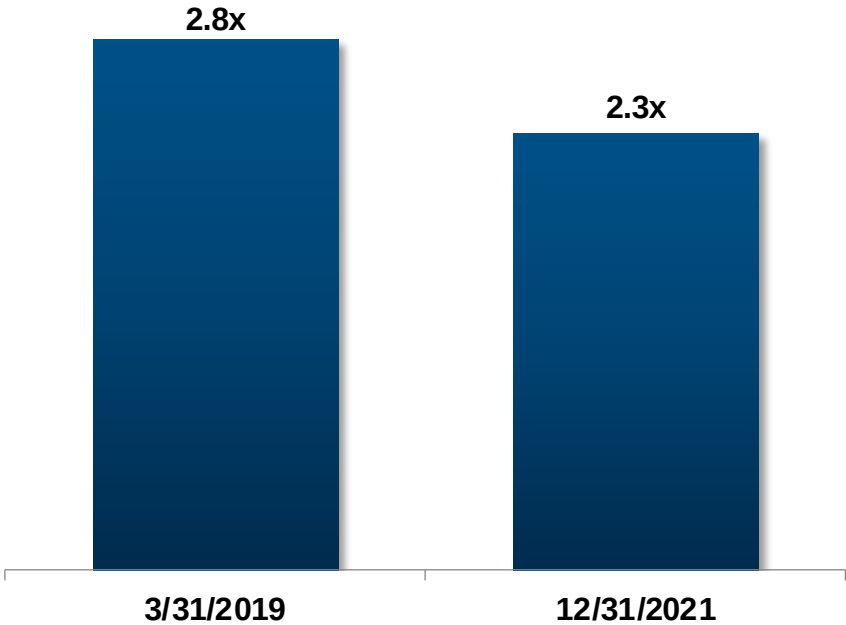
Copenhagen
continues to
be the leading
oral tobacco
brand



*For reconciliations of non-GAAP to GAAP measures visit altria.com.

Strong Balance Sheet

Debt-to-EBITDA*



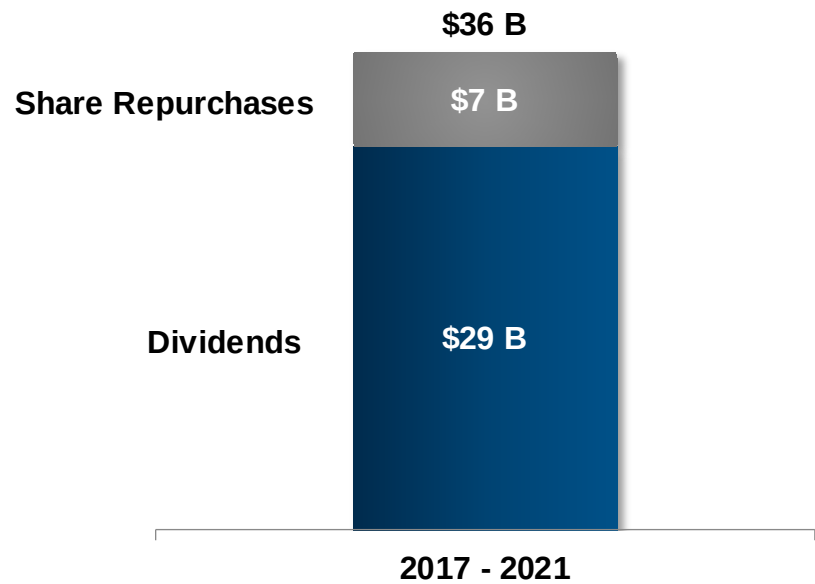
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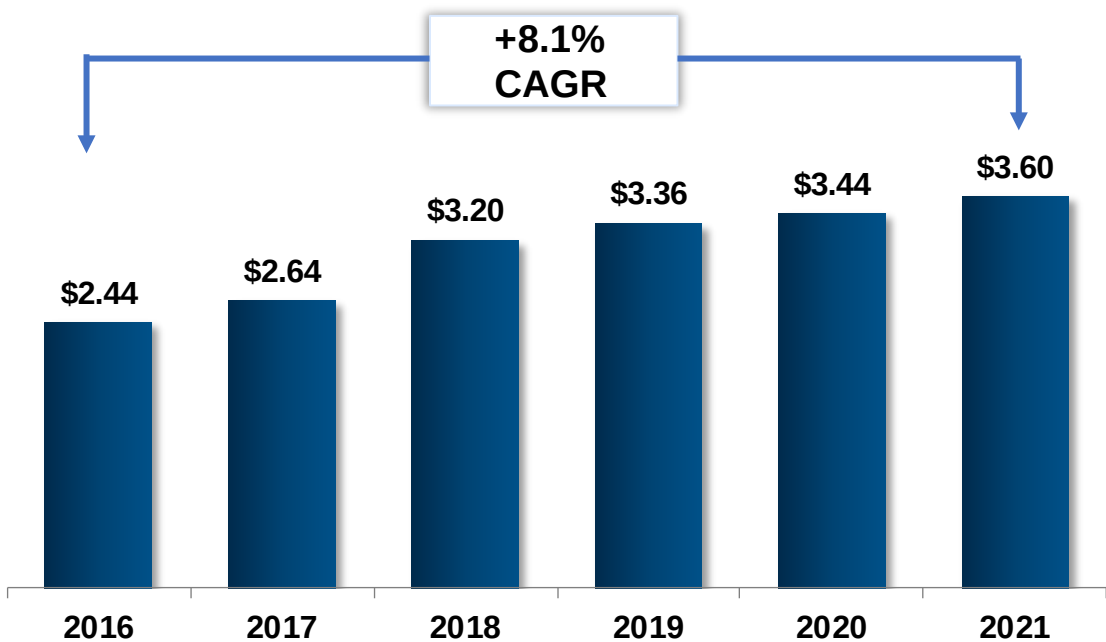
Cash Returns to Shareholders

We returned \$8.1 billion in cash to shareholders through dividends and share repurchases in 2021

Cash Returned to Shareholders



Annualized Dividend Growth



2022 Financial Guidance

We reaffirm our full-year 2022 adjusted diluted earnings per share* (EPS) guidance of \$4.79 to \$4.93. This range represents an adjusted diluted EPS growth rate of 4% to 7% from a 2021 base of \$4.61. We expect 2022 EPS growth to be weighted toward the second half of the year.

*For reconciliations of non-GAAP to GAAP measures visit altria.com.

Additional ESG Progress

Environmental

- We recently committed to a long-term renewable electricity purchase agreement that we expect to be operational by the end of the year. We believe this timing would allow us to hit our 2030 renewable electricity and operational greenhouse gas reduction targets seven years ahead of schedule
- We demonstrated our commitment to understanding climate change risks and opportunities by publishing our first standalone Task Force on Climate-related Financial Disclosures report

Governance

- We continue to make progress toward our Inclusion and Diversity aiming points, including our goal that employees of color represent 30% of our leadership positions. At the end of 2021, employees of color represented 24% of vice-presidents and 26% of director-level employees
- In our communities, we developed a new five-year community impact plan to drive business and social impact in several areas, including economic and workforce equity

We Believe We are Best Positioned to Lead the Tobacco Harm Reduction Opportunity

We have:

- a demonstrated commitment to responsibility
- a robust understanding of tobacco consumers and the U.S. tobacco market
- long-standing relationships with retailers and wholesalers
- a broad portfolio of products and investments across the most-promising smoke-free categories
- strong regulatory capabilities and a science-based approach to tobacco harm reduction
- significant cash flows and a flexible balance sheet to support our investments and shareholder returns

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the transition of adult smokers
to a smoke-free future.

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Altria