Whereas, full disclosure of a company's lobbying activities and expenditures to assess whether lobbying is consistent with its expressed goals and shareholders' best interests is considered a best practice.[i]

Resolved, shareholders request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing grassroots lobbying communications.

2. Payments by Altria used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.

3. Altria's membership in and payments to any tax-exempt organization that writes and endorses model legislation.

4. Description of the decision-making process and oversight by management and the Board for making payments described in section 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Altria is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Nominating, Corporate Governance and Social Responsibility Committee and posted on Altria's website.

Supporting Statement

Altria does not disclose its payments to trade associations (TAs) and social welfare groups (SWGs). Companies can give unlimited amounts to TAs and SWGs that spend millions on lobbying and undisclosed grassroots activity. The federal Lobbying Disclosure Act does not require reporting of grassroots lobbying, and disclosure is uneven or absent in states. Investors have repeatedly sought greater transparency because a company's political activity can contradict its stated goals, posing reputation risk.

A *New York Times* article, "Menthol Cigarettes Kill Many Black People. A Ban May Finally Be Near", notes that Altria and other tobacco companies have sought to position themselves as transforming their companies into responsible businesses being eager to prevent young people from smoking and to develop less harmful products.[ii] Altria's Vision 2030, as stated on the company website, "is to responsibly lead the transition of adult smokers to a smoke-free future." Yet Altria contributed $9.83 million to social welfare group California Coalition for Fairness' successful efforts to place a referendum on California's 2022 ballot on whether to repeal a ban on selling certain flavored tobacco products and tobacco flavor enhancers, including menthol.[iii] While Altria has articulated its support for the right to vote, the company remains a member of the American Legislative Exchange Council (ALEC). The League of Women Voters and over 300 groups have asked corporations to stop funding ALEC because of its voter restriction efforts.[iv]

We support transparency in Altria's spending on lobbying to safeguard the alignment of spending with company mission, values and ethics.

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[i] https://www.responsible-lobbying.org/the-framework
[ii] https://www.nytimes.com/2021/03/22/health/methol-smoking-ban.html
[iii] https://ballotpedia.org/California_Flavored_Tobacco_Products_Ban_Referendum_(2022)
[iv] https://www.commoncause.org/press-release/common-cause-fair-fight-action-and-over-300-organizations-call-on-corporations-to-cut-ties-with-alec/.