WHEREAS: we believe in full transparency of the effectiveness of Altria’s commitment to prevent underage use of nicotine products1 and its commitment to racial equity2 so we can determine if they adequately address potential legal, financial, and reputational business risks.

RESOLVED: Shareholders of Altria, Inc. (“Altria”) request that the Board of Directors commission a third-party civil rights equity audit to review its corporate policies, practices, products and services, above legal and regulatory matters; to assess the impact of the Company’s policies, practices, products and services on BIPOC (Black, Indigenous and people of color) and Latinx/a/o/e communities, including youth. Input from civil rights organizations, employees, customers, and communities in which Altria operates and other stakeholders should be considered. A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be publicly disclosed on Altria’s website.

SUPPORTING STATEMENT: Altria notes "increases in youth usage of e-vapor have threatened to undermine the hard-fought gains made in preventing underage use."3 As age is a protected class in the US constitution, a civil rights audit should include impacts on children and youth.

In December 2018, Altria invested $12.8 billion in JUUL, taking a 35% stake in the company, and providing advertising and sales support. JUUL currently commands three-quarters of the e-cigarette market.

Data from the Centers for Disease Control shows that 86.3% of middle and high school students had been exposed to tobacco product advertisements or promotions, and 27.5% of high schoolers reported current e-cigarette use in 2019. Additionally, an estimated 53.3% of high school students and 24.3% of middle school students reported having ever tried a tobacco product.4 A multi-state coalition of Attorneys General is investigating JUUL’s marketing and sales practices to underage users. Altria shares fell as much as 2.7% after Dow Jones reported the FTC is investigating the marketing practices of JUULLabs.

Tobacco/nicotine companies have historically placed larger amounts of advertising5 in African American publications, disproportionally exposing African Americans to more cigarette ads than Whites. Additionally, tobacco companies use price promotions such as discounts and multi-pack coupons—which are most often used by African Americans and other minority groups, women, and young people—to increase sales.6
A racial equity audit is an important step in establishing a transparent system of accountability. Altria should take this opportunity to review its policies, practices, products and services, and how they impact the civil rights of youth and BIPOC communities.

4 Tobacco Product Use and Associated Factors Among Middle and High School Students - United States. 2019 I MMWR (cdc.gov)
5 African Americans and Tobacco Use | CDC
6 African Americans and Tobacco Use | CDC