



WHEREAS: Plastic, with a lifecycle social cost at least ten times its market price, threatens the world’s oceans, wildlife, and public health.¹ Concern about the growing scale and impact of global plastic pollution has elevated the issue to crisis levels.² Of particular concern are single-use plastics (SUPs),³ which make up the largest component of the 24-34 million metric tons of plastic ending up in waterways annually.

Cigarette filters are a form of single-use plastics. They are the most littered item globally with 4.5 trillion discarded annually, comprising 300,000 tons of potential plastic microfibers released into the environment. Cigarette filters do not biodegrade and can remain in the environment indefinitely in the form of microplastics. Discarded cigarette filters can contain more than 15,000 plastic microfibers and thousands of toxic chemicals. When cigarette filters are littered on streets and beaches, they can leach harmful pollutants into soil and water, including heavy metals and nicotine, which are toxic to fish and other sea creatures.⁴

Annual costs of cleaning up littered filters are significant: \$2.6 billion for China and \$766 million for India.⁵ Cleanup costs have traditionally been borne by taxpayers rather than the industry placing these problematic products on the market. As a producer of plastic waste, Altria must begin to take financial responsibility for the cleanup of its cigarette filter/butt waste. The European Union’s Single-Use Plastics Directive imposes Extended Producer Responsibility (EPR) on tobacco producers to cover the costs of collecting and processing cigarette filters, and Denmark, France, and Spain have already imposed cleanup fees.⁶

More than 100 companies support EPR laws requiring them to finance the collection of waste packaging to keep plastics from becoming uncontrolled waste.⁷ Altria has stated its “products have an impact on the environment, and we have a responsibility to minimize that impact.” U.S. EPR tobacco laws to cover the costs of collecting and treating butt filters would help address the problem and create a level playing field for

¹ https://wwfint.awsassets.panda.org/downloads/wwf_pctsee_report_english.pdf

² <https://www.unep.org/resources/pollution-solution-global-assessment-marine-litter-and-plastic-pollution>

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L0904&from=EN#page=8>

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<https://fingfx.thomsonreuters.com/gfx/legaldocs/gdpzqykgev/Cigarette%20Litter%20Complaint%20filed%20copy.pdf>; <https://www.who.int/publications/i/item/9789240051287>; <https://oceanconservancy.org/wp-content/uploads/2023/06/ICCCharter-REDUCE-Report-2023-TFSOceanConservancy.pdf>

⁵ <https://www.who.int/publications/i/item/9789240051287>

⁶ https://www.europarl.europa.eu/doceo/document/E-9-2023-000787_EN.html#:~:text=The%20Single%2DUse%20Plastics%20Directive,incentivising%20consumers%20about%20responsible%20behaviour

⁷ <https://www.ellenmacarthurfoundation.org/extended-producer-responsibility/overview>



manufacturers. In the interim, Altria can voluntarily contribute significant funding to U.S. state or municipal governments to help finance existing filter collection and cleanup efforts.

BE IT RESOLVED: Shareholders request the Altria Board issue a public report, at reasonable expense and excluding proprietary information, assessing the benefits to the Company of extended producer responsibility laws for spent tobacco filters for tobacco companies operating in the U.S. market.

SUPPORTING STATEMENT: The report should assess at Board discretion:

- The reputational, financial, and operational risks associated with failing to take responsibility for filter cleanup costs;
- An appropriate level of voluntary financial contributions to support state cigarette filter cleanup efforts.