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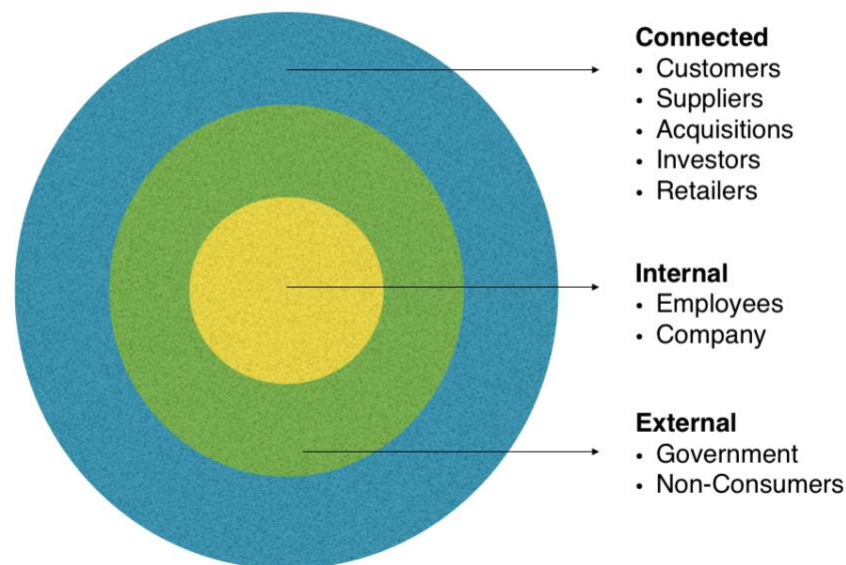
Professor Godelnik

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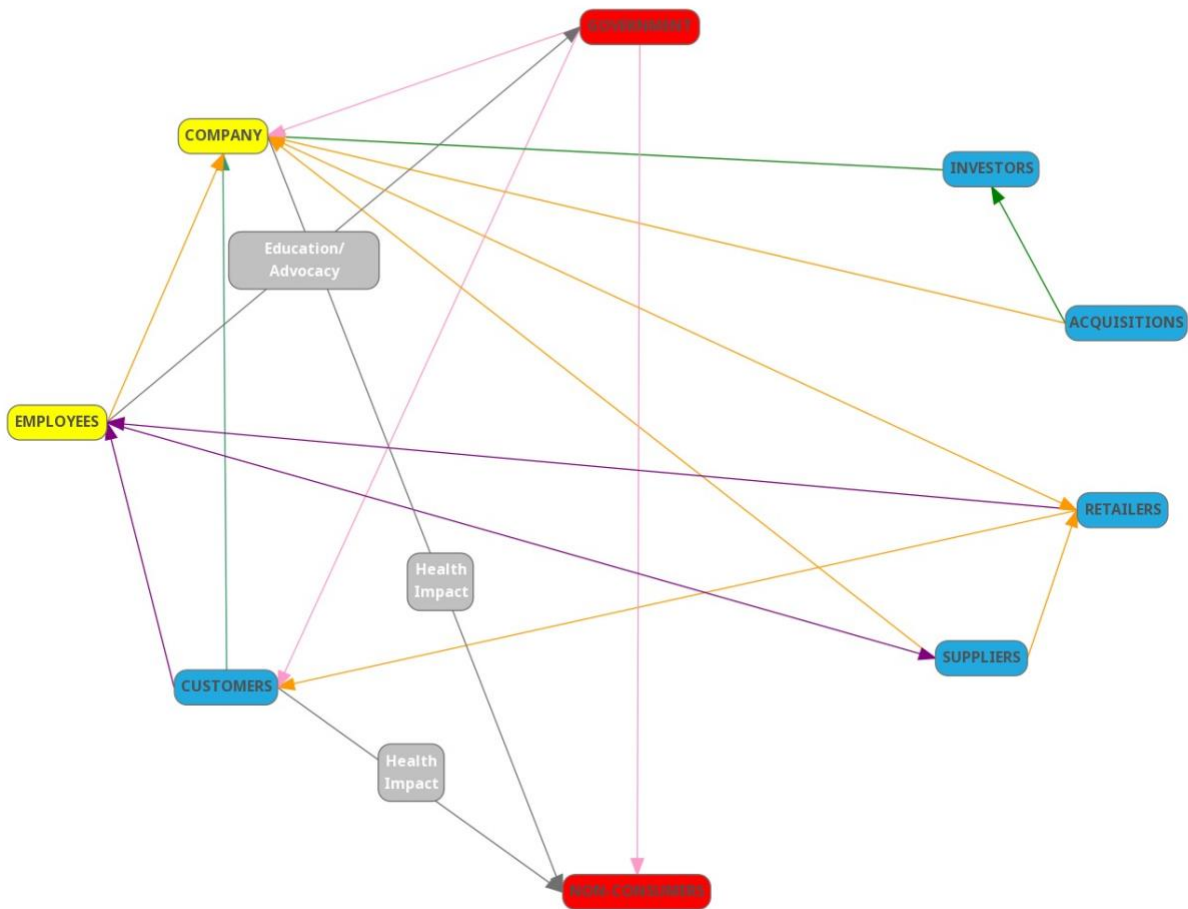
ALTRIA: Progress Report

After our culture analysis and our midway presentation, we commenced on the *stakeholder map*, *ecosystem map*, and *value chain analysis*.

STAKEHOLDER MAP



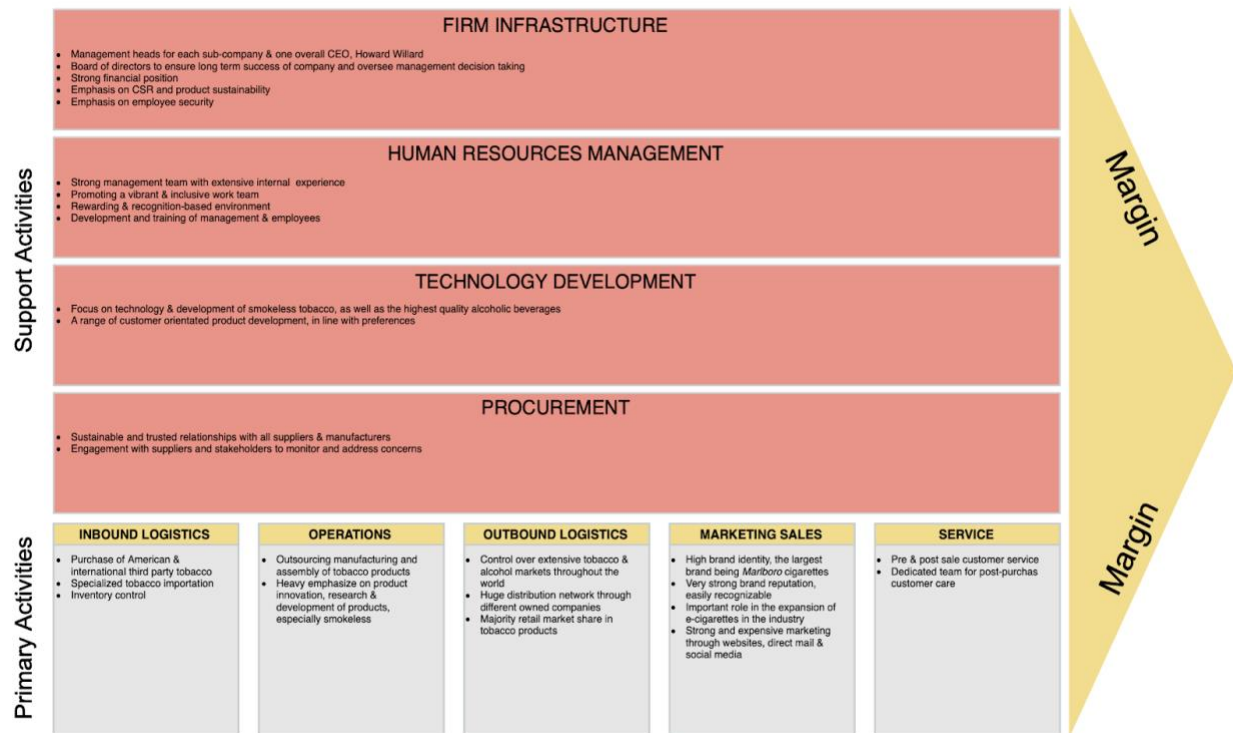
First, we created a simple *stakeholder map* where we have identified three layers: 1) internal stakeholders 2) connected stakeholders 3) external stakeholders. Our internal stakeholders include the company and the employees that work for them. They have a responsibility to uphold when it comes to the rest of the stakeholders. Next, is the connected stakeholders which include customers, suppliers, acquisitions, investors, and retailers. These are people who depend on the company for their own businesses. Finally, is the external stakeholders who are the government and non-consumers. The government creates rules and regulations that the company has to adhere to without being directly involved, and the non-consumers are affected by the company, product, and users.



We then created a simple *ecosystem map* where we took all the stakeholders and analyzed how they were connected. We have two keys, one for stakeholders and one for the connections. The yellow boxes are internal stakeholders, the blue boxes are the connected stakeholders, and the red boxes are the external stakeholders. The connections include: grey which is intangible, purple which is data & information, orange which is goods & services, green which is money & credits, and pink which is rules & regulations. However, because this was done in advance, we didn't realize we had access to the ecosystem template you provided for us and thus created our own. This week, we will adjust our version of the ecosystem map to fit the template provided and identify the factors of each category into a more in-depth map.

Secondly, we have created a value-chain map which identifies the activities and outlines in the course of their producing, marketing, delivering and supporting Altria as a company. Throughout the iterations of this value chain, the difficulty has been in obtaining how Altria produces its products, as well as in-depth information about their structure. The information that is given on their website, and through their Corporate Responsibility Progress Report is not that as thorough as we would have liked. However, we have managed to include as much information as we have

obtained throughout our research in order to identify the *value chain* of the company, which can be found here:



Moreover, we have identified a number of opportunities and challenges for Altria as a company. Some of the *opportunities* include:

- Company culture seems to be a very strong asset to the company. Employees have treated with care thanks to a number of internal initiatives, communication and engagement are encouraged, clear diversity and inclusion goals are part of the company structure.
- Company diversification into cannabis and electronic cigarette industries has great potential of helping with the company's climate efforts.
- Since July 2018, Altria has been committed to reducing its emissions in line with climate science (Science-Based Target Initiatives).
- There is board-level oversight of climate-related issues within the company. Social responsibilities strategies are being implemented from the very top of the company through the Director of Corporate Responsibility.
- Company climate goals are clearly stated as: "an enterprise-wide target to reduce Scope 1 & 2 greenhouse gas emissions 20% by 2025 against a 2015 baseline."

Challenges:

- Explanation of the company's carbon footprint is difficult to find, thus it is harder to understand which part of its value chain is most responsible for the carbon footprint.
- Even though Altria states to be committed to meet the Science-Based Target Initiatives, actual target numbers are difficult to find.
- Below board-level, the environment/sustainability manager's frequency of reporting to the board on climate-related issues is listed as done "less frequently than annually", showing that this needs to become more ingrained within the company's strategies.

Our next steps are to research and delineate the clear steps the company needs to take to comply with the Paris Agreement goals and the design approach we will be taking. Lastly, we will be writing the final report and creating the final presentation that we will show the class.