

Compensation Committee Charter Altria Group, Inc.

Membership

The Compensation Committee of the Board of Directors of Altria Group, Inc. shall consist entirely of directors who the Board determines (i) are “independent” in accordance with New York Stock Exchange listing standards, (ii) are “non-employee directors” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “1934 Act”) and (iii) satisfy the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code. Based on the recommendation of the Nominating, Corporate Governance and Social Responsibility Committee, the Board annually shall elect the members and the chair of the Committee at its organizational meeting following the Annual Meeting of Shareholders. The members of the Committee may be removed by the Board.

Purpose, Authority and Responsibilities

The purpose of the Committee shall be to discharge the Board’s responsibilities relating to executive compensation, to produce an annual compensation committee report to be included in the Company’s proxy statement in accordance with applicable rules and regulations of the Securities and Exchange Commission (“SEC”), and to review the succession plans for the chief executive officer and other senior executives.

In the furtherance of this purpose, the Committee shall have the following authority and responsibilities:

- to review and approve the Company’s overall compensation philosophy and design;
- to review and approve corporate goals and objectives relevant to the compensation of the chief executive officer, to evaluate the performance of the chief executive officer in light of these goals and objectives, and determine and approve the compensation of the chief executive officer based on this evaluation;
- to make recommendations to the Board with respect to incentive compensation plans and equity based plans, to administer and make awards under such plans and to review the cumulative effect of its actions;
- to review and approve the compensation of all executive officers;
- to monitor compliance by executives with the Company’s stock holding requirement and stock ownership guidelines;
- to monitor risks related to the design of the Company’s compensation program;
- to review and assist with the development of executive succession plans, to evaluate and make recommendations to the Board regarding potential candidates to become chief executive officer, and to evaluate and approve candidates to fill other senior executive positions;
- to review and discuss with management the Company’s disclosures to be included in the Company’s annual proxy statement and annual report on Form 10-K regarding executive compensation matters, including the Company’s disclosures under “Compensation Discussion and Analysis” (“CD&A”) and narrative descriptions of the Committee’s procedures for determining executive compensation;
- to recommend to the Board whether the Company’s CD&A should be accepted for inclusion in the Company’s annual proxy statement and annual report on Form 10-K;
- to prepare a report to shareholders to be included in the Company’s annual proxy statement as required by the SEC;
- to evaluate the Committee’s performance at least annually and report to the Board on such evaluation;
- to review and assess periodically the adequacy of this charter and recommend any proposed changes to the Board for approval, including changes concerning the structure and operations of the Committee; and

- to perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee shall deem appropriate.

Procedures

The Committee shall meet as often as it deems is appropriate to carry out its responsibilities. A majority of the members of the Committee shall constitute a quorum. The chair of the Committee, in consultation with the other Committee members, shall set meeting agendas. The Committee shall report its actions and recommendations to the Board.

The Committee shall have the sole authority to retain and terminate any compensation consultants, independent legal counsel and any other advisors to the Committee as the Committee may deem appropriate, including sole authority to approve the fees and other retention terms of any consultants, counsel or other advisors that it retains. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other advisor retained by the Committee.

Prior to engaging a compensation consultant, legal counsel or other advisor, the Committee shall consider all factors relevant to the advisor's independence from management, including those factors specified in the applicable New York Stock Exchange listing standards.

The Committee may delegate its authority to subcommittees or the chair of the Committee when it deems appropriate.