

## **Introduction**

JUUL Labs UK Holdco Limited (“**UK Holdco**”) was incorporated in 2018, and is a subsidiary of JUUL Labs, Inc. (“**JLI**”), a company registered in the United States of America, and headquartered in San Francisco.

JLI’s mission is to improve the lives of the world’s one billion adult smokers and ultimately eliminate cigarettes. We envision a world where fewer people use cigarettes, and where people who smoke cigarettes have the tools to reduce or eliminate their consumption entirely, should they so desire.

JLI conducts business in an ethical manner, guided by the enduring principles of our founders and an unwavering commitment to integrity. Our business has a strong focus on corporate responsibility, and we see responsible administration and payment of taxation as a responsibility of our business.

JLI’s consolidated group includes several UK-based entities, including UK Holdco as at December 31, 2018. This group of UK-based entities is hereinafter referred to as JUUL UK Group.

## **The Role of Tax within JLI**

JUUL UK Group is subject to various UK taxes, including but not limited to: corporate taxes, customs duties, stamp duties and employment taxes.

### **(a) the approach of the group to risk management and governance arrangements in relation to UK taxation:**

JLI is committed to conducting business in accordance with all applicable UK tax laws. JLI does business in multiple tax jurisdictions throughout the world and is subject to various complex and changing tax legislation, which are subject to interpretation. Any potential tax exposure is managed by JLI’s tax function based in the US, which seeks advice from outside tax consultants and/or legal counsel on uncertain tax legislation when necessary.

### **(b) the attitude of the group towards tax planning (so far as affecting UK taxation):**

JLI conducts all transactions on an arm’s length basis in accordance with current OECD principles. JLI’s tax policy is to err on the side of conservatism around tax planning and business decisions that are made within JLI are not driven by avoidance of taxes.

### **(c) the level of risk in relation to UK taxation that the group is prepared to accept:**

JLI is committed to minimizing tax risk and exposure with HMRC. Uncertain tax positions are analysed and reviewed regularly by JLI’s management and processes and controls are in place to identify and mitigate key risks.

### **(d) the approach of the group towards its dealings with HMRC:**

JLI incorporated two UK legal entities in tax year ending December 31, 2018 and is committed to building sustainable and respectful relationships with HMRC.

**Further Information**

JLI's approach to tax is reviewed and regularly updated. This tax strategy was approved for publication by JLI on November 1, 2019.