



J2 Global – Tax Policy and Strategy

J2 Global, Inc. (“J2”) is a leading provider of internet services. We provide cloud services to individuals and businesses of all sizes and license our intellectual property (“IP”) to third parties through our Business Cloud Services. Our Digital Media Division specializes in technology, gaming, lifestyle and healthcare markets, reaching in-market buyers and influencers in both the consumer and business-to-business space.

Our brands are important business assets to J2 and managing them requires a global strategy. With that in mind, we believe that by centralizing parts of our operations, we can better localize and offer support for our products. Bringing together activities in one location, allows J2 to better create economies of scale which in turn create value for our consumers and stakeholders.

Tax Transparency

J2 supports the principle behind greater transparency that increases the understanding of tax and support the move towards building public trust.

Accordingly, J2 is fully committed to meeting its filing obligations with the HMRC in accordance with the measures introduced by the Organisation for Economic Co-operation and Development (“OECD”) to counter base erosion and profit shifting (“BEPS”).

Tax Compliance and relationship with tax authorities

J2’s business activities are subject to income and non-income taxes in many jurisdictions. J2 has committed substantial resources to comply with the tax laws of such jurisdictions. As tax laws change and J2 expands its global footprint, J2 is committed to the good faith application of the tax laws of applicable jurisdictions. The following are a few but not all of the actions J2 will continue to undertake:

- Good-faith application of the tax laws of applicable jurisdictions;
- Prepare and file tax returns with the appropriate tax authority in applicable jurisdictions;
- Maintaining open and transparent relationships with tax authorities in applicable jurisdictions. Acknowledging that from time to time, our approach to the tax treatment of a transaction may differ to that of the tax authorities. In such circumstances, we are committed to dealing with the relevant authority in a prompt, open and transparent manner;
- Ensuring that all intercompany transactions are conducted in line with the OECD’s “arm’s length” principle;

- Preparing and retaining such supporting documentation to support our intercompany transactions.

Tax Planning

J2 recognizes its responsibility to pay taxes in the jurisdictions where J2 is subject to such taxes. We aim to balance this with the responsibility to our shareholders. Accordingly, J2 may utilize tax incentives to obtain tax efficiencies where:

- They align themselves with our business needs;
- They agree with policies and incentives introduced by local governments; and
- Do not carry the risk of significant reputational damage

Management of Tax Risk

J2 has operations in numerous countries throughout the world. Tax legislation in these countries can often be complex and subject to interpretation. In addition, increased changes brought in as part of the OECD BEPS project has increased the likelihood of changes in the countries that it operates in, which may create more uncertainty.

J2 seeks to identify, assess and manage these risks on a quarterly basis to ensure that they are accounted for appropriately.