

Canada



May 3, 2019

Dear Valued Partner,

The government of Canada finalized their Bill S5 regulations which has resulted in them mandating "plain and standardized" product and packaging for all tobacco products sold within Canada. As of **November 9, 2019**, all tobacco products, except for cigars, must be manufactured in compliance with plain and standardized pack and product requirements.

**Overview of new plain and standardized pack and product requirements:**

- The exterior and interior of tobacco products must be the same drab brown colour
- The tobacco product itself will also be standardized (cigarette circumference and length) This means that only Regular and King size cigarettes will be permitted for sale upon legislation implementation
- All cigarettes will be standardized, including removal of trademarks and logos from all cigarette tipping. The filter appearance will be standardized allowing for only drab brown, cork or white tipping.
- Heated tobacco products must be in the same drab brown pack colour as other tobacco packaging.

**These Bill S5 regulations will impact our following tobacco categories:**

- Cigarettes (Factory Made cigarettes)
- Roll your own (Fine cut)
- Heated Tobacco Products
- Cigars (implementation November 9, 2020)
- Sundries (Papers & Filtered Tubes)

JTI has led the industry in pushing back against this branding ban, advocating to protect our products and portfolio wherever possible to minimize disruption in the marketplace and to your business. At the same time, we have been actively preparing for the implementation of plain packaging. We have strengthened our brands and streamlined our portfolio to be more resilient and adaptable.

**Key Dates & Timelines:**

**November 9, 2019**

- On **November 9, 2019** all tobacco products, except for cigars, must be manufactured in compliance with plain and standardized pack and product requirements

**February 7, 2020**

- Retailers will have a transitional period of 90 days to sell through inventory of branded products and non-compliant products. Non compliant products must be removed from retail shelves by **February 7, 2020**.

**November 9, 2020**

- On **November 9, 2020**, plain and standardized packaging will be implemented for cigars, with an extra 180 days (**May 8, 2021**) after that date for retailers to sell through existing inventory.

**November 9, 2021**

- On **November 9, 2021**, two years after the initial branding ban implementation, the transition to slide & shell packaging will be imposed, with an extra three (3) months (**February 9, 2022**) for retailers to sell through existing inventory.

More information will be forthcoming and if you have any questions about JTI products or next steps, please do not hesitate to contact your JTI Representative.

JTI looks forward to being your partner through this change.

Regards,

A handwritten signature in black ink, appearing to read 'Norman Pridgeon'.

Norman Pridgeon  
Vice President  
Sales, Canada

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