In line with Haypp Group's expectations - The Swedish Social Committee's considerations

The Swedish Parliament's Social Committee has considered the Government's letter on a new ANDTS strategy and the proposal for stricter rules for new nicotine products:

- The Social Committee's report on 2021/22: SoU25 "An overall strategy for alcohol, drugs, doping and tobacco policy and gambling on money 2022–2025"
- The Social Committee's report on 2021/22: SoU31 "Tougher rules for new nicotine products"

Haypp Group's primary focus has long been tobacco-free nicotine pouches. Our policies are in line with the proposed legislation. The new legislation will not only ensure the future sale of nicotine pouches but will also neutralise our marketing measures with other e-retailers who have not followed our standards. Overall, our Swedish business has a potential upside in the short term with a larger share of sold nicotine pouches with less competition, offsetting the somewhat stricter rules to marketing snus.

The proposal on stricter rules for new nicotine products includes regulations on product requirements. This is welcomed by Haypp Group, as there is no product regulation of nicotine pouches today. Due to the lack of product regulations, Haypp Group and other responsible market actors have developed a product standard for nicotine pouches.

The Social Committee also wants the Government to review the issue of making it a criminal offence for private individuals to transfer or sell tobacco and nicotine products to persons under 18 years of age. Haypp Group welcomes such a review. All our customers are age-verified, and we act on consumption patterns if there is a suspicion that individuals are selling or distributing nicotine products to minors. However, there is currently no legislation and no penalties for third parties who sell or distribute nicotine products to minors; this is a gap in the legislation that Haypp Group believes the Government should address.

"In an overall assessment of both proposals, it is our analysis that the new regulation in 6 months can have a limited impact on Haypp Group's results while at the same time ensuring the sale of nicotine pouches in both Sweden and throughout the EU. We also note that Haypp Group's policies largely overlap with the proposed regulation", says Markus Lindblad, Head of External Affairs.

Haypp Group also welcomes the Social Committee's rejection of a legislative proposal to ban additives in e-liquids that lead to a noticeable smell or taste of something other than tobacco. The Government does not propose a ban on flavouring nicotine pouches. Haypp Group believes that it is essential that alternative nicotine products that are less harmful than cigarettes are attractive to adult consumers. This is in line with harm reduction strategies.

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"We have long advocated for the legislature to criminalise third-party sales to minors, avoid banning flavouring, and for the Government and its agencies to work for harm reduction. We will continue highlighting the benefits of risk-reduced product alternatives such as nicotine pouches", says Markus Lindblad, Head of External Affairs.

Haypp Group also notes that a large part of the Social Committee wants the Government to consider new and more developed marketing provisions – and that these provisions should align with the Parliament's long-standing decision that differences in harm between different tobacco and nicotine products must be considered when formulating tobacco and nicotine policies. A large part of the Social Committee also stresses the importance of these rules being competitive neutral between e-retailers and physical retailers.

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About Us

The Haypp Group spearheads the global transformation from smoking to healthier product alternatives. With origins in Scandinavia, our extensive experience from pioneering markets in smoke-free alternatives, as well as being a leader in the e-commerce sector, we now fully take our vision to a global scale. With ten e-commerce brands, the Haypp Group is present in seven countries where we served more than 680 000 active consumers in 2021.

Attachments

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