

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
The Honest Company, Inc.		90-0750205	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Sherman Misa	310-566-8335	smisa@thehonestcompany.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and ZIP code of contact	
12130 Millennium Dr., Ste 500		Los Angeles, CA 90094	
<b>8</b> Date of action		<b>9</b> Classification and description	
April 23, 2021		2-for-1 stock split	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
438333106		HNST	

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On April 23, 2021, The Honest Company, Inc. (The "Company") completed a 2 for 1 forward stock split of the outstanding shares of common stock and redeemable convertible preferred stock. Pursuant to the forward stock split, each issued and outstanding share of common stock shall be converted into and become two (2) shares of common stock and each issued and outstanding share of redeemable convertible preferred stock shall also be converted into and become two (2) shares of the same series of redeemable convertible preferred stock.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ As a result of the 2-for-1 stock split, shareholders received an additional share for each share owned. In accordance with Internal Revenue Code Section 307(a), each shareholder is required to allocate the aggregate tax basis in his or her shares held immediately prior to the 2-for-1 stock split among the shares of stock held immediately after the 2-for-1 stock split. As a result, the number of shares held by each shareholder were multiplied by 2, but each shareholder's total basis and proportionate interest in the Company remained the same.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ A shareholder will multiply the basis in each share held before the stock split by 50% to determine the basis after the stock split in that share and the additional share distributed in the stock split.

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶  
**IRC Section 305(a) and IRC Section 307(a).**

**18** Can any resulting loss be recognized? ▶ **No loss can be recognized in connection with the two-for-one stock split completed in the form of a stock dividend. The laws of jurisdictions other than the United States may impose income taxes on the receipt of additional shares.**

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶  
**The reportable tax year is 2021 for shareholders reporting taxable income on a calendar year basis. For shareholders reporting taxable income on a basis other than the calendar year, the reportable tax year of the forward stock split is the shareholder's tax year that includes April 23, 2021.**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶ *Brendan Sheehey*

Date ▶ *June 3, 2021*

Print your name ▶ **Brendan Sheehey**

Title ▶ **General Counsel**

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Frank Hobmeier		6/3/2021		
	Firm's name ▶ PricewaterhouseCoopers LLP	Firm's EIN ▶ 13-4008324		Phone no. 213-356-6000	
	Firm's address ▶ 601 South Figueroa Street, Los Angeles, CA 90017				

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended. The information in this document does not constitute tax advice and should not be construed to take into account any shareholder's specific circumstances. Holders and nominees should consult their own tax advisors regarding the particular tax consequences of the organizational action (as described in this document) to them, including the applicability and effect of all U.S. federal, state, and local and foreign tax laws.