

# Remuneration Statement

## October 1, 2010

Huhtamäki Oyj (the Company) complies with the Finnish Corporate Governance Code adopted by the Securities Market Association and effective from October 1, 2010. This Remuneration Statement is drawn up in accordance with Recommendation 47 of the Corporate Governance Code. The Code is available in its entirety in Internet at [www.cgfinland.fi](http://www.cgfinland.fi).

### Board of Directors

#### Decision-making process and main principles of remuneration

The Annual General Meeting of Shareholders (AGM) is resolving on the remuneration payable to the members of the Board of Directors and its Committees as well as on related remuneration principles. The Nomination Committee of the Board of Directors prepares annually a proposal to the AGM on the remuneration and the principles for compensating the expenses of the Board members.

The Board members do not receive Company's shares as remuneration nor are they participants in Company's option rights plans or performance share plans.

None of the Board members is employed by the Company and thus the Board members are not eligible for any employment relationship related financial or other benefits nor are they eligible for any pension scheme.

#### Financial Benefits

In accordance with the resolution passed by the AGM, held on April 3, 2009 the annual compensation in 2009 for the Chairman of the Board was EUR 90,000, for the Vice-Chairman EUR 55,000 and for the other members EUR 45,000. In addition, a meeting fee of EUR 500 per meeting was paid to all members for the Board and Board Committee meetings they attended. Traveling expenses were compensated in accordance with the Company policy. The AGM held on March 24, 2010 decided to keep the compensation of the Board unchanged.

#### Salaries of the members of the Board of Directors 2009

Thousands euros

Mikael Lilius	100
Jukka Suominen	66
Eija Ailasmaa	54
George V. Bayly	52
Rolf Börjesson	52
Robertus van Gestel	55
Siaou-Sze Lien *	38
Anthony J.B. Simon	54
<b>Total</b>	<b>471</b>

\* member of the Board as of April 3, 2009

### Chief Executive Officer and Group Executive Team

#### Decision-making process and main principles of remuneration

##### Decision-making process

Remuneration and financial benefits payable to the Chief Executive Officer (CEO) and the members of the Group Executive Team (GET) are determined by the Board of Directors normally on a yearly basis. Prior to the relevant Board meeting, the matter is deliberated by the Human Resources Committee of the Board of Directors.

##### Remuneration

Remuneration is based on the Group level remuneration principles, but local laws and market practices are taken into account when applying the principles. The remuneration of the CEO and other GET members consists of a non-variable annual base salary, benefits and an annually determined short-term incentive. In addition, the CEO and other GET members are participating in the long-term incentive plans consisting of the options rights plans and performance share plans.

The short-term incentive for the CEO and other GET members is based on financial performance of the Group and achievement of the personal objectives. The short-term incentive for those GET members having a business segment responsibility is determined, in addition to the Group performance and personal objectives, based on financial performance of the business segment in question. The above mentioned criteria are selected to promote the Group's financial targets and success on a short and a long term.

The objectives for the short-term incentive are set and the achievement is reviewed annually. Possible incentive payment is made in March following the calendar-year-long earnings period. The payment of the incentive is subject to the person being employed by the Group and the said person not having been resigned by the time of the payment. The maximum amount of the short-term incentive for the CEO is the amount corresponding to 75 % of the non-variable annual base salary. The maximum amount of the short-term incentive for the other GET members varies depending on the position between 50–60 % of the non-variable annual base salary.

Option rights and performance share plans function as long-term incentives for the CEO and other GET members. The CEO and other GET members are participants in the Performance Share Incentive Plan 2008–2010 and the Performance Share Plan 2010–2012.

#### Further information on option rights plans and performance share plans

#### Option rights and shares owned by the CEO and the other GET members

## **Financial Benefits**

### *Chief Executive Officer*

M.Sc. (Econ), MBA Jukka Moisio (born 1961) has acted as the Company's CEO as from April 1, 2008. In 2009, Jukka Moisio's non-variable annual base salary and benefits amounted to EUR 551,185 and the short-term incentive, based on the performance in 2008, amounted to EUR 61,875. Thus, Jukka Moisio's salary and benefits amounted to a total of EUR 613,060 in 2009. No option rights were allocated to him during 2009. Based on the performance in 2009, the CEO received 30,000 shares under the Performance Share Incentive Plan 2008-2010 and a cash payment equal to the amount of income taxes arising from the reward to the CEO based on the received shares. The reward was paid in April 2010.

According to the Service Agreement between the Company and the CEO, either party may terminate the Service Agreement with six months' prior notice. During the notice period, the CEO is entitled to normal salary payments. If the Company terminates the Service Agreement, the CEO is entitled to a termination compensation amounting to 18 months' base salary. The retirement and resignation age of the CEO is 60 years, unless otherwise agreed upon. The early retirement possibility is covered by a supplementary pension plan. In addition to statutory employment pension contribution, the Company will contribute to a defined contribution pension plan designated by the CEO and approved by the Company. The maximum contribution amount is equal to the CEO's monthly base salary, subject to that the CEO contributes the same amount to the pension plan. In case the Service Agreement is terminated prior to the retirement and resignation age, the CEO maintains the right to the funds in the pension plan. The amount of the supplementary pension is determined based on the funds contributed to the plan by the Company and the CEO as well as the returns on these funds.

In 2009, the cost of the CEO's supplementary pension plan for the Company amounted to EUR 43,651.

### *Group Executive Team*

In addition to the CEO, the following persons form the Group Executive Team: Mr. Timo Salonen, Chief Financial Officer; Mr. Juha Salonen, Senior Vice President, Administration and General Counsel; Mr. Clay Dunn, Executive Vice President North America and Molded Fiber; Mr. Suresh Gupta, Executive Vice President Flexible Packaging; Mr. Eric Le Lay, Executive Vice President Foodservice Europe-Asia-Oceania; and Mr. Peter Wahsner, Executive Vice President Films.

In 2009, the non-variable annual base salary and benefits of the GET members excluding the CEO amounted to a total of EUR 2,249,542 and the short-term incentive based on the performance in 2008 amounted to a total of EUR 204,079. Thus, their salary and benefits amounted to a total of EUR 2,453,621 in 2009. Based on the performance in 2009, the GET members excluding the CEO received under the Performance Share Incentive Plan 2008–2010 a total of 90,000 shares and a cash payment equal to the amount of income taxes arising from the reward to the GET members. The rewards were paid in April 2010.

In addition to the CEO, three other GET members reside in Finland. Of the other members, one resides in India, one in Germany and one in the United States. All the GET members belong to potential national employee pension systems of their country of residence. Subject to a specific resolution by the Board, the GET members may additionally be entitled to pension arrangements following the local practices and which may be considered partly comparable to supplementary pension plans.