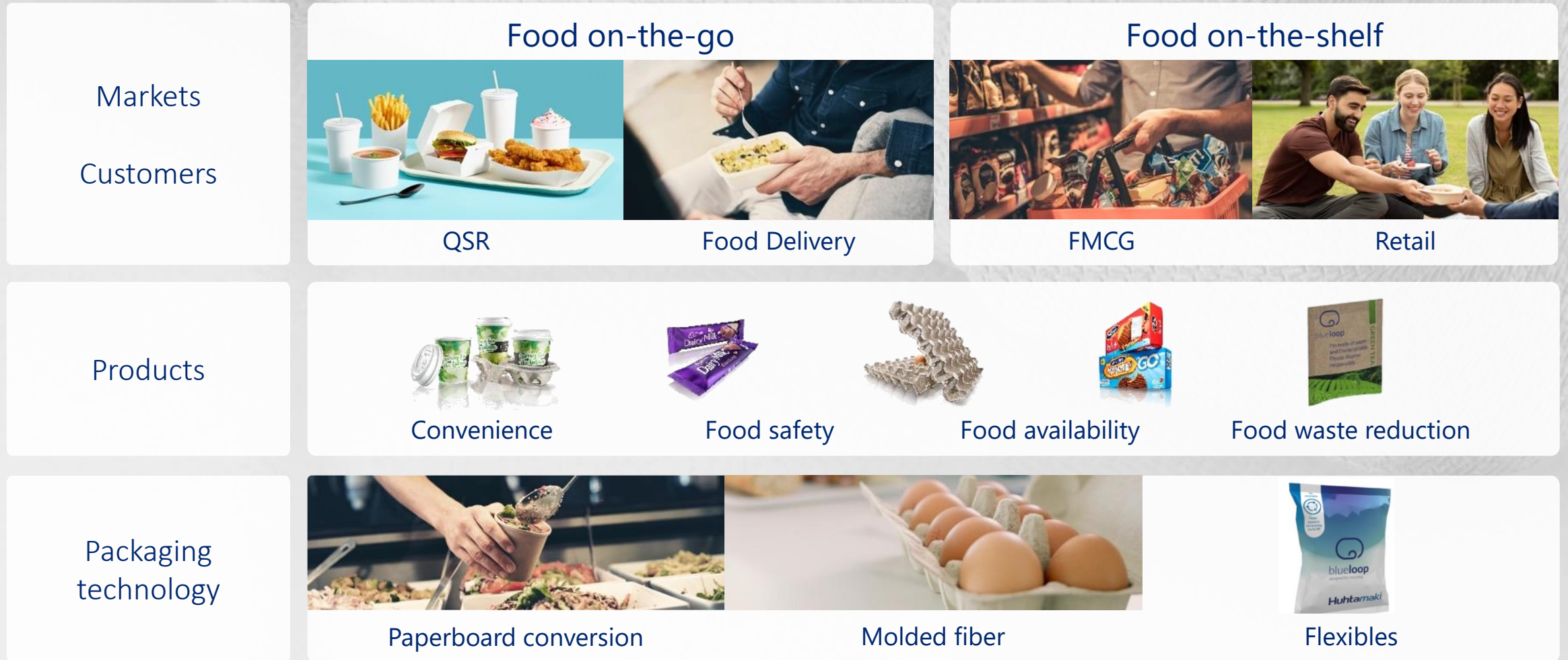


# Becoming the first choice in sustainable packaging solutions

Roadshow presentation  
July–September 2021

**Huhtamaki**

# Broadly serving food on-the-go and food on-the-shelf



# Huhtamaki operates on a global scale

Figures for 2020

NET SALES

€3.3B

ADJUSTED EBIT MARGIN

9.1%

MANUFACTURING UNITS

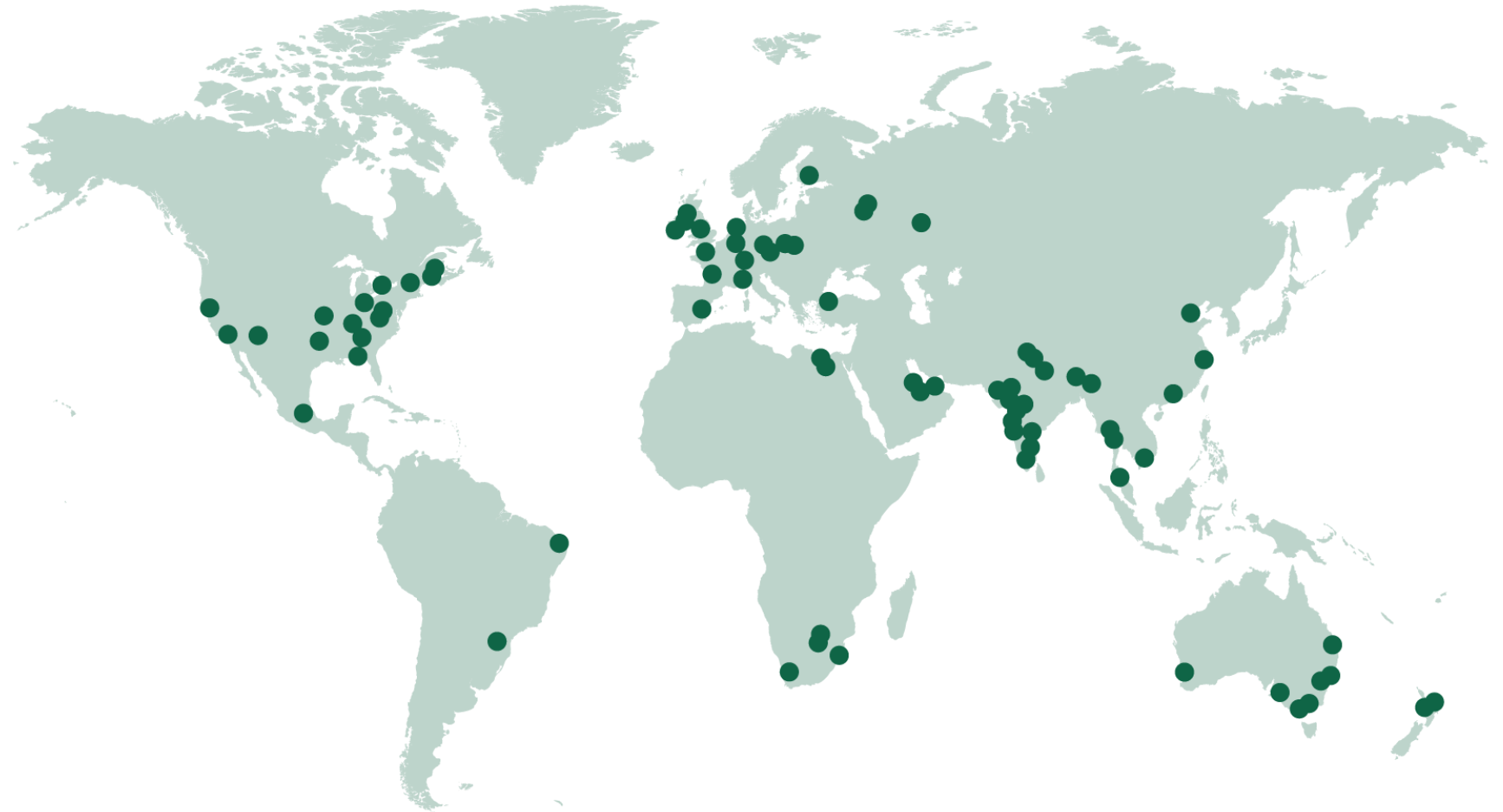
81

OPERATING COUNTRIES

35

EMPLOYEES

18,227



# We operate through 3 business areas

## Fiber and Foodservice Europe-Asia-Oceania

**34** manufacturing units and  
operations in **28** countries

**6,400** employees

**€1.1B** net sales

## North America

**18** manufacturing units and  
operations in **2** countries

**4,200** employees

**€1.1B** net sales

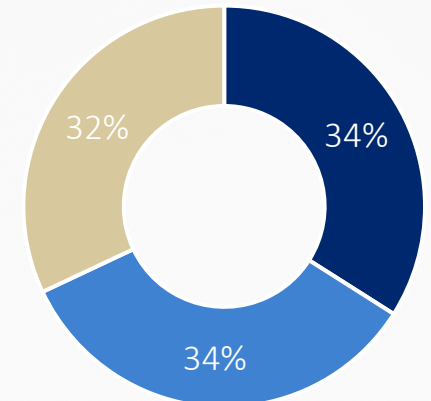
## Flexible Packaging

**29** manufacturing units and  
operations in **16** countries

**7,500** employees

**€1.1B** net sales

## Net sales per business area (2020)



- Fiber and Foodservice Europe-Asia-Oceania
- North America
- Flexible Packaging

Fiber Packaging and Foodservice EAO have been integrated as of June 1, 2020. The segments will continue to be reported separately.



# Understanding the value of packaging within the broader sustainability context

## Hygiene

Packaging promotes hygiene and prevents spread of disease

## Food safety

Packaging keeps food safe from spoilage and preserves its original properties

## Food availability

Packaging enables food availability everywhere in the world and allows food to be transported affordably and at low emissions

## Food waste prevention

1/3 of food is wasted, representing 8% of global greenhouse gases. Packaging prevents food waste

# Our strategy builds on transformative trends impacting the future of packaging

- **The next billion consumers** will come from emerging markets
- **Future consumer** will require packaging to be innovative, individual and sustainable
- **Digitalization** will influence packaging and the way we do business
- **Sustainability** will drive innovation and collaboration





# Our 2030 Strategy

Protecting food, people and the planet

Our ambition is to be the first choice in sustainable packaging solutions, enabling wellbeing and convenience for people around the world

**GROWING  
OUR BUSINESS**

**IMPROVING OUR  
COMPETITIVENESS**

**DEVELOPING  
OUR TALENT**

**EMBEDDING SUSTAINABILITY IN EVERYTHING WE DO**

**DRIVEN BY DIGITAL TECHNOLOGIES AND DATA**

Our values Care Dare Deliver help us to make a difference, where it matters

# We focus on our strategic priorities to drive growth



## Competitiveness

- Achieve world-class processes and operational performance
- Achieve scale and structural efficiencies across the company
- Focus on business productivity



## Talent

- Develop strategic capabilities
- Promote high-performance culture
- Develop zero-accident safety culture



## Sustainability

- Focus innovation on sustainable packaging designed for circularity
- Achieve over 80% of renewable or recyclable raw material use
- Achieve carbon-neutral production



## Digitalization

- Improve operational performance
- Strengthen business model
- Explore new business growth avenues

## Driving sustainable profitable growth

Scaling our core business, expanding geographically, extending our product portfolio and innovating in sustainable packaging solutions



# We have high financial and sustainability ambitions

Our ambition

## First choice in sustainable packaging solutions

Comparable growth

5+%

Adjusted EBIT margin

10+%

Net debt/Adjusted EBITDA

2-3

Dividend payout ratio

40-50%

100%

of products designed to be recyclable, compostable or reusable

>80%

renewable or recycled raw material

100%

of fiber from recycled or certified sources

>90%

of non-hazardous waste recycled or composted

100%

renewable electricity

Carbon neutral production

and science-based emission target

For further  
information, please  
contact us:

[ir@huhtamaki.com](mailto:ir@huhtamaki.com)

[www.huhtamaki.com/investors](http://www.huhtamaki.com/investors)

**Huhtamaki**

# Disclaimer

Information presented herein contains, or may be deemed to contain, forward-looking statements. These statements relate to future events or Huhtamäki Oyj's or its affiliates' ("Huhtamäki") future financial performance, including, but not limited to, strategic plans, potential growth, expected capital expenditure, ability to generate cash flows, liquidity and cost savings that involve known and unknown risks, uncertainties and other factors that may cause Huhtamäki's actual results, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such risks and uncertainties include, but are not limited to: (1) general economic conditions such as movements in currency rates, volatile raw material and energy prices and political uncertainties; (2) industry conditions such as demand for Huhtamäki's products, pricing pressures and competitive situation; and (3) Huhtamäki's own operating and other conditions such as the success of manufacturing activities and the achievement of efficiencies therein as well as the success of pending and future acquisitions and restructurings and product innovations. Future results may vary from the results expressed in, or implied by, forward-looking statements, possibly to a material degree. All forward-looking statements made in this presentation are based on information currently available to the management and Huhtamäki assumes no obligation to update or revise any forward-looking statements. Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities or otherwise to engage in any investment activity.



# Appendix: The role of packaging



# The future of food packaging is impacted by four transformative trends



The next billion consumers will come from emerging markets

- Middle class will increase by 1.8B people in the next 10 years
- Coming from China, India, South East Asia and longer-term Africa
- Demanding safe access to affordable food every day, enabled by packaging
- Driving the need for local scale and cost competitiveness



Future consumer will require packaging to be innovative, individual and sustainable

- Future consumer values convenience and self expression
- Consciousness of personal and environmental wellbeing is increasing
- New brands and models are emerging in Food delivery, FMCG, Retail
- Increasing demand for innovative, individual, sustainable packaging fast to the market



Digitalization will influence packaging and the way we do business

- The pace of digitalization will accelerate
- Creating demand for smart packaging for product traceability and consumer engagement
- Technology and analytics will reshape operations
- New digital-enabled business models will rise

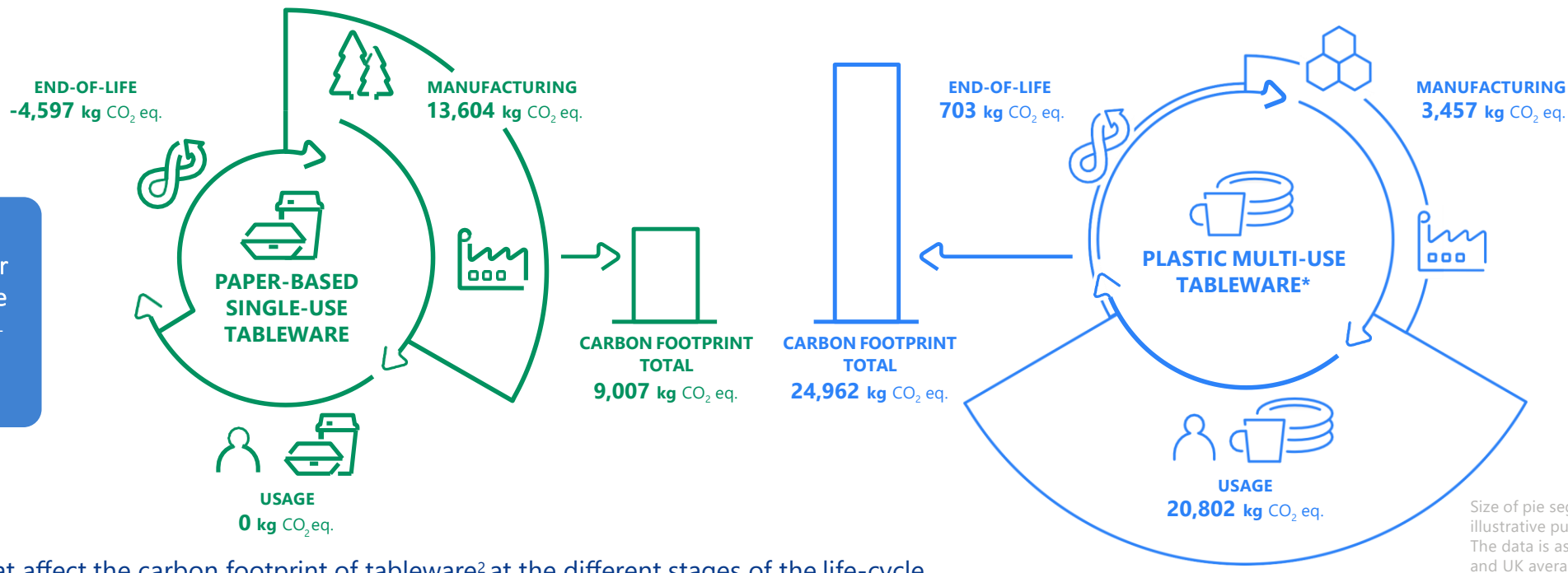


Sustainability will drive innovation and collaboration

- Increasing consumer sentiment and regulation spreading globally
- Demanding circularity and plastic substitution solutions
- Driving a need for innovation in products and business models
- Requiring us to collaborate across the value chain

# Comparing carbon footprints of single-use and multi-use systems

Multi-use tableware systems generate over 2.7 times higher CO<sub>2</sub>-e emissions than paper-based single-use tableware systems<sup>1</sup>



## Factors that affect the carbon footprint of tableware<sup>2</sup> at the different stages of the life-cycle

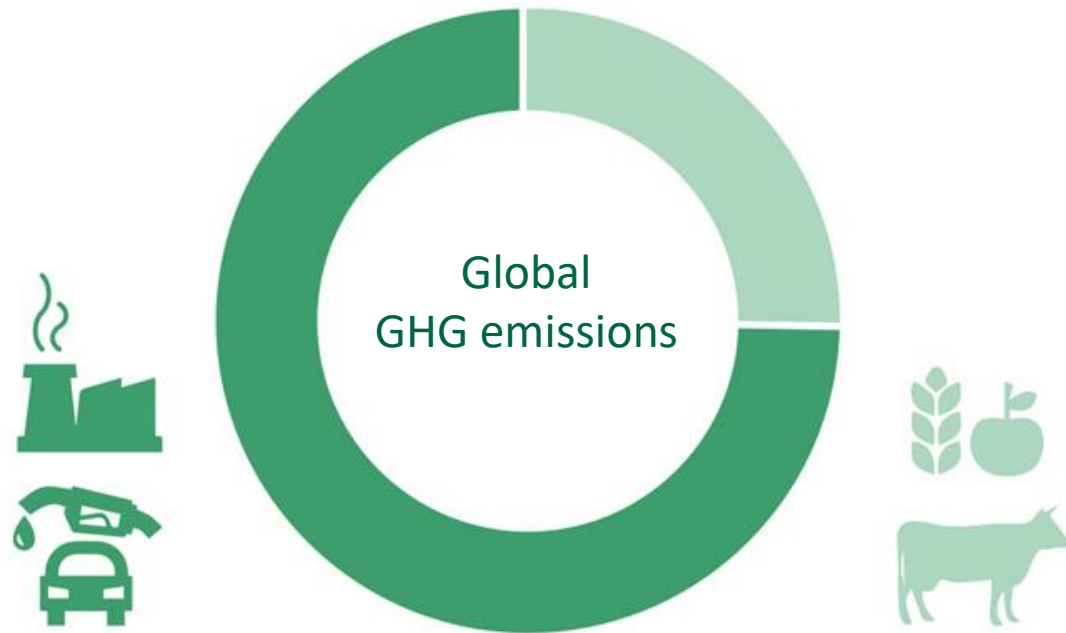
MANUFACTURING	USAGE	END-OF-LIFE
<p>Manufacturing of raw materials and packaging, distribution of food and beverage tableware</p> <p>Includes e.g.:</p> <ul style="list-style-type: none"> <li>Production of paper or plastic resin</li> <li>Transport</li> </ul>	<p>Usage includes operations and use of multi-use tableware at Quick Service Restaurants (QSR) (e.g. in-house dishwashing and drying)</p> <p>The electricity demand of the washing process is the single main contributor to climate change impact in the multi-use scenario, accounting for 83% of the total impact.</p>	<p>End-of-life treatment of multi-use and single-use tableware</p> <p>Includes e.g.:</p> <ul style="list-style-type: none"> <li>Incineration of tableware with energy recovery</li> <li>Recycling of tableware materials</li> <li>Landfilling</li> </ul>

<sup>1</sup>Source: Comparative Life-cycle Assessment (LCA), single-use and multiple-use dishes systems for in-store consumption in Quick Service Restaurants, Ramboll 2020. Third-party accreditation by TÜV. The study is available at [www.eppa-eu.org](http://www.eppa-eu.org)

<sup>2</sup>The functional unit was the in-store consumption of foodstuff and beverages with single-use or multi-use dishes (including cups, lids, plates, containers and cutlery) in an average QSR for 365 days in Europe in consideration of established facilities and hygiene standards as well as QSR-specific characteristics (e.g. peak times, throughput of served dishes). \*Baseline scenario - Polypropylene tableware



# Food is a major contributor to climate change

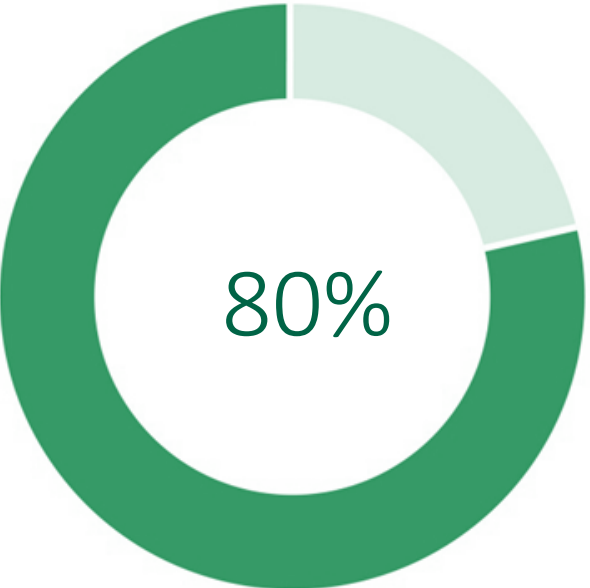


approx. 25%  
of global GHG emissions come from  
food systems

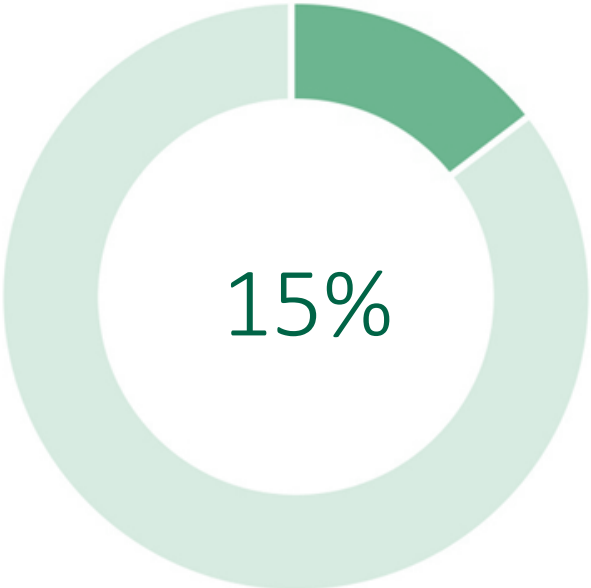


8%  
of global GHG emissions come from wasted  
of lost food

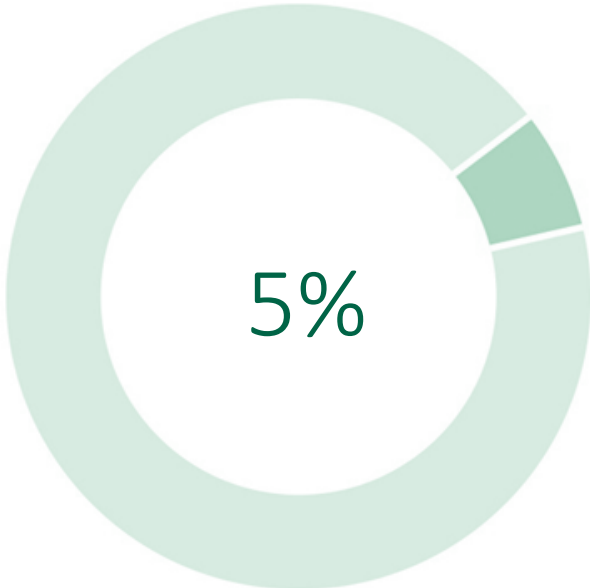
# Packaging accounts for approx. 5% of food's CO2 footprint



Food production

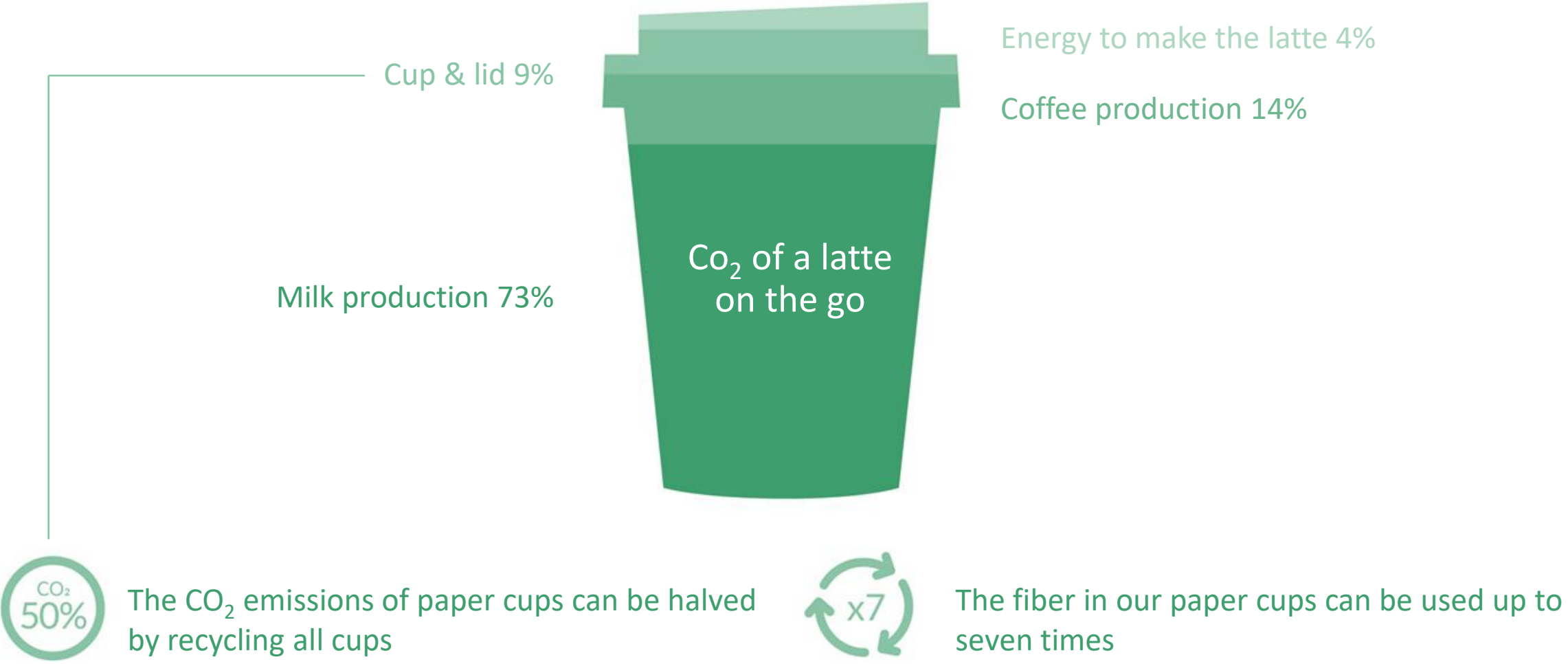


Transport and distribution



Packaging

# Only a small share of CO<sub>2</sub> emissions of a latte on-the-go come from the cup, and these can be halved by increasing recycling



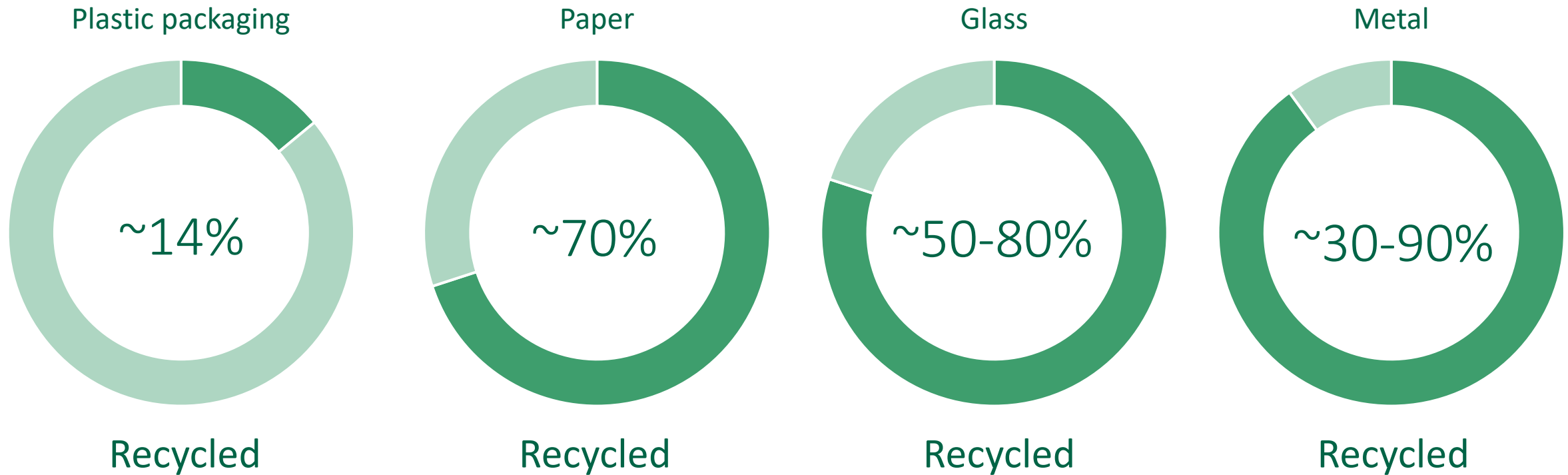
Source: Comparative LCA study of cups for hot drinks made of six different materials, VTT 2019



In addition to recyclable packaging, consumer awareness and an efficient collection, sorting and recycling infrastructure are required to solve littering and waste challenges



# Recycling rates vary – significant potential to utilize valuable materials



Source: Smithers Pira: Future Lifecycles of Packaging Recycling to 2023

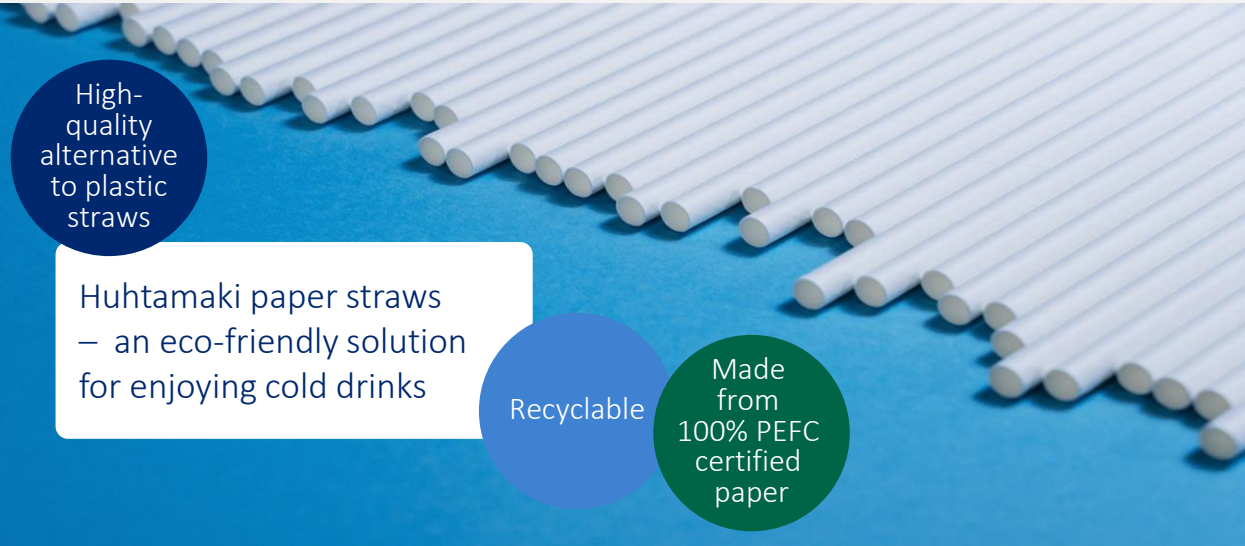
# Examples of recent innovations and product launches



Huhtamaki Fresh ready meal tray – a recyclable alternative to black plastic, made of renewable raw materials

Micro-wave and oven safe

Cooler to touch than plastic



High-quality alternative to plastic straws

Huhtamaki paper straws – an eco-friendly solution for enjoying cold drinks

Recyclable

Made from 100% PEFC certified paper



Huhtamaki blueloop – flexible packaging designed for recycling

- Mono-material structures
- Minimum 90% standard materials like PE, PP, or PET
- Available already for several end applications ranging from candy and chocolates to dry foods and personal care products

100% renewable FutureSmart product line further reduces CO<sub>2</sub> emissions





# Appendix: Segments and financials



# Operating model: We are a converter

## Key inputs

- Raw materials**
  - Paperboard
  - Plastic resins
  - Recycled fiber
  - Approximately 66% of raw materials used in manufacturing our products are renewable
- Energy and water in 2020**
  - Energy 2,142 GWh
  - Water 8.7 million m<sup>3</sup>
- Global operations**
  - 81 manufacturing units, 35 countries
- Personnel**
  - Competence and know-how of 18,227 employees
- Social capital**
  - Key stakeholder relationships
  - Collaboration with key customers and suppliers
- Intellectual property**
  - Immaterial rights, patents
  - Brand and reputation
- Financial resources on Dec 31, 2020**
  - Equity M€ 1,364
  - Net debt M€ 867

## Our activities

- Advanced manufacturing**
  - Cup forming
  - Folded carton production
  - Smooth and rough molded fiber production
  - Extrusion and lamination technology
  - Plastic thermoforming
  - Printing and digital printing
- Resource efficiency**
  - Energy: 5% improvement in energy efficiency in 2016–2020
- Innovations**
  - Digitalization and design of sustainable packaging solutions
  - Continuous product development
- Leadership and management**
  - Strive for excellence and collaboration between our business segments and centralized functions to benefit our customers
  - Workplace safety improved 45% in 2016–2020 with the Lost Time Incident rate decreasing from 2.9 to 1.6
  - Guiding principles and systems (e.g. Code of Conduct)
  - Continuous improvement (Lean Six Sigma, Total Productive Manufacturing)
- Organic growth and acquisitions**
  - Growing both organically and through acquisitions
  - Capital expenditure M€ 223

## Key outputs

- Safe, convenient and fit-for-purpose consumer packaging**
  - Cups, plates, bowls and folded cartons for foodservice products
  - Laminates, pouches and labels for food and personal care
  - Molded fiber packaging for eggs and fruit
- Emissions and waste**
  - Relative GHG emissions reduced 11% in 2016–2020
  - Waste in 2020
    - Recycling 70%
    - Energy recovery 10%
    - Landfill 19%
- Intellectual**
  - Immaterial rights, patents
- New manufacturing assets**
  - Through investments and acquisitions
- Economic value**
  - Gross profit M€ 553

## Key impacts

- Environment**
  - Replacing non-renewable materials with alternative renewable materials
  - Reducing food waste with fit-for-purpose packaging, designed for circular economy
  - Impact on climate change from manufacturing and waste to landfill
- Intellectual**
  - Huhtamaki brand value
  - Product and design innovations
- Social capital**
  - Customer satisfaction
  - Employee engagement and increased know-how through learning
  - Job opportunities and value for local communities
- Financial economic value distributed in 2020**
  - Profit M€ 184
  - Wages and benefits M€ 721
  - Net financial items M€ 28
  - Taxes M€ 53
  - Dividends M€ 93

# Fiber and Foodservice Europe-Asia-Oceania

Fiber Packaging and Foodservice E-A-O have been integrated as of June 1, 2020

Recycled and other natural fibers are used to make fresh product packaging, such as egg, fruit, food and drink packaging, and foodservice paper and plastic disposable tableware, such as cups and lids, is supplied to foodservice operators, fast food restaurants and coffee shops.

Production in Europe, South Africa, Middle East, Asia and Oceania.

## NET SALES

€1,121 mn

## ADJUSTED EBIT MARGIN

8.7%

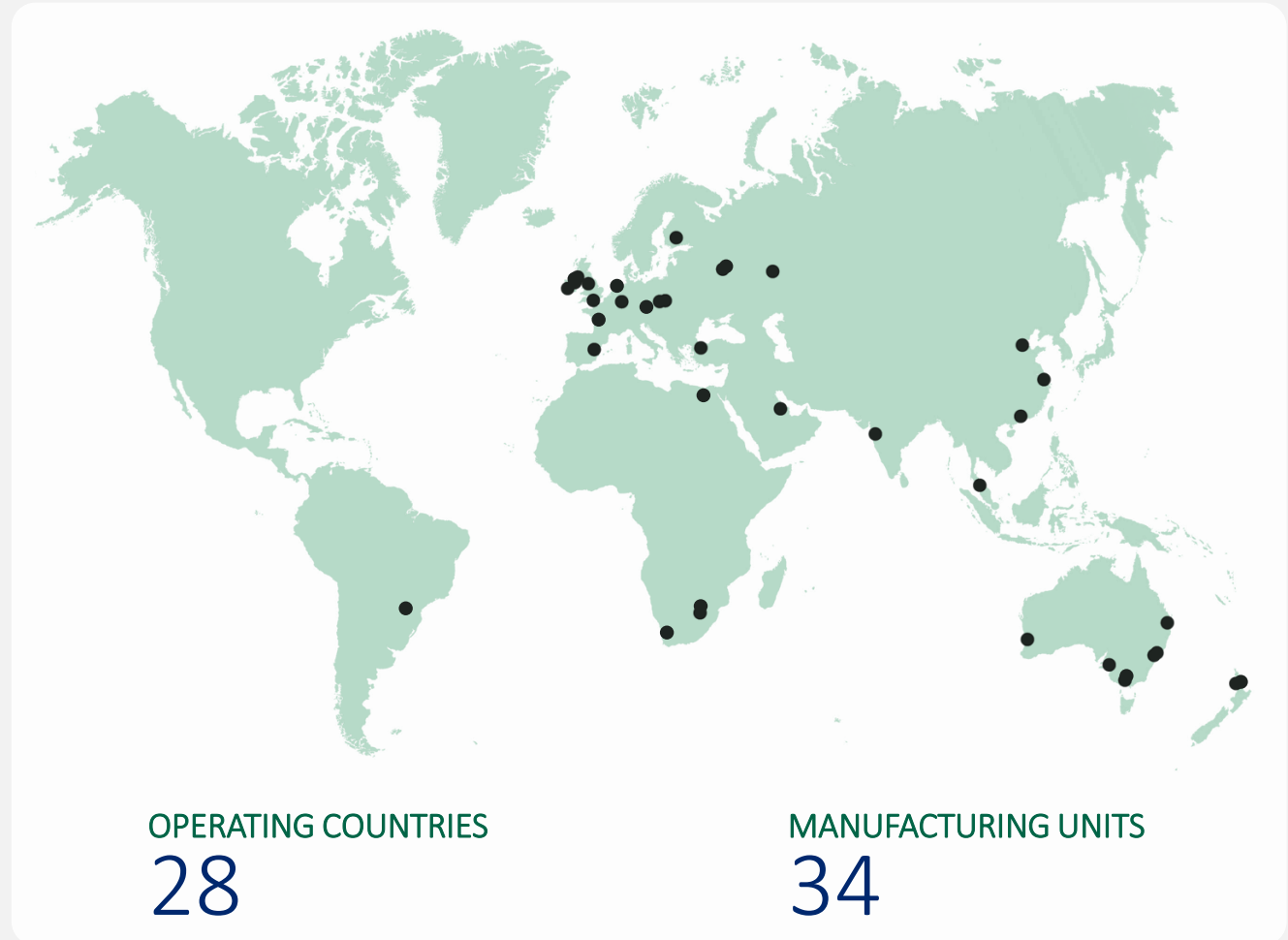
## EMPLOYEES

6,440

## MARKET POSITION

#1

- globally operating foodservice packaging company
- in fiber packaging globally



Combined figures for 2020 for Fiber Packaging and Foodservice Europe-Asia-Oceania.

# North America

Serves local markets with foodservice packaging, Chinet® disposable tableware as well as ice-cream containers and other consumer goods packaging products.

Production in the United States and Mexico.

NET SALES

€1,139 mn

ADJUSTED EBIT MARGIN

12.0%

EMPLOYEES

4,185

MARKET POSITION

#1

globally operating  
foodservice packaging  
company



Figures for 2020



# Flexible Packaging

Flexible packaging is used for a wide range of pre-packed consumer products including food, beverages, pet food, hygiene and health care products.

Production in Europe, Middle East and Africa, Asia and South America.

NET SALES

€1,051 mn

ADJUSTED EBIT MARGIN

7.7%

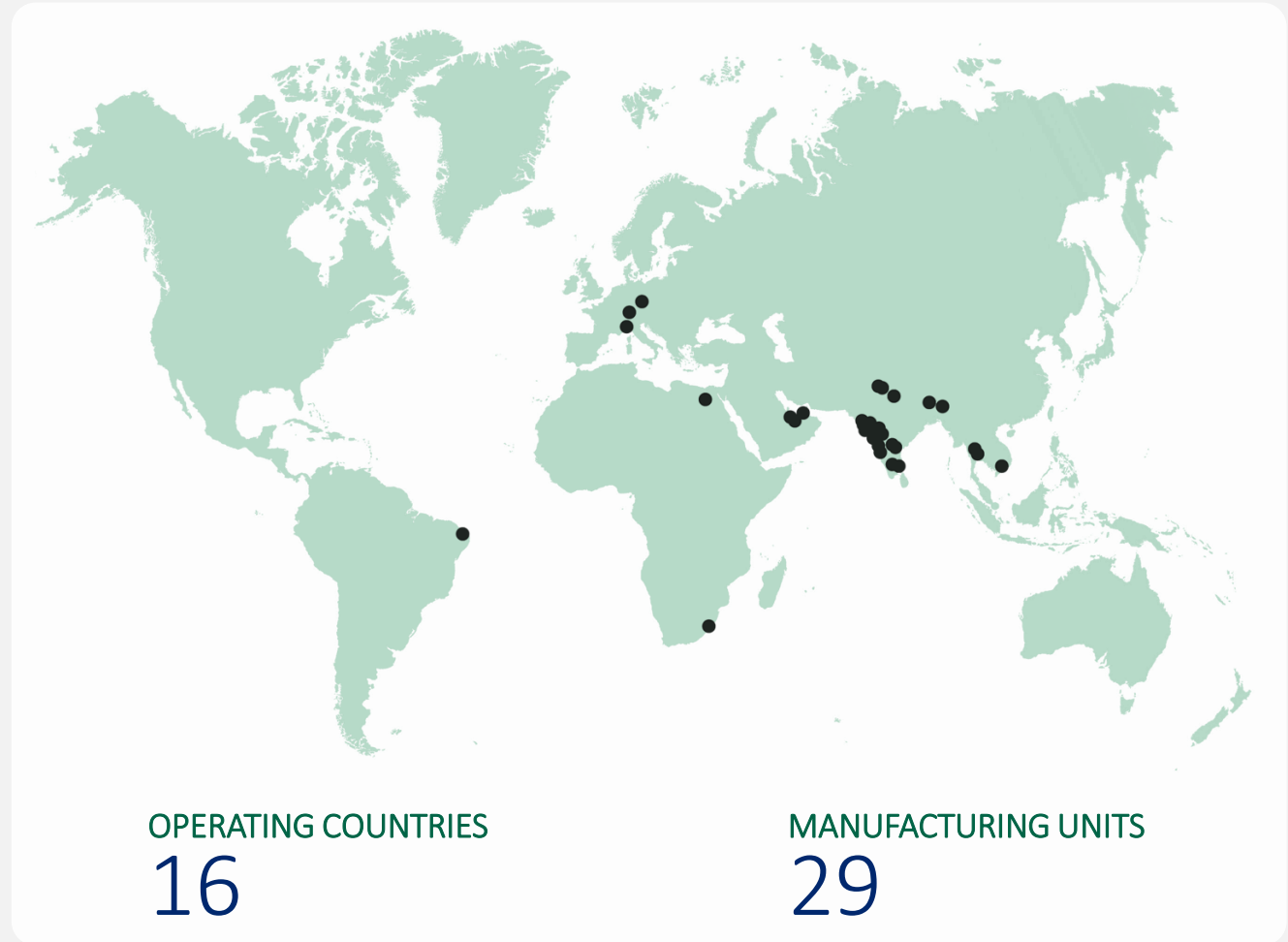
EMPLOYEES

7,468

MARKET POSITION

#1

flexible packaging  
company in  
emerging markets



Figures for 2020

# Products, customers, sales split and competitors per segment

Fiber Packaging and Foodservice E-A-O have been integrated as of June 1, 2020

	Fiber Packaging	Foodservice E-A-O	North America	Flexible Packaging
Our products				
Our customers	   Gebr. Van Beek Group 	     COSTA  	    Unilever   	   Mondelez International  
Net sales split	 <ul style="list-style-type: none"> <li>Europe</li> <li>ROW</li> </ul>	 <ul style="list-style-type: none"> <li>Western Europe &amp; UK</li> <li>Central &amp; Eastern Europe</li> <li>Rest of world</li> </ul>	 <ul style="list-style-type: none"> <li>Foodservice</li> <li>Retail</li> <li>Consumer goods</li> </ul>	 <ul style="list-style-type: none"> <li>Europe</li> <li>Asia</li> <li>Middle East and Africa</li> </ul>
Key competitors	<ul style="list-style-type: none"> <li>Hartmann</li> <li>Local players</li> <li>Pactiv</li> <li>Plastics manufacturers</li> </ul>	<ul style="list-style-type: none"> <li>Seda</li> <li>Graphic Packaging</li> <li>Detpak</li> <li>Dart/Solo</li> <li>HK Cup</li> <li>Local players</li> </ul>	<ul style="list-style-type: none"> <li>Graphic Packaging</li> <li>Dart/Solo</li> <li>Reynolds/Pactiv</li> <li>Koch/Georgia Pacific</li> <li>Novolex</li> <li>Berry Global</li> <li>Westrock</li> <li>Sabert</li> <li>Gen Pak</li> <li>AJM</li> <li>Aspen</li> </ul>	<ul style="list-style-type: none"> <li>Amcor</li> <li>Dai Nippon</li> <li>Constantia</li> <li>Regional players</li> <li>Sealed Air</li> <li>Local players</li> </ul>
Net sales (in 2020)	EUR 308 million (9% of group)	EUR 829 million (25% of group)	EUR 1,139 million (34% of group)	EUR 1,051 million (32% of group)

# Strategic focus areas for segments

Fiber Packaging and Foodservice E-A-O have been integrated as of June 1, 2020

## Fiber Packaging

### Egg and fruit protective packaging

- Steady underlying growth and plastic substitution in some geographies
- Room to expand geographically, within product categories and to take share from plastic
- Base to develop circular models together with Foodservice

### Molded fiber technology

- Plastic substitution in QSR, FMCG and Grocery Retail drives demand for more complex molded fiber applications
- Our molded fiber technology and application development capabilities position us well to capture this opportunity together with Foodservice

## Foodservice E-A-O

### Global key accounts in QSR, Coffee and FMCG

- Strong business with room to grow product portfolio and expand geographically
- Well positioned to expand in emerging markets

### Plastic substitution

- Unique platform in paperboard conversion and molded fiber, to develop complex sustainable solutions
- Global reach and scale allows to industrialize new solutions fast

### Agile models

- Agile model serving small accounts, combining short-run, long-run, sourcing and distribution capabilities
- Base to build a strong food delivery packaging business

## North America

### Retail, Foodservice, Consumer goods

- Convenience lifestyle driving growth for our core products
- Room to expand in growing categories – folded carton, molded fiber, private label pressed plates

### Unique capabilities position us well to capture growth

- Brand building and retail expertise
- Ice cream systems and capabilities
- Paperboard technology and ability to do complex promotion management
- Molded fiber technology and scale
- Strong track record in sustainability
- National network allowing us to offer right products in the right markets to the right customers

## Flexible Packaging

### Strong demand for flexible packaging

- Strong underlying demand for FMCG products, driven by emerging markets
- Flexible packaging remains superior solution for modern retail supply chain
- Footprint in fast growing emerging markets with further room to expand
- Accelerating innovation in line with our customer needs positions us for growth above market

### Competitiveness, agility and sustainability

- Improving operations to be the best-in-class will drive rise in profitability
- Increasing agility, while maintaining quality and reliability
- Actions in circularity, advocacy and innovation for sustainability will enhance our industry leadership



# Segment key figures (1/2)

Fiber Packaging and Foodservice E-A-O have been integrated as on June 1, 2020

- Improving customers access to combined fiber and paperboard technology
- Leveraging organization synergies and growth opportunities (plastic substitution, food delivery)
- Positive financial benefits

## Foodservice Europe-Asia-Oceania

Key figures (MEUR)	2013	2014	2015	2016	2017	2018 <sup>1</sup>	2019	2020	Long-term ambition
Net sales	629.1	620.4	667.5	741.0	807.5	881.7	956.7	829.1	
Comparable growth	2%	4%	4%	5%	4%	4%	4%	-10%	5-7%
Adjusted EBIT	46.9	57.4	52.4	63.2	70.1	77.1	85.7	60.9	
Margin	7.5%	9.3%	7.9%	8.5%	8.7%	8.7%	9.0%	7.3%	9-11%

## Fiber Packaging

Key figures (MEUR)	2013	2014	2015	2016	2017	2018 <sup>1</sup>	2019	2020	Long-term ambition
Net sales	236.3	247.0	260.3	267.8	285.1	283.0	293.4	307.8	
Comparable growth	6%	9%	5%	5%	5%	4%	6%	9%	3-5%
Adjusted EBIT	29.6	35.0	33.5	34.6	28.2	31.2	29.0	37.4	
Margin	12.5%	14.2%	12.9%	12.9%	9.9%	11.0%	9.9%	12.2%	13-15%

All figures excluding Items Affecting Comparability (IAC). <sup>1</sup> 2018 figures have been restated for IFRS 16 impact.



# Segment key figures (2/2)

## North America

Key figures (MEUR)	2013	2014	2015	2016	2017	2018 <sup>1</sup>	2019	2020	Long-term ambition
Net sales	725.3	769.3	947.7	1,005.1	1,000.4	1,002.7	1,152.7	1,138.9	
Comparable growth	5%	6%	4%	6%	2%	5%	9%	1%	3-5%
Adjusted EBIT	38.4	38.4	88.2	107.6	104.1	73.0	111.4	136.6	
Margin	5.3%	5.0%	9.3%	10.7%	10.4%	7.3%	9.7%	12.0%	9-10%

## Flexible Packaging

Key figures (MEUR)	2013	2014	2015	2016	2017	2018 <sup>1</sup>	2019	2020	Long-term ambition
Net sales	585.8	618.0	868.9	868.6	912.7	952.3	1,016.4	1,050.8	
Comparable growth	4%	7%	3%	-1%	4%	7%	3%	1%	6-8%
Adjusted EBIT	44.0	45.5	68.8	73.8	69.7	67.8	82.6	80.7	
Margin	7.5%	7.4%	7.9%	8.5%	7.6%	7.1%	8.1%	7.7%	9-11%

All figures excluding Items Affecting Comparability (IAC). <sup>1</sup> 2018 figures have been restated for IFRS 16 impact.

# Group financials 2010-2020

		2010	2011	2012 <sup>2</sup>	2013 <sup>1</sup>	2014 <sup>1</sup>	2015	2016	2017	2018 <sup>2</sup>	2019	2020
Net sales	MEUR	1,952	2,043	2,321	2,161	2,236	2,726	2,865	2,989	3,104	3,399	3,302
Comparable growth <sup>3</sup>		3%	5%	3%	3%	6%	4%	4%	3%	5%	6%	-2%
Adjusted EBITDA <sup>4</sup>	MEUR	214	208	254	242	259	342	382	390	399	456	473
Margin <sup>4</sup>		11.0%	10.2%	10.9%	11.2%	11.6%	12.5%	13.3%	13.0%	12.8%	13.4%	14.3%
Adjusted EBIT <sup>4</sup>	MEUR	134	128	164	160	175	238	268	268	251	293	302
Margin <sup>4</sup>		6.9%	6.2%	7.0%	7.4%	7.8%	8.7%	9.4%	9.0%	8.1%	8.6%	9.1%
Adjusted EPS <sup>4</sup>	EUR	0.92	0.87	1.19	1.17	1.24	1.65	1.83	1.9	1.69	1.88	1.95
Adjusted ROI <sup>4</sup>		12.0%	9.8%	12.6%	12.1%	12.6%	14.7%	14.7%	13.6%	11.6%	12.3%	11.7%
Adjusted ROE <sup>4</sup>		14.5%	11.0%	15.8%	15.8%	16.1%	18.1%	17.7%	17.0%	14.5%	15.2%	14.8%
Capex	MEUR	86	82	94	121	127	147	199	215	197	204	223
Free cash flow	MEUR	113	65	103	56	65	91	100	56	80	226	207
Gearing		0.32	0.49	0.5	0.5	0.32	0.53	0.57	0.58	0.73	0.63	0.64
Net debt to adj. EBITDA <sup>4</sup>		1.2	1.9	1.6	1.6	1.0	1.6	1.8	1.8	2.3	2.0	1.8
Dividend per share	EUR	0.44	0.46	0.56	0.57	0.60	0.66	0.73	0.80	0.84	0.89	0.92 <sup>5</sup>

<sup>1</sup>Continuing operations <sup>2</sup>Figures restated <sup>3</sup>Net sales growth excluding foreign currency changes, acquisitions and divestments <sup>4</sup>Excluding IAC <sup>5</sup>Proposal by the Board of Directors



# Comparable net sales growth by business segment

Quarterly	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21
Foodservice E-A-O	3%	2%	4%	6%	5%	5%	5%	3%	4%	3%	4%	4%	-4%	-28%	-1%	-7%	-2%	40%
North America	2%	1%	2%	2%	5%	2%	2%	11%	5%	13%	14%	6%	9%	-5%	4%	-2%	-2%	9%
Flexible Packaging	3%	-2%	7%	9%	6%	11%	6%	4%	5%	1%	4%	3%	2%	2%	1%	0%	0%	6%
Fiber Packaging	4%	8%	5%	4%	5%	3%	4%	5%	4%	7%	7%	8%	9%	10%	7%	8%	4%	1%
<b>Group</b>	<b>3%</b>	<b>1%</b>	<b>4%</b>	<b>5%</b>	<b>5%</b>	<b>6%</b>	<b>4%</b>	<b>6%</b>	<b>5%</b>	<b>6%</b>	<b>7%</b>	<b>5%</b>	<b>3%</b>	<b>-8%</b>	<b>2%</b>	<b>-2%</b>	<b>-0%</b>	<b>14%</b>

Annual	FY 17	FY 18	FY 19	FY 20	Long-term ambition
Foodservice E-A-O	4%	4%	4%	-10%	5-7%
North America	2%	5%	9%	1%	3-5%
Flexible Packaging	4%	7%	3%	1%	6-8%
Fiber Packaging	5%	4%	6%	9%	3-5%
<b>Group</b>	<b>3%</b>	<b>5%</b>	<b>6%</b>	<b>-2%</b>	<b>5+%</b>

Fiber Packaging and Foodservice E-A-O have been integrated as on June 1, 2020

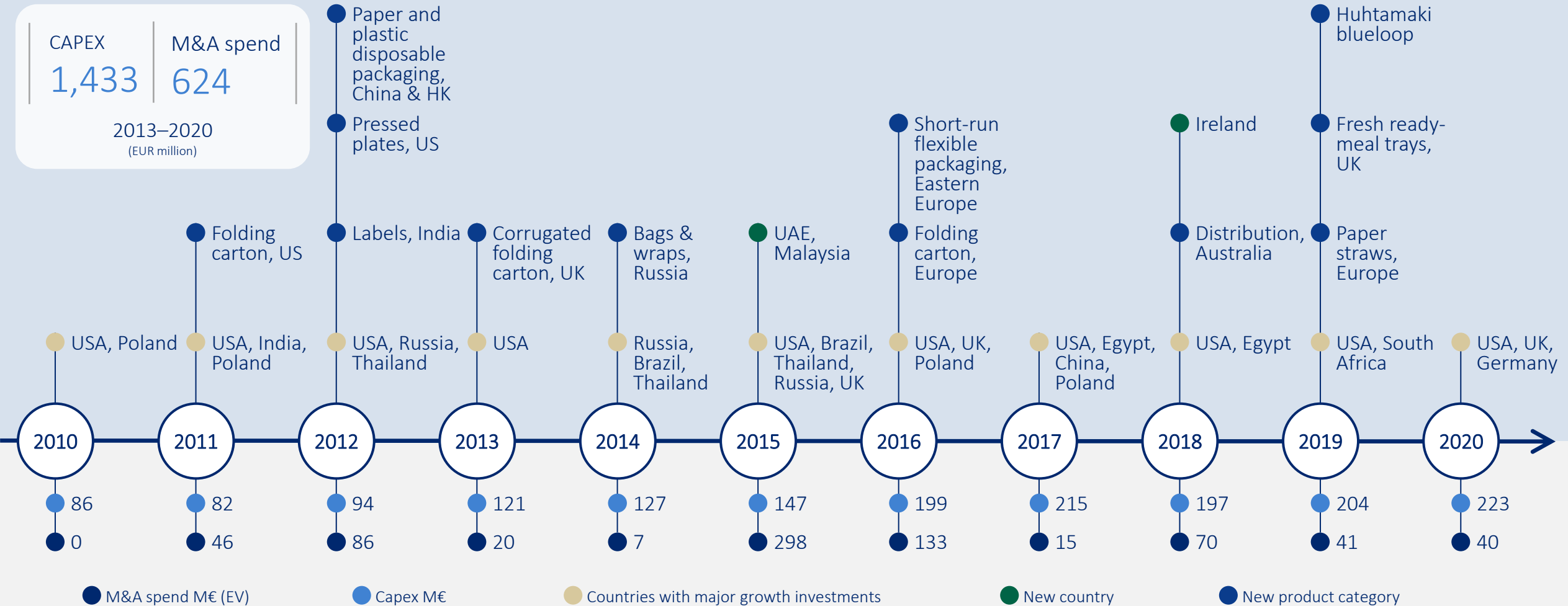
- Improving customers access to combined fiber and paperboard technology
- Leveraging organization synergies and growth opportunities (plastic substitution, food delivery)
- Positive financial benefits

# Solid track record of growth investments

CAPEX  
**1,433**

M&A spend  
**624**

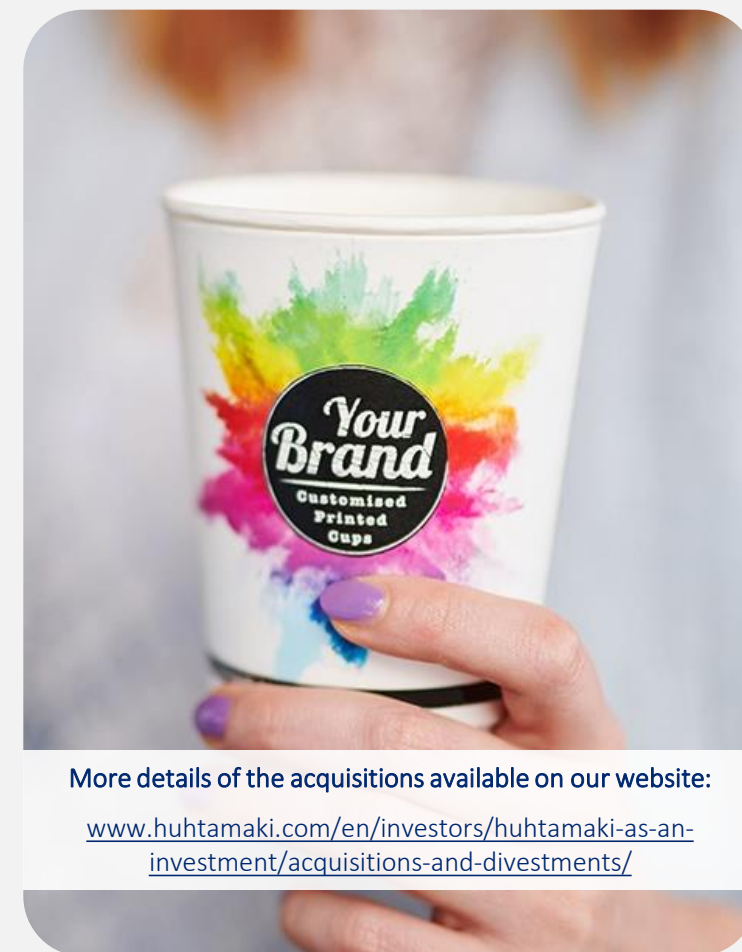
2013–2020  
(EUR million)





# 21 acquisitions completed since 2011

Date (completed)	Acquired company	Country	Acquiring segment
Jun 2021	Jiangsu Hihio-Art Packaging Co. Ltd	China	Foodservice E-A-O
Mar 2020	Laminor S.A.	Brazil	Flexible Packaging
Jan 2020	Mohan Mutha Polytech Private Limited	India	Flexible Packaging
Dec 2019	Everest Flexibles Pty Ltd	South Africa	Flexible Packaging
Jun 2018	Ajanta Packaging	India	Flexible Packaging
May 2018	Cup Print Unlimited Company	Republic of Ireland	Foodservice E-A-O
Apr 2018	Tailored Packaging Pty Ltd.	Australia	Foodservice E-A-O
Sep 2017	International Paper foodservice packaging units	China	Foodservice E-A-O
Jul 2016	Val Pack Solutions Private Limited	India	Foodservice E-A-O
May 2016	Delta Print and Packaging Ltd.	UK	Foodservice E-A-O
Jan 2016	FIOMO a.s.	Czech Republic	Flexible Packaging
Jul 2015	Pure-Stat Technologies, Inc.	USA	North America
Apr 2015	Butterworth Paper Cups	Malaysia	Foodservice E-A-O
Jan 2015	Positive Packaging	India	Flexible Packaging
Aug 2014	Interpac Packaging Ltd.	New Zealand	Foodservice E-A-O
Nov 2013	BCP Fluted Packaging Ltd.	UK	Foodservice E-A-O
Nov 2012	Webtech Labels Private Limited	India	Flexible Packaging
Aug 2012	Winterfield, LLC	USA	North America
Apr 2012	Josco (Holdings) Limited	China	Foodservice E-A-O
Nov 2011	Ample Industries, Inc.	USA	North America
Sep 2011	Paris Packaging, Inc.	USA	North America



More details of the acquisitions available on our website:

[www.huhtamaki.com/en/investors/huhtamaki-as-an-investment/acquisitions-and-divestments/](http://www.huhtamaki.com/en/investors/huhtamaki-as-an-investment/acquisitions-and-divestments/)

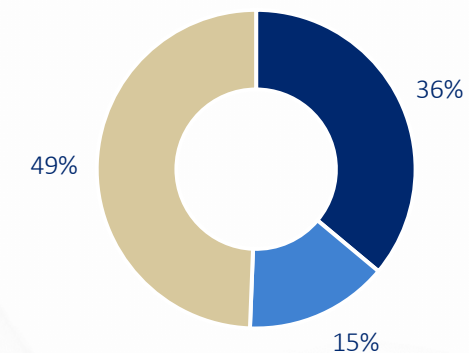
# Appendix: Shareholders and management



# Largest shareholders and split of shareholding

Shareholder	Number of shares	% of total shares	Change	Change %
1. Finnish Cultural Foundation	11,314,840	10.50%	0	0.00%
2. Huhtamäki Oyj	3,395,709	3.15%	0	0.00%
3. Ilmarinen Mutual Pension Insurance Company	2,525,000	2.34%	-140,000	-5.25%
4. Varma Mutual Pension Insurance Company	2,220,809	2.06%	0	0.00%
5. Elo Mutual Pension Insurance Company	1,127,931	1.05%	-10,000	-0.88%
6. Holding Manutas Oy	1,010,000	0.94%	10,000	1.00%
7. Society of Swedish Literature in Finland	963,500	0.89%	-25,000	-2.53%
8. OP-Finland	769,198	0.71%	0	0.00%
9. The State Pension Fund	695,951	0.65%	0	0.00%
10. Security Trading Oy	690,000	0.64%	70,000	11.29%
<b>Total of 10 largest shareholders</b>	<b>24,712,938</b>	<b>22.93%</b>	<b>-95,000</b>	<b>-0.09%</b>
<b>Other shareholders</b>	<b>83,047,447</b>	<b>77.07%</b>	-	-
<b>Total</b>	<b>107,760,385</b>	<b>100.00%</b>	-	-

## Split of shareholding

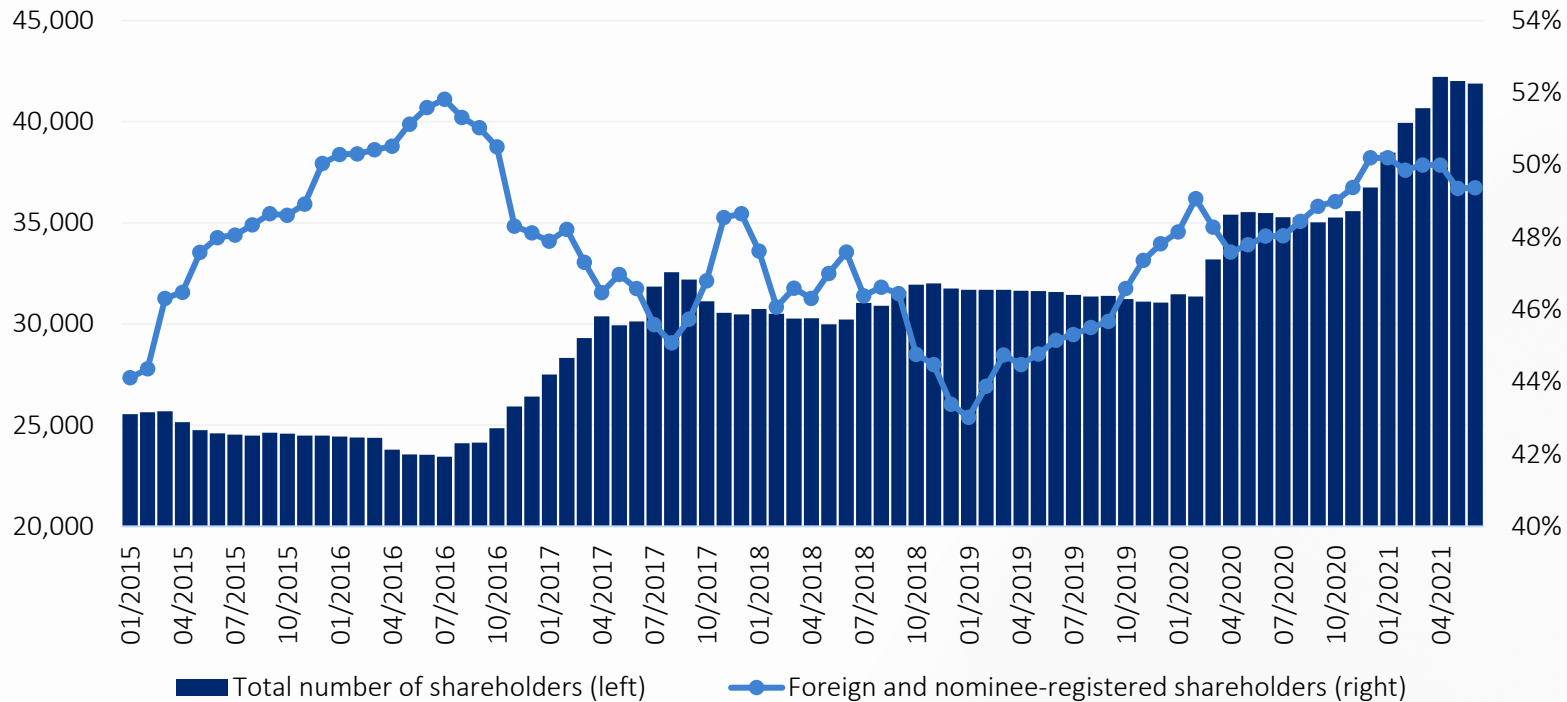


- Finnish institutions, companies and organizations
- Households
- Foreign and nominee-registered shareholders

Shareholder data as at June 30, 2021. 'Change' refers to the change in shareholding during the previous calendar month.

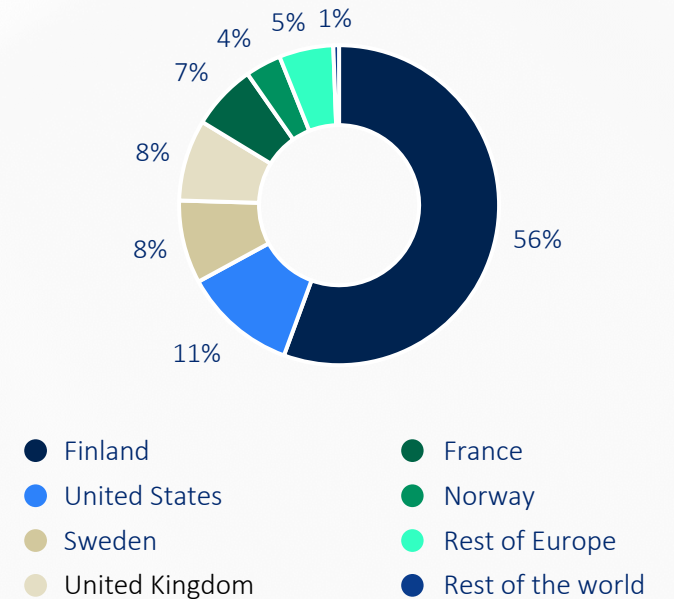
# Foreign shareholding and distribution by geography

## Total number of shareholders and foreign shareholding



## Approximate shareholder distribution by geography

(Ownership as a percentage of identified shareholders in September 2020)





# Global Executive Team



Charles Héaulmé  
President and CEO



Marco Hilty<sup>1</sup>  
President, Flexible Packaging



Eric Le Lay  
President, Foodservice EAO  
and Fiber Packaging



Ann O'Hara  
President, North America



Thomas Geust  
CFO



Thomasine Kamerling  
EVP Sustainability  
and Communications



Marina Madanat  
EVP Strategy and  
Business Development



Sami Pauni  
EVP Corporate Affairs and  
Legal, Group General Counsel



Teija Sarajärvi<sup>2</sup>  
EVP Human Resources  
and safety



Antti Valtokari  
EVP IT and  
Process Performance

1) Marco Hilty, (49), Ph.D. in Business Administration from University of St. Gallen (Switzerland), has been appointed President, Flexible Packaging as of September 1, 2021.

2) As announced on July 22, 2021, Teija Sarajärvi, EVP, Human Resources and Safety, has decided to leave Huhtamaki in order to pursue another career opportunity.

# Board of Directors



**Pekka Ala-Pietilä**  
Chairman of the Board



Born 1957, Finnish citizen

**Starting date:** April 24, 2012

**Key positions of trust:**

Sanoma Corporation, Chairman of the Board (2016–) and Board member (2014–2016); SAP SE, Supervisory Board member (2002–2021); and others



**Kerttu Tuomas**  
Vice-Chairman



Born 1957, Finnish citizen

**Starting date:** April 27, 2017

**Key positions of trust:**

Medix Biochemica Group Oy, Board member (2018–); Kemira Oyj, Vice-Chairman of the Board (2014–2021) and Board member (2010–2021); and others



**Doug Baillie**



Born 1955, U.K. citizen

**Starting date:** April 21, 2016

**Key positions of trust:**

Little Sun Foundation, Board Member (2020–); Airtel Africa PLC, Board member (2019–); The MasterCard Foundation, Board member (2015–); and others



**William R. Barker**



Born 1949, U.S. citizen

**Starting date:** March 24, 2010

**Key positions of trust:**

Shield Holdco LLC (holding company of Dynatect Manufacturing, Inc.), Board member (2014–) and Chairman of the Board (2014–2019); and others



**Anja Korhonen**



Born 1953, Finnish citizen

**Starting date:** April 25, 2018

**Key positions of trust:**

Outotec Oyj, Board member (2013–2020); Oriola Oyj, Board member (2014–)



**Sandra Turner**



Born 1952, U.K. citizen

**Starting date:** April 20, 2011

**Key positions of trust:**

Greggs PLC, Board member (2014–); McBride PLC, Board member (2011–2020); Greene King PLC, Board member (2019); and others



**Ralf K. Wunderlich**



Born 1966, German citizen

**Starting date:** July 1, 2018

**Key positions of trust:**

AptarGroup, Board member (2009–); Essentra PLC, Board member (2017–); Shepherd Building Group, Board Member (2021–)

All members of the Board of Directors are independent of the Company and significant shareholders.

AC = Audit Committee

HR = Human Resources Committee

★ = Chairman of the Committee

For more information about the Board of Directors, please see [here](#).

Q2 2021 results:  
Strong comparable net sales  
growth with improved profitability

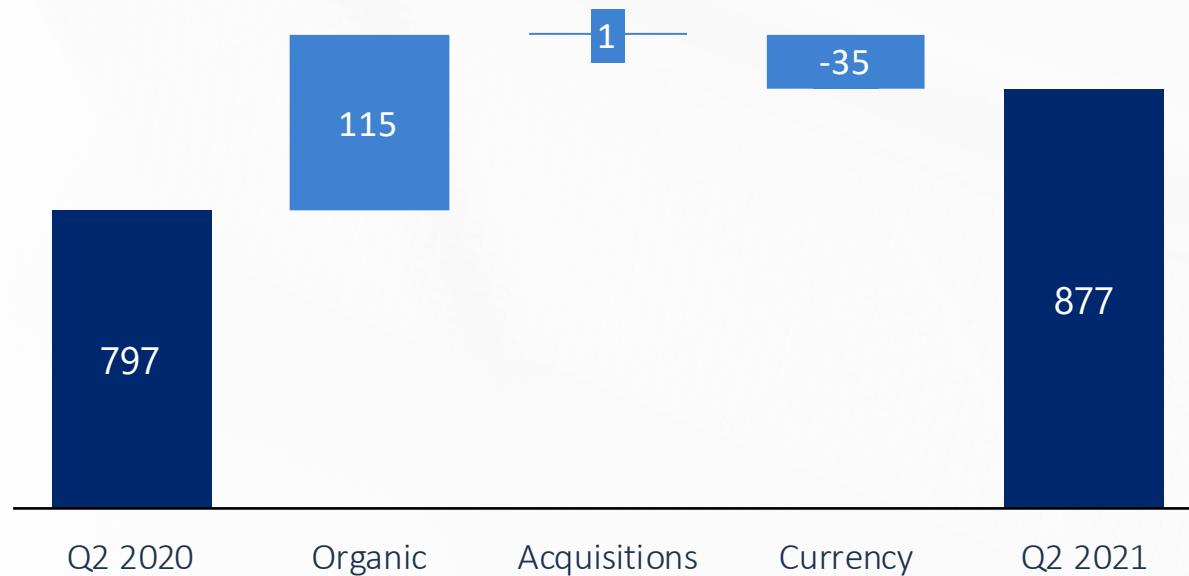


Huhtamaki



# Q2 2021: Significant growth compared to the COVID-19 pandemic trough

Development of net sales in Q2 2021  
(EUR million)



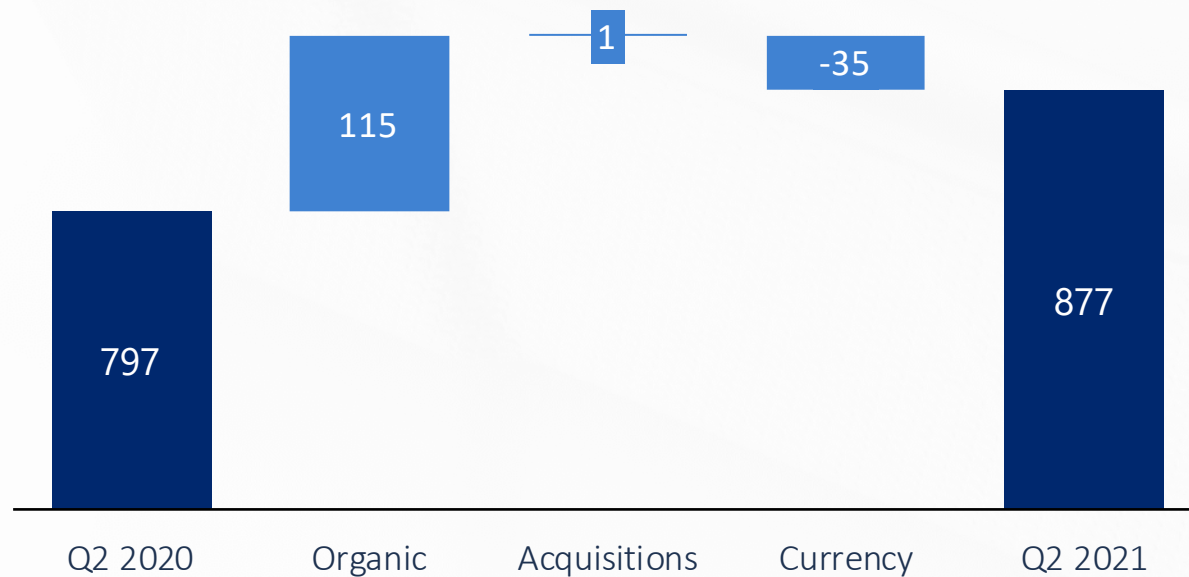
## Net sales increased 10% in Q2 2021

- Comparable net sales growth 14% (20% in emerging markets)
- 4% negative currency impact

Comparable net sales growth is growth excluding foreign currency changes, acquisitions, divestments and ancillary businesses. Acquisitions calculated for 12 first months from closing.

# H1 2021: Solid sales growth despite significant currency headwind

Development of net sales in Q2 2021  
(EUR million)



## Net sales increased 10% in Q2 2021

- Comparable net sales growth 14% (20% in emerging markets)
- 4% negative currency impact

Comparable net sales growth is growth excluding foreign currency changes, acquisitions, divestments and ancillary businesses. Acquisitions calculated for 12 first months from closing.



# Gradual recovery for food on-the-go, slow progress in Flexible Packaging

<i>Comparable growth</i>	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	2020	Long-term ambitions
Foodservice E-A-O	-4%	-28%	-1%	-7%	-2%	-10%	5-7%
North America	9%	-5%	4%	-2%	-2%	1%	3-5%
Flexible Packaging	2%	2%	1%	0%	0%	1%	6-8%
Fiber Packaging	9%	10%	7%	8%	4%	9%	3-5%
<b>Group</b>	<b>3%</b>	<b>-8%</b>	<b>2%</b>	<b>-2%</b>	<b>-0%</b>	<b>-2%</b>	<b>5+%</b>

- COVID-19 continued to affect foodservice business globally, however demand is gradually improving
- North America sales growth impacted by the relative comparison to a very strong Q1 2020
- Slow progress in Flexible Packaging organic growth
- Solid growth in fiber even in comparison to a very strong Q1 last year

Comparable net sales growth is growth excluding foreign currency changes, acquisitions, divestments and ancillary businesses.

# Improved adjusted EBIT margin despite inflation of input costs

<i>MEUR</i>	Q2 21	Q2 20	Change	H1 21	H1 20	Change
Net sales	877.1	797.1	10%	1,679.0	1,641.7	2%
Adjusted EBIT <sup>1</sup>	79.9	70.1	14%	156.8	143.7	9%
<i>Margin</i>	9.1%	8.8%		9.3%	8.8%	
Adjusted EPS, EUR <sup>2</sup>	0.53	0.44	21%	1.02	0.90	13%
Capital expenditure	51.8	40.3	29%	84.9	79.7	7%

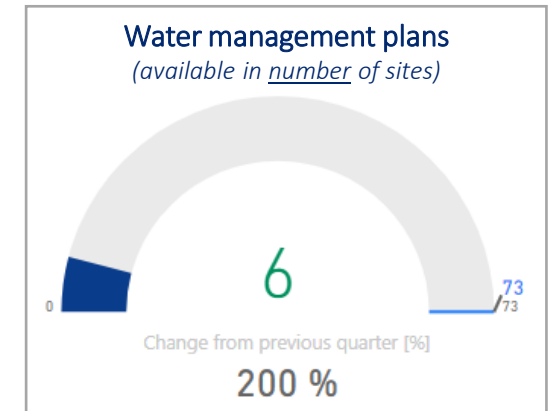
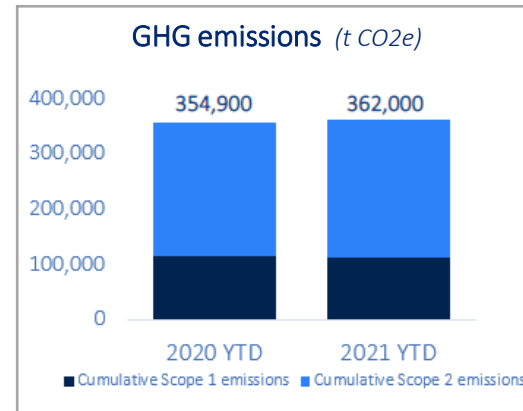
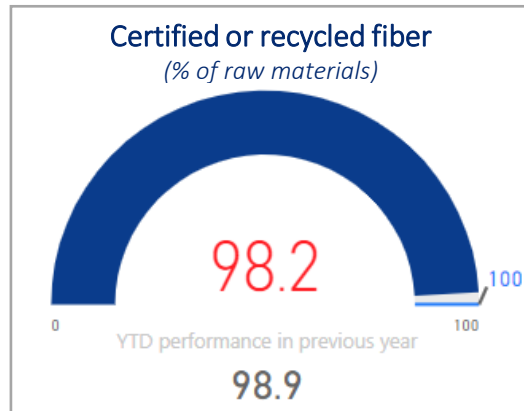
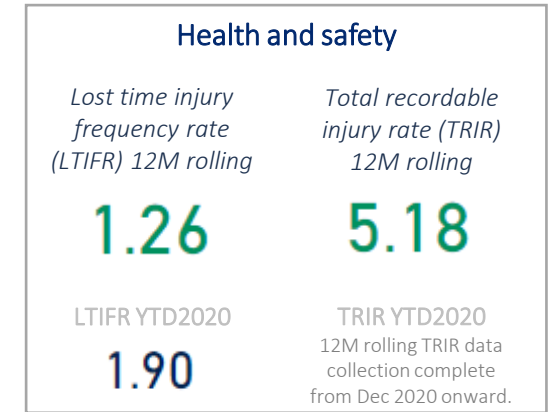
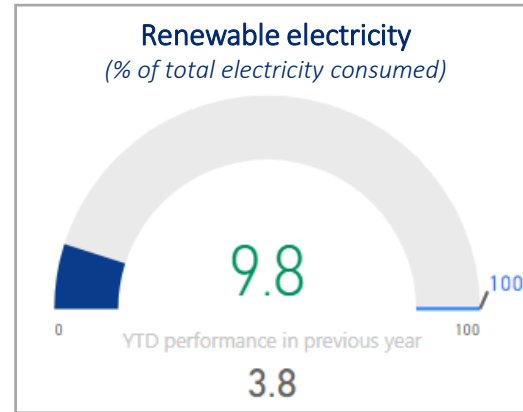
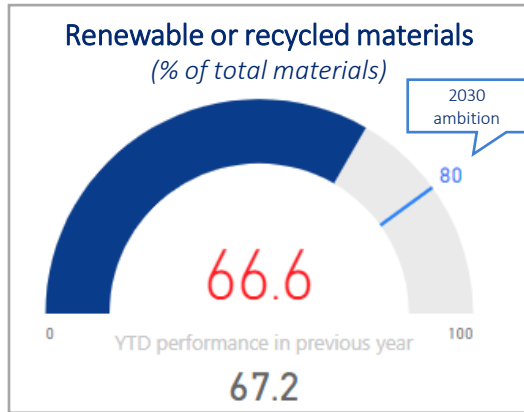
## Q2 commentary:

- Growth in net sales also compared to pre-pandemic levels
- Adjusted EBIT improved through operational efficiency and pricing actions to offset input cost headwind
- Increase in adjusted EPS following improvement in earnings
- Increase in capex to accelerate growth and expand portfolio

1) Excluding IAC of EUR -4.9 million in Q2 2021 (EUR 0.1 million) and EUR -10.3 million in H1 2021 (EUR 9.0 million).

2) Excluding IAC of EUR -3.8 million in Q2 2021 (EUR 0.1 million) and EUR -7.9 million in H1 2021 (EUR 7.0 million).

# Positive progress in the execution of our sustainability initiatives leads to improvement in our GSI



Blue figures displayed in the charts reflect Huhtamaki Group's 2030 ambitions; GHG = greenhouse gas  
Huhtamaki has developed a Global Sustainability Index (GSI) to monitor its progress towards the long-term sustainability ambitions.

# Q2 2021 results: Business segment review

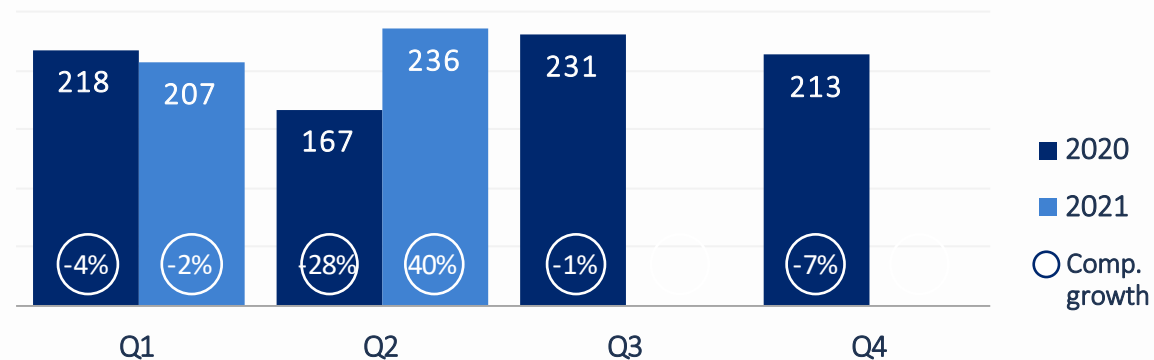




# Foodservice EAO: Gradual recovery in demand continued

Key figures, MEUR	Q2 21	Q2 20	Change
Net sales	235.8	167.2	41%
Comparable growth	40%	-28%	
Adjusted EBIT <sup>1</sup>	19.9	6.2	>100%
Margin	8.4%	3.7%	
Capital expenditure	15.4	18.5	-17%
Operating cash flow <sup>1</sup>	12.5	-7.0	>100%

Net sales and comparable growth (EUR million & %)



Key figures, MEUR	H1 21	H1 20	Change
Net sales	443.2	384.8	15%
Comparable growth	17%	-17%	
Adjusted EBIT <sup>1</sup>	37.5	23.6	59%
Margin	8.5%	6.1%	
Adjusted RONA	9.3%	8.7%	
Capital expenditure	25.2	34.5	-27%
Operating cash flow <sup>1</sup>	33.9	4.1	>100%

- Gradual demand recovery continued, close to pre-COVID levels – discrepancies between customer channels and markets remain
- Net sales and adjusted EBIT increased from a low base:
  - Improved through pricing actions and continued focus on operational efficiency – partially offset by higher polymer prices
  - Our transformation journey continues, focused on improving our competitiveness, innovation and sustainability
- The acquisition of Jiangsu Hihio-Art Packaging Co. Ltd. was completed on June 11

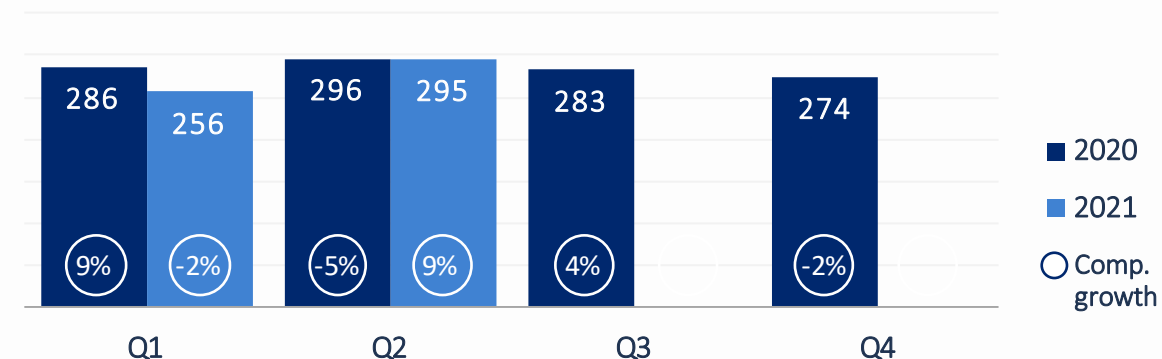
1) Excluding IAC of EUR -1.4 million in Q2 2021 (EUR -0.5 million) and EUR -5.6 million in H1 2021 (EUR -2.1 million).

# North America: Recovery in foodservice and growth in retail tableware continued

Key figures, MEUR

	Q2 21	Q2 20	Change
Net sales	295.2	296.1	-0%
Comparable growth	9%	-5%	
Adjusted EBIT <sup>1</sup>	38.2	37.9	1%
Margin	13.0%	12.8%	
Capital expenditure	12.8	9.9	29%
Operating cash flow <sup>1</sup>	34.1	71.9	-53%

Net sales and comparable growth (EUR million & %)



Key figures, MEUR

	H1 21	H1 20	Change
Net sales	551.2	582.3	-5%
Comparable growth	4%	1%	
Adjusted EBIT <sup>1</sup>	69.4	68.4	2%
Margin	12.6%	11.7%	
Adjusted RONA	17.4%	14.9%	
Capital expenditure	22.4	21.8	3%
Operating cash flow <sup>1</sup>	47.1	79.2	-41%

- Gradual recovery in demand for foodservice packaging continued. High demand for retail tableware
- Strong sales growth driven by foodservice packaging and retail tableware – offset by substantial negative currency translation
- Raw material price and distribution cost inflation mitigated by pricing actions
- Adjusted EBIT improved, driven by volume growth and operational efficiencies

1) Excluding IAC of EUR -0.6 million in Q2 2021 (EUR 0.0 million) and EUR -0.6 million in H1 2021 (EUR -3.4 million).

# Flexible Packaging: Solid overall demand, headwind from raw material prices

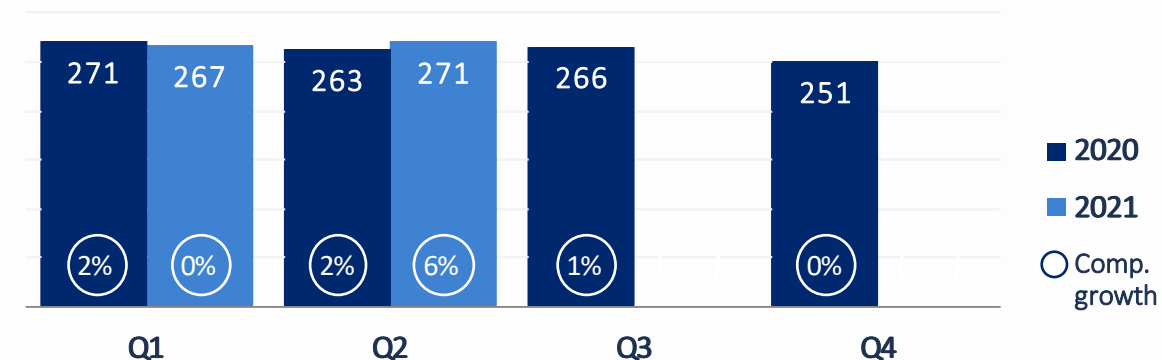
Key figures, MEUR

	Q2 21	Q2 20	Change
Net sales	270.7	263.1	3%
Comparable growth	6%	2%	
Adjusted EBIT <sup>1</sup>	16.6	19.1	-13%
Margin	6.1%	7.3%	
Capital expenditure	11.5	7.5	53%
Operating cash flow <sup>1</sup>	11.8	7.4	60%

Key figures, MEUR

	H1 21	H1 20	Change
Net sales	537.8	534.0	1%
Comparable growth	3%	2%	
Adjusted EBIT <sup>1</sup>	38.3	40.1	-4%
Margin	7.1%	7.5%	
Adjusted RONA	9.8%	10.1%	
Capital expenditure	19.7	15.5	27%
Operating cash flow <sup>1</sup>	26.7	9.1	>100%

Net sales and comparable growth (EUR million & %)



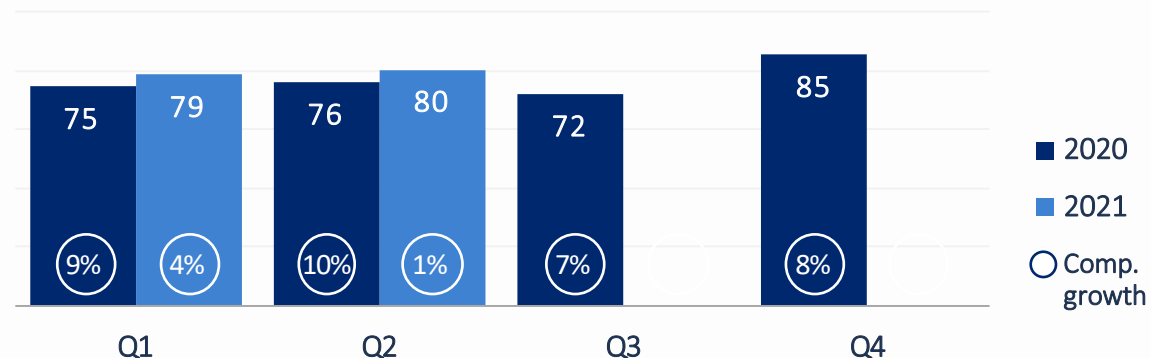
- Overall good demand, though significant variation between product categories and markets
- Sales growth in most markets against a weak Q2 2020
- Earnings impacted negatively by higher raw material prices, partially offset by improved operational efficiency and pricing actions
  - India particularly impacted both through cost inflation and soft demand
- Marco Hilty appointed President, Flexible Packaging as of September 1

1) Excluding IAC of EUR -1.6 million in Q2 2021 (EUR -0.3 million) and EUR -2.8 million in H1 2021 (EUR -4.9 million).

# Fiber Packaging: Continued solid performance

Key figures, MEUR	Q2 21	Q2 20	Change
Net sales	80.4	75.7	6%
Comparable growth	1%	10%	
Adjusted EBIT <sup>1</sup>	8.3	8.5	-2%
Margin	10.3%	11.2%	
Capital expenditure	11.6	4.3	>100%
Operating cash flow <sup>1</sup>	2.4	7.5	-68%

Net sales and comparable growth (EUR million & %)



Key figures, MEUR	H1 21	H1 20	Change
Net sales	158.9	150.2	6%
Comparable growth	3%	10%	
Adjusted EBIT <sup>1</sup>	17.8	16.7	6%
Margin	11.2%	11.1%	
Adjusted RONA	15.7%	13.4%	
Capital expenditure	16.9	7.7	>100%
Operating cash flow <sup>1</sup>	5.0	7.4	-32%

- Continued solid demand for fiber-based packaging, with variation across markets
- Strong growth especially in Russia and France
- Earnings negatively impacted by higher raw material prices, partially offset by pricing actions and operational efficiencies
- Investment into new manufacturing unit in KwaZulu-Natal in South Africa announced in May – in addition to previously announced capacity expansions e.g. in Egypt and Russia

1) Excluding IAC of EUR -0.5 million in Q2 2021 (EUR -0.8 million) and EUR -0.5 million in H1 2021 (EUR -1.5 million).



# Q2 2021 results: Financials review



# Higher sales and operational improvements driving improved earnings

MEUR	Q2 21	Q2 20	Change	H1 21	H1 20	Change
Net sales	877.1	797.1	10%	1,679.0	1,641.7	2%
Adjusted EBITDA <sup>1</sup>	121.1	112.1	8%	238.8	229.1	4%
<i>Margin<sup>1</sup></i>	<b>13.8%</b>	14.1%		<b>14.2%</b>	14.0%	
Adjusted EBIT <sup>2</sup>	79.9	70.1	14%	156.8	143.7	9%
<i>Margin<sup>2</sup></i>	<b>9.1%</b>	8.8%		<b>9.3%</b>	8.8%	
EBIT	75.0	70.2	7%	146.6	152.7	-4%
Net financial items	-5.9	-8.4	30%	-14.3	-17.6	19%
Adjusted profit before taxes	74.0	61.7	20%	142.6	126.1	13%
Adjusted income tax expense <sup>3</sup>	-17.3	-13.9	-25%	-33.4	-28.4	-18%
Adjusted profit for the period <sup>4</sup>	56.7	47.8	18%	109.2	97.7	12%
Adjusted EPS, EUR <sup>4</sup>	<b>0.53</b>	0.44	21%	<b>1.02</b>	0.90	13%

- Sales growth supported by all segments and partly offset by currency headwind
- Earnings improved following improved operational efficiency and pricing actions
- Lower net financial items
- Tax rate 23%
- Adjusted EPS increased 21% in Q2

1) Excluding IAC of EUR -6.8 million in Q2 2021 (EUR 0.9 million) and EUR -9.7 million in H1 2021 (EUR 14.0 million).

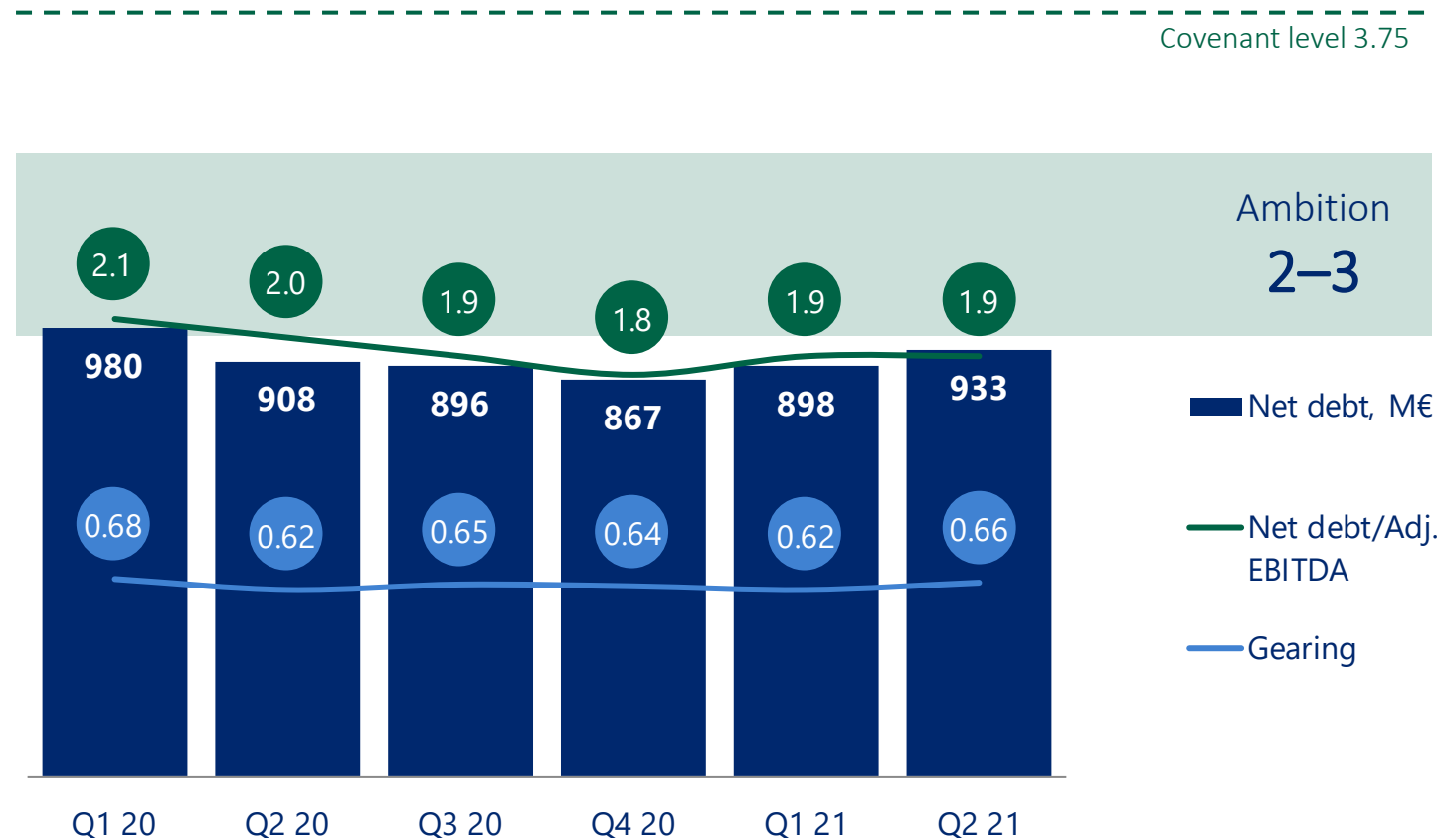
2) Excluding IAC of EUR -4.9 million in Q2 2021 (EUR 0.1 million) and EUR -10.3 million in H1 2021 (EUR 9.0 million).

3) Excluding IAC of EUR 1.2 million in Q2 2021 (EUR -0.0 million) and EUR 2.4 million in H1 2021 (EUR -2.0 million).

4) Excluding IAC of EUR -3.8 million in Q2 2021 (EUR 0.1 million) and EUR -7.9 million in H1 2021 (EUR 7.0 million).

# Net debt to adjusted EBITDA decreased compared to Q2/2020

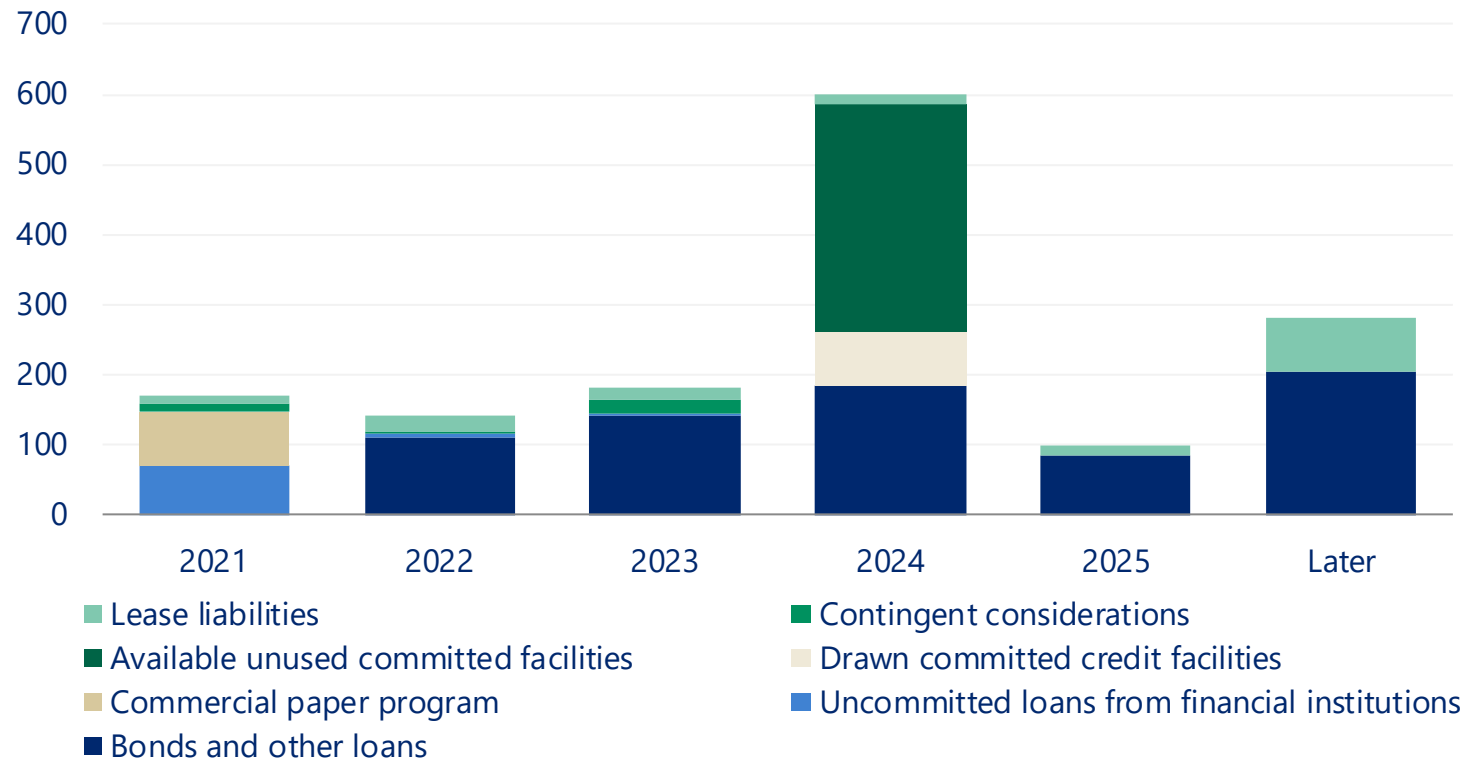
Net debt, net debt/adj. EBITDA and gearing



- Net debt/Adj. EBITDA at **1.9**
- At the end of Q2 2021:
  - Cash and cash equivalents EUR 213 million
  - Unused committed credit facilities available EUR 324 million
- Net debt EUR 933 million and lease liabilities EUR 159 million

# Loan maturities

Debt maturity structure June 30, 2021  
(EUR million)



- Average maturity 3.1 years at the end of Q2 2021 (3.1 at the end of Q2 2020)
- Unused committed credit facilities of EUR 324 million maturing in 2022



# Progress towards long-term financial ambitions

	2014	2015	2016	2017	2018	2019	2020	H1 2021	Long-term ambition
Organic growth	6%	4%	4%	3%	5%	6%	-2%	6%	5+%
Adjusted EBIT margin	7.8%	8.7%	9.4%	9.0%	8.1%	8.6%	9.1%	9.3%	10+%
Net debt/Adj. EBITDA	1.0	1.6	1.8	1.8	2.3	2.0	1.8	1.9	2-3
Dividend payout ratio	47%	40%	40%	42%	50%	47%	47%		40-50%

- In April, the AGM decided on a dividend payment of EUR 0.92 in two instalments:
  - First instalment of EUR 0.46 per share was paid on May 3, 2021
  - Second instalment of EUR 0.46 per share will be paid on October 8, 2021

FY 2018 figures restated for IFRS 16 impact.

# Q2 2021 results: Looking forward



# Outlook 2021

(unchanged)

The Group's trading conditions are expected to improve compared to 2020, however with continued volatility in the operating environment. Huhtamaki's diversified product portfolio provides resilience and the Group's good financial position enables addressing profitable growth opportunities.

# Short-term risks and uncertainties

The COVID-19 pandemic may create disturbances in the Group's trading conditions and its operating environment, as well as in demand for the Group's products. Volatile raw material, distribution and energy prices as well as movements in currency rates are considered to be relevant short-term business risks and uncertainties in the Group's operations. General political, economic and financial market conditions can also have an adverse effect on the implementation of the Group's strategy and on its business performance and earnings. Further, natural disasters and social unrest may have negative effects on the Group's operating environment.



# Strong comparable net sales growth with improved profitability

- Net sales and profitability above pre-pandemic levels
  - The gradual recovery in demand for food on-the-go products has continued
  - Strong demand for retail tableware and fiber packaging continued
  - Significant inflationary cost environment, however well mitigated
- Acquisition of Jiangsu Hihio-Art Packaging completed on June 11, 2021
- We roll out new products supporting plastic substitution, e.g. fiber lids, new egg cartons in key markets



# Financial calendar 2021

**October 21, 2021**

Q3 2021 Interim Report

# Disclaimer

Information presented herein contains, or may be deemed to contain, forward-looking statements. These statements relate to future events or Huhtamäki Oyj's or its affiliates' ("Huhtamäki") future financial performance, including, but not limited to, strategic plans, potential growth, expected capital expenditure, ability to generate cash flows, liquidity and cost savings that involve known and unknown risks, uncertainties and other factors that may cause Huhtamäki's actual results, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such risks and uncertainties include, but are not limited to: (1) general economic conditions such as movements in currency rates, volatile raw material and energy prices and political uncertainties; (2) industry conditions such as demand for Huhtamäki's products, pricing pressures and competitive situation; and (3) Huhtamäki's own operating and other conditions such as the success of manufacturing activities and the achievement of efficiencies therein as well as the success of pending and future acquisitions and restructurings and product innovations. Future results may vary from the results expressed in, or implied by, forward-looking statements, possibly to a material degree. All forward-looking statements made in this presentation are based on information currently available to the management and Huhtamäki assumes no obligation to update or revise any forward-looking statements. Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities or otherwise to engage in any investment activity.

For further information,  
please contact us:

[ir@huhtamaki.com](mailto:ir@huhtamaki.com)

[www.huhtamaki.com/investors](http://www.huhtamaki.com/investors)

**Huhtamaki**