

Group Environmental Policy

Date issued	<i>December 13, 2022</i>
Issued by	Global Executive Team
Mgmt responsibility	Group Sustainability, Environment
Version	3.0

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Group Environmental Policy

1 Overview and Purpose

At Huhtamaki, we are committed to protecting food, people and the planet. We believe in the essential nature of packaging in maintaining safe, hygienic, affordable and accessible everyday necessities and focus on offering sustainable packaging solutions for billions of consumers around the world. Our innovative products protect on-the-go and on-the-shelf food and beverages, ensuring hygiene and safety, and help prevent food waste. We are committed to not only reducing our impact on the natural environment as we embed sustainability in everything we do but to also ensuring that the impact of packaging is net positive.

For us Sustainability means considering the full impact we have; both positive and negative; throughout the value chain, in terms of the environment, social responsibility and governance. To help us stay true to our 2030 Sustainability ambitions, Huhtamaki has developed a global sustainability dashboard with select key performance indicators as set forth on Appendix A. The environmental key performance indicators in the dashboard reflect a part of our entire ESG agenda and are revised when appropriate..

2 Scope and Application of Policy

The objective of this Policy is to ensure a global and group-wide understanding of Huhtamaki environmental commitments as well as to provide to guidance to our Business Segments, operations and functions in how to meet our group commitments.

The Group Environmental Policy is adhered to by Huhtamäki Oyj, all its subsidiaries, associated companies and other affiliates. It applies to all employees, as well as consultants, agency personnel and joint vendors who work at Huhtamaki premises or are under the direction of Huhtamaki. The Code of Conduct for Huhtamaki suppliers outlines the Huhtamaki environmental standards for Huhtamaki's suppliers.

The Policy is related to and aligned with relevant environmental policies in Huhtamaki's Business Segments.

3 Group Environmental Policy Statement

- Huhtamaki will ensure compliance with all applicable local, national and regional environmental legislation as well as other standards, internal and external.
- Our aim is to go beyond legal compliance by continuously improving our environmental management and performance through our Global Environment Management Standards, and related Risk Management and Control Standards.
- We work with industry bodies, government agencies, business partners and other stakeholder organizations to promote environmental care, increase knowledge and disseminate best practice.
- We undertake appropriate reviews and evaluation of our operations to measure progress and to ensure compliance with this Policy.

- As described in our Enterprise Risk Management (ERM) process, we apply a precautionary approach in our decision-making and integrate environmental principles in our business strategy.
- We have developed a global sustainability dashboard with essential key performance indicators that help us monitor and communicate on our progress against our 2030 sustainability ambitions. These key performance indicators reflect part of our ESG agenda and are revised from time to time, as needed.
- The global dashboard is updated regularly, we share the dashboard results at least twice a year with external stakeholders to provide timely and transparent updates on our performance against our 2030 commitments to external stakeholders. See **Appendix A**.

4 Training and Reporting of Non-Compliance

We actively communicate in order to ensure that employees, suppliers and partners are aware of the Group Environmental Policy, our Global Environment Management Standards and related Risk Management and Control Standards and motivated to apply them; as well as being aware of their own responsibilities and given the necessary training and support.

At Huhtamaki, everyone has a role in ensuring the protection of our environment. Everyone is encouraged to report any non-compliance to their manager or HR representative. Alternatively, Huhtamaki Speak Up channel can be used. Message through Speak Up channel can be submitted anonymously, if allowed by the local laws and regulations.

We implemented an e-learning on Sustainability which is mandatory for all our employees in 2022. The training addresses our commitment to our 2030 sustainability ambitions of which our environment policy plays a part.

Appendix A: Huhtamaki 2030 Sustainability Ambition

Huhtamaki is committed to delivering sustainable and safe packaging solutions responsibly. We create value for our customers, shareholders and employees while aiming at a net-positive impact on food, people and the planet across the entire life cycle of our products.

We have developed the global sustainability dashboard described below with a selection of key performance indicators as part of its reporting obligations of the Group Environmental Policy. These key performance indicators reflect our ESG agenda and may be revised from time to time, as needed. The global sustainability dashboard is updated regularly and used to communicate our performance against our commitments to external stakeholders.

Huhtamaki sustainability ambition currently focuses on the following areas:

Climate and energy

We are committed to:

- Emission reduction targets as approved and validated by the Science-based Targets Initiative in 2021:
 - In our operations, we aim to reduce our absolute Scope 1 and Scope 2 GHG emissions by 27.5% by 2030 from a 2019 base year.
 - In order to reduce the Scope 3 emissions from our value chain, we aim to drive emissions reductions related to the raw materials that we use in our production and to reduce the emissions from the end-of life treatment of our products. Huhtamaki has committed to ensuring that 70% of our suppliers, by spend, sign up to setting their own science-based targets by 2026.
 - In our downstream value chain, we are committed to reducing the GHG emissions from the end-of-life treatment of our products by 13.5% by 2030 from a 2019 base year.
- Shifting to 100% renewable energy sources with an aim to reach carbon neutral production by 2030.
- Working towards decoupling production and carbon intensity by smart integration of renewables, energy efficiency and other sustainable solutions to achieve decarbonization.

Water and effluent

We are committed to:

- The principles of circular water management: reducing water loss by boosting water efficiency, re-using water that needs minimal or no treatment, recycling water, restoring water by returning it to source at the same or better quality and recovering resources from wastewater.
- Maintaining site-specific water management plans for all Huhtamaki manufacturing sites identifying water-related risks and implement appropriate actions to address the risks and drive reduction in water intensity. To this end we have implemented a water reduction KPI in our Global Sustainability Index across all our sites which is effective as of 2023.
- Using Aqueduct Water Risk Atlas by World Resource Institute (WRI) to identify the sites in water-stressed areas.

Biodiversity and forests

We are committed to:

- Zero deforestation and zero conversion of areas of high biodiversity value in our supply chain.

- Maintaining and enhancing biodiversity for our own operations and encouraging our suppliers to do the same.
- Conduct an audit of our operational activities to determine the exposure to critical biodiversity.
- Having traceability systems in place to track and monitor the origin of the forest-based materials we use.
- Sourcing virgin wood fiber from sustainably managed forests either certified to Forest Stewardship Council® (FSC®), the Programme for the Endorsement of Forest Certification™ (PEFC™), Sustainable Forestry Initiative® (SFI®) or other comparable and reputable certification schemes. We recognize that wood has high potential impact on biodiversity. Enhancing or maintaining the biodiversity is one of the focus areas in sustainable forest management as managed by FSC®, PEFC™, and SFI®.

Waste and design for circularity

We are committed to:

- 100% of our products are designed to be recyclable, compostable or reusable by 2030.
- More than 80% of all our raw materials are either renewable or recycled by 2030.
- In our operations, more than 90% of non-hazardous waste is to be recycled or composted and no production waste is to be sent to landfill by 2030. Adopting a product stewardship approach covering the full product life cycle when we design and manufacture our products and source the raw materials to drive circularity
- Tackling the waste challenge by addressing both production waste and the end-of-life of the product both in our value chain and by working with others
- Addressing this issue through cooperation with stakeholders across the entire value chain and by designing for circularity, minimizing waste in our own production and finding solutions to develop waste management infrastructure.
- Enabling the circular economy by designing ready to recycle packaging solutions. Actual recycling rates are dependent on the local availability of infrastructure and consumer behavior.

Chemicals

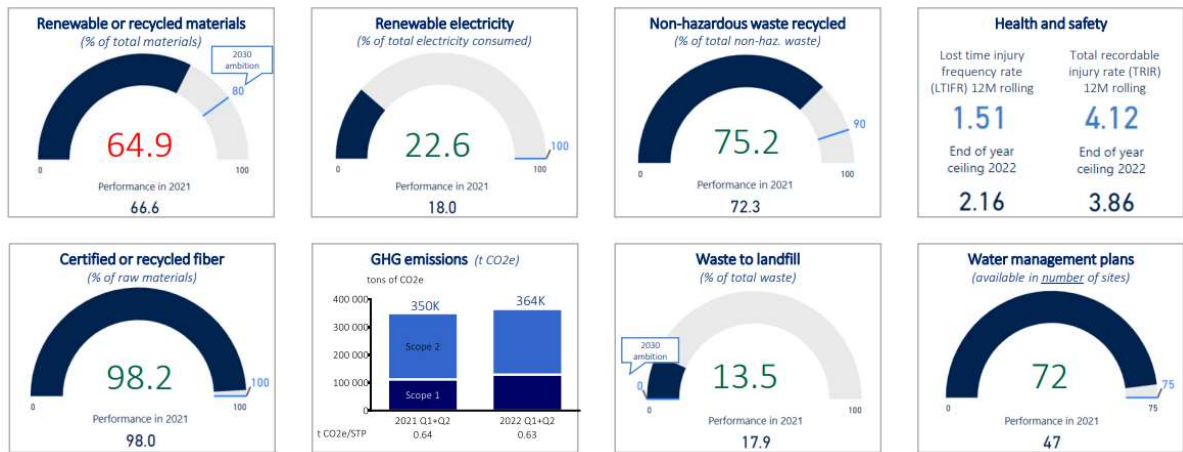
We are committed to:

- Complying with all applicable global, regional and national chemicals-related legislation including REACH (Regulation (EC) No 1907/2006) and CLP in the EU and the United Nations' Globally Harmonized System (GHS) worldwide.
- Protecting the environment and public health including the restriction and the substitution of potentially hazardous high impact chemicals, globally. We aim to minimize the consumption of chemicals in our production and to reduce the environmental impact of our business, across all our operations.
- Aligning our approach in proactive chemicals management with internationally recognized frameworks developed for the chemical industry, for example Responsible Care by the International Council of Chemical Associations and Safe and Sustainable by Design by the European Chemical Industry Council.
- Reducing the quantity of solvents used in our Flexibles business. We have therefore set a % target for the reduction of solvents used in our 28 Flexible sites

Example of Huhtamaki Group Sustainability dashboard

The Huhtamaki Group Sustainability dashboard shows our key ESG KPIs. It is included in this Huhtamaki Group Environmental Policy as an appendix and updated at least twice a year.

Huhtamaki Sustainability dashboard H1 2022



Version Management

Version	Amendment	Approved
V2.0 (2021)	Sustainability Center of Excellence <ul style="list-style-type: none"> - New Group Environmental Policy developed based on an existing internal policy 	Global Executive Team
v2.1 (2022)	Sustainability Center of Excellence Appendix A amendment <ul style="list-style-type: none"> - Science Based Targets initiative approval added - Sustainability dashboard updated 	Sustainability and Communications
V3.0 (2022)	Group sustainability, Environment Appendix A amendment <ul style="list-style-type: none"> - Biodiversity and deforestation commitments added - Product stewardship approach covering the full product life cycle for designing added - International frameworks related to proactive chemicals management added - Sustainability dashboard updated 	Global Executive Team