

## Huhtamaki Public Tax Strategy\*

The objective of our tax strategy is to support our business purposes whilst being tax compliant, in line with our commitment to paying all taxes and complying with other related obligations according to local laws and regulations. Beyond this it's important to us to do the right thing by each other and our customers. The foundation of all Huhtamaki's activities lay with our purpose and values, as well as our Code of conduct and other policies and principles which provide discipline and structure for our operations. Our tax objectives detail how we will effectively manage taxes whilst upholding our values and principles.

### *We know our business*

Our business evolves constantly and it is our task to ensure that our tax governance and risk management deliver compliance. Tax is embedded within the Group-wide risk management process documented in the Huhtamaki Enterprise Risk Management (ERM) policy. The policy defines the objective, scope and responsibilities for risk management including the systematic identification and assessment of risks. The ERM policy is based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management framework.

Huhtamaki's Global Executive Team is ultimately responsible for the adoption and deployment of the Group's internal control principles and procedures relating to risk management. The Audit Committee of Board of Directors monitors the implementation of risk management activities and evaluates the appropriateness of the ERM. The Global Executive Team has delegated the day-to-day management of tax risk to the Global Tax team and business unit finance teams. The Head of Tax reports directly to the Group CFO (Chief Financial Officer), and is supported by a team of tax professionals who are assigned specific responsibilities for the management of tax risk. The roles and responsibilities as well as related processes of tax governance and risk management are documented.

Tax risk management is conducted and monitored on a day-to-day basis by the Global tax team in cooperation with respective business segments and business units. In addition, the identified tax risks are reported regularly to the Global Executive Team, Audit Committee and Board of Directors through the ERM process documented in the ERM policy. Acceptable risk levels associated with appropriate risk management efforts are approved by the Global Executive Team, reviewed by the Audit Committee and approved by the Board of Directors.

Our tax strategy is aligned with our business and tax objectives in the context of our values and principles. Huhtamaki is committed to paying all taxes and complying with other related obligations according to local laws and regulations, and we seek predictability in our tax affairs.

### *We treat our world with respect*

Our business decisions are made keeping our strategy, financial ambitions and commercial environment in mind whilst at the same time aiming to serve our customers better. In this puzzle, taxation is one factor to be taken into account among the others. However, one part of our operating principles is to ensure the predictability and optimization of taxation and we therefore seek to ensure that we do not pay excess taxes and that we capitalize on tax deductions enabled by local tax regulations. Any tax planning undertaken is subject to robust review and approval processes.

In situations where tax law is unclear or where we identify a skill or resource gap in our internal tax team we may seek the advice of external tax advisers to ensure we meet our statutory and legislative tax obligations. External tax advisers are made aware of the contents of our tax strategy. The engagement of external tax advisers, and any advice they provide, must be reviewed and approved by the Head of Tax. We comply with the OECD guidelines on transfer pricing in relation to all intercompany transactions.

### *We value integrity and open communication*

Huhtamaki values integrity and open communication with all of our stakeholders including tax authorities. We seek open and transparent relationships built on trust with the tax authorities of the jurisdictions in which we operate. We seek to proactively and voluntarily engage with tax authorities on past, current and future tax affairs to achieve the predictability we seek.

By engaging in timely dialogue with tax authorities, we avoid unnecessary disputes or lengthy exchanges. We seek relevant approval from tax authorities prior to entering into any transactions, where appropriate. All correspondence with tax authorities is reviewed by the respective finance professional in charge.

### *Tax as part of our business*

In order to achieve our businesses objectives, Global Tax is responsible for building strong internal relationships across all our businesses through proactive engagement with key stakeholders both within finance and operations. This is in line with our Group-wide commitment to trust and empower individuals, and ensure that we thrive on entrepreneurial spirit.

In relation to tax this means that tax professionals are integrated within the finance teams of our businesses, allowing us to provide tax advice to our businesses on a real time basis.

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\*Our global tax strategy has been approved by our Global Executive Team, and satisfies the requirements of Schedule 19 of the UK Finance Act 2016 for all UK Huhtamaki Group entities in respect of our financial year ending 31 December 2017.