

CEO's Update and Review

Annual General Meeting of Shareholders, April 29, 2020

Charles Héaulmé
President and CEO

Huhtamaki



Agenda

1. A legacy of growth
2. Our performance to date
3. Resilience in managing COVID-19 crisis
4. Our strategic priorities and key initiatives

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

Markets
Customers

Food on-the-go



QSR

Food Delivery

Food on-the-shelf



FMCG

Retail

Products



Convenience



Food safety



Food availability



Food waste reduction



Packaging



Foodservice packaging



Molded fiber packaging



Flexible packaging

Huhtamaki operates on a global scale

Figures for 2019

NET SALES

€3.4B

ADJUSTED EBIT MARGIN

8.6%

MANUFACTURING UNITS

81

OPERATING COUNTRIES

35

EMPLOYEES

18,598



The integration of Fiber Packaging and Foodservice EAO creates further competitive advantage

Our current segment structure

Foodservice EAO

North America

Flexible Packaging

Fiber Packaging

Our new segment structure*

North America

Fiber & Foodservice EAO

Flexible Packaging

Rationale for the integration

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

* We will continue to report our financial performance according to the old segment structure at least during 2020.

We have a strong and diverse leadership team



Charles Héaulmé
President
and CEO



Arup Basu
President,
Flexible Packaging



Clay Dunn
President,
North America



Eric Le Lay
President, Foodservice EAO
and Fiber Packaging



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
EVP Human Resources
and safety



Antti Valtokari
EVP IT and
Process Performance

Our three acquisitions in 2019 reinforce our competitiveness and our leadership in emerging markets

Everest Flexibles South Africa

- Flexible packaging, complementary to existing product range
- Employees ~460
- Net sales EUR ~40 million

Announced on September 27, 2019
Completed on December 18, 2019

Mohan Mutha Polytech India

- Flexible packaging, allows Huhtamaki to speed up growth in South India
- Employees ~160
- Net sales EUR ~9 million

Announced on September 30, 2019
Completed on January 10, 2020

Laminor S.A. Brazil

- Specialized in high-quality tube laminates
- Employees ~130
- Net sales EUR ~25 million

Announced on December 23, 2019
Completed on March 31, 2020

All business segments contributed to our performance in 2019

Foodservice Europe-Asia-Oceania

Net sales	Comparable	Adj. EBIT
1.0	4%	9.0%
BEUR	growth	margin

- Solid net sales growth
- Earnings growth from improved operational efficiency and pricing actions
- Sustainability driven preference for fiber-based packaging continues

North America

Net sales	Comparable	Adj. EBIT
1.2	9%	9.7%
BEUR	growth	margin

- High net sales growth
- High earnings growth driven by pricing, sales volumes and lower distribution costs
- New Goodyear factory capacity supported volume growth throughout the year

Flexible Packaging

Net sales	Comparable	Adj. EBIT
1.0	3%	8.1%
BEUR	growth	margin

- Moderate net sales growth
- Significant earnings growth supported by positive development in India
- Innovation: blueloop recyclable packaging gains traction

Fiber Packaging

Net sales	Comparable	Adj. EBIT
0.3	6%	9.9%
BEUR	growth	margin

- Solid net sales growth
- Good earnings lowered by development and commercialization costs of the Fresh ready meal tray
- Plastic substitution drives increasing demand of fiber-based products

All figures for 2019.

Strong 2019 results reinforce our solid foundations

	2014	2015	2016	2017	2018 ¹	2019	Long-term ambition
Comparable growth	6%	4%	4%	3%	5%	6%	5+
Adjusted EBIT margin	7.8%	8.7%	9.4%	9.0%	8.1%	8.6%	10+
Net debt/Adj. EBITDA	1.0	1.6	1.8	1.8	2.3	2.0	2-3
Dividend payout ratio ²	47%	40%	40%	42%	50%	47% ³	40-50%

2019 highlights

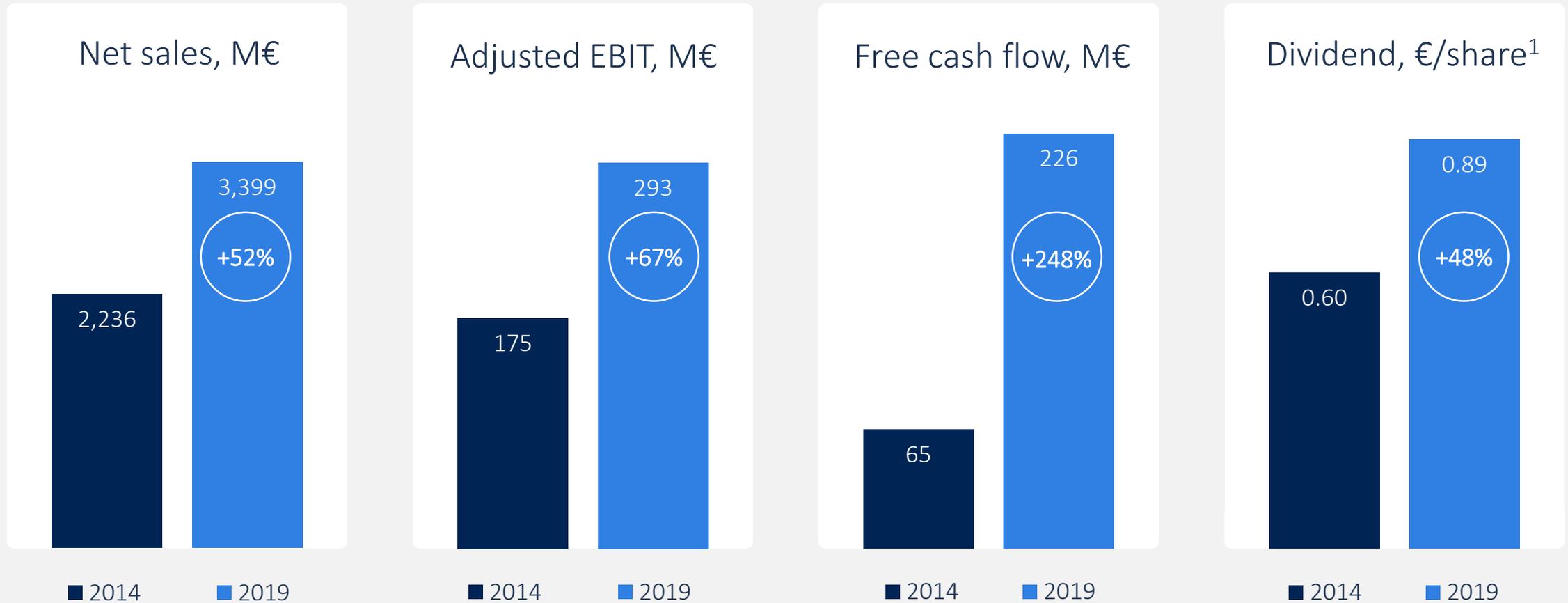
- Our investments are paying off with consistent comparable growth of 5-6%
- Earnings increase outperformed sales growth
- Net debt decreased following strong free cash flow
- Due to ongoing COVID-19 crisis, proposal to postpone dividend payout decision by the Board of Directors subject to AGM approval

¹ FY 2018 figures restated for IFRS 16 impact

² Dividend/adjusted EPS

³ Proposal by the Board of Directors

2019 adds to a legacy of strong results



¹ Proposal by the Board of Directors.

Q1 2020: Food on-the-shelf packaging continues to grow whilst COVID-19 started affecting food on-the-go packaging

Foodservice EAO

- Solid underlying sales growth globally
- COVID-19 impacted negatively sales growth and earnings in Asia during whole quarter and globally in March

Net sales (MEUR)

218

Comparable growth

-4%

Adj. EBIT margin

8.0%

North America

- Continued strong growth and earnings improvement
- Very strong demand in retail products
- Decline of Foodservice in March

Net sales (MEUR)

286

Comparable growth

9%

Adj. EBIT margin

10.6%

Flexible Packaging

- Good demand in most markets
- Overall increased demand for food on-the-shelf and health care products during COVID-19

Net sales (MEUR)

271

Comparable growth

2%

Adj. EBIT margin

7.7%

Fiber Packaging

- Strong comparable growth
- Continued increasing demand accelerating during Q1 due to the COVID-19 consumption spike of food on-the-shelf

Net sales (MEUR)

75

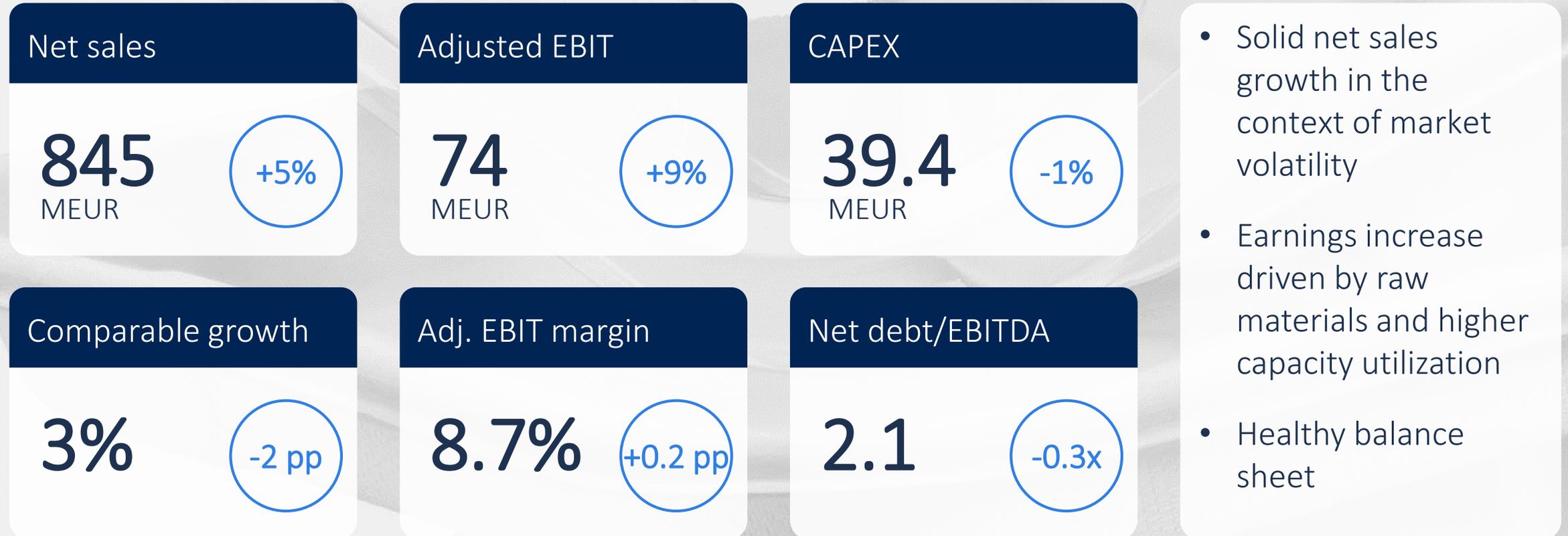
Comparable growth

9%

Adj. EBIT margin

11.0%

Q1 2020: Our performance was solid in an increasingly uncertain environment



We play an essential role in the food supply chain

As a **global leader in food-on-the go and food-on-the-shelf** packaging, we play a crucial role and are an integral part in the supply chain, to make food safe, convenient and available to everyone in the world.

Our **customers are essential in ensuring the supply and access to food products** for consumers worldwide.

Packaging **promotes hygiene and prevents spread of disease**. It keeps food safe, prevents spoilage and preserves its original properties and it avoids food waste.

Our diversified portfolio provides resilience during the ongoing crisis

Food on-the-go

(Foodservice packaging)

Foodservice sales are temporarily affected by closures of quick-service restaurants

Demand for food delivery increased, as people stay more at home, however not compensating in-store decline

Strong activity in drive-thru restaurants continues

Food on-the-shelf

(Flexible and Fiber packaging)

Demand for **Flexible packaging** and **Fiber packaging** resilient to effects of COVID-19, including consumption spike

In Europe, multinationals are building safety stocks and asking for additional volumes on short notice

Limited impact expected on retail business and consumer goods products

We have a healthy balance sheet ensuring our resilience in this temporary crisis

We continue our planned investments and efficiency activities, which are key for our future success

Phased approach from initial crisis shock to managing the “new normal”

Phase 1 Initial shock

- Daily crisis management at global and unit level
- Protect our employees, increased hygiene procedures
- Protect business continuity with contingency plans

Phase 2 Managing the crisis

- Manage cash daily and tightly
- Containment actions in costs and investment prioritization
- Focus on company competitiveness to prepare the “after crisis”

Phase 3 Planning Ahead

- Define the opportunities that will unfold from the crisis, using our strengths
- Cross-business team raising data and insights to generate innovation
- Immediate opportunities, long-term shifts, M&A

Enhancing our citizenship role

- Food packaging is essential for the society
- Beyond core role, will to play an active part in helping where it matters and is most needed
- Local and global CSR initiatives

Making a difference where it matters most

Global donation to the Red Cross



Local product donations



Launch of protective face shields



These unprecedented times remind us of our beliefs and reinforce our commitment to our priorities:
protect people, protect food,
protect the planet

Our strategy going forward



The future of food packaging is impacted by four transformative trends

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



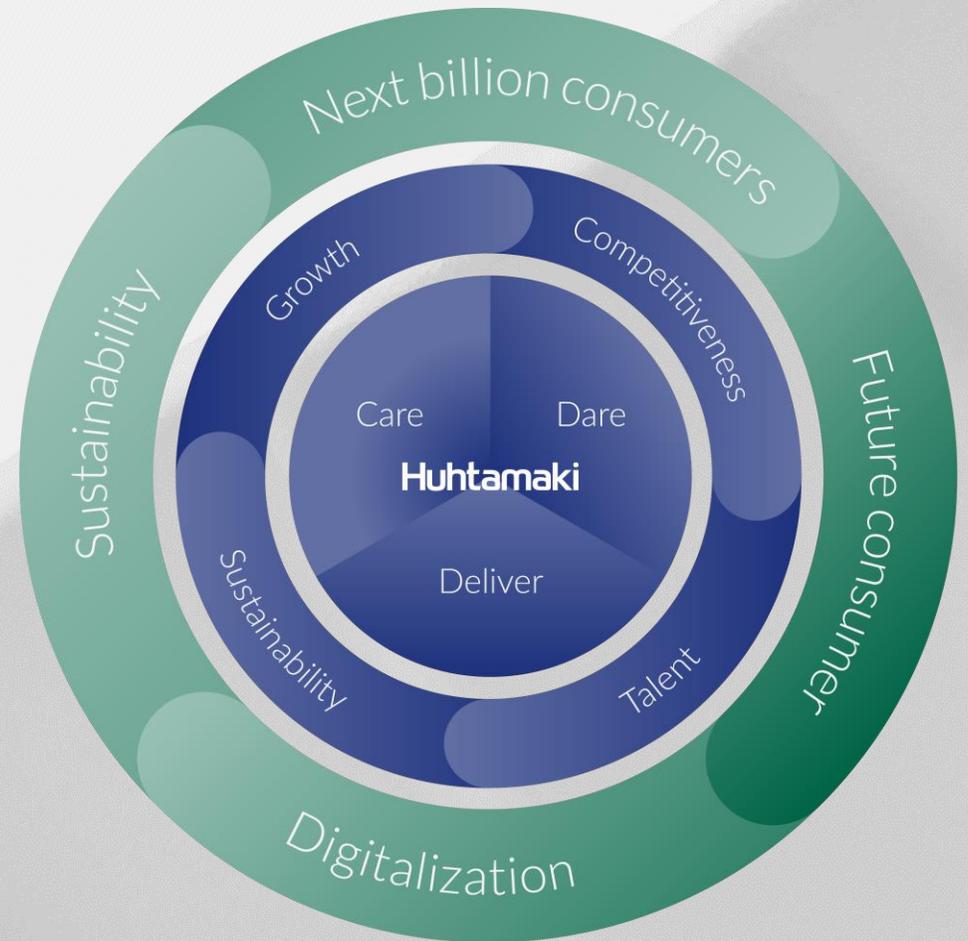
Our priorities for a successful future, outpacing market growth

We are for shaping the sustainable future of everyday life to offer wellbeing, convenience and responsible lifestyle to billions of people everywhere

Our ambition is to **be the first choice in sustainable food packaging**

Our strategic priorities are **Growth, Competitiveness, Talent, Sustainability**

We are grounded in our values – **Care Dare Deliver**



Our 2030 strategic priorities

GROWTH

Scaling our core businesses
Expansion in emerging markets
Developing sustainable solutions
Food delivery packaging
Innovation & venturing

COMPETITIVENESS

Top operational performance
Process performance
Scale & structural efficiencies
Digitalizing operations

TALENT

Zero accident safety record
Strategic capabilities
High-performance culture
Values in the way we work

SUSTAINABILITY

Embedded in everything we do

FLAWLESS STRATEGY EXECUTION

Our empowered **Business Segments** execute and drive the business strategy
Our **Global Functions** support strategy delivery
Our **World Class Management** program transforms our performance

We have high financial and sustainability ambitions

Our ambition

First choice in sustainable food packaging

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

Our strong values guide everything we do



Care

We **care** for each other, our customers, partners and communities. We care for the future of our planet embedding sustainability in everything we do.



Dare

We **dare** to innovate, grow and have an impact. We are a diverse and entrepreneurial team seeking new opportunities with our customers.



Deliver

We commit and **deliver** solutions to our customers, with integrity and as a team. We are ambitious and strive for high performance.

Celebrating our legacy by giving back - Huhtamaki 100 year donations (up to 3 MEUR)

We celebrate our 100 year anniversary by donating to initiatives with global approach and local impact. We work with non-profit organizations and start-ups to address the sustainability challenges of the planet. Shaping the future, together.



**Caring
immediately**



**Acting
today**



**Educating for
tomorrow**



**Innovating for
future**

Thank you!

