

# Corporate Governance Statement

February 9, 2022

**Huhtamaki**

# Contents

Corporate Governance Statement	1
Introduction	1
Corporate governance structure	1
Descriptions concerning corporate governance	2
Descriptions of risk management systems, internal control procedures and internal audit function	13
Other information	15

# Corporate Governance Statement

## Introduction

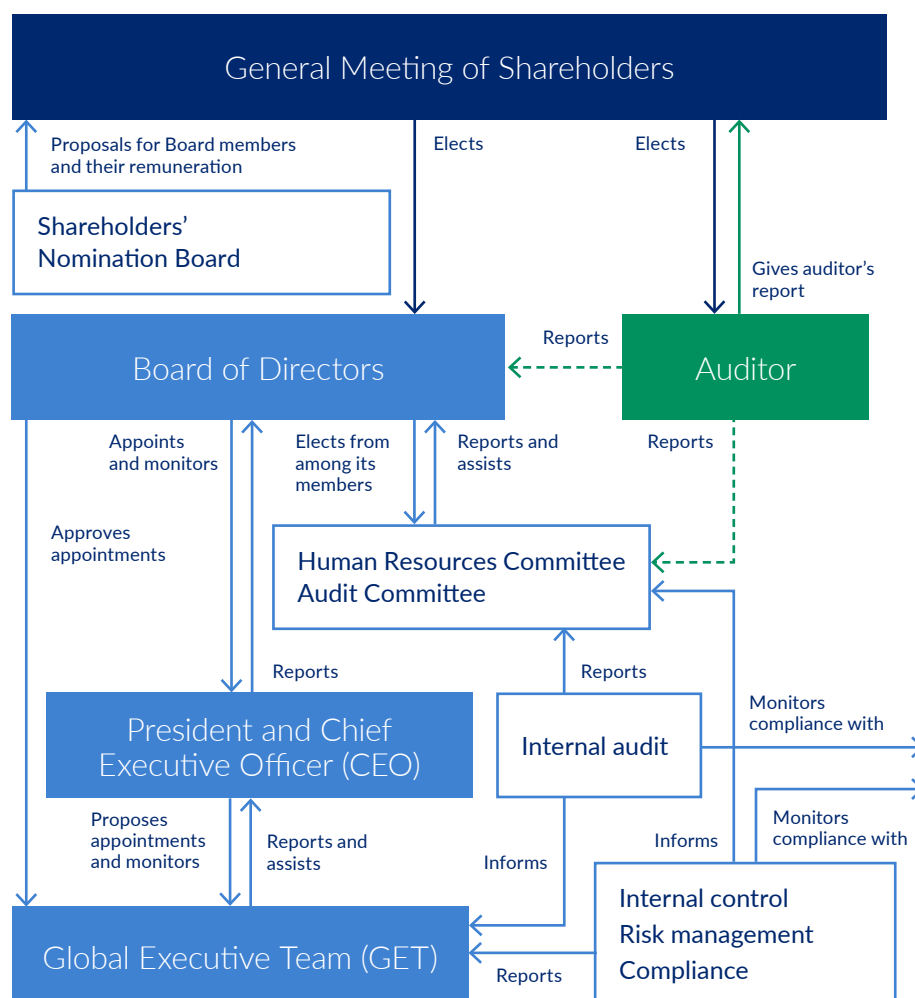
Huhtamäki Oyj (the Company) complies with the Finnish Corporate Governance Code (Code) adopted by the Securities Market Association. This Corporate Governance Statement complies with the Code effective from January 1, 2020. The Code is available in its entirety on the internet at [www.cgfinland.fi](http://www.cgfinland.fi). Huhtamäki Oyj is a support member of the Securities Market Association.

This separate Corporate Governance Statement has been issued and published in connection with the Directors' Report. The Audit Committee of the Board of Directors of the Company has reviewed the statement and it has been approved by the Board of Directors. The Auditor of the Company has reviewed that the statement has been issued and that the description of the main principles of internal control and risk management systems of the financial reporting process fully complies with the financial statements of the Company.

The Company's corporate governance comprises the General Meeting of Shareholders, the Shareholders' Nomination Board (Nomination Board), the Board of Directors (Board) and the Committees founded by it, the President and Chief Executive Officer (President and CEO) and the Global Executive Team (GET), laws and regulations applicable in countries where the Group operates as well as the Group's internal policies, guidelines and practices.

Updated information on the governance of the Company is available on the Company's website in section "Corporate Governance" ([www.huhtamaki.com](http://www.huhtamaki.com) – Investors – Corporate Governance).

## Corporate governance structure



## Governance framework

Applicable legislation and other regulation, such as

- Finnish Companies Act
- Market Abuse Regulation and Finnish Securities Market Act
- Rules, regulations and guidelines of the European Securities and Markets Authority, ESMA and the Finnish Financial Supervisory Authority
- Rules of the stock exchange
- Finnish Corporate Governance Code

Internal orders and guidelines, such as

- Articles of Association
- Charters for the governing bodies of the Company
- Code of Conduct
- Other internal policies, guidelines and procedures

# Descriptions concerning corporate governance

## Shareholders' Nomination Board

Huhtamäki Oyj's Annual General Meeting of Shareholders (AGM) resolved on April 29, 2020 to establish a Shareholders' Nomination Board and to adopt the Charter of the Shareholders' Nomination Board. The Nomination Board was established until further notice. The Nomination Board is responsible for preparing proposals to the General Meeting for the election and remuneration of the members of the Board of Directors.

Each of the four largest shareholders of the Company determined annually on the basis of the shareholders' register on August 31 have a right to appoint one member to the Nomination Board. In addition, the Chairman of the Board of Directors of the Company shall serve as an expert member of the Nomination Board. The representative of the largest shareholder will be the Chairman of the Nomination Board, unless the Nomination Board decides otherwise. The term of office of the members of the Nomination Board ends annually after the new Nomination Board has been nominated.

The members of the Nomination Board are not entitled to any remuneration on the basis of their membership in the Nomination Board. The members' travel expenses are reimbursed in accordance with the Company's travel policy.

### Tasks and duties of the Shareholders' Nomination Board

The tasks and duties of the Nomination Board are defined in the Charter of the Shareholders' Nomination Board. The Charter is available on the Company's website in section "Shareholders' Nomination Board" ([www.huhtamaki.com](http://www.huhtamaki.com) – Investors – Corporate Governance – Shareholders' Nomination Board).

The tasks and duties of the Nomination Board include, among other things,

- preparing and presenting to the General Meeting proposals for:
  - the remuneration and coverage of expenses of the members of the Board of Directors and the Board Committees
  - the number of the members of the Board of Directors
  - the election of the members of the Board of Directors, Chairman and Vice-Chairman
- seeking prospective successor candidates for the members of the Board of Directors
- participating in the development of the principles on diversity of the Board of Directors.

### The members and meetings of the Shareholders' Nomination Board

The following persons belonged to the Nomination Board on December 31, 2021:

#### Chairman Mr. Antti Arjava

Born 1961

**Main occupation:** Secretary General, The Finnish Cultural Foundation  
**Education:** Ph.D. (Philosophy)

#### Ms. Annika Ekman

Born 1977

**Main occupation:** Head of Direct Equity Investments, Ilmarinen Mutual Pension Insurance Company  
**Education:** M.Sc. (Economics)

#### Mr. Risto Murto

Born 1963

**Main occupation:** President and CEO, Varma Mutual Pension Insurance Company  
**Education:** Ph.D. (Economics)

#### Mr. Johan Ståhl

Born 1963

**Main occupation:** Portfolio Manager, Lannebo Fonder  
**Education:** B.Sc. (Economics), Stockholm University

#### Mr. Pekka Ala-Pietilä (Expert member)

Chairman of the Board of Directors of Huhtamäki Oyj  
Curriculum vitae of Pekka Ala-Pietilä is available on page 3.

In 2021, the Nomination Board held five meetings. The average attendance of the members at the Nomination Board meetings was 100%.

## Board of Directors

### Election and composition of the Board

The Shareholders' Nomination Board shall prepare a proposal concerning the composition of the Board to be presented to the General Meeting of Shareholders. The General Meeting elects the Board members for the term of office expiring at the close of the AGM following the election, including the Chairman and Vice-Chairman. The Articles of Association of the Company do not contain any provisions on a special order of appointment of the Board members. Any shareholder of the Company may also make a proposal directly to the General Meeting in accordance with the Finnish Companies Act. If the President and CEO of the Company was elected to the Board, the President and CEO could however not be elected as the Chairman of the Board.

When preparing its proposal concerning the composition of the Board, the Nomination Board shall take into account the independence requirements under the Code, the results of the annual performance assessment of the Board, the principles on diversity of the Board and other applicable rules and regulations. According to the Articles of Association of the Company the Board shall consist of a minimum of six and a maximum of nine members. There are no limitations as to the number of terms a person may be elected as Board member or as to the maximum age of a Board member. The Nomination Board may also consult an external expert in order to find and assess suitable candidates.

## Board members

The AGM 2021 elected the following seven individuals to the Board:



**Chairman Mr. Pekka Ala-Pietilä**

Born 1957, Finnish citizen

Independent of the Company and significant shareholders

**Starting date:** April 24, 2012

**Board Committees:** Chairman of the Human Resources Committee

**Main occupation:** Miscellaneous positions of trust

**Education:** M.Sc. (Econ); D.Sc. (Econ) h.c. and D.Sc. (Tech) h.c.

**Primary working experience:** Blyk Services Ltd., Co-founder and CEO (2006–2011); Nokia Corporation, several different roles (1984–2005), last positions as President (1999–2005), Member of the Group Executive Board (1992–2005) and Nokia Mobile Phones, President (1992–1998)

**Key positions of trust:** HERE Technologies, Chairman of the Supervisory Board (2021–); Sanoma Corporation, Chairman of the Board (2016–) and Board member (2014–2016); SAP SE, Supervisory Board member (2002–2021); Netcompany A/S, Chairman of the Board (2017–2019); Pöyry PLC, Board member (2006–2017); Solidium Oy, Chairman of the Board (2011–2015)



**Vice-Chairman Ms. Kerttu Tuomas**

Born 1957, Finnish citizen

Independent of the Company and significant shareholders

**Starting date:** April 27, 2017

**Board Committees:** Member of the Audit Committee

**Main occupation:** Miscellaneous positions of trust

**Education:** B.Sc. (Econ)

**Primary working experience:** KONE Corporation, Executive Vice President, Human Resources and member of the Executive Board (2002–2017); Elcoteq Network Corporation, Group Vice President, Human Resources (2000–2002); MasterFoods Oy (Mars), Personnel & Organization Manager (1994–1999); Mercuri Urval, Consultant (1987–1993)

**Key positions of trust:** Medix Biochemica Group Oy, Board member (2018–); Finnish National Opera and Ballet, Board member (2016–); Kemira Oyj, Vice-Chairman of the Board (2014–2021) and Board member (2010–2014)



**Mr. Doug Baillie**

Born 1955, U.K. citizen

Independent of the Company and significant shareholders

**Starting date:** April 21, 2016

**Board Committees:** Member of the Human Resources Committee

**Main occupation:** Miscellaneous positions of trust

**Education:** BComm, Business Finance, Marketing & Business Administration

**Primary working experience:** Unilever Group, several different roles (1978–2016), last positions Chief Human Resources Officer and a member of the Executive Board (ULE) of Unilever Group (2008–2016), President, Western Europe (2008–2011), Chief Executive Officer & Group Vice President, South Asia, Hindustan Unilever (2006–2008) and Group Vice President, Africa, Middle East & Turkey (2004–2005)

**Key positions of trust:** Little Sun Foundation, Board member (2020–); Airtel Africa PLC, Board member (2019–); The MasterCard Foundation, Board member (2015–); Leverhulme Trust, Board member (2015–)



**Mr. William R. Barker**

Born 1949, U.S. citizen

Independent of the Company and significant shareholders

**Starting date:** March 24, 2010

**Board Committees:** Member of the Human Resources Committee

**Main occupation:** Miscellaneous positions of trust

**Education:** MBA and B.Sc. (Chem. Eng.)

**Primary working experience:** Milacron LLC, Executive Vice President (2013–2014); Mold-Masters (2007) Limited, President and CEO (2010–2013); The Whitehawk Group LLC, CEO (2009–2010); Rexam PLC, Board member and Rexam Beverage Can, Group Executive Director (2005–2009); Rexam Beverage Can Americas, President & CEO (2001–2004); Textron, Inc., President, Textron Fastening Systems – Commercial Solutions (2000–2001); OEA Inc., President, OEA Automotive Safety Products (1998–2000); Bosal International N.V., President, Bosal North America (1995–1998); Gates Rubber Company, Vice President, Gates Power Drive Products, Managing Director, Asia Pacific Operations and other positions (1972–1995)

**Key positions of trust:** Shield Holdco LLC (holding company of Dynatect Manufacturing, Inc.), Chairman of the Board (2014–2019) and Board member (2014–); Shape Technologies Group, Inc., Chairman of the Board (2015–2019) and Board member (2015–2019); Leeds School of Business, University of Colorado, Board member (2008–2018); The Carlstar Group LLC, Board member (2014–2017); Mcron Acquisition Corporation (holding company of Milacron LLC), Board member (2013–2014); Mold-Masters (2007) Limited, Board member (2010–2013); Rexam PLC, Board member (2005–2009)



### Ms. Anja Korhonen

Born 1953, Finnish citizen

Independent of the Company and significant shareholders

**Starting date:** April 25, 2018

**Board Committees:** Chairman of the Audit Committee

**Main occupation:** Miscellaneous positions of trust

**Education:** M.Sc. (Econ.)

**Primary working experience:** Nokia Corporation, several different roles (1996–2011), Senior Vice President, Corporate Controller (2006–2011), Vice President, Business Controller, Mobile Phones (2004–2006) and Senior Vice President, Business Controller, Mobile Phones (1996–2003); Hewlett-Packard, several different roles (1983–1996), including Nordic Controller and Finance & Admin Manager, Finland (1996) as well as other management and finance positions in Finland and abroad

**Key positions of trust:** Oriola Oyj, Board member (2014–); Outotec Oyj, Board member (2013–2020)



### Ms. Sandra Turner

Born 1952, U.K. citizen

Independent of the Company and significant shareholders

**Starting date:** April 20, 2011

**Board Committees:** Member of the Audit Committee

**Main occupation:** Miscellaneous positions of trust

**Education:** BA (Marketing) Honours

**Primary working experience:** Tesco PLC, several different roles in United Kingdom and Ireland (1987–2009), last position Commercial Director, Tesco Ireland Limited (2003–2009)

**Key positions of trust:** Greggs PLC, Board member (2014–); McBride PLC, Board member (2011–2020); Greene King PLC, Board member (2019); Berkhamsted School, Board of Governors, Vice-Chairman (2013–2021) and member (2011–2013); Carpetright PLC, Board member (2010–2019); Countrywide PLC, Board member (2013–2014); Northern Foods PLC, Board member (2010–2011)



### Mr. Ralf K. Wunderlich

Born 1966, German citizen

Independent of the Company and significant shareholders

**Starting date:** July 1, 2018

**Board Committees:** Member of the Human Resources Committee

**Main occupation:** Senior Adviser, Independent Consultant and Operating Partner to private equity companies

**Education:** B.Sc. (Business Administration)

**Primary working experience:** Amcor Group, President and Managing Director, Flexibles, Asia Pacific and Member, Global Management Team (2010–2016); LINPAC Packaging Ltd, President and Managing Director, and Executive Director, LINPAC Group companies (2008–2009); Rio Tinto Alcan, several different roles (1993–2007), including President, Alcan Packaging Global Tobacco and Member, Alcan Packaging Executive Committee United States and United Kingdom (2005–2007) as well as other management positions in Germany, Italy, Malaysia and Singapore

**Key positions of trust:** AptarGroup, Board member (2009–); Essentra PLC, Board member (2017–); Shepherd Building Group, Board member (2021–)

### Diversity of the Board

The principles on diversity of the Board are defined in the Charter of the Shareholders' Nomination Board. According to the Charter of the Nomination Board, the Board must have sufficient expertise, competence and experience related to the Company's line of business. The composition of the Board shall reflect the requirements set by the Company's operations and development stage. The Board must specifically have sufficient collective knowledge and competence in:

- matters pertaining to the Company's line of business and its business operations
- management of an internationally operating public limited company of corresponding size
- group and financial management
- strategy as well as mergers and acquisitions
- internal control and risk management
- corporate governance

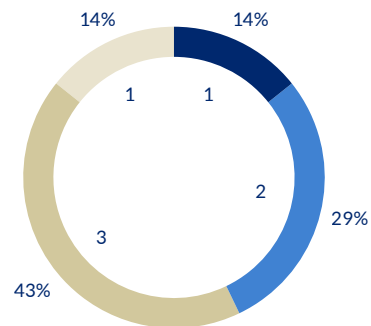
The selection of the members of the Board is based on candidates' background and competence to understand Huhtamaki's current and future markets, strategy, employees and customers, including a sound understanding of financials and business dynamic. The Board must as a whole have combined experience in different markets, geographies and important topics like digitalization and sustainability. The most important nomination criteria for the candidates of the Board are competency, knowledge, personal qualities and integrity. Both genders shall be represented on the Board. These principles on diversity are central to achieving objectives concerning the diversity and ensuring that the Board composition corresponds to the needs of Huhtamaki.

The objectives concerning the diversity of the Board have been achieved well. According to the Shareholders' Nomination Board, the composition of the Board comprises qualifications defined in the principles on diversity of the Charter of the Nomination Board, that were valid at the time of the election of the Board members, in a balanced way. As regards diversity in terms of gender, both genders are

represented in the Board in a well-balanced manner and both genders have been represented in the Board for a long time. Since 2009, two to three Board members have been female thus representing 25–43% of all Board members. At the AGM in 2021 seven members representing four different nationalities were elected to the Board. Currently, the age structure of the Board members is 55–72 years and three Board members are female (43%) and four are male (57%). The Board members have international experience in different roles in global companies operating in the different businesses and geographical market areas that are important for the Group. Board members hold or have held management positions and positions of trust in both listed and unlisted companies. All Board members have a university level degree, mainly in technology or finance. More information on the educational and professional background of the Board members is available on pages 9–11.

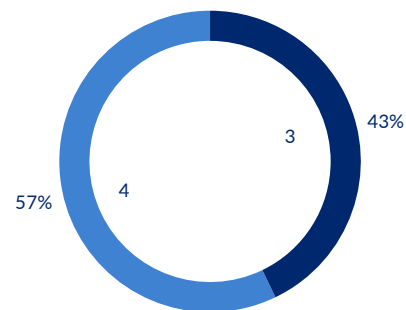
### Diversity of the Board\*

#### Age



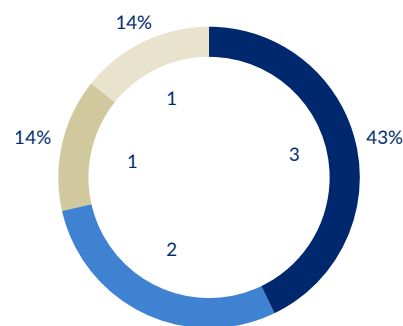
- 55–59
- 60–64
- 65–69
- ≥70

#### Gender



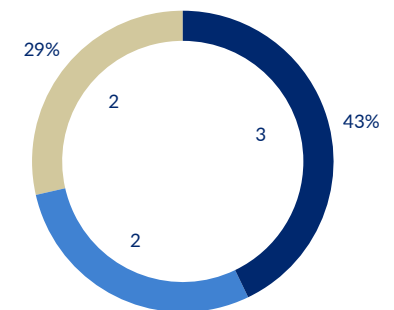
- Female
- Male

#### Nationality



- Finland
- United Kingdom
- Germany
- USA

#### Tenure



- 1–4
- 5–9
- ≥10

\* Composition of the Board on December 31, 2021

In the view of the Nomination Board, the current composition of the Board ensures well both comprehensive knowledge of the Company and new insights. The Board strives to ensure that experienced Board members with longer history in the Company's Board and with wide

knowledge of the Company's various stages transfer their Company specific knowledge and expertise to the new members thereby ensuring that the knowledge stays in the Board also in the future.

### Board expertise areas

Name	Board member since	Principal expertise areas	Independent of		Committee memberships in 2021	
			Company	Significant shareholders	Audit Committee	Human Resources Committee
Pekka Ala-Pietilä	2012	Digitalization, Emerging markets	●	●		Chairman
Kerttu Tuomas	2017	Human Resources, Emerging markets	●	●	Member	
Doug Baillie	2016	FMCG and retail, Sustainability, Human Resources, Emerging markets	●	●		Member
William R. Barker	2010	Packaging industry, Emerging markets	●	●		Member
Anja Korhonen	2018	Finance and accounting, Risk management, Emerging markets	●	●	Chairman	
Sandra Turner	2011	FMCG and retail	●	●	Member	
Ralf K. Wunderlich	2018	Packaging industry, Sustainability, Emerging markets	●	●		Member

All board members have experience in global business leadership and the table sets out the additional expertise areas of each Board member. The fact that an item is not highlighted for a Board member does not mean that such member does not possess expertise in that area.

### Independence of the Board members

All Board members are non-executive. The Board considers all Board members independent of the Company and independent of the significant shareholders of the Company. It was noted in the consideration that despite William R. Barker and Sandra Turner having served as directors for more than 10 consecutive years, the Board has determined no reasons justifying them to be considered dependent of the Company. The evaluation has been made based on the actual circumstances from both the perspective of the Company and the director in question.

### Shares owned by the Board members on December 31, 2021

Pekka Ala-Pietilä	3,250
Kerttu Tuomas	3,000
Doug Baillie	1,000
William R. Barker	0
Anja Korhonen	2,000
Sandra Turner	1,000
Ralf K. Wunderlich	16,350
<b>Board total</b>	<b>26,600</b>

The shareholdings include the Company's shares owned by the Board members and by any potential corporations over which a Board member exercises control. Board members do not own any shares in any other Group companies than the Company. Information on the remuneration of the Board members is available in the Remuneration Report for the Governing Bodies issued and published in connection with the Directors' Report and available on the Company's website in section "Remuneration" ([www.huhtamaki.com](http://www.huhtamaki.com) - Investors - Corporate Governance - Remuneration).



## Responsibilities and duties of the Board

In addition to the powers vested in the Board by the Companies Act and the Articles of Association, the essential duties and working principles of the Board are defined in the Company's Charter of the Board of Directors.

The responsibilities and duties of the Board include, among other things,

- organizing the Company's management and operations including e.g.
  - appointing and dismissing the President and CEO and approving the proposals by the President and CEO for GET members' appointments and dismissals
  - deciding on the compensation of the President and CEO within the framework of the Remuneration Policy and of other GET members and annually reviewing the performance of the President and CEO and other GET members
  - defining the Group's ethical values and methods of working including e.g. the approval of the Company's Code of Conduct
  - deciding on related party transactions that are not part of the ordinary course of business of the Company or are not implemented under arms-length terms
- directing the Company's business and strategy including e.g.
  - establishing strategic and financial targets as well as dividend policy and approving the strategic plans and budget as well as monitoring their implementation
  - approving acquisitions and divestments as well as capital expenditure proposals exceeding EUR 10 million or proposals which are otherwise of material importance to the Group
  - discussing and approving of financial statements, Directors' Report, interim reports, Corporate Governance Statement, Remuneration Policy and Remuneration Report for the Governing Bodies and Sustainability Report
- financial communication and outlook
- internal control and risk management and
- preparation of matters to be resolved by the AGM.

The Board conducts an annual evaluation of its own performance and working methods. The evaluation may be conducted as an internal self-evaluation or by using an external evaluator. In 2021, the evaluation was done by using an external evaluator.

In order to discharge its duties, the Board requires sufficient information on the structure, business operations and markets of the Group. Each Board member is provided with a monthly report on the financial situation and markets of the Group. In addition, if necessary, the Board is informed of all material events in the Group. New Board members are properly introduced to the operations of the Company with induction presentations and materials as well as visits to selected manufacturing units.

### Board meetings

The meetings of the Board are held at the Company's headquarters in Espoo or in other Group locations or in other places as decided by the Board. The Board may also hold its meetings by video or telephone and make decisions without convening a meeting. According to the Charter of the Board of Directors, it shall hold at least six regular meetings each year. In 2021, the Board held sixteen (16) meetings, eight (8) of which were video or telephone meetings and seven (7) were held without convening. The average attendance of the members at the Board meetings was 100%.

The President and CEO is usually attending all Board meetings. Other GET members are also invited to participate Board meetings depending on the matters to be deliberated in the respective meeting. The Auditor is participating annually in the meeting deliberating the financial statements. The Group General Counsel of the Company acts as the secretary of the Board.

### Board members' attendance at the Board meetings in 2021

	Attendance (%)	Meetings attended
Pekka Ala-Pietilä (Chairman)	100	16/16
Kerttu Tuomas	100	16/16
Doug Baillie	100	16/16
William R. Barker	100	16/16
Anja Korhonen	100	16/16
Sandra Turner	100	16/16
Ralf K. Wunderlich	100	16/16

## Board Committees

In order to focus on certain responsibilities, the Board may appoint Committees consisting of three to five Board members each. The Board also appoints the Chairman of each Committee. Each Committee member shall have the qualifications required by the duties of the Committee.

### Board Committees and their duties and responsibilities

The Board currently has two Committees: the Human Resources Committee and the Audit Committee. The duties and responsibilities of the Committees are described in the charter for each Committee approved by the Board. The Committees assist the Board by preparing matters belonging to the competence of the Board. Each Committee regularly reports on its work to the Board. The Committees have no autonomous decision-making power and, thus, the Board passes its resolutions collectively. The entire Board remains responsible for the duties assigned to the Committees.

### The duties and responsibilities of the Board Committees

#### Human Resources Committee

- To prepare, review and discuss development and implementation of people and organization strategy, talent management as well as other human resources matters and relating policies to be further deliberated by the Board
- To prepare the Remuneration Policy for the Governing Bodies and the Remuneration Report
- To prepare the appointment of the CEO and other GET members, including the terms and conditions as well as remuneration
- To review and assess the performance and remuneration of the CEO and other GET members and
- To review succession and contingency planning for the CEO and the GET including training development and talent management.

#### Audit Committee

- To monitor and assess Company's financial reporting system
- To monitor and assess the effectiveness and efficiency of the Company's internal control, internal audit and risk management systems
- To monitor and assess how agreements and other legal acts between the Company and its related parties meet the requirements of the ordinary course of business and arm's length terms
- To monitor and evaluate the independence of the statutory auditor, and in particular the provision of non-audit services
- To monitor the Company's auditing
- To prepare and make the recommendation to the Board for the election of the statutory auditor at the AGM
- To review the financial statements, Directors' Report, interim reports, Corporate Governance Statement and Sustainability Report.

### The members and meetings of the Board Committees

#### Human Resources Committee

The Human Resources Committee shall meet at least twice a year. The following individuals have comprised the Human Resources Committee in 2021: Pekka Ala-Pietilä (Chairman), Doug Baillie, William R. Barker and Ralf K. Wunderlich. In 2021, the Human Resources Committee held seven meetings. The average attendance of the members at the Human Resources Committee meetings was 97%.

#### Members' attendance at the Human Resources Committee meetings in 2021

	Attendance (%)	Meetings attended
Pekka Ala-Pietilä (Chairman)	86	6/7
Doug Baillie	100	7/7
William R. Barker	100	7/7
Ralf K. Wunderlich	100	7/7

#### Audit Committee

The Audit Committee members shall have sufficient expertise and experience with respect to the committee's area of responsibility and the mandatory tasks relating to auditing. At least one member shall have competence in accounting and/or auditing. The Audit Committee members shall not be involved in the day-to-day management of the Group. The majority of the members shall be independent of the Company and at least one member shall be independent of the Company's significant shareholders. In addition to the Audit Committee members, the CFO of the Company and when considered necessary also other members of the Company's management participate in the Committee's meetings. The Auditor participates regularly in the meetings.

The Audit Committee shall meet in accordance with the schedule determined by the Committee but at least four times a year. The following individuals have comprised the Audit Committee in 2021: Anja Korhonen (Chairman), Kerttu Tuomas and Sandra Turner. In 2021, the Audit Committee held six meetings. The average attendance of the members at the Audit Committee meetings was 100%.

#### Members' attendance at the Audit Committee meetings in 2021

	Attendance (%)	Meetings attended
Anja Korhonen (Chairman)	100	6/6
Kerttu Tuomas	100	6/6
Sandra Turner	100	6/6

### President and Chief Executive Officer

The President and CEO manages the Group and its businesses. According to the Companies Act the President and CEO is in charge of the day-to-day management of the Company in accordance with the instructions and orders given by the Board and is responsible for ensuring that the book-keeping of the Company complies with the law and that the financial administration is arranged in a reliable manner. The President and CEO is responsible for the achievement of the goals, plans and objectives set by the Board. The President and CEO is the Chairman of the GET.

Charles Héaulmé (born 1966), B.Sc. (Business Administration), has acted as the Group President and CEO of Huhtamaki as of April 26, 2019. Before joining the Company, Charles Héaulmé acted in several different roles in Tetra Pak Group, latest position being Vice President Europe and Central Asia. Further information on the President and CEO Charles Héaulmé as well as his shareholding in the Company is available later in this statement in connection with information on other GET members.

Certain key conditions of the written Service Agreement between the Company and the President and CEO Charles Héaulmé, President and CEO's remuneration and information on the pension arrangement of the President and CEO are available in the Remuneration Report for Governing Bodies and published in connection with the Directors' Report and available on the Company's website in section "Remuneration" ([www.huhtamaki.com](http://www.huhtamaki.com) – Investors – Corporate Governance – Remuneration).

### Global Executive Team

The GET supports the President and CEO in the management of the Group and its businesses. It addresses and follows the implementation of the Group strategy and overall financial performance as well as the fulfillment of significant projects and set targets. The GET has no formal status under company law. The GET consists of the President and CEO as the Chairman and the executives approved by the Board. The GET members report to the President and CEO. Each GET member has a clear operational responsibility within a Global function or a business segment. The GET convenes at least once a month.

## GET members

The following persons belonged to the GET on December 31, 2021:



### Mr. Charles Héaulmé

Born 1966, French citizen

Chairman of the GET, President and Chief Executive Officer (CEO)

**GET member since:** April 26, 2019

**Joined the company:** 2019

**Education:** B.Sc. (Business Administration)

**Primary working experience:** Tetra Pak (1999–2019), several different roles in Europe and Americas, latest positions as Executive Vice President, Tetra Pak Europe & Central Asia (2015–2019), Vice President South Europe (2012–2014), Managing Director Southern Cone (2010–2012), Managing Director Central America & Caribbean (2007–2010). Prior to Tetra Pak, several Finance leadership positions at Bosch Braking Systems (1996–1999); AlliedSignal Automotive (1993–1996); KPMG (1990–1993); BRGM Gabon (1988–1990)

**Key positions of trust:** Fedrigoni Group, Board member (2021–)



### Mr. Thomas Geust

Born 1973, Finnish citizen

Chief Financial Officer (CFO)

**GET member since:** October 1, 2013

**Joined the company:** 2013

**Education:** M.Sc. (Econ)

**Primary working experience:** ABB Group (2004–2013), several different roles, last position as Group Vice President, Global Controller, Business Unit Marine & Cranes; Schneider Electric (2003–2004), Global Division Controller, Vice President, Control; Lexel Group (2000–2003), Production Controller; KPMG (1998–2000), Auditor

**Key positions of trust:** –



### Mr. Marco Hilty

Born 1972, Swiss and U.S. citizen

President, Flexible Packaging

**GET member since:** September 1, 2021

**Joined the company:** 2021

**Education:** Ph.D. (Management)

**Primary working experience:** Rubicon Technologies LLC (2018–2021), Chief Commercial Officer; Amcor (2007–2018), various regional and global commercial, GM and R&D roles in Switzerland and the United States; latest position as Vice President and General Manager, Amcor Flexibles North America; Vice President Business Group Sales and Commercial Excellence; McKinsey & Company (2004–2007), Engagement Manager; Hilty Business Consulting (2000–2004), Owner



### Mr. Eric Le Lay

Born 1962, French citizen

President, Fiber and Foodservice Europe-Asia-Oceania

**GET member since:** March 12, 2008

**Joined the company:** 2008

**Education:** MBA, M.Sc. (Eng.)

**Primary working experience:** Huhtamäki Oyj (2008–), previous position as Executive Vice President, Foodservice Europe-Asia-Oceania; Amcor Limited (1997–2008), several different roles, last position as Managing Director, Chilled Foods, Amcor Flexible Europe; United Biscuits (1996–1997), Plant Manager; Johnson & Johnson International S.A. (1994–1996), Deputy Plant Manager; Kraft General Food France S.A. (1986–1994), various positions in operations and finance/controllership

**Key positions of trust:** European Paper Packaging Alliance (EPPA), President (2021–)



### Ms. Ann O'Hara

Born 1970, U.S. citizen

President, North America

**GET member since:** January 1, 2021

**Joined the company:** 2020

**Education:** MBA, BSE (Chemical Engineering)

**Primary working experience:** Four Provinces Investments LLC (2019–2020), Managing Director; Global Products for the Intertek Group (2019), Executive Vice President; Amcor Limited (2008–2019), several different roles, last position as Vice President and General Manager, Rigid Plastic Diversified Products; General Electric Company (2003–2008), several different roles, last position General Manager, HC Lifescience Service; McKinsey & Company (1999–2003), Engagement Manager; Procter & Gamble (1993–1997), Technical Services Manager, Guangzhou, China and Tianjin, China & Product Development Engineer

**Key positions of trust:** Foodservice Packaging Institute, Board Member (2021–)



### Ms. Thomasine Kamerling

Born 1972, Dutch citizen

Executive Vice President, Sustainability and Communications

**GET member since:** March 1, 2020

**Joined the company:** 2020

**Education:** M.A. (HONS)

**Primary working experience:** Varanah Ventures (2019–2020), Head of Communications and Public Affairs; Viskumed (2019–2020), Head of Value Creation; Hoffman-La Roche Pharmaceuticals (2015–2019), several positions, latest Head of Communications & Public Affairs, Europe; General Electric Oil & Gas (2010–2013), General Manager and Director, Global Communications; APCO Worldwide (1996–2008), several positions, latest Managing Director, Africa (Public Affairs & Strategic Communications)

**Key positions of trust:** –



### Ms. Marina Madanat

Born 1979, Finnish citizen

Executive Vice President, Strategy and Business Development

**GET member since:** January 1, 2020

**Joined the company:** 2018

**Education:** M.Sc. (Econ.), B.Sc. (Electrical Eng.)

**Primary working experience:** Huhtamäki Oyj (2018–), previous position as Vice President, Strategy; Bain & Company (2007–2018) in Stockholm, Sweden; Helsinki, Finland and Boston, USA

**Key positions of trust:** –



### Mr. Sami Pauni

Born 1974, Finnish citizen

Executive Vice President, Corporate Affairs and Legal, Group General Counsel

**GET member since:** February 12, 2015

**Joined the company:** 2006

**Education:** LL.M., EMBA

**Primary working experience:** Huhtamäki Oyj (2006–), several different legal and corporate affairs roles, previous position as Group Vice President, Legal, and General Counsel; Roschier Attorneys Ltd. (2001–2006), Attorney

**Key positions of trust:** International Chamber of Commerce (ICC), member of the Finnish Committee (2020–); Securities Market Association, member of the Market Practice Board (2013–); Confederation of Finnish Industries EK, member of the Legal Affairs Committee (2013–)



### Ms. Teija Sarajärvi

Born 1969, Finnish citizen

Executive Vice President, Human Resources and Safety

**GET member since:** October 1, 2015

**Joined the company:** 2015

**Education:** M.A.

**Primary working experience:** Huhtamäki Oyj (2015–), previous position as Senior Vice President, Human Resources; OP Financial Group (2012–2015), Executive Vice President HR; Metso Oyj (2009–2012), several different roles, last position as Senior Vice President, Human Resources; Nokia Oyj (1998–2009), several different roles, last position as Director, Human Resources, Nokia Markets; ABB Oyj (1993–1998), several different roles

**Key positions of trust:** Neles Oyj, Board member (2020–)



### Mr. Antti Valtokari

Born 1975, Finnish citizen

Head of Digital and Process Performance, acting

**GET member since:** January 1, 2020

**Joined the company:** 2018

**Education:** M.Sc. (Computer Science)

**Primary working experience:** Huhtamäki Oyj (2018–), previous position as Chief Information Officer; KONE Oyj (2013–2018), several different roles, last position as Head of Finance Development and Head of Shared Services; Fiskars Oyj (2009–2013), several different roles, last position as Director, Chief Architect; Nokia Oyj (2002–2009), several different roles, last position as Senior Manager, Retail Processes; Ilocore Suomi Oy (2000–2002), Technology Manager; Open Solutions Oy (1996–2000), Partner, Product Development Manager

**Key positions of trust:** –

## Changes in Global Executive Team

The following changes to the GET that take place during 2022 have been announced at the date of this statement:

On December 21, 2021, it was announced that the President and CEO Charles Héaulmé has been diagnosed with a cancer and is taking a leave of absence from early January 2022, to undergo treatment. He is expected back in the second quarter of 2022. Thomas Geust, CFO, has been appointed as interim Deputy CEO of Huhtamäki Oyj, effective January 1, 2022. Thomas Geust reports to the Board of Directors and assumes the duties of the CEO until the end of Charles Héaulmé's leave of absence. Eric Le Lay, President Fiber Foodservice EAO, has been appointed as interim Chief Operating Officer effective January 1, 2022. Eric Le Lay reports to the Board of Directors on the said position until the end of Charles Héaulmé's leave of absence. The two Business Segment Presidents Marco Hilty, President Flexible Packaging, and Ann O'Hara, President North America, will report to Eric Le Lay.

Ms. Teija Sarajärvi, (born 1969), Executive Vice President, Human Resources and Safety has left Huhtamäki effective December 31, 2021.

Mr. Ingolf Thom (born 1975), MBA, has been appointed Executive Vice President, Human Resources and Safety and a member of the Global Executive Team at Huhtamäki as of January 10, 2022. Most recently, Mr. Ingolf Thom was the Chief Human Resources Officer for K + S Group, a publicly traded minerals company headquartered in Germany. Prior to this, he has worked for 16 years in various leadership and change management roles in human resources at the Dow Chemical Company in Europe, India, Asia-Pacific, and North America.

Mr. Fredrik Davidsson (born 1968), with Degree from Swedish National Defense College, has been appointed Executive Vice President, Digital and Process Performance and member of the Global Executive Team as of June 1, 2022 at the latest. Mr. Fredrik Davidsson joins Huhtamäki from Tetra Pak where his latest position has been Vice President Services, Europe & Central Asia. Prior to this he has



worked in various leadership roles driving large-scope R&D programs and key change management programs, as well as large European services businesses. Prior to his career at Tetra Pak, Mr. Davidsson worked at Sony Ericsson and at the Swedish Armed Forces.

Mr. Antti Valtokari, currently Head of Digital and Process Performance (acting), will continue as a member of the Global Executive Team until Fredrik Davidsson joins Huhtamaki.

Updated information on the GET members is available on the Company's website in section "Management" ([www.huhtamaki.com](http://www.huhtamaki.com) – Investors – Corporate Governance – Management).

During 2021, Mr. Arup Basu has been a GET member until May 12, 2021.

### Mr. Arup Basu

Mr. Arup Basu's CV is presented as it was on May 12, 2021.

Born 1967, Indian citizen

President, Flexible Packaging

**GET member:** February 1, 2020–May 12, 2021

**Joined the company:** 2017

**Education:** PhD (Technology)

**Primary working experience:** Huhtamaki PPL Limited (2017–2020), Managing Director (CEO); Tata Chemicals Limited (2004–2017), several different roles, previous position as President & CTO – New Businesses and Innovation Centre; Accenture (1998–2004), Senior Manager – Management Consulting; Indian Aluminium Company Limited (INDAL) (1994–1998), Superintendent – Research & Development

**Key positions of trust:** –

### Shares owned by the GET members on December 31, 2021

Charles Héaulmé	30,000
Thomas Geust	16,000
Marco Hilty	0
Eric Le Lay	10,464
Ann O'Hara	0
Thomasine Kamerling	0
Marina Madanat	0
Sami Pauni	5,375
Teija Sarajärvi	5,720
Antti Valtokari	250
<b>GET total</b>	<b>67,809</b>

The shareholdings include the Company's shares owned by the GET members and by any potential corporations over which a GET member exercises control. GET members do not own any shares in any other Group companies than the Company.

Information on the remuneration of the GET members is available on the Company's website in section "Remuneration" ([www.huhtamaki.com](http://www.huhtamaki.com) – Investors – Corporate Governance – Remuneration).

# Descriptions of risk management systems, internal control procedures and internal audit function

## Overview of the risk management systems

### Principles of risk management

Risk management is an essential part of the internal control system of the Group and an active means to analyze and manage opportunities and threats related to the business strategy and operations. The Company has defined the principles applied in the organization of the risk management. The purpose of risk management is to identify potential events that may affect the achievement of the Group's objectives in changing business environment and to manage such risks to a level that the Group is capable and prepared to accept so that there is reasonable assurance and predictability on the achievement of the Group's objectives. The risk management process of the Group is based on Enterprise Risk Management (ERM) framework of Committee of Sponsoring Organizations of the Treadway Commission (COSO).

### Risk management process and responsibilities

The Group's risk management process involves assessing risks systematically by business unit, segment and Global function, improving risk management awareness and quality, sharing best practices and supporting cross-functional risk management initiatives. In order to systematize and facilitate the identification of risks they are categorized as strategic, operational, financial, and information risks. These categories are closely aligned with the strategic, operational, financial and compliance objectives of the Group.

Huhtamaki Group Enterprise Risk Management (ERM) Policy defines the objectives, scope and responsibilities of risk management. Compliance with the risk management policy assures timely identification and recording of risks and the application of relevant risk management measures to address these risks. More detailed risk management procedures are set forth in the Group's ERM framework and process guideline.

The Audit Committee monitors the implementation of risk management activities, and evaluates the adequacy and appropriateness of ERM. The Audit Committee reports regularly to the Board, which is

responsible for reviewing the Group's strategic, operational, financial and information risks. The Board approves the risk level that the Group is capable and prepared to accept and the extent to which risks have been identified, addressed and followed up.

The GET is responsible for the adoption and deployment of the Group's internal control principles and procedures relating to risk management. The risk management process includes systematic identification and assessment of risks in each business segment and their business units as well as at Group level. Risks are consolidated from the business unit to the segment level and from the business segment to the Group level. At each level risk treatment actions are defined in order to reach acceptable risk levels. Execution and supervision of these risk treatment actions is a task of line management. Upper level line management always approves lower level risk mitigation actions and the risk level reached after implementation of such actions. The Global Risk Management function monitors and reports the achievement of these actions. The purpose is to verify that risk treatment actions support the achievement of the Group's strategic, operational, financial and compliance objectives.

The Global risk management function organizes, instructs, supports, supervises and monitors risk management activities on an ongoing basis. The function also analyzes changes in the impact, likelihood and level of control for each identified business risk. It reports results of the risk management process to the Audit Committee annually. The Global risk management function also prepares reports to the business segment and Group management as well as the internal audit and the Auditor.

Business unit, segment and Group level risk management process and activities are integrated into the Group's strategic planning and budgeting processes. Risk management process may be commenced any time in the course of the financial year should a certain business area encounter essential strategic changes requiring initiation of the risk management process.

### Risk management focus

A description of the risks that are material to the Group as well as of the focus of the risk management processes in 2021 is available in the Directors' Report and on the Company's website in section "Risk management" ([www.huhtamaki.com](http://www.huhtamaki.com) – Investors – Corporate Governance – Risk management).

## Overview of internal control

Successful business requires continuous development and monitoring of the Group's operations, processes and procedures. Internal control is an essential part of the corporate governance and management of the Group. The Company has defined the operating principles for internal control. The Board and the President and CEO are responsible for adequate internal control. The Audit Committee is monitoring the effectiveness and efficiency of the internal control systems and the correctness of the financial reporting.

Internal control is a process aiming at providing reasonable assurance on achievement of Group's strategic and financial objectives. The responsibility for arranging the internal controls belongs to the executive management of the Group and is being carried out by the whole organization. The aim of internal control is to ensure reliability of financial reporting, effectiveness and efficiency of operations as well as compliance with laws and regulations.

Control of financial reporting assures that financial statements are prepared in a reliable manner. The aim is also to ensure that all financial reports published and other financial information disclosed by the Company provide a fair view on the Group's financial situation. Control of operations is aiming to ensure effectiveness and efficiency of operations and achievement of the Group's strategic and financial objectives.

Control of compliance ensures that the Group follows applicable laws and regulations.

Foundation of all Group's activities lies with Huhtamaki values and principles providing discipline and structure for the operations formalized in policies and guidelines on integrity, ethical behavior and management of personnel. Allocation of authorities and responsibilities as well as segregation of duties allow efficient and proper decision-making procedures.

Group policies, standards and guidelines are deployed in all business segments and business units. Policies, standards and guidelines on financial, human resources, corporate responsibility, environmental, legal and compliance as well as risk management related matters have been issued in the Group. In addition to the Group policies, there are more specific local policies in the business segments and their business units.

#### Reliability of financial reporting

The Global finance function and the network of business segment and business unit controllers are supporting and coordinating the financial management and financial control of operations in the Group. The Group's financial reporting guidelines and standards are applicable throughout the financial reporting process of the Group. The interpretation and application of accounting standards are centralized in the Global finance function which maintains the financial reporting guidelines and standards and takes care of communicating such throughout the Group. The Global finance function also supervises the compliance with such guidelines and standards. Supervision of reporting and budgeting processes is based on the Group's reporting standards which are determined and updated by the Global finance function. The reporting standards are uniformly applied in the whole Group and a unified Group reporting system is used.

#### Effectiveness and efficiency of operations

The Group's strategic direction, objectives and related actions are deployed and communicated throughout the Group. Key performance indicators and annual targets are agreed, approved and communicated as part of the annual planning process. Achievements are followed

monthly and quarterly in business review meetings that are held with line management in all business segments and business units.

Key operational performance indicators are monitored continuously. Key process controls aim at identifying risks as well as designing preventive and detective controls. Corrective actions are implemented and monitored by business segment and business unit management. These activities need to be in compliance with Group policies and standards. Internal controls related to quality, safety and environmental processes and procedures are audited both internally and by external service providers.

The Group is applying Lean Six Sigma process in all business segments to identify and implement continuous improvement projects.

#### Compliance with laws and regulations

Group-wide policies, for example on corporate governance for subsidiaries, competition compliance, data privacy, contracts and agreements, management of claims, disputes and proceedings as well as insider matters have been issued. Compliance with the policies is facilitated through communication and training. The Group has a Global compliance function. Internal audit also covers the compliance with policies.

#### Overview of internal audit

The objective of the internal audit is to improve the effectiveness of supervising obligation of the Board. Internal audit aims at ensuring that the Group's operations are efficient, information is adequate and reliable and that set policies and procedures are properly followed by the organization.

The Group has an internal audit function, and in 2021 internal audit field work has been managed in cooperation with Deloitte Oy. The Code of Ethics and other standards and guidelines issued by the Institute of Internal Auditors are complied with in internal audit activities.

In 2021 internal audits have been conducted in various Group and business segment level processes as well as in business units on a monthly basis according to an approved annual internal audit plan.

Global internal audit function evaluates independently and systematically Group's management and governance systems as well as the effectiveness, efficiency and appropriateness of the Group's business processes and risk management. The internal audit function provides development recommendations for the aforementioned systems and processes in the internal audit reports. The main purpose of these activities is to assure achievement of strategic and financial objectives of the Group.

The Audit Committee approves the annual internal audit plan. Audit engagements are included in the plan in accordance with the Group's strategic objectives, assessed risks, focus areas defined by the Board and the executive management of the Group on a rotation basis. The internal audit function reports to the Audit Committee. Additionally, the President and CEO, the CFO, the Group General Counsel, the Compliance Counsel, other representatives of relevant Global functions as well as the management of the business segment and business unit where the audit has been conducted are informed of the results of the audit. Achievement of actions related to internal audit recommendations are followed by segment management and internal auditor. Results of these internal audit follow-ups are reported to the Audit Committee.

Internal audit pre-material, documentation and data are collected before internal audit field work. During the field work further findings are recorded at site. Internal audit reports include key findings, conclusions and recommendations for control improvements. The management of the audit target prepares an action plan to mitigate risks and develop controls to improve recommended audit issues. The implementation of the action plans is followed up regularly by the line management and the Group internal audit manager.



## Other information

### Insider administration

#### Legal framework

The Company follows the Regulation No. 596/2014 of the European Parliament and of the Council (the Market Abuse Regulation), the Finnish Securities Market Act and the thereto relating regulations and guidelines by the European Securities Markets Authority, the Finnish Financial Supervisory Authority and Nasdaq Helsinki Ltd. In addition, the Group has an insider policy. Certain key provisions of the Company's insider policy have been described below. The insider policy clearly defines certain practices and decision-making procedures in order to ensure that insider administration in the Company is arranged in a consistent and reliable way.

#### Assessment regarding inside information

The assessment whether certain information constitutes inside information is made by the President and CEO after consultation with the Group General Counsel. Similarly, the President and CEO also determines, after consultation with the Group General Counsel, whether the Company is to immediately disclose the information or whether conditions exist to delay the disclosure. The Company properly records any decisions to delay disclosure and the grounds for such decision, and follows set procedures as required by applicable laws and regulations.

#### Insider list

The Company maintains an insider list for recording the persons having inside information. The Company's employees and service providers who have access to inside information are entered into a relevant project-specific section of the insider list. The decision to establish such section is made by the President and CEO. The Company has decided not to establish a permanent insider section. Each person entered into a project-specific section is notified by e-mail of the entry, the duties entailed and the applicable sanctions. The person receiving such notification shall promptly confirm their acknowledgment of such notification in written form. The decision to terminate the project-specific section is made by the President and CEO after consultation with the Group General Counsel and persons entered into such list are notified by email of the termination of the project-specific section. Service providers may assume the task of maintaining insider lists of their employees as decided by the Company on a case-by-case basis.

### Trading restrictions

Insider dealing is always prohibited. In addition, there are trading restrictions imposed on certain managers and employees of the Company even when such parties do not hold any inside information.

The Company has defined the Board and the GET members as persons discharging managerial responsibilities in accordance with the Market Abuse Regulation. Such managers cannot, subject to the exceptions set out in the applicable regulations, conduct any transactions on their own account or for the account of a third party, directly or indirectly, relating to the Company's shares or debt instruments or to derivatives or other financial instruments linked to them during a closed period of 30 calendar days before the announcement of an interim report or a year-end report.

The Company also applies a specific recommendation not to trade to its employees who regularly receive information on the contents of the Company's interim and year-end reports before their publication due to the highly confidential nature of the unpublished financial information. Such restricted period commences 30 calendar days before the announcement of an interim report or a year-end report.

#### Notification obligation

The persons discharging managerial responsibilities at the Company i.e. the Board and the GET members as well as their related parties must notify the Company and the Finnish Financial Supervisory Authority of the transactions conducted on their own account relating to the shares or debt instruments of the Company or to derivatives or other financial instruments linked thereto. The notification obligation applies to any transaction made once a total value of EUR 5,000 has been reached within a calendar year (calculated without netting). The Company has an obligation to publish the received notification through a stock exchange release.

### Related party transactions

The Company and its Board monitor and evaluate transactions between the Company and its related parties. The Company has defined principles and processes for identifying the Company's related parties and the transactions to be carried out with them as well as for evaluating and reporting the nature and terms of such transactions. In order to

identify its related party transactions, the Company keeps record of the persons that are its related parties. The Audit Committee of the Board monitors the Company's related party transactions in accordance with the Company's reporting practices. Transactions between the Company and its related parties are typically part of the ordinary course of business of the Company and implemented under arms-length terms. Related party transactions that are not part of the ordinary course of business of the Company or are not implemented under arms-length terms require a decision by the Board. Board members cannot participate in deciding a related party transaction concerning themselves or their related parties in accordance with applicable laws and regulations.

The Company has not concluded transactions with its related parties in 2021 that are material to the Company and that either deviate from the Company's normal business operations or are not made on market or market equivalent terms.

### Audit

The Company must have one Auditor, which is an accounting firm approved by the Auditor Oversight unit of the Finnish Patent and Registration Office. The AGM elects the Company's Auditor. The AGM 2021 elected the Authorized Public Accountant firm KPMG Oy Ab as the Company's Auditor. Mr. Henrik Holmbom, APA, has acted as the auditor with principal responsibility. Each subsidiary is subject to local auditing under the local regulations, which is conducted by representatives of the KPMG network in each country. KPMG Oy Ab has acted as the Company's Auditor since the AGM 2020. During the financial years 2010–2019 the Company's Auditor was the Authorized Public Accountant firm Ernst & Young Oy and auditors representing it.

#### Fees paid to the Auditor (MEUR)

	2021	2020
Auditing costs	2.5	2.3
Other consultancy not related to auditing*	0.9	0.7
<b>Total</b>	<b>3.4</b>	<b>3.0</b>

\* Such other consultancy services are subject to separate review and approval process concerning the provision of non-audit services by the Auditor and included e.g. advisory in connection with various tax, reporting and other local compliance matters.