

Group Environmental Policy

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Group Environmental Policy

1 Overview and Purpose

At Huhtamaki, we are committed to protecting food, people and the planet. We have a great opportunity ahead of us to enhance the value of packaging, 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 reducing our impact on the natural environment as we embed sustainability in everything we do.

Sustainability means considering the 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 ambition, Huhtamaki has developed a global sustainability dashboard for any environmental impacts, with select key performance indicators as set forth on Appendix A. These environmental key performance indicators reflect our entire ESG agenda and may be revised from time to time, as needed.

2 Scope and Application of Policy

- The objective of this Policy is to ensure a group-wide understanding of Huhtamaki environmental commitments and to guide our Business Segments, operations and functions to meet our group commitments.
- The Group Environmental Policy is adhered to at Huhtamäki Oyj, all its subsidiaries, associated companies and other affiliates and applies to all employees, as well as consultants, agency personnel and joint vendors who work at Huhtamaki premises or under the direction of Huhtamaki. The Code of Conduct for Huhtamaki suppliers outlines the minimum environmental standards for Huhtamaki suppliers.
- The policy is related to and aligned with the relevant environmental policies in Huhtamaki 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 concerned organizations to promote environmental care, increase knowledge and disseminate best practice.
- We undertake appropriate reviews and evaluation of operations to measure progress and to ensure compliance with Policy.
- As described in our Enterprise Risk Management (ERM) process, we apply a precautionary approach in our decision-making and integrate environmental principles into our business strategy.
- We will communicate and publish information on our key environmental performance including external reporting of Huhtamaki's key environmental performance indicators

and progress against targets, including those certain key indicators as may be set forth on a dashboard. See **Appendix A**.

4 Training and Reporting of Non-Compliance

We actively communicate in order to ensure that employees 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; are 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.

Appendix A: Huhtamaki 2030 Sustainability Ambition

Huhtamaki has developed global sustainability dashboard 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 entire ESG agenda and may be revised from time to time, as needed.

A global dashboard will be updated regularly and will be used to communicate our performance against our commitments to external stakeholders.

Huhtamaki sustainability ambition currently focus on the following areas

1.1 Climate and energy

- We have committed to set science-based climate targets by 2022
- We work towards decoupling production and carbon intensity by smart integration of renewables, energy efficiency and other sustainable solutions to achieve decarbonization.
- Huhtamaki ambition is to achieve carbon-neutral production by 2030: a production with net-zero greenhouse gas emissions.
- 100% of our electricity comes from renewable sources by 2030.

1.2 Water and effluent

- By introducing water management plans to all sites by 2023, we ensure that we take the steps needed to responsibly manage our water and effluent related activities.
- Huhtamaki is committed to the principles of circular water management: reducing water losses by boosting water efficiency, reusing 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.
- We use Aqueeduct Water Risk Atlas by World Resource Institute (WRI) to identify the sites in water-stressed areas.

1.3 Sustainable forestry and biodiversity

- Huhtamaki sources virgin fiber from certified forests, as it ensures that all our wood fiber supply is responsibly produced. Increasing or maintaining the biodiversity is one of the focus areas in sustainable forest management. The sustainability of forest management practices is verified with a forest certification process.
- We source fiber that is certified to Forest Stewardship Council® (FSC®), the Programme for the Endorsement of Forest Certification™ (PEFC™) or Sustainable Forestry Initiative® (SFI®).

1.4 Waste and design for circularity

- For Huhtamaki, tackling the waste challenge involves addressing both production waste and the end-of-life of the product.
- We address this complex 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.

- 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.
- Huhtamaki is committed to addressing the end-of-life of products by designing ready to recycle packaging solutions for a circular economy. Actual recycling rates are dependent on the local availability of infrastructure and consumer behavior.
- 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.

1.5 Chemicals

- Huhtamaki adopts and implements all relevant regional, national and global chemicals related laws and regulations including i.e. REACH EU regulation on chemical substances in Europe and GHS classification and labelling of chemicals from the United Nations globally.
- Huhtamaki is committed to 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.

1.6 Example of Sustainability dashboard

Huhtamaki Sustainability dashboard 2020 is a selection of our key ESG KPIs.

