



# Huhtamaki Modern Slavery and Human Trafficking Statement

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## Huhtamaki Modern Slavery and Human Trafficking Statement

Huhtamaki is committed to respecting human rights in our own operations, supply chains and the local communities we operate in, as set forth in our [Group Human Rights Policy](#). We recognize that each entity within our value chain has its own independent duty to respect human rights. We expect our business partners and stakeholders to adhere to ethical business conduct consistent with our own and are committed to working with them to fulfill this common goal.

This statement describes Huhtamaki's policies related to modern slavery and human trafficking and the actions taken during the financial year 2023 to mitigate the risks for modern slavery in our business and supply chain, in accordance with the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018.

### **Our business and supply chain**

Huhtamaki is a leading global provider of sustainable packaging solutions for consumers around the world. Our innovative products protect on-the-go and on-the-shelf food and beverages, and personal care products, ensuring hygiene and safety, driving accessibility and affordability, and helping prevent food waste. We operate in 37 countries and 103 operating locations around the world. Our values Care Dare Deliver guide our decisions and help our team of around 18,000 employees make a difference where it matters. Huhtamaki Group is headquartered in Espoo, Finland and our parent company, Huhtamäki Oyj, is listed on Nasdaq Helsinki Ltd.

Our value chain covers thousands of business partners and other stakeholders, with an estimated 20,000 goods and services suppliers. They range in size, from very small local entities serving one site to very large global organizations serving multiple sites.

### **Policies in relation to modern slavery and human trafficking**

Consistent with the principles set forth in our Code of Conduct and the Code of Conduct for Huhtamaki Suppliers, Huhtamaki prohibits all forms of forced labor and modern slavery, including trafficked, indentured or bonded labor, prison labor or other forms of involuntary labor. Huhtamaki is committed to complying with existing laws and regulations and to acting in accordance with commonly accepted global best practices, including but not limited to the California Transparency in Supply Chains Act of 2010, the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018.

Our Working Conditions Requirements and our Group Human Rights Policy set standards for our company, suppliers and partners globally with regards to the protection of human rights. These standards are based, in part, on the United Nations' (UN) Universal Declaration of Human Rights and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Specifically, Huhtamaki standards include, but are not limited to, proper verification of identity, prohibition of recruitment fees, and clear communication in the terms and conditions of employment.

### **Identifying modern slavery risks**

Identifying our human rights risks and impacts, including risks related to modern slavery and human trafficking, is the first step of our human rights due diligence process. Risks are identified on an ongoing basis through several key processes, such as social compliance audits and the global Ethics and Compliance program. We have also conducted a global, high-level human rights impact analysis in 2021, followed by human rights impact assessments at two of our operating sites in 2021 and 2022. Risks related to the supply chain are assessed as part of our supply chain due diligence process, which includes risk screenings, supplier questionnaires and audits.

In 2023, we revisited the human rights risk assessment from 2021. The existing assessment was reviewed together with an external human rights expert and updated based on further sources of information, such as audit reports and reports received through the Speak Up channel, taking inherent risks for our industry, value chain and geographies into account. Based on the updated risk assessment, we were able to confirm our salient human rights, which constitute the key priority areas that we will focus on in our human rights due diligence work going forward. Forced labor was identified as a salient topic in the supply chain.

Going forward, we will continue to use a combination of methods to better understand our risks and impacts, including modern slavery, to ensure appropriate mitigation actions are in place, applying a risk-based approach consistent with the UN Guiding Principles on Business and Human Rights to prioritize focus areas by severity and likelihood of risk.

## **Mitigating modern slavery risk in our business operations and activities**

The management of human rights risk and impacts in our global business operations is embedded into our existing management systems and processes. We are committed to continuously developing these processes to incorporate human rights considerations. Key processes in relation to modern slavery and human trafficking include the implementation of global Employment Guidelines and Working Conditions Requirements, which cover areas such as employment contracts, required work permits, identity verification, voluntary employment and human trafficking due diligence, young worker protection and prohibition of child labor, working hours, grievances, and supplier management. A large share of our sites undergo regular SMETA ethical audits, which serve as a way for us to track the implementation of our policies and guidelines.

In 2023, we took several steps to strengthen our human rights due diligence management. We created an executive steering group for social sustainability to oversee the development of our human rights due diligence. We developed our capabilities by participating in the UN Global Compact's Accelerator Program on Business and Human Rights. In addition, we continued to raise awareness among employees through Code of Conduct training, along with our Modern Slavery e-learning course. The Modern Slavery e-learning course is mandatory for all managers and experts in the supply chain and human resources functions globally, and available to all other Huhtamaki employees as well. Furthermore, training programs, local policies and control points are required from all Huhtamaki sites to raise awareness on human rights and prevent human trafficking and modern slavery.

## **Mitigating Modern Slavery Risk in our Supply Chain**

Huhtamaki is committed to working with suppliers that have appropriate ethical and responsible policies and practices in place as laid out in the Code of Conduct for Huhtamaki Suppliers. The supplier code prohibits all forms of modern slavery. It states:

- Under no circumstances will You use forced or involuntary labor, including compulsory or trafficked labor, indentured labor, bonded labor, prison labor, or other forms of mental or physical coercion.
- You, or any labor intermediary used by you, do not retain workers' passports or other identification documents, require workers to pay fees or deposits in exchange for work, withhold pay, or otherwise constrain a worker's freedom of movement.

The Code of Conduct for Huhtamaki Suppliers is posted on our website and referred to in the Huhtamaki General Terms and Conditions of Purchasing. All suppliers, including labor agencies and recruiters, are expected to adhere to the standards. These include having appropriate management systems in place and providing accessible grievance channels to mitigate and remediate human rights risks, including human trafficking or modern slavery. The supplier code also lays out the expectation that suppliers apply similar standards to their subcontractors, suppliers or other intermediaries.

Huhtamaki evaluates certain key suppliers, prioritized based on defined environmental, social, governance and business risk attributes. This due diligence process is designed to evaluate and address specific risks, including those of human trafficking and modern slavery, and is reviewed continuously.

Our current supply chain due diligence processes are based on the following key elements:

1. **Communicating the Code of Conduct for Huhtamaki Suppliers**
2. **Initial risk prioritization** identifies "key suppliers" comprising about 80% of spend
3. **Ongoing screening and monitoring** of key suppliers
4. **Supplier assessments** for key suppliers, including self-assessment questionnaires and sustainability audits for selected suppliers

We support our supplies in closing identified gaps and track their progress. Business relationships with suppliers that do not demonstrate willingness to address identified gaps will be re-evaluated. As a last resort the relationship may be terminated.

To date, the above due diligence activities have not identified potential risks related to modern slavery or human trafficking.

## **Addressing concerns and providing remedy**

We actively encourage employees to raise questions and concerns related to ethical business practices. Huhtamaki's terms of employment lay out the expectation to follow all applicable laws and all Huhtamaki policies, including the Huhtamaki Code of Conduct. If an employee finds out that another employee has violated the rules, the employee is expected to report the violation.

Huhtamaki maintains multiple channels for voicing concerns and speaking up when suspecting or observing non-compliance. In cases of suspected or observed non-compliance, employees

can report to their manager, legal counsels, human resources representatives, or directly to the Global Ethics and Compliance team. In cases where direct reporting is not possible or not preferred, employees can report any suspected or observed non-compliance also through the Huhtamaki Speak Up channel, which is available to all Huhtamaki employees, suppliers, customers and other stakeholders. The Speak Up channel can be accessed by visiting the website at: <https://report.whistleb.com/Huhtamaki>. In some countries, reports can also be submitted via local reporting channels.

All breaches and suspected breaches of the Huhtamaki Code of Conduct or any other Huhtamaki policies, as well as laws and regulations, brought to the attention of the Global Ethics and Compliance team are, in accordance with the Group Speak Up and Investigations Policy, investigated and reported to the Ethics and Compliance Committee and the Audit Committee of Board of Directors. Preventive and corrective actions are taken as needed.

In the case of an allegation of noncompliance that rises to the level of a potential human rights violation, the first priority is the safety and well-being of the affected individuals. Global Ethics and Compliance will inform the relevant internal stakeholders to make sure that appropriate actions are taken.

## **Looking Forward: Our Commitment**

We have continued taking steps to formalize our human rights due diligence practices for our employees, suppliers, customers, communities and other stakeholders. This work is high priority and is ongoing. Huhtamaki is dedicated to continuously improving its human rights due diligence processes and to taking action to close identified gaps. These steps shall help us to uncover, prevent and mitigate any potential incidences of human rights abuse, such as forced labor and human trafficking, in our operations and supply chain.

Our work in recognizing the risks, mitigating impact and training our staff and suppliers specifically on topics associated with human trafficking and modern slavery is a continuous process. Based on our findings to date, we have no evidence that suggests any incidences of human trafficking or modern slavery within Huhtamaki's own operations or its supply chain.

This statement has been prepared in relation to the financial year ending 31<sup>st</sup> of December 2023. Further details of our activities and ongoing commitment are available in the Huhtamaki Annual Report available at [www.huhtamaki.com](http://www.huhtamaki.com)