ANNUAL REPORT
# 2024

Huhtamaki

# Contents



*The Huhtamaki Annual Report 2024 is composed of three sections describing our 2030 Strategy, financial performance including sustainability, and governance.*

*This PDF is intended to be used on widescreen computers. A PDF optimized for printing is available for download at www.huhtamaki.com/investors.*

*This Annual Report is not an xHTML document compliant with the ESEF (European Single Electronic Format) regulation. The Financial Statements and Directors' report 2024 in accordance with ESEF regulations is available at www.huhtamaki.com/investors.*

# Overview

President and CEO's foreword

# Solid year in a gradually improved market

For Huhtamaki, 2024 was a solid year, with improved safety performance and increased profitability. In the first half of the year, demand was muted in many markets. The second half saw gradual recovery, with variations across categories and regions. Demand for pre-packed food, especially egg packaging, increased, and flexible packaging saw gains in a volatile market. Food on-the-go volumes remained subdued, particularly for coffee chains, due to high prices caused by inflation. The North American foodservice market performed better than other regions. The ongoing Middle East conflict affected global brands in some Middle Eastern and Asian markets throughout the year.

For the full year 2024, comparable net sales remained at the previous year's level. Sales prices decreased due to a pass-through of lower raw material prices, while volumes increased slightly. Despite the muted topline development, our adjusted EBIT increased by 6% and the margin increased to 10.1%. Free cash flow reached EUR 216 million, driven by higher profit and lower investments, still investing in growing the profitable core. On the other hand, free cash flow in the comparison period was supported by a material decrease in working capital.

Throughout the year, we made progress on the strategic priorities. Our main focus was on improving competitiveness. Here, our key initiatives were built around our program to achieve EUR 100 million in cost savings. The program contributed to our performance throughout the year, and achieved savings of appr. EUR 76 million. The actions we took early in the program supported achieving the planned savings at an accelerated pace. The cost savings were essential to compensate for cost inflation. We expect to achieve the EUR 100 million savings target and close the program ahead of schedule, and with lower costs than originally anticipated.

While focusing on competitiveness, we continued to invest in innovation. We introduced new paperboard solutions with reduced plastic coating and paperboard-based packaging for FMCG products like ice cream, replacing plastic. We also expanded production of recyclable flexible packaging. These innovations support our sustainability agenda. We also made progress in our sustainability performance, for example, by increasing our use of renewable energy. Sustainability remains a top priority moving forward.

We have also strengthened our balance sheet. At the end of the year, our net debt to adjusted EBITDA was at the lower end of our target range of 2–3x, allowing for organic and inorganic investments. Based on our positive financial development, the Board of Directors proposes a dividend of EUR 1.10 per share. If approved, this would mark the 16th consecutive year of dividend growth, highlighting the long-term success of our stable business. We have a strong foundation to reach our financial ambitions and continue to deliver on our strategic priorities.

I am excited to have taken on the position as President and CEO of Huhtamaki. I know the company well and have always appreciated its ability to innovate, develop and drive world class commercial and operational results. I am happy to see an improving trend in 2024 and am determined to drive performance improvement. This is made possible by the dedication of our committed teams. I want to thank our employees, customers, suppliers, and all other stakeholders for their collaboration and trust.

**Ralf K. Wunderlich**
President and Chief Executive Officer

# This is Huhtamaki

**Huhtamaki is a global leader in sustainable packaging solutions for food and everyday necessities. We focus on innovative and scalable sustainable solutions that impact the daily lives of people everywhere.**

Our products cater to three main categories: food on-the-go, food on-the-shelf, and everyday necessities. A majority of our sales is from food-related packaging. Our customers include quick-service restaurants, fast-moving consumer goods companies, retail channels, and distributors. This broad market reach and diverse product range provide us with stability. We use paperboard, molded fiber, and flexible packaging technologies. Our primary raw materials are paperboard, recycled fiber, and plastic resins.

We believe that food packaging is essential. It ensures food hygiene and safety, extends shelf life, and reduces food waste. Packaging also plays a crucial role in making affordable food accessible to consumers worldwide. Sustainability is at the core of everything we do. By offering better, fit-for-purpose packaging, we aim to minimize the negative environmental impacts of our operations and products while maximizing positive outcomes for our stakeholders, consumers, and society.

This is Huhtamaki

# Huhtamaki in figures

Net sales
M€ 4,126

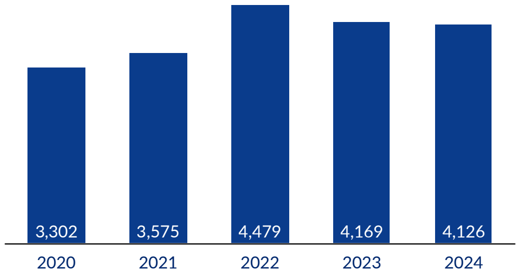
Adjusted EBIT
M€ 416.9

Adjusted EBIT margin
10.1%

Capex
M€ 248

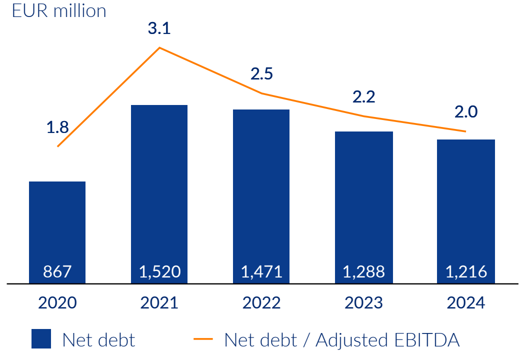
## Net sales

EUR million



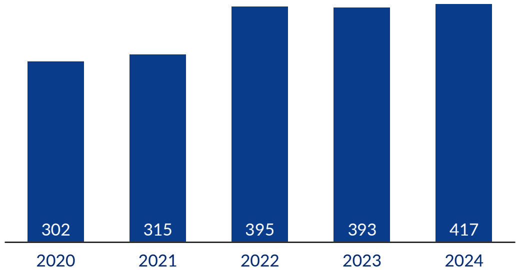

## Net debt and Net debt / Adjusted EBITDA

EUR million



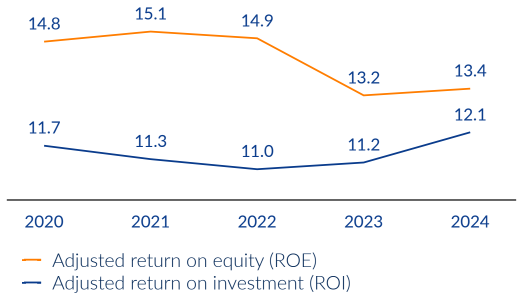

## Adjusted EBIT

EUR million



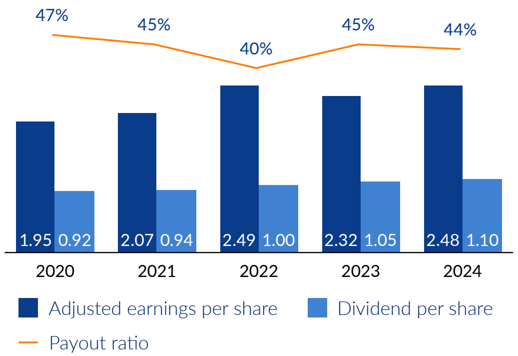

## Adjusted return on investment and equity

%




## Adjusted earnings and dividend per share

EUR



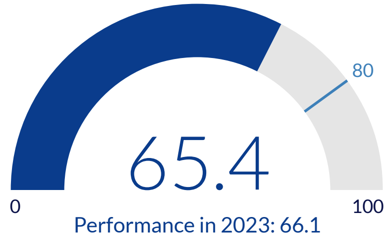

Business segments' net sales include internal sales of EUR 9 million in total. Group's Adjusted EBIT includes Other Activities EBIT of EUR -15 million. Adjusted EBIT, Adjusted earnings per share and Net debt and Net debt / Adjusted EBITDA, Adjusted ROI and Adjusted ROE are presented excluding items affecting comparability. 2024 dividend as proposed by the Board of Directors.

This is Huhtamaki

# Huhtamaki sustainability figures

### Renewable or recycled materials

% of total materials

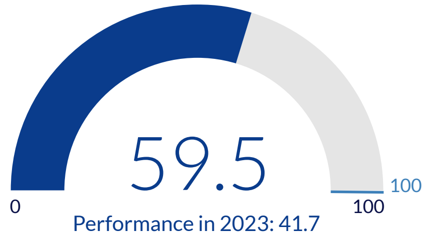



### Certified or recycled fiber

% of fiber-based raw materials

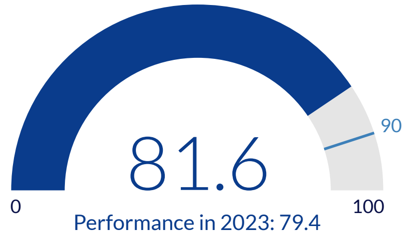

### Renewable electricity

% of total electricity consumed




### Non-hazardous waste recycled or composted

% of total non-hazardous waste




### Waste to landfill

% of total waste


Figures in light blue indicate Huhtamaki Group's 2030 ambitions.

This is Huhtamaki

# Huhtamaki as an investment

**Huhtamaki is a leading global provider of sustainable packaging solutions at scale for consumers around the world. Our innovative products protect on-the-go and on-the-shelf food and beverages, as well as home and personal care products. They ensure hygiene and safety, drive accessibility and affordability, and help prevent food waste.**

We create value for our stakeholders by scaling our profitable core business, by innovating into sustainable packaging solutions and by stepping up our operational performance to secure competitiveness in the short and long term. Additionally, we focus on ensuring that we have the strategic enablers in place to sustain this. As the industry shift to circularity accelerates, we have invested into technology innovation to capture sustainable, value-adding long-term growth opportunities. The transformation of our portfolio for circularity is increasingly delivering value and bodes well for the future.

By delivering on our strategy, our long-term ambition is to achieve annual net sales growth of 5–6%, delivering in the long-term an adjusted EBIT margin of 10–12%, and an adjusted return on investment of 13–15%. This would allow growing earnings per share and increasing dividends. Our historically stable and predictable profit growth has enabled us to increase our dividend annually for 16 consecutive years, with a compound annual growth rate of 8%*.

*Including the 2024 dividend proposal by the Board of Directors.

Comparable annual net sales growth:
5–6%

Adjusted return on investment (ROI):
13–15%

Adjusted EBIT margin:
10–12%

Net debt / Adjusted EBITDA ratio:
2–3

Dividend payout ratio:
40–50%

Huhtamaki

# Business segments

## Fiber Foodservice E-A-O

Net sales
M€ 1,353

## North America

Net sales
M€ 1,460

## Flexible Packaging

Net sales
M€ 1,323

We support our customers, wherever they are.

## Huhtamaki global figures

Operating countries
36

Operating locations
101

Number of employees
17,794

- Manufacturing unit
- Sales unit
- Distribution center
- Head office

All figures as of December 31, 2024.

Business segments

# Fiber Foodservice E-A-O

**The Fiber Foodservice E-A-O business offers high-quality paperboard and molded fiber packaging for fresh food and drinks to foodservice operators, fast food restaurants, coffee shops and FMCG companies. We provide safe and recyclable egg cartons and trays, fruit packaging and bottle dividers to protect, preserve and help with the handling of delicate food products. We have 28 manufacturing locations in Europe, Africa, Middle East, Asia and Oceania as well as South America.**

"We navigated a challenging year with strategic innovations like plastic-free barrier-coated takeaway boxes, enhancing our sustainable offering."

| Net sales | Adjusted EBIT | Adjusted EBIT margin | Capex |
|---|---|---|---|
| M€ 1,353 | M€ 134.5 | 9.9% | M€ 94.4 |

The market conditions remained challenging in 2024, as inflation continued to impact demand across markets. Additionally, the war in the Middle East led to boycotts of certain large customers. For the Fiber packaging business, avian flu in South Africa and Australia hampered sales volumes during the first half of the year. Comparable net sales for Foodservice E-A-O decreased by 5% and increased by 6% for Fiber Packaging. Our adjusted EBIT decreased by 7% for Foodservice E-A-O and grew by 10% for Fiber Packaging. Profitability was supported by the Group-wide efficiency program. Our actions in the program included optimization of our footprint in China and Malaysia.

In line with our 2030 Strategy, we are focused on replacing plastics wherever it is feasible, supported by our two technologies. We have the means to develop complex sustainable solutions and with our global reach and scale allows us to industrialize new and sustainable solutions quickly.

During the year, we launched our first plastic-free takeaway boxes. The new products are recyclable and compostable, and derived from renewable sources. Currently this solution is available for selected products in the UK. The other focus area, in addition to innovation, is scaling up previously launched products. For that, we increased capacity for fiber lids in Europe by investing in Northern Ireland.

Business segments

# North America

**The North America business serves local markets with branded disposable tableware (Chinet®) and private label products, foodservice packaging products, as well as consumer goods packaging products (such as ice-cream containers and egg cartons). We have 19 manufacturing locations in the United States and Mexico.**

"Despite mixed demand, our North America business saw an 8% EBIT increase in 2024, supported by improved efficiency and strategic capacity expansion in egg cartons."

| Net sales | Adjusted EBIT | Adjusted EBIT margin | Capex |
|---|---|---|---|
| M€ 1,460 | M€ 203.4 | 13.9% | M€ 83.9 |

We made good progress on our ambitions during 2024, despite the sluggish development of consumer demand. Demand in Foodservice was solid, whereas it was softer in Consumer Goods and Retail. Comparable net sales growth was 0% as sales volumes increased but sales prices decreased. Our adjusted EBIT increased by 8%, supported by actions to improve profitability and increased sales volumes.

During the year, delivering on our expansion projects has been a main focus area. The investment in egg carton capacity in Hammond, Indiana, ramped up during the year. This investment has supported the market's increased demand as foam packaging is being banned in a large number of U.S. states. Our second large investment is for increasing capacity in folding carton products. We are expanding our factory in Paris, Texas, with the ramp-up starting in early 2025. The increased foodservice capacity will be key to servicing the growth of existing customers and a growing list of up-and-coming customers throughout the Southern and Midwestern states.

We continue to drive our performance in line with the 2030 strategy. The North American market is attractive and dynamic and is expected to grow. We drive growth mainly by investing in the profitable core operations, based on our strong core portfolio. Increasingly, we also introduce new sustainable solutions, leveraging the Group capabilities.

Business segments

# Flexible Packaging

**The Flexible Packaging business offers light and innovative flexible packaging materials, pouches and labels for food and beverages, coffee packaging, pet food packaging, barrier packaging, retort pouches and packaging for healthcare products. The business serves global markets from 20 manufacturing locations in Europe, Middle East and Africa, Asia, and South America.**

"Rising demand and our innovative blueloop™ recyclable solutions boosted our Flexible Packaging business, leading to a positive turnaround in 2024."

| Net sales | Adjusted EBIT | Adjusted EBIT margin | Capex |
|---|---|---|---|
| M€ 1,323 | M€ 94.2 | 7.1% | M€ 69.0 |


During 2024, market conditions started to improve after a difficult 2023. Supported by a recovery in demand, sales volumes grew, and net sales increased by 1%. Net sales increased particularly in South-East Asia and Oceania. Similarly, our profitability improved with a 7% increase in adjusted EBIT.

Our profitability was supported by the Group-wide efficiency program. We have taken significant action in the last two years to optimize our footprint, to improve the competitiveness and strengthen the foundation for future growth. Footprint optimization has been done in India, Czech Republic and the United Arab Emirates, as we consolidated production to larger units. Additionally, we made good progress on labor productivity, waste reduction and commercial excellence, the benefits of which are still to fully materialize.

Our strategic focus is on stepping up our sustainability performance and improving our market position. We are rolling out blueloop™ recyclable sustainable monomaterial products, which are based on our investments into innovation. These products offer recyclability without compromising on product protection or affordability. During 2024, we ran trials together with our customers on the new material, and sales gained traction towards the end of the year. We will continue to drive growth through these new solutions going forward.

# Our 2030 Strategy

**Packaging plays an essential role in both the sustainable future of our planet and the everyday lives of billions of people globally. It makes food and everyday necessities more accessible and affordable, ensures hygiene and safety, and prevents food loss and waste, thereby enabling social and economic progress worldwide.**

Since the beginning of our transformation journey in 2020, we have become a global leader in packaging innovation for food and everyday necessities. This is driven by our focus on key technologies – paperboard conversion, molded fiber, and flexible packaging – along with our partnerships for sustainable innovation, ability to scale up new technologies, and our global footprint.

With the growing demand for improved packaging, we are well-positioned to achieve our 2030 North Star: to be the first choice in sustainable packaging solutions, driven by innovation and operational excellence. We aim to create value by scaling our core businesses, focusing on rough molded fiber, foodservice packaging, retail tableware, and flexible packaging. During the last years, we have invested in expanding our core business in several markets. Additionally, we have invested in innovative solutions, including recyclable flexible packaging.

Our strategic capabilities will power our business priorities, focusing on systematically improving safety, embedding sustainability, driving customer excellence, delivering world-class operations, accelerating digital transformation, and empowering our talent.

In the coming years, we aim to reap the benefits from all investments and increased capabilities, driving progress on our strategy journey. By doing so, we aim to generate value for customers, shareholders, employees, and the planet.

**Our Purpose:**

## Protecting food, people and the planet

**Our business priorities:**

- Scale up profitable core businesses
- Develop blueloop™ sustainable innovation in partnership with our customers
- Drive world-class competitiveness

## Our strategic enablers:

**Safety**

**Innovation**

**Digitalization**

**Customer excellence**

**Sustainability**

**Operational excellence**

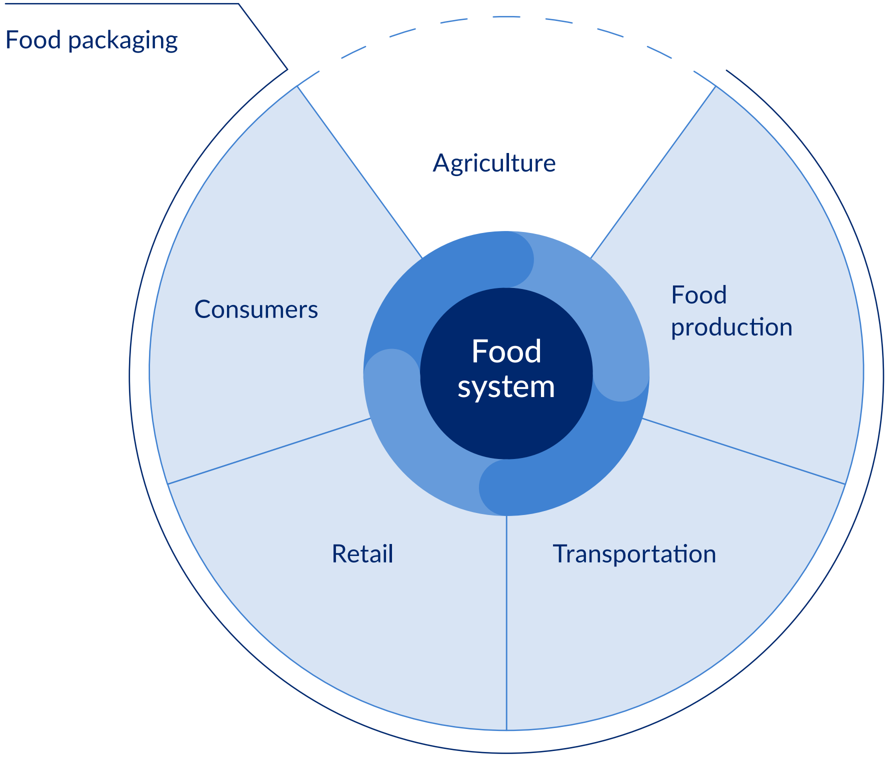
**Empower our Talent to succeed**

Sustainable food packaging

# Enhancing food safety through sustainable packaging solutions

We believe that effective packaging is crucial for protecting food, minimizing waste, and providing consumers worldwide with safe, hygienic, accessible, and affordable food, regardless of their location.

| Challenges to the food system | Food packaging helps mitigate challenges to the global food system |
|---|---|
| **Increasing food prices due to disruptions**<br>▪ After the pandemic, food inflation peaked at an all-time high of around 15% in March 2023. In January 2024 it was still at 5.7%, above its pre-pandemic average of 2.1%.[1] | **Packaging drives accessibility and affordability**<br>▪ By ensuring a reliable supply chain from farm to fork, making food more accessible and affordable.[5]<br>▪ Packaging plays a vital role in reducing food waste by extending the shelf life of products, thereby helping to minimize waste, and supporting consumers during times of price inflation. |
| **Food contamination and foodborne illnesses**<br>▪ The World Health Organization (WHO) estimates that every year almost 1 in 10 people fall ill due to foodborne diseases. The WHO estimates that 33 million years of healthy life are lost annually due to the consumption of unsafe food worldwide, and this figure is likely underestimated.[2]<br>▪ Agencies and authorities working on food safety have long recognized the significant role of cross-contamination as the most frequent cause of most foodborne illness. | **Single-use packaging systems reduce the risk of cross contamination**<br>▪ Single-use systems are inherently simpler than reuse systems, which feature multi-location cleaning, sanitation, storage, and transport, which leads to greater risks of cross-contamination.[6] |
| **Food waste**<br>▪ Approximately a third of all food available to consumers is wasted, which accounts for 8–10% of global greenhouse gas (GHG) emissions.[3]<br>▪ In the EU, approximately 59 million tonnes of food waste are generated each year, with an estimated market value of 132 billion euros.[4]<br>▪ Food waste increases the need for farmland. Expansion of farmland is a leading cause of the current biodiversity crisis and deforestation. | **Positive impact on $CO_2$ emissions**<br>▪ From a climate point of view, reducing food waste is more important than reducing packaging volume.<br>▪ Only approx. 5% of the $CO_2$ emissions of packaged food are attributable to packaging, 80% of emissions result from food production.[7] |




[1] European Central Bank, 2024
[2] The World Health Organization, 2019
[3] UNEP Food Waste Index Report 2024
[4] Eurostat, 2022
[5] Marsh K. & Bugushu B., 2007
[6] Ramboll, 2022
[7] Poore, J. & Nemecek, T., 2018

Packaging market

# Sustainability is leading the industry forward

The packaging market is going through a transformation driven by the customers' increasing demand for sustainable solutions. As currently only a fraction – around 30% – of the packaging on the market meets key sustainability standards, there is a vast possibility and demand for innovation. Huhtamaki is well-positioned to lead this change, leveraging its expertise in introducing scalable, sustainable technologies. As consumer behavior shifts more towards prioritizing environmental impact while at the same time the regulatory pressures intensify, the packaging value chain must adapt to these evolving demands.


Over 80 per cent of Finnish consumers think that they recycle enough, and 40 per cent also say they would be willing to pay extra for sustainable packaging.

*A survey commissioned by Huhtamaki reveals that most Finns are satisfied with their own recycling habits. Read more at huhtamaki.com*

## Increased regulation

Besides consumers, the shift towards more sustainable practices is fueled by legislation. From January 2023, the European Union's Corporate Sustainability Reporting Directive (CSRD) was set into force, requiring all large and listed companies to disclose information on their sustainability practices.

Huhtamaki complies with the CSRD regulations and has reported sustainability data for 2024 according to the European Sustainability Reporting Standards (ESRS).

## Move away from plastics

The evolving landscape of heightened consumer expectations and regulatory changes are shaping the future of packaging solutions. Almost 70 per cent of Huhtamaki's survey respondents wanted to see more fiber-based, paper-based, or cardboard-based materials in packaging. One in two also wanted to increase the use of recyclable plastic.

At Huhtamaki, we strive to continuously innovate with materials, always seeking ways to minimize usage while opting for the most sustainable alternatives available. We aim to create plastic-free solutions where feasible, for example through continued expansion of fiber lid production capacity and through increased use of paper-based flexible packaging. We also work to decrease the amount of plastics in solutions where plastics continue to be needed. Our blueloop™ flexible packaging minimizes the use of plastics and, in some cases, eliminates the need for aluminum in the structure.

## Sustainability

The role of sustainability is increasingly important in packaging. According to a survey commissioned by Huhtamaki, 40 per cent of consumers were willing to pay more for sustainably produced or sourced goods. It is notable that even in the current economic situation, consumers still considered sustainability to be this high importance.

Huhtamaki takes a proactive stance on sustainability, focusing on developing and commercializing recyclable and compostable packaging made from renewable resources. Additionally, we actively collaborate to advance circular economy practices, aligning with the industry's shift towards reducing environmental impact throughout the packaging lifecycle.

# Huhtamaki's business priorities

At Huhtamaki, our ambition is to be the leading global provider of sustainable packaging solutions. To achieve this objective, we are committed to expanding our profitable and sustainable core businesses, investing in the groundbreaking blueloop™ innovation to drive transformative advancements, and enhancing our competitive edge by optimizing efficiency and productivity, ultimately reducing costs.

Business priority

## Scaling up our profitable core businesses

Huhtamaki is committed to driving profitable growth by strategically scaling our core businesses. In 2024, our two most significant expansion projects are substantially increasing our capacity in the North American markets. These expansions reflect Huhtamaki's confidence in the region's future and its dedication to sustainability and innovative packaging solutions. The expansions follow Huhtamaki's commitment to reduce plastic use wherever it is feasible and meeting the demand for sustainable packaging.

In 2022 Huhtamaki announced its plans to expand its molded fiber manufacturing capacity in Hammond, Indiana, with a USD 100 million investment into egg carton capacity. The expansion moved to production ramp-up in 2024 and is enhancing our ability to serve the North American customers with recyclable and compostable fiber-based packaging made from recycled materials. The new facility covers approximately 2,300 square meters and is adjacent to the existing site, bringing new capability to the North America segment in the form of egg cartons.

The second investment is building significant additional capacity in foodservice business by expanding on a factory in Paris, Texas. This investment, amounting to approximately USD 30 million, involves expanding manufacturing capacity and consolidating an external warehouse into a leased manufacturing facility.

Business priority

# Developing blueloop™ sustainable innovation in partnership with our customers


Photo by Valorama

## Success is a team effort – exploring innovative solutions for packaging circularity at Slush

To take the next steps towards more sustainable manufacturing and packaging circularity, innovation across the entire value chain is needed, requiring systems thinking, partnerships and collaboration.

Building on the success of the 2023 Slush event, which attracted nearly 100 participants, Huhtamaki and Emerald Ventures continued the workshop series in 2024. The event, titled "The Future of Packaging – Circularity Enabled by Digital Integration", featured four focused workshops: digital foundation for sustainability reporting, AI-driven solutions to elevate supply chain efficiency, value adding applications of packaging digital product passport and solving for the last-mile of collection, recycling, and reuse.

Huhtamaki and Slush also took event sustainability to the next level by pioneering a closed-loop recycling initiative at Slush 2024. Huhtamaki provided recyclable fiber cups and lids for the event, and by ensuring their collection and recycling, this partnership sets new industry standards for circularity. With dedicated bins and a local recycling process, the used cups can be transformed into new packaging solutions, highlighting the practical and scalable nature of sustainable practices.

*Read more at huhtamaki.com*


## Recognized excellence with blueloop™

Huhtamaki was awarded the prestigious "Tube of the Year" title for the groundbreaking blueloop™ tube ONE. This award recognizes commitment to innovation, sustainability, and excellence in flexible packaging solutions. blueloop™ tube ONE represents a significant advancement in tube packaging technology. As the first silver glossy high barrier tube laminate without EVOH on the market, this innovation sets a new standard for versatility and performance across a range of applications, including pharmaceuticals, food, and personal care products.

Our fully recyclable Omnilock™ Ultra Paper was also named a finalist in the 'Recyclable Packaging' category at Packaging Europe Sustainability Awards 2024. The innovation lies in its ability to deliver ultra-high barriers which have only been achievable by non-recyclable, multilayer, aluminum foil/plastic combinations previously.

*Read more at huhtamaki.com*

Business priority

# Driving world-class competitiveness

In addition to driving growth, we have a strong focus on improving our competitiveness. This will also play a crucial role in reaching the financial ambitions on profitability and capital efficiency. To drive world-class competitiveness across our global footprint, we focus on safety, operational excellence, productivity, process performance and digitalization.

Throughout the year, we made progress on the strategic priorities. Our main focus was on improving the competitiveness. Here, our key initiatives were built around our program to achieve EUR 100 million in cost savings. The program contributed to our performance throughout the year, and achieved savings of appr. EUR 76 million. The actions we took early in the program supported achieving the planned savings at an accelerated pace. The cost savings were essential to compensate for inflation and adverse currency impacts. We expect to achieve the EUR 100 million savings target and close the program ahead of schedule, and with lower costs than originally anticipated.

The efficiency improvements of the program are addressing all cost levers, out of which sourcing is the most significant one. We have increased sourcing efficiencies, both on direct and indirect spend, but still have room for improvement, particularly on the indirect spend. We have made significant progress in the restructuring to a more optimal manufacturing footprint, by consolidating manufacturing in the Foodservice E-A-O and Flexible Packaging segments. These changes, together with actions taken before the program, help us drive efficiencies in our network. Additionally, we have accelerated our continuous improvement program on manufacturing practices, focusing on material waste reduction. Lastly, we have reduced our workforce, partly driven by the need to accommodate to the lower demand.


## Transforming safety through engagement

Huhtamaki is committed to safety and our goal is zero accidents. To reach this, we have put in place systems to engage employees and give them the possibility to share feedback, surface concerns and celebrate good safety behaviors. The aim is to foster a culture of open communication and continuous improvement. We see the employee feedback as an instrumental tool in guiding our safety work forward.

In 2024 we have taken further steps in leveraging advanced technology and utilizing AI to help identify potential hazards. The proactive approach enhances our ability to implement preventive measures and create a safer working environment by identifying unsafe behaviors.

Our Flexible Packaging segment succeeded in a remarkable reduction of incidents by 41 per cent in comparison to last year and the work towards the zero-accident goal continues across all segments.

# Sustainability at Huhtamaki

**At Huhtamaki, our sustainability agenda is built on the three core pillars of ESG: environment, social, and governance and business ethics. For us, sustainability means considering our entire value chain's full impact – both positive and negative.**

Aligned with our 2030 sustainability goals, we are committed to two primary environmental themes: circularity and climate. We are pivotal in advancing a circular economy by designing products that are recyclable. However, creating recyclable products is just the beginning. We understand the importance of recycling post-consumer packaging as a valuable secondary resource. That's why we actively engage in industry collaborations across our business segments to develop robust recycling infrastructure. Recognizing the necessity of regulatory support, we work closely with manufacturers of intelligent sorting equipment to ensure that our packaging is correctly identified and sorted throughout the recycling process.

As proud participants in the UN Global Compact Initiative, we are guided by the UN Sustainable Development Goals (SDGs). These universal benchmarks help us integrate sustainability across all three ESG pillars and drive our 2030 Strategy forward. We have pinpointed three SDGs where we can make the most significant impact, along with two additional SDGs that are crucial to our business.

### Our three main UN Sustainable Development Goals

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

### Supporting SDGs

6 CLEAN WATER AND SANITATION

15 LIFE ON LAND

# Our 2030 sustainability ambition

## First choice in sustainable packaging solutions

### Sustainability goals

**100%**
of products designed to be recyclable, compostable or reusable

**100%**
of fiber from recycled or certified sources

**>90%**
of non-hazardous waste recycled or composted

**>80%**
renewable or recycled materials

**100%**
renewable electricity

Carbon neutral production and science-based emissions targets

### Commitments and recognitions

**UN Global Compact Participant:**
Demonstrating our commitment to responsible business practices

**MSCI ESG Rating:**
Achieved an 'A' rating in 2024

**EcoVadis Gold Medal:**
Awarded for outstanding sustainability performance

**CDP**
Climate (A-), Water (B), Forests (B)


# Financials

# Directors' report 2024

Directors' report 2024

## Financial review

### Operating environment

During the first half of 2024, market conditions remained similar or slightly better than during the latter part of 2023. During the second half of 2024, overall conditions improved. The cumulative inflation over the last years continued to have a negative impact on consumption. Lower interest rates supported consumers' purchasing power, together with the continued increase in wages.

Throughout the year, there were material differences in the development of demand by categories and geographies. In North America, demand improved in the foodservice market and remained close to the previous year's level in the retail and consumer goods categories. In other foodservice markets, demand was hampered by the impact of inflation and boycotts of certain brands as a result of the war in the Middle East. Demand for fiber and flexible packaging products improved in most markets.

For input costs, most raw material prices did not materially fluctuate during the year. Prices for paperboard decreased somewhat compared to 2023. Plastics prices, on average, remained close to the previous year's level. On the other hand, there was a significant increase in fiber prices, both for recycled paper and virgin fiber. Out of the other key cost components, labor costs continued to increase globally. Transportation costs remained close to the previous year's level, whereas energy prices decreased.

### Strategic development

Huhtamaki updated its 2030 Strategy in March 2023, and it builds on four priorities: scaling up its profitable core businesses, developing its blueloop™ sustainable innovation in partnership with customers, driving world-class competitiveness across its global footprint and investing in strategic capabilities to drive its transformation journey.

Huhtamaki targets sustainable profitable growth based on its strong competitive position. Scaling up profitable core business is one of the key elements in Huhtamaki's 2030 strategy, leveraging the company's knowhow in its three key technologies, its existing global footprint and existing products'. Huhtamaki's capital expenditure is focused accordingly, while also investing in innovation. In 2024, the company invested in, for example, the expansion of the folded carton site in Texas in the United States. Huhtamaki targets long-term growth by both capturing the organic growth opportunities and via acquisitions.

Innovation plays an increasingly important role for Huhtamaki, as it is leveraging its proprietary technology. The entire packaging industry is going through a transformation, driven by increasing requirements in the fields of sustainability, functionality and convenience. The required technological solutions are increasingly complex, and the market is evolving rapidly. During 2024, Huhtamaki focused on rolling out the recyclable flexible packaging solutions, the sales of which gained traction towards the end of the year.

Huhtamaki aims to achieve world-class operational performance across its footprint, where the key drivers are structural performance and continuous operational improvements. These actions are expected to contribute 1–2 percentage points to the overall profitability improvement, as stated in the long-term financial ambitions. To drive efficiency, Huhtamaki launched a profitability improvement program in late 2023. During 2024, the company made significant progress and achieved significant cost savings. Actions in the program included savings from sourcing, closure of sites in China, Malaysia and the UAE, labor efficiencies and reduced waste.

In 2024, Huhtamaki continued to make good progress implementing the strategic priorities.

## Key figures

| EUR million | 2024 | 2023 | 2022 |
|---|---|---|---|
| Net sales | 4,126.3 | 4,168.9 | 4,479.0 |
| Comparable net sales growth | -0% | -2% | 15% |
| Adjusted EBITDA[1] | 622.2 | 590.1 | 596.9 |
| Margin[1] | 15.1% | 14.2% | 13.3% |
| EBITDA | 595.6 | 621.2 | 614.9 |
| Adjusted EBIT[2] | 416.9 | 392.6 | 395.1 |
| Margin[2] | 10.1% | 9.4% | 8.8% |
| EBIT | 372.3 | 380.9 | 405.3 |
| Adjusted EPS, EUR[3] | 2.48 | 2.32 | 2.49 |
| EPS, EUR | 2.14 | 1.97 | 2.65 |
| Adjusted ROI[2] | 12.1% | 11.2% | 11.0% |
| Adjusted ROE[3] | 13.4% | 13.2% | 14.9% |
| ROI | 10.8% | 10.9% | 11.4% |
| ROE | 11.6% | 11.8% | 15.7% |
| Capital expenditure | 247.9 | 318.7 | 318.5 |
| Free Cash Flow | 215.8 | 321.4 | 11.1 |

[1] Excluding IAC of EUR -26.5 million in 2024 (EUR 31.1 million in 2023 and EUR 18.0 million in 2022).
[2] Excluding IAC of EUR -44.7 million in 2024 (EUR -11.7 million in 2023 and EUR 10.2 million in 2022).
[3] Excluding IAC of EUR -35.1 million in 2024 (EUR -35.9 million in 2023 and EUR 16.0 million in 2022).

Unless otherwise stated, all comparisons in this report are compared to the corresponding period in 2023. Figures of return on investment (ROI), return on equity (ROE) and return on net assets (RONA) as well as net debt to EBITDA presented in this report are calculated on a 12-month rolling basis.

IAC includes, but is not limited to, material restructuring costs and acquisition related costs (gains and losses on business combinations, professional and legal fees, material purchase price accounting adjustments for inventory, material purchase price amortization of intangible assets and changes in contingent considerations) as well as material impairment losses and reversals, gains and losses relating to sale of intangible and tangible assets, implementation costs concerning large projects with SaaS cloud computing technology, fines and penalties imposed by authorities and extraordinary taxes.

The figures in the tables are exact figures and consequently the sum of individual figures may deviate from the sum presented. Key figures have been calculated using exact figures.

## Net sales by business segment

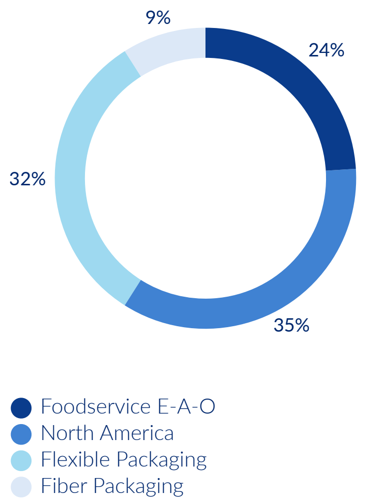
| EUR million | 2024 | 2023 | Change |
|---|---|---|---|
| Foodservice Europe-Asia-Oceania | 989.6 | 1,037.2 | -5% |
| North America | 1,460.1 | 1,457.9 | 0% |
| Flexible Packaging | 1,322.5 | 1,341.0 | -1% |
| Fiber Packaging | 363.2 | 343.1 | 6% |
| Elimination of internal sales | -9.1 | -10.3 | |
| **Group** | **4,126.3** | **4,168.9** | **-1%** |

## Comparable net sales growth by business segment

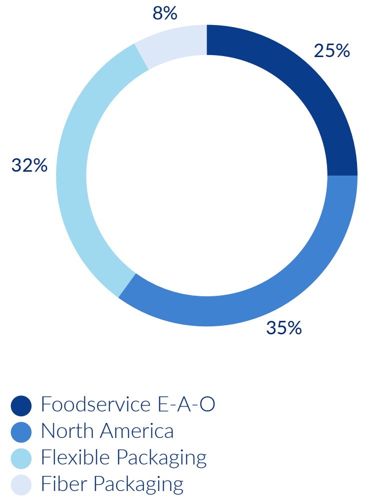
| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Foodservice Europe-Asia-Oceania | -5% | 2% | 18% |
| North America | 0% | 2% | 14% |
| Flexible Packaging | 1% | -9% | 14% |
| Fiber Packaging | 6% | 7% | 15% |
| **Group** | **-0%** | **-2%** | **15%** |

The Group's net sales decreased 1% to EUR 4,126 million (EUR 4,169 million) during the reporting period. Comparable net sales growth was -0%. Demand improved during the second half of the year, after a muted first half. The impact of inflation and boycotts of global brands in certain markets had a negative impact on demand. Net sales were weighed on by changes in currencies and lower pricing, while sales volumes increased slightly. Comparable sales growth in emerging markets was -2%. Foreign currency translation impact on the Group's net sales was EUR -37 million (EUR -153 million) compared to 2023 exchange rates.

## Net sales by segment 2024




## Net sales by segment 2023



## Adjusted EBIT by business segment

| | | | | Items affecting comparability | |
|---|---|---|---|---|---|
| EUR million | 2024 | 2023 | Change | 2024 | 2023 |
| Foodservice Europe-Asia-Oceania | 91.0 | 98.0 | -7% | -15.1 | -9.9 |
| North America | 203.4 | 187.9 | 8% | -7.6 | -0.0 |
| Flexible Packaging | 94.2 | 88.0 | 7% | -16.6 | 5.8 |
| Fiber Packaging | 43.5 | 39.6 | 10% | -2.2 | -6.2 |
| Other activities | -15.2 | -20.9 | | -3.2 | -1.4 |
| **Group** | **416.9** | **392.6** | **6%** | **-44.7** | **-11.7** |

## Adjusted EBIT margin by business segment

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Foodservice Europe-Asia-Oceania | 9.2% | 9.4% | 9.5% |
| North America | 13.9% | 12.9% | 11.7% |
| Flexible Packaging | 7.1% | 6.6% | 6.3% |
| Fiber Packaging | 12.0% | 11.6% | 11.0% |
| **Group Total** | **10.1%** | **9.4%** | **8.8%** |

The Group's adjusted EBIT increased to EUR 417 million (EUR 393 million) and reported EBIT was EUR 372 million (EUR 381 million). Adjusted EBIT increased by 6% supported by the company's actions to improve profitability as well as lower raw material and energy costs. On the other hand, lower sales prices and the increase in labor costs had a negative impact on profitability. The Group's adjusted EBIT margin increased and was 10.1% (9.4%). Foreign currency translation impact on the Group's earnings was EUR -4 million (EUR -15 million).

Adjusted EBIT excludes EUR -44.7 million (EUR -11.7 million) of items affecting comparability (IAC), including costs of implementing operational efficiency measures and positive impacts from divestment of real estate in China and India.

## Adjusted EBIT and IAC

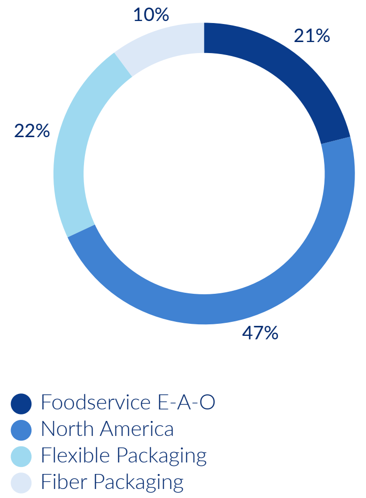
| EUR million | 2024 | 2023 |
|---|---|---|
| **Adjusted EBIT** | 416.9 | 392.6 |
| Acquisition related costs | -1.1 | -0.5 |
| Restructuring gains and losses, including writedowns of related assets | -25.1 | 17.3 |
| PPA amortization | -8.8 | -8.9 |
| Settlement and legal fees of disputes | -2.0 | -0.2 |
| Prague site closure-related costs | - | -18.8 |
| Property damage incidents | -1.5 | -0.1 |
| Implementation costs concerning large projects with SaaS cloud computing technology | -6.1 | -0.6 |
| **EBIT** | **372.3** | **380.9** |

Net financial expenses were EUR 72 million (EUR 69 million). Tax expense was EUR 69 million (EUR 87 million). The effective tax rate was 23% (28%). The lower effective tax rate was due to the unusually high deferred tax charge related to functional currency remeasurements in Türkiye in the comparison period. Profit for the period was EUR 232 million (EUR 225 million). Adjusted earnings per share (EPS) were EUR 2.48 (EUR 2.32) and reported EPS EUR 2.14 (EUR 1.97). Adjusted EPS is calculated based on adjusted profit for the period attributable to equity holders of parent company, which excludes EUR -35.1 million (EUR -35.9 million) of IAC.

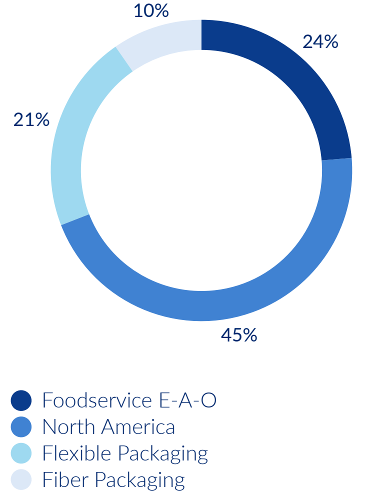
## Adjusted profit and IAC

| EUR million | 2024 | 2023 |
|---|---|---|
| **Adjusted profit for the period attributable to equity holders of the parent company** | 259.2 | 242.3 |
| IAC in EBIT | -44.7 | -11.7 |
| IAC in Financial items | -0.4 | -0.1 |
| Taxes relating to IAC | 10.5 | -15.5 |
| IAC attributable to non-controlling interest | -0.5 | -8.6 |
| **Profit for the period attributable to equity holders of the parent company** | **224.1** | **206.3** |

## Adjusted EBIT by segment 2024




## Adjusted EBIT by segment 2023



## Statement of financial position and cash flow

The Group's net debt decreased and was EUR 1,216 million (EUR 1,288 million) at the end of December. The level of net debt corresponds to a gearing ratio of 0.57 (0.67). Net debt to EBITDA ratio (excluding IAC) was 2.0 (2.2). Average maturity of external committed credit facilities and loans was 3.1 years (2.9 years).

On September 23, 2024, Huhtamaki announced that it had extended the maturity of the EUR 125 million sustainability-linked bilateral term loan facility agreement, first announced on May 22, 2023. The extension for a further period of one year is in accordance with the extension option of the loan agreement. The new termination date is May 22, 2026. The term loan will be used for general corporate purposes of the Group.

On November 12, 2024, Huhtamaki announced that it had signed a EUR 450 million sustainability-linked syndicated multi-currency revolving credit facility loan agreement ("RFC") with a maturity of 5 years. The RCF refinanced an EUR 400 million sustainability-linked syndicated revolving credit facility signed in January 2021 and will be used for general corporate purposes of the Group. The RCF has two one-year extension options at the discretion of the lenders.

Capital expenditure was EUR 248 million (EUR 319 million). The largest investments for business expansion were directed to smooth-molded fiber products in Europe, increasing capacity in North America and rolling out production of recyclable flexible packaging. The Group's free cash flow was EUR 216 million (EUR 321 million), supported by higher profitability and lower capital expenditure. On the other hand, free cash flow in the comparison period was supported by a material decrease in working capital, driven by raw material prices.

Cash and cash equivalents were EUR 317 million (EUR 348 million) at the end of December and the Group had EUR 402 million (EUR 355 million) of unused committed credit facilities available.

Total assets on the statement of financial position were EUR 4,894 million (EUR 4,665 million).

## Three-year program to accelerate strategy implementation and to bring MEUR 100 cost savings

On November 30, 2023, Huhtamaki announced that the company is accelerating the strategy implementation by starting a program which is expected to materially support the profitability with efficiency improvements leading to savings of approximately EUR 100 million over a three-year period. All cost levers are addressed including potential restructuring to a more optimal manufacturing footprint, reducing input costs at an accelerated pace, and improving productivity globally. The costs of the program are expected to be approximately EUR 80 million, which upon materialization will be treated as items affecting comparability.

Huhtamaki made significant progress in the program during 2024, and expects to achieve the EUR 100 million savings target and to complete the program ahead of the original schedule. By the end of 2024, the program generated cost savings of approximately EUR 76 million, significantly compensating for the continued high-cost inflation. Program-related costs accounted for EUR 24 million by the end of 2024, including a positive impact from divestment of real estate in China. The total costs of the program are expected to be below the originally estimated EUR 80 million.

## Significant events after the reporting period

On January 8, 2025, Huhtamaki announced the appointment Ralf K. Wunderlich (58) as President and CEO effective on January 15, 2025 when the Company's previous President and CEO Charles Héaulmé stepped down. Ralf K. Wunderlich is based in Espoo, Finland. Charles Héaulmé is available as needed to secure smooth transition until July 2025.

Subsequent to Ralf K. Wunderlich appointed as the President and CEO, he stepped down from the Board of Directors of Huhtamäki Oyj with immediate effect. The Board of Directors now comprise of seven members.

## Business review by segment

### Foodservice Europe-Asia-Oceania

| EUR million | 2024 | 2023 | Change |
|---|---|---|---|
| Net sales | 989.6 | 1,037.2 | -5% |
| Comparable net sales growth | -5% | 2% | |
| Adjusted EBIT[1] | 91.0 | 98.0 | -7% |
| Margin[1] | 9.2% | 9.4% | |
| Adjusted RONA[1] | 10.3% | 10.4% | |
| Capital expenditure | 66.3 | 64.0 | 4% |
| Operating cash flow[1] | 98.5 | 130.6 | -25% |
| Items affecting comparability (IAC) | -15.1 | -9.9 | |

[1]Excluding IAC.

The demand for foodservice packaging remained soft. Prices of most raw materials decreased compared to 2023.

Net sales in the Foodservice Europe-Asia-Oceania segment decreased. Comparable net sales growth was -5%, weighed on by sales volumes and pricing. The high inflation on food products continued impacting the demand, particularly for quick service restaurants and high-end coffee chains. Additionally, the war in the Middle East led to boycotts of certain large customers, negatively impacting sales volumes. Net sales decreased in most markets, but particularly in Asia-Oceania as well as Middle East and Africa.

The impact of currency movements on the segment's reported net sales was EUR 4 million.

The segment's adjusted EBIT decreased due to lower sales volumes, whereas actions to improve profitability had a positive impact.

The impact of currency movements on the segment's reported earnings was EUR 1 million.

## North America

| EUR million | 2024 | 2023 | Change |
|---|---|---|---|
| Net sales | 1,460.1 | 1,457.9 | 0% |
| Comparable net sales growth | 0% | 2% | |
| Adjusted EBIT[1] | 203.4 | 187.9 | 8% |
| Margin[1] | 13.9% | 12.9% | |
| Adjusted RONA[1] | 19.6% | 18.4% | |
| Capital expenditure | 83.9 | 121.4 | -31% |
| Operating cash flow[1] | 219.5 | 122.2 | 80% |
| IAC in EBIT | -7.6 | -0.0 | |

[1]Excluding IAC.

Demand improved from the previous year's level. Prices of most raw materials decreased compared to 2023, with the exception of pulp and resins.

Net sales in the North America segment remained at the previous year's level and the comparable net sales growth was 0%. Sales volumes increased but sales prices decreased. Net sales was driven by Foodservice, while Retail remained at the previous year's level. Net sales decreased in Consumer Goods, despite the positive impact from ramp-up of egg carton capacity in the Hammond, Indiana, site.

The impact of currency movements on the segment's reported net sales was EUR -1 million.

The segment's adjusted EBIT increased. It was driven by actions to improve profitability and increased sales volumes. The decrease in input costs were partially offset by lower pricing.

The impact of currency movements on the segment's reported earnings was EUR -0 million.

## Flexible Packaging

| EUR million | 2024 | 2023 | Change |
|---|---|---|---|
| Net sales | 1,322.5 | 1,341.0 | -1% |
| Comparable net sales growth | 1% | -9% | |
| Adjusted EBIT[1] | 94.2 | 88.0 | 7% |
| Margin[1] | 7.1% | 6.6% | |
| Adjusted RONA[1] | 7.1% | 6.5% | |
| Capital expenditure | 69.0 | 103.7 | -33% |
| Operating cash flow[1] | 84.1 | 103.9 | -19% |
| IAC in EBIT | -16.6 | 5.8 | |

[1]Excluding IAC.

Overall demand for flexible packaging improved, but with significant variations by market. Raw material prices decreased compared to 2023.

Net sales in the Flexible Packaging segment decreased and comparable net sales growth was 1%. Net sales were supported by increased sales volumes, whereas pricing had a negative impact. Net sales decreased particularly in India and Europe but increased in South-East Asia and Oceania.

The impact of currency movements on the segment's reported net sales was EUR -33 million.

The segment's adjusted EBIT increased, supported by actions to improve profitability, higher sales volumes and lower raw material costs. At the same time, labor and transportation costs increased. Adjusted EBIT improved in most markets, but was mainly weighed on by the developments in Türkiye and India.

The impact of currency movements on the segment's reported earnings was EUR -4 million.

## Fiber Packaging

| EUR million | 2024 | 2023 | Change |
|---|---|---|---|
| Net sales | 363.2 | 343.1 | 6% |
| Comparable net sales growth | 6% | 7% | |
| Adjusted EBIT[1] | 43.5 | 39.6 | 10% |
| Margin[1] | 12.0% | 11.6% | |
| Adjusted RONA[1] | 14.6% | 13.7% | |
| Capital expenditure | 28.1 | 29.3 | -4% |
| Operating cash flow[1] | 42.6 | 31.8 | 34% |
| IAC in EBIT | -2.2 | -6.2 | |

[1]Excluding IAC.

Overall demand for fiber-based egg packaging improved, but remained soft for food-on-the-go products. The prices of recycled fiber increased compared to 2023.

Net sales in the Fiber Packaging segment increased and the comparable net sales growth was 6%. Net sales increased driven by sales volumes and higher sales prices. Net sales increased in most markets, driven by Europe. The impact from avian flu in certain markets had a negative impact on demand during the year.

The impact of currency movements on the segment's reported net sales was EUR -7 million.

The segment's adjusted EBIT increased, driven by higher sales volumes and actions to improve profitability. Profitability was weighed on by a weaker operational performance during the first quarter of 2024 and the lag in pricing in the third quarter of 2024 due to higher raw material cost.

The impact of currency movements on the segment's reported earnings was EUR -1 million.

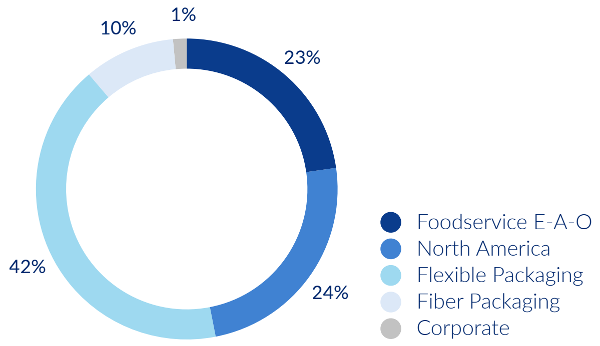
## Personnel

### Number of personnel

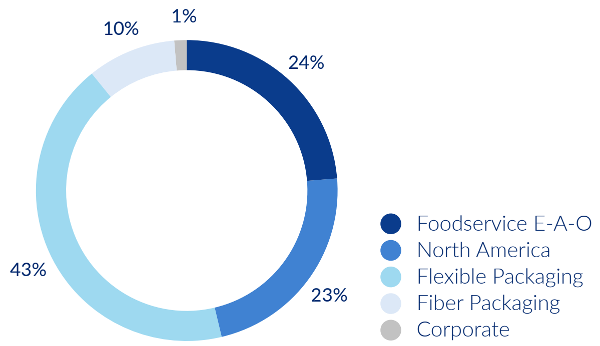
| | December 31, 2024 | December 31, 2023 | Change |
|---|---|---|---|
| Foodservice Europe-Asia-Oceania | 4,049 | 4,248 | -5% |
| North America | 4,300 | 4,040 | 6% |
| Flexible Packaging | 7,446 | 7,681 | -3% |
| Fiber Packaging | 1,739 | 1,703 | 2% |
| Corporate | 260 | 238 | 9% |
| **Group** | **17,794** | **17,910** | **-1%** |

At the end of December 2024, the Group had a total of 17,794 (17,910) employees. The number of employees was 1% lower than in the comparison period, due to efficiency improvements to drive competitiveness.

### Personnel by segment on December 31, 2024




### Personnel by segment on December 31, 2023




## Changes in management

On April 12, 2024, Huhtamaki announced that Marina Madanat, Executive Vice President, Strategy and Business Development, and a member of the Huhtamaki Global Executive Team, decided to leave Huhtamaki to pursue other career opportunities.

On October 3, 2024, Huhtamaki announced the appointment of Wilhelm Wolff (46) as Executive Vice President, Strategy and Business Development and a member of Global Executive Team as of January 13, 2025. He reports to President and CEO Ralf K. Wunderlich and is based in Espoo, Finland.

On October 18, 2024, Huhtamaki announced that Marco Hilty, President, Flexible Packaging, and member of the Global Executive Team, decided to leave Huhtamaki for personal reasons. Marco's last day with Huhtamaki was January 31, 2025. Hans-Peter Edelbluth (63), Vice President MEA, Flexible Packaging was appointed as Interim President, Flexible Packaging, starting February 1, 2025.

On December 12, 2024, Huhtamaki announced the appointment of Axel Glade (55) as President, Flexible Packaging and member of the Global Executive Team. He will join the company no later than January 1, 2026. He will report to President and CEO Ralf K. Wunderlich and will be based in Espoo, Finland.

On January 8, 2025, Huhtamaki announced the appointment Ralf K. Wunderlich (58) as President and CEO effective on January 15, 2025 when the Company's previous President and CEO Charles Héaulmé stepped down. Ralf is based in Espoo, Finland. Charles Héaulmé will be available as needed to secure smooth transition until July 2025.

## Short-term risks and uncertainties

Decline in consumer demand, inflation in key cost items (including raw materials, labor, distribution and energy), availability of raw materials and movements in currency rates are considered to be relevant short-term business risks and uncertainties in the Group's operations. Economic and financial market conditions, as well as a potential geopolitical escalation and natural disasters can also have an adverse effect on the implementation of the Group's strategy and on its business performance and earnings.

## Outlook for 2025

The Group's trading conditions are expected to remain relatively stable during 2025. The good financial position will enable the Group to address profitable growth opportunities.

Directors' report 2024

# Risk review

## Risk management

Risk management at Huhtamaki aims to identify potential events that may affect the achievement of the Huhtamaki's objectives as outlined in its 2030 Strategy. Its purpose is to manage risks to a level that the Group is capable and prepared to accept, so that there is reasonable assurance and predictability regarding the achievement of the Group's objectives. The aim is also to enable the efficient allocation of resources and risk management efforts.

The Group Enterprise Risk Management (ERM) Policy defines the objectives, scope and responsibilities of risk management. Efficient risk management ensures timely identification and assessment of opportunities and risks in the short, medium, and long term, as well as relevant measures to manage them. Detailed risk management procedures are described in the Group's ERM framework and process guidelines. The overall risk management process of the Group follows the principles of the Enterprise Risk Management (ERM) framework of Committee of Sponsoring Organizations of the Treadway Commission (COSO), and ISO 31000 Risk Management Standard. Further, Huhtamaki has tailored its ERM processes to meet its own needs.

To systematize and facilitate the identification of risks, they are categorized as strategic, operational and financial risks. These categories are closely aligned with the objectives of Huhtamaki, with sustainability and compliance embedded in all of them. Huhtamaki assesses risks in terms of their impact and the likelihood of their occurrence. A risk impact is considered in terms of impact on the organization's annual EBIT margin. The likelihood of a risk occurring is generally considered in terms of the expected frequency of occurrence. To further evaluate the residual risk level when risk controls are in place, Huhtamaki assesses the effectiveness of those controls over the impact and likelihood of the risk.

Enterprise Risk Management is supported by several specific risk assessments e.g. Double Materiality Assessment and Climate Change analysis, as well as property risk control program.

## Risk review process 2024

In 2024, businesses and Group functions identified and assessed strategic, operational and financial risks and opportunities against the impact on the achievement of the strategic priorities and performance objectives. These risk assessment results were consolidated to the Group level. Risk treatment actions were defined to reach acceptable risk levels at each stage.

The acceptable risk levels associated with appropriate risk management efforts were first evaluated by the Global Executive Team, then reviewed by the Audit Committee of the Board of Directors and finally approved by the Board of Directors. Agreed risk management efforts will be conducted and monitored during 2025.

During 2024, the key risks identified in the 2023 risk assessment process were monitored to assess their existing and newly implemented controls and any changes in the risk level itself. Actions to manage those risks were planned and executed at the Group and segment level and followed by the Global Risk Management function, with a focus on each business segment's most significant risks.

## The most significant strategic risks

Macro-level uncertainties include geopolitical risks, macroeconomic risks and recession risks. Ongoing conflicts, such as wars in Ukraine and Middle East region may expand and new conflicts may arise. Unstable political conditions and geopolitical instability increase the uncertainties in global trade and worsen business conditions. Further, tariffs and other trade barriers may slow down investments and economic growth in impacted geographies. Hyperinflation and high interest rates could worsen the business conditions in some market areas. Economic downturns affect customer and consumer behavior and purchasing power. Huhtamaki is actively monitoring the developments so that it can react to changes relevant in its business environment.

Changes in the business environment driven by regulation and sustainability present significant risk and opportunity. The company's future growth and success depend on its continued ability to predict and respond to changes and its ability to innovate and develop new sustainable products and solutions in a timely manner. Regulatory changes may introduce material bans and other packaging related regulations, including those related to recyclability, recycled content requirements, single-use plastics, compostability, supply chain management and extended producer responsibility impacting packaging industry. Further, these regulatory changes include a level of unpredictability, especially in certain geographics. To mitigate the threats, Huhtamaki is investing in new innovative and sustainable solutions. Huhtamaki is also focused on driving an evidence-based discussion to deliver data on the value of packaging in terms of hygiene, food safety, food availability and food waste prevention. Furthermore, Huhtamaki actively tracks early stages of regulatory initiatives and potential regulatory changes to reflect these changes in the development and commercialization of its products and solutions.

Lack of consistent enforcement of new regulations and major delays in customers' sustainability commitments increase uncertainty and risks related to investments in new innovations. Wrong timing of investments may compromise investment payback time.

Changes in competitive landscape, in consumer and customer preferences as well as in technologies and materials present major opportunities, but also risks for Huhtamaki. Adequate investments in research and development (R&D) are needed to meet the future customer and consumer needs. Protection of intellectual property is an essential part of R&D. Huhtamaki is also actively screening for strategic partnerships and merger and acquisition (M&A) opportunities to secure a competitive advantage on new technology innovations.

To mitigate the risk of its technology and machinery becoming obsolete, inefficient or unfit for serving customer demand, the Group continuously monitors and anticipates long-term needs and invests in new technology.

Understanding consumers enables Huhtamaki to realize business opportunities in building long-term sustainable growth in partnership with its customers. Activities to manage the threats and seize the opportunities involve active dialogue with the customers to develop ways to increase value and understand Huhtamaki´s competitive position, comprehensive commercial excellence program as well as cross-functional and cross-segment collaboration at Huhtamaki.

Large customers offer growth opportunities in developing and manufacturing new sustainable products, but dependence on large customers may also present a risk in case significant portion of revenue comes from a small number of customers. Losing a large customer could affect also capacity utilization.

In terms of human resources, the key risks and opportunities are identified to arise from availability of labor and talent. The risk mitigation actions include consistent development of employee experience including employee promise, hiring practices, onboarding, talent and leadership development and succession planning.

## Operational and financial risks

There are risks and opportunities related to the ability to manage prices so that price changes are implemented in a timely manner and with correct cost and market intelligence data. This includes the ability to pass price increases of raw materials, energy and transportation to the price of the products. Risk management actions include ongoing monitoring of raw material and energy costs, securing cost competitiveness and focus on contract management with energy and material escalation clauses included in customer contracts when possible.

Risks related to information security, IT infrastructure and applications are operational risks potentially impacting the business continuity and operational effectiveness. Risks related to inefficient business processes may weaken the competitiveness. Huhtamaki is continuously developing its IT environment including ERP systems and processes, to enhance productivity and mitigate cyber and other business interruption risks.

Climate change affects the frequency of natural hazards, such as floods and storms. In addition to natural hazards, major fires or disruption in supply chain may cause business interruptions. The company implements a continuous improvement program in property risk management, designed to reduce the impact and likelihood of hazards, such as fire, explosion, flood or storm. Huhtamaki also develops its disaster recovery and business continuity plans and allocates manufacturing capacity to several locations to minimize the impact of a potential business interruption.

Risk related to non-compliance with laws and sanctions include risk of penalties or claims for compensation, or indictment due to a failure to comply with applicable legislation such as anti-bribery, competition, product, environmental or other legislation or applicable sanctions. Key risk management actions include policies and processes to identify and mitigate the non-compliances, and training on various compliance topics.

None of the key risks identified in connection with the 2024 risk assessment is considered of a magnitude that could not be managed or would endanger the implementation of Huhtamaki's 2030 Strategy. When considered necessary, appropriate risk treatment actions may also involve a risk transfer by means of insurance. The Group maintains several global insurance programs. The need for insurance, including the adequacy of its scope and limits, is continuously evaluated by the Global Risk Management function.

Directors' report 2024

# Information for shareholders

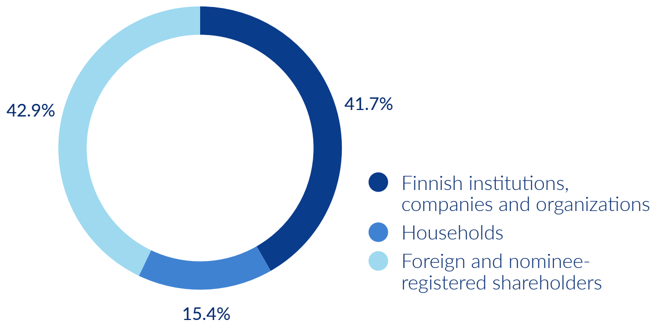
## Share capital, shareholders and trading of shares

### Share capital and share data

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Registered share capital[1], EUR million | 366 | 366 | 366 |
| Total number of shares[1] | 107,760,385 | 107,760,385 | 107,760,385 |
| Shares owned by the Company[1] | 2,999,685 | 3,222,204 | 3,395,709 |
| % of total number of shares | 2.8% | 3.0% | 3.2% |
| Number of outstanding shares[1, 2] | 104,760,700 | 104,538,181 | 104,364,676 |
| Average number of outstanding shares[2, 3] | 104,712,538 | 104,497,300 | 104,364,676 |
| Number of shares traded[4], million | 35.0 | 43.4 | 61.7 |
| Closing price on final day of trading, EUR | 34.18 | 36.73 | 32.00 |
| Volume-weighted average price, EUR | 36.41 | 32.64 | 34.30 |
| High, EUR | 40.16 | 37.20 | 39.94 |
| Low, EUR | 32.88 | 28.45 | 26.41 |
| Market capitalization[1, 2], EUR million | 3,581 | 3,840 | 3,340 |
| Earnings per share, EUR | 2.14 | 1.97 | 2.65 |
| Earnings per share, diluted, EUR | 2.13 | 1.97 | 2.64 |
| Dividend per share, EUR | 1.10[5] | 1.05 | 1.00 |
| Dividend to earnings | 51%[5] | 53% | 38% |
| Effective dividend yield | 3.2[5] | 2.9 | 3.1 |
| Price to earnings ratio[1] | 16.0 | 18.6 | 12.1 |
| Equity per share[1], EUR | 19.45 | 17.59 | 17.65 |

[1] At the end of period.
[2] Excluding shares owned by the Company.
[3] Average number of outstanding shares used in EPS calculations.
[4] Number of shares traded on Nasdaq Helsinki.
[5] 2024: Board proposal.

**Shareholder structure as at December 31, 2024**




The number of registered shareholders at the end of December 2024 was 51,783 (53,834). Foreign ownership including nominee registered shares accounted for 43% (42%).

### Trading of shares

During the reporting period, the Company's shares were quoted on Nasdaq Helsinki Ltd on the Nordic Large Cap list under the Industrials sector. It was a component of the Nasdaq Helsinki 25 Index.

At the end of December 2024, the Company's market capitalization was EUR 3,581 million (EUR 3,840 million). With a closing price of EUR 34.18 (EUR 36.73) at the end of the reporting period, the share price decreased by 7% from the beginning of the year. During the reporting period the volume weighted average price for the Company's shares was EUR 36.41 (EUR 32.64). The highest price paid was EUR 40.16 (EUR 37.20) and the lowest was EUR 32.88 (EUR 28.45).

During the reporting period, the cumulative value of the Company's share turnover on Nasdaq Helsinki Ltd was EUR 1,268 million (EUR 1,418 million). The trading volume of approximately 35 million (43 million) shares equaled an average daily turnover of 138,697 (173,069) shares. The cumulative value of the Company's share turnover including alternative trading venues, such as BATS Chi-X and Turquoise, was EUR 4,118 million (EUR 6,345 million). During the reporting period, 69% (78%) of all trading took place outside Nasdaq Helsinki Ltd. (source: Refinitiv Eikon).

## Resolutions of the Annual General Meeting 2024

Huhtamäki Oyj's Annual General Meeting of Shareholders was held in Helsinki on April 25, 2024. The meeting adopted the Annual Accounts including the Consolidated Annual Accounts for 2023, discharged the members of the Company's Board of Directors and the CEO from liability, and approved all proposals made to the Annual General Meeting by the Board of Directors and the Shareholders' Nomination Board. The Annual General Meeting also approved the Remuneration Report for the Company's Governing Bodies presented to it.

The Annual General Meeting resolved that an aggregate dividend of EUR 1.05 per share be paid based on the balance sheet adopted for the financial period ended on December 31, 2023. The dividend was paid in two installments. The first dividend installment, EUR 0.53 per share, was paid to shareholders registered in the Company's register of shareholders maintained by Euroclear Finland Ltd on the record date for the first dividend installment April 29, 2024. The payment date for the first dividend installment was May 7, 2024. The second dividend installment, EUR 0.52 per share, was paid to shareholders registered in the Company's register of shareholders maintained by Euroclear Finland Ltd on the record date for the second dividend installment October 1, 2024. The payment date for the second dividend installment was October 8, 2024.

In addition, the Annual General Meeting authorized the Board of Directors to decide, if necessary, on a new record date and a new payment date for the second dividend instalment, if regulations applicable to the Finnish book-entry system change or otherwise so require.

The number of members of the Board of Directors was confirmed to as eight (8). Ms. Mercedes Alonso, Mr. Doug Baillie, Ms. Anja Korhonen, Ms. Pauline Lindwall, Ms. Kerttu Tuomas, Mr. Pekka Vauramo and Mr. Ralf K. Wunderlich were re-elected and, as a new member, Mr. Robert K. Beckler was elected as members of the Board of Directors for a term ending at the end of the next Annual General Meeting. The Annual General Meeting elected Mr. Pekka Vauramo as the Chair of the Board of Directors and re-elected Ms. Kerttu Tuomas as the Vice-Chair of the Board of Directors. Subsequent to Ralf K. Wunderlich being appointed as the President and CEO, he stepped down from the Board of Directors of Huhtamäki Oyj, as well as from the Human Resources and Investment Committees. The Board of Directors now comprise of seven members.

In a meeting that took place after the Annual General Meeting, the Board of Directors resolved upon members of its Committees. Ms. Anja Korhonen was elected as the Chair and Ms. Mercedes Alonso, Mr. Robert K. Beckler and Ms. Kerttu Tuomas as the members of the Audit Committee. Mr. Doug Baillie was elected as the Chair and Ms. Pauline Lindwall, Mr. Pekka Vauramo and Mr. Ralf K. Wunderlich as the members of the Human Resources Committee.

The Annual General Meeting resolved that the annual remuneration to the members of the Board of Directors will be paid as follows: to the Chair of the Board EUR 175,000, to the Vice-Chair EUR 82,000 and to the other members EUR 67,000 each. In addition, the Annual General Meeting resolved that the annual remuneration to the Chairs and members of the Board Committees will be paid as follows: to the Chair of the Audit Committee EUR 16,500 and to the other members of the Audit Committee EUR 5,700 as well as to the Chair of the Human Resources Committee EUR 10,000 and to the other members of the Human Resources Committee EUR 4,000. In addition, the Annual General Meeting resolved that EUR 1,500 will be paid for each Board and Committee meeting attended. Traveling expenses of the Board members will be compensated in accordance with the Company policy.

KPMG Oy Ab, a firm of authorized public accountants, was re-elected as Auditor of the Company for the financial year January 1–December 31, 2024. Mr. Henrik Holmbom, APA, ASA, will continue as the Auditor with principal responsibility. KPMG Oy Ab will also act as Authorized Sustainability Audit Firm of the Company and Mr. Henrik Holmbom as the key sustainability partner. The Auditor's and the Authorized Sustainability Audit Firm's remunerations will be paid against an invoice approved by the Audit Committee of the Board of Directors.

The Annual General Meeting authorized the Board of Directors to resolve on the repurchase of an aggregate maximum of 10,776,038 of the Company's own shares. Own shares may be repurchased at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market. The authorization also covers directed repurchases of the Company's own shares. The authorization remains in force until the end of the next Annual General Meeting, however, no later than June 30, 2025.

The Annual General Meeting authorized the Board of Directors to resolve on the issuance of shares and the issuance of options and other special rights entitling to shares referred to in chapter 10 section 1 of the Companies Act. The aggregate number of new shares to be issued may not exceed 10,000,000 shares which corresponds to approximately 9.3 percent of the current shares of the Company, and the aggregate number of own treasury shares to be transferred may not exceed 4,000,000 shares which corresponds to approximately 3.7 percent of the current shares of the Company. The authorization also covers directed issuances of shares. The authorization remains in force until the end of the next Annual General Meeting, however, no later than June 30, 2025.

## Dividend proposal

On December 31, 2024, Huhtamäki Oyj's distributable funds were EUR 1,496 million (EUR 836 million). The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 1.10 (EUR 1.05) per share be paid.

## Annual General Meeting 2025

The Annual General Meeting of Shareholders (AGM) will be held on Thursday, April 24, 2025 at 11:00 (EEST) at Scandic Marina Congress Center, Katajanokanlaituri 6, Helsinki, Finland.

## Corporate Governance Statement and Remuneration Report

The Corporate Governance Statement and Remuneration Report have been issued separately and are presented in a section of this Huhtamaki Annual Report 2024 publication. The statements are also available on the Group's website www.huhtamaki.com/investors.

# Operating model

## Inputs

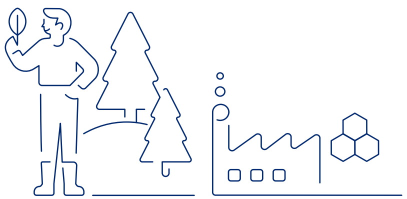
### Materials
- Paperboard
- Plastic resins
- Recycled and virgin fiber
- Approximately 66% of materials that we use are renewable or recycled

### Energy and water
- Energy consumption 2,193 GWh, share of renewable electricity 59.5%
- Water withdrawal 8.3 million m$^3$

### Personnel
- Competence and know-how of 17,794 employees

### Financial resources
- Equity M€ 2,124
- Net debt M€ 1,216

### Partnerships
- Key stakeholder relationships
- Collaborations with key customers and suppliers



## Our activities

### Advanced manufacturing using multiple technologies
- 36 countries, 101 locations and 67 sites
- Paperboard conversion
- Smooth and rough molded fiber production
- Flexible packaging

### Operational excellence
- Water intensity ratio (m$^3$ / M€) 264.2
- Digitalization to improve efficiency
- Optimizing production to reduce material loss
- Safe working conditions, LTIFR 1.2, TRIFR 2.7

### Innovations
- R&D for design of sustainable packaging solutions
- Smart packaging
- Manufacturing technology development

### Leadership and management
- Driven by our values: Care Dare Deliver
- Talent development for a high-performance culture
- Guiding principles and management systems
- Continuous improvement (Lean Six Sigma, Total Productive Manufacturing)

### Business growth
- Growth through organic investments, M&A, innovation and venturing in core areas and emerging markets
- Capital expenditure M€ 248

## Outputs and impacts

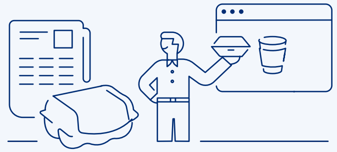
### Protecting food, people and the planet
- Ensuring food hygiene and safety, driving accessibility and affordability of food
- Reducing food waste with fit-for-purpose packaging, designed for circular economy, e.g. packaging that is recyclable and recycled
- Excellent customer experience

### Environmental impacts
- Greenhouse gas emissions: absolute emissions reduced 40% from 2019 base year
- Waste: recycling rate 82%
- Water: water discharge 7.2 million m$^3$; water management plans in place to mitigate negative impacts
- Biodiversity: impacts through manufacturing operations and product value chain

### Social impacts
- Human rights
- Employee engagement and increased know-how through learning
- Diversity and inclusion
- Health and safety
- Job opportunities and value for local communities
- Corporate citizenship

### Economic value distributed in 2024
- Profit M€ 232
- Wages and benefits M€ 886
- Net financial items M€ 72
- Taxes and similar M€ 69
- Dividends M€ 110

### Safe, fit-for-purpose, sustainable packaging solutions
- Cups, plates, bowls, utensils and folded cartons for foodservice products
- Rough molded fiber packaging for eggs and fruit
- Smooth molded fiber packaging incl. ready-meal trays and ice cream tubs
- Laminates, pouches and labels for food and personal care



### Intangible assets
- Huhtamaki brand value, including blueloop™
- Patents for product and design innovations

### New manufacturing assets
- Through investments and acquisitions
- Unique Huhtamaki developed conversion equipment
- Customer equipment and engineering services

Directors' report 2024

# Sustainability statement

Huhtamaki's ambition is to become the first choice in sustainable packaging solutions. It is a key differentiator for Huhtamaki and is at the core of its 2030 Strategy. The Group's sustainability approach is comprehensive, covering three pillars related to the environmental, social, and governance responsibility.

During 2024, Huhtamaki continued the journey towards the 2030 sustainability ambitions.

# General information

## GENERAL BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENT

This Sustainability Statement has been prepared in accordance with the sustainability reporting standards (European Sustainability Reporting Standards, ESRS) referred to in Chapter 7 of the Finnish Accounting Act, and with the Article 8 of Taxonomy Regulation (EU) 2020/852. The statement contains information on Huhtamaki's sustainability performance in the period January 1–December 31, 2024.

The Huhtamaki Sustainability Statement is published annually in the Directors' Report in both Finnish and English. The previous Sustainability Report 2023 was prepared on voluntary basis and published as a section of the Annual Report in English only.

The reporting period for the Sustainability Statement is consistent with that of its Financial Statements. The Sustainability Statement has been prepared on a consolidated basis. The scope of consolidation is the same as for the Financial Statements, covering all group subsidiaries. However, for the purpose of environmental reporting only Huhtamaki's manufacturing locations (67) are included in the sustainability metrics reported. The non-manufacturing locations environmental data is not material and include by way of example sales offices and warehouses. For health and safety reporting, the figures encompass all operational sites and relevant office locations. At the end of 2024, the Group manufactured Fiber Foodservice E-A-O segment's products in 28 locations, Flexible Packaging segment's products in 20 locations, and North America segment's products in 19 locations. No significant changes in the definition of what constitutes reporting for Huhtamaki and its upstream and downstream value chain has taken place in 2024. While manufacturing locations were closed in Czechia, China (2) and Malaysia, their impact is assessed as insignificant. Manufacturing sites closed during the reporting period are included in the sustainability reporting until their closing date.

In line with the Financial Statements and other disclosures in the Sustainability Statement, the consolidation principle used for the activity data collection, GHG emission calculations and reporting is financial control. As Huhtamaki does not have associates, joint ventures, unconsolidated subsidiaries (investment entities) or contractual arrangements that are joint arrangements not structured through an entity, using financial control yields the same outcome as operational control.

The consolidation principles are discussed in greater detail in the Financial Statements on p. 111.

Assessments and estimates are utilized when reporting selected sustainability metrics where exact metrics could not be produced. This includes the capital expenditure and operating expenses reported as part of the EU Taxonomy indicators, as well as selected energy-related metrics where the data for the full year is not available. The principles and methodology applied for these estimates, as well as details of any specific reporting principles applied to metrics, are presented under each topical chapter. The figures in the tables are exact, with the exception of figures where the use of estimations make presenting rounded figures more meaningful.

The Sustainability Statement has been assured (limited assurance) by the Huhtamaki statutory auditor, KPMG Oy Ab, an independent third party.

The Sustainability Statement has been prepared with consideration to the upstream and downstream value chain, in addition to own operations. The assessment of impacts, risks and opportunities (IRO) covers the whole value chain. The different value chain impacts have been considered when defining relevant targets, metrics, and actions. As examples of value chain considerations, the greenhouse gas (GHG) target covers sources of emissions from Huhtamaki's own operations as well as upstream and downstream value chains. Water consumption and measurement are considered in own operations and in upstream value chains, where water requirements of certain Huhtamaki's operations are material. The raw materials utilized make the impact on biodiversity relevant in both own operations as well as in the value chain. As a final example, workers in the value chain as well as consumers and end-users in the downstream value chain are both material topics for Huhtamaki and therefore covered within this Sustainability Statement.

Value chain considerations and impacts are discussed more extensively under each topical chapter.

Huhtamaki has decided not to use the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation within this Sustainability Statement.

The Group has no impending developments or matters that it would not disclose within this Sustainability Statement.

Specific circumstances applying to metrics are disclosed under the applicable topical sections where each metric is described more in detail.

# GOVERNANCE

## The role of administrative, management and supervisory bodies

This Sustainability Statement provides details about sustainability governance. Further information about the general duties, composition, diversity, and experience of the administrative, management and supervisory bodies, as well as the processes of internal control, internal audit and risk management, is available in the Corporate Governance Statement.

### The Board of Directors and Committees

Huhtamaki's Board of Directors (the Board) is the governance body with the highest decision-making authority in the entire Group. The Board may appoint Committees in order to focus on certain responsibilities. On December 31, 2024, the Board had two Committees: the Audit Committee and the Human Resources Committee. The Board decided on December 11, 2024 to establish an Investment Committee with its term of office commencing on January 1, 2025. The Board oversees sustainability related activities in the Group. The Audit Committee monitors the auditing and assurance of the statutory sustainability reporting.

### Composition and expertise of the Board

The Shareholders' Nomination Board prepares a proposal concerning the composition of the Board to be presented to the General Meeting of Shareholders. When preparing its proposal, the Nomination Board takes into account the independence requirements under the Finnish Corporate Governance Code adopted by the Securities Market Association, 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 consists of a minimum of six and a maximum of nine members.

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 Huhtamaki'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 such as digitalization and notably sustainability. The most important nomination criteria for the candidates of the Board are competency, knowledge, personal qualities and integrity. Both genders must be represented in the Board. In accordance with the Finnish Companies Act, the Company has an objective according to which at least 40% of the Board members represent the underrepresented sex. 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. At the Annual General Meeting in 2024 eight members representing seven different nationalities were elected to the Board. In December 31, 2024, the age structure of the Board members was 58–71 years. Four Board members were female (50%) and four male (50%). 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. All of the Board members are non-executive. Employees or other workers of the Group are not presented in the Board. The Board considers all Board members independent of the Group and independent of the significant shareholders of the Group.

The Board has members with extensive work experience and significant positions of trust within sustainability matters. Further, the continued expertise and knowledge of the Board in relation to sustainability matters is ensured by regular information and updates provided to the Board by the executive management. The Board also has regular access to request updates and inquire any details from Huhtamaki's employees with expertise in sustainability matters.

### Roles and responsibilities in relation to sustainability matters

In addition to the powers vested in the Board by the Finnish Companies Act and the Articles of Association of the Company, 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 directing the Company's business and strategy. The Board approves the targets and guiding corporate policies for sustainability, and outline sustainability principles regarding the Group's strategy. The Board approves the Sustainability Statement as part of the Directors' Report. In line with Huhtamaki Enterprise Risk Management Policy, the Board reviews and guides the risk management activities of the Group, including sustainability impacts, dependencies, risks and opportunities. It approves the risk level that Huhtamaki can and is prepared to accept and the extent to which risks and impacts have been identified, addressed, and followed up.

The Human Resources Committee of the Board validates Huhtamaki Global Sustainability and Safety Index (GSSI) targets each year.

The Audit Committee of the Board monitors and assesses the Company's reporting system and processes, including the sustainability target progress. The Audit Committee assists the Board by monitoring and assessing the effectiveness and efficiency of the risk management systems. Further details of the Board's and Audit Committee's role are given under the topical section related to Governance (G1).

The Global Executive Team (GET) is responsible for supervising that material Group policies and guidelines are maintained and properly followed, including policies related to the management of impacts, risks and opportunities through allocating adequate resources as well as adopting and deploying risk management procedures. In addition, the GET reviews the Group's and the segments' risks and accepts the related risk levels, and the extent to which these risks have been properly identified, recognized, and addressed by the Group and the segments, for the approval of the Board.

The Executive Vice President (EVP), Sustainability and Communications is a member of the GET reporting to the President and CEO. The EVP, Sustainability and Communications leads the Global Sustainability function and chairs the Sustainability Committee formed among the members of the GET. The EVP, Sustainability and Communications ensures that the Board, the Audit Committee and the GET are well informed on sustainability related topics. The Global Sustainability function follows a systematic procedure to inform the GET on sustainability matters. The Board, the Audit Committee and the GET receive sustainability reports on a quarterly basis. The Sustainability function is responsible for ensuring that the controls and procedures used to assess and manage environmental issues are aligned with and integrated into Huhtamaki's overall strategy, risk management, innovation and reporting processes.

The Global Risk Management function organizes, instructs, supports, supervises and monitors risk management activities on an ongoing basis. It reports the results of the risk management process to the Audit Committee annually. The processes and controls related to the management of impacts, risks and opportunities are part of the broader Enterprise Risk Management (ERM) control framework.

Leadership teams at global, segment and local levels are responsible for ensuring that risk management is appropriately implemented in their field of responsibility.

### Information provided to and sustainability matters addressed by Huhtamaki's administrative, management and supervisory bodies

The Board approves the guiding corporate policies for sustainability and outline sustainability principles regarding the Group's strategy. Regular updates on progress on Huhtamaki's sustainability ambitions are given to the Board throughout the year.

In addition to discussing the Group's overall sustainability agenda, the Board specifically monitored and steered the progress of updating the Group's sustainability strategy. The Board also focused on various sustainability-driven innovations and investments during the year. The Audit Committee received regular updates on the progress of the Group's CSRD readiness program.

The Board is provided with a sustainability dashboard as part of quarterly result updates, which tracks Huhtamaki's progress towards sustainability ambition for 2030. The metrics included in the dashboard have been defined based on previous materiality assessments and the sustainability topics identified as material. These material sustainability topics include material use related to renewable or recycled material as well as certified fiber content, use of renewable electricity, recycling targets related to non-hazardous waste, GHG emissions, waste to landfill, coverage of water management plans at Huhtamaki sites, and health and safety indicators.

The Board receives regular updates on business development, innovation projects and risks. A summary report on risks and opportunities is submitted annually to the Audit Committee and the Board.

The Human Resources Committee of the Board is responsible for overseeing specific organizational and human resources matters that are further deliberated by the Board. The Committee received quarterly updates on safety performance and attrition as well as an annual updates on the employee engagement survey. The Committee also reviewed progress made on the people strategy pillars and annual people processes such as performance, remuneration and talent.

The Board annually approves a rolling 3-year Strategic plan which is based on the existing long-term strategy. The annual operating plan (AOP) is reviewed and approved by the Board based on the 3-year strategic plan. Strategic investments are approved on a case-by-case basis. The Board ensures execution of the strategy through regular review and operational visits to the business units.

## INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

There are no incentive schemes in place for the Board.

The incentive model for the President and CEO contains as one element the Huhtamaki Global Sustainability and Safety Index (GSSI). The index tracks the Group's progress towards its 2030 sustainability ambition. KPIs within the index are linked to the Group's sustainability strategy and include the following specific targets and metrics:

- Renewable or recycled material use
- Renewable electricity consumption
- Non-hazardous waste recycled
- Certified of recycled fiber use
- Water intensity
- Solvent consumption
- Total recordable injury frequency rate

Climate targets and greenhouse gas (GHG) emission reductions were not directly considered in the GSSI for 2024, but partially captured through the target of renewable electricity consumption. The sustainability-related performance formed 20% of the overall variable remuneration criteria for the President and CEO during 2024.

The GSSI model and the related targets and yearly metrics goals are deliberated annually by the Human Resources Committee and approved by the Board.

Further details of the Huhtamaki incentive model can be found in the Remuneration Report.

## STATEMENT ON DUE DILIGENCE

### Mapping of the information provided in the Sustainability Statement about the due diligence process

| Core elements of Due Diligence | Paragraph / sections in the Sustainability Statement |
|---|---|
| a) Embedding due diligence in governance, strategy and business model | General information<br>Environmental, Social, Governance information |
| b) Engaging with affected stakeholders in all key steps of the due diligence | General information<br>Environmental, Social information |
| c) Identifying and assessing adverse impacts on people and the environment | General information<br>Environmental, Social information |
| d) Taking action to address adverse impacts on people and the environment | Environmental, Social information |
| e) Tracking the effectiveness of these efforts | Environmental, Social information |

## RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

The foundation of the sustainability reporting control environment lies with the Huhtamaki values – Care, Dare, Deliver. They form the core of the culture and way of working as well as providing discipline and structure for the operations. They are formalized in the Huhtamaki Code of Conduct, policies, instructions and guidelines.

The overall risk management process of the Group follows the principles of the Enterprise Risk Management (ERM) framework of the Treadway Commission (COSO), and ISO 31000 Risk Management Standard. Huhtamaki has further tailored its ERM processes to meet its own needs. In terms of risk management and sustainability reporting, internal reporting is based on properly documented data and risk analysis with an adequate audit trail. The report is also subject to external assurance.

The defined operating principles for internal control apply also to sustainability reporting. The Board and the President & CEO are responsible for adequate internal control. The Audit Committee monitors the effectiveness and efficiency of the internal control systems and the correctness of the sustainability reporting.

Internal control for sustainability reporting includes a process aiming at ascertaining the reliability of the Sustainability Statement. The internal control framework for the Huhtamaki sustainability reporting is based on the identification, analysis and prioritization of risks. Risk prioritization takes into consideration the potential impact on the accuracy, completeness and reliability of the sustainability reporting. The responsibility for arranging the internal controls belongs to the executive management of the Group and is being carried out by the whole organization.

Huhtamaki's Global Sustainability function is responsible for preparation of the sustainability reporting. The risks identified for sustainability reporting include inaccurate, incomplete, or misleading reporting. To mitigate the risks a control catalogue has been defined outlining how sustainability reporting information is collected, processed, and reported so that the sustainability information presented is accurate, relevant and complete.

The Group's non-financial reporting handbook includes definitions, procedures, frequency, and other relevant instructions applicable throughout the sustainability reporting process. The interpretation and application of sustainability reporting standards are centralized in the Global Sustainability function which maintains the non-financial reporting handbook and communicates these throughout the Group. The Global Sustainability function also supervises compliance with the non-financial reporting handbook. The reporting standards are uniformly applied in the whole Group and unified Group reporting systems are used.

Group sustainability reporting process, including roles and responsibilities for both unit level reporting and Global Sustainability function, has been defined and implemented. The process promotes governance of the sustainability reporting by including segregation of duties and required approvals. In addition, it promotes accuracy and completeness of data by providing standardization and consistency in sustainability reporting.

The Global Sustainability function and the network of business segment and business unit sustainability specialists perform the sustainability reporting, and manage and control the sustainability reporting process in line with the control catalogue. Control testing is part of Group Finance department's annual duties. The efficiency of controls is reported in line with the Group's defined principles for internal control, and the findings are used to improve the efficiency and accuracy of the sustainability reporting process.

## STRATEGY, BUSINESS MODEL AND VALUE CHAIN

### Huhtamaki strategy and sustainability

Huhtamaki's ambition is to be the first choice in sustainable packaging solutions. The Group's strategy is focused on four pillars, Scale core business, Develop innovation, Drive world-class competitiveness and Develop strategic capabilities. As a publicly listed company, Huhtamaki is committed to creating value for all its stakeholders.

At Huhtamaki, sustainability is an integral part of the Group's strategy and everyday work. As a global solutions provider in food and everyday necessities packaging, Huhtamaki is fully committed to sustainability as one the strongest transformative opportunities for stakeholders and customers. The Group's strategy is based on the belief that Huhtamaki can only be successful in the long term by creating value both for shareholders and for society.

Huhtamaki's significant product groups consist of paperboard conversion packaging, molded fiber packaging and flexible packaging. There have been no material changes in the product portfolio during 2024.

Huhtamaki's customer base is varied, and contains among others food and beverage companies, quick service and fast casual restaurants, foodservice operators, fresh produce packers and retailers.

Huhtamaki operates globally, with 36 countries and 101 operating locations around the world.

The Group employs 17,794 employees. The people are employed in Huhtamaki geographical areas as follows:

| Area | Number of employees |
|---|---|
| Europe | 6,570 |
| Asia-Pacific | 4,895 |
| Americas | 4,609 |
| Middle East and Africa | 1,720 |

Huhtamaki is committed to making packaging more circular with a lower carbon footprint and embedding sustainability in all products. Huhtamaki's strategic ambitions for 2030 embed sustainability considerations that are relevant for all product ranges:

- All products are designed to be recyclable, compostable or reusable
- Over 80% of material used are renewable or recycled
- All fiber is sourced from certified sources
- Over 90% of non-hazardous waste is recycled or composted
- 100% of electricity used is renewable
- Carbon-neutral production

The current product range reflects the Groups ambition and strategic goal to be the leader in sustainable packaging. All Huhtamaki products use natural resources as a substrate, and it is a priority to identify the most efficient solutions to minimize the environmental impact of the products. Huhtamaki does constant work on innovation and product development to ensure the product related sustainability targets are met. Huhtamaki works together with its customers and suppliers to find fit-for-purpose packaging solutions, that also enable customers to meet their sustainability goals.

Sustainability is a strategic enabler to deliver the Group's 2030 strategy. To drive this sustainability transition, Huhtamaki has initiated a number of critical projects:

**Designing for circularity** means that all Huhtamaki products are aimed to be designed to be recyclable, compostable, or reusable and circularity is considered in material selection and product structure. Regarding the choice of materials or the structure of the packaging, the safety and quality of the final product is always secured.

**Securing a sustainable supply chain for fiber** is a key part of the sustainability ambition, and Huhtamaki is committed to sourcing 100% of its wood fiber from recycled or certified sources. Where the use of virgin fiber is required, certified materials are aimed to be sourced. Huhtamaki is continuously updating and developing its supply chain due diligence practices to cover a wider range of business partners across the full ESG agenda.

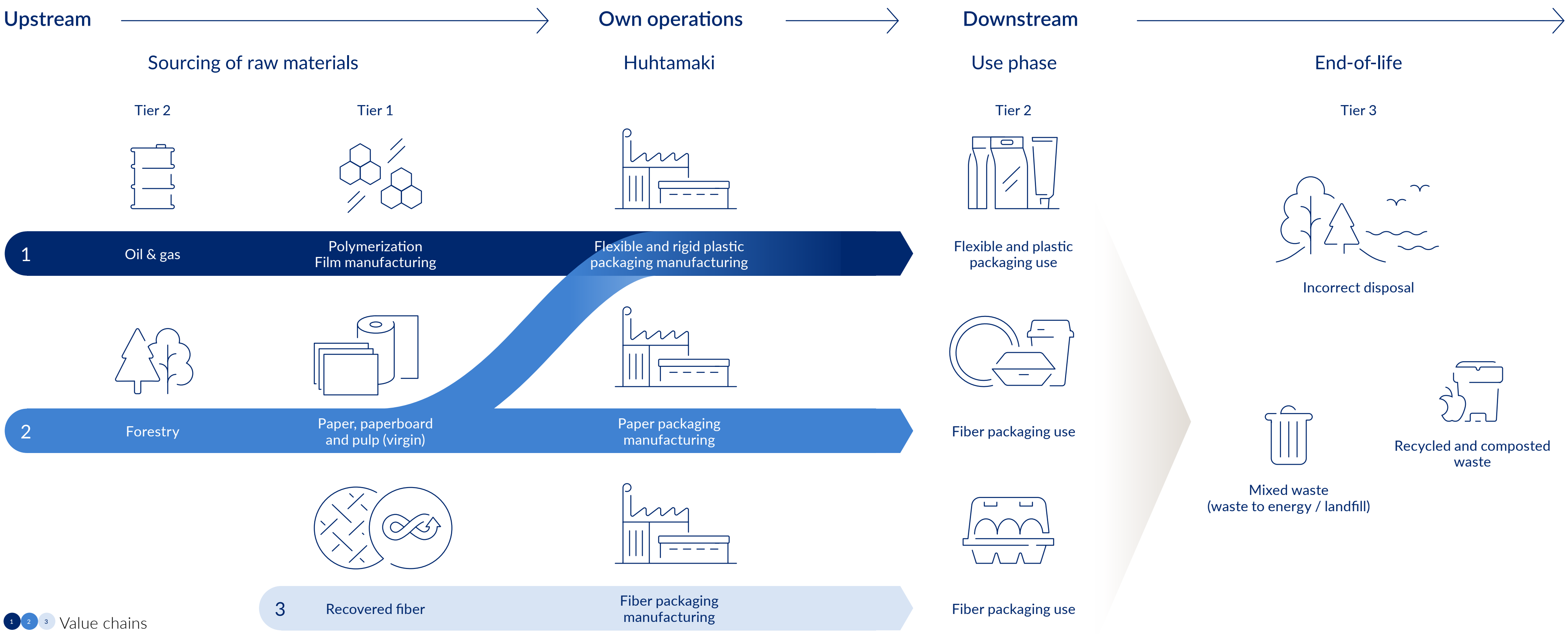
**To improve waste management,** Huhtamaki partners with stakeholders across the value chain. Through participation in organizations such as Europen and Ceflex, the Group aims to influence the recycling infrastructure development in Europe. Huhtamaki also contributes to concrete initiatives to mitigate waste in many different ways, such as The Cup Collective in Europe and partnership with Sporting Kansas City in the North America segment. These initiatives are described more in detail in the relevant chapters of the Sustainability Statement.

**To reduce GHG emissions** from own operations, increasing the share of renewable electricity is critical. Huhtamaki is targeting to increase the share through long-term Virtual Power Purchase Agreements (VPPA) with global renewable energy developers. In addition to own operations, Huhtamaki is increasingly engaging with suppliers and business partners to reduce also the emissions stemming from the supply chain and facilitate the reuse, recycling, and recovery of the Group's products at the end of their life cycle.

### Business model and value chain

Huhtamaki's operations are dependent on natural resources as raw material for the production of its products. The Group works with a large number of suppliers globally to ensure availability and high quality of raw materials. Within the upstream value chain sustainability matters are an important consideration, notably in terms of sourcing certified materials and ensuring commitment to the Code of Conduct for Huhtamaki Suppliers.

Within the downstream value chain, the majority of Huhtamaki's products serve the needs of food and beverage companies, quick service and fast casual restaurants, foodservice operators, fresh produce packers and retailers. A small number of products are sold directly to consumer users.



## INTERESTS AND VIEWS OF STAKEHOLDERS IN THE STRATEGY AND BUSINESS MODEL

Huhtamaki is committed to collaborating with stakeholders from across the value chain as this is a key component in achieving the Group's sustainability ambitions. The dialogue with stakeholders both supports the alignment of strategies and actions to the expectations of various stakeholder groups and gives valuable information about the possible risks and opportunities related to Huhtamaki business. Sustainability is at the core of Huhtamaki's 2030 Strategy, and hence the views of stakeholders are a key input to the strategic planning process. The Huhtamaki strategy and sustainability ambitions cover many of the issues that stakeholders are most concerned about, and their feedback is utilized to inform business decisions. These issues are discussed at length under the topical chapters related to environmental and social topics later in this Sustainability Statement.

Stakeholder engagement should create value for all parties, and therefore, Huhtamaki does not take a 'one size fits all' approach. As a global company, Huhtamaki adapts the engagement depending on the needs of the stakeholders, which may include, for example, specific language and cultural requirements. Also, different groups of stakeholders may also have differing needs: customers and investors need information in a different format than Group's employees. Communities around the Group's manufacturing units require contact with local management, whereas global stakeholders require contact with segment teams or global functions. The Group's engagement with stakeholders is guided by Huhtamaki's values and Code of Conduct and aligns with its commitment to human rights.

Huhtamaki's own workforce is a key group of affected stakeholders and provides valuable insights into potential impacts, risks and opportunities related to operations. The findings from the stakeholder engagements with own workforce as well as Huhtamaki's commitment to improve its human rights due diligence in alignment with the expectations of the United Nations Guiding Principles on Business and Human Rights (UNGP) are considered when strategic people priorities and related targets and action plans are set. The progress towards the Group's strategic targets related to own workforce is monitored regularly, and targets are reviewed annually as part of the strategic planning process. The strategy is communicated to Huhtamaki's workforce regularly, to ensure common understanding on strategic priorities, and emphasize employees' opportunity to have an impact on the Company's long-term targets and performance.

Huhtamaki is a global company with a complex supply chain. The company is committed to respecting human rights throughout its value chain. Huhtamaki understands that its business decisions may have a material impact on value chain workers, which in turn may present risks to Huhtamaki's business. In cases of severe human rights violations, Huhtamaki could face serious reputational damages that might affect the Group's attractiveness to employees, investors or customers. Worker injuries or social unrest could also cause supply chain disruptions that could potentially impact the ability to deliver orders to customers, impairing the customer relationship and Huhtamaki's reputation as a trusted supplier.

The Group is working to continuously improve its processes and practices to take the rights of workers in the value chain into account in line with the UNGPs and other guidelines, including at a strategic business level.

Huhtamaki's ongoing efforts to address material potential negative human rights impacts are embedded in the Company's 2030 strategy and further explained in Section ESRS S2 Workers in the value chain on page 85.

Regarding the interests and views of consumers and end-users, Huhtamaki focuses on sustainable and affordable packaging, product safety and functionality, and the reduction and substitution of plastic. Huhtamaki ensures that the views and interests of consumers and end-users are actively considered and integrated into sustainability practices through specific measures. Huhtamaki provides labels and end-of life guidance and instruction to consumers and end-users of its packaging products. Huhtamaki also actively engages in joint projects related to product development to innovate and enhance the packaging solutions. These collaborative efforts allow Huhtamaki to continuously improve its products to better meet consumer needs and environmental standards.

The stakeholder engagement results and the stakeholder interests in relation to sustainability matters feed into Huhtamaki strategy and business planning processes and have been reported to the Board as part of these discussions.

Huhtamaki key stakeholders, their interests and approach for dialogue are summarized below.

| Key stakeholders | Main interests and views | Form of dialogue |
|---|---|---|
| **Customers** | • Product safety and functionality<br>• Low-carbon, sustainable and circular packaging solutions, substitution of plastics<br>• Collaboration in the innovation for sustainable products<br>• Ambitious sustainability targets and action | • Voice of Customer satisfaction survey<br>• Stakeholder platforms such as the Think Circle<br>• Joint projects e.g. related to product development<br>• Customer sustainability questionnaires and requests for information<br>• Customer interactions |
| **Employees and contingent workers** | • Occupational health and safety: wellbeing and labor conditions.<br>• Engagement and enablement: training and career growth, diversity, equity and inclusion.<br>• Ambitious sustainability targets and action | • Interaction with supervisor<br>• Continuous dialogue through townhall meetings, roundtable and focus group discussions etc.<br>• Annual performance reviews and development discussions<br>• Connect employee engagement survey<br>• Speak Up whistleblowing channel<br>• European Works Council (EWC)<br>• Health and Safety Committees |
| **Shareholders and investors** | • Competitive next generation sustainable packaging solutions<br>• Profitable growth, delivery on strategy and sustainability ambitions | • Annual General Meeting and Capital Markets Day<br>• Investor meetings, discussions and requests for information<br>• Sustainability and transparency questionnaires, such as Carbon Disclosure Project (CDP)<br>• Investor presentations, reports and other material |
| **Consumers** | • Sustainable and affordable packaging<br>• Product safety and functionality<br>• Substitution and reduction of plastic | • Labels/end-of-life guidance/instructions on packaging products<br>• Joint projects, e.g. related to product development<br>• Speak Up whistleblowing channel |
| **Suppliers** | • Fair terms and conditions<br>• Long-term collaboration<br>• Collaboration on sustainable innovations | • ESG due diligence tool<br>• Supplier screenings, (self-assessments, questionnaires and third-party audits<br>• Speak Up whistleblowing channel<br>• Dialogue with sourcing and quality managers, including negotiations and ongoing commercial discussion |
| **Policy makers, public authorities** | • Science-based climate and environmental regulation<br>• Food safety and hygiene | • 1-to-1 meetings, roundtable discussions, seminars<br>• Technical working groups<br>• Consultations and requests for information |
| **Industry associations, trade unions** | • Predictable business environment<br>• Science-based climate and environmental regulation | • Working groups and meetings<br>• Consultations and requests for information |
| **Non-Governmental Organizations** | • Science-based climate and environmental regulation<br>• Food safety and hygiene<br>• Community engagement<br>• Just transition to a circular economy | • Joint projects and cooperation, e.g. WasteAid<br>• 1-to-1 meetings and seminars |
| **Communities near Huhtamaki manufacturing units** | • Job opportunities<br>• Health and safety in the communities | • Direct contact with local managers<br>• Community involvement projects<br>• Partnerships with educational institutions<br>• Speak Up whistleblowing channel |

## MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

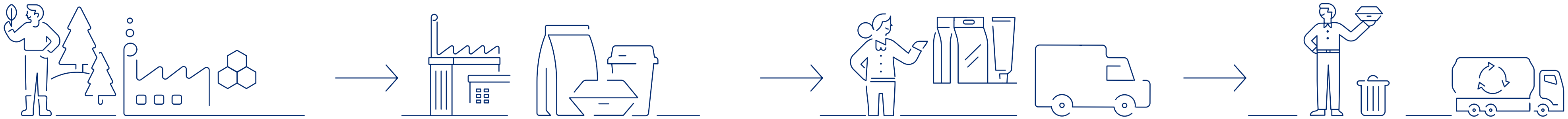
Huhtamaki continuously follows the most recent developments and trends in the field of sustainability, including changes in legislation and views from stakeholders. The material impacts, risks and opportunities identified and assessed over the course of the double materiality assessment completed in 2024 are presented below. Further details of the impacts, risks and opportunities are presented in each topical section.

| Topic | Material impact, risk or opportunity |
|---|---|
| **Environmental** | |
| Climate change: Energy (E1) | Negative impact due to the energy intensive nature of Huhtamaki operations, and a risk due to increased costs of energy |
| Climate change mitigation (E1) | Negative impact from GHG emissions from Huhtamaki operations |
| Climate change adaptation (E1) | Financial risks from natural events such as floods, storms, heat, drought, and volatile forest yields, and transition risk from potential regulatory material restrictions and bans |
| Water withdrawals and water use (E3) | Negative impact through water withdrawal in production, both from surface and ground water |
| Water consumption (E3) | Negative impact due to water consumption in production |
| Water stress and water availability (E3) | Financial risk from reduced water availability leading to price increases and limited supply |
| Biodiversity & Ecosystems: Impacts and dependencies on ecosystem services (E4) | Negative impact on ecosystem services due to sourcing of fiber-based materials |
| Biodiversity & Ecosystems: Direct impact drivers of biodiversity loss (E4) | Negative impact on biodiversity due to raw material sourcing |
| Resource use & circular economy: Resources inflows, including resource use and microplastics (E5) | Negative impact from exploitation of natural resources for sourcing under a business as usual approach, with a moderate financial impact |
| Resource use & circular economy: Resource outflows related to products and services (E5) | Negative impact from material outflows due to improper end-of-life treatment, with a moderate financial impact |
| Resource use & circular economy: Waste (E5) | Negative impact mitigated by product design allowing reducing waste. Financial effects are assessed as moderate |
| Resource use & circular economy: Food waste (E5) | Positive impact from reduction of food waste through enhanced packaging |
| Resource use & circular economy: Circular business models and product innovations (E5) | Financial opportunity in circularity from recyclable and compostable products, with a high positive financial effect |

| Topic | Material impact, risk or opportunity |
|---|---|
| **Social** | |
| Own workforce:<br>Health and safety (S1) | Positive impact from offering a safe and healthy workplace and conversely a negative impact in event on neglect towards safety |
| Own workforce:<br>Chemical safety (S1) | Negative impact to workforce from the chemicals used in Huhtamaki production |
| Own workforce:<br>Gender equality and equal pay for work of equal value (S1) | Positive impact from enhanced employee engagement and conversely a negative impact in case of failure to provide equal pay |
| Own workforce:<br>Social dialogue (S1) | Positive impact in engagement and motivation from actions taken to facilitate social dialogue |
| Own workforce:<br>Training and skills development (S1) | Positive impact on Huhtamaki operations from enhanced skills and improved productivity |
| Own workforce:<br>Secure employment (S1) | Positive impact from enhanced engagement and productivity by offering a secure employment |
| Own workforce:<br>Diversity (S1) | Positive impact of increased innovation and creativity from fostering an inclusive and diverse workplace |
| Own workforce:<br>Availability of skilled workforce and talent (S1) | Financial risk from shortages in skilled workforce |
| Workers in the value chain:<br>Health and safety (S2) | Negative impact in value chain locations with risk of suppliers without health and safety procedures |
| Workers in the value chain:<br>Freedom of association, the existence of works councils and the information, consultation and participation rights of workers (S2) | Negative impact in value chain locations with limitations to freedom of association |
| Workers in the value chain:<br>Collective bargaining, including rate of workers covered by collective agreements (S2) | Negative impact in value chain locations with limitations to collective bargaining |
| Workers in the value chain:<br>Chemical safety (S2) | Negative impact to value chain operators from the chemicals used in Huhtamaki production |
| Workers in the value chain:<br>Social dialogue (S2) | Negative impact of value chain locations with limited social dialogue |
| Consumers and end-users:<br>Food safety (S4) | Positive impact from the enhanced food safety from Huhtamaki products and a financial opportunity from promoting food safety through Huhtamaki products |
| Consumers and end-users:<br>Food availability and affordability (S4) | Positive impact and a financial opportunity due to Huhtamaki products enhancing availability of affordable food products |
| **Governance** | |
| Ethical business conduct and corporate culture (G1) | Positive impact through Huhtamaki's commitment to upholding corporate values, culture, and business conduct that builds trust and engagement in and outside Huhtamaki |
| Prevention of corruption and bribery (G1) | Positive impact from Huhtamaki's robust practices of preventing corruption and bribery |

No current financial effects arising from the risks and opportunities were identified during the reporting period.

The list of impacts, risks and opportunities (IRO's) includes both potential and actual as well as positive and negative impacts across the entire value chain. The adjacent image shows the IRO's mapped according to the Huhtamaki value chain.



<table>
<tr><th>Sourcing<br>(raw materials, suppliers, transportation)</th><th>Production<br>(Huhtamaki own operations)</th><th>Customers and distribution<br>(logistics, processing to final products, distribution)</th><th>End-use and end-of-life<br>(consumption, end-of-life treatment)</th></tr>
<tr><td colspan="4">Climate Change Adaptation: Transition risks: Increased prices of raw materials, material bans, reputational risks</td></tr>
<tr><td colspan="3">Climate Change Adaptation: Physical risks: Climate related hazards (floods, storms, extreme heat, drought)</td><td></td></tr>
<tr><td colspan="4">Climate Change Mitigation: GHG emissions reduction</td></tr>
<tr><td colspan="2">Energy</td><td></td><td></td></tr>
<tr><td colspan="2">Water stress, Water availability</td><td></td><td></td></tr>
<tr><td colspan="4">Biodiversity: Impacts and dependencies on ecosystem services and biodiversity loss</td></tr>
<tr><td></td><td>Waste, waste management</td><td colspan="2">Resource outflows related to products and services, packaging, material residuals</td></tr>
<tr><td colspan="2">Resources inflows, including resource use, raw material sourcing and management</td><td colspan="2">Food waste</td></tr>
<tr><td colspan="4">Circular economy: renewable raw materials, product innovation</td></tr>
<tr><td colspan="2">Working conditions: Health and Safety, Secure employment, Working time</td><td></td><td></td></tr>
<tr><td colspan="2">Equal treatment: Diversity and Equal payment</td><td></td><td></td></tr>
<tr><td colspan="2">Chemical safety</td><td></td><td></td></tr>
<tr><td colspan="2">Availability of skilled workforce</td><td></td><td></td></tr>
<tr><td colspan="2">Food availability and safety</td><td></td><td></td></tr>
<tr><td colspan="3">Corruption and bribery</td><td></td></tr>
<tr><td></td><td>Corporate culture</td><td></td><td></td></tr>
</table>

● Environmental ● Social ● Governance

The identified material impacts, risks and opportunities feed into the sustainability strategy and sustainability-related targets that Huhtamaki has defined. These targets are an input to the annual budgeting process and are integrated in the Group's incentive models.

The identified material impacts and their relation to Huhtamaki business model are presented in the table below:

| | |
|---|---|
| **Climate change adaptation, mitigation, energy** | As an industrial company, Huhtamaki emits substantial amount of greenhouse gas (GHG) emissions in its own operations and throughout its value chain. Climate is one of the priority topics in ESG ratings the Group's external stakeholders (e.g. clients, investors) are interested in. Especially transition risks pose financial risks to Huhtamaki. |
| **Water withdrawals, water stress and consumption** | Huhtamaki and its value chain uses significant amounts of water. Water withdrawals affect biodiversity and surrounding communities. It is an important topic in ESG ratings and interest of external stakeholders. |
| **Biodiversity and ecosystems:** Direct impact drivers of biodiversity loss, Impacts and dependencies on ecosystem services | A significant share of Huhtamaki's raw materials is based on wood fiber, thus the impact and dependency on biodiversity and ecosystems is evident. External stakeholders are likely to be interested in this topic. It is one of Huhtamaki's priority topics in ESG ratings. |
| **Resource inflows, outflows, waste**<br>**Entity specific:** Food waste, Circular business models | Huhtamaki's business is based on raw material processing into disposable packaging products. Regulation may impose requirements on the use of different raw material types in packaging, which could pose financial risks. Circular business models associated with new business concepts create financial opportunities, hence making this topic material. |
| **Own workforce**<br>**Working conditions:** Secure employment, Social dialogue, Health and safety<br>**Equal treatment and opportunities:** Gender equality and equal pay, Training and skills development, Diversity<br>**Entity specific:** Chemical safety, Availability of skilled workforce and talent | Own workforce is essential asset for achieving business objectives. A diverse workforce and inclusive working environment help the Group understand and meet the needs of customers and communities. Employee training can improve productivity and efficiency, leading to better business performance. Providing a safe work environment is a fundamental responsibility of the Group. The materiality of the topic is evident. |
| **Workers in the value chain**<br>**Working conditions:** Social dialogue, Freedom of association etc., Collective bargaining etc., Health and safety<br>**Entity specific:** Chemical safety | Wellbeing and safety of workers in the value chain are associated with improved productivity and quality leading to improved business performance. Health and safety of workers in the value chain impact Huhtamaki's reputation. It is an important topic in ESG ratings. |
| **Consumers and end-users:**<br>**Entity specific:** Food safety, Product safety and quality<br>**Entity specific:** Food availability and affordability | Product safety and quality are key to Huhtamaki's value proposition. External stakeholders (investors) have expressed their interest toward the topic. |
| **Business conduct**<br>**Corporate culture, Corruption and bribery – Prevention and detection including training** | Huhtamaki's values – Care, Dare, Deliver – form the foundation for the corporate culture and way of working. Huhtamaki conducts business also in countries where the risk of corruption and bribery is elevated. |

## DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Huhtamaki regularly updates its materiality assessment, and during 2024, Huhtamaki completed its first double materiality assessment (DMA) in accordance with the European Sustainability Reporting Standards (ESRS).

### Materiality assessment process

The assessment consisted of three main project phases and related sub-phases. The first phase involved identifying relevant ESG impacts, risks, and opportunities. This included creating a long list of relevant ESG impacts, risks, and opportunities through desktop analysis and internal and external stakeholder interviews. These interviews aimed to identify Huhtamaki's activities, business relationships, sustainability context, and engage stakeholders. The preliminary longlist was then validated by Huhtamaki subject matter experts in a workshop, with the objective of narrowing down the list by excluding topics deemed irrelevant for Huhtamaki.

The second phase focused on assessing the materiality of ESG impacts, risks, and opportunities. This was achieved by prioritizing Huhtamaki's impacts, risks, and opportunities in two workshops with a broad group of internal stakeholders. The impacts, risks, and opportunities were then scored by Huhtamaki experts.

The final phase involved the validation of material topics and threshold setting. The preliminary results were reviewed with the GET. The results were finalized based on the GET feedback and validation by the segments.

### Climate-related material impacts, risks and opportunities

Huhtamaki assessed both climate-related physical and transition risks as well as opportunities in own operations and along the upstream and downstream value chain.

When identifying actual and potential future GHG emission sources during the double materiality assessment, Huhtamaki utilized its existing GHG emission calculations and climate risk assessment. Huhtamaki operates in an energy intensive industry and therefore emits GHG emissions and has a negative impact on climate. Huhtamaki has, however, devised a transition plan to mitigate these negative impacts, and aims to create positive ones through initiating projects to increase renewable electricity production . Huhtamaki calculates its GHG emissions including its own operations (Scope 1 and 2) as well as upstream and downstream value chain (Scope 3) and has identified its main emission sources. Huhtamaki addresses the main emission sources through science-based emission reduction targets and action plans.

### Climate-related scenario analysis

Climate-related transition- and physical- risks were assessed through three different climate-scenarios; IPCC's 1.5°C (RCP 2.6) and 4°C (RCP 8.5) as well as the International Energy Agency's (IEA) Net zero Emissions by 2050 -roadmap. The scenarios are aligned with TCFD recommendations and leading scientific understanding, and therefore Huhtamaki believes the chosen scenarios cover its plausible risks and uncertainties. The timeframe that Huhtamaki used for the scenarios is until 2050.

The critical climate-related assumptions disclosed in the Financial Statements are compatible with the scenarios, and at the end of the reporting period climate-related matters did not have material impact.

The IPCC 1.5°C (RCP 2.6) and IEA Net Zero Emissions by 2050 scenarios aim to limit global warming to 1.5°C by significantly reducing greenhouse gas emissions through rapid adoption of renewable energy, enhanced energy efficiency, and carbon capture technologies. The key driving forces are technological innovation, strong policies, global cooperation, and strong consumer demand towards less carbon intensive products. For Huhtamaki, these scenarios emphasize the importance of investing in sustainable practices, complying with emerging climate policies, and leveraging technological innovations to reduce operational costs and enhance market competitiveness.

The scenarios are relevant to the resilience of Huhtamaki's business strategy because they represent the desired future to keep the global warming at the level established in the Paris agreement, and therefore aligned with the latest international agreement on climate change. The key constraints of the IPCC 1.5°C (RCP 2.6) scenario involve the need for substantial investments in renewable energy and carbon capture technologies, along with strong international climate policies. Achieving the necessary rapid transition also faces challenges from technological, economic, and social barriers that require coordinated global cooperation and significant behavioral changes.

The 4°C (RCP 8.5) scenario is relevant to the resilience of Huhtamaki's business strategy as the scenario represents the business-as-usual high greenhouse gas emissions trajectory scenario and highlights the impacts of physical climate change risks if e.g. political willingness to combat climate change declines. The scenario helps to identify the assets and business activities that are at the highest risk of physical climate change impacts and to develop adaptation plans. The key forces and drivers considered in the 4°C (RCP 8.5) scenario include lack of political willingness to cease fossil fuel expansion and high cost of capital to e.g. increase renewable energy capacity, high population growth increasing energy consumption and significant deforestation and urbanization reducing natural carbon sinks as well as unwillingness to pay for less carbon intensive products. These forces and drivers are relevant to Huhtamaki as they shape the macroeconomic trends, policy assumptions, energy usage and mix, and technological advancements that directly impact the Group's operations, costs, and strategic planning. The key constraints in the RCP 8.5 scenario include limited resource availability for fossil fuel extraction, increasing costs over time, and potential irreversible ecosystem damage.

Based on previously conducted climate risk assessment, Huhtamaki identified climate-related hazards (floods, storms, heat, drought) as well as transition risks and opportunities over the short-, medium- and long-term and screened whether its assets and business activities may be exposed to these hazards or climate-related transition events. High-level assessment of the extent to which its assets and business activities exposure and sensitivity to the identified climate-related hazards is based on historic exposure and anticipated future development based on likelihood and frequency of the hazards in alternative climate scenarios. Geospatial coordinates (such as Nomenclature of Territorial Units of Statistics- NUTS for the EU territory) specific to Huhtamaki's locations and supply chains have not been considered.

Financial risks from identified transition events were assessed at high-level based on their likelihood and magnitude, with these events expected to be relevant in the medium- and long-term. Huhtamaki has identified that a significant share of its Scope 1 emissions represents locked-in emissions coming from assets utilized in production processes. To replace or retrofit these assets requires financing creating a transition risk. Similarly, the related emissions are at risk of increasing carbon pricing. Huhtamaki has begun to prepare a transition plan to mitigate the locked-in emissions and related transition risks. Similarly, part of Huhtamaki's business activities are incompatible with the requirements for Taxonomy-alignment.

## Pollution-related impacts, risks and opportunities

During the double materiality assessment impacts, risks and opportunities for pollution were identified and assessed. The assessment was done following the overall DMA methodology as described below, with assessment on the segment level. Site-level assessment or consultation with affected communities in relation to pollution were not conducted.

## Water-related material impacts, risks and opportunities

Huhtamaki recognizes the critical role that water plays in its operations and value chain. To identify both current and potential future water-related impacts, risks, and opportunities, Huhtamaki uses the Aqueduct Water Risk Atlas provided by the World Resources Institute (WRI). This tool helps determine the water-related risks at Huhtamaki's manufacturing sites and fiber supply plants, including whether these sites are in areas experiencing water stress.

In addition to the physical risks related to the quantity of water, the WRI's Aqueduct Water Risk Atlas assesses the physical risks related to water quality, and the related regulatory and reputational risk level. Huhtamaki uses these assessment results in combination with the information obtained with the water usage and discharge data to assess the water-related risks thoroughly.

Huhtamaki conducted catchment vulnerability assessments to evaluate overall business risks at sites with high water risk, considering water supply quantity and quality, local municipal infrastructure, regulations, and governance. These assessments provide insights into the water basins, validate risk ratings, and help prioritize next steps for Huhtamaki. Huhtamaki's double materiality assessment did not include consultations with affected communities on sustainability assessments of shared water resources and affected basins.

## Biodiversity and ecosystems related material impacts, risks and opportunities

When identifying actual and potential future biodiversity and ecosystems related impacts, risks and opportunities during the double materiality assessment, Huhtamaki utilized the results from its existing assessment conducted using the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool. Huhtamaki used this tool to determine the potential dependencies on ecosystem services and the potential contribution to the impact drivers of nature loss related to paper packaging production and the sourcing of primary raw materials for this production. At the time of the assessment, the tool did not include information on plastic packaging production, which is consequently excluded from the analysis. The potential risks associated with these impacts and dependencies were assessed as part of the DMA process. The risk scanning included physical, transition and systemic risk types.

Huhtamaki has also analyzed the proximity of its sites to biodiversity-sensitive areas. More information is found under the topical section for Biodiversity and Ecosystems. Huhtamaki's double materiality assessment did not include consultations with affected communities on sustainability assessments of shared biological resources and ecosystems.

## Resource Use and Circular Economy

The process to identify actual and potential future resource use and circular economy related impacts, risks and opportunities followed the general process of the double materiality assessment. The process did not include consultations with affected communities.

## Methodology and assumptions of the Double Materiality Assessment

The process for assessing impact materiality consisted of several phases. Initially, the context landscape was identified, including activities, business relationships, sustainability context, and stakeholders. While Huhtamaki has processes in place to understand the impacted stakeholders, these impacted stakeholder groups were not separately consulted during the DMA process. The Context landscaping phase was followed by identifying actual and potential negative and positive impacts through engagement with relevant stakeholders and experts. The materiality of these impacts was then assessed for both own operations and the entire value chain globally. Material sustainability matters were determined based on adopted thresholds.

Following this, the assessment of financial materiality was conducted. This involved identifying dependencies on natural and social resources as sources of financial effects and determining the materiality of these dependencies. Material dependencies were classified as risks or opportunities, and material risks and opportunities were determined based on appropriate thresholds reflecting the likelihood of occurrence and potential size of effects.

The following time horizons were applied during the DMA as defined in ESRS:

- short-term (less than one year),
- medium-term (one to five years),
- long-term (more than five years).

Impacts, risks, and opportunities were scored based on their severity (scope, scale, and remediability) and likelihood of occurrence. Both severity and likelihood were rated on a scale from 0 to 5, and the overall score was calculated by multiplying these two factors, resulting in a score range between 0 and 25. Similarly, the financial effect size and likelihood of risks or opportunities were rated on a scale from 0 to 5. The assessment of financial effects relied on the Huhtamaki ERM methodology, that considers sustainability risks as an integral part of risk management. In addition, Huhtamaki has more specific risk assessment methods e.g. compliance risk assessments to increase focus on sustainability related risks and support ERM. The overall score was calculated by multiplying these two factors, also resulting in a score range between 0 and 25. The assessment was done on a relative and qualitative scale.

## Decision-making process for materiality

The process for making the final decision on material topics involved several key steps. Initially, topics were prioritized by scoring the topics. Following this, a qualitative assessment was conducted to select material topical standards. These standards included climate change, water and marine resources, biodiversity and ecosystems, resource use and circular economy, own workforce, workers in the value chain, consumers and end-users, and governance. For each material topical standard, a threshold score of 15 was used to determine the selection of material items.

The GET validated the material topics and threshold. Thereafter the results were reviewed by the Audit Committee (AC). In accordance with the Finnish Companies Act, the Audit Committee monitors the process carried out to identify the information reported in accordance with the sustainability reporting standards.

Huhtamaki double materiality assessment will be updated during 2025, and the methodology will be revised based on the experiences from the assessment and emerging market practices.


During 2024 Huhtamaki achieved a reduction of 40% of its Scope 1 + 2 GHG emissions compared to base year (2019).

99%

of our fiber-based raw material was sourced from recycled or certified sources.

# Environmental information

## EU TAXONOMY

The EU Taxonomy is a green classification system that translates the EU's climate and environmental objectives into criteria for specific economic activities for investment purposes. It recognizes as environmentally sustainable those economic activities that make a substantial contribution to at least one of the EU's six environmental objectives, while at the same time not significantly harming any of these objectives and meeting minimum social safeguards. The six environmental objectives that are published as a Delegated Act address emission-intensive economic activities with the aim of guiding development towards sustainable production.

### Nuclear and fossil gas related activities

| Row | | |
|---|---|---|
| | **Nuclear energy related activities** | |
| 1. | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | NO |
| 2. | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | NO |
| 3. | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | NO |
| | **Fossil gas related activities** | |
| 4. | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | NO |
| 5. | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | NO |
| 6. | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | NO |

### Taxonomy-eligible activities

An economic activity is considered Taxonomy-eligible if it is referenced by the Taxonomy and has the potential to enable achieving at least one of the six environmental objectives: 1) Climate change mitigation, 2) Climate change adaptation, 3) Sustainable use and protection of water and marine resources, 4) Transition to a circular economy, 5) Pollution prevention and control, and 6) Protection and restoration of biodiversity and ecosystems.

Huhtamaki has assessed its eligibility and alignment with the six environmental objectives by screening the economic activities in the Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139), the Complementary Climate Delegated Act (Commission Delegated Regulation (EU) 2022/1214), the Environmental Delegated Act (Commission Delegated Regulation (EU) 2023/2486), and the amendments to the Climate Delegated Act (Commission Delegated Regulation (EU) 2023/2485). Through this assessment Huhtamaki has evaluated that the Group's activities in producing plastic packaging goods fall under objective 4: Transition to circular economy (1.1).

The eligible activities have been defined with reference to the Statistical classification of economic activities in the European Community (NACE) and the suggested EU Packaging and Packaging Waste Regulation. In relation to the material content, the NACE classification 22.2 (Manufacture of plastic products) and 22.22 (Manufacture of plastic packaging goods) include products where the primary material is plastic, which Huhtamaki interprets as products with over 50% plastic raw material content by weight. The definition of packaging goods has been aligned with the Packaging and Packaging Waste Regulation, and hence also encompasses cups, bowls, plates and their lids in addition to the bags, sacks and pouches listed in the NACE definition. Huhtamaki has such products in all three business segments.

The determination of eligible Turnover, CapEx and OpEx have been done as follows:

- Review of the Huhtamaki product portfolio to identify eligible products
- Extract the turnover for the eligible products
- Identify CapEx and OpEx associated with the manufacturing of the eligible products
- CapEx and OpEx associated with both eligible and non-eligible products have been allocated to the eligible products based on turnover
- Double counting is avoided by ensuring that turnover, CapEx and OpEx are only reported once to the taxonomy activity and only to one environmental objective

Huhtamaki's interpretation of eligible activities as well as the definition of the CapEx and OpEx KPIs under EU Taxonomy has been amended, and the indicators reported for 2023 and 2024 in this Sustainability Statement are in accordance with the new definition.

### Taxonomy-aligned activities

Regulation (EU) 2020/852, article 3, sets out criteria that an economic activity must meet to qualify as environmentally sustainable (Taxonomy-aligned):

- Substantially contribute to the environmental objectives
- Do no significant harm (DNSH) to the other five objectives
- Comply with minimum safeguards covering social and governance standards

Taxonomy-alignment of the identified eligible activity has been assessed against Annex II of the Environmental Delegated Act.

The stringent criteria relevant to the economic activity of manufacture of plastic packaging goods are such that Huhtamaki is not currently able to show alignment with this environmental objective. Notably, the requirement that at least 35% of packaging products by weight consist of recycled post-consumer material for non-contact sensitive packaging, and at least 10% for contact sensitive packaging is not yet reached within Huhtamaki's current plastic product portfolio. This is due to the following reasons:

- Huhtamaki's flexible packaging and other plastic packaging serve mainly the food sector for which using mechanically recycled plastics in packaging is not allowed due to food safety concerns
- Currently, the market does not have sufficient supply for chemically recycled plastics that could be used for food packaging.

Huhtamaki continues to develop its Taxonomy-related reporting and will take action in coming years towards achieving the technical screening criteria in order to report alignment with the EU Taxonomy environmental objectives.

### Taxonomy reporting principles

#### Turnover

Turnover under EU Taxonomy is equal to consolidated net sales as reported in the consolidated statement of income, amounting to EUR 4,126.3 million (EUR 4,168.9 million in 2023).

#### Capital Expenditure

CapEx under EU Taxonomy is the sum of additions in tangible assets, intangible assets excluding goodwill and customer relations, and right-of-use assets from both investments and acquisitions resulting from business combinations. Additions in tangible assets and intangible assets are reported as capital expenditure in the consolidated statement of cash flows amounting to EUR 247.9 million (EUR 318.7 million in 2023). CapEx related to right-of-use assets is reported in note 3.4 of the consolidated financial statements, amounting to EUR 35.0 million (EUR 36.9 million in 2023). There were no additions related to acquisitions during 2023 and 2024.

#### Operating Expenditure

OpEx under EU Taxonomy is defined as the direct non-capitalized costs related to maintenance and servicing of assets, including costs for repairs and maintenance, research and development, short-term leases and other similar costs, amounting to EUR 211.2 million (EUR 199.7 million in 2023). The OpEx definition is different from the operating expenditure reported in the consolidated statement of income.

## Turnover KPI

| Financial year 2024 | Year | | | Substantial contribution criteria | | | | | | DNSH criteria (“Does Not Significantly Harm”) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic Activities (1) | Code (2) | Turnover (3) | Proportion of Turnover, year N (4) | Climate Change Mitigation (5) | Climate Change Adaptation (6) | Water (7) | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11) | Climate Change Adaptation (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum Safeguards (17) | Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Turnover, year N-1 (18) | Category enabling activity (19) | Category transitional activity (20) |
| | | MEUR | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T |
| **TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| **Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)** | | | | | | | | | | | | | | | | | | | |
| **Of which enabling** | | | | | | | | | | | | | | | | | | | |
| **Of which transitional** | | | | | | | | | | | | | | | | | | | |
| **Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| Manufacture of plastic packaging goods | CE1.1 | 1,401.7 | 34% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 35% | | |
| **Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)** | | 1,401.7 | 34% | | | | | | | | | | | | | | 35% | | |
| **Turnover of Taxonomy-eligible activities (A.1+A.2)** | | 1,401.7 | 34% | | | | | | | | | | | | | | 35% | | |
| **TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **Turnover of Taxonomy-non-eligible activities** | | 2,724.5 | 66% | | | | | | | | | | | | | | 65% | | |
| **TOTAL** | | **4,126.3** | **100%** | | | | | | | | | | | | | | **100%** | | |

## CapEx KPI

| Financial year 2024 | Year | | | Substantial contribution criteria | | | | | | DNSH criteria ("Does Not Significantly Harm") | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic Activities (1) | Code (2) | CapEx (3) | Proportion of CapEx, year N (4) | Climate Change Mitigation (5) | Climate Change Adaptation (6) | Water (7) | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11) | Climate Change Adaptation (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum Safeguards (17) | Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year N-1 (18) | Category enabling activity (19) | Category transitional activity (20) |
| | | MEUR | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T |
| **TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| **CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)** | | | | | | | | | | | | | | | | | | | |
| **Of which enabling** | | | | | | | | | | | | | | | | | | | |
| **Of which transitional** | | | | | | | | | | | | | | | | | | | |
| **Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| Manufacture of plastic packaging goods | CE1.1 | 85.7 | 30% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 30% | | |
| **CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)** | | 85.7 | 30% | | | | | | | | | | | | | | 30% | | |
| **CapEx of Taxonomy-eligible activities (A.1+A.2)** | | 85.7 | 30% | | | | | | | | | | | | | | 30% | | |
| **TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **CapEx of Taxonomy-non-eligible activities** | | 197.3 | 70% | | | | | | | | | | | | | | 70% | | |
| **TOTAL** | | **283.0** | **100%** | | | | | | | | | | | | | | **100%** | | |

## OpEx KPI

| Financial year 2024 | Year | | | Substantial contribution criteria | | | | | | DNSH criteria ("Does Not Significantly Harm") | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic Activities (1) | Code (2) | OpEx (3) | Proportion of OpEx, year N (4) | Climate Change Mitigation (5) | Climate Change Adaptation (6) | Water (7) | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11) | Climate Change Adaptation (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum Safeguards (17) | Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year N-1 (18) | Category enabling activity (19) | Category transitional activity (20) |
| | | MEUR | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T |
| **TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| **OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)** | | | | | | | | | | | | | | | | | | | |
| **Of which enabling** | | | | | | | | | | | | | | | | | | | |
| **Of which transitional** | | | | | | | | | | | | | | | | | | | |
| **Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| Manufacture of plastic packaging goods | CE1.1 | 55.5 | 26% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 26% | | |
| **OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)** | | 55.5 | 26% | | | | | | | | | | | | | | 26% | | |
| **OpEx of Taxonomy-eligible activities (A.1+A.2)** | | 55.5 | 26% | | | | | | | | | | | | | | 26% | | |
| **TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **OpEx of Taxonomy-non-eligible activities** | | 155.7 | 74% | | | | | | | | | | | | | | 74% | | |
| **TOTAL** | | **211.2** | **100%** | | | | | | | | | | | | | | **100%** | | |

## ESRS E1 CLIMATE CHANGE

# Transition plan for climate change mitigation

### Embedding transition plan in business strategy and financial planning

Huhtamaki has a transition plan to mitigate climate change, which is integrated into its overall business strategy and financial planning. The company strategy emphasizes sustainable innovation in collaboration with customers, and aims to achieve world-class operational performance globally. Huhtamaki invests in developing sustainable products that are recyclable, compostable, or reusable, have a lower carbon footprint than their predecessors, and are made from responsibly sourced materials. To drive global competitiveness, Huhtamaki focuses on enhancing operational efficiency, including improving energy efficiency, reducing water and material consumption, and minimizing waste. These strategic initiatives help mitigate Huhtamaki's greenhouse gas emissions from its own operations, as well as across its upstream and downstream value chain.

Sustainability investments are embedded within the Group's financial plan and are integrated into the strategic plans (3-year planning) of each Huhtamaki segment. Furthermore, Huhtamaki's climate transition plan is featured in its global short-term incentive plan, as detailed in the Integration of sustainability-related performance in incentive schemes section on page 37. This plan includes key performance indicators (KPIs) such as the share of renewable electricity and the share of renewable or recycled materials that contribute to reductions in Scope 2 and Scope 3 emissions.

### Science-based emission reduction targets

Huhtamaki is committed to contributing to climate change mitigation by implementing its GHG emission reduction targets which are validated by the Science-based targets initiative (SBTi). Huhtamaki's existing science-based near-term target (SBT) for Scopes 1 and 2 is aligned with the well-below 2-degree (WB2C) trajectory. Huhtamaki's Scope 3 absolute emission reduction target is aligned with a 2-degree trajectory. The targets cover the main emission sources from Huhtamaki's own operations as well as upstream and downstream value chain.

Huhtamaki's Scope 1 and Scope 2 combined science-based emission reduction target is 27.5% reduction by 2030 compared to the 2019 base year. Additionally, Huhtamaki is committed to achieving 100% renewable electricity usage by 2030 which contributes to Scope 2 emission reductions. Huhtamaki has two SBTi validated targets for Scope 3. For category 1, purchased goods and services, Huhtamaki has defined as a target for supplier engagement that 70% of suppliers, by spend, will have science-based targets by 2026. For end-of-life treatment of sold products (category 12) Huhtamaki has set a 13.5% absolute emission reduction target by 2030 from the 2019 base year.

Huhtamaki does not currently have significant operational or capital expenditures allocated for the implementation of the defined climate-related actions or transition plan. However, smaller financial resources and other resources such as dedicated personnel from the Group, segments and sites are designated to support the implementation efforts.

In 2024, Huhtamaki started reassessing its climate targets with the aim of developing a long-term transition plan to ensure compatibility with limiting global warming to 1.5°C in line with the Paris Agreement. Huhtamaki aims to update its near-term climate targets during 2025. As part of the target update process and development of a longer-term transition plan, Huhtamaki is also currently assessing the required actions, investments and funding.

### Transition plan, decarbonization levers and progress

Huhtamaki's transition plan to achieve its science-based emission reduction targets encompasses multiple decarbonization levers aimed at reducing emissions across Scope 1, Scope 2, and Scope 3.

For Scope 1 and Scope 2, the primary levers to reduce fossil fuel consumption include improving energy efficiency, fuel switching, electrification, the use of renewable electricity, and advancing technology development. Since the 2019 base year, Huhtamaki has decreased its Scope 1 and 2 emissions primarily by increasing the proportion of renewable electricity in its operations. Main actions taken and planned in 2024, include further increasing the share of renewable electricity and enhancing energy efficiency.

For Scope 3, the primary decarbonization levers include engaging with suppliers, increasing the renewable and recycled content in products, and establishing efficient recycling systems. Reducing Scope 3 emissions necessitates collaboration across the entire value chain with key suppliers, customers, industry groups, and research institutions. This collaborative effort is essential for reducing product emissions, innovating sustainable materials and packaging designs, and promoting collection and circularity to minimize end-of-life emissions. Utilizing recycled materials reduces the dependence on virgin raw materials, which typically require more energy and resources to produce.

Huhtamaki's Scope 3 emissions have fluctuated in line with production volumes. In 2024, Huhtamaki implemented a targeted supplier engagement approach, reaching out to selected key suppliers in three specific sourcing categories who had not yet committed to SBTi targets. Additionally, the company actively pursued opportunities to increase the use of Post-Industrial Recycled (PIR) and Post-Consumer Recycled (PCR) materials, aiming to reduce greenhouse gas emissions associated with plastics.

Huhtamaki's current transition plan and the targets associated with it were approved by the Huhtamaki Board of Directors and Global Executive Team in 2019.

### Locked-in emissions

Huhtamaki's Scope 1 greenhouse gas (GHG) emissions are partly derived from production processes that rely on assets associated with locked-in GHG emissions, primarily using natural gas. These locked-in emissions do not jeopardize Huhtamaki's current emission reduction targets.

Achieving long-term alignment with the 1.5°C climate target requires modifying these production processes by either replacing or retrofitting existing assets with alternatives such as electrification or fuel switching. In 2024, Huhtamaki initiated the development of a comprehensive long-term transition plan to manage its GHG-intensive and energy-intensive assets and products.

### Taxonomy Regulation and Paris-aligned Benchmarks

To align with the economic activity ”manufacture of plastic packaging goods”, Huhtamaki aims to increase the use of post-consumer recycled (PCR) raw materials. Elevating the level of PCR content will enhance the sustainability of Huhtamaki's products by reducing waste and GHG emissions across the value chain. Additionally, Huhtamaki is developing technical capabilities to assess the overall sustainability impacts of its products through Lifecycle Assessment (LCA) across its product portfolio, ensuring compliance with the Do No Significant Harm criteria.

In 2024, the financial resources allocated to these activities were below the financial materiality threshold. However, Huhtamaki plans to increase investments and efforts in these initiatives during 2025–2026.

Huhtamaki's approach to the EU Taxonomy has been detailed earlier in EU Taxonomy section on page 51.

Huhtamaki is not excluded from the Paris-aligned Benchmarks as the Group is not involved in environmentally harmful practices as specified in Article 12 of the Commission delegated regulation (EU) 2020/1818.

### Climate scenario analysis scope and methodology

In 2023, Huhtamaki utilized a qualitative climate scenario analysis to assess the resilience of its strategy and business model. Huhtamaki performed the assessment under two scenarios aligned with the Task Force on Climate related Financial Disclosures (TCFD) recommendations; with the first scenario involving limiting global warming to 1.5°C (RCP 2.6) and the second exploring the effects of global warming up to 4°C (RCP 8.5). The potential effects of climate change were assessed in the short- (<3 years), medium- (3–10 years) and long-term (>10 years) aligning the time horizons with the climate and business scenarios considered for determining material physical and transition risks, in addition to setting GHG emissions reduction targets. The scope covers Huhtamaki's own operations and upstream and downstream value chain. All material physical risks and transition risks have been included in the analysis.

Huhtamaki has made some critical assumptions about how the transition to a lower-carbon and resilient economy will affect its surrounding macroeconomic trends, energy consumption and mix, and technology deployment assumptions. Huhtamaki assumes enhanced government policies supporting renewable energy and increased carbon pricing to reduce GHG emissions and limit global warming to 1.5°C. Incentives and carbon pricing are expected to make renewable energy investments more attractive. Global development in cleantech, carbon capture, renewable energy technologies, and energy efficiency is

| Material impact or risk | | Description | Applicability |
|---|---|---|---|
| **Climate change adaptation** | | | |
| **Risk** | Physical risks related to extreme weather events | The main physical risks to Huhtamaki and its upstream value chain include floods, storms, heat, drought, and volatile forest yields, all of which pose financial risks. Floods and storms threaten Huhtamaki's property, while heat and drought can disrupt production by affecting employee health and water supply. Drought also increases forest-fire risk, and warmer winters may increase the impact of pests and diseases on forestry yield leading to higher costs of raw materials. Extreme weather conditions threaten the continuity of Huhtamaki's sourcing, logistics, and distribution operations. | **Value Chain & Own operations** |
| **Risk** | Transition risks related to regulatory changes and increased prices | Regulatory changes may introduce material bans (e.g. plastic) or requirements for increased recycled content in products (e.g. fiber or plastic). Restrictions on forest utilization to enhance carbon capture and sinks could impact raw material supply and drive-up prices. Additionally, market prices for raw materials and energy may rise due to higher demand for bio-based materials and renewable energy, or as a result of carbon pricing. | **Value Chain** |
| **Climate change mitigation** | | | |
| **Negative impact** | Generation of greenhouse gas emissions | Huhtamaki emits GHG emissions (Scope 1, 2, 3) to the atmosphere, creating a negative impact. Huhtamaki can reduce its GHG emissions (Scope 1 and 2) by developing more energy efficient manufacturing processes, increasing the share of renewable energy and by electrification and switching to low carbon fuels in its own operations. To reduce value chain emissions (Scope 3), Huhtamaki may increase renewable and recycled content in products, engage with suppliers offering low carbon intensity raw materials and participate in building efficient recycling systems. | **Value Chain & Own operations** |
| **Energy** | | | |
| **Negative impact** | Energy consumption in Huhtamaki's production process | Huhtamaki operates in an energy intensive industry, using significant amount of primary and secondary energy in the production process of its products. Huhtamaki's energy mix choices (renewable or non-renewable) and energy saving measures have direct impact on its GHG emissions. | **Value Chain & Own operations** |
| **Risk** | Increased energy costs | Risk of increased costs of (renewable) energy influences Huhtamaki's expenses and potential energy shortages impact production. Prices of renewable energy may impact Huhtamaki's ability to reach its climate targets. | **Value Chain & Own operations** |

anticipated by 2030. Growing consumer demand for sustainable packaging and stable economic conditions supporting sustainability investments are also assumed. Uncertainties include the pace of technological advancements, market trends, regulatory changes, and consumer preferences. Potential resistance to packaging changes and shifts in government policies could impact initiatives. Constraints include limited resource availability for large-scale renewable energy deployment, high upfront capital investments, and operational challenges in retrofitting facilities, and sourcing sustainable raw materials at scale.

Huhtamaki conducted qualitative estimates of the anticipated financial effects from material physical and transition risks during its Double Materiality Assessment. Huhtamaki considered its mitigation actions and resources while conducting the climate scenario analysis.

In the 1.5C scenario, physical climate change risks such as flooding, droughts and extreme weather conditions impacting Huhtamaki's operations are expected to remain moderate in short- and medium-term. Risks are expected to increase in long-term. Huhtamaki continuously develops the operations footprint to adapt to new business environments. In terms of risks, transition risks take precedence in the 1.5C scenario in short-, medium- and long-term. Regulatory changes may impact packaging businesses for example through the introduction of material bans or requirements for the increased share of recycled content. Furthermore, these regulatory changes include a level of unpredictability especially in certain geographics. In addition to increasing regulation, market prices of raw materials and energy may rise due to increased demand for biobased materials and renewable energy. Disruption in raw material or energy supply is considered one of the key operational risks to the Group. The scenario aligns with critical assumptions in Huhtamaki's strategy to develop products that are made with biobased or recycled raw materials. Investments directed towards sustainable product innovation required to realize the strategy, are approved in the financial planning and reviewed as part of the financial reporting.

In the 4C scenario, the predominant risks are associated with physical climate change risks. Primary physical risks include floods, storms, heat and drought, posing risks to Huhtamaki's property, employees and supply chains. In particular, floods and storms pose threats to Huhtamaki's property. Heat and drought may lead to interruptions in production due to the impacts on employees' health and interruptions in water supply. Drought intensifies the risk of forest fires and milder winters are likely to amplify the impact of pests and diseases on forestry yield in the northern areas. Extreme weather conditions may lead to disruptions in supply chains, affecting the transportation of both raw materials and finished products. Huhtamaki's operations are well diversified globally so physical climate change impacts are not regarded as posing significant financial risks to the Group. Huhtamaki assumes that physical climate change impacts will develop over a longer time horizon, leaving time to adapt, and if needed, redeploy, repurpose or decommission existing assets.

### Huhtamaki's resilience to climate change

Huhtamaki's resilience is based on its sustainability driven strategy in both climate scenarios. Huhtamaki has adjusted its strategy and business model to consider climate change over the short-, medium- and long-term by setting targets to constantly increase the share of renewable electricity, operational efficiency as well as the share of renewable or recycled content in its products.

The Group has sufficient access to funding to ensure adequate financial resources under all foreseeable circumstances. Detailed information on the Group's access to affordable funding can be found in the Liquidity and Refinancing Risk section of Note 5.7, 'Management of Financial Risks,' in the consolidated financial statements. Huhtamaki's strategy focuses on sustainable packaging solutions to meet future needs. For the medium- and long-term, the company is actively developing its offerings and technology to address future challenges and mitigate risks. New product innovations contribute to the circular economy, creating opportunities to combat climate change and respond to evolving customer preferences. Huhtamaki is investing in strategic capabilities to drive its transformation journey; more details are available in the Actions related to own workforce section. Huhtamaki closely monitors anticipated regulatory changes globally and collaborates with key clients to develop products that meet their needs. The company also tracks fluctuations in raw material and energy prices, employing active price management to mitigate associated risks.

The areas of uncertainties of the resilience analysis include the pace of technological advancements, market trends, regulatory changes, and consumer preferences. Potential client resistance to packaging changes and shifts in government policies could impact initiatives. Constraints include limited resource availability for large-scale renewable energy deployment, high upfront capital investments, and operational challenges in retrofitting facilities and sourcing sustainable raw materials at scale.

## Policies related to climate change mitigation

Huhtamaki's Group Environmental Policy outlines its ambitions related to climate change mitigation and renewable energy. The policy addresses material impacts and risks related to climate change mitigation, as well as energy efficiency and renewable energy. The Group Environmental Policy outlines the parameters and expectations for operations now and in the future, to achieve the emissions reduction and energy targets. Risks related to climate change adaptation are not specifically addressed in Huhtamaki's policies.

The Group Environmental Policy is designed and managed in collaboration with the relevant global functions. It is approved by the Global Executive Team (GET) and applies to all Huhtamaki entities and operations globally, as well as to all external workforce under Huhtamaki direction in the Group's premises. The Group Environmental Policy is publicly available on the Huhtamaki website.

The Code of Conduct for Huhtamaki Suppliers further outlines Huhtamaki's climate-related expectations for its suppliers. This includes complying with applicable environmental laws and regulations, making efforts to reduce environmental impacts, including energy use, striving to minimize environmental impacts including making efforts to reduce greenhouse gas emissions in their own operations and value chain, and not sourcing materials that contribute to deforestation of high conservation value areas. The Code of Conduct for Huhtamaki Suppliers is further described in the Policies related to value chain workers section.

## Actions related to climate change mitigation and adaptation

Climate is among the key focus areas of the 2030 sustainability agenda and Huhtamaki is committed to driving the transition to a low carbon and circular economy.

### Activities in 2024:

#### Mitigation and energy, own operations (Scope 1 + 2):

**Use of renewable energy:** Huhtamaki has signed Virtual Power Purchase Agreements (VPPA) which cover approximately 80% of Scope 2 emissions in Europe starting from 2024. In addition, Huhtamaki continued to increase its share of renewable electricity at the local level across sites to align with its 100% renewable electricity by 2030 target.

**Energy efficiency:** Huhtamaki has high growth ambitions (net sales 5% p.a., as outlined in its 2030 strategy), which makes delivering an absolute emissions reduction challenging. The growth is partly balanced by continuously improving energy efficiency at the local level across sites.

#### Mitigation and energy, upstream and downstream value chain (Scope 3):

**Recycled materials (upstream value chain):** To reduce Scope 3 emissions, Huhtamaki continued its collaboration with customers to enhance product development, focusing on increasing the share of recycled content in packaging. The effectiveness of these actions is tracked with circularity target related to the share of renewable and recycled materials, see section Targets related to resource use and circular economy.

**End-of-life management (downstream value chain):** To address packaging end-of-life challenges, Huhtamaki has engaged in global initiatives on promoting recycling and composting across the entire value chain, including industry partners and policymakers. These collaborative initiatives related to circularity are described in more detail in the Actions related to resource use and circular economy section.

**Supplier engagement:** In 2024, Huhtamaki took a focused supplier engagement approach and reached out to select uncommitted key suppliers in three sourcing categories, representing 5% of spend to discuss science-based targets.

#### Adaptation, own operations and upstream and downstream value chain:

**Adaptation:** Physical climate risks related Huhtamaki's own operations are assessed as part of the property risk control program and mitigation actions are conducted locally. To ensure business continuity, Huhtamaki continuously develops its manufacturing footprint and adapts to changes in the business environment, including physical and transition risks of climate change globally, in short-, medium- and long-term.

### Planned activities:

#### Mitigation and energy, own operations (Scope 1 + 2):

**Use of renewable energy:** Huhtamaki has planned to continue increasing the share of renewable electricity at the local level across sites from 2025 onwards.

**Energy efficiency:** Huhtamaki continues to improve energy efficiency at the local level across sites from 2025 onwards.

#### Mitigation and energy, upstream and downstream value chain (Scope 3):

**Recycled materials:** Huhtamaki continues exploring opportunities to increase the use of Post-Industrial Recycled (PIR) and Post-Consumer Recycled (PCR) materials to reduce greenhouse gas emissions from plastics.

**End-of-life management:** Huhtamaki continues to collaborate with value chain partners to ensure recycling and composting in the downstream value chain.

**Supplier engagement:** Huhtamaki continues actively collaborating with its suppliers to encourage them to establish their own science-based targets by 2026.

#### Adaptation, own operations and upstream and downstream value chain:

**Adaptation:** As in 2024, the same adaptation related activities are planned to be continued from 2025 onwards in Huhtamaki's own operations and value chain globally in the short-, medium- and long-term.

The estimated emission reduction impact of the reported Scope 1 and 2 actions, primarily driven by the new VPPA reducing Scope 2 emissions, is 80.000 $tCO_2eq$ in 2024. The estimated impact of reported Scope 3 activities in 2024 is insignificant. Huhtamaki has not quantitatively estimated the emission reduction impact of the reported planned actions from 2025 onwards.

Huhtamaki does not currently have significant operational or capital expenditures allocated for the implementation of the defined climate-related mitigation, energy or adaptation actions. However, smaller financial resources and other resources, such as dedicated personnel from the Group, segments, and sites are designated to support the implementation efforts. The Group's access to funding is sufficient to ensure adequate financing resources to perform the defined mitigation actions for Scope 1, 2, and 3 in all foreseeable circumstances (see more in Financial Statements Note 5.7 Management of financial risks). The indicators published earlier in the Sustainability Statement under the EU Taxonomy relate to Huhtamaki's taxonomy-eligible business operations (manufacture of plastic packaging goods), and hence do not reconcile with the development activities presented in this chapter, that are not considered part of the Group's taxonomy-eligible activities in their entirety.

## Targets related to climate change mitigation

| Target | Scope | 2030 target | 2024 performance |
|---|---|---|---|
| 27.5% reduction in absolute Scope 1 and Scope 2 emissions by 2030 from 2019 base year<br>Base year: 2019<br>Baseline value: 764,000 $tCO_2eq$ | Own operations | 554,000 $tCO_2eq$[1] | 461,537 $tCO_2eq$ (-40%) |
| 13.5% reduction in absolute Scope 3 emissions from end-of-life treatment of sold products from a 2019 base year<br>Base year: 2019<br>Baseline value: 1,045,000 $tCO_2eq$ | Own operations, downstream value chain | 903,000 $tCO_2eq$[2] | 941,000 $tCO_2eq$ (-10%) |
| 70% of purchased goods and services suppliers, by spend, will have science-based targets[3] by 2026<br>Base year: 2022<br>Baseline value: 26% | Upstream value chain | 70% | 47% |
| 100% renewable electricity by 2030<br>Base year: 2021<br>Baseline value: 19.6% | Own operations | 100% | 59.5% |
| Carbon-neutral production by 2030[4]<br>Base year: 2020<br>Baseline value: 709,000 $tCO_2eq$ | Own operations, outside value chain | 0 $tCO_2eq$[5] | 461,537 $tCO_2eq$ |

[1] REF 1.5C target value: 411,000 $tCO_2eq$
[2] REF 1,5C target value: 562,000 $tCO_2eq$
[3] Have set or committed to set science-based targets
[4] Progress against the target described further below
[5] 0 $tCO_2eq$ for combined Scope 1 and 2 emissions covering remaining emissions after own reduction actions with high-quality carbon credits

Huhtamaki has set climate-related targets to mitigate climate change through reducing emissions in its own operations and value chain aligned with its Group Environmental Policy. Additionally, Huhtamaki has set its ambition to reach carbon-neutral production by 2030.

The metrics used were reviewed during 2024 and no significant changes in metrics or underlying measurement methodologies affecting the comparability of emission reduction performance and target have been made. Methodological details related to GHG emission metrics are presented under chapter Gross Scopes 1, 2, 3 and Total GHG emissions on page 62.

Climate scenario analyses, as described in the Description of the processes to identify and assess material impacts, risks and opportunities section on page 47, have been considered when reviewing Huhtamaki's previously identified decarbonization levers. Huhtamaki does not have specific targets related to climate change adaptation, or physical or transition risk mitigation.

Huhtamaki has set science-based target for reducing GHG emissions, aligning with climate change mitigation goals outlined in the Group Environmental Policy. The targets have been set together with representatives from business segments and key functions, reviewed by the Global Executive Team, and approved by the Board. External stakeholder groups were not involved in the target setting process. Furthermore, the Science based Target Initiative (SBTi) validated and approved these targets in 2021. The year 2019 was chosen as a base year, as it more accurately represents Huhtamaki's business activities instead of the most recent year 2020 when demand decreased during two quarters due to the impact of COVID-19. The targets were set using SBTi's Absolute Contraction Approach. Scope 1 and 2 combined emission reduction target covers 90% and Scope 3 targets cover 67.5% of base year GHG emissions.

### Scope 1 and 2 targets

Huhtamaki's SBTi validated science-based near-term combined target for Scopes 1 and 2 is aligned with the well-below 2-degree (WB2C) trajectory. As stated in Huhtamaki's SBTi submission documentation in 2021, the reference target value in 2030 for 1.5°C aligned target is 411,000 $tCO_2eq$ compared to Huhtamaki's existing WB2C target 544,000 $tCO_2eq$ when using 2019 as the base year in both.

The market-based calculation method is used to determine the Scope 2 GHG emissions, which are included in Huhtamaki's combined Scope 1 and 2 emission reduction target. Increasing the share of renewable energy fully contributes to achieving the current emission reduction target. The impact of increasing renewable electricity is seen in Scope 2 emission reductions. Furthermore, enhancing energy efficiency is important for limiting emission growth in both Scope 1 and 2, even as the business continues to expand. Moreover, improving energy efficiency will help Huhtamaki adapt to climate transition risks, including increased energy and carbon costs. Adopting new technologies is not anticipated to play a major role in meeting Huhtamaki's current emission reduction target.

Huhtamaki has committed to using 100% renewable electricity by 2030. It is one of Huhtamaki's main emission reduction levers and therefore complements Scope 1 and 2 emission reduction target. The target requires increasing the share of renewable electricity that will help Huhtamaki to adapt to climate transition risks related to increased carbon costs for fossil fuel-based electricity.

Performance against the mitigation and energy targets is monitored and reported quarterly. The progress against the Scope 1 and 2 mitigation target and renewable energy target is ahead of what was initially planned. Huhtamaki achieved its Scope 1 and 2 science-based emission reduction target (-27.5%) in 2024. The reduction in emissions was achieved by increasing the proportion of renewable electricity in Huhtamaki's own operations. See details about realized emissions under Gross Scopes 1, 2, 3 and Total GHG emissions section on page 62.

### Scope 3 targets

Huhtamaki has established science-based near-term targets, validated by the Science Based Targets initiative (SBTi), for Scope 3 emissions in two categories: Category 1 (Purchased Goods and Services) and Category 12 (End-of-Life Treatment of Sold Products). The emission reduction target for Category 12 is aligned with a 2-degree Celsius trajectory. Collectively, these two categories accounted for 87% of total Scope 3 emissions in 2019.

For Category 1: Purchased Goods and Services, Huhtamaki has established a supplier engagement target. By 2026, 70% of its purchased goods and services suppliers, by spend, are expected to have science-based targets. In practice, this target primarily applies to direct raw material suppliers, as Huhtamaki's Category 1 inventory predominantly captures emissions from raw materials, as detailed in the Gross Scopes 1, 2, 3 and Total GHG emissions section. The target is not compatible with limiting global warming to 1.5°C. The main lever to achieve this target is to engage with suppliers and encourage them to set science-based targets. Achieving the target helps to reduce transition risks related to increased carbon costs embedded in raw material costs. To further reduce emissions and related transition risks from raw material purchases, Huhtamaki aims to increase the share of recycled materials in products.

For Category 12: End-of-Life Treatment of Sold Products, the science-based emission reduction target is a 13.5% reduction in absolute emissions by 2030, using 2019 as the base year. Huhtamaki has calculated a 1.5°C-aligned reference target value for Category 12 emissions. Huhtamaki's target is to reduce emissions to 903,000 $tCO_2eq$ by 2030, compared to the 1.5°C-aligned reference value of 562,000 $tCO_2eq$. The primary lever to achieve this target involves stakeholder collaboration to enhance circularity and drive systemic change. This includes implementing efficient recycling systems globally and fostering innovative product design to improve recyclability. Huhtamaki has not yet quantitatively assessed the potential impacts of adopting new technologies in achieving its Scope 3 emission reduction targets. Huhtamaki does not yet have a full transition plan to achieve its Scope 3 related targets.

Performance against the Scope 3 targets is monitored and reported annually. Currently, progress towards these targets is lagging initial plans. In 2022, the Science Based Targets initiative (SBTi) paused the commitments and validations of science-based targets for fossil fuel companies, which has affected Huhtamaki's plastic suppliers' ability to commit to SBTi targets. This situation is estimated to hinder Huhtamaki's ability to achieve its supplier engagement goals.

Huhtamaki acknowledges the challenges in measuring and reducing Scope 3 Category 12 emissions, particularly due to the variability in waste management practices across different regions and the difficulty in obtaining accurate local-level data. Due to constraints in the calculation methodology, Huhtamaki's Category 12 emissions are closely tied to production volume, with emissions fluctuating in line with production changes. Despite these challenges, Huhtamaki identifies potential for emissions reduction through innovative product design and active engagement with customers and waste management partners. These efforts are expected to aid in achieving the established target. Huhtamaki intends to reassess the Scope 3 Category 12 calculation methodology next year to enhance clarity on progress towards the reduction target.

## Energy consumption and mix

Table 1. Energy consumption and mix

| Energy consumption and mix | 2024 |
|---|---|
| **Total fossil energy consumption (MWh)** | **1,518,929** |
| Fuel consumption from coal and coal products | 0 |
| Fuel consumption from crude oil and petroleum products | 89,410 |
| Fuel consumption from natural gas | 969,814 |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources | 459,706 |
| Fuel consumption from other fossil sources | 0 |
| Share of fossil sources in total energy consumption | 69.3% |
| **Total consumption from nuclear sources (MWh)** | **0** |
| **Total renewable energy consumption (MWh)** | **674,104** |
| Fuel consumption from renewable sources, including biomass | 6,641 |
| Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources | 667,411 |
| The consumption of self-generated renewable electricity | 52 |
| Share of renewable sources in total energy consumption | 30.7% |
| **Total energy consumption (MWh)** | **2,193,033** |

### Calculation methodology

Huhtamaki's data on energy consumption and mix is presented in the accompanying table. As Huhtamaki operates in manufacturing, which is considered a high-climate impact sector (NACE: C), full breakdown of fossil energy sources is provided. The consolidation scope contains all Huhtamaki manufacturing units, and the details are explained in the chapter General basis for preparation of the Sustainability Statement on page 34. The same perimeter is applied for reporting GHG Scopes 1 and 2 emissions. All quantitative energy-related information is reported in Mega-Watt- hours (MWh) in net caloric value (lower heating value).

Huhtamaki's activity data inventory encompasses all major fuels consumed in the production of heat, steam, electricity, and cogeneration, including natural gas, diesel, liquefied petroleum gas (LPG), light fuel oil (LFO), and heavy fuel oil (HFO). Fuel consumption in vehicles owned or controlled by Huhtamaki is deemed non-material, due to low volumes compared to primary energy used in production processes (estimated <1% of total fuel consumption).

The data is collected from energy meters and invoices and reported monthly at site level. Fuel consumption from crude oil and petroleum products includes LPG, HFO, LFO, and diesel. All heating, steam, and cooling is assumed to be fossil-based. Feedstocks and fuels not combusted for energy purposes are excluded from the figures.

The measurement of the metrics presented in the E1 section is not validated by an external body.

### Identified limitations:

The separate collection of data on energy consumption from nuclear power sources and self-generated electricity began in July 2024. Table 1. Energy consumption and mix presents the consumption related to self-generated renewable electricity, consisting of actual consumption figures for the second half of the year.

The purchased renewable energy presented in the Table 1. Energy consumption and mix considers all energy consumption as deriving from renewable sources when the origin of the purchased energy is defined in the contractual arrangements with suppliers (renewable power purchasing agreement, standardized green electricity tariff, market instruments like Guarantee of Origin or Renewable Energy Certificates).

Table 2. Energy intensity per net revenue

| Energy intensity per net revenue | 2024 |
|---|---|
| Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh / € [in millions]) | 531.5 |

The net revenue used to calculate energy intensity is equal to the net sales amount for the year 2024 of EUR 4,126.3 million, as reported in the consolidated statement of income (IFRS) on page x in the Financial Statements. As Huhtamaki operates in the manufacturing sector (NACE codes: C17 and C22), the energy consumption and revenue have been included in full in the intensity calculation.

## Gross Scopes 1, 2, 3 and Total GHG emissions

Table 3. Gross Scope 1, Scope 2, Scope 3 and total greenhouse gas (GHG) emissions in metric tons of $CO_2$eq

| | Base year | 2024 | 2030 |
|---|---|---|---|
| **Scope 1 GHG emissions** | | | |
| Gross Scope 1 GHG emissions ($tCO_2$eq) | 220,000 | 218,431 | - |
| Percentage of Scope 1 GHG emissions from regulated emission trading schemes | - | 25.7% | - |
| **Scope 2 GHG emissions** | | | |
| **Gross location-based Scope 2 GHG emissions ($tCO_2$eq)** | - | **454,945** | - |
| **Gross market-based Scope 2 GHG emissions ($tCO_2$eq)** | 544,000 | **243,106** | - |
| **GHG emissions from own operations, total** | | | |
| **Total Scope 1 + 2 emissions ($tCO_2$eq)** | 764,000 | **461,537** | 554,000 |
| **Significant Scope 3 GHG emissions (select relevant cat.)** | | | |
| **Gross indirect (Scope 3) GHG emissions ($tCO_2$eq)** | - | **3,134,000** | - |
| 1 Purchased goods and services | - | 1,801,000 | - |
| 2 Capital goods | - | 2,000 | - |
| 3 Fuel and energy-related Activities (not included in Scope1 or Scope 2) | - | 153,000 | - |
| 4 Upstream transportation and distribution | - | 102,000 | - |
| 5 Waste generated in operations | - | 36,000 | - |
| 6 Business traveling | - | 8,000 | - |
| 7 Employee commuting | - | 40,000 | - |
| 9 Downstream transportation | - | 51,000 | - |
| 12 End-of-life treatment of sold products | 1,045,000 | 941,000 | 903,000 |
| **Total GHG emissions** | | | |
| **Total GHG emissions (location-based) ($tCO_2$eq)** | 4,087,000 | **3,807,375** | - |
| **Total GHG emissions (market-based) ($tCO_2$eq)** | 4,119,000 | **3,595,537** | - |

### Calculation methodology

Huhtamaki has considered the principles, requirements, and guidelines outlined in the GHG Protocol Corporate Standard (2004 version). The total greenhouse gas (GHG) emissions reported include $CO_2$, $CH_4$, and $N_2O$, calculated in metric tons of $CO_2$ equivalent ($tCO_2$eq). Biogenic carbon ($CO_2$) emissions are reported separately when available (see Table 4. Additional disclosures).

The consolidation scope contains all Huhtamaki manufacturing units, and the details are explained in the chapter General basis for preparation of the Sustainability Statement. No significant changes in the definition of what constitutes the reporting scope for Huhtamaki and its upstream and downstream value chain have taken place in 2024, as the impact of the closure of four sites is assessed as insignificant.

### Scope 1 and 2 GHG emissions calculation methodology

The primary and secondary energy data presented in the Energy consumption and mix section are applied in Scope 1 and Scope 2 GHG emission calculations. Actual primary and secondary energy consumption data is prioritized in the emission calculations. The primary and secondary energy activity data are multiplied by source-specific emission factors from the emission factor libraries in Huhtamaki's sustainability reporting tool. The selected emission factor libraries are well known and trusted, and they are continuously updated when new information becomes available.

For Scope 1 emissions, default emission factors from GHG Protocol emission factor library are applied. No estimates or bioenergy certificates are included in the calculations. Scope 2 emission calculations follow the Greenhouse Gas Protocol Scope 2 Guidance. Scope 2 GHG emissions from steam, district heating and cooling are calculated using the emission factors from MLC v16.1 library (GaBi). To calculate Scope 2 emissions from purchased electricity, two methods are used. The emission factors of GHG Protocol v19 (eGRID 2021) are used in calculating the location-based emissions. To calculate the market-based emissions, supplier-specific emission factors are being used when those are available. Otherwise, the emission factors of RE-DISS (residual mix) or GHG Protocol (eGRID 2021) libraries are used.

### Scope 3 GHG emissions calculation methodology

Scope 3 emissions are reported in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The reporting covers indirect GHG emissions from the entire value chain, including both upstream and downstream activities. Huhtamaki has conducted a materiality assessment to identify the relevant Scope 3 categories. Out of the 15 categories, 9 have been assessed as material for Huhtamaki. These categories have been included in the calculations. The remaining 6 categories were deemed non-material and have therefore been excluded.

Emissions are reported as per calculated GWP (100a) values obtained with CML 2001 impact assessment method. The calculation process utilizes primary data from Huhtamaki's operations and secondary data from global databases. Overall, 64% of emissions are calculated using primary activity data available directly from value chain partners (for categories 1, 2, 3, and 5). Emission factors used are from ecoinvent 3.5 database and the MLC v16.1 (GaBi) emission factor library. Huhtamaki uses LCA tool to calculate Scope 3 emissions.

- Category 1: *Purchased goods and services* includes all upstream cradle-to-gate emissions from the production of products purchased or acquired by Huhtamaki in the reporting year. The calculation process incorporates primary data from the operations, including raw material volumes measured in metric tons. It also incorporates ecoinvent 3.5 database to obtain emission factors, facilitating cradle-to-gate assessments. In addition, supplier specific emission factors have been used for 6% of the raw material data. Average data method has been used. An identified development area is that the calculation does not include the services purchased during the reporting year.
- Category 2: *Capital goods* include upstream GHG emissions from laptops, desktop computers, and displays purchased by Huhtamaki in 2024. For capital goods, the calculation process utilizes primary data from Huhtamaki's operations (number of laptops, desktop computers, and displays) and ecoinvent 3.5 database to obtain emission factors for cradle-to-gate data. The average data method is used. Capital goods do not include the machines or equipment used in manufacturing site, which has been identified as a development area.
- Category 3: *Fuel- and energy-related activities* not included in Scope 1 or Scope 2 includes all upstream cradle-to-gate emissions of purchased fuels from raw material extraction until the end-user. Category 3 calculations utilize primary data of fuel consumption from Huhtamaki's operations and emission factors obtained from the ecoinvent 3.5 database. Upstream electricity and distribution losses are calculated based on primary consumption data from Huhtamaki's operations. Emission factors are from the MLC v16.1 (GaBi) library. Average data method is used. Industrial steam, district heating, and district cooling are excluded from the calculation as insignificant. These represent a small fraction of the total secondary energy consumption, approximately 1%.
- Category 4: *Upstream transportation* includes Scope 1 and Scope 2 emissions from transportation and distribution providers during the use of their vehicles and facilities. Emissions are calculated using data on actual transported raw material volumes, and estimations for distances and the distribution of transport modes. These estimates are made at the business segment level and then consolidated into group figures. Emission factors (well-to-wheel) are derived from the ecoinvent 3.5 database using the distance-based method. Currently, emissions from storage facilities are excluded, which has been identified as an area for improvement.
- Category 5: *Waste generated in operations* includes Scope 1 and 2 emissions from waste management suppliers that occur during disposal or treatment. The calculation uses primary data on waste volumes generated in Huhtamaki's manufacturing sites during production. The ecoinvent 3.5 database is used to obtain emission factors for waste treatment emissions. A waste-type-specific method is used that considers both non-hazardous and hazardous waste. Different waste materials, such as fiber and plastics, are not calculated separately.
- Category 6: *Business travel* includes Scope 1 and Scope 2 emissions of transportation carriers that occur during the vehicle use. The calculation of business travel relies on the number of employees in the management structure. The ecoinvent 3.5 database is used to obtain emission factors for transportation emissions. The distance-based method is used. Identified development area is that only air travel is included in calculation.
- Category 7: *Employee commuting* includes Scope 1 and Scope 2 emissions from employees and transportation providers that occur during vehicle use. The employee commuting calculation process is based on number of employees within the management structure and incorporates estimated commuting distances for Huhtamaki's employees. The ecoinvent 3.5 database is used to obtain emission factors for transport emissions. The average data method is used.
- Category 8: *Upstream leased assets* is assessed as non-relevant. Huhtamaki operates a small number of leased electric trucks and cars. Emissions related to factory space are included in Scope 1 and 2.
- Category 9: *Downstream transportation* includes Scope 1 and Scope 2 emissions from transport providers, distributors and retailers that occur during the use of vehicles. Data from Huhtamaki's production volume is used to estimate the required distances and shares of different transport modes. These estimations are done at the segment level and consolidated into Group figures. The ecoinvent 3.5 database is used to obtain emission factors for transport emissions. The distance-based method is used. Identified potential development area is that storage is excluded.
- Category 10: *Processing of sold products* is estimated not relevant as Huhtamaki mainly sells only finished products not intermediate ones.
- Category 11: *Use of sold products* is estimated as not relevant as the use of Huhtamaki's products do not cause direct emissions.
- Category 12: *End-of-life treatment of sold products* are related to the end-of-life treatment of products sold by Huhtamaki in the reporting year. This includes Scope 1 and 2 emissions of waste management companies occurring during waste disposal, recycling, and other treatment processes. Data is gathered on the total mass of sold products by different product types, such as paper, plastic, and other materials. To estimate the share of treatment options by product type, global averages from literature are utilized. Additionally, the ecoinvent 3.5 database is used to obtain emission factors for landfilling, incineration, and recycling. A waste-type-specific method is used. Identified development area is to increase the level of detail in the calculation to allow better follow-up of progress against targets.
- Category 13: *Downstream leased assets* is assessed as not relevant as Huhtamaki does not own leased assets operated by other entities in the reporting year.
- Category 14: *Franchises* is assessed as not relevant as Huhtamaki has no franchising business in the reporting year.
- Category 15: *Investments* is assessed as not relevant as emissions of investments made by Huhtamaki fall in Scopes 1 and 2.

### Identified limitations:

HFCs, PFCs, SF6, and NF3 are currently excluded from the Scope 1 inventory boundary. However, an evaluation of their significance is planned for in the future. Additionally, the percentage of Scope 1 emissions from regulated emission trading schemes has been calculated using the latest available figures, so it is partly calculated with previous year's data. As in previous years, the proportion of emissions covered by the EU Emissions Trading System (EU ETS) has been calculated by taking the total Scope 1 emissions from sites regulated under the EU ETS and dividing that by the total Scope 1 emissions for the entire Group. This means that a small portion of other Scope 1 emissions, which are not regulated under the EU ETS, are also included in the Scope 1 emissions reported for EU ETS sites.

For Scope 2 emissions, due to the unavailability of market-based emission factors for steam, district heating, and cooling, the disclosed market-based emissions are calculated using location-based emission factors. The purchased renewable energy, presented in the Table 1. Energy consumption and mix in the previous chapter, considers all energy consumption as deriving from renewable sources when the origin of the purchased energy is defined in the contractual arrangements with suppliers. On the contrary, in emission calculation only consumption based on market instruments (such as Guarantee of Origin or renewable energy certificates) is considered as renewable energy. Other potential renewable energy consumption under agreements with energy suppliers is treated as fossil-based energy in emission calculations, as has been the practice in previous reporting periods. The calculation method is intended to be updated in future reporting periods so that all energy reported as renewable is also treated as renewable energy in market-based emission calculations.

For Scope 3, given the indirect nature of the emissions and the variety of sources contributing to them, calculations involve simplifications and estimations across multiple categories. In 2024, 36% of emissions were derived from activity data from secondary sources. Huhtamaki acknowledges the challenges in obtaining primary activity data from its value chain partners, which results in estimates. This reliance can introduce variability in accuracy. Calculations are based on standardized assumptions that do not fully reflect the specific circumstances of Huhtamaki's operations and value chain. Huhtamaki intends to update the materiality assessment and the Scope 3 calculation methodologies in 2025 to address identified development needs, as detailed per each Scope 3 category, and to achieve better visibility across the categories, including the separate calculation of biogenic value chain emissions. Plans also include improving the data collection processes and increasingly engaging with suppliers.

Table 4. Additional disclosures

| Biogenic emissions & contractual instruments | 2024 |
|---|---|
| Biogenic emissions of $CO_2$ from the combustion or bio-degradation of biomass not included in Scope 1 ($tCO_2eq$) | 2,391 |
| Biogenic emissions of $CO_2$ from the combustion or bio-degradation of biomass not included in Scope 2 ($tCO_2eq$) | - |
| Biogenic emissions of $CO_2$ from the combustion or bio-degradation of biomass not included in Scope 3 ($tCO_2eq$) | - |
| Percentage contractual instruments from total purchased energy consumption, Scope 2 calculation | 67.0% |
| Percentage of contractual instruments bundled with attributes, Scope 2 calculation (%) | 75.2% |
| Percentage of contractual instruments under unbundled energy attribute claims, Scope 2 calculation (%) | 24.8% |

**Methodology:**

Biogenic scope 1 carbon dioxide emissions from biomass combustion have been calculated using the emission factor from the GHG Protocol (eGRID).

Percentages for contractual instruments used have been calculated based on MWh-figures. Total contractual instrument use rate has been compared to total purchased energy (in MWh).

**Identified limitations:**

For Scope 2 and 3 biogenic $CO_2$ emissions, data collection capability is not in place. In Scope 2, based on analysis from comparable companies, making a reasonable estimation was not possible to be made. In Scope 3, the limitation to collect biogenic emissions has been identified, and will be addressed as part of the climate target revision work during 2025.

The collection of contractual instrument use has been initiated from July 2024 onwards, but no significant changes are expected to take place within a year.

Table 5. GHG intensity per net revenue

| GHG intensity per net revenue | 2024 |
|---|---|
| Total GHG emissions (location-based) per net revenue ($tCO_2eq$ / € [in millions]) | 922.7 |
| Total GHG emissions (market-based) per net revenue ($tCO_2eq$ / € [in millions]) | 871.4 |

The net revenue used to calculate GHG emissions intensity is equal to the net sales amount for the year 2024 of EUR 4,126.3 million as reported in the consolidated statement of income (IFRS) on page 107 in the Financial Statements.

## GHG removals and GHG mitigation projects financed through carbon credits

Huhtamaki intends to purchase high-quality carbon credits from the voluntary market (VCM) to support its claim of achieving carbon-neutral production by 2030. This ambition applies to Scope 1 and Scope 2 emissions. The anticipated amount of greenhouse gas (GHG) emission reductions from climate change mitigation projects outside Huhtamaki's value chain, which it intends to finance through the purchase of carbon credits, is 554,000 $tCO_2eq$ in 2030. This total anticipated amount of carbon credits planned for cancellation in the future is not based on existing contractual agreements.

The amount of carbon credits to be purchased corresponds to the estimated Scope 1 and Scope 2 GHG emissions remaining after Huhtamaki's emission reduction actions within its own operations, and the achievement of its emission reduction target in 2030. Therefore, the same qualitative requirements for metrics apply, as explained in the previous chapter related to Huhtamaki's GHG emissions.

The target claim for carbon-neutral production by 2030 and the reliance on carbon credits do not impede or reduce the achievement of Huhtamaki's GHG emission reduction targets. Huhtamaki aims to ensure the credibility and integrity of the carbon credits used by selecting recognized quality standards, such as the Gold Standard.

ESRS E3 WATER

## Material impacts and risks related to water

| Material impact or risk | | Description | Applicability |
|---|---|---|---|
| **Water** | | | |
| **Negative impact** | Water withdrawals | Some of Huhtamaki's production sites require significant amounts of freshwater intake, which could potentially affecting water availability in local water basins and, consequently impact the Company's operations. Huhtamaki continuously assesses whether its sites are located in water-stressed areas and evaluates whether this has potential impacts on production continuity. | **Value chain & Own operations** |
| **Negative impact** | Water consumption | Huhtamaki consumes water in their production processes, especially in manufacturing molded fiber products that consume high volumes of water through the pulping process. Increased production can lead to higher freshwater demands, potentially impacting water resources negatively. | **Value chain & Own operations** |
| **Risk** | Limitations in water availability (entity specific) | Water availability poses a key risk to Huhtamaki, as it is a critical resource across the value chain. Huhtamaki monitors sites operating in water-stressed areas and their water availability. Potential risks include price increases, limited availability of water resources, and raw material supply, which could impact production continuity. | **Value chain & Own operations** |

Water-related material impacts, risks and opportunities have been identified in the double materiality assessment, which is described in detail on page 47 onwards.

## Policies related to water

Water is a key component of Group Environmental Policy, which sets commitments and expectations for Huhtamaki's operations on water management. The policy covers impacts and risks related to water withdrawals, water consumption and water-stress and availability. Huhtamaki's water management commitments are threefold: adopting the principles of circular water management, maintaining site specific water management plans, and monitoring and mitigating water-related risks.

- Circular water management: Huhtamaki is committed to reducing water loss by boosting water efficiency, re-using water that needs minimal or no treatment, recycling water, and restoring water by returning it to the source with the same or better quality.
- In alignment with the Group Environmental Policy, each site has developed its own Water Management Plan with a focus on identifying water-related risks and implementing appropriate actions to address these risks and drive reductions in water intensity at all manufacturing sites. These plans detail the various sources of water and provide insights into how and where the water is utilized.
- Monitor and mitigate water-related risks: Huhtamaki uses the Aqueduct Water Risk Atlas by the World Resource Institute (WRI) to identify Huhtamaki's high-risk sites in water-stressed areas.

Group Environmental Policy applies to all Huhtamaki operations globally, including any sites located in high water-stressed areas. More detailed description of the Group Environmental Policy and its implementation is found in the Policies related to climate change mitigation section on page 57. Huhtamaki also focuses on reducing its environmental footprint when designing products through lifecycle approach as stipulated in Huhtamaki's Design Principles Guidelines, described in the Policies related to resource use and circular economy section on page 72.

Huhtamaki also commits to safely managing Water, Sanitation and Hygiene (WASH) in the workplace. This commitment is clearly outlined in Huhtamaki's Global Health and Safety Working Conditions Overview policy regarding the Facilities Management.

Furthermore, Huhtamaki extends the requirements to its suppliers and requires them to reduce environmental impacts of their operations and safeguard the natural resources, with a particular emphasis on managing water usage, along with other aspects such as raw material consumption, energy use, pollution prevention, and waste management. See more detailed description of the Code of Conduct for Huhtamaki Suppliers in the Policies related to value chain workers section on page 86.

## Actions related to water

Huhtamaki recognizes that water availability and quality are crucial for the production processes throughout its value chain. The foundation of Huhtamaki's water management lies in the comprehensive implementation of site-specific water management plans for all its sites. The water management plan enhancing water usage and consumption practices and protecting water resources through targeted actions is vital for Huhtamaki's business operations. Huhtamaki's water-related initiatives are designed not only to reduce water intensity, but also to ensure the health and protection of water basins and sources. Huhtamaki is committed to exceeding minimum water regulatory requirements, adhering to best practices, and rejecting any violations or unethical dealings.

Manufacturing of molded fiber packaging represents the most water-intensive business segment at Huhtamaki. Given the inherently water-intensive nature of these operations, Huhtamaki has implemented efficient water recirculation systems at these manufacturing units where possible. Process water undergoes purification either through its own treatment plants or through municipal facilities before discharge. As a result, the impact of the operations on the downstream water quality is negligible or very limited. Non-process water is safely released into the sewage network where feasible; alternatively, discharge is commissioned to authorized suppliers at sites lacking a sewage network. They ensure water quality meets local regulations before discharge. Huhtamaki also monitors emerging materials and chemicals, engages with stakeholders in chemistry-related forums, and aligns with the EU Chemical Strategy for Sustainability, focusing on zero water pollution.

In 2024, Huhtamaki intensified its efforts to better comprehend its risks related to water availability, by evaluating overall environmental and business risks through performing catchment vulnerability assessments at Huhtamaki's high water-risk sites. The assessment encompassed an evaluation of overall business risk, considering supply quantity and quality, along with an examination of local municipal infrastructure, regulations, and governance, which in turn gives Huhtamaki better understanding of the actual risk rating. To address and mitigate the negative impacts related to water withdrawals and consumption, in 2024 Huhtamaki has installed water meters at the top 80% of its water consumption sites globally, which will support the Group's efforts to enhance water consumption monitoring in its own operations in the future.

In the short and medium term, Huhtamaki will continue to further improve its water monitoring and measuring capabilities in its own operations at all sites and aims to start water stewardship implementation action plan for the sites located in water-stressed areas during 2025. In recent years, the Group has taken actions to develop its preparedness for setting specific water related targets, and the initiatives already conducted along with those planned will support building the baseline and the ambition of developing group-level water targets by 2026.

Huhtamaki does not currently have significant operational or capital expenditures allocated for the implementation of the defined water-related actions. However, smaller financial resources and other resources such as dedicated personnel from the Group, segments and sites are designated to support the implementation efforts.

## Targets related to water

Currently, Huhtamaki does not have measurable, outcome-oriented, and time-bound targets in place to address the water-related matters in its own operations and in the value chain due to the ongoing capability development. However, Huhtamaki is committed to its water-related actions on improving water monitoring and measurement capability, reducing water intensity in its operations, and exploring watershed projects for high water-stressed areas. Huhtamaki's short-term ambition is to develop more specific water targets, targeted to be established by 2026. Despite the lack of targets, Huhtamaki, tracks the effectiveness of its policies and actions with ESRS aligned metrics for water withdrawals, discharge, and consumption, as presented below. Huhtamaki evaluates the progress and reacts with appropriate actions through the annual review and update of the site-specific water management plans.

## Water consumption

Table 6. Water consumption

| Areas covered by metrics | 2024 |
|---|---|
| **Total water consumption ($m^3$)** | **1,090,226** |
| Total water consumption in areas at water risk, including areas of high-water stress ($m^3$) | 354,520 |
| Total water recycled and reused ($m^3$) | 3,459,461 |
| Water intensity ratio ($m^3$ / € [in millions]) | 264.2 |
| **Water consumption per segment ($m^3$)** | |
| Fiber Foodservices E-A-O | 472,183 |
| North America | 373,867 |
| Flexible Packaging | 244,177 |
| Total water withdrawals ($m^3$) | 8,286,081 |
| Total water discharges ($m^3$) | 7,195,854 |

### Calculation methodologies

The data in Table 6. is derived from information collected from water meters and water bills at the site level, and these inputs are used to calculate the totals for water consumption. Total water consumption is calculated by subtracting water discharged from the overall water withdrawal.

The water-stress level for all manufacturing units is assessed annually using the WRI's Aqueduct Water Risk Atlas to stay informed of the volatility caused by climate change. In 2024, Huhtamaki identified 30 sites operating in extreme- to high-water risk.

The measurement of the metrics is not validated by an external body.

### Identified limitations

No limitations identified.

# ESRS E4 BIODIVERSITY AND ECOSYSTEMS

## Transition plan on biodiversity and ecosystems

Huhtamaki's business depends on the availability and quality of natural resources and the ecosystem services they provide. At the same time, the Group's operations can alter ecosystem conditions, which in turn affects the availability and quality of these resources. Given its significant reliance on natural resources and impact on them, Huhtamaki is committed to taking action that protects the planet, people, and the business.

Huhtamaki has analyzed the resilience of its strategy and business model in relation to some of the driving forces of biodiversity loss and ecosystem degradation. The most advanced work in this field focuses on climate impacts, with scenario analysis presented in Climate-related scenario analysis section on page 56. However, a broader scenario analysis that considers other driving forces of biodiversity loss and ecosystem degradation has not yet been conducted. Huhtamaki has started a continuous process to systematically analyze its impacts, dependencies, risks, and opportunities related to nature across the value chain using the LEAP approach provided by the Taskforce on Nature-related Financial Disclosures. The goal is to further develop the resilience analysis of biodiversity and ecosystem-related physical, transition, and systemic risks through the LEAP assessment currently underway. As this work progresses, the aim is to integrate findings from this process into strategic planning and risk management processes, promoting sustainability and resilience.

## Material impacts related to biodiversity and ecosystems

| Material impact or risk | | Description | Applicability |
|---|---|---|---|
| **Direct impact drivers of biodiversity loss** | | | |
| **Negative impact** | Impacts on biodiversity due to activities in Huhtamaki's value chain | Huhtamaki's activities can negatively impact biodiversity, particularly in the upstream value chain during the sourcing of raw materials. The most significant impacts arise from sourcing fiber-based materials, plastic resins, and production chemicals, primarily impacting water resources, land use, and GHG emissions. Additionally, the use and end-of-life phases of packaging life cycle can harm nature, for example, through pollution from inappropriate disposal by consumers. Furthermore, Huhtamaki's own operations can negatively impact biodiversity especially through pollution and water use. | **Value chain** |
| **Impacts & dependencies on ecosystem services** | | | |
| **Negative impact** | Impacts and dependencies on ecosystem services due to activities in Huhtamaki's value chain | Huhtamaki both impacts and relies on forest ecosystems through the sourcing of fiber-based materials. The forest industry can alter ecosystem services by causing habitat and soil degradation, increasing the risk of natural hazards, and elevating levels of water pollution, GHG emissions, and other air, and soil pollutants. Sourcing oil for plastic resin production similarly can disrupt ecosystems by causing habitat destruction, soil contamination, water pollution, and increased GHG emissions. Furthermore, Huhtamaki's operations also impact and are dependent on local ecosystem services, such as water resources. | **Value chain** |

Biodiversity and ecosystems-related material impacts, risks and opportunities have been identified in the double materiality assessment, which is described in detail in Description of the processes to identify and assess material impacts, risks and opportunities section starting on page 47.

Huhtamaki is committed to identifying and mitigating the impact of its operations on biodiversity. Huhtamaki maps annually the locations of its manufacturing sites to identify whether they are located in or near biodiversity-sensitive areas. In 2024, the mapping of sites was performed using the Integrated Biodiversity Assessment Tool (IBAT), which utilizes the World Database on Protected Areas and The World Database of Key Biodiversity Areas. A site is considered to be near biodiversity-sensitive areas if it is within a maximum distance of 4 kilometers. The information on the sites' coordinates was retrieved from Huhtamaki's internal databases. As a result, 37 locations were identified where Huhtamaki's operations are in or near biodiversity-sensitive areas and these sites are provided in Table 7. Huhtamaki has not yet concluded whether it is necessary to implement biodiversity mitigation measures for these sites.

The table also contains information on sites' manufacturing activities that can potentially negatively affect these biodiversity sensitive areas. However, Huhtamaki has not assessed whether the operational activities related to these sites actually negatively affect these key biodiversity areas by leading to the deterioration of natural habitats and the habitats of species, and to the disturbance of the species for which a protected area has been designated. During 2024, Huhtamaki conducted a pilot analysis of sites' impacts and dependencies on nature, as well as the presence of threatened species. However, this data is not yet available for reporting. Similarly, information on the ecological status of the areas where the sites are located is also not currently available. The information provided in the table has not been validated by an external body.

Table 7. Biodiversity-related information about Huhtamaki's sites under its own operational control located in or near biodiversity-sensitive areas

| Site information | | | | Biodiversity information | |
|---|---|---|---|---|---|
| Country | Site name | Coordinates (Lat, Long) | Site activities potentially negatively affecting biodiversity sensitive areas | Position in relation to the high biodiversity value area | High biodiversity value area classification: key biodiversity area (KBA) or protected area (PA) |
| Australia | Windsor | -33.620671<br>150.809905 | 1 | In the area | KBA (1 area) |
| | | | | Adjacent to* | PA: National (1 area) |
| Brazil | Natal | -25.3832<br>-49.806 | 2 | Adjacent to | PA: National (1 area) |
| | Palmeira | -25.335203<br>-49.926301 | 1 | In the area | PA: National (1 area) |
| Czech Republic | Okrisky | 49.256995<br>15.7799 | 1 | Adjacent to | PA: National (1 area) |
| | Prague (closed in 2024) | 50.102518<br>14.526931 | 2 | Adjacent to | PA: National (2 areas) |
| Finland | Hämeenlinna | 60.972299<br>24.528853 | 1 | Adjacent to | PA: National (13 areas) |
| | | | | Adjacent to | PA: Natura 2000 (2 areas) |
| France | La Rochelle | 46.323777<br>-0.949894 | 1 | In the area | PA: National (1 area) |
| | | | | Adjacent to | PA: Natura 2000 (1 area) |
| | | | | In the area | KBA (1 area) |
| Germany | Alf | 50.058787<br>7.104046 | 1 | In the area | PA: Natura 2000 (1 area) |
| | | | | In the area | PA: National (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| Ireland | Ennis (Cupprint) | 52.875<br>-8.913585 | 1 | Adjacent to | PA: Natura 2000 (3 areas) |
| | | | | Adjacent to | PA: Ramsar site (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| Italy | Tortona | 44.854002<br>8.855694 | 2 | Adjacent to | PA: Natura 2000 (1 area) |
| Mexico | Tultitlan | 19.645693<br>-99.155857 | 3 | Adjacent to | PA: National (1 area) |
| Netherlands | Leeuwarden | 53.194133<br>5.849975 | 1 | Adjacent to | PA: National (2 areas) |
| | | | | Adjacent to | PA: Natura 2000 (1 area) |
| | | | | Adjacent to | KBA (2 areas) |
| New Zealand | Otahuhu | -36.958918<br>174.860789 | 1 | Adjacent to | KBA (3 areas) |
| Poland | Czeladz | 50.315974<br>19.100283 | 1 | Adjacent to | PA: National (3 areas) |
| Saudi Arabia | Dammam (Appco) | 26.395435<br>50.147206 | 1 | Adjacent to | PA: National (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| South Africa | Verulam, Durban | -29.650483<br>31.046815 | 2 | Adjacent to | KBA (2 areas) |
| | Verulam, Durban - Gravure | -29.629077<br>31.050923 | 2 | In the area | KBA (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| | Verulam Fiber (KZN) | -29.6289<br>31.04953 | 1 | In the area | KBA (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| | Verulam, Durban - Prepress | -29.627794<br>31.050671 | 2 | In the area | KBA (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| | Atlantis | -33.591404<br>18.479801 | 1 | Adjacent to | PA: National (1 area) |

| Site information | | | | Biodiversity information | |
|---|---|---|---|---|---|
| Country | Site name | Coordinates (Lat, Long) | Site activities potentially negatively affecting biodiversity sensitive areas | Position in relation to the high biodiversity value area | High biodiversity value area classification: key biodiversity area (KBA) or protected area (PA) |
| Spain | Nules | 39.840802<br>-0.160112 | 1 | Adjacent to | PA: National (1 area) |
| | | | | Adjacent to | PA: Natura 2000 (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| Thailand | Samutsakorn | 13.558779<br>100.232183 | 2 | In the area | KBA (1 area) |
| | New Samutsakorn | 13.548698<br>100.2304 | 2 | In the area | KBA (1 area) |
| Turkey | Istanbul | 41.076451<br>28.647907 | 2 | Adjacent to | KBA (1 area) |
| | Esenyurt and Istanbul | 41.046951<br>28.634471 | 1 | Adjacent to | KBA (1 area) |
| UK (England) | Gosport | 50.813628<br>-1.158772 | 1 | Adjacent to | PA: National (5 areas) |
| | | | | Adjacent to | PA: Ramsar Site (2 areas) |
| | | | | Adjacent to | PA: Natura 2000 (1 area) |
| | | | | Adjacent to | KBA (2 areas) |
| | Blackburn | 53.734815<br>-2.44822 | 1 | Adjacent to | PA: National (1 area) |
| UK (Northern Ireland) | Antrim | 54.733519<br>-6.238634 | 1 | Adjacent to | PA: Ramsar Site (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| | Belfast | 54.578927<br>-5.974854 | 1 | Adjacent to | PA: National (8 areas) |
| | | | | Adjacent to | PA: Ramsar Site (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| United States of America | De Soto | 38.96295<br>-94.9722 | 3 | Adjacent to | PA: National (1 area) |
| | Franklin | 39.574575<br>-84.263222 | 3 | Adjacent to | PA: National (1 area) |
| | Fulton | 43.315293<br>-76.412229 | 3 | Adjacent to | PA: National (1 area) |
| | Goodyear | 33.408165<br>-112.431115 | 3 | Adjacent to | PA: National (1 area) |
| | | | | Adjacent to | KBA (1 area) |
| | Hammond | 41.593313<br>-87.479465 | 3 | Adjacent to | PA: National (1 area) |
| | Lewiston | 44.142686<br>-70.163452 | 3 | Adjacent to | PA: National (1 area) |
| | New Vienna | 39.321283<br>83.684616 | 3 | Adjacent to | PA: National (1 area) |
| | Paris | 33.678787<br>-95.56346 | 3 | Adjacent to | PA: National (1 area) |

*Adjacent to (within 4 km)
1) Paperboard and/or molded fiber packaging manufacturing
2) Flexible packaging manufacturing
3) Paperboard and/or molded fiber and/or plastic packaging manufacturing

## Policies related to biodiversity and ecosystems

Huhtamaki addresses the management of its identified material impacts and dependencies related to biodiversity and ecosystems through its Group Environmental Policy. This policy commits Huhtamaki to maintaining and enhancing biodiversity for its operations and encouraging its suppliers to do the same. The commitments outlined in the Group Environmental Policy focus particularly on promoting sustainable use of forests, aligning with the results of the double materiality analysis, which indicates that the largest contributor to Huhtamaki's biodiversity impacts is the sourcing of fiber-based raw materials. The commitments related to the sustainable use of forests include achieving zero deforestation and zero conversion of areas of high biodiversity value in supply chain, sourcing virgin wood fiber from certified sources (PEFC, FSC®, SFI® or other comparable and reputable certification schemes), and having traceability systems in place to track and monitor the origin of the fiber-based materials used.

Huhtamaki similarly expects its suppliers to protect biodiversity and ecosystems, which is outlined in the Code of Conduct for Huhtamaki Suppliers. The supplier code of conduct requires that suppliers make efforts to reduce the environmental impacts of their operations and safeguard natural resources. This includes addressing topics such as raw material use, energy and water consumption, pollution prevention, and waste management, all of which are drivers of biodiversity loss and ecosystem degradation. Huhtamaki's forest-related commitments, as outlined in the Group Environmental Policy, are also reinforced in the Code of Conduct for Suppliers. It states that suppliers must ensure that they do not source materials, directly or indirectly, that contribute to the deforestation of high conservation value areas or interfere with the habitats of endangered species. Both policies are global, covering all Huhtamaki's operational sites, including those in or near a biodiversity-sensitive area. Social consequences of biodiversity and ecosystem-related impacts are currently not covered in these policies.

See more detailed description of the Group Environmental Policy and Code of Conduct for Huhtamaki Suppliers and their implementation in Policies related to climate change mitigation section on page 57, and in Policies related to value chain workers section on page 86.

## Actions related to biodiversity and ecosystems

In 2024, Huhtamaki actively engaged in several nature-related initiatives. As previously mentioned, the Group initiated a TNFD-guided LEAP assessment to identify nature-related impacts, dependencies, risks, and opportunities. Additionally, site-specific LEAP assessments were conducted for a selected group of Huhtamaki's manufacturing sites in India. These assessments aim to provide a systematic, science-based overview of the current situation, helping to better understand where to prioritize actions for maximum impact.

Recognizing the significant impact that wood fiber sourcing can have on biodiversity, Huhtamaki is committed to achieving zero deforestation and zero conversion of areas of high biodiversity value within supply chain. Regarding this commitment, continuous efforts to increase the share of recycled or certified fiber sourced were maintained, along with the development of tracking and monitoring the origin of the forest-based materials used. Huhtamaki has a target in place to track the sourcing of fiber from recycled or certified sources, through which the journey toward sustainable sourcing of fiber-based raw materials is monitored. Additionally, necessary actions were initiated to fulfill the requirements set by the European Union Deforestation Regulation (EUDR). A yearly mapping of manufacturing sites to determine their proximity to, or location within, key biodiversity areas or protected areas was conducted, and these results are presented in Table 7. in the Material impacts related to biodiversity and ecosystems section on page 68. Huhtamaki has not utilized biodiversity offsets in its biodiversity and ecosystem-related actions. Additionally, local and indigenous knowledge, and nature-based solutions have not been incorporated into these actions. The Group has not yet been able to identify individuals or groups who are actually harmed by its material impacts. As a result, the Group has no information to disclose on actions taken to provide for, cooperate in, or support the provision of remedy for those affected.

During the year, Huhtamaki also developed its knowledge and expertise in the rapidly evolving landscape of nature initiatives and frameworks. These activities included completing a Science Based Targets for Nature training program organized by the UN Global Compact Finland, and participating in the FIBS[1] Nature Network, a peer-learning corporate group focused on developing companies' nature-related work. Additionally, Huhtamaki was present at the annual European Business & Biodiversity Forum organized by the WWF.

Huhtamaki plans to continue all the aforementioned activities in the short- and medium-term. In 2024, Huhtamaki joined the cohort of TNFD Adopter companies, committing to adopt TNFD-aligned disclosures as part of its 2025 corporate reporting. Key actions in the short and medium term will include conducting the LEAP assessment, which forms the basis for TNFD-aligned reporting, fulfilling the requirements of the EUDR, and globally improving the traceability of fiber-based materials.

Huhtamaki does not currently have significant operational or capital expenditures allocated for the implementation of the defined biodiversity and ecosystems-related actions. However, smaller financial resources and other resources, such as dedicated personnel from the Group and segments are designated to support the implementation efforts.

## Targets related to biodiversity and ecosystems

| Target | Scope | 2024 performance |
|---|---|---|
| 100% of fiber is sourced from recycled or certified sources by 2030<br>Base year: 2020<br>Baseline value: 98.4% | Upstream value chain | 99.0% |

The target of sourcing 100% of fiber from recycled or certified sources by 2030 supports the Group's commitment to zero deforestation and zero conversion of areas of high biodiversity value in the supply chain, as well as ensuring that traceability systems are in place to track and monitor the origin of forest-based materials. Both commitments are laid out in the Group Environmental Policy. This target is also aligned with the findings of Huhtamaki's major impact and dependencies on nature, particularly related to the sourcing of fiber-based materials.

The geographical scope of the target is global. Performance against this target is collected monthly from manufacturing sites, and there have not been any significant changes in the methodology within the reporting year. The definition of recycled fiber includes both

[1] Finnish Business & Society (FIBS) is a corporate responsibility network operating in the Nordic countries.

post-consumer and post-industrial recycled paper and paperboard. To classify fiber as being from certified sources, it must be FSC® (Forest Stewardship Council), PEFC (Programme for the Endorsement of Forest Certification, PEFC/02-31-385), or SFI® (Sustainable Forestry Initiative) certified.

The target is aligned with the Kunming-Montreal Global Biodiversity Framework's goals of sustainable use of natural resources and reducing threats to biodiversity. By ensuring fibers are recycled or certified, Huhtamaki promotes sustainable forestry practices, and reduces the demand for virgin materials, thereby contributing to ecosystem conservation and restoration. The target also aligns with the EU Biodiversity Strategy for 2030 in similar ways. National biodiversity and ecosystem-related policies and legislation vary by country but generally focus on these same topics, and thus the target is likely to be also aligned with these.

In the biodiversity mitigation hierarchy, this target can be allocated to the 'Minimization' layer as its goal is to reduce negative impacts on biodiversity by ensuring sustainable forest management practices. Due to the nature of the target, it cannot be concluded whether it is based on scientific evidence. However, it can be considered that sourcing recycled or certified fiber indeed supports the reduction of deforestation and conversion of areas of high biodiversity value. Due to the same reason, the application of ecological thresholds and allocations of impacts to Huhtamaki were not relevant in setting this target. Huhtamaki has not used biodiversity offsets in setting this target. The target has been set together with representatives from business segments and key functions, reviewed by the Global Executive Team, and approved by the Board. External stakeholder groups were not involved in the target setting process.

In 2024, 98% of virgin fiber raw materials were PEFC, FSC® or SFI® certified, which guarantees that the fiber is traceable to sustainably managed forests. Most Huhtamaki fiber packaging subsidiaries have chain-of-custody certification, verifying that they have processes in place to produce certified products, and deliver them to customers and final consumers. The share of fiber sourced from recycled or certified sources has had minor variations in recent years. Achieving the final decimals of the target depends on the market availability of certified fiber in specific regions and customers' preferences for the fiber used in their products.

## ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY

### Material impacts and opportunities related to resource use and circular economy

| Material impact or risk | | Description | Applicability |
|---|---|---|---|
| **Resource inflows** | | | |
| **Negative impact** | Raw material sourcing | Huhtamaki sources various raw materials for its packaging manufacturing, including paperboard and paper, plastic resins, chemicals, and other essential components. Huhtamaki's sourcing practices can have environmental impacts, particularly related to the exploitation of natural resources. | **Value chain** |
| **Resource outflows** | | | |
| **Negative impact** | End-of-life management of products | Despite Huhtamaki's product design actions to enhance recyclability and compostability of its products, and its continuous efforts to increase actual recycling and composting rates, potential negative impacts regarding resource outflows remain. These impacts mainly arise from improper end-of-life treatment, such as inadequate disposal or insufficient recycling infrastructure, which can lead to waste management challenges and environmental issues, including microplastic pollution. | **Value chain** |
| **Waste, waste management** | | | |
| **Negative impact** | Waste management | Huhtamaki can impact waste management of its products through product design and operational practices. Negative impacts can be mitigated by designing products to be recyclable or compostable, reducing operational waste, and increasing the share of recycled waste from its operations. | **Value chain & Own operations** |
| **Entity specific** | | | |
| **Positive impact** | Food waste reduction | Huhtamaki's packaging solutions help reduce food waste by extending the shelf life of food products. By preserving freshness and preventing spoilage, these packaging solutions contribute to lowering GHG emissions associated with food waste, positively impacting the entire value chain. | **Value chain** |
| **Opportunity** | Business opportunities in circularity | Huhtamaki has business opportunities in circularity, particularly in developing recyclable and compostable products. This approach can reduce reliance on virgin materials, leading to cost savings and improved resource efficiency. Investing in these areas also enables Huhtamaki to meet regulatory requirements and consumer demand for sustainable products, providing a competitive edge and opening new revenue streams. | **Value chain & Own operations** |

### Policies related to resource use and circular economy

Huhtamaki addresses the management of its material impacts and opportunities related to resource use and circular economy in the Group Environmental Policy, Code of Conduct for Huhtamaki Suppliers, and Design principles for circularity in our products guideline ("Design Principles"). According to these documents, Huhtamaki is committed to addressing resource use and circularity through different stages of product life across the value chain, and requires its suppliers to adhere on the same principles.

The key commitments outlined in the Group Environmental Policy address all identified negative impacts of resource inflows and outflows. Specifically, these commitments include designing for circularity, minimizing waste in own production, and working together with stakeholders to find solutions to develop waste management solutions that increase the actual recycling and composting rates of products. The Code of Conduct for Huhtamaki Suppliers explicitly requires suppliers to make efforts to reduce the environmental impacts of their operations and safeguard natural resources, with a particular focus on raw materials and waste management. Additionally, the code sets expectations for suppliers to comply with all applicable laws, especially those concerning air emissions, water use and discharge, and waste disposal. These requirements address material risks associated with raw material sourcing and waste management and ensure that dependencies on natural resources are managed sustainably.

The circularity and technical capabilities of Huhtamaki's products significantly depend on design decisions. These decisions influence material selection, product structure, and product end-of-life management. Circularity-focused design principles are described in Huhtamaki's Design Principles guideline. These principles are aligned with the Design for Recyclability guidelines developed for plastic packaging by RecyClass – a cross-industry initiative facilitating the transition toward a circular plastic future – and those developed by 4evergreen for fiber-based packaging, a cross-industry alliance advancing the sustainability of fiber-based packaging. Through these Design Principles, the aim is to design for circularity that supports the capitalization on related business opportunities, improve the end-of-life management of products, and enhance waste management within direct operations, all of which have been identified as material impacts for Huhtamaki. The Group's packaging solutions' ability to reduce food waste by extending the shelf life of food products is also driven by these design decisions.

Huhtamaki applies the waste hierarchy in its principles to address waste management and circularity, with the primary focus being on waste prevention as the first option, followed by preparing for reuse, recycling, other recovery, and as a final option, disposal. This approach is also supported by Huhtamaki's resource use and circular economy-related targets, which are outlined in the Group Environmental Policy and reinforced by the Design Principles. The targets are presented in more detail in the Targets related to resource use and circular economy section on page 73.

Design Principles apply to all Huhtamaki business segments globally, and are approved by Huhtamaki's Global Executive Team, which is also accountable for overseeing their implementation. Design Principles are made available to all interested parties through Huhtamaki's website. See more detailed description of the Group Environmental Policy and Code of Conduct for Huhtamaki Suppliers and their implementation in Policies related to climate change mitigation section on page 57 and in Policies related to value chain workers section on page 86.

## Actions related to resource use and circular economy

Huhtamaki is committed to promoting circularity and the efficient use of resources through product design and raw material sourcing as well as working together with value chain partners to develop better waste management practices, both regarding its own operations and product end-of-life.

In 2024, Huhtamaki focused on several activities related to resource use and circularity. Regarding resource inflows, Huhtamaki maintained its continuous and ongoing collaboration on product development with customers to increase the share of renewable or recycled content in its packaging solutions, and to increase the share of packaging designed to be recyclable or compostable. Additionally, certifications were utilized to promote responsible material sourcing, particularly in the case of virgin fiber materials and aluminum. For fiber-based packaging where the raw material must be virgin to meet the applicable product safety requirements, FSC®, PEFC (PEFC/02-31-385) and SFI® certified materials were sourced, ensuring traceability and control over sustainability aspects. In addition to fiber materials, ASI (Aluminium Stewardship Initiative) certifications were used in the sourcing of aluminum.

During the year, Huhtamaki also continued conducting Life Cycle Assessments (LCA) to compare different material and processing options for optimal sustainability performance. Huhtamaki also launched new solutions, for example in the mono-material flexible packaging, which facilitate the recycling of packaging. Design principles for circularity to increase the share of recyclable and compostable packaging are continuously applied in all aspects of product innovation.

To improve operational waste management, Huhtamaki's sites established local partnerships with waste management operators to increase the share of non-hazardous waste directed to recycling. Furthermore, Huhtamaki implemented Total Productive Manufacturing (TPM) practices and Environmental Management Systems (EMS) at its manufacturing sites, supporting the development of operational waste management practices.

Regarding packaging end-of-life challenges, Huhtamaki collaborated with value chain partners to improve recycling and composting in the downstream value chain. Some examples of these include The Cup Collective, a partnership program focusing on developing at scale paper cup recycling since 2022, and the continued partnership between Huhtamaki and Sporting Kansas City, a US Major League Soccer club, to reduce the stadium's environmental footprint through improved waste management. These initiatives also aim to tackle the microplastic pollution originating from packaging that unintentionally ends up in natural environments.

Although the Group has taken the aforementioned actions to mitigate the identified negative impacts, it has not yet identified the specific individuals or groups who are actually harmed by its material impacts. As a result, the Group has no information to disclose on actions taken to provide for, cooperate in, or support the provision of remedies for those affected.

All activities related to resource use and circularity are conducted on a continuous basis and are expected to continue in the short- and medium-term. Their scope and direction are guided by Huhtamaki's strategy, customer needs and regulatory requirements. Actions are expected to promote circularity in Huhtamaki's processes and value chain, and to support the Group's strategy of becoming the first choice in sustainable packaging solutions. These actions specifically focus on ensuring that the materials used are chosen consciously and that products can contribute to circularity after their intended use.

Huhtamaki does not currently have significant operational or capital expenditures allocated for the implementation of defined resource use and circular economy-related actions. However, smaller financial resources and other resources such as dedicated personnel from the Group and segments are designated to support the implementation efforts.

## Targets related to resource use and circular economy

| Target | Scope | 2024 performance |
|---|---|---|
| Over 80% renewable or recycled materials by 2030<br>Base year: 2020<br>Baseline value: 67.3% | Upstream value chain | 65.4% |
| 100% of products designed to be recyclable, compostable or reusable by 2030<br>Base year: 2020<br>Baseline value: 70.1% | Own operations | 72.0%* |
| Over 90% of the non-hazardous waste from production will be either recycled or composted by 2030<br>Base year: 2020<br>Baseline value: 70.1% | Own operations | 81.6% |
| 0% of waste sent to landfill by 2030<br>Base year: 2020<br>Baseline value: 19.7% | Own operations | 5.5% |

* Any claim or classification is a general statement and does not imply that a product can be recycled or composted currently everywhere globally. The ability to be recycled or composted will depend on the specificities of the recycling programs that consumers or other stakeholders have access to in each market or geography. As such, the statement does not constitute a recyclability or compostability claim according to ISO 14021, the FTC Green Guides, the ICC guidance, or any other national, state or local law, regulation or standard. Further information about compostability or recyclability for specific products, markets or geographies shall be obtained. Independent expert legal advice should be considered before making composting or recyclability claims in specific markets or geographies or for any specific product.

Huhtamaki's targets for resource use and circular economy support meeting the related commitments outlined in the section of 'Waste and design for circularity' in the Group Environmental Policy. These targets have been selected for monitoring as they address resource use and circular economy topics identified as material to Huhtamaki, helping to track progress toward the ambition of the Group's 2030 strategy.

The geographical scope of all the targets is global. Performance against the targets is collected monthly from manufacturing sites, except for the target of designing all products to be recyclable, compostable, or reusable, which is reported on an annual basis. Huhtamaki adheres to widely accepted definitions for renewable and recycled materials, as well as for distinguishing between hazardous and non-hazardous waste streams. The target of products designed to be recyclable, compostable or reusable is calculated based on revenue, whereas all other targets are calculated on a mass basis.

Huhtamaki has developed technical criteria to assess the recyclability, compostability, and reusability of its products. These technical criteria follow the principles of industry guidelines provided by RecyClass for plastic packaging and by 4evergreen for fiber-based packaging. The criteria specify the material composition requirements for products to be considered as recyclable or compostable. Typical examples of products that qualify for this target include molded fiber, paperboard, and paper products that have been sufficiently tested according to established methodologies, as well as Huhtamaki's blueloop™ solutions.

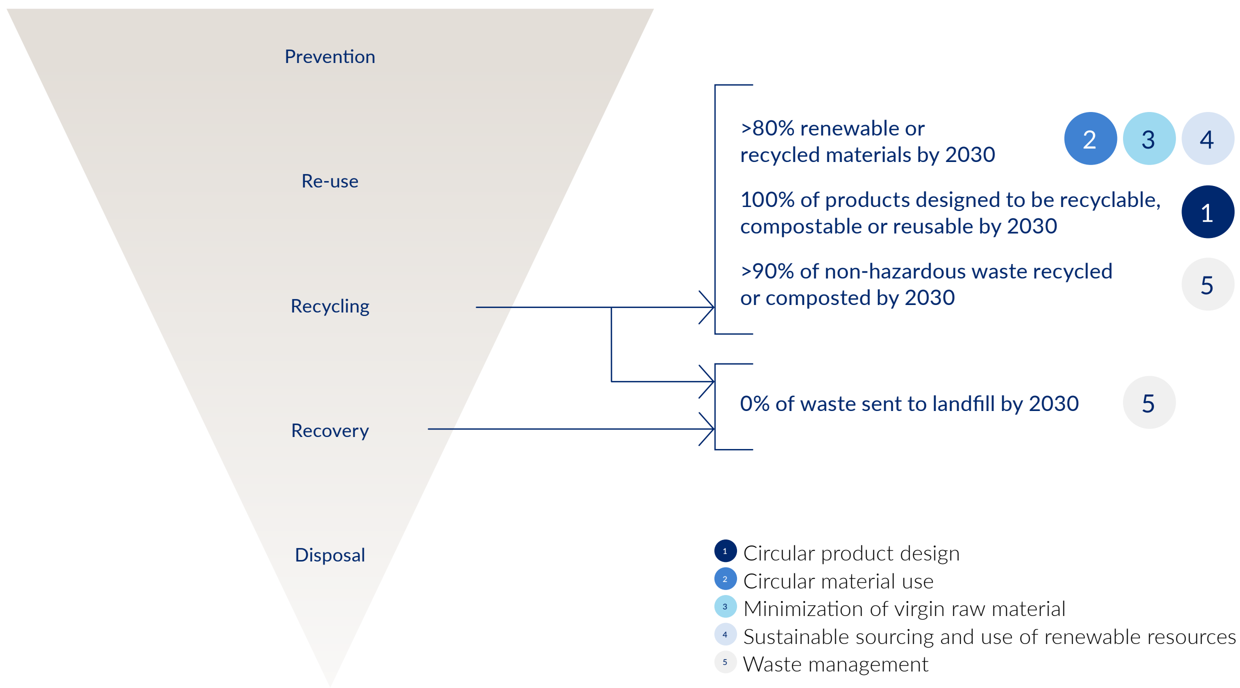
The targets are not based on legislation but are voluntarily set by Huhtamaki. However, all targets can be considered to support, for example, the objectives of the EU's Circular Economy Actions Plan. Due to the nature of the targets, it cannot be concluded whether these are based on scientific evidence. The targets have been set together with representatives from the business segments and key functions, reviewed by the Global Executive Team, and approved by the Board. External stakeholder groups were not involved in the target setting process. There have not been any significant changes in the methodologies of these targets within the reporting year.

Huhtamaki has made good progress towards these targets since the base year 2020, with the exception of the target related to renewable or recycled materials, which has been slightly stagnant in recent years. However, product innovation is increasingly relying on renewable and recycled materials, anticipating a positive trend for the performance of this target in the future.

Huhtamaki's targets comprehensively address various aspects of promoting circularity. The target on renewable or recycled materials specifically relates to promoting circular material use rate, sustainable sourcing and use of renewable sources, and minimizing virgin raw material use. Consequently, this target also positively supports efforts to combat biodiversity loss caused by unsustainable sourcing practices. The target on products designed to be recyclable, compostable or reusable specifically addresses circular product design. The two other targets on recycling of non-hazardous waste and minimizing waste sent to landfill relate to waste management.

Regarding the layers of the waste hierarchy, the targets of the use of renewable or recycled material, products designed to be recyclable, compostable or reusable, and recycling or composting non-hazardous waste relate to the layer of recycling, while the last target of sending no waste to landfill pertains to recycling and other recovery, depending on where the waste is directed instead of landfilling.

Figure 1. Allocation of Huhtamaki's resource use and circularity-related targets across different waste hierarchy levels and circularity levers.



## Resource inflows

Table 8. Resource inflows

| Materials used in operations | 2024 |
|---|---|
| Overall total weight of products and technical and biological materials used (t) | 1,346,617 |
| Percentage of biological materials and packaging that is sustainably sourced | 29.5% |
| The absolute weight of recycled or secondary materials used to manufacture products and services, including packaging (t) | 392,717 |
| Percentage of recycled or secondary materials | 29.2% |

### Calculation methodologies

The resource inflows outlined in Table 8. are derived from purchase data sourced from sites' ERP systems and reflect actual invoiced figures. For the percentage calculations of biological and secondary or recycled materials used, the denominator is the total weight of products and materials reported.

The overall total weight of products and technical and biological materials used includes all Huhtamaki's raw material use, including production and maintenance chemicals, fiber materials, plastics, metals, and packaging materials. For the calculation of percentage of biological materials, Huhtamaki defines 'sustainably sourced' as all virgin fiber materials from sustainably managed forests, certified by Forest Stewardship Council (FSC®), the Programme for the Endorsement of Forest Certification (PEFC/02-31-385), Sustainable Forestry Initiative (SFI®) or other comparable and reputable certification schemes. Recycled components include post-consumer (i.e. recycled paper from households) and post-industrial (i.e. recycled paper from industry) fiber.

The measurement of the metrics is not validated by an external body.

### Identified limitations:

Regarding the used packaging materials, only the share of PEFC-certified materials is included to avoid double counting, as some packaging materials are certified by multiple schemes. PEFC is the most widely used certification scheme for packaging materials at Huhtamaki.

## Resource outflows

Table 9. Waste

| Waste | 2024 |
|---|---|
| Total waste generated (t) | 206,835 |
| The total amount of hazardous waste by weight diverted from disposal (t) | 11,561 |
| via preparation for reuse | 38 |
| via recycling | 11,523 |
| The total amount of non-hazardous waste by weight diverted from disposal (t) | 155,574 |
| via preparation for reuse | 1,764 |
| via recycling | 153,811 |
| The total amount of hazardous waste by weight directed to disposal (t) | 4,691 |
| via incineration | 4,497 |
| via landfilling | 194 |
| The total amount of non-hazardous waste by weight directed to disposal (t) | 35,009 |
| via incineration | 23,770 |
| via landfilling | 11,240 |
| Total amount of non-recycled waste (t) | 39,700 |
| Percentage of non-recycled waste | 19.2% |
| Total amount of hazardous waste generated (t) | 16,252 |

### Calculation methodologies

Huhtamaki's outflow waste streams, as shown in table 9, are divided into two main categories, non-hazardous and hazardous waste. These categories include both process waste and maintenance waste. The composition of process waste includes materials such as paperboard, plastic, aluminum, wood, and cardboard. Maintenance waste comprises chemicals, used oil and other redundant machine parts, including e-waste. The disclosed waste volumes are based on actual measurements, with data obtained from various sources such as invoices, weighbridge slips (load weighting), and the waste management system, depending on site's technology and processes.

The measurement of the metrics is not validated by an external body.

Huhtamaki has identified the metric on the rates of recyclable content in products and packaging material as material, but this is currently not reported due to the challenges in data collection. Huhtamaki is committed to developing its reporting capabilities to be able to report this metric in the short-term future. In the meantime, the target for products designed to be recyclable, compostable, or reusable provides similar information on Huhtamaki's products' contribution to circularity.

The expected durability of products is not reported, as this data is not material for Huhtamaki's packaging solutions.

### Identified limitations:

As Huhtamaki explores the use of different raw materials, such as bio-based plastics, new waste streams have emerged. These new waste streams are not fully aligned with current reporting guidelines and, as a result, are not consistently reported as part of the total waste volumes at some operational sites. Huhtamaki is committed to taking action in 2025 to fully integrate these emerging waste streams into our reporting framework.


Employee Engagement Index

85%

exceeded industry benchmark.

TRIFR

(Total Recordable Injury Frequency Rate)

2.66

2024 target: 3.27

# Social information

## ESRS S1 OWN WORKFORCE

### Material impacts and risks related to own workforce

| Material impact or risk | | Description | Applicability |
|---|---|---|---|
| **Working conditions** | | | |
| **Positive impact** | Providing secure employment | By offering secure employment, and as an example long-term contracts, in compliance with national and local legislation, the impact can be significantly positive and enhance job stability and foster engagement and productivity. | **Own operations** |
| **Positive impact** | Facilitating social dialogue | Encouraging social dialogue between own workforce and management can lead to better representation and improved workplace relations as well as increase engagement and motivation. | **Own operations** |
| **Negative & positive impact** | Managing workplace health and safety | Providing a safe and healthy workplace ensures employee well-being and increases productivity. Conversely, neglecting workplace safety can threaten health, increase accidents, and lead to absences or turnover. By prioritizing safety, Huhtamaki fosters a committed and productive workforce while mitigating risks. | **Own operations** |
| **Entity specific** | | | |
| **Negative impact** | Chemical safety in production process | Own workforce in production may be exposed to various chemicals in specific parts of the processes. Chemical safety is also identified as a material topic for Huhtamaki's sector. | **Own operations** |
| **Risk** | Financial risk from shortage of skilled workforce | The shortage of skilled workforce and talent may pose significant challenges in resourcing the production lines, potentially leading to delays in manufacturing processes. While this financial risk may initially manifest on local or regional levels, it could quickly escalate into a global issue, thereby increasing associated financial risks. | **Own operations** |
| **Equal treatment and opportunities for all** | | | |
| **Positive impact** | Inclusivity and diversity at the workplace | By fostering an inclusive and diverse workplace, Huhtamaki can fuel innovation and creativity, increase employee engagement, well-being and improve customer satisfaction, growth and overall performance. | **Own operations** |
| **Negative & positive impact** | Gender equality and equal pay for work of equal value | Ensuring equal pay for work of equal value fosters an inclusive work environment and may enhance employee engagement. Conversely, failing to provide equal pay can lead to negative consequences, including decreased engagement, increased turnover, and potential legal and reputational risks. | **Own operations** |
| **Positive impact** | Providing regular trainings and development opportunities | Ensuring all employees have access to regular training and development opportunities results in positive impacts for Huhtamaki's operations, such as enhancing employee skills, increasing employee engagement, improving productivity and overall performance. | **Own operations** |

The material impacts, risks and opportunities related to Huhtamaki's own workforce have been identified in the double materiality assessment, which is described in detail in the Description of the processes to identify and assess material impacts, risks and opportunities section starting on page 47. Huhtamaki's global transformation journey is powered by systematic development of selected strategic capabilities and commitment to improving safety while empowering talent to succeed. Many of the material topics for Huhtamaki's own workforce are closely connected with the Group's 2030 strategy.

The actual and potential impacts on own workforce are linked to Huhtamaki's strategic ambition to offer the most engaging, motivating, and safe workplace for its employees. The types of employees in Huhtamaki's own workforce who are potentially subject to the material impacts include Huhtamaki's own employees as well as contingent workers provided by third-party undertakings. Huhtamaki operates globally in multiple regions, including areas where secure employment and workplace safety are not necessarily always assured. Therefore, secure employment, social dialogue and health and safety have been identified as material topics. Through its practices and actions, Huhtamaki can have a positive impact by offering secure employment and good working conditions at its sites.

To achieve strategic ambitions and enhance efficiency and productivity, a talented workforce is essential. Actions for talent development and training opportunities are planned accordingly to secure relevant capabilities and skills are in place to reach the strategic ambitions. The negative impact of the availability of skilled workforce is mainly localized, and thus the impact to Huhtamaki's operations varies. The main factors contributing to increased risk are the remote locations of certain sites, which affects the overall availability of skilled workers, and the competition for skilled labor in other areas. When addressing the identified positive impacts and opportunities, Huhtamaki can better mitigate the potential risk of shortage of availability of skilled workforce, thereby reducing financial risks. Employee compensation is defined in line with local market practices. Huhtamaki recognizes the potential negative impact of not providing equal pay for equal work could have. However, no systemic or widespread issues have been identified. By fostering inclusion, equal treatment and diversity, Huhtamaki aims to increase employee engagement and performance.

Safety is the foundation for Huhtamaki's operations as health and safety issues can have potentially big impacts if materialized, thus improving safety performance is one of the biggest strategic priorities for Huhtamaki. The health and safety impacts are systematically connected to Huhtamaki's operations. Therefore, Huhtamaki aims to control all risks within its manufacturing processes that could negatively impact its workforce. Negative impacts on chemical safety are widely distributed across Huhtamaki sites where chemicals are in use, and the severity varies depending on the technology in use. Huhtamaki is committed to systematically and effectively managing identified health and safety risks, including chemical safety, to ensure a safe workplace regardless of geographical location. By adhering to local legislation and internal policies and procedures, Huhtamaki strives to maintain high standards of safety and well-being to enable a safe and secure working environment for its people.

## Policies related to own workforce

Huhtamaki is committed to managing the material impacts, risks and opportunities for all employee groups within its workforce through policies and practices that focus on well-being, development, and safety. The documents outline the principles and expectations for consistency in employment, working conditions as well as occupational health and safety across the organization. The documents are available for Huhtamaki's own workforce on Huhtamaki intranet, and everyone is expected to be informed of these policies and act in accordance with them. Key documents are also available to other external stakeholders at Huhtamaki website.

Safety is the foundation for Huhtamaki's operations and a strategic priority. By reinforcing the mindset of "Think Safe. Work Safe. Home Safe." in all actions, Huhtamaki strives to embed safety into its culture.

| Document | Key content | Scope | Accountability for implementation |
|---|---|---|---|
| Group Human Rights Policy | Huhtamaki's commitment to respect human rights within own organization and its value chain | Own workforce<br>Workers in the value chain<br>Other external stakeholders | GET |
| Code of Conduct | Fundamental principles for business conduct and ways of working at Huhtamaki | Own employees | BoD, GET |
| Code of Conduct for Huhtamaki Suppliers | Minimum ethical, legal, environmental and social standards for Huhtamaki's business partners | Contingent workers<br>Workers in the value chain | GET |
| Group Speak Up and Investigations Policy | Principles for speaking up and investigating and addressing suspected or observed violations or instances of non-compliance | Own workforce<br>Workers in the value chain<br>Other external stakeholders | GET |
| Global Employment Guidelines | Guiding principles in employment | Own workforce | GET |
| Huhtamaki Working Conditions Requirements | Framework to provide fair, safe and good working conditions in all Huhtamaki sites | Own workforce | GET |
| Group Occupational Health and Safety (OHS) Policy Statement | Principles on safety, well-being and risk mitigation in line with industry and other external requirements | Own workforce | GET |
| Global Health and Safety Working Conditions Overview | Framework to establish minimum requirements, fair, safe and good working conditions in all Huhtamaki sites | Own workforce<br>Workers in the value chain | GET |
| Recruitment Policy and Guidelines | Recruitment principles, roles, and guidelines | Own workforce | GET |
| Group Diversity, Equity and Inclusion Guiding Principles | Commitment to fostering a diverse, equitable and inclusive work environment | Own workforce<br>Workers in the value chain<br>Other external stakeholders | GET |

The policies and guidelines are implemented through day-to-day leadership with the support of the Human Resources (HR) organization at global, regional and local level to ensure consistent employment practices and experience across Huhtamaki. Additionally, a mandatory Code of Conduct training is provided annually for every employee. To enhance awareness on global policies and guidelines, news and articles are shared through targeted newsletters for managers and HR, as well as through Huhtamaki intranet articles available for everyone in the organization.

### Human rights policy commitments

Huhtamaki is committed to respecting human and labor rights across all its operations. The Group Human Rights Policy expresses the support of internationally recognized principles and frameworks of human rights such as the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The policy also states Huhtamaki's commitment to continuously improving its human rights due diligence processes in alignment with the United Nations Guiding Principles on Business and Human Rights.

The Group Human Rights Policy outlines a dedication to treating everyone with dignity and respect, ensuring fair working conditions, and prohibiting discrimination and any form of forced labor or child labor in its own workforce – and an expectation that Huhtamaki's suppliers and other business partners do the same. The Global Employment Guidelines and Working Condition Requirements further emphasize Huhtamaki's stance on these topics for own workforce.

Huhtamaki's measures to provide grievance mechanisms and appropriate remedial actions if violations are identified (see Processes to remediate negative impacts and channels for own workforce to raise concerns on page 79). Huhtamaki's Group Human Rights Policy recognizes the importance of considering potentially vulnerable and marginalized groups and Huhtamaki commits to efforts to consider the unique challenges faced by these groups and to ensure their rights and well-being are respected.

### Promoting equal opportunities and preventing discrimination

Huhtamaki has implemented several policies aimed at eliminating discrimination and harassment, while promoting equal opportunities. The Group Human Rights Policy, Huhtamaki Code of Conduct, as well as Huhtamaki Working Conditions Requirements outline Huhtamaki's commitment to diversity and equal employment opportunities. There is also emphasis on treating everyone with dignity and respect, with no toleration of discrimination in any employment decisions during the employment lifecycle. Disrespectful or inappropriate behavior, unfair treatment, or retaliation of any kind are prohibited.

The Global Employment Guidelines outline specifically how the prevention of harassment is to be applied to local policies. All Huhtamaki locations are expected to have appropriate local policies or practices to enforce these principles within the framework of local legislation. Huhtamaki's commitment to develop its people at all levels of the organization is specified in the Global Employment Guidelines.

The Group Recruitment Policy and Guidelines specify that all qualified applicants receive consideration for employment without discrimination based on age, race, gender, color, religion, national origin, sexual orientation, gender identity, veteran status, disability, or any other protected category. Huhtamaki's commitment to advancing well-being and appropriate treatment of its own workforce is stated in the Group Diversity, Equity and Inclusion Guiding Principles.

### Managing workplace safety

The Group Occupational Health and Safety (OHS) Policy Statement and Global Health and Safety Working Conditions Overview outline Huhtamaki's commitment to providing a safe, healthy and secure workplace for its people, as well as its means to mitigate, reduce and prevent workplace accidents while striving for its operations to comply with the highest available standards. The health and safety management systems cover all activities and Huhtamaki's own workforce, as well as contractors and visitors at Huhtamaki premises. The management systems and Global Health and Safety Working Conditions Overview are constructed based on ISO 45001 standards, and are designed to ensure that all sites comply with or exceed local regulations and Huhtamaki's internal requirements. Non-conformances and gaps are regularly monitored, and the related actions are put in place to prevent recurrence. Huhtamaki's commitment to adhere to applicable chemical-related legislation and the aim to minimize the consumption of chemicals in production is specified in the Group Environmental Policy, described in Policies related to climate change mitigation section on page 57.

## Processes for engaging with own workers and workers' representatives about impacts

Huhtamaki is committed to engaging with people in its own workforce, with the aim of establishing open two-way dialogue and feedback mechanisms to continuously improve operations together. This commitment extends to all locations, including those where legal restrictions to forming and/or joining labor unions exist. Engagement with Huhtamaki's own employees as well as employee representatives occur both directly and indirectly with the parties. As the transition to a sustainable economy in Huhtamaki's operations (see further details in Huhtamaki strategy and sustainability on page 39) may impact also employees due to for example training or up/reskilling needs, the existing dialogue mechanisms support in engagement activities.

In Europe, the European Works Council (EWC) unites Huhtamaki's administrative body members and elected EWC representatives from all Huhtamaki sites once a year. The EWC is hosted by Executive Vice President HR & Safety. Additionally, a quarterly meeting with the EWC Steering Committee is organized to discuss topical matters which are jointly decided between the parties.

For Huhtamaki's own employees, continuous dialogue is enabled through a quarterly global management meeting led by the President and CEO, and quarterly townhall meetings within business segments and functions hosted by the respective Business Presidents and functional Executive Vice Presidents. Huhtamaki's strategy, priorities, business plans and performance are shared on a regular basis by the respective management, and information is expected to be cascaded down in the organization. On a local level, roundtable and focus group discussions are organized at sites on a need-basis to enable dialogue and follow-up of agreed improvement and development actions. The effectiveness of the engagement and dialogue mechanisms are measured by providing opportunities to ask questions and give feedback during the meetings. At sites where Huhtamaki has recognized unions, more formal regular meetings are organized to discuss working conditions, grievances, and working practices, and to conduct statutory negotiations when applicable.

To foster effective consultation and engagement on health and safety matters, various activities are conducted at Huhtamaki sites. All sites have a safety committee consisting of own employees and site management. The committees are designed to encourage trust and transparency, and the groups are trained in all aspects of safety, leadership and communication to ensure Huhtamaki provides a safe working environment. The committees' activities include discussions in leadership team meetings, meetings with employees, and other gatherings where workers are consulted. Active communication on these topics is facilitated through information boards and the Huhtamaki intranet. Attendees participate in these engagements during their working hours and are provided with any required support by safety representatives to fulfill their roles in these forums.

Huhtamaki's annual employee engagement survey, Connect, provides all own employees the opportunity to address their perspective and give feedback on material topics affecting them. Based on the results and feedback gained from the survey, actions are planned at different levels of the organization. Additionally, annual performance reviews and development discussions provide a formal opportunity for a dialogue between employee and manager. Aside from formal discussions, Huhtamaki encourages asking for, and offering, regular feedback.

## Processes to remediate negative impacts and channels for own workers to raise concerns

Huhtamaki encourages reporting of any suspected or observed violations or misconduct through various channels, including the anonymous Huhtamaki Speak Up channel. All reports of potential human rights violations or breaches of the Huhtamaki Code of Conduct are taken seriously and investigated according to the Speak Up and Investigations Policy, with the aim of ensuring alleged violations are appropriately addressed and remedied. Reporting is open to both Huhtamaki's own workforce and external stakeholders. Detailed procedures and channels for reporting and investigation are outlined in section Mechanisms for identifying, reporting and investigating concerns on page 94. To ensure the availability and accessibility of channels for raising concerns, Huhtamaki promotes awareness and access to these channels through annual, mandatory Code of Conduct trainings, and speak-up themed posters available in 24 languages. For more details, refer to Business conduct polices and corporate culture section on page 93.

The Huhtamaki Ethics and Compliance Committee monitors and tracks issues raised and addressed in accordance with the procedure outlined in the Speak Up and Investigations Policy. They follow up on reported incidents and review the mitigating activities. In an effort to ensure the effectiveness of its reporting channels, Huhtamaki provides regular training and communication about the channels to its employees. The Global Ethics and Compliance team oversees actions and processes followed by the global or local investigation teams, so investigation procedures are independent, objective, and effective.

Local grievances related to workplace issues or employment concerns are investigated and addressed according to local regulatory requirements. Huhtamaki's management at each level is responsible for resolving daily workplace concerns impacting employees in a prompt and fair manner within the course of normal working relationships. Formal grievance procedures vary by country and are managed by local HR in line with local regulations. All formal grievances are documented according to local regulatory requirements. Guidelines and policies outline the processes to help ensure employees can express complaints and receive a fair hearing and investigation. This includes an escalation and appeals process with clear responsibilities and decision-making protocols.

### Remediating health and safety impacts

Health and safety are core values at Huhtamaki, reflecting the nature and scale of the operations, and their impact on people, customers, communities and the environment. A culture of managing and safeguarding health and safety is embedded at all levels of the organization. Huhtamaki promotes a proactive and preventive approach to identifying, mitigating and remediating actual and potential negative impacts. Continuous learning, improvement and collaboration is emphasized across the organization. By reinforcing the mindset of "Think Safe. Work Safe. Home Safe." in all actions, Huhtamaki strives to embed safety into its culture.

Each site adheres to a risk-based approach for managing health and safety. A proactive and preventive strategy, as outlined by the World Class Operations (WCO) Safety Pillar, is in place to identify risks and potential hazards at an early stage. Appropriate control measures are applied using the hierarchy of controls, with actions tracked through to completion. Employees have access to a platform for reporting any unfair, unsafe, or unhealthy working conditions, allowing Huhtamaki to respond and address issues promptly. A formally defined investigation process for work-related incidents is in place at all sites, ensuring consistent review, response, follow-up, and escalation. Sites are encouraged to systematically share learnings from serious incidents, both within their business segment and across the global network.

## Actions related to own workforce

Huhtamaki's people priorities and actions related to its own workforce are aligned to support the execution of the 2030 strategy. Huhtamaki has set measurable, outcome-oriented and time-bound targets for employee engagement, leadership, inclusion, voluntary turnover and health and safety. These targets enable Huhtamaki to track and assess the effectiveness of its actions in addressing material impacts, risks and opportunities impacting its workforce. Targets are set annually, with most actions recurring each year. Some initiatives, such as the WCO Safety Pillar, are designed as multi-year programs. The processes through which Huhtamaki identifies necessary actions, in response to actual or potential negative impacts on its workforce and engages with this stakeholder group, are outlined above in this section. Overall, the implementation of Group policies in the organization establishes the foundation for addressing different potential impacts on the workforce and resources from all levels (global, regional and local) of the HR and EHS organizations are dedicated to managing the material impacts. Huhtamaki does not currently have significant operational or capital expenditures allocated for the implementation of the defined own workforce related actions, but smaller financial resources in addition to the dedicated personnel are designated to support the implementation efforts.

### Actions to prevent and mitigate negative impacts

To foster a robust safety culture, Huhtamaki provides site and job-specific health and safety trainings as part of the induction process for all new employees. Segment or technology-specific content is available through an online training platform. Additionally, contractors receive a site-specific health and safety induction tailored to their work area, ensuring awareness of the unique risks related to their tasks. Huhtamaki has integrated health and safety into its comprehensive operational improvement approach, so that it is prioritized as an integral part of operational performance. The health and safety strategy was further advanced with a focus on the development and implementation of the holistic WCO Safety Pillar initiative, which aims to ensure that all accidents are reported, investigated, and the learnings shared across the organization. The Safety Pillar consists of 7 different Steps which will be launched one step at a time, with support from the EHS organizations. By the end of 2024, all Huhtamaki locations have been trained on Step 1, and Step 2 has been launched at all manufacturing sites.

Monthly risk reviews are conducted to identify areas for improvement, with site and segment leadership teams overseeing the health and safety risks and support improvement plans. Huhtamaki requires all its sites to conduct occupational health risk assessments for all activities that adhere to local legal requirements regarding the scope and frequency of medical and health checks. Programs are set for annual delivery, and they are tracked and reported monthly. To mitigate the negative impact of chemical safety, Huhtamaki has implemented hazardous material standards, control processes and management system tracking.

All employees have access to locally contracted occupational health services. Some sites have a permanent doctor and/or nurse on-site, while others have a contract with a nearby health service center. Additional health services and programs are provided at many sites to support employees' overall well-being and health. Participation in such additional programs is voluntary.

To address the availability of skilled workforce and tight talent markets, Huhtamaki systematically identifies and addresses retention drivers locally. Through the global HR organization, local and regional initiatives have been shared to drive employee retention. An exit questionnaire has provided Huhtamaki valuable insights into how to improve retention and engagement with employees. The employee turnover rate is continuously monitored in all parts of the organization, and the voluntary turnover is set as an official target at Group level.

### Actions for achieving positive impacts

Huhtamaki is committed to ensuring equal training, development and progression opportunities are provided for its employees. To support the development of such strategic capabilities and careers, which are essential for delivering on the 2030 strategy, Huhtamaki has implemented programs and deployed several initiatives in 2024. These include the annual review of individual development plans for non-production employees, the annual Global Week(s) of Learning event, the launch of Trace Your Own Path toolbox and e-learning, the Strategic Leadership Program, the launch of the Project Management toolbox, and the Job Opportunity Board and internal recruitment guidelines. Additionally, Huhtamaki piloted the Career Hub, a new global tool to support employee development and internal mobility. Employee development is further supported through a mentoring program, and in 2024, Huhtamaki finalized a global pilot program for coaching. Huhtamaki has also raised awareness on inclusion and diversity through communications campaigns, and has renewed its Code of Conduct training. The learning and competence development of production employees is addressed through an Education and Training pillar within the WCO program. In 2024, further manufacturing sites have launched the pillar to upskill employees. These actions support employees in their personal and professional development, with the aim to contribute to the overall performance of Huhtamaki.

Huhtamaki follows the effectiveness of its training and skills development activities by asking for feedback from its employees. The effectiveness of the individual development actions is discussed together with the manager during performance reviews and development discussions for non-production employees.

## Targets related to own workforce

| Target | Scope | Annual target | 2024 performance |
|---|---|---|---|
| Employee Engagement Index above manufacturing industry benchmark<br>Base year: 2021<br>Baseline value: 77% | Own employees, globally | >82% | 85% |
| Leadership Index above manufacturing industry benchmark<br>Base year: 2021<br>Baseline value: 72% | Own employees, globally | >80% | 84% |
| Inclusion Index above manufacturing industry benchmark<br>Base year: 2023<br>Baseline value: 83% | Own employees, globally | >79% | 85% |
| Voluntary Turnover below global benchmark<br>Base year: 2022<br>Baseline value: 10.4% | Own employees, globally | <9.6% | 8.6% |
| Lost Time Injury Frequency Rate (LTIFR)<br>Base year: 2021<br>Baseline value: 1.36 | Own employees, globally | 1.75 | 1.21 |
| Total Recordable Injury Frequency Rate (TRIFR)<br>Base year: 2021<br>Baseline value: 4.29 | Own employees, globally | 3.27 | 2.66 |

Huhtamaki's targets related to its employees are focused on employee engagement and retention, leadership, inclusive culture and safety, and they are aligned with the Group policies. These targets that are aligned with Huhtamaki's strategic ambitions, are set to measure progress in value-creation for its own employees. The aim is to reduce negative impacts, advance positive impacts, as well as manage material risks and opportunities. The approach to stakeholder engagement and target setting methodology differs according to the target. Further action planning is done on an annual basis, depending on the outcomes against set targets. Huhtamaki's own employees or their representatives are not directly involved in the Group level target setting process for any of the abovementioned targets.

Huhtamaki's employee engagement survey is conducted annually to measure the development of the performance against the targets. All Huhtamaki employees are given the opportunity to participate in the survey, except for those who have been employed for less than three months before the survey begins. Key indicators used to measure progress against the targets include different indices Huhtamaki monitors annually based on the survey results. The Employee Engagement Index measures how engaged, enabled and energized employees are at work, the Inclusion Index measures employee experience with regard to equal opportunity and inclusion in the workplace, and the Leadership Index measures the effectiveness of Huhtamaki's managers. The index scores are derived from responses to specific questions, assuming honest feedback and an accurate representation of the entire workforce. However, they may be affected by response bias and external factors. For these indices, Huhtamaki aims to surpass the manufacturing industry benchmark levels, which are measured and provided annually by Willis Towers Watson. No significant assumptions have been made when setting these targets. The key stakeholder in the decision-making process is the GET. The results of the surveys are presented annually to all employees as well as employee representative groups such as the EWC. Employees are also closely involved in identifying necessary actions to further improve.

Huhtamaki strives to create a workplace that not only attracts but also successfully retains talent. By setting an annual voluntary turnover target to lower level compared to the external global benchmark, Huhtamaki can assess the success and opportunities related to efforts to attract talent and retain skilled workers. The Huhtamaki HR leadership team is involved in setting the target. The annual workforce movement data from Mercer serves as the external benchmark when setting the target. The voluntary turnover rate is calculated from termination events (excluding reason codes retirement, mutual agreement, end of assignment) as recorded to Huhtamaki's Human Resources Information System (HRIS) system. It is assumed that the information has been recorded to the system in a timely and accurate manner. Tracking performance and identifying necessary initiatives to manage voluntary attrition are tasks handled by Huhtamaki's HR organization, without direct involvement from own employees from the rest of the organization or employee representative groups. Such projects or initiatives support addressing areas where there is risk of availability of skilled workforce and talent. Furthermore, exit interviews support Huhtamaki with positive impacts on engaging with stakeholders and gaining important insights.

Continuous improvement of safety performance is a priority at Huhtamaki to identify risks related to health and safety, including hazards associated with chemicals and implement control programs to eliminate or minimize the risks identified. Global targets for Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Injury Frequency Rate (TRIFR) are set to measure the progress and ensure that the commitment and expectation expressed in the Global Health and Safety (OHS) Policy Statement are met year by year. The global targets are based on the previous year's results to meet the long-term ambitions set for 2030. The targets are approved by the Group's Safety Committee. The methodology and assumptions for calculating the rates have been described in more detail in the Reporting principles for own workforce related metrics section on page 84. Performance against the set targets is regularly communicated to employees through various channels, including monthly dashboards, occasional intranet articles, quarterly updates from the President and CEO, and employee newsletters. The performance results are also presented annually to employee representative groups such as the EWC. Employees can suggest improvements informally or formally through channels like the employee engagement survey.

## Characteristics of Huhtamaki's employees

Table 10. Employee headcount by gender

| Gender | Number of employees (headcount) |
|---|---|
| Male | 13,653 |
| Female | 4,140 |
| Other | - |
| Not reported | 1 |
| **Total employees** | **17,794** |

Table 11. Employee headcount in countries with at least 50 employees representing at least 10% of its total number of employees

| Country | Number of employees (headcount) |
|---|---|
| United States of America | 4,205 |
| India | 2,517 |
| Germany | 1,332 |
| United Kingdom | 1,201 |
| Türkiye | 1,125 |
| Thailand | 911 |
| Poland | 688 |
| Egypt | 654 |
| South Africa | 648 |
| China | 579 |
| Spain | 503 |
| Netherlands | 451 |
| Vietnam | 409 |
| Finland | 354 |
| Australia | 344 |
| United Arab Emirates | 301 |
| Czechia | 288 |
| Brazil | 277 |
| France | 236 |
| Italy | 167 |
| Ireland | 145 |
| Mexico | 127 |
| Saudi Arabia | 116 |
| New Zealand | 68 |

Table 12. Employees by contract type broken down by gender

| Type | Female | Male | Other | Not disclosed | Total |
|---|---|---|---|---|---|
| Number of employees | 4,140 | 13,653 | | 1 | 17,794 |
| Number of permanent employees | 3,805 | 13,160 | | 1 | 16,966 |
| Number of temporary employees | 319 | 482 | | | 801 |
| Number of non-guaranteed hours employees | 16 | 11 | | | 27 |
| Number of full-time employees | 3,921 | 13,494 | | 1 | 17,416 |
| Number of part-time employees | 219 | 159 | | | 378 |

Table 13. Employees by contract type, broken down by region

| Type | Asia & Oceania | Europe | Middle East & Africa | North and South America |
|---|---|---|---|---|
| Number of employees | 4,895 | 6,570 | 1,720 | 4,609 |
| Number of permanent employees | 4,488 | 6,193 | 1,698 | 4,587 |
| Number of temporary employees | 400 | 357 | 22 | 22 |
| Number of non-guaranteed hours employees | 7 | 20 | - | |
| Number of full-time employees | 4,885 | 6,226 | 1,718 | 4,587 |
| Number of part-time employees | 10 | 344 | 2 | 22 |

Table 14. Employee turnover in reporting period

| Type | Turnover |
|---|---|
| Total number of employees who have left the undertaking during the reporting period | 2,886 |
| Rate of employee turnover in the reporting period (%) | 17.1 |

## Social dialogue

Table 15. Social dialogue in EEA countries

| Coverage Rate | Social dialogue<br>Workplace representation by EEA country |
|---|---|
| 0–19% | Ireland |
| 20–39% | |
| 40–59% | Finland |
| 60–79% | |
| 80–100% | France, UK, Germany, Italy, Spain, Poland, Netherlands, Czechia |

## Diversity metrics

Table 16. Diversity metrics

| Employee group | Male N | Male % | Female N | Female % | Total |
|---|---|---|---|---|---|
| Top management | 7 | 78% | 2 | 22% | 9 |
| Employees under 30 years old | 2,559 | 80% | 640 | 20% | 3,199 |
| Employees 30–50 years old | 7,819 | 77% | 2,385 | 23% | 10,204 |
| Employees over 50 years old | 3,090 | 74% | 1,060 | 26% | 4,150 |

## Health and safety indicators

Table 17. Health and safety metrics

| Health and safety metrics | 2024 |
|---|---|
| Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines | 46.2% |
| Number of fatalities in own workforce as result of work-related injuries and work-related ill health | 0 |
| Number of fatalities as result of work-related injuries and work-related ill health of other workers working on Huhtamaki's sites | 0 |
| Number of recordable work-related accidents for own workforce and contractors (total) | 108 |
| Number of recordable work-related accidents for own employees | 92 |
| Number of recordable work-related accidents for contingent workers | 12 |
| Number of recordable work-related accidents for contractors | 4 |
| Rate of recordable work-related accidents for own workforce (total) | 2.66 |
| Rate of recordable work-related accidents for own employees | 2.66 |
| Rate of recordable work-related accidents for contingent workers | 2.01 |
| Number of days lost to work-related injuries and fatalities from work-related accidents for own workforce (total) | 1,752 |
| Number of days lost to work-related injuries and fatalities from work-related accidents for own employees | 1,719 |
| Number of days lost to work-related injuries and fatalities from work-related accidents for contingent workers | 33 |

## Compensation indicators (pay gap and total compensation)

Table 18. Gender pay gap and total remuneration

| Remuneration metrics | Data |
|---|---|
| Gender pay gap | -11.7% |
| Annual total remuneration ratio | 147.2 |

## Reporting principles for own workforce related metrics

### Calculation methodologies

The headcount information is based on the employment data registered to Huhtamaki's HRIS system at the end of the reporting period (December 31, 2024). The figures encompass all entities within the Huhtamaki Group, including inactive employees on long-term leave as of the reporting date. Employment information is recorded according to national laws, but the consolidated figures in this sustainability statement follow aligned Group definitions.

The information reported under the notes to the consolidated financial statements (section 2.2. Employee Benefits), is based on the average headcount number for the reporting year, in accordance with the Finnish Accounting Decree.

Temporary employees include fixed-term employees, apprentices and interns. Part-time employees are employees who have less contractual scheduled weekly working hours than the default working hours of the location. Temporary or part-time employment is primarily utilized to manage business seasonality and to cover employee leaves. If utilizing fixed-term agreements, the respective country's legislation is followed.

Employee turnover rate is calculated by dividing the number of all termination events in all employee groups by the average number of own employees during the reporting period.

Social dialogue information is based on operational site level assessments on whether the employees of a selected site have selected workplace representation. The percentage is then calculated based on totaling individual sites' headcounts by country.

In the diversity table, the Top management includes the President and CEO and GET members of the Group. The Top management is excluded from the other Employee group figures.

The health and safety metrics are based on data reported using Huhtamaki's sustainability reporting tool and extracted after the end of the reporting period (December 31, 2024). The figures encompass all operational sites and relevant office locations within the Huhtamaki Group. It is assumed that the information has been recorded to the system in a timely and accurate manner.

The percentage of workers covered by a health and safety management system is determined by identifying the sites that are certified according to a recognized standard or guideline and counting the number of people working at those sites. The headcount of the certified sites is then compared to the total number of people in the workforce to calculate the final percentage.

The absolute numbers of accidents include accidents for which Huhtamaki has taken responsibility, due to direct supervision of the work or project management duties, and therefore include accidents of its own workforce (own employees and contingent workers) and contractors.

The rates of recordable work-related accidents are collected at year-end and calculated by dividing the number of recorded accidents at each site by the total working hours for the year, then multiplying by a factor of 1 million (a commonly used international standard to ensure consistency and comparability).

To calculate the number of days lost, the number of lost time hours is extracted from the sustainability reporting tool. An 8-hour day is used as the standard to convert the total hours into days lost.

The unadjusted gender pay gap percentage is determining the Group level difference in the average pay levels between gender demographic (female and male employees), regardless of any other relevant factor. The calculation is based on the predefined formula, which does not consider any objective factors explaining the differences in pay between Huhtamaki countries, such as location, job category, employee group, level of the job or any other legitimate criteria.

The annual total remuneration ratio shows the relationship between the annual total compensation for Huhtamaki's median employee in the financial year 2024 and that of the highest paid individual, the President and CEO. The data for the President and CEO is based on the disclosed information on the Remuneration Report 2024, including non-variable annual base salary and benefits, short-term incentives and long-term incentives. The data for the median employee (excluding the highest paid individual) from Huhtamaki's total global workforce was determined based on data recorded to the HRIS system at the end of the reporting period (December 31, 2024). When determining the median employee, none of Huhtamaki's 36 countries or employee groups were excluded.

The measurement of the metrics is not validated by an external body.

### Identified limitations

Any fluctuations in headcount numbers during the reporting period are not reflected in the reported numbers, as they are collected at the end of the reporting period only.

For workplace representation, only the existence of a selected representative on each site has been assessed. Therefore, it is possible that not everyone from the site's headcount is able to join this representation, e.g., based on the type of work they do compared to the representation.

At the time of the data gathering, there were 232 employees without a recorded date of birth in the HRIS system. Therefore, these individuals are excluded from the diversity metrics table as they could not be correctly categorized, furthermore one of these individuals had not disclosed gender either.

Although there are no clear limitations for health and safety reporting, estimation of December working hours may be needed as some sites may not have finalized figures available when data is extracted for year-end reporting. The rates encompass accident data for both Huhtamaki's own workforce and contractors. However, due to limitations in tracking contractor working hours, these hours are excluded from the rate.

In the calculation of gender pay gap percentage and the median base compensation for the annual total remuneration ratio, annual total un-prorated compensation has been used without considering country-level differences in weekly working hours. All salaries, fixed allowances, and incentives have been based on target and/or contractual levels. Actual variable benefits and allowances, such as overtime or shift allowances are excluded, as data is not available in the HRIS system. To enable the comparison, all amounts were annualized and converted to EUR using the effective exchange rate within the HRIS system (July 1, 2024).

# ESRS S2 WORKERS IN THE VALUE CHAIN

## Material impacts related to workers in the value chain

| Material impact or risk | | Description | Applicability |
|---|---|---|---|
| **Working conditions** | | | |
| **Negative impact** | Facilitating social dialogue for value chain workers | Huhtamaki's value chain extends to some locations and industry sectors where there is a risk that social dialogue between workers and supervisory bodies or management is not conducted, either in practice or in good faith, because it is not required or enforced by law or regulation. | **Value chain** |
| **Negative impact** | Representation of value chain workers in trade unions or work councils | Huhtamaki's value chain extends to some locations where freedom of association is restricted by law. | **Value chain** |
| **Negative impact** | Possibilities of collective bargaining for value chain workers | Huhtamaki's value chain includes countries and regions where collective bargaining is restricted by law. | **Value chain** |
| **Negative impact** | Managing workplace health and safety for value chain workers | Huhtamaki's value chain extends to countries and sectors where there is a risk that suppliers operate without sufficient health and safety management systems in place. Huhtamaki can mitigate the risk by ensuring suppliers have adequate health and safety management systems in place. | **Value chain** |
| **Entity specific** | | | |
| **Negative impact** | Chemical safety in Huhtamaki's value chain | Huhtamaki sources materials that require the use of chemicals in the production process, which can negatively impact workers' health and safety. Some value chain operations are located in high-risk countries and sectors. Huhtamaki can mitigate the risk by ensuring that suppliers have adequate health and safety management systems in place. | **Value chain** |

The material impacts, risks and opportunities related to workers in Huhtamaki's value chain have been identified in the double materiality assessment, which is described in detail on page 47 onwards.

Huhtamaki's supplier networks consist of global key suppliers and a large number of local partners located close to the manufacturing sites. The company works with approximately 20,000 suppliers globally who provide a range of goods and services for manufacturing and delivering packaging solutions to Huhtamaki's customers close to where they need them.

Huhtamaki's value chain includes countries where work can be precarious, short-term, or informal; and where insecure employment is commonplace. It also includes countries where freedom of association and collective bargaining is limited either through the law or through common practice. These and other factors can pose a higher risk of exploitation for workers. This can make it more difficult for workers to engage in social dialogue without fear of reprisal, seek representation in a trade union or work council, or engage in collective bargaining.

Huhtamaki's value chain also extends to some countries and industries with comparatively weaker regulations and/or enforcement around health and safety and chemical safety management.

Huhtamaki also can potentially support job continuity and creation indirectly through its global network of goods and services suppliers, and has an opportunity to use its leverage to uphold or even raise standards in its value chain.

Huhtamaki is committed to respecting human and labor rights across all its operations, including workers in the value chain. Huhtamaki's 2030 strategy takes this into account. The Group has developed policies and practices to assess, mitigate, remediate and track its potential negative impacts, and is continuously developing its approach. Huhtamaki has not identified material risks and opportunities arising from impacts or dependencies on workers in the value chain.

The value chain workers whose rights are likely to be materially impacted by Huhtamaki, either directly or indirectly, include:

1. third-party goods and services providers at Huhtamaki's sites, including third-party canteen workers, cleaning service providers, and others;
2. workers in the upstream value chain, including those working for direct suppliers in paperboard, resin, film, ink and solvent production, recycled paper and fiber collection, aluminum production, as well beyond tier 1, including the extraction, harvesting, refining and transformation of raw materials like timber, bauxite and feedstock for plastics;
3. downstream goods and services providers, including workers in logistics, and distribution or warehousing activities, as well as workers for operations providing goods and services related to the maintenance and operations of Huhtamaki's own production, energy production or transmission, waste and recycling management, and other activities;
4. workers in the above categories with heightened vulnerability due to inherent characteristics or contexts, such as migrant workers, informal workers or young workers. These include migrant and immigrant workers who provide services at Huhtamaki sites and informal waste collectors.

Given Huhtamaki's vast value chain, the Company's operations can cause, contribute, or be linked to negative impacts on value chain workers described above. Some of these material negative impacts are systemic in specific countries or commodities. The rights to social dialogue, freedom of association and collective bargaining, for instance, are challenged or curtailed in some countries in which Huhtamaki operates. Impacts to health and safety, and in particular chemical safety are of concern in the manufacturing processes for the materials Huhtamaki sources, including paperboard, resins, films, inks, solvents and aluminum. Negative impacts can result from workplace accidents or incidents such as machinery accidents, air quality violations, inadequate fire safety measures, chemical spills and leaks, or excessive noise and heat. Huhtamaki can reduce the risk of negative impacts on supplier work environments by requiring and checking compliance with the standards in the Code of Conduct for Huhtamaki Suppliers.

Based on Huhtamaki's materiality assessment, workers likely to be negatively impacted are those in geographical locations without strong employment and safety regulations or enforcement mechanisms; areas and industries that rely on migrant or irregular workers or other vulnerable workers at risk of labor exploitation; areas considered to have higher levels of corruption or weaker access to justice or trust in the rule of law; and areas where freedom of association, collective bargaining and access to social dialogue are not recognized, tightly controlled, or not respected.

## Policies related to value chain workers

Huhtamaki is committed to respecting human rights in its own organization and in the value chain, consistent with internationally recognized principles and frameworks. These commitments are outlined in the Group Human Rights Policy, which is further described in the Policies related to own workforce section on page 77, as well as the Code of Conduct for Huhtamaki Suppliers ("Supplier Code"), and the Group Guiding Principles for Responsible Procurement.

### Code of Conduct for Huhtamaki Suppliers

The Code of Conduct for Huhtamaki Suppliers outlines the minimum standards of ethical business conduct, and the social and environmental responsibility Huhtamaki's partners are expected to comply with, as well as expectations to develop appropriate control systems, permit third-party verification, and address non-compliances. The Supplier Code applies to all business partners providing goods or services to Huhtamaki and is an integral part of the business relationship.

The Supplier Code sets requirements that directly address Huhtamaki's material negative impacts related to workers in the value chain. With respect to managing health and safety and chemical safety, the Supplier Code sets requirements for suppliers to provide workers with a safe and healthy work environment. This includes taking measures to prevent workplace hazards including implementing appropriate systems and work procedures as well as provide training, personal protective equipment and medical care. The Supplier Code also communicates the requirement to respect workers' rights to freedom of association, social dialogue and collective bargaining, and further lays out expectations to conduct worker trainings and operate effective feedback channels and grievance mechanisms. The suppliers are expected to apply these standards to all their workers, to their subcontractors, and their suppliers.

The Code of Conduct for Huhtamaki Suppliers is approved by the Global Executive Team. The responsibility for cascading the policy standards to Huhtamaki's first-tier suppliers sits with the procurement teams. It is available on Huhtamaki's website in 16 languages and dialects and is incorporated into the Company's General Terms and Conditions for Purchasing and communicated at various steps of the procurement process. In 2024, Huhtamaki initiated a project to incorporate language into purchase orders across all sites that communicates expectations to adhere to the Supplier Code, as well as the availability of the Speak Up channel for reporting any suspected violations, with updates confirmed at all but four sites by the end of the year.

Huhtamaki centrally monitors its key suppliers' acceptance of the standards in the Code of Conduct for Huhtamaki Suppliers.

### Group Guiding Principles for Responsible Procurement

The Group Guiding Principles for Responsible Procurement outline Huhtamaki's commitment to developing a risk-based human rights due diligence approach, based on severity and likelihood, in order to prioritize material impacts in the value chain. This includes assessing and monitoring Huhtamaki's suppliers' actual and potential impacts on human rights, operating accessible, confidential, and effective grievance mechanisms, working with suppliers to take mitigating or remedial action, and tracking and communicating impact with an eye toward continuous improvement.

The Group Guiding Principles for Responsible Procurement are approved by Huhtamaki's Business Presidents. Responsibility for allocating sufficient resources to manage supplier due diligence activities sits with the Global Executive Team. The Principles are available on the Company's website.

Huhtamaki's Group Human Rights Policy, the Group Guiding Principles for Responsible Procurement, and the Code of Conduct for Huhtamaki Suppliers communicate the Company's commitment to human rights due diligence frameworks in line with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

The Code of Conduct for Huhtamaki Suppliers also articulates expectations that suppliers respect human rights and labor rights consistent with internationally recognized human rights and labor rights instruments, such as the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. This includes:

- A safe and healthy work environment
- No discrimination or harassment
- Freedom of Association, collective bargaining, and social dialogue
- Reasonable work hours
- Fair and timely compensation
- No child labor or forced labor

Huhtamaki relies primarily on its suppliers to engage with its workers and then monitors supplier compliance with its most material human rights issues using a risk-based approach. These are based on inherent risk factors that includes the size of spend, strategic importance, country, and supplier type. Selected key suppliers are monitored at the group level, including through ongoing screening and monitoring as well as supplier assessments and audits, further described in the Actions related to workers in the value chain section on page 88.

Value chain workers or other individuals who suspect workplace violations related to health and safety, chemical safety, freedom of association, collective bargaining social dialogue, or any other human rights matter, can make a report directly to Huhtamaki through the Huhtamaki Speak Up Channel, which is managed by Huhtamaki's Global Ethics and Compliance team. Cases of potential noncompliance, including potential human rights violations, are handled in accordance with the Group Speak Up and Investigations Policy and overseen by Huhtamaki Ethics and Compliance Committee. More information can be found in the Business Conduct section on page 94, covering the Mechanisms for identifying, reporting and investigating concerns.

Huhtamaki has additional policies in place related to human rights and responsible procurement that apply to the management and expectations of Huhtamaki value chain partners. These policies include the Huhtamaki Code of Conduct and the Group Procurement Policy. All above policies and guidelines are available to internal stakeholders on the Huhtamaki intranet, and all, but the Group Procurement Policy, are also available publicly on the Huhtamaki website.

## Processes for engaging with value chain workers about impacts

Huhtamaki is committed to engaging with affected stakeholders in its value chain. The company has established health and safety management systems at its own sites that cover all activities of its own workforce, contractors and visitors at Huhtamaki premises. For further details see Policies related to own workforce section on page 77.

Outside its own sites, Huhtamaki has not adopted a general process to engage directly with other workers in the value chain. Huhtamaki's current mode of engagement with other workers in the value chain is primarily indirect, as the Group focuses on supplier dialogue and reviewing social compliance audits where worker interviews are conducted. Value chain workers can voice concerns directly to Huhtamaki through the Speak Up Channel.

## Processes to remediate negative impacts and channels for value chain workers to raise concerns

Health and safety management systems at Huhtamaki's own sites further cover remediation activities of its own workforce, as well as contractors and visitors at Huhtamaki premises.

If a potential or actual negative material impact is identified through the course of Huhtamaki's monitoring activities, for instance through a social audit or an adverse media alert, Huhtamaki reaches out to the supplier to request further information and to request the supplier remediate the non-compliance, and to ask how the supplier plans to make improvements that reduce the chances of a similar adverse impact.

In addition, Huhtamaki operates a Speak Up channel through which all stakeholders, including value chain workers, can raise concerns about potential human rights violations that will then be investigated and addressed. Grievances are treated confidentially.

Huhtamaki aims to make the Speak Up channel easily available. It is accessible through the Company's website and can be initiated in more than 20 languages. Links to the Speak Up channel are also repeatedly communicated to Huhtamaki's suppliers through the Code of Conduct for Huhtamaki Suppliers, as well as through contractual documents such as purchase orders. In addition, adherence to the standards in the Code of Conduct for Huhtamaki Suppliers is included in Huhtamaki's General Terms and Conditions of Purchasing.

The process for addressing potential misconduct or human rights violations is outlined in the organization's internal Group Speak Up and Investigations Policy. The policy sets forth principles for investigating and responding to alleged violations, with a strict prohibition against retaliation and a commitment to prioritizing the safety and well-being of affected individuals in the case of a potential human rights violation. Corrective actions and remedy are determined on a case-by-case basis. The Huhtamaki Ethics and Compliance Committee follow up on the reported incidents regularly.

Huhtamaki does not currently have a formalized process in place to assess awareness and trust of the Group's grievance mechanisms by workers in the value chain.

More information can be found in the Business Conduct section on page 94, covering the Mechanisms for identifying, reporting and investigating concerns.

## Targets related to workers in the value chain

Currently, Huhtamaki does not have measurable, outcome-oriented, and time-bound targets in place to address workers in the value chain-related matters and the material negative impacts due to ongoing developments. However, Huhtamaki is committed to respecting human rights in its organization and throughout the value chain, which guides the Company's actions towards the workers in the value chain. Huhtamaki intends to set specific targets in the medium term, for which the work is currently ongoing. Huhtamaki nevertheless assesses the effectiveness of its policies and actions by tracking its key suppliers' commitment to the standards outlined in the Code of Conduct for Huhtamaki Suppliers.

## Actions related to workers in the value chain

Huhtamaki maintains health and safety management systems at its own sites to prevent, mitigate and remediate material negative impacts related to health and safety and chemical safety to all workers at Huhtamaki premises, including contractors and visitors. See Policies related to own workforce section on page 77 for more information.

To further prevent, mitigate and remediate material negative impacts for value chain workers, Huhtamaki has developed a general action plan focused on conducting and improving ongoing third-party environmental, social and governance (ESG) due diligence. Concurrently, the Group has launched strategic planning activities to meet upcoming regulatory requirements, including advancing further approaches to address specific material negative impacts.

The key actions for 2024 included:

- **Ongoing supplier ESG due diligence activities:** screening of suppliers, tracking Supplier Code of Conduct acceptance, questionnaires, self-assessments, third-party ethical audits, regular human rights risk reviews, regular follow-ups, preventive and corrective actions, investigation of suspected breaches
- **Improvements of supplier ESG due diligence processes:** Communicating expectations to comply with standards in the Supplier Code of Conduct across sites and their suppliers (to continue in 2025), internal training and capacity building on expectations around Huhtamaki's responsibilities to monitor suppliers' workers' rights and decent working conditions, piloting of new third-party ESG due diligence tool, development of due diligence processes aligned with upcoming European Union Deforestation Regulation (EUDR)
- **Strategic planning activities launched and ongoing:** Identifying and implementing upcoming regulatory requirements, including The Corporate Sustainability Due Diligence Directive (CSDDD) and EUDR, development of strategic priorities, key actions, milestones and potential targets focused on suppliers' most severe potential human rights and workers' rights impacts

In the medium term, Huhtamaki plans to strengthen its supplier ESG due diligence in accordance with upcoming regulations, with a focus on governance, processes and tools.

The expected outcomes for such activities focus on implementing ongoing due diligence consistent with regulatory requirements, the UN Guiding Principles on Business and Human Rights, and other international guidance, with the goal of mitigating negative human rights impacts on workers in Huhtamaki's value chain:

- Short term: Huhtamaki develops an even stronger understanding of potential risks to people in the value chain and why it is business critical to manage such risks
- Medium term: Huhtamaki's responsible procurement practices are implemented in line with legal requirements, with a focus on continuous improvement
- Long term: The risk of the most severe impacts on workers is reduced through Huhtamaki's actions

In scope, Huhtamaki will continue to assess risks and impacts throughout the upstream and downstream value chain globally and expects to primarily focus on directly engaging with its tier 1 suppliers to mitigate potential material impacts and remediate actual material impacts in the short-term.

Huhtamaki conducts ongoing monitoring and screening activities using a risk-based approach that takes into account the size of supplier spend, strategic importance, location, and supplier type. If an actual or potential material impact is identified, the information is internally reviewed to understand if the alerts are relevant, if Huhtamaki causes, contributes or is linked to the adverse impact, and then decide on a proper course of action to mitigate the potential impact or determine if remediation or corrective actions are necessary.

Typically, Huhtamaki reaches out to the supplier to understand how material negative impacts have been addressed and will be reduced moving forward. When an adverse finding arises in a social audit, Huhtamaki requests corrective actions be verified by the auditor.

During the reporting period, zero severe human rights issues and incidents were connected to Huhtamaki's on-site contract workers.

Huhtamaki's health and safety metrics include contract workers and are reported in the Health and safety indicators section on page 83. In addition, zero severe incidents involving upstream or downstream value chain workers have been reported through the Speak Up channel.

Through 2024 ethical audits, Huhtamaki identified one supplier site in China and one site in Indonesia, both with three critical health and safety nonconformances. Huhtamaki's quality and procurement teams reached out to the suppliers to make sure the nonconformances were addressed. Huhtamaki has requested audited verification that corrective actions have been taken.

The disclosed issues are based on actual social audit results shared through the audit-sharing platform Sedex. Huhtamaki defines any finding labeled as critical or business critical as a severe issue.

This metric has not been validated by an external body.

Huhtamaki recognizes that ethical audits are considered snapshots of performance and have methodological limitations in identifying negative human rights impacts, particularly for certain issues such as discrimination, harassment, the right to freedom of association and collective bargaining. In addition, Huhtamaki's own scope of supplier audits is currently limited to its first tier. It is further limited by the small percentage of first tier suppliers currently engaged in social audit sharing with Huhtamaki.

Huhtamaki does not currently have significant operational or capital expenditures allocated for the implementation of the defined actions. However, smaller financial resources and other resources, such as dedicated personnel from the Group and segments are designated to support the implementation efforts.

# ESRS S4 CONSUMERS AND END-USERS

## Material impacts and opportunities related to consumers and end-users

| Material impact or risk | | Description | Applicability |
|---|---|---|---|
| **Entity specific** | | | |
| **Positive impact** | Food safety and improved customer health through packaging | Huhtamaki improves food safety across the value chain by providing high-quality food packaging. This includes ensuring product safety, quality, and correct labelling, which positively impacts consumer health and safety. Proper food labelling is also crucial for food retailers. | **Value chain** |
| **Opportunity** | Financial opportunity from promoting food safety | Highlighting the positive role of packaging in food safety can attract investors, benefiting Huhtamaki financially. | **Value chain** |
| **Positive impact** | Role of packaging in food availability | Food packaging ensures the availability of affordable food by guaranteeing product safety and quality. It protects and extends the shelf life of food, playing a crucial role in reducing food waste across global supply chain. | **Value chain** |
| **Opportunity** | Increased sales through quality packaging | High-quality and durable food packaging is crucial for Huhtamaki customers, influencing purchasing decisions and increasing sales. It also enhances food availability in remote areas, expanding the market size. | **Value chain** |

Huhtamaki's products are used by food and beverage companies, quick service and fast casual restaurants, foodservice operators, fresh produce packers as well as retailers. Huhtamaki's products protect on-the-go and on-the-shelf food and beverages, and home and personal care products, enhancing hygiene and safety, driving accessibility and affordability, and helping prevent food waste. By enhancing the hygiene and safety of food products, Huhtamaki's packaging solutions play a crucial role in keeping food edible for longer periods. This not only helps in reducing food waste but also plays an instrumental role in making food more affordable and accessible for consumers. The consumers and end-users potentially subject to the identified material impacts include those that buy and use the packaging products produced by Huhtamaki.

The material impacts and opportunities related to Huhtamaki's consumers and end-users have been identified in the double materiality assessment, which is described in detail on page 47. Huhtamaki recognizes the essential role of packaging in safeguarding food and reducing food waste, ensuring consumers around the world have safe, hygienic, accessible and affordable food. Huhtamaki is committed to providing safe, fit-for-purpose, and high-quality packaging products, where the safety and quality of the final product is never compromised. Huhtamaki's products also improve food availability and affordability by increasing product shelf-life through effective packaging solutions. Whereas food and product safety and quality, as well as food availability and affordability, have been identified as material topics where Huhtamaki has actual positive impacts on consumers and end-users using its products, these have also been identified as financial opportunities. Thus, Huhtamaki considers industry-leading food contact packaging safety as a competitive advantage.

## Policies related to consumers and end-users

Huhtamaki provides packaging products, that meet regulatory requirements and meet or exceed Huhtamaki's customer quality and safety standards. Huhtamäki has the process to follow these standards are met. Food contact packaging safety is fundamental to Huhtamaki's ethical business practices and responsibilities as a manufacturer of food and drink packaging products. This commitment is guided by the Group Food Contact Packaging Safety Policy, which outlines the food safety-related requirements integrated into local quality management systems, targeted to advance the positive impacts and simultaneously pursue identified opportunities related to food safety, quality and availability.

The Group Food Contact Packaging Safety Policy is applicable worldwide across all Huhtamaki business segments and units, covering both direct and indirect food contact packaging products, and is available on the Huhtamaki intranet. The policy is approved by the Global Executive Team, and the policy's management responsibility lies with the Group Sustainability and Communications department, with the intention of ensuring top-level accountability and commitment to food contact packaging safety. This global foundation for food contact packaging safety is implemented locally taking into account the specific local requirements. Each segment must comply with applicable local and regional food contact safety laws and regulations, and is required to supplement the policy with specific written procedures and guidelines. The policy outlines the minimum requirements to be included in local quality management systems, which encompass auditable documentation, clearly defined roles and responsibilities, adherence to applicable requirements and regulations, design reviews of new and revised packaging, and periodic audits. Additionally, the policy mandates procedures for handling food contact safety complaints and claims, implementing corrective actions, and ensuring effective communication and training for relevant internal and external stakeholders. Huhtamaki has also dedicated product safety teams globally, providing guidance, training, and support to all sites.

Huhtamaki's commitment to manufacture and supply products that meet applicable specifications, quality standards and controls is outlined in Huhtamaki's Code of Conduct, described in detail in the Business conduct polices and corporate culture section on page 93. Furthermore, the Group Environmental Policy reinforces Huhtamaki's commitment to protecting food, people and the planet. Considering environment and public health, the policy includes the restriction and substitution of hazardous high-impact chemicals, aiming to minimize chemical usage and reduce Huhtamaki's environmental impact across all operations. The Group Environmental Policy enhances a global and group-wide understanding of Huhtamaki's environmental commitments, and provides guidance across business segments and functions to meet these. See more detailed description of the Group Environmental Policy and its implementation in Policies related to climate change mitigation section on page 57.

Huhtamaki's Group Human Rights Policy outlines Huhtamaki's commitment to respect human rights throughout the value chain and is in line with the UN Guiding Principles on Business and Human Rights. The policy does not specifically call out consumers or end-users. However, Huhtamaki's Food Contact Packaging Safety Policy outlines the Group's minimum requirements to ensure that its products meet all food contact safety laws and regulations, and are safe for consumers. Huhtamaki engages with consumers and end-users in numerous ways, which are described further in the General information section on page 41, and later in this topical section.

Huhtamaki has an established process for the structured and timely investigation of all suspected breaches of its policies, as well as laws and regulations. Providing remedy for human rights impacts is part of Huhtamaki's commitment to respect human rights and build a human rights due diligence process in line with the UN Guiding Principles on Business and Human Rights. This does currently not specifically mention potential impacts on consumers, but on a more general level, Huhtamaki follows up on any product quality issues and potential product recalls, and takes preventive and corrective actions when necessary.

## Processes for engaging with and channels for consumers and end-users to raise concerns

Huhtamaki primarily operates in the business-to-business sector, selling its products to customers in the foodservice, healthcare, and pharmaceutical industries, as well as to retailers in the food and beverage sectors. In addition, in North America Huhtamaki sells disposable tableware solutions directly to consumers through The Chinet® brand. Given the primary nature of its business operations, Huhtamaki has not adopted a general approach to engage with the consumers and end-users. As described in General information section on page 41, Huhtamaki communicates with consumers and end-users primarily through labelling and end-of-life guidance and instructions on its packaging products. Some of Huhtamaki's products also have a web address for consumers and end-users to provide feedback. Huhtamaki also engages with the consumers in joint projects related to product development. Currently, there is no specific engagement taking place with representatives of consumers and end-users.

Huhtamaki's Speak Up channel is also available to external parties, including consumers and end-users, to raise concerns. Detailed information about the Speak Up channel and the processes for raising, monitoring, and addressing concerns can be found in the Business Conduct section on page 94, covering the Mechanisms for identifying, reporting and investigating concerns. The current Speak Up and Investigations Policy primarily focuses on managing internal violations and non-compliance investigations, but Huhtamaki is planning to further develop processes to manage concerns raised by these external parties.

Huhtamaki also has a dedicated website in North America called MyChinet that provides the means for consumers to engage directly with Huhtamaki, provide feedback and report issues such as defective products.

## Actions related to consumers and end-users

In 2024, Huhtamaki continued key initiatives to meet applicable specifications and global standards for product quality and food safety, in line with its Food Packaging Safety Policy, with plans to extend these efforts further.

### Chemical safety and proactive chemicals management

Chemical safety and proactive chemicals management are essential components of Huhtamaki's product stewardship and safety-by-design approach. Huhtamaki maintains rigorous practices and procedures to control the quality of the end products and operations, and to meet the stringent requirements for manufacturing food contact materials. These efforts encompass both the composition of end products and the use of chemicals in operations.

Huhtamaki adheres to all relevant regional, national and global chemical regulations, such as the EU REACH regulation on chemical substances in Europe, and the GHS classification and labelling of chemicals from the United Nations globally. These commitments also extend to the supply chain through the Code of Conduct for Huhtamaki Suppliers.

### Monitoring of regulatory developments and stakeholder engagement

Huhtamaki continuously monitors developments across its operating regions to ensure adherence to applicable regulations and frameworks, and to identify emerging materials and chemicals. Huhtamaki also engages with stakeholders in dedicated forums and conferences focused on food contact and chemicals compliance. These include trade organization working groups and customer-organized regulatory forums. Additionally, Huhtamaki follows the developments of the EU Chemical Strategy for Sustainability to align the processes and products with the requirements of this strategy, emphasizing the zero-pollution ambition.

### Digitalization and training initiatives for food contact material compliance

Huhtamaki is advancing the digitalization of food contact material (FCM) compliance documentation, continuing through 2025 to support its digitalization strategy. In 2024, Huhtamaki continued internal FCM compliance training series across all business segments, focusing on emerging issues in food contact packaging chemical safety. These training efforts will persist in 2025, enhancing product safety awareness and regulatory knowledge across teams. In North America, Huhtamaki extends its training initiatives to include suppliers and customers, promoting a collaborative approach to FCM compliance. This ensures all stakeholders across the value chain are informed about regulatory requirements and best practices, maintaining high standards of product safety and fostering strong partnerships.

### Adherence to quality management systems and regular assessments

Food contact packaging safety is documented within Huhtamaki's quality management systems that adhere to standards such as ISO 9001, while food safety and hygiene standards include ISO 22000 and GFSI (Global Food Safety Initiative) recognized schemes, such as BRC Global Standard for Packaging and Packaging Materials (BRCGS) or SQF (Safe Quality Food institute). Annual site-level reviews are conducted to track and document the effectiveness of management systems.

Huhtamaki uses only qualified suppliers and raw materials approved for food contact applications, with systems in place for material tracking. Immediate action is taken if products fail to meet internal or market standards. In addition to strict internal procedures and controls, Huhtamaki undergoes regular audits by internal quality control teams, customers, and certification bodies across all business segments. These audits rigorously assess quality assurance, hygiene, and food contact safety, ensuring continuous improvement and alignment with industry standards and regulatory requirements.

These actions promote food and product safety, quality, availability and affordability, through which Huhtamaki can also pursue the identified opportunities. These initiatives are planned to continue on a regular basis in the short- and medium-term. While there are no significant operational or capital expenditures allocated, smaller financial resources and other resources, such as dedicated personnel from the Product Stewardship and Quality Assurance teams, support the implementation efforts.

## Targets related to consumers and end-users

| Target | Scope | Annual target | 2024 performance |
|---|---|---|---|
| Zero food contact compliance-related claims reported | Own operations, upstream & downstream value chain | 0 | 2 |

Huhtamaki is dedicated to ensuring that all its products comply with Group Food Contact Packaging Safety Policy, which underlines the Company's commitment for food and product safety and quality, and outlines the minimum requirements that each business segment must follow. To support this commitment, Huhtamaki has set an annual target of zero food contact compliance-related claims reported, through which it tracks and ensures the adherence to the policy objectives. The target has been set together with representatives from business segments and key functions, reviewed by the Global Executive Team, and approved by the Board. External stakeholder groups, including consumers or end-users, were not involved in the target setting process.

The metric used to monitor and assess the target performance is the number of food contact compliance-related claims, measured by product safety recalls, which is based on the definition of Huhtamaki's quality management guidelines. Huhtamaki's sites and segments continuously monitor and keep track of the recalls and their product safety statistics. The information is gathered from the sites and segments on a continuous basis by the Product Stewardship teams and reported to the Group, which validates and reports on the target performance on an annual basis. Huhtamaki is committed to taking immediate actions in case of non-compliance with its policy and applicable standards, and if any product safety-related recalls are reported. In 2024, Huhtamaki reported two safety related recalls. Neither of the two identified product safety incidents caused risk of serious injury or fatality.

Huhtamaki further tracks the effectiveness of is policies and actions by conducting annual site-level reviews of the management systems as well as through regular audits conducted internally or by external stakeholders as described in the previous section.


Renewed Huhtamaki Code of Conduct was launched in 2024.

The completion rate of the Code of Conduct training was 97.9%.

# Governance information

## ESRS G1 BUSINESS CONDUCT

### The role of administrative, management and supervisory bodies

At Huhtamaki, the Group's values – Care, Dare, Deliver – form the foundation for the corporate culture and way of working. These values are defined and approved by the Board of Directors. The Board has also approved the Huhtamaki Code of Conduct, a fundamental component of Huhtamaki's business conduct.

In addition, the Board is responsible for ensuring that policies outlining the principles of corporate governance, as well as other matters required by applicable legislation or regulations, or which the Board deems necessary, exist, and are carefully followed. As part of enterprise risk management, the Board reviews the Group's risks related to business conduct and the extent to which these risks have been properly identified, recognized, and addressed. An ethics and compliance review is presented to the Audit Committee of the Board of Directors at least twice a year. The Chair of the Audit Committee informs the Board about the committee's discussions, findings, and recommendations.

When preparing its proposal concerning the composition of the Board, the Shareholders' Nomination Board shall take into account the set principles on diversity. The Board's diversity – e.g., in terms of expertise, experience in different markets and geographies, gender, and nationality enables it to assess and address business conduct matters from multiple perspectives. Board members have gained extensive experience in business conduct matters through their backgrounds in executive roles in operations, finance, and human resources, predominantly in globally operating, publicly listed entities. More information about the role of the Board can be found in chapter The role of administrative, management and supervisory bodies on page 35.

### Material impacts and risks related to own workforce

| Material impact or risk | | Description | Applicability |
|---|---|---|---|
| **Corporate culture** | | | |
| **Positive impact** | Ethical business conduct and corporate culture | As a globally operating Group, Huhtamaki's actions have impact on individuals and communities worldwide. Our commitment to uphold and promote our corporate values, culture and business conduct builds trust and engagement both within and outside of Huhtamaki, making us a trustworthy employer, partner, supplier, customer, and a company to invest in. Conversely, neglecting to enforce these commitments can result in negative consequences, eroding integrity and trust. | **Own operations** |
| **Corruption and bribery** | | | |
| **Positive impact** | Prevention of corruption and bribery | Huhtamaki operates in 36 countries including some where the risks of corruption and bribery are notably elevated. By implementing robust prevention and detection practices – including policies and trainings – Huhtamaki can mitigate these risks and their associated negative impacts, while demonstrating its commitment to ethical business conduct. | **Own operations** |

The material impacts, risks and opportunities related to Huhtamaki's business conduct and corporate culture have been identified in the double materiality assessment, which is described in detail in chapter Description of the processes to identify and assess material impacts, risks and opportunities on page 47.

## Targets related to business conduct

| Policy objective | Target | Scope | Annual target | 2024 performance |
|---|---|---|---|---|
| Fostering ethical business conduct and corporate culture | All Huhtamaki employees have completed the annual Code of Conduct training by the end of the year | All Huhtamaki employees | 100% | 97.9% |
| Prevention of corruption and bribery | All Huhtamaki employees working in functions-at-risk have completed the annual anti-corruption training by the end of the year | Huhtamaki employees working in functions-at-risk | 100% | 89.3% |

Huhtamaki has established measurable, outcome-oriented, and time-bound targets for ethical business conduct and corporate culture, along with policy objectives for the prevention of corruption and bribery. The Company's governance targets serve as key metrics that demonstrate its commitment to fostering ethical business conduct and corporate culture, as well as combating corruption. These targets are set and monitored annually, with related actions recurring each year. The content of the trainings and the performance against these targets are further described in the sections below. All targets are approved by Huhtamaki's Audit Committee.

## Business conduct polices and corporate culture

### Code of Conduct – Huhtamaki policy for ethical business conduct and corporate culture

The Huhtamaki Code of Conduct establishes and embodies the principal themes of Huhtamaki's business conduct and corporate culture that are based on the Huhtamaki values – Care, Dare, Deliver. The Code of Conduct applies to all Huhtamaki employees, members of management, officers, and directors globally, and guides them to live by the Huhtamaki values, comply with applicable laws, regulations, and internal requirements, and make ethically sound decisions in their daily work.

Through its Code of Conduct, Huhtamaki fosters a culture where everyone is expected to act with integrity and encouraged to voice concerns if they observe or suspect instances of non-compliance. In 2024, Huhtamaki launched a renewed version of its Code of Conduct, along with renewed training programs and supporting materials aimed at making the Code of Conduct relatable for every employee, inclusive, and easy to understand and apply in practical day-to-day situations. The Code of Conduct document is available in 24 languages on Huhtamaki's internal and external websites.

In addition to the Code of Conduct, Huhtamaki's commitment to its ethical business conduct is further embodied in the following key documents:

- Code of Conduct for Huhtamaki Suppliers
- Group Anti-corruption Policy (consistent with the United Nations Convention against Corruption)
- Group Competition Compliance Policy
- Group Corporate Governance Policy
- Group Data Privacy Policy
- Group Human Rights Policy
- Group Insider Policy
- Group Speak Up and Investigations Policy
- Group Trade Sanctions Compliance Policy

The Board has approved the Code of Conduct and holds oversight responsibility to ensure that it is carefully followed across Huhtamaki. The Global Executive Team, alongside leaders at all levels of the organization, are responsible for implementing the Code of Conduct. Huhtamaki's Global Ethics and Compliance team serves in an advisory and partnering role and is responsible for the overall framework for addressing ethics and compliance matters. The team provides regular reports to the Ethics and Compliance Committee (ECC) and further to the Audit Committee. The ECC is chaired by the Group General Counsel, with other members including the Chief Financial Officer, and the Executive Vice President, Human Resources and Safety.

### Promoting ethical business conduct and corporate culture through training and communication – Key actions

Regular communication and training are vital components of promoting and developing corporate culture and raising awareness about ethical business conduct. Every Huhtamaki employee, including part-time, temporary, and fixed-term staff, must complete an annual Code of Conduct training. This training is available in both e-learning and classroom formats, in a total of 24 languages. The Code of Conduct training covers key elements of ethical business conduct and provides guidance and practical examples on legal compliance and ethical behavior. Huhtamaki's target is for 100% of its employees to complete the annual training. In 2024, the annual Code of Conduct training was completed by 97.9% of all employees. In 2024, all members of Huhtamaki's Board of Directors completed the Code of Conduct training.

Depending on their roles, employees are also offered e-learning courses on anti-trust and competition compliance, data privacy and information security, as well as anti-corruption and bribery. Details about the anti-corruption and bribery e-learning, and a description of Huhtamaki's functions that are most at risk in respect of corruption and bribery ("functions-at-risk") can be found in chapter Preventing and detecting corruption – Key actions on page 94. The Global Ethics and Compliance team also organizes targeted face-to-face trainings for selected internal target audiences.

In addition to the trainings, Huhtamaki's key activities in 2024 regarding business conduct and corporate culture included the establishment of a Code of Conduct ambassador network, townhall communications emphasizing the importance of ethical business conduct, a specific Code of Conduct intranet site, articles published on the intranet, as well as Code of Conduct-themed posters and info screen slides for use at Huhtamaki sites. Huhtamaki also conducted its annual employee engagement survey, Connect, which is one way for Huhtamaki to evaluate its culture.

Acknowledging the importance of leading by example, Huhtamaki promotes its corporate culture through its leadership model, called Leader's Imprint. This model is designed to guide people leaders in embodying the desired behaviors that support Huhtamaki values, and to set a standard for employees to follow. Huhtamaki also invests in leadership development, employee training and onboarding activities, and recognition programs. Consistent internal communication and annual people processes are implemented to promote the desired behaviors across the organization.

As part of the efforts for upholding and evaluating its corporate culture, Huhtamaki maintains mechanisms for identifying, reporting and investigating concerns. These mechanisms are further described below.

### Mechanisms for identifying, reporting and investigating concerns

Huhtamaki offers multiple channels for reporting concerns and observed or suspected non-compliance. These instances may include breaches of the Code of Conduct or other Huhtamaki policies and internally binding guidelines, or violations of applicable laws and regulations, including incidents of corruption and bribery. Employees can report concerns to their manager, human resources, legal team, or directly to the Global Ethics and Compliance team.

Additionally, the Huhtamaki Speak Up channel provides an electronic platform that can be used to raise concerns anonymously and, in the employee's, own language. Huhtamaki Speak Up is a global, online whistleblowing system operated by an external service provider and managed by the Global Ethics and Compliance team. It is available to all Huhtamaki employees and external stakeholders such as suppliers, customers, value chain workers, consumers, and end-users, and can be accessed through Huhtamaki's internal and external websites.

In some countries, reports can also be submitted via local reporting channels, including entity-specific channels in accordance with the applicable local legislation transposing Directive (EU) 2019/1937 of the European Parliament and of the Council. The Global Ethics and Compliance team has an overall responsibility for the channels for speaking up and has designated, professionally trained staff to receive reports.

Information about Huhtamaki's reporting channels is communicated to all employees through the annual Code of Conduct training, targeted compliance trainings, intranet communications, speak-up themed posters, info screens, and townhall meetings. Communication materials are available in 24 languages to ensure accessibility. A link to the Huhtamaki Speak Up channel is also included in the Code of Conduct for Huhtamaki Suppliers to ensure that business partners providing goods or services to Huhtamaki are aware of the channel.

At Huhtamaki, the Global Ethics and Compliance team has the overall responsibility for investigating all reports of observed or suspected non-compliance, including allegations of corruption and bribery. These reports are investigated in compliance with the Group Speak Up and Investigations Policy, which provides the framework and procedure to investigate the alleged non-compliance instances promptly, independently, and objectively.

All reports and investigation cases are treated as highly confidential. To secure objectivity, no one is allowed to be involved in investigating or determining possible corrective actions in a case where they are the subject of the investigation or involved in the confirmed non-compliance. Individuals investigating a case are separate from the chain of management involved in the matter, as well as from those approving the corrective actions, including disciplinary measures.

Global Ethics and Compliance reports to the Ethics and Compliance Committee, which oversees and acts as the decision-making body for the investigations, including determining corrective and preventative actions, and formally closing the investigations. The ECC convenes regularly and as needed. Global Ethics and Compliance also regularly provides status updates on investigation cases and their outcomes to the Huhtamaki Board of Directors through its Audit Committee.

In addition to the global procedure outlined in the Group Speak Up and Investigations Policy, local grievance cases related to workplace issues or employment relationship concerns are investigated and addressed according to local grievance procedures and regulatory requirements. A detailed description about local grievance procedures can be found in chapter Processes to remediate negative impacts and channels for own workforce to raise concerns on page 79.

At Huhtamaki, victimization of any individual reporting observed or suspected non-compliance in good faith is not tolerated. Therefore, Huhtamaki has established a strict non-retaliation rule, which is outlined in the Group Speak Up and Investigations Policy, protecting whistleblowers in accordance with the applicable law transposing Directive (EU) 2019/1937. The non-retaliation rule is communicated to all Huhtamaki employees through the annual mandatory Code of Conduct training.

All potential retaliation cases are taken seriously and investigated appropriately in accordance with the Group Speak Up and Investigations Policy.

## Prevention and detection of corruption or bribery

### Full prohibition against corruption in all forms – Huhtamaki policy for combating corruption

Huhtamaki is committed to combating corruption and bribery by adhering to all applicable anti-corruption laws and regulations and conducting business with integrity. At Huhtamaki, all forms of corruption and bribery are strictly prohibited, irrespective of the organizational level or location of operations. These commitments are outlined in the Huhtamaki Code of Conduct, that is described in chapter Code of Conduct – Huhtamaki policy for ethical business conduct and corporate culture on page 93, and in the Group Anti-corruption Policy, which is consistent with the United Nations Convention against Corruption.

The Group Anti-corruption Policy is applicable globally to all Huhtamaki companies and employees, members of the management, as well as third parties acting on Huhtamaki's behalf, such as agents and consultants. The policy document is approved by the GET, which, along with leadership teams at the segment and local levels, is responsible for ensuring its implementation. The policy is complemented by the Huhtamaki Instructions for Gifts and Hospitality and the Huhtamaki Instructions for Conflict of Interest, covering areas closely linked with corruption and bribery.

The Group Anti-corruption Policy is available on Huhtamaki's internal and external websites and is communicated across Huhtamaki through trainings and communication activities that are described in chapter Preventing and detecting corruption – Key actions below. The full prohibition against corruption is communicated to business partners providing goods or services to Huhtamaki through the Code of Conduct for Huhtamaki Suppliers.

### Preventing and detecting corruption – Key actions

Huhtamaki acknowledges the value of training and communication in the prevention of corruption and bribery. Anti-corruption and bribery are important topics covered in the annual Code of Conduct training, which is mandatory for all Huhtamaki employees. More information about this training can be found in chapter Promoting ethical business conduct and corporate culture through training and communication – Key actions on page 93.

In 2024, Huhtamaki enhanced its training activities by launching a specific anti-corruption e-learning, available on the Huhtamaki intranet in seven languages. This training is designed to equip Huhtamaki employees with the knowledge and tools to identify and prevent bribery and corrupt practices, and to provide guidance and practical examples.

The e-learning is mandatory to be completed annually by Huhtamaki employees working in designated functions-at-risk, where their tasks and responsibilities expose them to situations with elevated risks of corruption and bribery. Certain employees are also designated as part of the functions-at-risk group due to their oversight responsibilities or gate-keeping roles in managing and mitigating corruption risks. At Huhtamaki, the following functions and roles globally belong to functions-at-risk: finance, legal, sales, sourcing, general managers, senior managers at operations and employees reporting to them as well as the GET and employees reporting to them.

Huhtamaki's target is that 100% of its employees working in functions-at-risk complete the annual anti-corruption e-learning. In 2024, the e-learning was completed by 89.3% of employees working in functions-at-risk. In 2024, the members of the Board of Directors were trained on anti-corruption and anti-bribery topics through the Code of Conduct training that was completed by all Board members.

In addition to trainings, Huhtamaki's communication measures include a specific anti-corruption intranet site offering information and guidance for employees, articles published on the intranet, as well as anti-corruption posters for use at Huhtamaki sites.

Huhtamaki conducts regular anti-corruption risk assessments to evaluate changes in potential corruption risks and to validate their likelihood and severity for Huhtamaki's operations. Based on the results of these risk assessments and findings from investigation processes, additional targeted measures are implemented in areas identified as higher risk.

In 2024, the measures taken included specialized trainings and enhanced communication to target groups relating to business gifts and hospitality, and interactions with governmental officials, either directly or through third parties. Furthermore, the Global Ethics and Compliance team organized targeted face-to-face trainings to selected teams in Türkiye, Thailand, Vietnam, and India.

As part of its efforts to prevent and detect corruption, Huhtamaki considers it important to maintain robust procedures for investigating suspected incidents of corruption and bribery. More details about the channels for reporting non-compliance, including incidents of corruption and bribery, and the process for investigating and addressing them can be found in chapter Mechanisms for identifying, reporting and investigating concerns on page 94.

# APPENDIX
## Disclosure requirements in ESRS covered by Huhtamaki's sustainability statement

### Cross-cutting standards
Disclosure requirement

| ESRS 2 | General disclosures | Page | Additional information |
|---|---|---|---|
| BP-1 | General basis for preparation of the Sustainability Statement | 34 | |
| BP-2 | Disclosures in relation to specific circumstances | 35 | |
| GOV-1 | The role of the administrative, management and supervisory bodies | 35 | |
| GOV-2 | Information provided to and sustainability matters addressed by Huhtamaki's administrative, management and supervisory bodies | 36 | |
| GOV-3 | Integration of sustainability-related performance in incentive schemes | 37 | |
| GOV-4 | Statement on sustainability due diligence | 37 | |
| GOV-5 | Risk management and internal controls over sustainability reporting | 38 | |
| SBM-1 | Strategy, business model and value chain | 39 | 40(b) (breakdown of total revenue by significant ESRS sector) and 40(c) (list of additional significant ESRS sectors) omitted due to ESRS sectors not defined by the European Commission |
| SBM-2 | Interests and views of stakeholders | 41 | |
| SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 43 | 48(e) (anticipated financial effects) omitted due to phased-in optionality |
| IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | 47 | |
| IRO-2 | Disclosure requirements in ESRS covered by Huhtamaki's Sustainability Statement | 96 | |

## Environmental standards

Disclosure requirement

| ESRS E1 | Climate change | Page | Additional information |
|---|---|---|---|
| ESRS 2, GOV-3 | Integration of sustainability-related performance in incentive schemes | 37 | |
| E1-1 | Transition plan for climate change mitigation | 55 | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities, and their interaction with strategy and business model | 43, 56 | |
| ESRS, IRO-1 | Description of the processes to identify and assess material climate-related impacts, risks and opportunities | 47, 56 | |
| E1-2 | Policies related to climate change mitigation and adaptation | 57 | |
| E1-3 | Actions and resources in relation to climate change policies | 58 | |
| E1-4 | Targets related to climate change mitigation and adaptation | 59 | |
| E1-5 | Energy consumption and mix | 61 | |
| E1-6 | Gross Scopes 1, 2, 3 and total GHG emissions | 62 | |
| E1-7 | GHG removals and GHG mitigation projects financed through carbon credits | 64 | |
| E1-8 | Internal carbon pricing | - | Not material |
| E1-9 | Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | - | Phased-in requirement |

| ESRS E3 | Water and marine resources | Page | Additional information |
|---|---|---|---|
| ESRS 2, IRO-1 | Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities | 47 | |
| E3-1 | Policies related to water and marine resources | 65 | |
| E3-2 | Actions and resources related to water and marine resources | 66 | |
| E3-3 | Targets related to water and marine resources | 66 | |
| E3-4 | Water consumption | 66 | |
| E3-5 | Anticipated financial effects from material water and marine resources-related risks and opportunities | - | Phased-in requirement |

| ESRS E4 | Biodiversity and ecosystems | Page | Additional information |
|---|---|---|---|
| E4-1 | Transition plan and consideration of biodiversity and ecosystems in strategy and business model | 67 | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 43, 67 | |
| ESRS 2, IRO-1 | Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities | 47 | |
| E4-2 | Policies related to biodiversity and ecosystems | 70 | |
| E4-3 | Actions and resources related to biodiversity and ecosystems | 70 | |
| E4-4 | Targets related to biodiversity and ecosystems | 70 | |
| E4-5 | Impact metrics related to biodiversity and ecosystems change | 67 | |
| E4-6 | Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities | - | Phased-in requirement |

| ESRS E5 | Resource use and circular economy | Page | Additional information |
|---|---|---|---|
| ESRS 2, IRO-1 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | 47 | |
| E5-1 | Policies related to resource use and circular economy | 72 | |
| E5-2 | Actions and resources related to resource use and circular economy | 73 | |
| E5-3 | Targets related to resource use and circular economy | 73 | |
| E5-4 | Resource inflows | 75 | |
| E5-5 | Resource outflows | 75 | |
| E5-6 | Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities | - | Phased-in requirement |

## Social standards

Disclosure requirements

| ESRS S1 | Own workforce | Page | Additional information |
|---|---|---|---|
| ESRS 2, SBM-2 | Interests and views of stakeholders | 41 | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 43, 76 | |
| S1-1 | Policies related to own workforce | 77 | |
| S1-2 | Processes for engaging with own workforce and workers' representatives about impacts | 79 | |
| S1-3 | Processes to remediate negative impacts and channels for own workers to raise concerns | 79 | |
| S1-4 | Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | 80 | |
| S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 81 | |
| S1-6 | Characteristics of Huhtamaki's employees | 81 | |
| S1-7 | Characteristics of non-employee workers in Huhtamaki's own workforce | - | Phased-in requirement |
| S1-8 | Collective bargaining coverage and social dialogue | - | 63a) Information on own employees in non-EEA countries omitted due to phased-in optionality |
| S1-9 | Diversity metrics | 83 | |
| S1-10 | Adequate wages | - | Not material |
| S1-11 | Social protection | - | Phased-in requirement |
| S1-12 | Persons with disabilities | - | Not material |
| S1-13 | Training and skills development metrics | - | Phased-in requirement |
| S1-14 | Health and safety metrics | - | All data points for S1-14 for non-employees, Number of cases of recordable work-related ill health, and Number of days lost to work-related ill health and fatalities from ill health omitted due to phased-in optionality |
| S1-15 | Work-life balance metrics | - | Phased-in requirement |
| S1-16 | Remuneration metrics (pay gap and total remuneration) | 83 | |
| S1-17 | Incidents, complaints and severe human rights impacts | - | Not material |

| ESRS S2 | Workers in the value chain | Page | Additional information |
|---|---|---|---|
| ESRS 2, SBM-2 | Interests and views of stakeholders | 41 | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 43, 85 | |
| S2-1 | Policies related to value chain workers | 86 | |
| S2-2 | Processes for engaging with value chain workers about impacts | 87 | |
| S2-3 | Processes to remediate negative impacts and channels for value chain workers to raise concerns | 87 | |
| S2-4 | Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions | 88 | |
| S2-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 87 | |

| ESRS S4 | Consumers and end-users | Page | Additional information |
|---|---|---|---|
| ESRS 2, SBM-2 | Interests and views of stakeholders | 41 | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 43, 89 | |
| S4-1 | Policies related to consumers and end-users | 89 | |
| S4-2 | Processes for engaging with consumers and end-users about impacts | 90 | |
| S4-3 | Processes to remediate negative impacts and channels for consumers and end-users to raise concerns | 90 | |
| S4-4 | Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions | 90 | |
| S4-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 91 | |

## Governance standards

Disclosure requirements

| ESRS G1 | Business conduct | Page | Additional information |
|---|---|---|---|
| ESRS 2, GOV-1 | The role of the administrative, management and supervisory bodies | 92 | |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | 47, 92 | |
| G1-1 | Business conduct policies and corporate culture | 93 | |
| G1-2 | Management of relationships with suppliers | - | Not material |
| G1-3 | Prevention and detection of corruption and bribery | 94 | |
| G1-4 | Incidents of corruption or bribery | - | Not material |
| G1-5 | Political influence and lobbying activities | - | Not material |
| G1-6 | Payment practices | - | Not material |

## Datapoints that derive from other EU legislation

| Disclosure requirement | Data point | | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law | Page |
|---|---|---|---|---|---|---|---|
| ESRS 2 GOV-1 | 21 (d) | Board's gender diversity | x | | x | | 35 |
| ESRS 2 GOV-1 | 21 (e) | Percentage of board members who are independent | | | x | | 36 |
| ESRS 2 GOV-4 | 30 | Statement on due diligence paragraph | x | | | | 37 |
| ESRS 2 SBM-1 | 40 (d) i | Involvement in activities related to fossil fuel activities | x | x | x | | Not material |
| ESRS 2 SBM-1 | 40 (d) ii | Involvement in activities related to chemical production | x | | x | | Not material |
| ESRS 2 SBM-1 | 40 (d) iii | Involvement in activities related to controversial weapons | x | | x | | Not material |
| ESRS 2 SBM-1 | 40 (d) iv | Involvement in activities related to cultivation and production of tobacco | | | x | | Not material |
| ESRS E1-1 | 14 | Transition plan to reach climate neutrality by 2050 | | | | x | 55 |
| ESRS E1-1 | 16 (g) | Companies excluded from Paris-aligned Benchmarks | | x | x | | 55 |
| ESRS E1-4 | 34 | GHG emission reduction targets | x | x | x | | 59 |
| ESRS E1-5 | 38 | Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) | x | | | | 61 |
| ESRS E1-5 | 37 | Energy consumption and mix | x | | | | 61 |
| ESRS E1-5 | 40 to 43 | Energy intensity associated with activities in high climate impact sectors | x | | | | 61 |
| ESRS E1-6 | 44 | Gross Scope 1, 2, 3 and Total GHG emissions | x | x | x | | 62 |
| ESRS E1-6 | 53 to 55 | Gross GHG emissions intensity | x | x | x | | 64 |
| ESRS E1-7 | 56 | GHG removals and carbon credits | | | | x | 62 |
| ESRS E1-9 | 66 | Exposure of the benchmark portfolio to climate-related physical risks | | | x | | Not material |
| ESRS E1-9 | 66 (a) | Disaggregation of monetary amounts by acute and chronic physical risk | | x | | | Not material |
| ESRS E1-9 | 66 (c) | Location of significant assets at material physical risk | | x | | | Not material |
| ESRS E1-9 | 67 (c) | Breakdown of the carrying value of its real estate assets by energy-efficiency classes | | x | | | Not material |
| ESRS E1-9 | 69 | Degree of exposure of the portfolio to climate- related opportunities | | | x | | Not material |
| ESRS E2-4 | 28 | Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil | x | | | | Not material |
| ESRS E3-1 | 9 | Water and marine resources | x | | | | 65 |
| ESRS E3-1 | 13 | Dedicated policy paragraph | x | | | | 65 |
| ESRS E3-1 | 14 | Sustainable oceans and seas | x | | | | Not material |
| ESRS E3-4 | 28(c) | Total water recycled and reused | x | | | | 66 |
| ESRS E3-4 | 29 | Total water consumption in $m^3$ per net revenue on own operations | x | | | | 66 |
| ESRS2 SBM-3 - E4 | 16 (a) i | | x | | | | 67 |
| ESRS2 SBM-3 - E4 | 16 (b) | | x | | | | 67 |
| ESRS2 SBM-3 - E4 | 16 (c) | | x | | | | 67 |
| ESRS E4-2 | 24 (b) | Sustainable land / agriculture practices or policies | x | | | | Not material |
| ESRS E4-2 | 24 (c) | Sustainable oceans / seas practices or policies | x | | | | Not material |

| Disclosure requirement | Data point | | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law | Page |
|---|---|---|---|---|---|---|---|
| ESRS E4-2 | 24 (d) | Policies to address deforestation | x | | | | 70 |
| ESRS E5-5 | 37 (d) | Non-recycled waste paragraph | x | | | | 75 |
| ESRS E5-5 | 39 | Hazardous waste and radioactive waste | x | | | | 75 |
| ESRS2 SBM-3 - S1 | 14 (f) | Risk of incidents of forced labour | x | | | | Not material |
| ESRS2 SBM-3 - S1 | 14 (g) | Risk of incidents of child labour | x | | | | Not material |
| ESRS S1-1 | 20 | Human rights policy commitments | x | | | | 78 |
| ESRS S1-1 | 21 | Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 | | | x | | 77 |
| ESRS S1-1 | 22 | Processes and measures for preventing trafficking in human beings | x | | | | 79 |
| ESRS S1-1 | 23 | Workplace accident prevention policy or management system | x | | | | 78 |
| ESRS S1-3 | 32 (c) | Grievance/complaints handling mechanisms | x | | | | 79 |
| ESRS S1-14 | 88 (b) and (c) | Number of fatalities and number and rate of work-related accidents | x | | x | | 83 |
| ESRS S1-14 | 88 (e) | Number of days lost to injuries, accidents, fatalities or illness | x | | | | 81 |
| ESRS S1-16 | 97 (a) | Unadjusted gender pay gap | x | | x | | 83 |
| ESRS S1-16 | 97 (b) | Excessive CEO pay ratio | x | | | | 83 |
| ESRS S1-17 | 103 (a) | Incidents of discrimination | x | | | | Not material |
| ESRS S1-17 | 104 (a) | Non-respect of UNGPs on Business and Human Rights and OECD | x | | x | | Not material |
| ESRS2 SBM-3 – S2 | 11 (b) | Significant risk of child labour or forced labour in the value chain | x | | | | Not material |
| ESRS S2-1 | 17 | Human rights policy commitments | x | | | | 85 |
| ESRS S2-1 | 18 | Policies related to value chain | x | | | | 86 |
| ESRS S2-1 | 19 | Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines | x | | x | | 87 |
| ESRS S2-1 | 19 | Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 | | | x | | 86 |
| ESRS S2-4 | 36 | Human rights issues and incidents connected to its upstream and downstream value chain | x | | | | 88 |
| ESRS S3-1 | 16 | Human rights policy commitments | x | | | | Not material |
| ESRS S3-1 | 17 | Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD | x | | x | | Not material |
| ESRS S3-4 | 36 | Human rights issues and incidents | x | | | | Not material |
| ESRS S4-1 | 16 | Policies related to consumers and end-users | x | | | | 89 |
| ESRS S4-1 | 17 | Non-respect of UNGPs on Business and Human Rights and OECD guidelines | x | | x | | 89 |
| ESRS S4-4 | 35 | Human rights issues and incidents | x | | | | Not material |
| ESRS G1-1 | 10 (b) | United Nations Convention against Corruption | x | | | | Not material |
| ESRS G1-1 | 10 (d) | Protection of whistleblowers | x | | | | 94 |
| ESRS G1-4 | 24 (a) | Fines for violation of anticorruption and anti-bribery laws | x | | x | | Not material |
| ESRS G1-4 | 24 (b) | Standards of anti- corruption and anti- bribery | x | | | | Not material |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law |
|---|---|---|---|---|
| ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d) | Indicator number 13 of Table #1 of Annex 1 | | Commission Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e) | | | Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS 2 GOV-4 Statement on due diligence paragraph 30 | Indicator number 10 Table #3 of Annex 1 | | | |
| ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i | Indicators number 4 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii | Indicator number 9 Table #2 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii | Indicator number 14 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv | | | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14 | | | | Regulation (EU) 2021/1119, Article 2(1) |
| ESRS E1-1 Companies excluded from Paris-aligned Benchmarks paragraph 16 (g) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2 | |
| ESRS E1-4 GHG emission reduction targets paragraph 34 | Indicator number 4 Table #2 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 6 | |
| ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1 | | | |
| ESRS E1-5 Energy consumption and mix paragraph 37 | Indicator number 5 Table #1 of Annex 1 | | | |
| ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 | Indicator number 6 Table #1 of Annex 1 | | | |
| ESRS E1-6 Gross Scope 1, 2, 3, and Total GHG emissions paragraph 44 | Indicators number 1 and 2 Table #1 of Annex 1 | Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1) | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law |
|---|---|---|---|---|
| ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55 | Indicators number 3 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 8(1) | |
| ESRS E1-7 GHG removals and carbon credits paragraph 56 | | | | Regulation (EU) 2021/1119, Article 2(1) |
| ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 | | | Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) | | | | |
| | | | | |
| ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk. | | |
| ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral | | |
| ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69 | | | Delegated Regulation (EU) 2020/1818, Annex II | |
| ESRS E2-4 Amount of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1 | | | |
| ESRS E3-1 Water and marine resources paragraph 9 | Indicator number 7 Table #2 of Annex 1 | | | |
| ESRS E3-1 Dedicated policy paragraph 13 | Indicator number 8 Table 2 of Annex 1 | | | |
| ESRS E3-1 Sustainable oceans and seas paragraph 14 | Indicator number 12 Table #2 of Annex 1 | | | |
| ESRS E3-4 Total water recycled and reused paragraph 28 (c) | Indicator number 6.2 Table #2 of Annex 1 | | | |
| ESRS E3-4 Total water consumption in $m^3$ per net revenue on own operations paragraph 29 | Indicator number 6.1 Table #2 of | | | |
| Annex 1 | | | | |
| ESRS 2- IRO 1 - E4 paragraph 16 (a) i | Indicator number 7 Table #1 of Annex 1 | | | |
| ESRS 2- IRO 1 - E4 paragraph 16 (b) | Indicator number 10 Table #2 of Annex 1 | | | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law |
|---|---|---|---|---|
| ESRS 2- IRO 1 - E4 paragraph 16 (c) | Indicator number 14 Table #2 of Annex 1 | | | |
| ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b) | Indicator number 11 Table #2 of Annex 1 | | | |
| ESRS E4-2 Sustainable oceans / seas practices or policies | | | | |
| paragraph 24 (c) | Indicator number 12 Table #2 of Annex 1 | | | |
| ESRS E4-2 Policies to address deforestation paragraph 24 (d) | Indicator number 15Table #2 of Annex 1 | | | |
| ESRS E5-5 Non-recycled waste paragraph 37 (d) | Indicator number 13 Table #2 of Annex 1 | | | |
| ESRS E5-5 Hazardous waste and radioactive waste paragraph 39 | Indicator number 9 Table #1 of Annex 1 | | | |
| ESRS 2- SBM3 - S1 Risk of incidents of forced labor paragraph 14 (f) | Indicator number 13 Table #3 of Annex I | | | |
| ESRS 2- SBM3 - S1 Risk of incidents of child labor paragraph 14 (g) | Indicator number 12 Table #3 of Annex I | | | |
| ESRS S1-1 Human rights policy commitments paragraph 20 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | |
| ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21 | | | Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22 | Indicator number 1 Table #3 of Annex I | | | |
| ESRS S1-1 Workplace accident prevention policy or management system paragraph 23 | Indicator number 1 Table #3 of Annex I | | | |
| ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c) | Indicator number 5 Table #3 of Annex I | | | |
| ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c) | Indicator number 2 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e) | Indicator number 3 Table #3 of Annex I | | | |
| ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a) | Indicator number 12 Table #1 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b) | Indicator number 8 Table #3 of Annex I | | | |
| ESRS S1-17 Incidents of discrimination paragraph 103 (a) | Indicator number 7 Table #3 of Annex I | | | |
| ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a) | Indicator number 10 Table #1 and | | | |
| Indicator n. 14 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law |
|---|---|---|---|---|
| ESRS 2- SBM-3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b) | Indicators number 12 and n. 13 Table #3 of Annex I | | | |
| ESRS S2-1 Human rights policy commitments paragraph 17 | Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1 | | | |
| ESRS S2-1 Policies related to value chain workers paragraph 18 | Indicator number 11 and n. 4 Table #3 of Annex 1 | | | |
| ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19 | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | |
| ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19 | | | Delegated Regulation (EU) 2020/1816, Annex II | |
| ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36 | Indicator number 14 Table #3 of Annex 1 | | | |
| ESRS S3-1 Human rights policy commitments paragraph 16 | Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1 | | | |
| ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17 | Indicator number 10 Table #1 Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | |
| ESRS S3-4 Human rights issues and incidents paragraph 36 | Indicator number 14 Table #3 of Annex 1 | | | |
| ESRS S4-1 Policies related to consumers and end-users paragraph 16 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1 | | | |
| ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17 | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | |
| ESRS S4-4 Human rights issues and incidents paragraph 35 | Indicator number 14 Table #3 of Annex 1 | | | |
| ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b) | Indicator number 15 Table #3 of Annex 1 | | | |
| ESRS G1-1 Protection of whistle-blowers paragraph 10 (d) | Indicator number 6 Table #3 of Annex 1 | | | |
| ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a) | Indicator number 17 Table #3 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II) | |
| ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b) | Indicator number 16 Table #3 of Annex 1 | | | |

# Financial statements

# Consolidated financial statements

## Consolidated statement of income (IFRS)

| EUR million | Note | 2024 | 2023 |
|---|---|---|---|
| | | | |
| **Net sales** | 2.1. | **4,126.3** | **4,168.9** |
| Cost of goods sold | | -3,344.7 | -3,415.0 |
| **Gross profit** | | **781.6** | **753.9** |
| | | | |
| Other operating income | 2.4. | 41.3 | 84.2 |
| Sales and marketing | | -104.8 | -101.6 |
| Research and development | | -34.7 | -36.0 |
| Administration expenses | | -297.3 | -295.3 |
| Other operating expenses | 2.5. | -13.7 | -24.3 |
| | | | |
| **Earnings before interest and taxes** | 2.2., 2.3. | **372.3** | **380.9** |
| Financial income | 5.1. | 16.6 | 13.9 |
| Financial expenses | 5.1. | -88.3 | -82.9 |
| **Profit before taxes** | | **300.5** | **312.0** |
| Income tax expense | 2.6. | -68.7 | -86.7 |
| **Profit for the period** | | **231.8** | **225.2** |
| Attributable to: | | | |
| Equity holders of the parent company | | 224.1 | 206.3 |
| Non-controlling interest | | 7.7 | 18.9 |
| | | | |
| EUR | | | |
| EPS attributable to equity holders of the parent company | 2.7. | 2.14 | 1.97 |
| Diluted EPS attributable to equity holders of the parent company | 2.7. | 2.13 | 1.97 |

### Group statement of comprehensive income (IFRS)

| EUR million | Note | 2024 | 2023 |
|---|---|---|---|
| **Profit for the period** | | **231.8** | **225.2** |
| | | | |
| **Other comprehensive income:** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurements on defined benefit plans | 2.2. | 3.4 | -18.2 |
| Income taxes related to items that will not be reclassified | 2.6. | -0.7 | 5.0 |
| **Total** | | **2.7** | **-13.1** |
| | | | |
| **Items that may be reclassified subsequently to profit or loss** | | | |
| Translation differences | | 104.9 | -105.1 |
| Equity hedges | | -15.8 | 4.5 |
| Cash flow hedges | | -1.8 | -5.6 |
| Cash flow hedges recognized in other comprehensive income | | 0.8 | -2.4 |
| Cash flow hedges transferred to profit or loss | | -0.4 | -0.5 |
| Cash flow hedges transferred to statement of financial position | | -2.3 | -2.7 |
| Income taxes related to items that may be reclassified | 2.6. | 0.3 | 1.2 |
| **Total** | | **87.5** | **-105.0** |
| | | | |
| **Other comprehensive income, net of tax** | | **90.2** | **-118.1** |
| | | | |
| **Total comprehensive income** | | **322.0** | **107.0** |
| | | | |
| Attributable to: | | | |
| Equity holders of the parent company | | 311.1 | 93.7 |
| Non-controlling interest | | 10.9 | 13.3 |

# Consolidated statement of financial position (IFRS)

## Assets

| EUR million | Note | 2024 | 2023 |
|---|---|---|---|
| **Non-current assets** | | | |
| Goodwill | 3.2. | 1,024.1 | 994.6 |
| Other intangible assets | 3.3. | 93.7 | 104.0 |
| Tangible assets | 3.4. | 1,913.9 | 1,794.9 |
| Other investments | 5.6. | 2.8 | 2.3 |
| Interest-bearing receivables | 5.2., 5.6. | 4.2 | 2.4 |
| Deferred tax assets | 2.6. | 63.8 | 52.1 |
| Employee benefit assets | 2.2. | 63.8 | 53.3 |
| Other non-current assets | | 8.7 | 11.0 |
| | | **3,175.0** | **3,014.3** |
| **Current assets** | | | |
| Inventory | 4.1. | 666.6 | 620.9 |
| Interest-bearing receivables | 5.2. | 24.9 | 15.2 |
| Current tax assets | | 30.1 | 24.6 |
| Trade and other current receivables | 4.2., 5.6. | 678.1 | 636.5 |
| Cash and cash equivalents | 5.3., 5.6. | 317.1 | 348.2 |
| Assets held for sale | 3.5. | **1.7** | **5.2** |
| | | **1,718.5** | **1,650.5** |
| **Total assets** | | **4,893.5** | **4,664.9** |

## Equity and liabilities

| EUR million | Note | 2024 | 2023 |
|---|---|---|---|
| Share capital | 5.4. | 366.4 | 366.4 |
| Premium fund | 5.4. | 115.0 | 115.0 |
| Treasury shares | 5.4. | -27.6 | -29.6 |
| Translation differences | 5.4. | -16.5 | -102.1 |
| Fair value and other reserves | 5.4. | -46.6 | -48.1 |
| Retained earnings | | 1,646.6 | 1,536.7 |
| **Total equity attributable to equity holders of the parent company** | | **2,037.3** | **1,838.3** |
| | | | |
| Non-controlling interest | | 86.8 | 86.6 |
| **Total equity** | | **2,124.1** | **1,924.9** |
| | | | |
| **Non-current liabilities** | | | |
| Interest-bearing liabilities | 5.5., 5.6. | 1,329.1 | 1,403.0 |
| Deferred tax liabilities | 2.6. | 138.2 | 137.0 |
| Employee benefit liabilities | 2.2. | 150.0 | 145.9 |
| Provisions | 4.3. | 13.4 | 13.4 |
| Other non-current liabilities | | 8.4 | 7.9 |
| | | **1,639.1** | **1,707.2** |
| **Current liabilities** | | | |
| Interest-bearing liabilities | | | |
| Current portion of long-term loans | 5.5., 5.6. | 114.1 | 167.3 |
| Short-term loans | 5.5., 5.6. | 118.7 | 83.7 |
| Provisions | 4.3. | 9.4 | 10.5 |
| Current tax liabilities | | 72.1 | 67.7 |
| Trade and other current liabilities | 4.4., 4.5., 5.6. | 816.0 | 703.5 |
| | | **1,130.3** | **1,032.7** |
| **Total liabilities** | | **2,769.4** | **2,739.9** |
| **Total equity and liabilities** | | **4,893.5** | **4,664.9** |

# Consolidated statement of changes in equity (IFRS)

| | | Attributable to equity holders of the parent company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| EUR million | Note | Share capital | Share issue premium | Treasury shares | Translation differences | Fair value and other reserves | Retained earnings | Total | Non-controlling interest | Total equity |
| **Balance on January 1, 2023** | | **366.4** | **115.0** | **-31.2** | **-7.1** | **-30.4** | **1,429.4** | **1,842.2** | **80.0** | **1,922.2** |
| Dividends | 2.7. | - | - | - | - | - | -104.5 | -104.5 | -4.2 | -108.8 |
| Share-based payments | 6.3. | - | - | 1.6 | - | - | 7.2 | 8.8 | - | 8.8 |
| Total comprehensive income for the year | | - | - | - | -95.0 | -17.7 | 206.3 | 93.7 | 13.3 | 107.0 |
| Acquisition of non-controlling interest | | - | - | - | - | - | 2.2 | 2.2 | -2.2 | - |
| Other Changes | | - | - | - | - | - | -4.0 | -4.0 | -0.3 | -4.3 |
| **Balance on December 31, 2023** | | **366.4** | **115.0** | **-29.6** | **-102.1** | **-48.1** | **1,536.7** | **1,838.3** | **86.6** | **1,924.9** |
| Dividends | 2.7. | - | - | - | - | - | -110.0 | -110.0 | -11.1 | -121.1 |
| Share-based payments | 6.3. | - | - | 2.0 | - | - | -3.0 | -0.9 | - | -0.9 |
| Total comprehensive income for the year | | - | - | - | 85.6 | 1.4 | 224.1 | 311.1 | 10.9 | 322.0 |
| Other Changes | | - | - | - | - | - | -1.2 | -1.2 | 0.4 | -0.8 |
| **Balance on December 31, 2024** | | **366.4** | **115.0** | **-27.6** | **-16.5** | **-46.6** | **1,646.6** | **2,037.3** | **86.8** | **2,124.1** |

# Consolidated statement of cash flows (IFRS)

| EUR million | Note | 2024 | 2023 |
|---|---|---|---|
| **Profit for the period** | | **231.8** | **225.2** |
| Adjustments | | 348.2 | 352.1 |
| Depreciation, amortization and impairments | 2.3. | 223.4 | 240.3 |
| Gain/loss from disposal of assets | | -12.9 | -50.8 |
| Financial expense/-income | 5.1. | 71.8 | 69.0 |
| Income tax expense | 2.6. | 68.7 | 86.7 |
| Other adjustments | | -2.7 | 6.9 |
| Change in inventory | 4.1. | -27.2 | 114.4 |
| Change in non-interest-bearing receivables | | -38.8 | 41.0 |
| Change in non-interest-bearing payables | | 69.0 | -11.1 |
| Dividends received | | 0.2 | 0.0 |
| Interest received | | 14.3 | 7.9 |
| Interest paid | | -69.6 | -58.8 |
| Other financial expense and income | | -8.2 | -8.8 |
| Taxes paid | 2.6. | -87.0 | -83.8 |
| **Net cash flows from operating activities** | | **432.7** | **578.2** |
| | | | |
| Capital expenditure | 3.3., 3.4. | -247.9 | -318.7 |
| Proceeds from selling tangible assets | 3.4. | 31.0 | 61.9 |
| Acquired subsidiaries and assets | 3.1. | - | -1.9 |
| Change in other investment | | -0.6 | 0.1 |
| Proceeds from long-term deposits | | 0.1 | 1.4 |
| Payment of long-term deposits | | -1.6 | -2.9 |
| Proceeds from short-term deposits | | 7.3 | 183.5 |
| Payment of short-term deposits | | -19.9 | -183.5 |
| **Net cash flows from investing activities** | | **-231.8** | **-260.3** |

| EUR million | Note | 2024 | 2023 |
|---|---|---|---|
| Proceeds from long-term borrowings | | 135.6 | 443.5 |
| Repayment of long-term borrowings | | -99.3 | -16.6 |
| Change in short-term loans | | -162.2 | -567.7 |
| Acquisition of non-controlling interest | | - | -18.2 |
| Dividends paid to the owners of the parent | | -110.0 | -104.5 |
| Dividends paid to non-controlling interests | | -11.3 | -4.5 |
| **Net cash flows from financing activities** | 5.5. | **-247.2** | **-268.2** |
| | | | |
| **Change in cash and cash equivalents** | | **-31.1** | **38.8** |
| Cash flow based | | -46.3 | 49.7 |
| Translation difference | | 15.2 | -11.0 |
| | | | |
| Cash and cash equivalents period start | | 348.2 | 309.4 |
| Cash and cash equivalents period end | 5.3. | 317.1 | 348.2 |

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.

# Notes to the consolidated financial statements

## 1. Basis of preparation

### 1.1. CORPORATE INFORMATION

Huhtamaki Group is a global specialist in packaging for food and drink with operations in 36 countries. The Group's focus and expertise are in paperboard based foodservice packaging, smooth and rough molded fiber packaging as well as flexible packaging. Huhtamaki offers standardized products, customized designs as well as total packaging systems and solutions. Main customers are food and beverage companies, quick service and fast casual restaurants, foodservice operators, fresh produce packers and retailers.

The parent company, Huhtamäki Oyj, is a public limited liability company domiciled in Espoo, Finland and listed on NASDAQ OMX Helsinki Ltd. The address of its registered office is Revontulenkuja 1, 02100 Espoo, Finland. A copy of consolidated financial statements is available at Group's website www.huhtamaki.com.

These Group consolidated financial statements were authorized for issue by the Board of Directors on February 13, 2025. According to the Finnish Companies Act shareholders decide on the adoption of financial statements at the general meeting of shareholders held after the publication of the financial statements.

## 1.2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the IAS and IFRS standards as well as SIC- and IFRIC- interpretations which were valid on December 31, 2024. IFRS, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of said Act, refer to the standards and their interpretations adopted in accordance with the procedure laid down in regulations (EC) No 1606/2002 of the EU.

The consolidated financial statements have been prepared under the historical cost convention except for other investments at fair value through other comprehensive income, financial instruments at fair value through profit or loss, derivative instruments and cash-settled share-based payment arrangements that are measured at fair value. The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. The use of estimates and assumptions is described in more detail in Note 1.6. Use of significant estimates and judgements. The consolidated financial statements are presented in millions of euros. Figures presented are exact figures and consequently the sum of individual figures may deviate from the sum presented.

## 1.3. ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The following amended standards have been adopted as of January 1, 2024:

- Revised IAS 1 Presentation of Financial Statements (Classification of Liabilities as Current and Non-current): The amendments are to promote consistency in application and clarify the requirements on determining if a liability is current or non-current. The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. The amendments require to disclose information about these covenants in the notes to the financial statements. The Group has completed the information disclosed about its covenants in Note 5.7. Management of financial risks. The amendments did not have other impacts to the consolidated financial statements.
- Revised IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments (Supplier Finance Arrangements): The amendments enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. Amendments require to disclose quantitative and qualitative information about supplier finance programs. The Group has trade and other payables that are subject to supplier finance arrangements and discloses the related information in Note 4.5. Supplier Finance Arrangements.
- Revised IFRS 16 Leases (Lease Liability in a Sale and Leaseback): The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since the implementation of IFRS 16 in 2019. The amendments did not have impact on the consolidated financial statements.

The Group plans to adopt the following amendments in 2025, and they are not expected to have material impact on the consolidated financial statements:

- Revised IAS 21 The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability): The amendments require to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

The Group plans to adopt the following amendments later than 2025 (amendments not yet endorsed by the European Union) and the assessment of the impacts is on-going:

- Revised IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Classification and Measurement of Financial Instruments): The amendments clarify that an entity is required to apply settlement date accounting when derecognizing a financial asset or a financial liability; and to permit an entity to deem a financial liability that is settled using an electronic payment system to be discharged before the settlement date if specified criteria are met. The amendments clarify the application guidance for assessing the contractual cash flow characteristics of financial assets, including financial assets with contractual terms that could change the timing or amount of contractual cash flows, for example, those with environmental, social and governance (ESG)-linked features, financial assets with non-recourse features and financial assets that are contractually linked instruments.
- Revised IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Contracts Referencing to Nature-dependent Electricity): The amendments clarify the application of the 'own-use' requirements, permit hedge accounting if these contracts are used as hedging instruments and add new disclosure requirements about the effect of these contracts on a company's financial performance and cash flows.
- Annual improvements to IFRS Accounting Standards (Volume 11): The annual improvements include minor amendments to five standards.
- New IFRS 18 Presentation and Disclosure in the Financial Statements: IFRS 18 will replace IAS 1 Presentation of Financial Statements. The key new requirements are as follows: 1) Income and expenses in the income statement to be classified into three new defined categories (operating, investing and financing) and two new subtotals ("Operating profit or loss" and "Profit or loss before financing and income tax"), 2) Disclosures about management-defined performance measures (MPMs) in the financial statements. MPMs are subtotals of income and expenses used in public communications to communicate management's view of the company's financial performance, and 3) Disclosure of information based on enhanced general requirements on aggregation and disaggregation. In addition, specific requirements to disaggregate certain expenses, in the notes, will be required for companies that present operating expenses by function in the income statement.

## 1.4. PRINCIPLES OF CONSOLIDATION

### Subsidiaries

The consolidated financial statements include the parent company Huhtamäki Oyj and all its subsidiaries where over 50% of the subsidiary's voting rights are controlled directly or indirectly by the parent company, or the parent company is otherwise in control of the company for example based on Shareholder's Agreement.

Acquired subsidiaries are accounted for using the acquisition method. Subsidiaries are fully consolidated from the date on which the control is transferred to the Group. Divested subsidiaries are included up to the date the control ceases.

All intercompany transactions, receivables, liabilities and unrealized profits, as well as distribution of profits within the Group, are eliminated.

Profit and loss for the period attributable to equity holders of the parent company and to non-controlling interest is presented in the income statement. Comprehensive income attributable to equity holders of the parent company and to non-controlling interest is presented in the statement of comprehensive income. Comprehensive income is attributed to the owners of the parent company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance. Non-controlling interest is disclosed as a separate item within equity.

### Associated companies and joint ventures

Associated companies, where the Group holds voting rights of between 20% and 50% and in which the Group has significant influence, but not control, over the financial and operating policies, are consolidated using the equity method. Joint arrangements are companies over whose activities the Group has joint control, established by contractual agreement. The joint arrangements classified as joint ventures are consolidated using the equity method. When the Group's share of losses exceeds the carrying amount of the equity accounted investment, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the equity-accounted investments. The Group's share of result of equity-accounted investments is presented as a separate item above Earnings before interest and taxes. Correspondingly the Group's share of changes in other comprehensive income is recognized in the Group statement of comprehensive income.

## 1.5. FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into functional currency at the rates of exchange prevailing at the date of the transaction. The consolidated financial statements are presented in EUR, which is the Group's presentation currency and the parent company's functional currency. Monetary assets and liabilities are translated at the rates of exchange at the reporting period closing date. The exchange rate used at the reporting period closing date is the rate of the date prior to the last working day of the reporting period closing date. Foreign exchange differences arising from translation are recognized in the income statement. Foreign exchange gains and losses relating to operating activities are recognized in the same account as the underlying transaction above Earnings before interest and taxes. Foreign exchange differences relating to financial liability are recognized in financial income or expense except for those currency differences that relate to loans designated as a hedge of the net investment in foreign operations. Those currency differences are recognized as translation differences in other comprehensive income.

On consolidation the income statements of foreign entities are translated into euros at the average exchange rate for the accounting period. The statements of financial position of foreign entities are translated at the exchange rate of reporting period closing date. The exchange rate used at the reporting period closing date is the rate of the date prior to the last working day of the reporting period closing date. Differences resulting from the translation of income statement items at the average rate and items in the statement of financial position at the closing rate are recognized as part of translation differences in other comprehensive income.

On consolidation, exchange differences arising on the translation of the net investments in foreign subsidiaries, associated companies and joint ventures are recognized as translation differences in other comprehensive income. A similar treatment is applied to intragroup permanent loans, which in substance are equity. On disposal of a foreign entity, accumulated exchange differences are recognized in the income statement as part of the gain or loss on sale.

## 1.6. USE OF SIGNIFICANT ESTIMATES AND JUDGEMENTS

Preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions affecting the reported amounts of assets, liabilities, income and expenses, as well as the disclosure of contingent assets and liabilities. The estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, which form the basis of making the judgments about carrying values. These estimates and assumptions are reviewed on an ongoing basis. Possible effect of the changes in estimates and assumptions are recognized during the period they are changed.

The following items and related notes include significant estimates that are subject to a risk of changes in the carrying values within the next financial year: impairment testing (Note 3.2. Goodwill), measurement of pension liabilities (Note 2.2. Employee benefits), litigation and tax risks (Notes 2.6. Income taxes and 6.6. Litigations), restructuring plans (Note 4.3. Provisions), provision for inventory obsolescence (Note 4.1. Inventories), probability of deferred tax assets being recovered against future taxable profits (Note 2.6. Income taxes), business combinations related contingent considerations (Note 5.6. Interest-bearing liabilities) and purchase price allocations (Note 3.1. Business combinations).

# Notes to the consolidated financial statements

## 2. Financial performance


### 2.1. SEGMENT AND REVENUE

#### Information

The Group's operating segments are strategic business units which produce different products and which are managed as separate units. The Group's segment information is based on internal management reporting. The Group has three business areas which are organized into four reporting segments:

#### Foodservice Packaging:

- **Foodservice Europe-Asia-Oceania:** Foodservice paper and plastic disposable tableware is supplied to foodservice operators, fast food restaurants, coffee shops and FMCG companies. The segment has production in Europe, Africa, Middle East, Asia and Oceania.
- **North America:** The segment serves local markets in North America with Chinet® disposable tableware products, foodservice packaging products, as well as ice cream containers and other consumer goods packaging products. The segment has rigid paper, plastic and molded fiber manufacturing units in the United States and Mexico.

### Flexible Packaging:

Flexible packaging is used for a wide range of consumer products including food, pet food, hygiene and health care products. The segment serves global markets from production units in Europe, Middle East, Asia and South America.

### Fiber Packaging:

Recycled fiber is used to make fresh product packaging, such as egg and fruit packaging. The segment has production in Europe, Oceania, Africa and South America.

#### ACCOUNTING PRINCIPLES

In the Group the performance assessment of segments and decisions on allocation of resources to segments are based on a segment's potential to generate earnings before interest and taxes (EBIT), operating cash flow and return on net assets. In management's opinion these are the most suitable key indicators for analyzing the segments' performance. The Chief Executive Officer is the highest decision maker regarding the above mentioned assessments and allocation of resources.

Segment's net assets include items directly attributable to a segment and items which can be allocated on a reasonable basis. Net assets comprise intangible assets (including goodwill), tangible assets, equity-accounted investments, inventories, trade and other receivables, accrued income and prepayments, trade payables, other payables and accrued expense. Capital expenditure includes acquisition of tangible and intangible assets which will be used during more than one reporting period. Intersegment pricing is based on fair market value.

Other activities include unallocated corporate costs and royalty income and related net assets. Unallocated assets and liabilities relate to post-employment benefits, taxes and financial items.

## Group income statement and balance sheet items 2024

### Segments 2024

| EUR million | Note | Foodservice Europe-Asia-Oceania | North America | Flexible Packaging | Fiber Packaging | Segments total |
|---|---|---|---|---|---|---|
| Net sales | | 988.1 | 1,458.7 | 1,321.8 | 357.6 | 4,126.3 |
| Intersegment net sales | | 1.4 | 1.4 | 0.7 | 5.6 | -9.1 |
| EBIT | | 75.9 | 195.9 | 77.7 | 41.3 | 390.7 |
| Net Assets | 3.1., 3.3., 3.4., 4. | 928.9 | 1,073.0 | 1,344.5 | 325.4 | 3,671.9 |
| Capital Expenditure | | 66.3 | 83.9 | 69.0 | 28.1 | 247.4 |
| Depreciation and amortization | 2.3. | 72.1 | 65.0 | 61.5 | 22.7 | 221.3 |

### Segments 2023

| EUR million | Note | Foodservice Europe-Asia-Oceania | North America | Flexible Packaging | Fiber Packaging | Segments total |
|---|---|---|---|---|---|---|
| Net sales | | 1,033.7 | 1,456.4 | 1,337.7 | 341.1 | 4,168.9 |
| Intersegment net sales | | 3.5 | 1.5 | 3.2 | 2.0 | -10.3 |
| EBIT | | 88.0 | 187.9 | 93.9 | 33.4 | 403.2 |
| Net Assets | 3.1., 3.3., 3.4., 4. | 907.4 | 1,013.9 | 1,294.0 | 305.0 | 3,520.2 |
| Capital Expenditure | | 64.0 | 121.4 | 103.7 | 29.3 | 318.5 |
| Depreciation and amortization | 2.3. | 69.8 | 60.4 | 85.1 | 22.4 | 237.7 |

Intersegment net sales are eliminated on consolidation.

Net sales from transactions with a single customer do not amount 10 percent or more of the Group's net sales.

## Reconciliation calculations

### Result

| EUR million | 2024 | 2023 |
|---|---|---|
| Total EBIT for reportable segments | 390.7 | 403.2 |
| EBIT for other activities | -18.5 | -22.3 |
| Net financial items | -71.8 | -69.0 |
| **Profit before taxes** | **300.5** | **312.0** |

### Assets

| EUR million | 2024 | 2023 |
|---|---|---|
| Total assets for reportable segments | 4,350.2 | 4,140.9 |
| Assets in other activities | 36.5 | 19.3 |
| Unallocated assets | 506.8 | 504.7 |
| **Group's total assets** | **4,893.5** | **4,664.9** |

### Liabilities

| EUR million | 2024 | 2023 |
|---|---|---|
| Total liabilities for reportable segments | 760.8 | 657.3 |
| Liabilities in other activities | 38.0 | 28.6 |
| Unallocated liabilities | 1,970.7 | 2,054.1 |
| **Group's total liabilities** | **2,769.4** | **2,739.9** |

## Geographical information

In presenting information on geographical basis, revenues are reported based on the selling entity's location. Assets are reported based on the geographical location of the assets. Non-current assets are presented excluding financial instruments, deferred tax assets and post-employment benefit assets.

### 2024

| EUR million | External net sales | Non-current assets |
|---|---|---|
| United States | 1,458.3 | 894.2 |
| Germany | 457.2 | 425.1 |
| The United Kingdom | 320.9 | 214.3 |
| India | 256.3 | 186.8 |
| Australia | 170.6 | 89.1 |
| Türkiye | 170.3 | 202.9 |
| Thailand | 154.9 | 132.7 |
| Poland | 122.6 | 71.4 |
| South Africa | 122.5 | 77.6 |
| Spain | 94.0 | 76.3 |
| Other countries (excl. Finland) | 730.2 | 571.3 |
| Finland | 68.5 | 71.2 |
| **Total** | **4,126.3** | **3,013.0** |

### 2023

| EUR million | External net sales | Non-current assets |
|---|---|---|
| United States | 1,454.7 | 821.0 |
| Germany | 439.4 | 401.2 |
| The United Kingdom | 325.1 | 176.2 |
| India | 261.3 | 187.7 |
| Türkiye | 177.4 | 199.7 |
| Australia | 174.7 | 93.8 |
| Thailand | 158.4 | 115.5 |
| Poland | 124.1 | 71.1 |
| South Africa | 116.9 | 71.3 |
| Czech Republic | 104.6 | 40.5 |
| Other countries (excl. Finland) | 758.9 | 624.9 |
| Finland | 73.4 | 73.0 |
| **Total** | **4,168.9** | **2,876.0** |

ACCOUNTING PRINCIPLES

### Revenue recognition

The revenue is recognized at an amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer. The transaction price is usually fixed but may also include variable considerations such as volume or cash discounts. The variable considerations are estimated using the most likely value method if not yet realized in the end of reporting period. The revenue further adjusted with indirect sales taxes and exchange rate differences relating to sales in foreign currency is presented as net sales.

Typical contracts with customers include a sale of goods to a customer with only one performance obligation. The revenue recognition occurs at a point in time, when the control of the goods is transferred to the customer according to the delivery terms. Payment terms are typical to the business and contracts do not include significant financing components.

### Earnings before interest and taxes

Earnings before interest and taxes consists of net sales less costs of goods sold, sales and marketing expenses, research and development expenses, administration expenses, other operating expenses plus other operating income and share of result of equity-accounted investments. Foreign exchange gains and losses and changes of fair value of the derivative financial instruments relating to business are included in Earnings before interest and taxes.

## 2.2. EMPLOYEE BENEFITS

### Personnel expenses

| EUR million | Note | 2024 | 2023 |
|---|---|---|---|
| Wages and Salaries | | 721.4 | 684.1 |
| Compulsory social security contributions | | 76.0 | 67.2 |
| Pensions | | | |
| Defined benefit plans | | 6.4 | 5.8 |
| Defined contribution plans | | 25.1 | 21.8 |
| Other defined benefit plans | | 1.1 | 0.7 |
| Share-based payments | 6.3. | 6.2 | 13.9 |
| Other personnel costs | | 50.1 | 52.8 |
| **Total** | | **886.3** | **846.3** |

Remuneration paid by the parent company to the members of the Board of Directors as well as the Chief Executive Officer (CEO) of Huhtamäki Oyj (9 people) amounted to EUR 5.2 million (EUR 4.4 million).

| Average number of personnel | 2024 | 2023 |
|---|---|---|
| Group | 17,820 | 18,261 |
| Huhtamäki Oyj | 175 | 153 |

*See Note 6.2. Related party transactions, 6.3. Share-based payments and Remuneration Statement.*

### Pension plans

The Group has established a number of defined benefit plans providing pensions and other post-employment benefits for its personnel worldwide. The U.S., the UK, Germany and the Netherlands are the countries having major defined benefit plans comprising approximately 90% of the Group consolidated defined benefit obligation.

The U.S. and the UK defined benefit plans are organized through a pension fund and the German and Dutch defined benefit plans through an insurance company. The major pension plans are funded and the assets of these plans are segregated from the assets of the Group. The subsidiaries' level of funding of the plans and asset allocation to asset categories meet local authority requirements.

In the defined benefit pension plans the pensions payable are based on salary level before retirement and number of service years. Some plans can include early retirement. The calculations for defined benefit obligations and assessment of the fair value of assets at the reporting period closing date have been made by qualified actuaries.

The Group has also unfunded post-employment medical benefit plans, principally in the U.S. The method of accounting, assumptions and the frequency of valuations are similar to those used for the defined benefit pension schemes.

These defined benefit plans expose the Group to actuarial risks, such as inflation risk, interest rate risk, life expectancy and market risk.

ACCOUNTING PRINCIPLES

#### Employee benefits

Employee benefits are all forms of consideration given in exchange for service rendered by employees or for the termination of employment.

The Group companies have various pension and other postemployment benefit plans in accordance with local conditions and practices worldwide. These plans are classified as either defined contribution plans or defined benefit plans.

In defined contribution plans, the Group pay fixed contributions into a separate entity such as an insurance company. The Group has no legal or constructive obligations to pay further contributions. The contributions are recognized in the income statement as personnel expenses in the period to which they relate.

In defined benefit plans, the Group is obligated for the current contributions, but also for sufficiency of the plan assets to provide agreed benefits for employees. The liability recognized in the statement of financial position is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. The present value of defined benefit plan obligation is calculated annually by independent actuaries using projected unit credit method. The present value is determined by discounting estimated future cash flows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have maturity terms approximating to the terms of the related obligation. The cost of providing defined benefit plans is recognized in the income statement as personnel expense, when the service is rendered by employees or when a plan amendment or curtailment takes place. The net interest expense is recognized in the income statement as financial expense. Remeasurements, including actuarial gains or losses, are recognized through other comprehensive income in shareholder's equity in the period which they rise and are not reclassified to profit or loss in subsequent periods.

| | Defined benefit obligations | | Fair value of plan assets | | Effect from asset ceiling | | Net defined benefit liability | |
|---|---|---|---|---|---|---|---|---|
| EUR million | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| **Balance at January 1** | 430.8 | 422.4 | -338.1 | -344.7 | - | 1.2 | 92.7 | 78.9 |
| | | | | | | | | |
| **Included in Income statement** | | | | | | | | |
| Current service cost | 7.4 | 6.5 | | | | | 7.4 | 6.5 |
| Plan amendment and curtailment cost (+) / income (-) | - | - | | | | | - | - |
| Interest cost (+) / income (-) | 18.2 | 18.2 | -15.5 | -15.9 | | | 2.7 | 2.4 |
| | **25.6** | **24.7** | **-15.5** | **-15.9** | | | **10.2** | **8.9** |
| **Included in Other comprehensive income** | | | | | | | | |
| Remeasurements | | | | | | | | |
| Actuarial loss (+) / gain (-) arising from | | | | | | | | |
| Demographic assumptions | -0.2 | -2.7 | | | | | -0.2 | -2.7 |
| Financial assumptions | -17.9 | 15.8 | | | | | -17.9 | 15.8 |
| Experience adjustment | 6.1 | 6.8 | | | | | 6.1 | 6.8 |
| Actual return on plan assets less interest income | | | 8.6 | -0.5 | | | 8.6 | -0.5 |
| Changes in asset ceiling less interest | | | | | - | -1.3 | - | -1.3 |
| | **-11.9** | **19.9** | **8.6** | **-0.5** | **-** | **-1.3** | **-3.4** | **18.2** |
| | | | | | | | | |
| **Other movements** | | | | | | | | |
| Benefits paid | -30.5 | -30.2 | 23.8 | 22.2 | | | -6.7 | -7.9 |
| Contribution by employer | | | -4.8 | -4.6 | | | -4.8 | -4.6 |
| Contribution by employee | | | -0.2 | -0.2 | | | -0.2 | -0.2 |
| Obligations and assets assumed in business combinations | - | - | - | - | | | - | - |
| Assets extinguished on plan amendment | | | - | - | | | - | - |
| Effect of movements in exchange rates | 13.1 | -6.0 | -14.5 | 5.4 | - | 0.0 | -1.4 | -0.6 |
| **Balance at December 31** | **427.1** | **430.8** | **-340.8** | **-338.1** | **-** | **-** | **86.3** | **92.7** |

| Reflected to statement of financial position | 2024 | 2023 |
|---|---|---|
| Employee benefit assets | 63.8 | 53.3 |
| Employee benefit liabilities | 150.0 | 145.9 |
| | **86.3** | **92.7** |

| Amounts of funded and unfunded obligations | 2024 | 2023 |
|---|---|---|
| Present value of funded obligations | 402.5 | 407.9 |
| Present value of unfunded obligations | 24.5 | 22.9 |
| | **427.1** | **430.8** |

| Plan assets comprise: | 2024 | 2023 |
|---|---|---|
| European equities | 4.0 | 4.7 |
| North American equities | 49.1 | 35.3 |
| European debt instruments | 15.4 | 5.4 |
| North American debt instruments | 101.1 | 113.6 |
| Property | 13.3 | 13.3 |
| Insured plans | 84.3 | 85.3 |
| Other | 73.5 | 80.6 |
| | **340.8** | **338.1** |

All equity and debt instruments have quoted prices in active markets.

Expected contribution to defined benefit plans during 2025 is EUR 4.3 million.

The weighted average duration of defined benefit obligation was 11 years (11 years).

| Significant actuarial assumptions | 2024 | 2023 |
|---|---|---|
| **Discount rate %** | | |
| Europe | 3.1–5.4 | 3.2–4.5 |
| Americas | 5.5–9.9 | 4.9–9.9 |
| Asia, Oceania, Africa | 2.5–10.0 | 6.0–10.9 |
| **Annual increase in healthcare costs %** | | |
| Americas | 7.3 | 7.9 |
| Asia, Oceania, Africa | 6.2 | 6.9 |

**The effect of changes of significant actuarial assumptions on the defined benefit obligations**

| EUR million | 2024 | 2023 |
|---|---|---|
| 1% p. increase in discount rate | -36.2 | -32.6 |
| 1% p. decrease in discount rate | 40.4 | 37.6 |
| 1% p. increase of estimated healthcare cost | 1.4 | 0.8 |
| 1% p. decrease of estimated healthcare cost | -1.2 | -0.7 |

## 2.3. DEPRECIATION, AMORTIZATION AND IMPAIRMENT

| EUR million | 2024 | 2023 |
|---|---|---|
| Depreciation, amortization and impairments by function: | | |
| Cost of Goods Sold | 192.6 | 189.4 |
| Sales and marketing | 7.8 | 8.5 |
| Research and development | 7.6 | 7.2 |
| Administration | 14.0 | 19.6 |
| Other | 1.4 | 15.7 |
| **Total** | **223.4** | **240.3** |

| EUR million | 2024 | 2023 |
|---|---|---|
| Depreciation, amortization and impairments by asset type: | | |
| Land and land improvements | 1.4 | 0.8 |
| Buildings | 46.4 | 39.7 |
| Machinery and equipment | 144.9 | 153.7 |
| Other tangible assets | 10.3 | 9.1 |
| Intangible assets | 20.4 | 37.0 |
| **Total** | **223.4** | **240.3** |

| EUR million | 2024 | 2023 |
|---|---|---|
| Impairments by asset type: | | |
| Buildings | - | - |
| Machinery and equipment | - | 5.2 |
| Goodwill | 1.4 | 15.7 |
| Other Intangible assets | - | 0.7 |
| **Total** | **1.4** | **21.7** |

ACCOUNTING PRINCIPLES

### Depreciation and amortization

Depreciation and amortization is recorded on a straight-line basis over the estimated useful lives of the owned tangible and intangible assets or over the lease term of right-of-use assets. Land is not depreciated.

The estimated useful lives of the owned tangible and intangible assets are (years):

| | |
|---|---|
| Buildings and other structures | 20–40 |
| Machinery and equipment | 5–15 |
| Other tangible assets | 3–12 |
| Intangible assets | 3–20 |

*See Notes 2.1. Segment and revenue, 3.3. Intangible assets and 3.4. Tangible assets.*

## 2.4. OTHER OPERATING INCOME

| EUR million | 2024 | 2023 |
|---|---|---|
| Grants | 0.9 | 1.7 |
| Gain on disposal of tangible assets | 21.5 | 61.6[1] |
| Insurance reimbursements for property damage incidents | 2.2 | 0.3 |
| Royalty income | 0.2 | 0.1 |
| Rental income | 1.0 | 1.0 |
| Other | 15.5 | 19.6 |
| **Total** | **41.3** | **84.2** |

[1] Includes gain of EUR 51.6 million from assets held for sale.

*See also Note 3.1. Business combinations.*

ACCOUNTING PRINCIPLES

### Other operating income

Other operating income includes gains from disposal of assets and regular incomes, such as royalty income, rental income and gains relating to business combinations, which have not been derived from primary activities.

Other operating income includes also grants. Government or other grants are recognized in the income statement on a systematic basis in the same periods in which the expenses are incurred. Investment grants are presented in the statement of financial position as deferred income and recognized as income on a systematic basis over the useful life of the asset.

## 2.5. OTHER OPERATING EXPENSES

| EUR million | 2024 | 2023 |
|---|---|---|
| Goodwill impairment[1] | 1.4 | 15.7 |
| Settlement of industrial dispute | 2.4 | 4.4 |
| Other | 9.9 | 4.2 |
| **Total** | **13.7** | **24.3** |

[1]See Note 3.3. Intangible assets.

### Auditor's Fees

| EUR million | 2024 | 2023 |
|---|---|---|
| Audit fees | 3.6 | 3.2 |
| Other statutory services | 0.5 | 0.0 |
| Tax services | - | - |
| Other services | 0.2 | 0.2 |
| **Total** | **4.4** | **3.4** |

KPMG is acting as the principal auditor for Huhtamaki Group. KPMG has also provided other statutory services including assurance of the sustainability reporting. KPMG network has provided other consultancy services worth of EUR 0.2 million (EUR 0.2 million) of which KPMG Oy Ab accounted for EUR 0.0 million (EUR 0.2 million). 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.

ACCOUNTING PRINCIPLES

### Other operating expenses

Other operating expenses include amortization of intangible assets, losses from disposal of assets and other costs not directly related to production or sale of products such as strategic project expenses.

## 2.6. INCOME TAXES

| EUR million | 2024 | 2023 |
|---|---|---|
| Current tax expense | 85.5 | 76.9 |
| Deferred tax expense | -16.8 | 9.8 |
| **Total tax expense** | **68.7** | **86.7** |
| | | |
| Profit before taxes | 300.5 | 312.0 |
| | | |
| Tax calculated at domestic rate (20%) | 60.1 | 62.4 |
| | | |
| Effect of different tax rates in foreign subsidiaries | -1.7 | -0.2 |
| Non-deductible expenses and tax-exempt income | 0.4 | 4.1 |
| Tax effect of unrecognized tax losses | 7.1 | 7.6 |
| Previous period taxes | -1.3 | -1.5 |
| Deferred tax liability on undistributed earnings | 0.0 | -1.7 |
| Other items[1] | 4.0 | 16.0 |
| **Total tax expense** | **68.7** | **86.7** |

[1]Other items include functional currency remeasurements gain EUR 4 million (2023: loss EUR 17 million) and changes in local tax rates.

ACCOUNTING PRINCIPLES

### Income taxes

The Group income statement includes current taxes of Group companies based on taxable profit for the financial period according to local tax regulations as well as adjustments to prior year taxes and changes in deferred taxes. Tax effect relating to items recognized directly in equity or in other comprehensive income is recognized in equity or in other comprehensive income.

Deferred tax assets and liabilities are recognized using the liability method for all temporary differences arising from the difference between the tax basis of assets and liabilities and their carrying values for IFRS reporting purposes. Deferred tax is not recognized for non-deductible goodwill and for differences in investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is not recognized in the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. In the determination of deferred income tax the enacted tax rate is used.

Principal temporary differences arise from tangible assets, untaxed reserves, tax losses carried forward, financial instruments and defined benefit plans. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which such assets can be utilized.

The Group applies a temporary mandatory relief from accounting for deferred taxes for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

In accordance with IFRIC 23 the Group recognizes provisions for uncertain tax positions when the Group has a present obligation as a result of a past event and management judge that it is probable that there will be a future outflow of economic benefits from the Group to settle the obligation. Uncertain tax positions are assessed and measured on an issue by issue basis within the jurisdictions that we operate either using management's estimate of the most likely outcome where the issues are binary, or the expected value approach where the issues have a range of possible outcomes. The Group recognizes interest on late paid taxes as part of financing costs, and any penalties, if applicable, as part of the income tax expense.

## Tax effects relating to components of other comprehensive income

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| EUR million | Before tax amount | Tax expense/ benefit | Net of tax amount | Before tax amount | Tax expense/ benefit | Net of tax amount |
| Cash flow hedges | -1.8 | 0.3 | -1.6 | -5.6 | 1.2 | -4.4 |
| Remeasurements on defined benefit plans | 3.4 | -0.7 | 2.7 | -18.2 | 5.0 | -13.1 |

In 2024, income tax liabilities and assets include a net liability of EUR 39 million (EUR 39 million) relating to uncertain tax positions with inherently uncertain timing of cash outflows.

Certain Huhtamaki Group companies' prior period income tax returns are under examination by local tax authorities, and in 2024 Huhtamaki had ongoing tax investigations in various jurisdictions, including Czech Republic, Finland, Germany, Ghana, India, the Netherlands, Philippines and the United States.

Huhtamaki's business and investments, especially in emerging markets, may be subject to uncertainties, including unpredictable tax treatment. Management judgment and a degree of estimation are required in determining the amount of tax expense. Liabilities for uncertain tax positions are recorded based on estimates and assumptions of the amount and likelihood of outflow of economic resources when it is more likely than not that certain filing positions may not be fully sustained upon review by local tax authorities. Even though management does not expect that any significant additional taxes in excess of those already provided for will arise as a result of these examinations, the outcome or actual cost of settlement may vary materially from estimates.

Finland enacted new tax legislation to implement a domestic minimum top-up tax, which is effective from 1 January 2024 and the Group is subject to the global minimum top-up tax under Pillar Two tax legislation. The Group recognized a current tax expense of EUR 2 million related to the top-up tax (2023: nil).

## Deferred taxes

| EUR million | 2024 | 2023 |
|---|---|---|
| Deferred tax assets | | |
| Tangible assets | 43.5 | 37.8 |
| Employee benefit | 34.4 | 32.0 |
| Provisions | 6.1 | 6.5 |
| Unused tax losses | 35.5 | 27.9 |
| Other temporary differences | 46.2 | 36.0 |
| **Total** | **165.7** | **140.1** |
| | | |
| Deferred tax liabilities | | |
| Tangible assets | 157.1 | 143.5 |
| Intangible assets | 26.8 | 27.7 |
| Employee benefit | 20.5 | 17.7 |
| Undistributed earnings | 24.1 | 23.9 |
| Other temporary differences | 11.7 | 12.3 |
| **Total** | **240.2** | **225.0** |
| | | |
| Net deferred tax liabilities | 74.4 | 84.9 |
| | | |
| Reflected in statement of financial position as follows: | | |
| Deferred tax assets | 63.8 | 52.1 |
| Deferred tax liabilities | 138.2 | 137.0 |
| **Total** | **74.4** | **84.9** |

December 31, 2024 the Group had EUR 73 million (EUR 79 million) worth of deductible temporary differences, for which no deferred tax asset was recognized. EUR 24 million of these temporary differences have unlimited expiry, EUR 11 million expire over five years and EUR 38 million in five years.

## Movements in the net deferred tax balance during the year

| EUR million | 2024 | 2023 |
|---|---|---|
| Net deferred tax balance at January 1 | -84.9 | -84.9 |
| Recognized in income statement | 16.8 | -9.8 |
| Recognized in other comprehensive income | -0.5 | 6.2 |
| Recognized in equity | - | -0.2 |
| Translation differences | -5.9 | 3.8 |
| **Net deferred tax balance at December 31** | **-74.4** | **-84.9** |

## 2.7. EARNINGS AND DIVIDEND PER SHARE

### Earnings per share

| | 2024 | 2023 |
|---|---|---|
| Net income attributable to equity holders of the parent company (basic/diluted), EUR million | 224.1 | 206.3 |
| | | |
| Weighted average number of shares outstanding, in thousands | 104,713 | 104,497 |
| Effect of share-based payments, in thousands | 424 | 417 |
| **Diluted weighted average number of shares outstanding, in thousands** | **105,136** | **104,914** |
| | | |
| Earnings per share from the profit for the period attributable to equity holders of the parent company | | |
| Basic earnings per share, EUR | 2.14 | 1.97 |
| Diluted earnings per share, EUR | 2.13 | 1.97 |

### Dividend per share

The dividends paid in 2024 were EUR 1.05 per share, totaling EUR 110.0 million (EUR 1.00 per share, totaling EUR 104.5 million). A dividend of EUR 1.10 per share will be proposed at the Annual General Meeting on April 24, 2025. This corresponds total dividends of EUR 115.2 million for 2024, calculated based on outstanding shares at December 31, 2024. This dividend is not reflected in the financial statements.

ACCOUNTING PRINCIPLES

**Earnings per share**
The basic earnings per share figure is calculated by dividing the net income attributable to the shareholders of the parent company by the weighted average number of shares outstanding during the period. Diluted earnings per share is calculated by adjusting the weighted average number of shares by the effect of diluting shares due to Performance Share Arrangement in the Group.

**Dividend per share**
Dividends proposed by the Board of Directors are not recognized in the financial statements until they have been approved by the Company's shareholders at the Annual General Meeting.

# Notes to the consolidated financial statements

## 3. Acquisitions and capital expenditure

## 3.1. BUSINESS COMBINATIONS

### Contingent considerations

In the year 2024, Huhtamaki had no contingent considerations. In the beginning of the year 2023, Huhtamaki had EUR 20.6 million of financial liabilities for contingent considerations. The payments were contingent mainly on the financial performance on the acquired businesses after the acquisition. In the year 2023, Huhtamaki settled EUR 20.2 million of the liabilities. The net fair valuations through the profit or loss were EUR -0.8 million. The impact from the change in exchange rates was EUR 0.3 million. In the end of the year 2023, there was no financial liabilities for contingent considerations.

ACCOUNTING PRINCIPLES

#### Acquisitions

Business combinations are accounted for using the acquisition method. The identifiable assets and liabilities are measured at their fair value at the date of acquisition, any non-controlling interest is measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. In a business combination achieved in stages, the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and any resulting gain or loss is recognized in profit or loss or other comprehensive income, as appropriate. The aggregate of consideration transferred, any non-controlling interest and any previously held equity interest, less acquired net assets is recognized as goodwill.

Any possible contingent consideration is recognized at fair value at the acquisition date and it is classified as a financial liability or equity. Contingent consideration classified as a financial liability is remeasured at the reporting period closing date and the related profit or loss is recognized in the income statement. Contingent consideration classified as equity is not remeasured.

Acquisition related costs are expensed as incurred.

## 3.2. GOODWILL

### Goodwill allocation by groups of cash-generating units

Goodwill acquired through business combinations has been allocated to the level of groups of cash-generating units (groups of CGUs) that are expected to benefit from the synergies of the acquisition, which represent the lowest level at which the goodwill is monitored for internal management purposes. The group of CGU in which goodwill is allocated represents the operating segment. Goodwill allocation by segments, and the weighted average pre-tax discount interest rates used in discounting the projected cash flows to their present value, are presented in the table below:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| EUR million | Goodwill | Discount interest rates used (pre-tax), % | Goodwill | Discount interest rates used (pre-tax), % |
| Flexible Packaging | 539.7 | 11.9 | 522.6 | 13.6 |
| North America | 234.4 | 9.8 | 226.7 | 11.4 |
| Foodservice Europe-Asia-Oceania | 186.3 | 9.7 | 181.6 | 10.1 |
| Fiber Packaging | 63.7 | 10.4 | 63.7 | 11.4 |
| **Total goodwill** | **1,024.1** | | **994.6** | |

### Impairment testing

Goodwill has been tested for impairment and since the recoverable value of the groups of the cash-generating units (CGUs) has been higher than the carrying value, no impairment charges has been recognized.

In assessing whether goodwill has been impaired, the carrying value of the group of CGUs has been compared to the recoverable amount of the group of CGUs. The recoverable amount is based on value-in-use, which is estimated using a discounted cash flow model. The cash flows are determined using five-year cash flow forecasts, which are based on business plans. The plans are based on experience as well as future expected market trends. The plans are approved by management and are valid when impairment test is performed. Cash flows for future periods are extrapolated by using 0.8 (0.8) percent growth rate in developed countries, 1.4 (1.3) percent growth rate in developing countries and 2.4 (2.3) percent growth rate in high growth countries. The management views these growth rates as being appropriate for the business, given the long time horizon of the testing period.

### Sensitivity analysis

As part of the impairment testing, a sensitivity analysis around the key assumptions is performed. The assumptions used in the impairment testing, that are considered to be most sensitive for changes, are EBIT and discount rates. Sensitivity analysis around these key assumptions have been performed, and management believes that any reasonably possible change (decrease of 1.5 percentage points in EBIT margin, increase of 1.5 percentage points in discount rates or combined effect of these changes) in the key assumptions would not cause carrying amount to exceed the recoverable amount in any of the groups of CGUs.

ACCOUNTING PRINCIPLES

#### Goodwill

Goodwill arising from an acquisition represents the excess of the consideration transferred over the fair value of the net identifiable assets acquired. Goodwill is allocated to groups of cash-generating units that are expected to benefit from the synergies of the acquisition and is not amortized but tested annually for impairment. For associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment. Goodwill is valued at cost less impairment losses.

#### Impairment testing

Goodwill is tested annually or more frequently if there are indications of impairment. In assessing whether goodwill has been impaired, the carrying value of the group of cash generating units (group of CGUs) has been compared to the recoverable amount of the group of CGUs. The recoverable amount is based on value-in-use, which is estimated using a discounted cash flow model. The cash flows are determined using five-year cash flow forecasts, which are based on business plans. Business plans are based on past experience as well as future expected market trends. Management approves business plans for impairment testing purposes. Cash flows for future periods are extrapolated by using defined growth rates for developed countries, developing countries and emerging countries. The discount rate used in the calculation reflects the weighted average cost of capital (WACC) and risks to the asset under review.

A goodwill impairment loss is recognized immediately as an expense in the income statement and is not subsequently reversed.

## 3.3. INTANGIBLE ASSETS

| EUR million | Goodwill | Customer relations | Software | Other intangibles (including intangible rights) | Total 2024 |
|---|---|---|---|---|---|
| Acquisition cost on January 1, 2024 | 1,124.5 | 115.1 | 99.2 | 85.2 | 1,424.0 |
| Additions | - | - | 0.3 | 2.6 | 2.9 |
| Disposals | - | -0.1 | -47.3 | -5.2 | -52.5 |
| Intra-balance sheet transfer | - | - | 2.8 | 3.7 | 6.5 |
| Changes in exchange rates | 32.6 | 4.2 | 1.0 | 1.6 | 39.4 |
| Acquisition cost on December 31, 2024 | 1,157.1 | 119.2 | 56.0 | 87.9 | 1,420.3 |
| Accumulated amortization and impairment on January 1, 2024 | -129.9 | -55.5 | -89.6 | -50.5 | -325.5 |
| Accumulated amortization on disposals and transfers | - | 0.1 | 47.2 | 1.0 | 48.3 |
| Amortization during the financial year | - | -6.8 | -3.7 | -8.4 | -18.9 |
| Impairments during the financial year | -1.4[1] | - | - | - | -1.4 |
| Changes in exchange rates | -1.7 | -1.5 | -1.0 | -0.7 | -4.9 |
| Accumulated amortization and impairment on December 31, 2024 | -133.0 | -63.8 | -47.1 | -58.6 | -302.5 |
| **Book value on December 31, 2024** | **1,024.1** | **55.5** | **8.9** | **29.3** | **1,117.8** |

[1] During 2024 it was announced that Huhtamaki is planning to consolidate the production footprint in the Fiber Foodservice Europe-Asia-Oceania segment by closing its production site in Port Klang, Malaysia, by the end of Q2 2024. As a result of this announcement, Group has impaired the goodwill related to the Port Klang operations.

| EUR million | Goodwill | Customer relations | Software | Other intangibles (including intangible rights) | Total 2023 |
|---|---|---|---|---|---|
| Acquisition cost on January 1, 2023 | 1,151.4 | 119.0 | 98.5 | 79.3 | 1,448.3 |
| Additions | - | - | 0.8 | 1.0 | 1.8 |
| Disposals | - | - | -7.1 | -1.5 | -8.6 |
| Intra-balance sheet transfer | - | - | 8.0 | 8.1 | 16.1 |
| Changes in exchange rates | -26.9 | -3.9 | -1.0 | -1.7 | -33.5 |
| Acquisition cost on December 31, 2023 | 1,124.5 | 115.1 | 99.2 | 85.2 | 1,424.0 |
| Accumulated amortization and impairment on January 1, 2023 | -116.4 | -49.6 | -86.8 | -42.7 | -295.4 |
| Accumulated amortization on disposals and transfers | - | - | 1.8 | 0.1 | 1.9 |
| Amortization during the financial year | - | -7.3 | -4.8 | -8.5 | -20.6 |
| Impairments during the financial year | -15.7[1] | - | -0.7 | - | -16.5 |
| Changes in exchange rates | 2.2 | 1.4 | 0.8 | 0.6 | 5.0 |
| Accumulated amortization and impairment on December 31, 2023 | -129.9 | -55.5 | -89.6 | -50.5 | -325.5 |
| **Book value on December 31, 2023** | **994.6** | **59.6** | **9.6** | **34.8** | **1,098.5** |

[1] During 2023 it was announced that Huhtamaki has made the decision to consolidate the production footprint of its Flexible Packaging segment in Europe and will be closing its Flexible Packaging production facility in Prague, Czech Republic. As a result of this announcement, Group has impaired the goodwill related to the Prague operations.

### ACCOUNTING PRINCIPLES

#### Goodwill

See Note 3.2. Goodwill for the accounting principles relating to goodwill.

#### Other intangible asset

Other intangible assets include customer relations, patents, copyrights, trademarks, technologies, emission rights, renewable energy certificates and software licenses. These are measured at cost and typically amortized on a straight-line basis over the estimated useful lives, which may vary from 3 to 20 years. Other intangible assets with definite useful lives are tested for impairment when there are indications of impairment, see more information on impairment of assets in Note 3.4. Tangible assets.

Cloud computing arrangements that meet the definition of an intangible asset and comply with the recognition criteria are capitalized on the balance sheet. Implementation costs (customization and configuration) relating to cloud computing arrangements that don't meet the definition of an intangible asset and are distinct from the access to the software are expensed when the services are received. If the customization and configuration services are not distinct from the access to the software, the costs are recognized as prepayments and expensed over the software contract term.

#### Research and development

Research costs are recognized in the income statement as incurred. Expenditure on development activities related to new products and processes are capitalized in the statement of financial position from the moment they are expected to bring future economic benefits and the Group has intention and resources to finalize the development. Previously expensed development expenditure is not capitalized later.

#### Emission rights and renewable energy certificates

Emission rights and renewable energy certificates are measured at cost. Rights and certificates received free of charge are recognized at their nominal value (nil). Emission rights are derecognized against actual emissions. A provision to cover the obligation to return emission rights is recognized at the fair value in the end of the reporting period if the emission allowances held by the Group do not cover actual emissions. Renewable energy certificates are derecognized against actual consumption of energy.

The estimated useful lives are (years):

| | |
|---|---|
| Intangible rights up to | 20 |
| Software | 3–5 |
| Customer relations | 7–15 |

Subsequent expenditure on capitalized other intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

## 3.4. TANGIBLE ASSETS

| EUR million | 2024 | 2023 |
|---|---|---|
| Owned property, plant and equipment | 1,761.7 | 1,645.8 |
| Right-of-use assets | 152.2 | 149.1 |
| **Total tangible assets** | **1,913.9** | **1,794.9** |

| | Owned assets | | | | | |
|---|---|---|---|---|---|---|
| EUR million | Land and land improvements | Buildings and constructions | Machinery and equipment | Construction in progress and advance payments | Other tangible assets | Total 2024 |
| Acquisition cost on January 1, 2024 | 47.9 | 535.8 | 2,276.3 | 342.7 | 112.9 | 3,315.6 |
| Additions | - | 0.6 | 11.7 | 232.0 | 0.7 | 245.1 |
| Disposals | -0.4 | -6.7 | -42.3 | -1.2 | -5.0 | -55.6 |
| Intra-balance sheet transfer | 0.1 | 13.7 | 182.3 | -213.2 | 10.5 | -6.5 |
| Reclassification to assets held for sale[1] | -1.7 | - | - | - | - | -1.7 |
| Changes in exchange rates | 1.3 | 18.8 | 80.8 | 11.1 | 2.8 | 114.7 |
| Acquisition cost on December 31, 2024 | 47.3 | 562.2 | 2,508.7 | 371.4 | 122.0 | 3,611.6 |
| Accumulated depreciation and impairment on January 1, 2024 | -1.9 | -226.6 | -1,363.1 | - | -78.2 | -1,669.8 |
| Accumulated depreciation on disposals and transfers | -0.0 | 4.8 | 44.3 | - | 4.7 | 53.8 |
| Depreciation during the financial year | -0.8 | -26.3 | -136.9 | - | -9.7 | -173.8 |
| Impairments during the financial year | - | - | - | - | - | - |
| Reclassification to assets held for sale[1] | - | - | - | - | - | - |
| Changes in exchange rates | -0.2 | -8.1 | -49.8 | - | -1.9 | -60.0 |
| Accumulated depreciation and impairment on December 31, 2024 | -2.9 | -256.2 | -1,505.5 | - | -85.3 | -1,849.8 |
| **Book value on December 31, 2024** | **44.4** | **306.0** | **1,003.2** | **371.4** | **36.7** | **1,761.7** |

[1] See note 3.5. Assets held for sale.

ACCOUNTING PRINCIPLES

### Tangible assets

Tangible assets include both owned property, plant and equipment and right-of-use (ROU) assets.

Tangible assets comprising mainly of land, buildings, machinery, tooling and equipment are valued at cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of material, direct labor costs and an appropriated proportion of production overheads. When an asset includes major components that have different useful lives, they are accounted for as separate items. The costs of right-of-use assets include the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less lease incentives received, any direct costs and an estimate of dismantling costs. The carrying amount is further adjusted for any remeasurement of the lease liability.

Expenditure incurred to replace a component in a tangible asset that is accounted for separately, including major inspection and overhaul costs, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the asset. All other expenditure such as ordinary maintenance and repairs is recognized in the income statement as an expense as incurred. The borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the acquisition cost.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the owned property, plant and equipment or over the lease term of right-of-use assets. Land is not depreciated.

The estimated useful lives of the owned property, plant and equipment are (years):

| | |
|---|---|
| Buildings and other structures | 20–40 |
| Machinery and equipment | 5–15 |
| Other tangible assets and land improvements | 3–12 |

Tangible assets which are classified as held for sale are valued at lower of its carrying amount or fair value less costs to sell. The depreciation of these assets will be ceased when assets are classified as held for sale. Gains or losses arising from the disposal of tangible assets are included in Earnings before interest and taxes.

| | Owned assets | | | | | |
|---|---|---|---|---|---|---|
| EUR million | Land and land improvements | Buildings and constructions | Machinery and equipment | Construction in progress and advance payments | Other tangible assets | Total 2023 |
| Acquisition cost on January 1, 2023 | 39.6 | 495.2 | 2,165.5 | 366.1 | 111.2 | 3,177.7 |
| Additions | - | 3.0 | 17.6 | 291.7 | 4.6 | 316.9 |
| Disposals | -0.8 | -9.2 | -26.2 | -8.2 | -5.2 | -49.6 |
| Intra-balance sheet transfer | 11.0 | 65.1 | 206.6 | -298.3 | 5.4 | -10.3 |
| Reclassification to assets held for sale[1] | - | - | -21.3 | - | - | -21.3 |
| Changes in exchange rates | -1.9 | -18.3 | -65.9 | -8.6 | -3.0 | -97.7 |
| Acquisition cost on December 31, 2023 | 47.9 | 535.8 | 2,276.3 | 342.7 | 112.9 | 3,315.6 |
| Accumulated depreciation and impairment on January 1, 2023 | -1.7 | -217.0 | -1,294.0 | - | -76.4 | -1,589.2 |
| Accumulated depreciation on disposals and transfers | - | 4.6 | 22.6 | - | 4.8 | 32.0 |
| Depreciation during the financial year | -0.3 | -20.6 | -140.1 | - | -8.6 | -169.7 |
| Impairments during the financial year | - | - | -5.2 | - | - | -5.2 |
| Reclassification to assets held for sale[1] | - | - | 16.0 | - | - | 16.0 |
| Changes in exchange rates | 0.1 | 6.5 | 37.8 | - | 2.0 | 46.4 |
| Accumulated depreciation and impairment on December 31, 2023 | -1.9 | -226.6 | -1,363.1 | - | -78.2 | -1,669.8 |
| **Book value on December 31, 2023** | **46.0** | **309.2** | **913.2** | **342.7** | **34.7** | **1,645.8** |

[1] See note 3.5. Assets held for sale.

| | Right-of-use assets | | | | |
|---|---|---|---|---|---|
| EUR million | Land | Buildings and constructions | Machinery and equipment | Other tangible assets | Total 2024 |
| Acquisition cost on January 1, 2024 | 14.5 | 204.8 | 40.6 | 2.1 | 262.1 |
| Additions | 0.0 | 22.1 | 12.5 | 0.5 | 35.0 |
| Disposals | -0.0 | -18.2 | -10.0 | -0.4 | -28.6 |
| Intra-balance sheet transfer | - | 5.1 | -5.1 | - | - |
| Changes in exchange rates | 0.8 | 4.4 | 0.8 | 0.1 | 6.0 |
| Acquisition cost on December 31, 2024 | 15.3 | 218.2 | 38.8 | 2.3 | 274.6 |
| Accumulated depreciation and impairment on January 1, 2024 | -6.1 | -86.5 | -19.4 | -1.0 | -113.0 |
| Accumulated depreciation on disposals and transfers | 0.0 | 12.4 | 9.8 | 0.3 | 22.6 |
| Depreciation during the financial year | -0.6 | -20.0 | -8.1 | -0.6 | -29.3 |
| Changes in exchange rates | -0.3 | -2.0 | -0.4 | -0.0 | -2.7 |
| Accumulated depreciation and impairment on December 31, 2024 | -7.1 | -96.1 | -18.0 | -1.2 | -122.4 |
| **Book value on December 31, 2024** | **8.2** | **122.1** | **20.8** | **1.1** | **152.2** |

| | Right-of-use assets | | | | |
|---|---|---|---|---|---|
| EUR million | Land | Buildings and constructions | Machinery and equipment | Other tangible assets | Total 2023 |
| Acquisition cost on January 1, 2023 | 13.5 | 197.7 | 38.0 | 1.6 | 250.8 |
| Additions | 1.4 | 21.9 | 12.8 | 0.7 | 36.9 |
| Disposals | -0.0 | -12.8 | -9.7 | -0.2 | -22.7 |
| Intra-balance sheet transfer | - | - | - | - | - |
| Changes in exchange rates | -0.4 | -2.0 | -0.5 | -0.0 | -2.9 |
| Acquisition cost on December 31, 2023 | 14.5 | 204.8 | 40.6 | 2.1 | 262.1 |
| Accumulated depreciation and impairment on January 1, 2023 | -5.8 | -77.5 | -19.4 | -0.6 | -103.4 |
| Accumulated depreciation on disposals and transfers | 0.0 | 10.0 | 8.1 | 0.1 | 18.2 |
| Depreciation during the financial year | -0.6 | -19.0 | -8.3 | -0.4 | -28.3 |
| Changes in exchange rates | 0.2 | 0.1 | 0.2 | 0.0 | 0.6 |
| Accumulated depreciation and impairment on December 31, 2023 | -6.1 | -86.5 | -19.4 | -1.0 | -113.0 |
| **Book value on December 31, 2023** | **8.4** | **118.4** | **21.2** | **1.1** | **149.1** |

## ACCOUNTING PRINCIPLES

### Impairment of assets

The carrying amounts of assets are assessed at each reporting period closing date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of assets or cash-generating unit exceeds the recoverable amount. Impairment losses are recognized in the income statement. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying value of goodwill allocated to groups of cash-generating units and then to reduce the carrying amount of other assets in the group of units on pro rata bases.

For intangible and tangible assets the recoverable amount is the higher of the fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value based on the average cost of capital rate (pre-tax) of the cash-generating unit where the assets are located, adjusted for risks specific to the assets.

In respect of tangible assets, and other intangible assets excluding goodwill, impairment losses recognized in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss in respect of goodwill is never reversed.

## 3.5. NON-CURRENT ASSETS HELD FOR SALE

### Non-current assets held for sale

On June 8, 2023, it was announced that Huhtamaki has made the decision to consolidate the production footprint of its Flexible Packaging segment in Europe and will be closing its Flexible Packaging production facility in Prague, Czech Republic. As a result, the Group reclassified certain assets consisting of land and machinery from property, plant and equipment to assets held for sale. The amount of non-current assets held for sale was EUR 1.7 million at the end of the year 2024, and the Group expects to dispose these assets over the course of next 12 months. The amount of non-current assets held for sale was EUR 5.2 million at the end of the year 2023, and these assets were sold during the second quarter of 2024.

ACCOUNTING PRINCIPLES

#### Non-current assets held for sale

Non-current assets are classified as held for sale, if their carrying amounts will be recovered mainly through a sale transaction rather than through continuing use. The assets must be available for immediate sale in their present condition subject only to terms that are usual and customary for sale of such assets. Also, the sale must be highly probable and expected to be completed within one year from the date of classification. These assets are presented separately in the consolidated statement of financial position and measured at the lower of the carrying amount and fair value less costs to sell. Comparative information is not restated when classification is made. Non-current assets classified as held for sale are not depreciated.

# Notes to the consolidated financial statements

## 4. Working capital

## 4.1. INVENTORIES

| EUR million | 2024 | 2023 |
|---|---|---|
| Raw and packaging material | 262.4 | 246.5 |
| Work-In-Process | 87.7 | 79.6 |
| Finished goods | 295.1 | 272.8 |
| Goods in transit | 21.4 | 21.9 |
| **Total** | **666.6** | **620.9** |

The value at cost for finished goods amounts to EUR 336.9 million (EUR 316.6 million). An allowance of EUR 41.8 million (EUR 43.7 million) has been established for obsolete items. Total inventories include EUR 8.0 million resulting from reversals of previously written down values (EUR 0.9 million). Reversals relate to items used in production and sold finished goods inventories.

ACCOUNTING PRINCIPLES

### Inventories

Inventories are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost of inventories is determined using the first-in first-out (FIFO) principle and include expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Costs for produced finished goods and work-in-process represent the purchase price of materials, direct labor costs, other direct costs and related production overheads excluding selling and financial costs.

## 4.2. TRADE AND OTHER CURRENT RECEIVABLES

| EUR million | 2024 | 2023 |
|---|---|---|
| Trade receivables | 540.5 | 511.0 |
| Other receivables | 68.9 | 75.9 |
| Accrued interest and other financial items | 14.7 | 10.3 |
| Other accrued income and prepaid expenses | 54.1 | 39.4 |
| **Total** | **678.1** | **636.5** |

Other accrued income and prepaid expenses include prepayments for goods, accrued royalty income, rebates and other miscellaneous accruals.

### Aging and impairment losses of trade receivables at the closing date

| EUR million | Gross 2024 | Impairment 2024 | Net 2024 | Gross 2023 | Impairment 2023 | Net 2023 |
|---|---|---|---|---|---|---|
| Not past due | 493.2 | 0.8 | 492.4 | 466.3 | 0.7 | 465.7 |
| Past due 0–30 days | 36.4 | 0.2 | 36.2 | 33.6 | 0.2 | 33.4 |
| Past due 31–120 days | 10.9 | 0.4 | 10.6 | 10.1 | 0.5 | 9.6 |
| Past due more than 120 days | 5.2 | 3.8 | 1.4 | 7.2 | 4.9 | 2.3 |
| **Total** | **545.8** | **5.2** | **540.5** | **517.3** | **6.3** | **511.0** |

ACCOUNTING PRINCIPLES

### Trade and other current receivables

Trade and other current receivables are financial assets initially measured at fair value and subsequently measured at amortized cost by using the effective interest method. The Group uses simplified approach to measure a loss allowance for expected credit losses on trade receivables that do not contain a significant financing component, where the Group always measures the loss allowance at an amount equal to the lifetime expected credit losses. For this purpose, trade receivables are grouped based on geographical location, product type and customer rating. The Group uses its historical credit losses experience adjusted with supportable information about current and future conditions to define the expected credit losses. The amount of expected credit losses is updated at each reporting date.

In factoring arrangements for trade receivables, the sold trade receivables are derecognized once the contractual cash flows and substantially all risks and rewards of ownership are transferred.

## 4.3. PROVISIONS

### Restructuring provisions

Restructuring provisions include mainly costs for various ongoing projects to streamline operations. Provisions relate to employee termination benefits.

During 2024 it was announced that Huhtamaki has decided to consolidate its three Flexible Packaging manufacturing sites in the United Arab Emirates, keeping one factory in Jebel Ali and expanding the one in Ras Al Khaimah. As a result, a restructuring provision of EUR 1.6 million was made.

During 2024 it was announced that Huhtamaki is planning to consolidate the production footprint in the Fiber Foodservice Europe-Asia-Oceania segment by closing its production site in Port Klang, Malaysia, by the end of Q2 2024. As a result, a restructuring provision of EUR 3.3 million was made.

During 2023 it was announced that Huhtamaki has made the decision to consolidate the production footprint of its Flexible Packaging segment in Europe and will be closing its Flexible Packaging production facility in Prague, Czech Republic. As a result, a restructuring provision of EUR 4.4 million was made. The provision was used during 2024.

### Other provisions

Other provisions include mainly captive insurance provisions relating to workers, environmental and litigation provisions.

| EUR million | Restructuring reserve | Other | Total 2024 | Total 2023 |
|---|---|---|---|---|
| Provision on January 1, 2024 | 5.1 | 18.8 | 23.9 | 23.1 |
| Translation difference | 0.1 | 0.4 | 0.5 | -0.6 |
| Provisions made during the year | 7.2 | 5.6 | 12.8 | 10.5 |
| Provisions used during the year | -5.9 | -5.7 | -11.7 | -8.9 |
| Unused provisions reversed during the year | -0.3 | -2.4 | -2.7 | -0.2 |
| **Provision on December 31, 2024** | **6.2** | **16.6** | **22.8** | **23.9** |
| | | | | |
| Current | 6.2 | 3.2 | 9.4 | 10.5 |
| Non-current | 0.0 | 13.4 | 13.4 | 13.4 |

ACCOUNTING PRINCIPLES

#### Provisions

Provisions are recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle such obligation, and a reliable estimate of the amount of the obligation can be made. Provisions arise from restructuring plans, onerous contracts, legal proceedings and from environmental litigation risks. Obligations arising from restructuring plans are recognized when the detailed and formal plans have been established and when there is a valid expectation that such plan will be carried out (plan has been announced). Provision from emissions is recognized according to actual emissions.

## 4.4. TRADE AND OTHER CURRENT LIABILITIES

| EUR million | 2024 | 2023 |
|---|---|---|
| Trade payables | 507.0 | 414.9 |
| Other payables | 96.4 | 94.0 |
| Accrued interest expense and other financial items | 30.3 | 26.5 |
| Personnel and social security accruals | 89.6 | 86.9 |
| Other accrued expenses | 92.8 | 81.1 |
| **Total** | **816.0** | **703.5** |

Other accrued expenses include accruals for purchases of material and other miscellaneous accruals.

ACCOUNTING PRINCIPLES

Trade and other current liabilities are measured at amortized cost.

## 4.5. SUPPLIER FINANCE ARRANGEMENTS

| EUR million | 2024 |
|---|---|
| Payables in supplier finance arrangements | 27.3 |
| Supplier has received payment | 20.7 |
| Supplier has not yet received payment | 6.6 |

The payables in supplier finance arrangements are presented in Trade and other current liabilities in the statement of financial position.

| | 2024 | |
|---|---|---|
| EUR million | Payment terms within arrangements (current) | Comparative payment terms without arrangements |
| 0–30 days | 4.8 | 5.8 |
| 31–90 days | 8.7 | 16.4 |
| 91–180 days | 13.9 | 5.1 |
| **Total** | **27.3** | **27.3** |

Huhtamaki has entered into supplier finance arrangements with the terms and conditions of providing extended payment terms for Huhtamaki, earlier payment possibilities for supplier or both mentioned. Most of the arrangements provide extended payment terms for Huhtamaki or extended payment terms for Huhtamaki and earlier payment possibilities for supplier. A few provide only earlier payment possibilities for supplier.

ACCOUNTING PRINCIPLES

A supplier finance arrangement is characterized by one or more finance providers that are offering to pay amounts that an entity owes to its suppliers. The entity is agreeing to pay according to the terms and conditions of the arrangement at the same date as, or a date later than, suppliers are paid. When entering into an arrangement, it is considered whether the terms and conditions of related payables substantially change. If the financing nature is becoming more dominant, the payables are derecognized and a new financial liability towards the finance provider is recognized.

# Notes to the consolidated financial statements

## 5. Capital structure and financial items

## 5.1. NET FINANCIAL ITEMS

| EUR million | 2024 | 2023 |
|---|---|---|
| Interest income | | |
| Financial assets at amortized cost | | |
| Interest-bearing receivables and other receivables | 12.9 | 10.8 |
| Financial assets at fair value through profit or loss | | |
| Derivatives | 0.7 | 0.2 |
| Defined benefit plans | 2.8 | 2.8 |
| Dividend income | | |
| Other investments | 0.2 | 0.0 |
| **Financial income** | **16.6** | **13.9** |
| | | |
| Interest expense | | |
| Financial liabilities measured at amortized cost | | |
| Interest-bearing liabilities (excl. lease liabilities) | -62.3 | -69.6 |
| Lease liabilities | -6.6 | -5.5 |
| Financial liabilities at fair value through profit or loss | | |
| Derivatives | -5.6 | 6.2 |
| Defined benefit plans | -5.3 | -5.2 |
| Other financial expense | | |
| FX revaluation losses | | |
| Interest-bearing assets and liabilities | -4.0 | -4.7 |
| Derivatives | -2.1 | -6.5 |
| Fees related to committed credit facilities | -2.4 | 2.3 |
| Other fees | -0.1 | 0.1 |
| **Financial expense** | **-88.3** | **-82.9** |
| | | |
| **Net financial items** | **-71.8** | **-69.0** |

ACCOUNTING PRINCIPLES

### Net financial items

Gains and losses on fair value hedges are reported net of the gain or loss on the hedged item. Only foreign exchange revaluation gains and losses arising from purely financial exposures such as loans denominated in foreign currencies are reported in other financial items. Changes in fair value of contingent considerations related to business combinations are reported as other financial income or expense.

## 5.2. INTEREST-BEARING RECEIVABLES

| | 2024 | | 2023 | |
|---|---|---|---|---|
| EUR million | Carrying amount | Fair value | Carrying amount | Fair value |
| Current | | | | |
| Loan receivables | 22.5 | 22.5 | 14.0 | 14.0 |
| Finance lease receivables | 2.4 | 2.4 | 1.2 | 1.2 |
| **Current interest-bearing receivables** | **24.9** | **24.9** | **15.2** | **15.2** |
| | | | | |
| Non-current | | | | |
| Loan receivables | 0.1 | 0.1 | 0.1 | 0.1 |
| Finance lease receivables | 4.1 | 4.1 | 2.2 | 2.2 |
| **Non-current interest-bearing receivables** | **4.2** | **4.2** | **2.4** | **2.4** |

### Finance lease receivables

| EUR million | 2024 | 2023 |
|---|---|---|
| Finance lease receivable is payable as follows: | | |
| In less than one year | 2.4 | 1.2 |
| Between one and five years | 4.1 | 2.2 |
| **Total minimum lease payments** | **6.5** | **3.4** |
| | | |
| **Present value of minimum lease payments** | | |
| In less than one year | 2.1 | 1.0 |
| Between one and five years | 3.7 | 2.1 |
| **Total present value of minimum lease payments** | **5.8** | **3.1** |
| | | |
| **Unearned future financial income** | **0.7** | **0.4** |

Finance lease receivables relate to packaging machines leased to customers.

ACCOUNTING PRINCIPLES

### Interest-bearing receivables

Interest bearing receivables are measured at amortized cost. Fair values have been calculated by discounting future cash flows of each major receivable at the appropriate market interest rate prevailing at closing date. The fair value of current interest-bearing receivables is estimated to equal the carrying amount.

## 5.3. CASH AND CASH EQUIVALENTS

| EUR million | 2024 | 2023 |
|---|---|---|
| Cash and bank | 300.2 | 255.0 |
| Liquid marketable securities | 16.9 | 93.2 |
| **Total** | **317.1** | **348.2** |

ACCOUNTING PRINCIPLES

### Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and short-term highly liquid deposits and money market securities for the Group's cash management purposes that are subject to insignificant risk of changes in value.

## 5.4. SHAREHOLDERS' EQUITY

| Share capital | Number of shares | Share capital EUR | Share premium EUR | Treasury shares EUR | Total EUR |
|---|---|---|---|---|---|
| **January 1, 2023** | **107,760,385** | **366,385,309.00** | **115,023,103.38** | **-31,205,188.88** | **450,203,223.50** |
| Own shares conveyance through performance share incentive plan | - | - | - | 1,594,440.60 | 1,594,440.60 |
| **December 31, 2023** | **107,760,385** | **366,385,309.00** | **115,023,103.38** | **-29,610,748.28** | **451,797,664.10** |
| Own shares conveyance through performance share incentive plan | - | - | - | 2,044,859.39 | 2,044,859.39 |
| **December 31, 2024** | **107,760,385** | **366,385,309.00** | **115,023,103.38** | **-27,565,888.89** | **453,842,523.49** |

All shares issued are fully paid.

### Share capital of the parent company

Huhtamäki Oyj has one series of shares. Each share entitles its holder to equal voting rights and equal distribution of dividend and other assets. The Company's Articles of Association do not contain rules regarding the minimum or maximum number of shares or the minimum or maximum share capital. Shares do not have a nominal value. All shares issued are fully paid.

The amount of the subscription price exceeding the par value of shares (EUR 3.40) received by the Company in connection with share subscriptions based on option rights granted under the option rights plan established under the old Companies Act (734/1978) has been recorded in the share premium. The Company's last existing option rights plan ceased on April 30, 2014.

Based on the authorization given by the Annual General Meeting of Shareholders on March 25, 2002, the Company repurchased in total 5,061,089 own shares during 2002 and 2003. After 2003 no own shares have been repurchased. The Annual General Meeting of Shareholders on April 25, 2024 authorized the Board of Directors to decide on the repurchase of the Company's own shares. The authorization remains in force until the end of the next Annual General Meeting, however, no longer than until June 30, 2025. The authorization by Annual General Meeting on April 27, 2023 to the Board of Directors to resolve on the repurchase of own shares terminated at the end of the Annual General Meeting on April 25, 2024.

The Annual General Meeting of Shareholders on April 25, 2024 authorized the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares. The authorization remains in force until the end of the next Annual General Meeting, however, no longer than until June 30, 2025. This authorization cancelled the authorization given by the Annual General Meeting on April 27, 2023 to decide on the issuance of shares as well as the issuance of special rights entitling to shares. During 2024 a total of 222,519 (173,505) own shares were transferred based on the authorization in force at that time.

On December 31, 2024 the Company owned a total of 2,999,685 (3,222,204) own shares.

Members of the Board of Directors and the CEO of the Company owned on December 31, 2024 a total of 134,528 (101,929) shares. These shares represented 0.12% (0.09%) of the total number of shares and voting rights in the Company on December 31, 2024.

ACCOUNTING PRINCIPLES

#### Equity, dividends and own shares

The Group's equity includes instruments that evidences a residual interest in the assets of an entity after deducting all of its liabilities and contains no contractual obligation for the issuer to deliver cash or other financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions which are unfavorable to the issuer. When Huhtamäki Oyj's own shares are repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a deduction in equity. Dividends proposed by the Board of Directors are not recognized in the financial statements until the shareholders have approved them at the Annual General Meeting.

## Proposal of the Board of Directors to distribute the earnings

On December 31, 2024 Huhtamäki Oyj's distributable equity was EUR 1,496,214,950.32 of which the result for the financial period was EUR 774,625,471.85. The Board of Directors proposes that dividend will be distributed at EUR 1.10 per share. No dividend for the own shares held by the Company on the record date shall be distributed. The total amount of dividend on the date of this proposal would be EUR 115,236,770.00.

No significant changes have taken place in the Company's financial position since the end of the financial year. The Company's liquidity position is good and the proposed distribution does not, in the view of the Board of Directors, risk the Company's ability to fulfill its obligations.

## Treasury shares

Treasury shares include the purchase price of Huhtamäki Oyj's shares held by Group companies. In 2024 a total of 222,519 (173,505) own shares were transferred. There are no additions in treasury shares in 2024.

## Translation differences

Translation differences contain the differences resulting from the translation of foreign entities' financial statements into euros. Also gains and losses from net investments in foreign entities are reported in translation differences. Hedges of those investments are reported in translation differences, if hedge accounting criteria is met.

## Fair value and other reserves

Fair value and other reserves contain the effective portion of the fair value changes derivative instruments designated as cash flow hedges, the change in fair value of other investments and remeasurements on defined benefit plans. Also deferred taxes in equity are reported in fair value and other reserves.

ACCOUNTING PRINCIPLES

### Fair value and other reserves

All derivative financial instruments are measured at fair value. The Group applies hedge accounting for certain interest rate swaps and foreign exchange forwards that meet hedge accounting criteria as defined in IFRS 9. The hedged item must be highly probable to occur and must ultimately affect the income statement. The hedges must be highly effective prospectively. For qualifying cash flow hedges, the portion of any change in fair value that is effective is included in other comprehensive income, and any remaining ineffective portion is recognized in the income statement. The cumulative changes of fair value of the hedging instrument that have been recognized in equity are transferred from equity and included in the income statement when the forecasted transaction is recognized in the income statement. When the hedged forecast transaction subsequently results in the recognition of non-financial asset or non-financial liability, the cumulative change of fair value of the hedging instrument that has been recognized in equity is transferred from equity and included in the initial carrying amount of the asset or liability at the time it is recognized.

For qualifying fair value hedges, the valuation is recognized in the income statement relating to the hedged risk. Derivative instruments that are designated as hedging instruments but not accounted for according to the principles of hedge accounting or which do not fulfill IFRS 9 hedge accounting requirements are classified as financial instruments at fair value through profit or loss and valued at fair value. Changes in fair values of these derivative financial instruments are recognized in the income statement. A non-split presentation is applied to liabilities at fair value through profit or loss because the presentation in OCI would create or enlarge an accounting mismatch in profit or loss.

The Group uses foreign exchange forwards and foreign currency loans to hedge net investments in foreign entities. Hedges of net investment in foreign entities must meet the same hedge accounting criteria as cash flow hedges as detailed in IFRS 9. All changes in fair value arising from the hedges are recognized as a translation difference in other comprehensive income if hedge accounting criteria are met. If the hedged entity is disposed of, the cumulative changes in fair value of the hedging instrument that have been recognized in equity are included in the income statement at the time of disposal.

## 5.5. INTEREST-BEARING LIABILITIES

| | 2024 | | 2023 | |
|---|---|---|---|---|
| EUR million | Carrying amount | Fair value | Carrying amount | Fair value |
| **Current** | | | | |
| Loans from financial institutions | | | | |
| fixed rate | 103.8 | 102.4 | 19.9 | 19.6 |
| floating rate | 102.1 | 103.3 | 106.5 | 108.0 |
| Bonds | | | | |
| fixed rate | - | - | 99.7 | 96.1 |
| Other current loans | | | | |
| floating rate | 0.2 | 0.2 | 0.2 | 0.2 |
| Contingent considerations | - | - | - | - |
| Lease liabilities | 26.7 | 26.7 | 24.8 | 24.8 |
| **Total** | **232.8** | **232.6** | **251.0** | **248.7** |
| | | | | |
| **Non-current** | | | | |
| Loans from financial institutions | | | | |
| fixed rate | 33.3 | 32.7 | 33.6 | 32.0 |
| floating rate | 183.6 | 183.6 | 259.6 | 288.4 |
| Bonds | | | | |
| fixed rate | 972.2 | 976.9 | 971.2 | 962.7 |
| Other non-current loans | | | | |
| floating rate | 1.1 | 1.1 | 2.1 | 2.1 |
| Contingent considerations | - | - | - | - |
| Lease liabilities | 138.9 | 138.9 | 136.5 | 136.5 |
| **Total** | **1,329.1** | **1,333.3** | **1,403.0** | **1,421.7** |

| Repayment | Loans from financial institutions | Bonds | Other loans | Contingent considerations | Lease liabilities | Total |
|---|---|---|---|---|---|---|
| 2025 | 205.9 | - | 0.2 | - | 26.7 | 232.8 |
| 2026 | 134.9 | 174.8 | 1.1 | - | 39.9 | 350.8 |
| 2027 | 30.6 | 498.7 | - | - | 15.5 | 544.8 |
| 2028 | 3.4 | 298.7 | - | - | 13.3 | 315.5 |
| 2029 | 47.9 | - | - | - | 10.7 | 58.6 |
| 2030– | - | - | - | - | 59.4 | 59.4 |

ACCOUNTING PRINCIPLES

### Interest-bearing liabilities

Interest-bearing loans and borrowings are classified as other liabilities. Interest-bearing loans and borrowings are originated loans and bank loans, and are carried at amortized cost by using the effective interest rate method. All interest-bearing liabilities are other liabilities than liabilities for trading purposes or derivative financial instruments defined in IFRS 9 and as such are carried at amortized cost. Fair values have been calculated by discounting future cash flows at the appropriate market interest rate prevailing at period end closing date. Interest rates for measuring fair values of interest-bearing liabilities were 3.51%–5.47%. The fair value of current interest-bearing liabilities is estimated to equal the carrying amount.

Contingent considerations related to business combinations classified as financial liabilities are measured at fair value through profit or loss and reported in the interest-bearing liabilities.

Lease liabilities are recognized at the commencement date of the lease. Lease liabilities are measured at the present value of future lease payments using an effective interest rate method. The carrying amount is reduced to reflect the lease payments made and the interest expense is allocated over the lease term. A lease liability is remeasured, when there is a lease modification or reassessment.

## Reconciliation of liabilities arising from financing activities

| | 2024 | | | | | | | 2023 |
|---|---|---|---|---|---|---|---|---|
| | | | Non-cash changes | | | | | |
| EUR million | Total | Cash flows | Business combinations | Contingent considerations | Foreign exchange movement | Reclassification from long-term to short-term | Other | Total |
| Long-term loans | 1,190.2 | 36.3 | - | - | 2.5 | -85.5 | -29.7 | 1,266.6 |
| Short-term loans | 206.1 | -127.7 | - | - | -1.1 | 85.5 | 23.3 | 226.2 |
| Long-term lease liabilities | 138.9 | - | - | - | 3.4 | -21.9 | 20.9 | 136.5 |
| Short-term lease liabilities | 26.7 | -34.5 | - | - | 0.4 | 21.9 | 14.2 | 24.8 |
| **Total liabilities from financing activities** | **1,561.9** | **-125.9** | **-** | **-** | **5.2** | **-** | **28.7** | **1,654.0** |

| | 2023 | | | | | | | 2022 |
|---|---|---|---|---|---|---|---|---|
| | | | Non-cash changes | | | | | |
| EUR million | Total | Cash flows | Business combinations | Contingent considerations | Foreign exchange movement | Reclassification from long-term to short-term | Other | Total |
| Long-term loans | 1,266.6 | 426.9 | - | - | -2.8 | -435.0 | 6.8 | 1,270.6 |
| Short-term loans | 226.2 | -540.3 | - | -20.0 | -5.2 | 435.0 | 10.4 | 346.2 |
| Long-term lease liabilities | 136.5 | - | - | - | -2.5 | -20.9 | 26.7 | 133.2 |
| Short-term lease liabilities | 24.8 | -28.8 | - | - | -0.5 | 20.9 | 7.8 | 25.3 |
| **Total liabilities from financing activities** | **1,654.0** | **-142.2** | **-** | **-20.0** | **-10.9** | **-** | **51.8** | **1,775.4** |

## 5.6. FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

| EUR million | 2024 | 2023 |
|---|---|---|
| Financial assets at fair value through profit or loss | | |
| Derivatives | 12.6 | 5.9 |
| Other investments | 1.4 | - |
| Fair value through other comprehensive income | | |
| Derivatives designated for hedge accounting | 10.2 | 7.9 |
| Other investments | 1.5 | 2.3 |
| Financial assets at amortized cost | | |
| Non-current interest-bearing receivables | 4.2 | 2.4 |
| Other non-current assets | 0.5 | 17.0 |
| Current interest-bearing receivables | 24.9 | 15.2 |
| Trade and other current receivables | 609.6 | 569.9 |
| Cash and cash equivalents | 317.1 | 348.2 |
| **Financial assets total** | **981.9** | **968.6** |
| | | |
| Financial liabilities at fair value through profit or loss | | |
| Derivatives | 4.9 | 9.3 |
| Contingent considerations | - | - |
| Fair value through other comprehensive income | | |
| Derivatives designated for hedge accounting | 11.2 | 0.2 |
| Financial liabilities at amortized cost | | |
| Non-current interest-bearing liabilities | 1,329.1 | 1,403.0 |
| Other non-current liabilities | 3.8 | 12.8 |
| Current portion of long-term loans | 114.1 | 167.3 |
| Short term loans | 118.7 | 83.7 |
| Trade and other current liabilities | 571.3 | 485.5 |
| **Financial liabilities total** | **2,153.1** | **2,161.8** |

In the statement of financial position derivatives are included in the following groups: Non-current interest bearing liabilities, other non-current assets, trade and other current receivables, other non-current liabilities and trade and other current liabilities.

ACCOUNTING PRINCIPLES

### Financial assets and liabilities

Financial assets are classified according to IFRS 9 on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics to the following categories: financial assets at fair value through profit or loss, financial assets at fair value through OCI and financial assets at amortized cost. Financial liabilities are classified to financial liabilities at fair value through profit and loss and financial liabilities at amortized cost.

Publicly traded and unlisted shares are classified as financial assets at fair value through OCI. Publicly traded shares are recognized at fair value, which is based on quoted market prices at the reporting period closing date. Gains or losses arising from changes in fair value are recognized in other comprehensive income and are presented in equity in fair value reserves. Unlisted shares are measured at cost, as their fair value cannot be measured reliably.

Non-derivative assets with fixed or determinable payments that are not quoted in an active market are classified as financial assets at amortized cost. Trade receivables and other receivables are included in this category. Trade and other receivables are measured at amortized cost by using the effective interest rate method.

The Group recognizes a loss allowance for expected credit losses on financial assets based on the general approach, where a loss allowance is measured at amount equal to 12-month expected credit losses if there has not been a significant increase in credit risk since the initial recognition. The Group measures expected credit losses based on historical credit losses experience, current and future conditions. Simplified approach is used for trade receivables that do not contain a significant financing component, where the Group always measures the loss allowance at an amount equal to the lifetime expected credit losses. The amount of expected credit losses is updated at each reporting date.

Fair values of foreign exchange forwards are calculated using market rates on the reporting period closing date. Fair values of foreign exchange options are calculated with the Garman-Kohlhagen model. Fair values of interest rate swaps, futures and forwards are based on net present values of estimated future cash flows. Cash, short-term loans and overdrafts have fair values that approximate to their carrying amounts because of their short-term nature. The recoverable amount for financial investments is calculated as the present value of expected future cash flows, discounted at the original effective interest rate. Short-term receivables are not discounted.

Contingent considerations related to business combinations classified as financial liabilities are measured at fair value through profit or loss and reported in the interest-bearing liabilities.

EUR million

| Financial instruments measured at fair value | Level 1 | Level 2 | Level 3 | Total 2024 |
|---|---|---|---|---|
| **Assets** | | | | |
| Derivatives | | | | |
| Currency derivatives | - | 14.1 | - | 14.1 |
| Interest rate derivatives | - | 8.2 | - | 8.2 |
| Commodity derivatives | 0.4 | - | - | 0.4 |
| Other investments | - | - | 2.8 | 2.8 |
| **Total** | **0.4** | **22.4** | **2.8** | **25.6** |
| | | | | |
| **Liabilities** | | | | |
| Derivatives | | | | |
| Currency derivatives | - | 13.7 | - | 13.7 |
| Interest rate derivatives | - | 2.4 | - | 2.4 |
| Commodity derivatives | -0.0 | - | - | -0.0 |
| Contingent considerations | - | - | - | - |
| **Total** | **-0.0** | **16.1** | **-** | **16.1** |

EUR million

| Financial instruments measured at fair value | Level 1 | Level 2 | Level 3 | Total 2023 |
|---|---|---|---|---|
| **Assets** | | | | |
| Derivatives | | | | |
| Currency derivatives | - | 8.6 | - | 8.6 |
| Interest rate derivatives | - | 4.9 | - | 4.9 |
| Commodity derivatives | 0.3 | - | - | 0.3 |
| Other investments | - | - | 2.3 | 2.3 |
| **Total** | **0.3** | **13.5** | **2.3** | **16.0** |
| | | | | |
| **Liabilities** | | | | |
| Derivatives | | | | |
| Currency derivatives | - | 9.2 | - | 9.2 |
| Interest rate derivatives | - | 0.3 | - | 0.3 |
| Commodity derivatives | -0.0 | - | - | -0.0 |
| Contingent considerations | - | - | - | - |
| **Total** | **-0.0** | **9.5** | **-** | **9.5** |

The Group uses income approach in determining the fair value. Inputs used are foreign exchange rates, interest rates and yield curves as well as implied volatilities.

Group's currency and interest rate derivatives are subject to International Swaps and Derivatives Association (ISDA) master netting agreements. The amounts are not offset in the statement of financial position.

Unquoted investments are carried at cost, as their fair value cannot be measured reliably.

The levels of the fair value hierarchy are defined as follows:
Level 1: Quoted prices in active markets.
Level 2: Valuation techniques based on observable market data.
Level 3: Valuation techniques incorporating information other than observable market data.

## 5.7. MANAGEMENT OF FINANCIAL RISKS

The objective of financial risk management is to ensure that the Group has access to sufficient funding in the most cost-efficient way and to minimize the impact on the Group from adverse movements in the financial markets. As defined in the Group Treasury Policy, management of financial risks is guided and controlled by a Finance Committee, led by the Chief Financial Officer (CFO). The Finance Committee reviews risk reports on the Group's interest-bearing balance sheet items, commercial flows, derivatives and foreign exchange exposures and approves required measures on a monthly basis.

The Group Treasury department at the Espoo headquarters is responsible for the Group's funding and risk management and serves the business units in daily financing, foreign exchange transactions and cash management coordination.

### Currency risk

The Group is exposed to exchange rate risk through cross-border trade within the Group, exports and imports, funding of foreign subsidiaries and currency denominated equities.

#### Transaction risk

The largest transaction exposures derive from capital flows, imports, exports and royalty receivables. The objective of currency transaction risk management is to protect the Group from negative exchange rate movements. Business units are responsible for actively managing their currency risks related to future commercial cash flows, in accordance with policies and limits defined by the business unit and approved by the Finance Committee. As a rule, commercial receivables and payables recorded on the balance sheet are always fully hedged, as well as 25% of probable flows over a minimum 12-month horizon. Eligible hedging instruments include currency forwards and in authorized subsidiaries also currency options. The business units' counterparty in hedging transactions is mainly Huhtamäki Oyj.

| EUR million | EUR exposure in companies reporting in GBP | | CNY exposure in companies reporting in HKD | | USD exposure in companies reporting in AUD | | USD exposure in companies reporting in EUR | | USD exposure in companies reporting in INR | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Trade receivables | 3.6 | 8.4 | 0.0 | 0.1 | 0.9 | 1.2 | 10.0 | - | 20.3 | 19.2 |
| Trade payables | -12.8 | -19.4 | -3.3 | -3.9 | -6.5 | -9.6 | -10.1 | -4.3 | -9.5 | -6.3 |
| Net balance sheet exposure | -9.3 | -11.0 | -3.3 | -3.8 | -5.6 | -8.5 | -0.1 | -4.3 | 10.8 | 12.9 |
| Forecasted sales (12 months) | 17.0 | 19.4 | 0.2 | 0.1 | 4.6 | 6.6 | 45.9 | - | 62.8 | 65.4 |
| Forecasted purchases (12 months) | -74.7 | -90.5 | -16.1 | -17.0 | -67.7 | -49.6 | -53.2 | -10.1 | -42.1 | -38.9 |
| Net forecasted exposure | -57.7 | -71.1 | -15.9 | -16.8 | -63.1 | -43.0 | -7.3 | -10.1 | 20.7 | 26.6 |
| Hedges | | | | | | | | | | |
| Currency forwards (12 months) | 35.3 | 39.3 | 1.0 | 7.4 | 19.5 | 21.0 | 2.5 | 7.7 | -13.9 | -16.6 |
| Currency options (12 months) | - | - | 6.4 | - | - | - | - | - | - | - |
| **Total net exposure** | **-31.7** | **-42.7** | **-11.7** | **-13.2** | **-49.3** | **-30.4** | **-4.9** | **-6.7** | **17.6** | **22.9** |

## Translation risk

As a main rule individual subsidiaries do not carry translation risk as they are financed in local currencies. As an exception, the Finance Committee can approve the use of foreign currency borrowing in countries with high local interest rates. In 2024 and 2023 on reporting period closing dates no such borrowings were outstanding.

The main translation exposures derive from equities and permanent loans, which in substance form a part of the net investment in the US, India and UK based subsidiaries. The Group hedges its translation risks selectively by using foreign currency loans and derivatives. Equity hedging decisions are made by the Finance Committee, who in its decision making considers the hedge's estimated impact on the Group's key indicators, long-term cash flows and hedging cost. On the reporting period closing date the Group had outstanding translation risk hedges of USD 223 million (of which USD 50 million in the form of currency loans and USD 173 million in the form of derivatives) and of GBP 20 million (of which GBP 20 million in the form of derivatives) (USD 223 million, of which USD 50 million in the form of currency loans and USD 173 million in the form of derivatives and GBP 20 million, of which GBP 20 million in the form of derivatives).

A 10% appreciation of the EUR versus the USD, INR and GBP would as of the reporting period closing date decrease the result before taxes by EUR 18.4 million (EUR 21.3 million) and the Group consolidated equity by EUR 145.2 million (EUR 126.1 million).

## Interest rate risk

The interest-bearing debt exposes the Group to interest rate risk, namely re-pricing and price risk caused by interest rate movements. Management of interest rate risk is centralized to the Group Treasury. The Group's policy is to maintain in the main currency debt portfolios a duration that matches a benchmark duration range based on the Group's estimated cash flow, selected balance sheet ratios and also the shape of the yield curve. The objective of interest rate risk management is to reduce the fluctuation of the interest charge, enabling a more stable net income. The Group manages interest rate risk by selection of debt interest periods and by using derivatives such as futures, forward rate agreements, interest rate swaps and options.

At the reporting period closing date the average interest rate on Group interest-bearing net debt was 4.1% (4.2% ) and average duration 1.9 years (2.4 years). A one percentage point rise in market interest rates would increase Group net interest expense by EUR 3.4 million (EUR 2.7 million) over the following 12 months. A similar rise in interest rates would increase Group equity with EUR 1.3 million (EUR 1.7 million) due to mark-to-market revaluations of interest rate derivatives designated for cash flow hedges.

## Currency split and repricing schedule of outstanding net debt including hedges (excl. lease liabilities)

| | 2024 | | | | | | 2023 |
|---|---|---|---|---|---|---|---|
| | | Debt repricing in period, incl. derivatives | | | | | |
| Currency | Amount EUR million | 2025 | 2026 | 2027 | 2028 | 2029 | Amount EUR million |
| EUR | 1,078.7 | 273.2 | 125.0 | 530.5 | 150.0 | - | 1,029.7 |
| HKD | 93.0 | 93.0 | - | - | - | - | 81.2 |
| GBP | 66.4 | 66.4 | - | - | - | - | 64.7 |
| AUD | 22.3 | 22.3 | - | - | - | - | 25.4 |
| VND | 17.9 | 17.9 | - | - | - | - | 5.1 |
| Other | -228.1 | -280.8 | 14.4 | 14.4 | 23.9 | - | -79.3 |
| **Total** | **1,050.1** | **191.9** | **139.4** | **544.9** | **173.9** | **-** | **1,127.0** |

## Liquidity and refinancing risk

The Group maintains sufficient liquidity reserves at all times by efficient cash management structures such as cash pools, concentration accounts and overdraft financing facilities. To mitigate the refinancing risk, the Group diversifies funding sources as well as the maturity structure of loans and debt facilities. The Group utilizes a EUR 400 million Finnish commercial paper program and uncommitted credit facilities with relationship banks for short-term financing purposes. At the reporting period closing date, the Group had committed credit facilities totaling EUR 450 million (EUR 400 million) of which EUR 402 million (EUR 355 million) remained undrawn. Undrawn committed long-term debt facilities are sufficient to ensure adequate financing resources in all foreseeable circumstances. On November 12, 2024, Huhtamäki Oyj signed a EUR 450 million sustainability-linked syndicated multi-currency revolving credit facility loan agreement (“RCF”) with a maturity of five (5) years. The RCF refinanced an existing EUR 400 million sustainability-linked syndicated revolving credit facility signed in January 2021 and will be used for general corporate purposes of the Group. The RCF has two one-year extension options at the discretion of the lenders.

Huhtamäki Oyj has a long-term issuer credit rating of BB+ with a positive outlook from S&P Global Ratings Europe Limited.

## Debt structure

| EUR million including interests | | | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Maturity of facility/loan | | | | | |
| Debt type | Amount drawn | Amount available of committed | Total | 2025 | 2026 | 2027 | 2028 | 2029 | Later |
| Committed revolving facilities | 47.9 | 402.1 | 450.0 | - | - | - | - | 450.0 | - |
| Bonds | 972.2 | - | 972.2 | - | 174.8 | 498.7 | 298.7 | - | - |
| Commercial paper program | 72.0 | - | 72.0 | 72.0 | - | - | - | - | - |
| Other loans from financial institutions | 303.8 | - | 303.8 | 138.1 | 131.5 | 30.6 | 3.5 | 0.0 | 0.0 |
| Estimated contractual interest payments | - | - | 147.8 | 50.2 | 44.9 | 37.3 | 15.4 | - | - |
| Contingent liabilities | - | - | - | - | - | - | - | - | - |
| Lease liabilities | 166.1 | - | 166.1 | 32.2 | 35.0 | 15.5 | 13.3 | 10.7 | 59.4 |
| Trade and other current liabilities | 617.1 | - | 617.1 | 617.1 | - | - | - | - | - |
| **Total** | **2,179.0** | **402.1** | **2,728.9** | **909.6** | **386.2** | **582.1** | **330.9** | **460.7** | **59.4** |

| EUR million including interests | | | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Maturity of facility/loan | | | | | |
| Debt type | Amount drawn | Amount available of committed | Total | 2024 | 2025 | 2026 | 2027 | 2028 | Later |
| Committed revolving facilities | 45.0 | 355.0 | 400.0 | - | - | 400.0 | - | - | - |
| Bonds | 1,070.9 | - | 1,070.9 | 99.7 | - | 174.7 | 498.1 | 298.4 | - |
| Commercial paper program | 50.5 | - | 50.5 | 50.5 | - | - | - | - | - |
| Other loans from financial institutions | 326.4 | - | 326.4 | 76.1 | 215.1 | 4.6 | 30.6 | - | - |
| Estimated contractual interest payments | - | - | 184.2 | 49.3 | 42.8 | 39.5 | 37.3 | 15.4 | - |
| Contingent liabilities | - | - | - | - | - | - | - | - | - |
| Lease liabilities | 161.3 | - | 161.3 | 24.8 | 35.0 | 14.2 | 11.7 | 10.2 | 65.4 |
| Trade and other current liabilities | 518.1 | - | 518.1 | 518.1 | - | - | - | - | - |
| **Total** | **2,172.2** | **355.0** | **2,711.5** | **818.5** | **293.0** | **633.0** | **577.7** | **324.0** | **65.4** |

## Bonds

| | | | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|---|
| EUR million | Currency | Interest rate | Outstanding loan principal amount | Carrying amount | Fair value | Carrying amount | Fair value |
| 2017–2024 | EUR | 1.625% | - | - | - | 99.7 | 96.1 |
| 2019–2026 | EUR | 1.125% | 175.0 | 174.8 | 167.7 | 174.7 | 162.3 |
| 2022–2027 | EUR | 4.250% | 500.0 | 498.7 | 503.2 | 498.1 | 493.7 |
| 2023–2028 | EUR | 5.125% | 300.0 | 298.7 | 308.9 | 298.4 | 306.7 |
| **Total** | | | **975.0** | **972.2** | **979.7** | **1,070.9** | **1,058.8** |

## Credit risk

The Group is exposed to credit risk from its commercial receivables and receivables from financial institutions based on short-term investment of liquid funds as well as derivatives transactions.

The business units are responsible for the management of commercial credit risk in accordance with policies defined by the business units and approved by the Finance Committee. A Group policy sets out certain minimum requirements as to credit quality, sales terms and collection. The commercial credit risk for the Group as a whole is considered low as the receivable portfolio is diversified and historical credit loss frequency is low (see note 4.2.).

Liquid funds are from time to time invested in short-term bank deposits at relationship banks with a solid credit rating, in government bonds, treasury bills or in commercial papers issued by corporate borrowers with an investment grade rating. Credit risk stemming from receivables from financial institutions, including derivative transaction settlements, is considered small and is managed centrally by the Group Treasury department and in accordance with limits set by the Finance Committee.

## Capital management

The Group's objective is to maintain an efficient capital structure. Consequently, the Group aims to maintain in the long term the net debt to earnings before interest, taxes, depreciation and amortization (EBITDA) ratio in a range between 2–3. Net debt is defined as interest-bearing liabilities less interest-bearing receivables, cash and cash equivalents.

The Group is at all times directly subject to a restriction on its net debt to EBITDA ratio (excluding items affecting comparability) through clauses in key financing agreements. As of the balance sheet date, financing agreements subject to the clause amounted to EUR 691 million (EUR 676 million). In addition, certain other financing agreements amounting to EUR 975 million (EUR 1,075 million) are indirectly subject to this restriction through cross default clauses. The restrictions are not seen hindering the Group's ability to carry out its business or its strategy.

Changes in the capital structure are resulting from capital investments in the business and cash returns to shareholders, which are funded by the stable cash flow.

## Capital structure

| EUR million | 2024 | 2023 |
|---|---|---|
| Interest-bearing liabilities | 1,561.9 | 1,654.0 |
| Interest-bearing receivables, cash and cash equivalents | 346.2 | 365.7 |
| Net debt | 1,215.7 | 1,288.3 |
| Total equity | 2,124.1 | 1,924.9 |
| **Net debt to equity (Gearing ratio)** | **0.57** | **0.67** |
| **Net debt to EBITDA (excluding items affecting comparability)** | **1.95** | **2.18** |

## Nominal values of derivative financial instruments

| EUR million | 2024 | | | | | | | 2023 |
|---|---|---|---|---|---|---|---|---|
| | Nominal Value | Maturity Structure | | | | | | Nominal Value |
| Instrument | | 2025 | 2026 | 2027 | 2028 | 2029 | Later | |
| Currency forwards | | | | | | | | |
| for transaction risk | | | | | | | | |
| Outflow | -121.6 | -119.9 | -1.7 | - | - | - | - | -196.1 |
| Inflow | 122.5 | 120.8 | 1.7 | - | - | - | - | 195.0 |
| for translation risk | | | | | | | | |
| Outflow | -189.8 | -189.8 | - | - | - | - | - | -178.6 |
| Inflow | 180.9 | 180.9 | - | - | - | - | - | 180.7 |
| for financing purposes | | | | | | | | |
| Outflow | -819.4 | -819.4 | - | - | - | - | - | -646.0 |
| Inflow | 826.5 | 826.5 | - | - | - | - | - | 643.3 |
| Currency options | | | | | | | | |
| for transaction risk | | | | | | | | |
| Bought options | 12.2 | 12.2 | - | - | - | - | - | - |
| Sold options | -12.2 | -12.2 | - | - | - | - | - | - |
| Interest rate swaps | | | | | | | | |
| EUR | -200.0 | - | -50.0 | - | -150.0 | - | - | -200.0 |
| USD | 71.8 | 9.6 | 14.4 | 14.4 | 33.5 | - | - | 76.5 |

## Fair values of derivative financial instruments

| EUR million | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| Instrument | Positive Fair values | Negative Fair values | Net Fair values | Positive Fair values | Negative Fair values | Net Fair values |
| Currency forwards | | | | | | |
| for transaction risk | 3.2 | -2.0 | 1.1 | 1.4 | -2.9 | -1.5 |
| of which cash flow hedges[1] | 1.9 | -0.9 | 1.0 | 0.8 | -1.2 | -0.4 |
| for translation risk | 0.1 | -7.9 | -7.9 | 2.8 | - | 2.8 |
| of which hedges of net investment[2] | 0.1 | -7.9 | -7.9 | 2.8 | - | 2.8 |
| for financing purposes | 11.2 | -3.7 | 7.5 | 4.6 | -6.3 | -1.7 |
| Currency options | | | | | | |
| for transaction risk | 0.1 | -0.2 | -0.2 | - | - | - |
| Interest rate swaps[3] | | | | | | |
| EUR | 4.3 | -2.4 | 1.9 | 4.3 | -4.0 | 0.3 |
| of which fair value hedges[4] | 4.3 | -2.4 | 1.9 | 4.3 | -4.0 | 0.3 |
| USD | 3.9 | - | 3.9 | 4.7 | - | 4.7 |
| of which cash flow hedges[5] | 3.9 | - | 3.9 | 4.7 | - | 4.7 |
| Commodities | 0.4 | -0.0 | 0.4 | 0.3 | -0.0 | 0.3 |

[1] Fair values of currency forwards designated as cash flow hedges are reported in fair value and other reserves.
[2] Fair values of currency forwards designated as hedges of net investment in foreign subsidiaries are reported in equity in translation difference.
[3] Fair values of interest rate swaps include accrued interest which is reported in the income statement in financial expense
[4] Fair values of interest rate swaps designated as fair value hedges are reported in the income statement in financial income.
[5] Fair values of interest rate swaps designated as cash flow hedges are reported in fair value and other reserves.

# Notes to the consolidated financial statements

## 6. Other disclosures

## 6.1. CLIMATE RELATED MATTERS

Sustainability is integral to Huhtamaki's 2030 Strategy. The ambition is to become the first choice in sustainable packaging solutions. The sustainability agenda focuses on two key topics: transitioning to a circular economy and taking climate action, whilst not forgetting other environmental and social aspects of sustainability.

To achieve Huhtamaki's ambition, management is continuously considering climate related matters when conducting the business. These considerations and related assumptions have been reflected in the estimates and judgements of the reported amounts of assets, liabilities, income and expense.

The items in the consolidated financial statements that are impacted by climate related assumptions in particular:

- Goodwill: The Group has defined EBIT and discount rates as the key assumptions in the goodwill impairment testing. Climate related risks and opportunities have been recognized and evaluated as part of the strategy-based EBIT estimates together with other factors impacting the business development. (Note 3.2. Goodwill)
- Intangible and tangible assets:
  - Climate related matters may impact the recognition and measurement of intangible and tangible assets. In the end of the reporting period, climate related matters did not have material impact to the estimated useful lives of the assets, nor to the impairment of assets. The Group continues to invest in sustainable packaging solutions. (Note 3.3. Intangible assets and Note 3.4. Tangible assets)
  - Emission rights and renewable energy certificates are in scope of IAS 38 Intangible assets. (Note 3.3. Intangible assets)
- Other non-current assets: The Group has signed two major virtual power purchase agreements to reach its target for using 100% renewable electricity and carbon neutral production by 2030. The agreements are in scope of IFRS 9 Financial Instruments. (Note 5.7. Financial assets and liabilities by category)
- Inventory: Climate related matters may impact the measurement of the inventories. In the end of the reporting period, climate related matters did not have material impact to the net realizable value. (Note 4.1. Inventories)
- Interest-bearing liabilities:
  - In 2024, the Group has signed a EUR 450 million sustainability-linked syndicated multicurrency revolving credit facility loan agreement ("RCF"). The interest margin is tied to three sustainability indicators: 1) Absolute Scope 1 and 2 greenhouse gas emissions amount, 2) Share of non-hazardous waste recycled and 3) EcoVadis rating. The loan margin decreases or increases according to the number of targets achieved for the three sustainability indicators. (Note 5.6. Interest-bearing liabilities)
  - In 2023, the Group has signed a EUR 125 million sustainability-linked bilateral term loan facility agreement. The interest margin is tied to three sustainability indicators: 1) Absolute Scope 1 and 2 greenhouse gas emissions amount, 2) Share of non-hazardous waste recycled and 3) Ecovadis Rating. (Note 5.6. Interest-bearing liabilities)
  - In 2022, the Group has issued a EUR 500 million senior unsecured sustainability-linked bond under its Sustainability-Linked Bond Framework. The interest rate is subject to increase upon the failure to satisfy certain sustainability performance targets. The chosen targets for the sustainability-linked bond are related to greenhouse gas emission reductions. (Note 5.6. Interest-bearing liabilities)
- Employee benefits: Huhtamaki Global Sustainability and Safety Index (GSSI) is one of the business objectives for employees within the global short-term incentive plan. KPIs within the index are linked to the sustainability dashboard and relate to e.g., the share of renewable or recycled materials, the share of renewable electricity, the share of non-hazardous waste recycled, and employee safety. (Note 2.2. Employee benefits)

## 6.2. RELATED PARTY TRANSACTIONS

Huhtamaki Group's related parties include the parent company, subsidiaries, associates, joint ventures and pension funds that are separate entities. Related parties also include the key management, their close family members and entities in which they have control or joint control. The key management personnel are the members of the Global Executive Team and the Board of Directors. Related parties also include Shareholders of Huhtamäki Oyj controlling more than ten per cent of the shares or voting rights of Huhtamäki Oyj.

Details of transactions and outstanding balances between the Group and its related parties are disclosed below. Intragroup-related party transactions and balances are eliminated on consolidation.

### The Global Executive Team and the Board of Directors

Compensation to the Global Executive Team and the Board of Directors is disclosed in the following tables. In addition, the key management is receiving dividends based on their ownership of Huhtamäki Oyj shares. There has not been any other transactions between the Group and the key management, their close family members or entities in which they have control or joint control.

The President and CEO Charles Héaulmé's pension coverage is arranged by the President and CEO himself. The company contributes towards the pension through monthly cash payments to the President and CEO. The total cash payment is EUR 308 thousand (EUR 297 thousand) per annum. Some of the other Global Executive Team members belong to a supplementary defined contribution pension plan. In 2024, the Company paid a total of EUR 447 thousand (EUR 355 thousand) to pension arrangements of the other GET members, excluding the CEO.

Members of the Board of Directors and the Global Executive Team owned a total of 217,740 shares (147,026 shares) shares at the end of the year 2024.

### Employee benefits of CEO and members of the Global Executive Team

| EUR million | 2024 | 2023 |
|---|---|---|
| Salaries and other short-term employee benefits | 8.7 | 6.6 |
| Post-employment benefits | 0.4 | 0.4 |
| Share based payments | 2.2 | 5.6 |
| **CEO and members of the Global Executive Team in total** | **11.3** | **12.6** |

### Remunerations of CEO and members of the Board of Directors

| In thousand euros | 2024 | 2023 |
|---|---|---|
| CEO Charles Héaulmé | 4,205 | 3,372 |
| | | |
| **Board members** | | |
| Vauramo Pekka | 185 | 78 |
| Ala-Pietilä Pekka | 48 | 206 |
| Tuomas Kerttu | 123 | 120 |
| Alonso Mercedes | 108 | 104 |
| Baillie Doug | 108 | 104 |
| Barker Willam R. | 23 | 100 |
| Beckler Robert K. | 85 | - |
| Korhonen Anja | 119 | 116 |
| Lindwall Pauline | 103 | 79 |
| Wunderlich Ralf K. | 100 | 101 |
| Takala Heikki | - | 22 |
| Turner Sandra | - | 23 |
| **CEO and Board in total** | **5,207** | **4,425** |

## Pension funds

The Group's related parties include post-employment benefit plans that are separate entities. These entities are in Finland, India, the UK and the U.S. For more information, see note 2.2. Employee benefits. The Group made EUR 2.5 million (EUR 1.8 million) contributions to the plans and there was related outstanding balance of EUR 0.2 million (EUR 0.2 million). There was no other transactions or outstanding balances.

## 6.3. SHARE-BASED PAYMENTS

### Performance Share Arrangement 2010

On March 12, 2010 the Board of Directors of the Company decided on establishing a Performance Share Arrangement to form a part of the long-term incentive and retention program for the key personnel of the Company and its subsidiaries. The Performance Share Arrangement offers a possibility to earn the Company shares as remuneration for achieving established targets. The Arrangement consists of annually commencing individual three-year performance share plans. A possible reward shall be paid during the calendar year following each three-year plan. Commencement of each three-year plan will be separately decided by the Board of Directors.

GET members (excl. President and CEO) that are participants to the performance share plan shall hold at least half (50%) of the shares received until they hold shares received from the performance share plans corresponding in aggregate to the value of their annual gross base salary. President and CEO shall hold at least half (50%) of the shares received until he holds shares received from the performance share plans corresponding in aggregate to the value of 3 times his annual gross base salary. The ownership requirement applies until termination of employment or service. The maximum value of the reward payable to the participants based on the Performance Share Arrangement is limited by a cap linked to Company's share price development (Performance Share Plan 2021–2023 and onwards).

### Performance Share Plan 2021–2023

The Performance Share Plan 2021–2023 commenced in 2021. The reward was based on the Group's cumulative adjusted earnings per share (EPS) for the earning period 2021–2023 and was paid in 2024 to 107 participants.

As set forth in the Performance Share Arrangement 2010, the achievement of performance criteria, Group's cumulative adjusted earnings

ACCOUNTING PRINCIPLES

The Group has incentive plans which include equity-settled share-based payment transactions. The fair value of equity-settled share-based payments granted is recognized as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the vesting period during which the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the actual number of awards that will be vested. Non-market vesting conditions are not included in the value of share-based instruments but in the number of instruments that are expected to vest. At each reporting period closing date, the estimates about the number of awards that are expected to vest are revised and the impact is recognized in income statement.

per share (EPS), was 86.05% of maximum for the earnings period 2021-2023. According to the terms and conditions of the Performance Share Arrangement, 372,533 (gross) shares were paid in March 2024. Applicable taxes were withheld from the gross reward before paying remaining net shares to the participants. Fair value of the paid shares on the grant date was EUR 39.18 per share. Pursuant to the IFRS standards, an expense relating to the Performance Share Plan 2021–2023 totaling EUR 13,859,983 was recorded for the reporting periods 2021–2023. This amount includes an expense totaling EUR 4,518,279 which was recorded in the reporting period ending 31 December 2023.

## Performance Share Plan 2022–2024

The Performance Share Plan 2022–2024 commenced in 2022 and the reward is based on the Group's cumulative adjusted earnings per share (EPS) for the earning period 2022–2024. The Performance Share Plan 2022–2024 was directed to 108 persons at the end of 2024.

The achievement of performance criteria, Group's cumulative adjusted earnings per share (EPS) for the earning period 2022-2024, as set forth in the Performance Share Arrangement 2010, was 98.91%. According to the terms and conditions of the Performance Share Arrangement, 412,459 shares will be paid in March 2025. Applicable taxes are withheld from the gross reward before paying remaining net shares to the participants. Fair value of the paid shares on the grant date was EUR 35.86 per share. Pursuant to the IFRS standards, an expense relating to the Performance Share Plan 2022–2024 totaling EUR 13,904,143 was recorded for the reporting periods 2022–2024. This amount includes an expense totaling EUR 3,683,987 which was recorded in the reporting period ending 31 December 2024.

## Performance Share Plan 2023–2025

The Performance Share Plan 2023–2025 commenced in 2023 and the possible reward will be based on the Group's cumulative adjusted earnings per share (EPS) for the earning period 2023–2025. The reward, if any, will be paid during 2026. The Performance Share Plan 2023–2025 was directed to 118 persons at the end of 2024.

## Performance Share Plan 2024–2026

The Performance Share Plan 2024–2026 commenced in 2024 and the possible reward will be based on the Group's cumulative adjusted earnings per share (EPS) for the earning period 2024–2026. The reward, if any, will be paid during 2027. The Performance Share Plan 2024–2026 was directed to 145 persons at the end of 2024.

### Performance Share Plan

| | 2021–2023 | 2022–2024 | 2023–2025 | 2024–2026 |
|---|---|---|---|---|
| Amount of granted shares (gross) | 582,000[1] | 600,000[1] | 590,000[1] | 600,000 |
| Share price at grant date, EUR | 39.18 | 35.86 | 30.58 | 37.54 |
| Actual achievement (% of maximum) | 86.05% | 98.91% | - | - |
| Number of achieved shares (gross) based on performance criteria | 372,533 | 412,459[2] | - | - |
| Number of participants of December 31, 2024 | 107 | 108 | 118 | 145 |
| Share delivery | 2024 | 2025 | 2026 | 2027 |
| Performance criteria | adjusted EPS | adjusted EPS | adjusted EPS | adjusted EPS |

[1] In case shares are paid as reward, the net number of shares which remains after deducting the number of shares corresponding to the applicable taxes will be delivered to participants.
[2] Achieved shares will be paid in March 2025.

## Restricted Share Arrangement 2021

As part of the long-term incentive and retention program for the key personnel of Huhtamaki, the Board of Directors of the Company decided on February 10, 2021 on establishing a restricted share arrangement as a share-based long-term incentive arrangement (Restricted Share Arrangement). The aim of the restricted share arrangement is to retain, motivate and reward selected key employees in order to increase the shareholder value in the long term. The restricted share arrangement consists of individual share plans. The commencement of each plan will be separately decided by the Board of Directors. Each plan comprises of three consecutive calendar years. For potential share plans the aggregate maximum number of shares payable is 60,000 shares (gross) per plan.

Share rewards will be paid in shares of the Company. Applicable taxes are withheld from the gross reward before paying remaining net shares to the participants. No reward will be paid if the participant's employment or service ends before the payment of the reward. The members of the Global Executive Team (excl. President and CEO) shall retain at least 50% of the shares received until the value of their share ownership in the Company corresponds to their annual gross base salary. President and CEO shall hold at least half (50%) of the shares received until he holds shares received from the long-term incentive plans corresponding in aggregate to the value of 3 times his annual gross base salary. The maximum value of the reward payable to the participants based on the restricted share arrangement is limited by a cap linked to Company's share price development.

## Restricted Share Plan 2021–2023

The Restricted Share Plan 2021–2023 commenced in 2021 and the reward was paid in 2024 based on continuous employment. Group's adjusted EBIT margin of 8% for the result release preceding the payment was used as an underlying threshold criterion for share payment. Financial year 2023 Group adjusted EBIT margin was 9.4% and thus there was no restriction to payout.

According to the terms and conditions of the Restricted Share Arrangement, 30,700 shares (gross) were paid in March 2024 to 12 participants. Applicable taxes were withheld from the gross reward before paying remaining net shares to the participants. Fair value of the paid shares on the grant date was ranging from EUR 30.58–45.22 per share. Pursuant to the IFRS standards, an expense relating to the Restricted Share Plan 2021–2023 totaling EUR 1,027,992 was recorded for the reporting periods 2021–2023. This amount includes an expense totaling EUR 571,626 which was recorded in the reporting period ending 31 December 2023.

## Restricted Share Plan 2022–2024

The Restricted Share Plan 2022–2024 commenced in 2022 and the reward will be paid during 2025 based on continuous employment. Group's adjusted EBIT margin of 8% for the result release preceding the payment is used as an underlying threshold criterion for share payment. The Restricted Share Plan 2022–2024 was directed to 6 persons at the end of 2024.

Financial year 2024 Group adjusted EBIT margin was 10.1% and thus there is no restriction to payout. According to the terms and conditions of the Restricted Share Arrangement, 10,000 shares will be paid in March 2025. Applicable taxes are withheld from the gross reward before paying remaining net shares to the participants. Fair value of the shares on the grant date was ranging from EUR 31.29–37.23 per share. Pursuant to the IFRS standards, an expense relating to the Restricted Share Plan 2022–2024 totaling EUR 305,738 was recorded for the reporting periods 2022–2024. This amount includes an expense totaling EUR 184,733 which was recorded in the reporting period ending 31 December 2024.

## Restricted Share Plan 2023–2025

The Restricted Share Plan 2023–2025 commenced in 2023 and the reward will be paid during 2026 based on continuous employment. Group's adjusted EBIT margin of 8% for the result release preceding the payment is used as an underlying threshold criterion for share payment. The Restricted Share Plan 2023–2025 was directed to 6 persons at the end of 2024.

## Restricted Share Plan 2024–2026

The Restricted Share Plan 2024–2026 commenced in 2024 and the reward will be paid during 2027 based on continuous employment. Group's adjusted EBIT margin of 8% for the result release preceding the payment is used as an underlying threshold criterion for share payment. The Restricted Share Plan 2024–2026 was directed to 23 persons at the end of 2024.

## Restricted Share Plan

| | 2021–2023 | 2022–2024 | 2023–2025 | 2024–2026 |
|---|---|---|---|---|
| Amount of granted shares (gross) | 30,700[1] | 10,000[1] | 8,000[1] | 18,500[1] |
| Share price at grant date, EUR | 45.22–30.58 | 37.23–31.29 | 37.23–30.56 | 38.16–34.60 |
| Number of achieved shares (gross) based on performance criteria | 30,700 | 10,000[2] | - | - |
| Number of participants of December 31, 2024 | 12 | 6 | 6 | 23 |
| Share delivery | 2024 | 2025 | 2026 | 2027 |
| Performance criteria | Continuous employment[3] | | | |

[1] In case shares are paid as reward, the net number of shares which remains after deducting the number of shares corresponding to the applicable taxes will be delivered to participants.
[2] Shares will be paid in March 2025.
[3] However, if Huhtamaki Group's adjusted EBIT margin in the result release preceding the payment of the rewards is under 8%, no shares will be paid.

## 6.4. LEASES

Right of use assets are presented in Note 3.4. Tangible Assets. Right of use depreciations are presented in Note 2.3. Depreciation, amortization and impairment. Lease liabilities are presented in Note 5.6. Interest-bearing liabilities. Lease liability interests are presented in Note 5.1. Net Financial Items. Items where Huhtamaki is the lessor are presented in Note 5.2. Interest-bearing receivables.

| EUR million | 2024 | 2023 |
|---|---|---|
| Short-term leases | 11.0 | 7.4 |
| Low-value leases | 0.9 | 0.7 |
| Variable lease payments based on use/performance | 2.2 | 2.7 |
| **Lease payments in Profit or Loss** | **14.2** | **10.8** |
| | | |
| **Cash based lease payments in total** | **48.7** | **43.8** |

ACCOUNTING PRINCIPLES

### Leases

The leases that the Group recognizes in the statement of financial position include mainly land, building, machinery and equipment. Short-term leases (lease term of 12 months or less) and leases for which the underlying asset is of low value are not booked to the statement of financial position. Payments for short-term and low-value leases and variable lease payments are expensed in P&L.

Right of use (ROU) assets are recognized at the commencement date of the lease. ROU assets are measured at cost less accumulated depreciation and impairment losses. The costs include the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less lease incentives received, any direct costs and an estimate of dismantling costs. The carrying amount is further adjusted for any remeasurement of the lease liability. Depreciation is expensed to the income statement on a straight-line basis over the lease term. The lease term includes the noncancelable period of lease together with any extension or termination options that are reasonably certain to be exercised. ROU assets are presented as tangible assets in the statement of financial position.

Lease liabilities are recognized at the commencement date of the lease. Lease liabilities are measured at the present value of future lease payments using an effective interest method. The carrying amount is reduced to reflect the lease payments made and the interest expense is allocated over the lease term. A lease liability is remeasured, when there is a lease modification or reassessment. Lease liabilities are presented as current and non-current interest-bearing liabilities in the statement of financial position.

## 6.5. COMMITMENTS

| EUR million | 2024 | 2023 |
|---|---|---|
| Capital expenditure | 71.3 | 61.6 |
| Leases | 77.8 | 67.1 |
| **Total commitments** | **149.1** | **128.8** |

| EUR million | 2024 | 2023 |
|---|---|---|
| Capital expenditure commitments | | |
| Under 1 year | 71.3 | 61.6 |
| **Total** | **71.3** | **61.6** |

| EUR million | 2024 | 2023 |
|---|---|---|
| Lease commitments | | |
| Not later than 1 year | 3.1 | - |
| Later than 1 year and not later than 5 years | 23.8 | 19.5 |
| Later than 5 years | 50.9 | 47.6 |
| **Total** | **77.8** | **67.1** |

ACCOUNTING PRINCIPLES

### Commitments

Capital expenditure commitments are commitments at the balance sheet date to acquire tangible and intangible assets in the future. Lease commitments are commitments at the balance sheet date to lease tangible assets in the future.

## 6.6. LITIGATIONS

The European Commission announced on March 7, 2019 to open an investigation into Luxembourg's tax practices, in particular Huhtamaki tax rulings from the years 2009, 2012 and 2013. The investigation is not targeted at Huhtamaki and Huhtamaki has not been approached by the European Commission. The European Commission is investigating whether the tax ruling could potentially be considered as prohibited state aid by Luxembourg. State aid means that a public authority has granted a selective (not available for everyone) competitive advantage to a company in Europe. Huhtamaki monitors the situation and is cooperating with authorities. Huhtamaki complies with all laws and regulations and it is important for Huhtamaki to secure predictability in financial and tax affairs. In Huhtamaki's view, the structure in question is legal and approved by tax authorities, and was not set up to gain unfair competitive advantage in Europe.

## 6.7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On January 8, 2025, Huhtamaki announced the appointment Ralf K. Wunderlich (58) as President and CEO effective on January 15, 2025 when the Company's previous President and CEO Charles Héaulmé stepped down. Charles Héaulmé is available as needed to secure smooth transition until July 2025. Ralf K. Wunderlich will be based in Espoo, Finland.

Subsequent to Ralf K. Wunderlich appointed as the President and CEO, he stepped down from the Board of Directors of Huhtamäki Oyj with immediate effect. The Board of Directors now comprise of seven members.

# Subsidiaries

*The list contains significant subsidiaries. A complete list is enclosed in the official statutory accounts which may be obtained from the company on request.*

| Country | Company | Group holding % |
|---|---|---|
| Australia | Huhtamaki Australia Pty Limited | 100.0 |
| | Huhtamaki Tailored Packaging Pty Ltd | 100.0 |
| Brazil | Huhtamaki do Brasil Ltda | 100.0 |
| | Huhtamaki Embalagens Flexíveis do Brasil Ltda | 100.0 |
| Czech Republic | Huhtamaki Ceska republika, a.s. | 100.0 |
| | LeoCzech spol s r.o. | 100.0 |
| Egypt | Elif Global Packaging S.A.E. | 100.0 |
| | Huhtamaki Egypt L.L.C. | 75.0 |
| | Huhtamaki Flexible Packaging Egypt LLC | 100.0 |
| Finland | Huhtamaki Foodservice Nordic Oy | 100.0 |
| France | Huhtamaki Foodservice France S.A.S | 100.0 |
| | Huhtamaki La Rochelle S.A.S | 100.0 |
| Germany | Huhtamaki Flexible Packaging Germany GmbH & Co. KG | 100.0 |
| | Huhtamaki Foodservice Germany Operations GmbH & Co. KG | 100.0 |
| | Huhtamaki Foodservice Germany Sales GmbH & Co. KG | 100.0 |
| Hungary | Huhtamaki Hungary Kft | 100.0 |
| India | Huhtamaki Foodservice Packaging India Private Limited | 100.0 |
| | Huhtamaki India Limited[3] | 67.7 |
| Ireland | Huhtamaki CupPrint Limited | 100.0 |
| Italy | Huhtamaki Flexibles Italy S.r.l. | 100.0 |
| Luxembourg | Huhtamaki S.à r.l. | 100.0 |
| Malaysia | Huhtamaki Foodservice Malaysia Sdn. Bhd. | 100.0 |
| Mexico | Huhtamaki Mexicana S.A. de C.V. | 100.0 |
| Netherlands | Huhtamaki B.V. | 100.0 |
| | Huhtamaki Finance B.V. | 100.0 |
| | Huhtamaki Molded Fiber Technology B.V. | 100.0 |
| | Huhtamaki Nederland B.V. | 100.0 |
| | Huhtamaki Paper Recycling B.V. | 100.0 |
| New Zealand | Huhtamaki Henderson Limited | 100.0 |
| | Huhtamaki New Zealand Limited | 100.0 |
| Philippines | Huhtamaki Philippines, Inc. | 100.0 |
| People's Republic of China | Huhtamaki Foodservice (Xuzhou) Ltd. | 100.0 |
| | Huhtamaki (Guangzhou) Limited | 100.0 |
| People's Republic of China/Hong Kong | Huhtamaki Hong Kong Limited | 100.0 |
| Poland | Huhtamaki Foodservice Gliwice Sp. z o.o. | 100.0 |
| | Huhtamaki Foodservice Poland Sp. z o.o. | 100.0 |

| Country | Company | Group holding % |
|---|---|---|
| Saudi Arabia | Arabian Paper Products Company | 50.0[1] |
| Singapore | Huhtamaki Singapore Pte. Ltd. | 100.0 |
| South Africa | Huhtamaki South Africa Holdings (Pty) Ltd | 70.0 |
| | Huhtamaki South Africa (Pty) Ltd. | 70.0 |
| | Huhtamaki Flexible Packaging South Africa (Pty) Limited | 70.0 |
| Spain | Huhtamaki Spain S.L. | 100.0 |
| Switzerland | Huhtamaki AG | 100.0 |
| Thailand | Huhtamaki (Thailand) Ltd. | 100.0 |
| Turkey | Elif Plastik Ambalaj Sanayi ve Ticaret Anonim Şirketi | 100.0 |
| | Huhtamaki Turkey Gıda Servisi Ambalajı A.Ş. | 100.0 |
| Ukraine | Huhtamaki Foodservice Ukraine LLC | 100.0 |
| United Arab Emirates | Arabian Paper Products FZCO | 50.0[1] |
| | Huhtamaki Flexible Packaging Middle East LLC | 49.0[2] |
| | Primetech (M.E.) FZE | 100.0 |
| United Kingdom | Huhtamaki BCP Limited | 100.0 |
| | Huhtamaki Foodservice Delta Limited | 100.0 |
| | Huhtamaki (Lisburn) Limited | 100.0 |
| | Huhtamaki (Lurgan) Limited | 100.0 |
| | Huhtamaki (UK) Limited | 100.0 |
| United States | CupPrint LLC | 100.0 |
| | Huhtamaki, Inc. | 100.0 |
| Vietnam | Huhtamaki (Vietnam) Limited | 100.0 |
| | Huhtamaki (UK) Limited | 100.0 |
| United States | CupPrint LLC | 100.0 |
| | Huhtamaki, Inc. | 100.0 |
| Vietnam | Huhtamaki (Vietnam) Limited | 100.0 |

[1] The Group's control is based on a Shareholders' Agreement according to which the Group has control in the company.
[2] The Group has control in the company and can consolidate the company as a fully owned subsidiary based on a Shareholders' Agreement.
[3] For more information: www.huhtamaki.com/en-in/flexible-packaging/investors/

The following German subsidiaries are exempt from the duty of corporations to audit and disclose financial statements pursuant to German legislation (Sec. 264b HGB): Huhtamaki Flexible Packaging Germany GmbH & Co. KG, Huhtamaki Foodservice Germany Operations GmbH & Co. KG, Huhtamaki Foodservice Germany Sales GmbH & Co. KG, Huhtamaki Real Estate Holding B.V. & Co. KG.

# Parent company financial statements

## Parent company income statement (FAS)

| EUR | Note | 2024 | 2023 |
|---|---|---|---|
| **Net sales** | 1 | **223,554,712.50** | **201,855,155.65** |
| Other operating income | 2 | 4,459,764.62 | 6,444,669.71 |
| Materials and services | 3 | -113,823,723.08 | -97,100,321.82 |
| Personnel expenses | 4 | -34,966,895.69 | -29,321,903.63 |
| Depreciation and amortization | 5 | -3,382,550.00 | -8,642,652.17 |
| Other operating expenses | 6 | -7,752,151.50 | -6,547,656.64 |
| **Earnings before interest and taxes** | | **68,089,156.85** | **66,687,291.10** |
| | | | |
| Net financial income/expense | 7 | 714,355,875.00 | -19,781,237.93 |
| **Profit before appropriations and taxes** | | **782,445,031.85** | **46,906,053.17** |
| | | | |
| Income tax expense | 8 | -7,819,560.00 | -7,481,042.19 |
| | | | |
| **Profit for the period** | | **774,625,471.85** | **39,425,010.98** |

# Parent company balance sheet (FAS)

## Assets

| EUR | Note | 2024 | 2023 |
|---|---|---|---|
| **Non-current assets** | | | |
| **Intangible assets** | 9 | | |
| Intangible rights | | 795,710.88 | 920,909.48 |
| Development expenditure | | 10,988,929.08 | 13,474,354.11 |
| Other capitalized expenditure | | 1,829,061.58 | 1,079,571.74 |
| Construction in progress and advance payments | | 15,317,067.16 | 8,171,012.80 |
| | | **28,930,768.70** | **23,645,848.13** |
| | | | |
| **Tangible assets** | 10 | | |
| Machinery and equipment | | 99,487.90 | 93,833.69 |
| Other tangible assets | | 96,301.19 | 96,301.19 |
| | | **195,789.09** | **190,134.88** |
| | | | |
| **Investments** | **11** | | |
| Investment in subsidiaries | | 3,164,309,851.85 | 2,417,271,132.51 |
| Other shares and holdings | | 1,614,568.11 | 1,070,560.54 |
| | | **3,165,924,419.96** | **2,418,341,693.05** |
| | | | |
| **Current assets** | | | |
| **Non-current receivables** | | | |
| Loan receivables | 12 | 324,126,745.00 | 169,831,365.20 |
| **Current receivables** | | | |
| Sales receivables | 12 | 204,370,609.89 | 183,384,743.66 |
| Loan receivables | 12 | 199,472,498.07 | 415,174,454.66 |
| Accrued income | 13 | 53,293,998.78 | 42,014,802.36 |
| Other receivables | 12 | 903,860.68 | 738,061.85 |
| | | **782,167,712.42** | **811,143,427.73** |
| | | | |
| Cash and bank | | 2,658,533.82 | 98,086,795.35 |
| **Total assets** | | **3,979,877,223.99** | **3,351,407,899.14** |

## Equity and liabilities

| EUR | Note | 2024 | 2023 |
|---|---|---|---|
| **Shareholders' equity** | 14 | | |
| Share capital | | 366,385,309.00 | 366,385,309.00 |
| Premium fund | | 115,023,103.38 | 115,023,103.38 |
| Retained earnings | | 746,945,646.21 | 817,649,081.26 |
| Profit for the period | | 774,625,471.85 | 39,425,010.98 |
| | | **2,002,979,530.44** | **1,338,482,504.62** |
| | | | |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Loans from financial institutions | 15 | 1,175,593,444.49 | 1,257,207,607.66 |
| Other non-current liabilities | 16 | 219,804.04 | 437,130.31 |
| | | **1,175,813,248.53** | **1,257,644,737.97** |
| | | | |
| **Current liabilities** | | | |
| Loans from financial institutions | 15 | 156,351,303.33 | 184,887,832.01 |
| Other loans | 15 | 564,004,861.93 | 496,606,878.77 |
| Trade payables | 17 | 25,093,309.45 | 15,746,839.04 |
| Accrued expenses | 18 | 47,193,691.67 | 48,724,839.47 |
| Other current liabilities | 17 | 8,441,278.64 | 9,314,267.26 |
| | | **801,084,445.02** | **755,280,656.55** |
| | | | |
| **Total equity and liabilities** | | **3,979,877,223.99** | **3,351,407,899.14** |

# Parent company cash flow statement (FAS)

| EUR | 2024 | 2023 |
|---|---|---|
| Earnings before interest and taxes | 68,089,156.85 | 66,687,291.10 |
| Adjustments | | |
| Depreciation and amortization | 3,382,550.00 | 8,642,652.17 |
| Change in non-interest-bearing receivables | -14,471,861.62 | -28,585,279.64 |
| Change in non-interest-bearing payables | 2,180,338.66 | -109,442.64 |
| Net financial income and expense | -52,350,385.73 | -32,825,568.40 |
| Taxes paid | -7,302,372.55 | -14,843,835.86 |
| **Net cash flow from operating activities** | **-472,574.39** | **-1,034,183.27** |
| | | |
| Capital expenditure | -6,889,682.30 | -16,275,988.55 |
| Dividends and repayments of capital | - | 13,632,434.00 |
| Change in non-current deposits | -151,030,641.71 | 385,997,396.99 |
| Change in current deposits | 215,701,956.59 | -415,174,454.66 |
| **Net cash flow from investing activities** | **57,781,632.58** | **-31,820,612.22** |
| | | |
| Change in non-current loans | -81,831,489.44 | -13,062,951.53 |
| Change in current loans | 38,861,454.48 | 229,032,758.90 |
| Dividends paid | -109,767,284.77 | -104,538,181.00 |
| **Cash flow from financing activities** | **-152,737,319.73** | **111,431,626.37** |
| | | |
| Change in liquid assets | -95,428,261.54 | 78,576,830.88 |
| | | |
| Liquid assets on January 1 | 98,086,795.35 | 19,509,964.47 |
| Liquid assets on December 31 | 2,658,533.81 | 98,086,795.35 |

# Parent company accounting principles

The financial statements of Huhtamäki Oyj have been prepared according to Finnish Accounting Standards (FAS). The financial statements have been prepared on the basis of historical costs and do not take into account increases in the fair value of assets, unless otherwise stated.

The company changed the presentation of the account receivables from other receivables to account receivables in the balance sheet. The comparative information is restated.

## Foreign currency

Foreign currency transactions are recorded according to the exchange rates prevailing on the transaction date. Receivables and payables are revalued at the rate of exchange on the balance sheet date. The exchange rate used at the balance sheet date is the rate of the date prior to the last working day of the reporting period closing date. Exchange rate differences arising from translation of receivables are recognized under other operating income, and exchange rate differences on payables under costs and expenses. Exchange rate differences on translation of financial items, such as loans and deposits, are recognized under financial income and expenses.

## Derivative instruments

Foreign exchange derivative contracts are used for hedging the company's currency position. The company manages its interest rate risks using interest rate derivatives. The prudence principle is applied to derivatives in the financial statements. However, also the positive changes in market values of foreign exchange derivatives are recognized in the income statement and the balance sheet in cases where corresponding negative changes in market values exists. Foreign exchange derivatives are marked-to-market at the rate of exchange on the balance sheet date and recorded in the income statement as an adjustment to financial items or sales and purchases only to the extent they relate to balance sheet items being hedged. Interest derivatives used for hedging the company's loans are stated at historical cost. Interest derivatives used for hedging subsidiaries' external loans are stated at lower of historical cost or market value. Interest income or expenses deriving from such instruments are accrued over the contract period.

## Intangible assets

Intangible assets are amortized on a systematic basis over their estimated useful life. The period of amortization does not exceed 20 years.

## Tangible assets

Items of tangible assets are stated at historical cost and depreciated using the straight-line method over their estimated useful lives. The period of depreciation does not exceed 12 years. Leases of tangible assets are classified as operating leases.

## Investments

Investments classified as long-term assets are carried at cost, less amounts written off to recognize permanent declines in the value of the investment. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is recognized as income or expense.

Investments in subsidiaries are carried at cost in the balance sheet of the company.

## Income taxes

The income statement includes income taxes of the Company based on taxable profit for the financial period according to local tax regulations as well as adjustments to prior year taxes.

## Appropriations

Gains and losses from appropriations include items which fall outside the ordinary activities of the company, such as group contribution or divestment related items.

# Notes to the parent company financial statements

## 1. NET INCOME

| EUR million | 2024 | 2023 |
|---|---|---|
| Royalty income | 67.9 | 75.0 |
| Group cost income | 130.5 | 107.9 |
| Other | 25.2 | 18.9 |
| **Total** | **223.6** | **201.9** |

## 2. OTHER OPERATING INCOME

| EUR million | 2024 | 2023 |
|---|---|---|
| Other | 4.5 | 6.4 |
| **Total** | **4.5** | **6.4** |

## 3. MATERIALS AND SERVICES

| EUR million | 2024 | 2023 |
|---|---|---|
| Purchases from group companies | 66.1 | 59.5 |
| Purchases from other companies | 47.7 | 37.6 |
| **Total** | **113.8** | **97.1** |

## 4. PERSONNEL EXPENSES

| EUR million | 2024 | 2023 |
|---|---|---|
| Wages and salaries | 25.8 | 20.0 |
| Pension costs | 3.5 | 3.5 |
| Other personnel costs | 5.7 | 5.8 |
| **Total** | **35.0** | **29.3** |

The above amounts are on accrual basis. Remuneration paid by the parent company to the members of the Board of Directors as well as the CEO of Huhtamäki Oyj (9 people) amounted to EUR 5.2 million (EUR 4.4 million).

| Average number of personnel | 2024 | 2023 |
|---|---|---|
| Huhtamäki Oyj | 175 | 153 |

## 5. DEPRECIATION AND AMORTIZATION

| EUR million | 2024 | 2023 |
|---|---|---|
| Depreciation and amortization by asset type: | | |
| Machinery and equipment | 0.1 | 0.1 |
| Intangible rights | 0.1 | 0.1 |
| Development expenditure | 2.5 | 2.3 |
| Other capitalized expenditure | 0.7 | 6.1 |
| **Total** | **3.4** | **8.6** |

## 6. AUDITOR'S FEES AND SERVICES

| EUR million | 2024 | 2023 |
|---|---|---|
| Audit fees | 0.5 | 0.4 |
| Other statutory services | 0.4 | 0.0 |
| **Total** | **0.9** | **0.4** |

*For auditor's other services see Note 2.5. Other operating expenses in the consolidated financial statements.*

## 7. FINANCIAL INCOME AND EXPENSE

| EUR million | 2024 | 2023 |
|---|---|---|
| **Dividend income** | **750.8** | **12.8** |
| | | |
| Interest and other financial income | | |
| Intercompany interest income | 42.0 | 40.3 |
| Other interest income | 5.1 | 4.4 |
| **Total interest income** | **47.1** | **44.7** |
| Other financial income | 164.9 | 206.6 |
| **Total interest and other financial income** | **212.0** | **251.3** |
| | | |
| Interest and other financial expense | | |
| Intercompany interest expense | -20.3 | -13.5 |
| Other interest expense | -62.4 | -61.1 |
| **Total interest expense** | **-82.7** | **-74.6** |
| Other financial expense | -165.7 | -209.3 |
| **Total interest and other financial expense** | **-248.4** | **-283.9** |
| | | |
| **Net financial items** | **714.4** | **-19.8** |

## 8. TAXES

| EUR million | 2024 | 2023 |
|---|---|---|
| Ordinary taxes | 7.8 | 7.5 |
| **Total** | **7.8** | **7.5** |

Deferred taxes are not included in income statement or balance sheet. Unrecognized deferred tax liability from timing differences is EUR 2.3 million (EUR 2.2 million).

## 9. INTANGIBLE ASSETS

| EUR million | Intangible rights | Development expenditure | Other capitalized expenditure | Construction in progress and advance payments | 2024 Total | 2023 Total |
|---|---|---|---|---|---|---|
| Acquisition cost on January 1 | 1.6 | 17.4 | 48.9 | 8.2 | 76.1 | 63.7 |
| Additions | 0.1 | - | - | 8.6 | 8.7 | 15.8 |
| Disposals | -0.1 | - | -39.9 | - | -40.0 | -3.3 |
| Intra-balance sheet transfer | -0.1 | - | 1.4 | -1.4 | -0.1 | - |
| Acquisition cost on December 31 | 1.5 | 17.4 | 10.5 | 15.3 | 44.7 | 76.2 |
| | | | | | | |
| Accumulated amortization on January 1 | 0.7 | 3.9 | 47.9 | | 52.5 | 44.6 |
| Accumulated amortization on disposals and transfers | -0.1 | - | -39.9 | | -40.0 | -0.6 |
| Amortization during the financial year | 0.1 | 2.5 | 0.7 | | 3.3 | 8.5 |
| Accumulated amortization on December 31 | 0.8 | 6.4 | 8.6 | | 15.8 | 52.5 |
| **Book value on December 31, 2024** | **0.8** | **11.0** | **1.8** | **15.3** | **28.9** | |
| Book value on December 31, 2023 | 0.9 | 13.5 | 1.1 | 8.2 | | 23.7 |

## 10. TANGIBLE ASSETS

| EUR million | Machinery and equipment | Other tangible assets | 2024 Total | 2023 Total |
|---|---|---|---|---|
| Acquisition cost on January 1 | 1.8 | 0.1 | 1.9 | 2.5 |
| Additions | - | - | - | - |
| Disposals | -0.8 | - | -0.8 | -0.7 |
| Intra-balance sheet transfer | 0.1 | - | 0.1 | - |
| Acquisition cost on December 31 | 1.0 | 0.1 | 1.1 | 1.9 |
| | | | | |
| Accumulated depreciation on January 1 | 1.7 | - | 1.7 | 2.2 |
| Accumulated depreciation on disposals and transfers | -0.9 | - | -0.9 | -0.7 |
| Depreciation during the financial year | 0.1 | - | 0.1 | 0.1 |
| Accumulated depreciation on December 31 | 0.8 | - | 0.8 | 1.7 |
| **Book value on December 31, 2024** | **0.2** | **0.1** | **0.3** | |
| Book value on December 31, 2023 | 0.1 | 0.1 | | 0.2 |

## 11. INVESTMENTS

| EUR million | Investments in subsidiaries | Other shares and holdings | Investments |
|---|---|---|---|
| Book value on January 1, 2024 | 2,417.3 | 1.1 | 2,418.3 |
| Additions | 747.0 | 0.8 | 747.8 |
| Disposals | - | -0.2 | |
| | | | |
| **Book value on December 31, 2024** | **3,164.3** | **1.6** | **3,165.9** |

| EUR million | Investments in subsidiaries | Other shares and holdings | Investments |
|---|---|---|---|
| Book value on January 1, 2023 | 2,418.1 | 1.1 | 2,419.2 |
| Additions | - | 0.1 | 747.8 |
| Disposals | -0.8 | -0.2 | |
| | | | |
| **Book value on December 31, 2023** | **2,417.3** | **1.1** | **2,418.3** |

| Subsidiaries | Country | Parent company holding % |
|---|---|---|
| Huhtamaki Finance B.V. | The Netherlands | 75% |
| Huhtamaki Holding Oy | Finland | 100% |
| Huhtamäki Securities Oy | Finland | 100% |
| Huhtamaki Hungary KFT | Hungary | 100% |
| Huhtamaki Foodservice Finland Oy | Finland | 100% |
| Huhtamaki Germany GmbH | Germany | 25% |
| Arabian Paper Products company | Saudi Arabia | 50% |
| Huhtamaki International B.V. | The Netherlands | 100% |

## 12. RECEIVABLES

| EUR million | 2024 | 2023 |
|---|---|---|
| **Current** | | |
| Account receivables from subsidiaries | 204.4 | 183.4 |
| Account receivables | - | - |
| Loan receivables from subsidiaries | 199.5 | 415.2 |
| Accrued income | 31.8 | 25.2 |
| Accrued corporate income | 21.5 | 16.8 |
| Other receivables | 0.9 | 0.7 |
| Other receivables from subsidiaries | - | - |
| **Total** | **458.0** | **641.3** |
| | | |
| **Non-current** | | |
| Intercompany loan receivables | 324.1 | 169.8 |
| **Total** | **324.1** | **169.8** |
| | | |
| **Total** | **782.2** | **811.1** |

## 13. ACCRUED INCOME

| EUR million | 2024 | 2023 |
|---|---|---|
| Accrued interest and other financial items | 3.9 | 4.0 |
| Currency derivative assets | 14.9 | 8.3 |
| Accrued corporate income and prepaid expense | 21.5 | 16.8 |
| Other | 12.9 | 12.9 |
| **Total accrued income** | **53.3** | **42.0** |

## 14. CHANGES IN EQUITY

| EUR million | 2024 | 2023 |
|---|---|---|
| **Restricted equity** | | |
| Share capital January 1 | 366.4 | 366.4 |
| Share capital December 31 | 366.4 | 366.4 |
| | | |
| Premium fund January 1 | 115.0 | 115.0 |
| Premium fund December 31 | 115.0 | 115.0 |
| **Restricted equity total** | **481.4** | **481.4** |
| | | |
| **Non-restricted equity** | | |
| Retained earnings January 1 | 857.1 | 922.2 |
| Dividends paid | -110.0 | -104.5 |
| Asset transfer tax for treasury shares | -0.1 | - |
| Profit for the period | 774.6 | 39.4 |
| Retained earnings December 31 | 1,521.6 | 857.1 |
| **Non-restricted equity total** | **1,521.6** | **857.1** |
| | | |
| Development expenditure | -25.4 | -20.6 |
| **Distributable equity** | **1,496.2** | **836.5** |
| | | |
| **Total equity** | **2,003.0** | **1,338.5** |

*For details on share capital see Note 5.4. Shareholder's equity in the consolidated financial statements.*

## 15. LOANS

| EUR million | 2024 | 2023 |
|---|---|---|
| **Non-current** | | |
| Loans from financial institutions | 1,175.6 | 1,257.2 |
| **Non-current loans from financial institutions total** | **1,175.6** | **1,257.2** |
| | | |
| **Current** | | |
| Current portion of long-term loans from financial institutions | 85.5 | 134.7 |
| Loans from financial institutions and other current loans | 70.9 | 50.2 |
| **Current loans from financial institutions total** | **156.4** | **184.9** |
| | | |
| Loans from subsidiaries | 564.0 | 496.6 |
| **Other loans total** | **564.0** | **496.6** |

| **Changes in non-current loans** | | |
|---|---|---|
| Loans from financial institutions | | |
| January 1 | 1,257.2 | 1,270.1 |
| Additions | 605.0 | 2,103.6 |
| Decreases | -689.5 | -2,114.5 |
| FX movement | 2.9 | -2.0 |
| **Total** | **1,175.6** | **1,257.2** |

| **Repayments** | Loans from financial institutions |
|---|---|
| 2025 | 156.4 |
| 2026 | 299.8 |
| 2027 | 529.2 |
| 2028 | 298.7 |
| 2029– | 47.9 |

## 16. OTHER NON-CURRENT LIABILITIES

| EUR million | 2024 | 2023 |
|---|---|---|
| Loans from subsidiaries | - | - |
| Employee benefits | 0.2 | 0.4 |
| **Total** | **0.2** | **0.4** |

## 17. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

| EUR million | 2024 | 2023 |
|---|---|---|
| Trade payables | 11.2 | 4.3 |
| Intercompany trade payables | 13.9 | 11.5 |
| **Trade payables** | **25.1** | **15.8** |
| | | |
| Other current liabilities | 5.4 | 4.4 |
| Other current liabilities to subsidiaries | 3.0 | 5.0 |
| **Other current liabilities** | **8.4** | **9.3** |

## 18. ACCRUED EXPENSES

| EUR million | 2024 | 2023 |
|---|---|---|
| Accrued interest and other financial expense | 16.1 | 16.6 |
| Currency derivative liabilities | 13.9 | 8.2 |
| Accrued expense to subsidiaries | 7.7 | 15.1 |
| Salaries and social security | 9.4 | 8.2 |
| Miscellaneous accrued expense | 0.1 | 0.6 |
| **Total** | **47.2** | **48.7** |

## 19. DERIVATIVES

| Fair values of derivatives, EUR million | 2024 | 2023 |
|---|---|---|
| Currency derivatives | | |
| with external parties | 1.0 | 0.1 |
| with subsidiaries | 11.5 | -4.0 |
| Interest rate swaps | 5.9 | 5.0 |
| **Total** | **18.4** | **1.1** |

| Nominal values of principles, EUR million | 2024 | 2023 |
|---|---|---|
| Currency derivatives | | |
| with external parties | 1,168.3 | 967.0 |
| with subsidiaries | 444.6 | 429.5 |
| Interest rate swaps | 271.8 | 276.5 |
| **Total** | **1,884.7** | **1,673.0** |

The nominal value of external currency derivatives is 1,168.3 MEUR and the nominal value of internal currency derivatives allocated to them is 444.6 MEUR. For the rest of the external currency derivatives hedge accounting is applied.

*See Note 5.7. Management of financial risks in the consolidated financial statements for more information on the Group's financial risk management.*

## 20. COMMITMENTS AND CONTINGENCIES

| EUR million | 2024 | 2023 |
|---|---|---|
| Operating lease payments | | |
| Under one year | 1.4 | 1.2 |
| Later than one year | 0.8 | 0.4 |
| **Total** | **2.1** | **1.6** |

| | | |
|---|---|---|
| Guarantee obligations | | |
| For subsidiaries | 206.2 | 194.4 |

# Signatures of the Board of Directors' Report and Financial Statements

## Confirmations of the Board of Directors

We confirm that

- the financial statements prepared in accordance with the applicable laws and regulations governing the preparation of financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;
- the Directors' Report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Sustainability Report included in the Directors' Report is prepared in accordance with sustainability reporting standards referred to in Chapter 7 of the Accounting Act and with the Article 8 of Taxonomy Regulation (EU) 2020/852.

## Signatures of the Board of Directors' Report and Financial Statements

Espoo, February 13, 2025

Pekka Vauramo  Kerttu Tuomas  Mercedes Alonso

Doug Baillie  Robert K. Beckler  Anja Korhonen

Pauline Lindwall

Ralf K. Wunderlich
President and CEO

# Auditor’s Report

This document is an English translation of the Finnish auditor’s report.
Only the Finnish version of the report is legally binding.

## To the Annual General Meeting of Huhtamäki Oyj

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Huhtamäki Oyj (business identity code 0140879-6) for the year ended 31 December, 2024. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company’s balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group’s financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

#### Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 2.5. to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

| The key audit matter | How the matter was addressed in the audit |
|---|---|
| **Valuation of goodwill and acquisition related intangible assets**<br>(Refer to notes 3.1., 3.2. and 3.3. to the consolidated financial statements) | |
| At year end 2024 goodwill and intangibles totaled EUR 1,118 million and represented 23 percent of the consolidated total assets.<br><br>Goodwill is tested for impairment at least annually. Preparation of cash flow projections used as the basis for the impairment tests requires management judgments and assumptions for profitability, long-term growth rate and discount rate.<br><br>The acquisition related intangible assets have finite useful lives and are amortized on a straight-line basis over their useful lives.<br><br>Due to the uncertainty related to the projections used in the impairment testing and the significant carrying amounts involved, valuation of goodwill and acquisition related intangible assets is considered a key audit matter. | Our audit procedures included assessment of the key assumptions used in the impairment tests by reference to the budgets approved by the parent company's Board of Directors, data external to the Group and our own views.<br><br>We assessed the mathematical accuracy of the calculations and to compare the assumptions to externally available market and industry data.<br><br>In addition, we considered the appropriateness of the disclosures presented. |
| **Revenue recognition**<br>(Refer to note 2.1. to the consolidated financial statements) | |
| Huhtamäki Group revenues are generated from sales of disposable tableware products, foodservice packaging products as well as ice cream containers and other consumer good packaging products.<br><br>Consolidated net sales in 2024 were EUR 4,126 million.<br><br>Sales contracts with customers include several different client specific delivery terms, which determine when the ownership of the product is transferred to the customer.<br><br>Revenue recognition is considered a key audit matter due to the considerable number of sales transactions and risk that revenue is recognized in an incorrect period. | In our audit of revenues, we have tested key controls related to sales and performed substantive audit procedures. We have assessed the accounting principles and practices for different revenue streams and evaluated the appropriateness of the revenue recognition principles in relation to the IFRS-standards.<br><br>• We have tested revenue, discounts, and pricing using data-analytics.<br>• We have tested selected samples of sales transactions comparing them to sales invoices, contracts, delivery notes, external confirmations and payments received.<br>• We have verified that revenues have been recognized in the appropriate financial year by comparing sales transactions, invoices and delivery terms to actual deliveries as well as by inspecting credit invoices issued in early 2025.<br>• In addition, we considered the appropriateness of the disclosures regarding net sales. |

| The key audit matter | How the matter was addressed in the audit |
|---|---|
| **Valuation of inventories**<br>(Refer to note 4.1. to the consolidated financial statements) | |
| Group's value of inventories totaled EUR 667 million at year end 2024.<br><br>Inventory management, stocktaking routines and costing of inventories are underlying key factors in determining the value of inventories.<br><br>The valuation of inventories involves management judgement and assessment in relation to defining obsolete inventory and net realizable values for finished goods and is therefore considered a key audit matter. | We have evaluated the appropriateness of the valuation principles in relation to the IFRS-standards and tested related key controls and performed substantive audit procedures. We have attended stock takings in selected inventory locations and assessed the appropriateness of the stock taking processes.<br><br>• We have compared the value of selected finished goods inventory items to the sales prices.<br>• We have analyzed slow-moving inventory items and items with exceptional values.<br>• We have assessed the inventory valuation principles, and the adequacy of the provisions recorded. |
| **Income taxes**<br>(Refer to note 2.6. to the consolidated financial statements) | |
| Income taxes are material to the financial statements as a whole.<br><br>The Group's presence is global, and it operates in several countries with different and changing tax rules.<br><br>Management use judgments when assessing tax matters and -risks impacting on the recognition of deferred tax assets, -liabilities and tax provisions.<br><br>Due to the above income taxes are considered a key audit matter. | We have evaluated the appropriateness of the accounting principles in relation to the IFRS-standards and the processes for recognizing and assessing current and deferred tax.<br><br>Our audit procedures for assessing recognized deferred taxes and tax provisions included assessment of assumptions and methodologies used by management and correspondence with tax authorities.<br><br>We involved KPMG tax specialists both on group level and in significant subsidiaries.<br><br>In addition, we considered the appropriateness of the disclosures regarding income taxes. |

We have not identified key audit matters relating to the parent company's financial statements.

## Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Reporting Requirements

### Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on April 29, 2020, and our appointment represents a total period of uninterrupted engagement of 5 years.

### Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements or our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability statement information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 13 February 2025

KPMG Oy Ab
HENRIK HOLMBOM
*Authorised Public Accountant, KHT*

# Assurance Report on the Sustainability Statement

This document is an English translation of the Finnish Assurance Report on the Sustainability Statement. Only the Finnish version of the report is legally binding.

## To the Annual General Meeting of Huhtamäki Oyj

We have performed a limited assurance engagement on the group sustainability statement of Huhtamäki Oyj (0140879-6) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year 1.1.–31.12.2024.

### Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

1. the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);
2. the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Huhtamäki Oyj has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment) and the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act.

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that provision in the absence of the ESEF regulation or other European Union legislation.

### Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the Responsibilities of the Authorized Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Matter

We draw attention to the fact that the group sustainability statement of Huhtamäki Oyj that is referred to in Chapter 7 of the Accounting Act has been prepared and assurance has been provided for it for the first time for the financial year 1.1.–31.12.2024. Our opinion does not cover the comparative information that has been presented in the group sustainability statement. Our opinion is not modified in respect of this matter.

### Authorized group sustainability auditor’s Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorized group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorized sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Huhtamäki Oyj are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified as well as the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act and
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

## Inherent Limitations in the Preparation of a Sustainability Statement

Preparation of the sustainability statement requires Company to make materiality assessment to identify relevant matters to report. This includes significant management judgement and choices. It is also characteristic to the sustainability reporting that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty. Furthermore, when reporting forward looking information company has to disclose assumptions related to potential future events and describe Company's possible future actions in relation to these events. Actual outcome may differ as forecasted events do not always occur as expected.

## Responsibilities of the Authorized Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- We interviewed Company's management and persons responsible for the preparation and gathering of the sustainability information.
- We familiarized with interviews to the key processes related to collecting and consolidating the sustainability information.
- We got acquainted with the relevant guidances and policies related to the sustainability information disclosed in the sustainability statement.
- We acquainted ourselves to the background documentation and other records prepared by the Company, as appropriate and assessed how they support the information included in the sustainability statement.
- We conducted site visits to the selected operational sites.
- In relation to the double materiality assessment process, we interviewed persons responsible for the process and familiarized ourselves with the process description prepared of the double materiality assessment and other documentation and background materials.
- In relation to the EU taxonomy information we interviewed the management of the company and persons with key roles in reporting taxonomy information to understand how taxonomy eligible activities have been identified, we obtained evidence supporting the interviews and reconciled the reported EU taxonomy information to supporting documents and to the group accounting records, as applicable.
- We assessed the application of the ESRS sustainability reporting standards reporting principles in the presentation of the sustainability information.

Helsinki 13 February 2025

KPMG Oy Ab
*Authorized Sustainability Audit Firm*

HENRIK HOLMBOM
*Authorized Sustainability Auditor, KRT*

# Definitions for performance measures

## Performance measures according to IFRS

**Earnings per share (EPS) attributable to equity holders of the parent company =**
Profit for the period – non-controlling interest / Average number of shares outstanding

**Diluted earnings per share attributable to equity holders of the parent company (diluted EPS) =**
Diluted profit for the period – non-controlling interest / Average fully diluted number of shares outstanding

## Alternative performance measures

**EBITDA =** EBIT + depreciation and amortization

**Dividend yield =** 100 x Dividend per share / Share price at December 31

**Shareholders' equity per share =** Total equity attributable to equity holders of the parent company / Number of shares outstanding at December 31

**P/E ratio =** Share price at December 31 / Earnings per share

**Market capitalization =** Number of shares outstanding multiplied by the corresponding share price on the stock exchange at December 31

**Return on investment (ROI) =** 100 x (Profit before taxes + interest expenses + net other financial expenses) (12m rolling) / Statement of financial position total – interest-free liabilities (average)

**Return on equity (ROE) =** 100 x Profit for the period (12m rolling) / Total equity (average)

**Net debt to equity (gearing) =** Interest-bearing net debt / Total equity

**Solidity =** 100 x Total equity / Statement of financial position total – advances received

**Current ratio =** Current assets / Current liabilities

**Times interest earned =** Earnings before interest and taxes + depreciation, amortization and impairment / Net interest expenses

**Return on net assets (RONA) =** 100 x Earnings before interest and taxes (12m rolling) / Net assets (12m rolling)

**Operating cash flow =** Adjusted EBIT + depreciation and amortization (including impairment) – capital expenditure + disposals +/– change in inventories, trade receivables and trade payables

**Free cash flow =** Net cash flow from operating activities – capital expenditure + proceeds from selling tangible and intangible assets

**Comparable net sales growth =** Net sales excluding foreign currency changes, acquisitions and divestments

In addition to IFRS and alternative performance measures presented above, Huhtamaki may present adjusted performance measures, which are derived from IFRS or alternative performance measures by adding or deducting items affecting comparability (IAC). The adjusted performance measures are used in addition to, but not substituting, the performance measures reported in accordance with IFRS.

# Key figures and financial development

## Huhtamaki 2020–2024

| EUR million | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Net sales | 4,126.3 | 4,168.9 | 4,479.0 | 3,574.9 | 3,301.8 |
| Increase in net sales, % | -1.0 | -6.9 | 25.3 | 8.3 | -2.9 |
| Net sales outside Finland | 4,070.3 | 4,108.7 | 4,416.3 | 3,523.1 | 3,252.5 |
| Earnings before interest, taxes, depreciation, amortization and impairment | 595.6 | 621.2 | 614.9 | 469.6 | 464.5 |
| Earnings before interest, taxes, depreciation, amortization and impairment/net sales, % | 14.4 | 14.9 | 13.7 | 13.1 | 14.1 |
| Earnings before interest and taxes | 372.3 | 380.9 | 405.3 | 296.0 | 265.3 |
| Earnings before interest and taxes/net sales, % | 9.0 | 9.1 | 9.0 | 8.3 | 8.0 |
| Profit before taxes | 300.5 | 312.0 | 352.1 | 263.0 | 237.1 |
| Profit before taxes/net sales, % | 7.3 | 7.5 | 7.9 | 7.4 | 7.2 |
| Profit for the period | 231.8 | 225.2 | 285.4 | 202.7 | 183.7 |
| Total equity | 2,124.1 | 1,924.9 | 1,922.2 | 1,597.2 | 1,364.5 |
| Return on investment, % | 10.8 | 10.9 | 11.4 | 10.6 | 10.3 |
| Return on shareholders' equity, % | 11.6 | 11.8 | 15.7 | 13.9 | 12.9 |
| Solidity, % | 43.5 | 41.3 | 39.9 | 35.4 | 38.1 |
| Net debt to equity | 0.57 | 0.67 | 0.77 | 0.95 | 0.64 |
| Current ratio | 1.52 | 1.60 | 1.50 | 1.22 | 1.42 |
| Times interest earned | 8.30 | 9.01 | 11.56 | 14.25 | 15.44 |
| Capital expenditure | 247.9 | 318.7 | 318.5 | 259.4 | 223.5 |
| Capital expenditure/net sales, % | 6.0 | 7.6 | 7.1 | 7.3 | 6.8 |
| Research & development | 34.7 | 36.0 | 30.6 | 25.7 | 20.7 |
| Research & development/net sales, % | 0.8 | 0.9 | 0.7 | 0.7 | 0.6 |
| Number of shareholders (December 31) | 51,783 | 53,834 | 50,150 | 43,744 | 35,764 |
| Personnel (December 31) | 17,794 | 17,910 | 18,927 | 19,564 | 18,227 |

## Key exchange rates in EUR

| | | 2024 Income statement | 2024 Statement of financial position | 2023 Income statement | 2023 Statement of financial position |
|---|---|---|---|---|---|
| Australian Dollar | AUD | 1.6398 | 1.6756 | 1.6282 | 1.6246 |
| British Pound | GBP | 0.8467 | 0.8295 | 0.8700 | 0.8706 |
| Indian Rupee | INR | 90.5473 | 89.2685 | 89.3132 | 92.4490 |
| Thai Baht | THB | 38.1879 | 35.6400 | 37.6253 | 37.9990 |
| US Dollar | USD | 1.0824 | 1.0444 | 1.0815 | 1.1114 |
| South African Rand | ZAR | 19.8353 | 19.5691 | 19.9453 | 20.6003 |

The exchange rates used at the month end are the rates of the date prior to the last working day of the month, due to the change of publication time of the ECB euro foreign exchange reference rates.

# Share and shareholders

The Company has one class of shares. Each share carries one vote at the General Meeting of Shareholders. The Company does not have in force any option rights plan or any other plan based on which the Company can issue special rights entitling to subscription of the Company's shares.

Article 11 of the Articles of Association of the Company contains provisions concerning the redemption obligation of shareholders. Election of the members of the Board of Directors and the Chief Executive Officer is stipulated in Articles 4, 5 and 8 of the Articles of Association.

The Annual General Meeting of Shareholders on April 25, 2024 authorized the Board of Directors to decide: (i) on the repurchase of the Company's own shares and (ii) on the issuance of shares as well as the issuance of special rights entitling to shares. The authorizations remain in force until the end of the next Annual General Meeting, however, no longer than until June 30, 2025.

Certain agreements relating to the financing of the Company as well as supply agreements entered into with certain most significant customers contain terms and conditions upon which the agreement may terminate if control in the Company changes as a result of a public tender offer.

## Per share data

| | | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| Earnings per share | EUR | 2.14 | 1.97 | 2.65 | 1.91 | 1.69 |
| Earnings per share (diluted) | EUR | 2.13 | 1.97 | 2.64 | 1.91 | 1.69 |
| Dividend (nominal) | EUR | 1.10[1] | 1.05 | 1.00 | 0.94 | 0.92 |
| Dividend/earnings per share | % | 51.4[1] | 53.2 | 37.8 | 49.3 | 54.3 |
| Dividend yield | % | 3.2[1] | 2.9 | 3.1 | 2.4 | 2.2 |
| Shareholders' equity per share | EUR | 19.45 | 17.59 | 17.65 | 14.57 | 12.31 |
| Average number of shares adjusted for share issue | | 104,712,538[2] | 104,497,300 | 104,364,676 | 104,360,114 | 104,349,676 |
| Number of shares adjusted for share issue at year end | | 104,760,700[2] | 104,538,181 | 104,364,676 | 104,364,676 | 104,349,676 |
| P/E ratio | | 16.0 | 18.6 | 12.1 | 20.4 | 24.9 |
| Market capitalization at December 31 | EUR million | 3,580.7[2] | 3,839.7 | 3,339.7 | 4,058.7 | 4,409.8 |
| | | | | | | |
| Trading volume in NASDAQ OMX Helsinki Ltd | units | 34,812,979[3] | 43,440,333 | 61,712,620 | 50,514,600 | 59,337,954 |
| Trading volume in alternative trading venues | units | 78,202,381[4] | 152,289,963 | 161,291,609 | 99,597,314 | 92,820,000 |
| Trading volume, total | units | 113,015,360 | 195,730,296 | 223,004,229 | 150,111,914 | 152,157,954 |
| In relation to average number of shares | % | 107.9[2] | 187.3 | 213.7 | 143.8 | 145.8 |
| | | | | | | |
| Development of share price | | | | | | |
| Lowest trading price | EUR | 32.88 | 28.45 | 26.41 | 36.57 | 23.48 |
| Highest trading price | EUR | 40.16 | 37.20 | 39.94 | 45.93 | 46.62 |
| Trading price on December 31 | EUR | 34.18 | 36.73 | 32.00 | 38.89 | 42.26 |

[1] 2024: Board's proposal.
[2] Issue-adjusted and excluding treasury shares.
[3] Source: Nasdaq Helsinki Oy.
[4] Source: Refinitiv Eikon.

See also Note 2.7. Earnings per share.

## Distribution of ownership by number of shares on December 31, 2024

| Number of shares | Number shareholders | % of shareholders | Number of shares | % of shares |
|---|---|---|---|---|
| 1–100 | 29,006 | 56.0% | 1,135,058 | 1.1% |
| 101–1,000 | 18,885 | 36.5% | 6,620,201 | 6.1% |
| 1,001–10,000 | 3,619 | 7.0% | 9,108,292 | 8.5% |
| 10,001–100,000 | 237 | 0.5% | 6,292,517 | 5.8% |
| 100,001–1,000,000 | 40 | 0.1% | 13,903,451 | 12.9% |
| More than 1,000,000 | 8 | 0.0% | 70,633,006 | 65.6% |
| Total | 51,795 | | 107,692,525 | 99.9% |
| In the joint book-entry account | | | 67,860 | 0.1% |
| **Number of shares issued** | | | **107,760,385** | **100.0%** |

## Distribution of ownership by sector on December 31, 2024

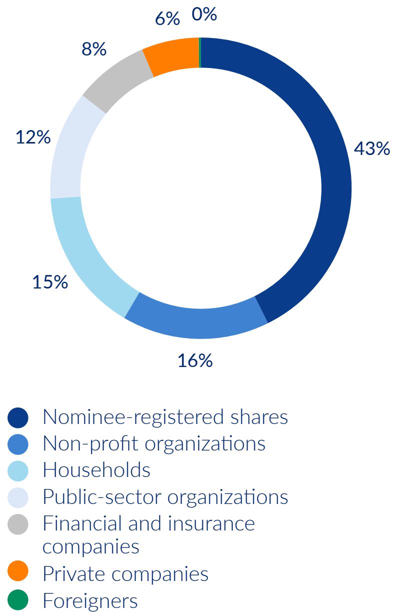
| Sector | Number of shares | % |
|---|---|---|
| Nominee-registered shares | 45,940,053 | 42.6% |
| Non-profit organizations | 17,045,289 | 15.8% |
| Households | 16,592,926 | 15.4% |
| Public-sector organizations | 12,587,080 | 11.7% |
| Financial and insurance companies | 8,649,790 | 8.0% |
| Private companies | 6,622,272 | 6.2% |
| Foreigners | 255,115 | 0.2% |
| In the joint book-entry account | 67,860 | 0.1% |
| **Number of shares issued** | **107,760,385** | **100.0%** |

## Largest registered shareholders on December 31, 2024[1]

| Name | Number of shares and votes | % |
|---|---|---|
| Finnish Cultural Foundation | 11,319,080 | 10.5% |
| Varma Mutual Pension Insurance Company | 4,975,720 | 4.6% |
| Ilmarinen Mutual Pension Insurance Company | 3,863,236 | 3.6% |
| Elo Mutual Pension Insurance Company | 1,751,000 | 1.6% |
| The State Pension Fund | 1,100,000 | 1.0% |
| Holding Manutas Oy | 925,000 | 0.9% |
| Security Trading Oy | 925,000 | 0.9% |
| OP-Finland | 835,800 | 0.8% |
| Society of Swedish Literature in Finland | 763,500 | 0.7% |
| **Total** | **26,458,336** | **24.6%** |

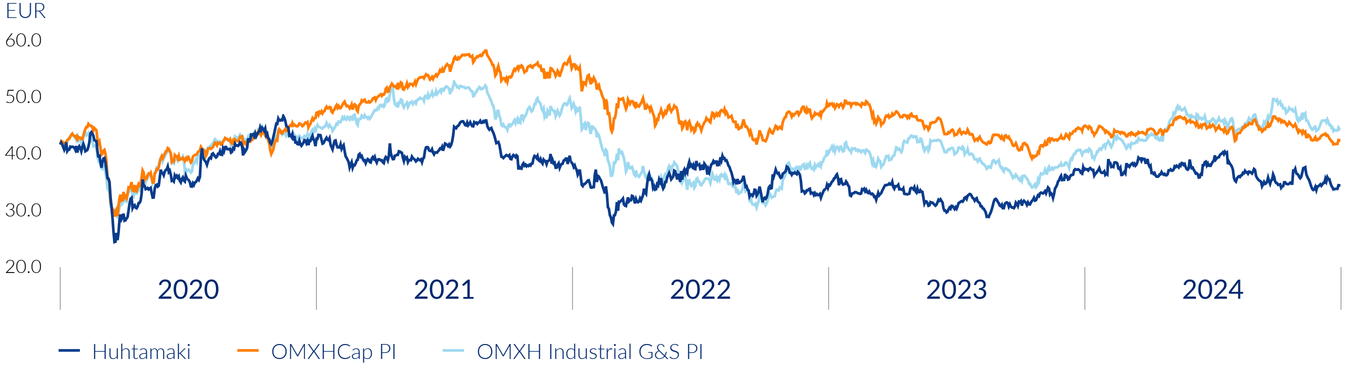
[1] Excluding own shares acquired by Huhtamäki Oyj totaling 2,999,685 and representing 2.8% of the total number of shares.

## Shareholder distribution by sector December 31, 2024

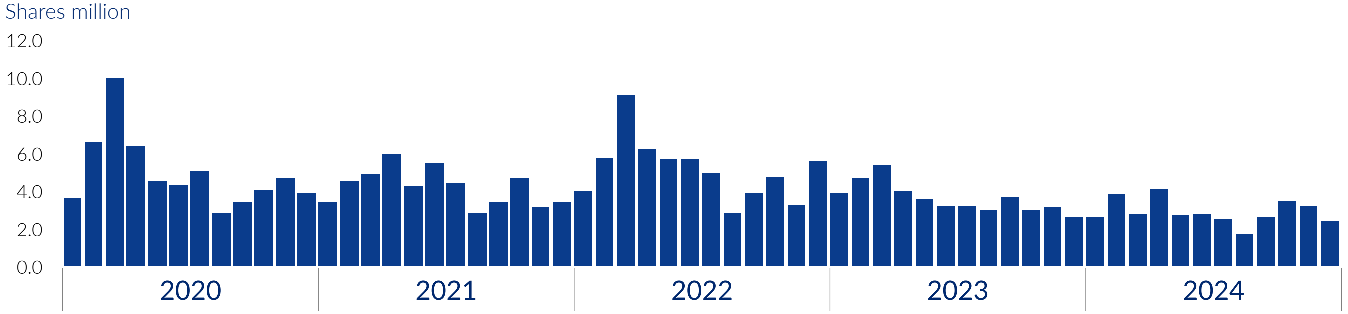



The list above includes only direct registered shareholders and is based on information available from Euroclear Finland Ltd., excluding 2,999,685 shares held by Huhtamäki Oyj that represent 2.8% of the total number of shares. Nominee-registered holdings, which may be substantial, are not included. On December 31, 2024 nominee-registered shareholders held in total 43% of Huhtamäki Oyj's shares.

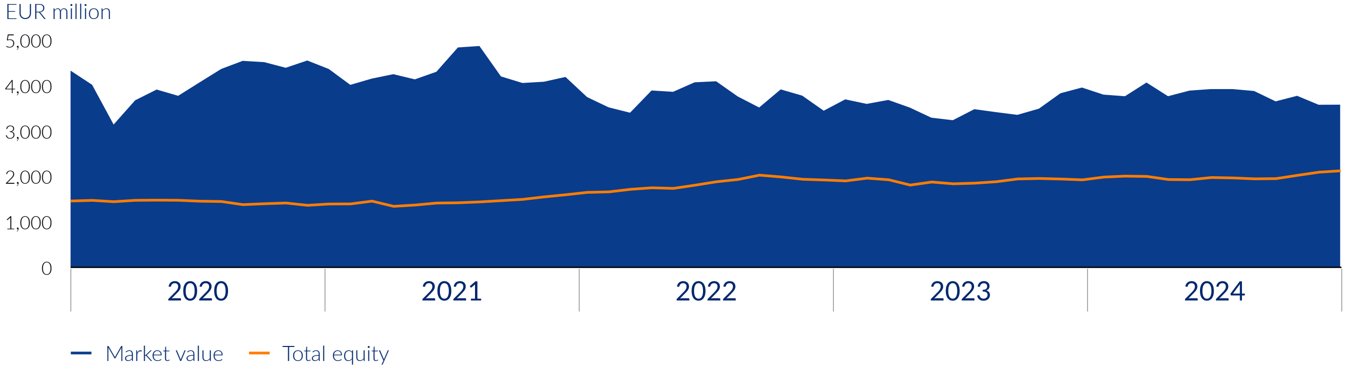
## Development of Huhtamaki's share price January 2, 2020–December 31, 2024




## Monthly trading volume on Nasdaq Helsinki 2020–2024




## Market value and equity 2020–2024



# Governance

# Corporate Governance Statement

## Introduction

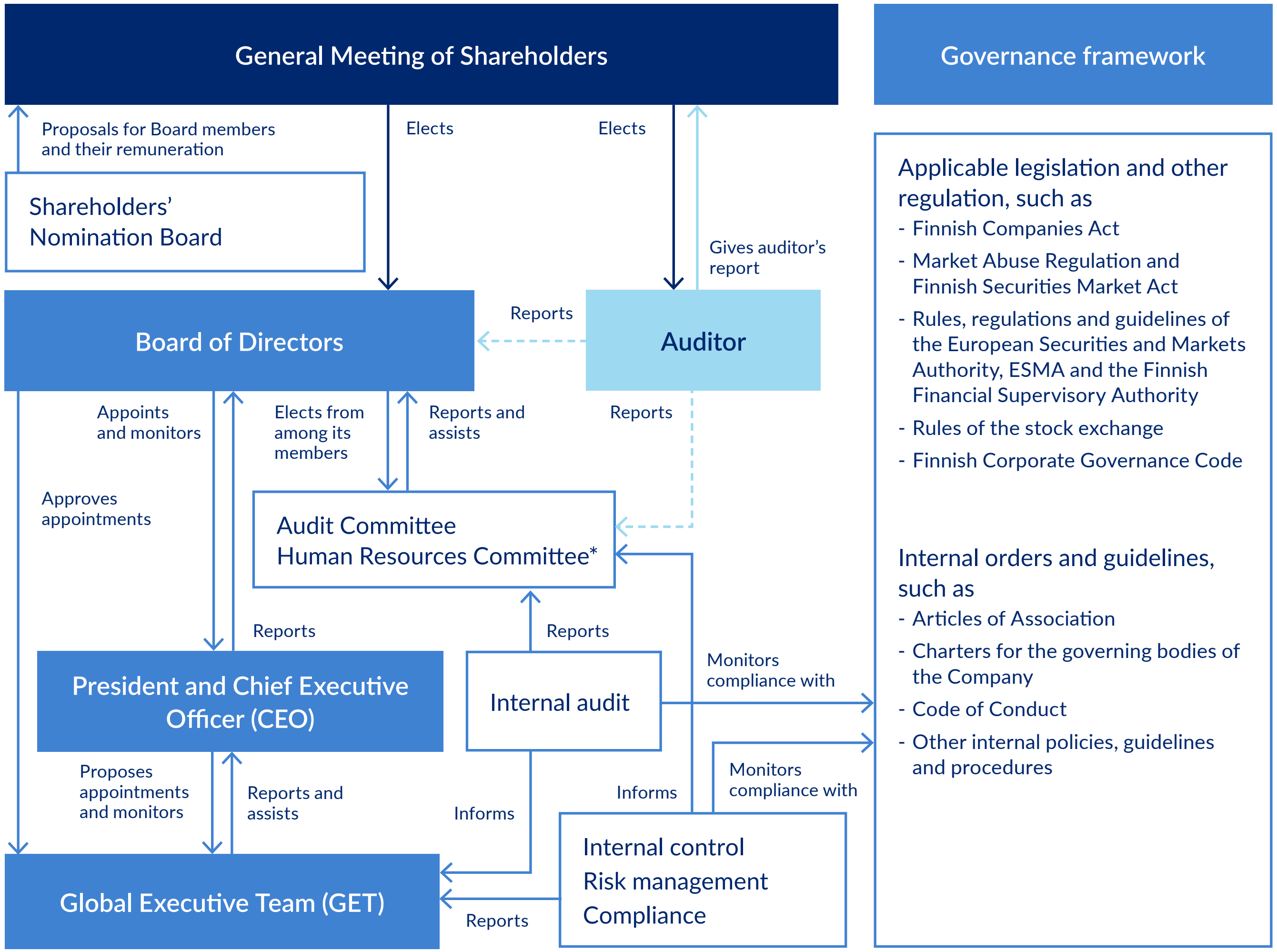
Huhtamäki Oyj (the Company) complies with the Finnish Corporate Governance Code (Code) adopted by the Securities Market Association. This Corporate Governance Statement complies with the Code effective from January 1, 2025. The Code is available in its entirety on the internet at www.cgfinland.fi/en. 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 at Huhtamaki" (www.huhtamaki.com – Investors – Corporate Governance).

### Corporate governance structure on December 31, 2024




*The Board decided on December 11, 2024 to establish an Investment Committee with its term of office commencing on January 1, 2025.

# 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 May 31 have a right to appoint one member to the Nomination Board. In addition, the Chair 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 Chair 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 – 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, Chair and Vice-Chair
- 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, 2024:

**Chair Dr. Susanna Pettersson,** appointed by The Finnish Cultural Foundation
Born 1966, female
**Main occupation:** CEO, The Finnish Cultural Foundation
**Education:** Ph.D.

**Mr. Markus Aho,** appointed by Varma Mutual Pension Insurance Company
Born 1980, male
**Main occupation:** Chief Investment Officer, Varma Mutual Pension Insurance Company
**Education:** M.Sc. (Tech.)

**Mr. Mikko Mursula**, appointed by Ilmarinen Mutual Pension Insurance Company
Born 1966, male
**Main occupation:** Deputy CEO, Investments, Ilmarinen Mutual Pension Insurance Company
**Education:** M. Sc. (Econ.)

**Mr. Jukka Ala-Mello**, appointed by Holding Manutas Oy and Security Trading Oy
Born 1963, male
**Main occupation:** Managing Director, Holding Manutas Oy and Security Trading Oy
**Education:** M.Sc. (Econ.)

**Mr. Pekka Vauramo** (Expert member)*
Chair of the Board of Directors of Huhtamäki Oyj
Curriculum vitae of Pekka Vauramo is available on page 185.

*Mr. Pekka Vauramo has acted as an expert member of the Shareholder's Nomination Board since April 25, 2024. Mr. Pekka Ala-Pietilä acted as an expert member of the Shareholder's Nomination Board until April 25, 2024. Curriculum vitae of Mr. Pekka Ala-Pietilä is available on page 187.

In 2024, the Nomination Board held seven (7) meetings. Each member of the Shareholders' Nomination Board attended all the meetings, except Mr. Mikko Mursula who attended 6/7 meetings.

## 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 Chair and Vice-Chair. 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 Chair 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 following persons belonged to the Board of Directors on December 31, 2024:

### Mr. Pekka Vauramo, Chair

Born 1957, Finnish citizen, male

Independent of the Company and significant shareholders

**Starting date:** April 27, 2023

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

**Main occupation:** Miscellaneous positions of trust

**Education:** M.Sc. (Tech.) Mining Engineering

**Primary working experience:** Metso Corporation, President and CEO (2018–2024); Finnair Plc, President and CEO (2013–2018); Cargotec Corporation, several management positions (2007–2013); Sandvik AB, several management positions (1995–2007); Tamrock Corporation, several management positions (1985–1995)

**Key positions of trust:** Millennium Technology Prize Support Group member (2024–); Nokian Tyres plc, Deputy Chairman of the Board (2021–) and Board member (2018–2021); Turku University Foundation, Board of Trustees member (2021–2023); New Children's Hospital Foundation, Vice Chairman of the Board (2018–2023); China Office of Finnish Industries, Board member (2022–2023)

### Ms. Kerttu Tuomas, Vice-Chair

Born 1957, Finnish citizen, female

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:** YIT Corporation, Board member (2022–); Finnish National Opera and Ballet, Board member (2016–); Medix Biochemica Group Oy, Board member (2018–2024); Kemira Oyj, Vice- Chairman of the Board (2014–2021) and Board member (2010–2014)

### Ms. Mercedes Alonso

Born 1966, Spanish and Swiss citizen, female

Independent of the Company and significant shareholders

**Starting date:** April 27, 2022

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

**Main occupation:** Miscellaneous positions of trust

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

**Primary working experience:** Neste Corporation, Executive Vice President, Renewable Polymers and Chemicals, and Member of the Executive Committee (2019–2023); LyondellBasell, Marketing Director, Advanced Polymer Solutions, Europe (2019–); A. Schulman, several different roles (2013–2019), Managing Director, Engineered Composites Europe (2016–2019) and Global Director, Corporate Marketing (2013–2016); Dow Chemical, several different roles (1991–2013), including Global Business Excellence Leader, Advanced Materials, Europe (2010–2013), Product Marketing Director and Global Product Director; Dow Elastomers, EMEA (2005–2010), European Commercial Development Program Director (2002–2005) and Product Marketing & New Business Development Manager, EMEA (2000–2002)

**Key positions of trust:** Alterra Energy, Independent Board Member (2024–); OQ Chemicals International Holdings GmbH, Member of the Shareholders' Committee and Chair of the Remuneration Committee (2023–2024); Sustainability Advisory Forum, Chair (2022–2023); The European Chemical Industry Council (CEFIC), Member of the Executive Board and Executive Committee (2020–2023)

### Mr. Doug Baillie

Born 1955, U.K. citizen, male

Independent of the Company and significant shareholders

**Starting date:** April 21, 2016

**Board Committees:** Chair 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:** Bharti Airtel, Board member (2023–); Leverhulme Trust, Board member (2015–); The MasterCard Foundation, Board member (2015–2024); Little Sun Foundation, Board Member (2020–2022); Airtel Africa PLC, Board member (2019–2023)

### Mr. Robert K. Beckler

Born 1961, U.S. citizen, male

Independent of the Company and significant shareholders

**Starting date:** April 25, 2024

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

**Main occupation:** Miscellaneous positions of trust

**Education:** B.Sc. (Chemistry), Ph.D. (Chemical Engineering)

**Primary working experience:** TemperPack Technologies, Inc. (2017–2023), Chief Executive Officer (2021–2023) and Senior Advisor (2017–2021); WestRock Company, several management positions (1987–2016), including President, Packaging Solutions (2015–2016), Executive Vice President and President, Packaging; MeadWestvaco Corporation (2014–2015), Senior Vice President and President; MWV Rigesa, MeadWestvaco Corporation (2009–2013), President, MWV Specialty Chemicals; MeadWestvaco Corporation (2007–2009), Vice President, Operations; MWV Specialty Chemicals, MeadWestvaco Corporation (2004–2006), and other management positions (1987–2003)

**Key positions of trust:** Tedia Company, Board member (2023–); Wikoff Color Corporation, Board member (2021–); Mill Rock Packaging Partners, Board member (2020–); TemperPack Technologies, Inc., Executive Chairman of the Board (2017–2023); The Richmond Forum, Board member (2015–2023) and Chairman of the Board (2020–2022); Verso Corporation, Board member (2020–2022); Duke University, The Graduate School, member of the Board of Visitors (2016–2022)

### Ms. Anja Korhonen

Born 1953, Finnish citizen, female

Independent of the Company and significant shareholders

**Starting date:** April 25, 2018

**Board Committees:** Chair 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 (2014–2022); Outotec Oyj, Board member (2013–2020)

### Ms. Pauline Lindwall

Born 1961, Swedish citizen, female

Independent of the Company and significant shareholders

**Starting date:** April 27, 2023

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

**Main occupation:** Miscellaneous positions of trust

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

**Primary working experience:** Mondelēz International, Category Director Coffee, France and Southern Europe (2012–2015); Nestlé, several management positions (1984–2012) based in Asia and Europe, including Country Business Manager, Nestlé Nutrition in Germany and Austria (2008–2012), Country Business Manager, Nestlé Nutrition in Indonesia (2005–2008), Nordic Marketing Director, Nestlé Nordic in Denmark (2003-2005) and Head of Nestlé Innovation Out of Home Coffee in UK (2001–2003)

**Key positions of trust:** Cloetta Ab (publ.), Board member (2023–) and Chair of the Remuneration Committee (2024–); EIT Food of the European Institute of Innovation and Technology, Supervisory Board member and member of the Nomination and Remuneration Committee (2022–); Swedish Match AB (publ.), Board member and member of the Remuneration Committee (2017–2023); Duni AB (publ.), Board member (2014-2023) and Chair of the Remuneration Committee (2018–2023)

### Mr. Ralf K. Wunderlich

Born 1966, German citizen, male

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, 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:** Klöckner Pentaplast, Member of the Board of Managers (Non-Executive Director) (2023–); Shepherd Building Group, Chairman (2024–), and Board member (2021–2024); Essentra PLC, Board member (2017–); AptarGroup, Board member (2009–)

## Changes in Board of Directors

The following changes to the Board of Directors that take place after 2024 have been announced at the date of this statement:

As announced on January 8, 2025, Mr. Ralf K. Wunderlich stepped down from the Board of Directors on January 8, 2025 subsequent to his appointment as the President and CEO of the Company as of January 15, 2025.

Updated information on the Board members is available on the Company's website in section "Board of Directors" (www.huhtamaki.com – Investors –Corporate Governance – Board of Directors).

Mr. Pekka Ala-Pietilä acted as the Chair of the Board of Directors and Mr. William R. Barker as a member of the Board of Directors in 2024. Their memberships ended at the AGM 2024 and their CV's are presented as they were on April 25, 2024.

### Mr. Pekka Ala-Pietilä (Chair)

Born 1957, Finnish citizen, male

Independent of the Company and significant shareholders

**Starting date:** April 24, 2012

**Board Committees:** Member 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); Climate Leadership Coalition, Board member (2021–); SAP SE, Supervisory Board member (2002–2021); European Commission High-Level Expert Group on Artificial Intelligence, Chair (2018–2020); Finland's Artificial Intelligence Programme, Chair (2017–2019); Netcompany A/S, Chairman of the Board (2017–2019); Pöyry PLC, Board member (2006–2017); Solidium Oy, Chairman of the Board (2011–2015)

### Mr. William R. Barker

Born 1949, U.S. citizen, male

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:** Davis-Standard, LLC, Board member (2022–); 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)

## 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

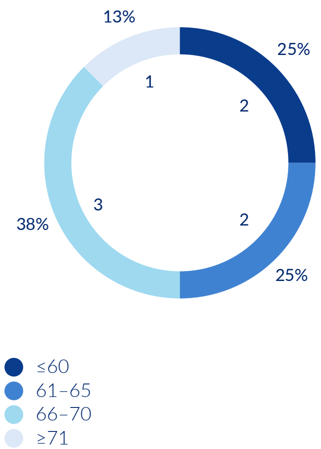
The selection of the members of the Board is based on candidates' background and competence to understand Huhtamaki's current and future markets, strategy, employees and customers, including a sound understanding of financials and business dynamic. The Board must as a whole have combined experience in 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 in the Board. In accordance with the Finnish Companies Act, the Company has an objective according to which at least 40% of the Board members shall represent underrepresented sex. 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. Since the AGM 2020, three to four Board members have been female thus representing 43–50% of all Board members. At the AGM in 2024 eight members representing seven different nationalities were elected to the Board. On December 31, 2024, the age structure of the Board members was 58–71 years and four Board members were female (50%) and four were male (50%). 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 185–187.

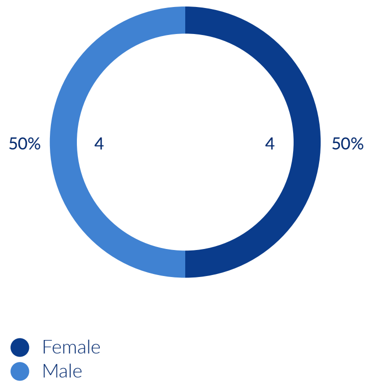
## Diversity of the Board

Composition of the Board on December 31, 2024

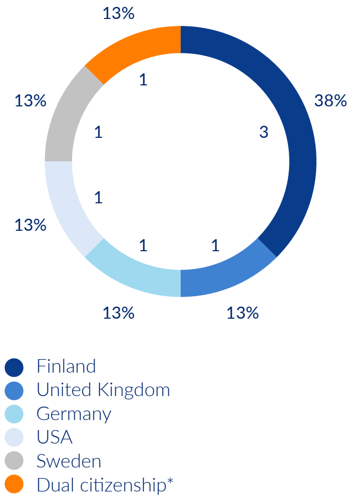
### Age




### Gender

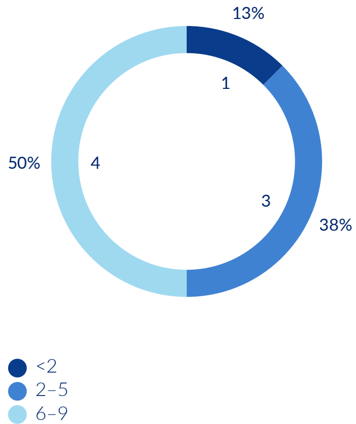



### Nationality




*Dual citizenship: Spain & Switzerland

### Tenure



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.

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.

## Board expertise areas and attendance at the Board and Committee meetings

| | | | Independent of | | Committee memberships in 2024 | | Attendance at the meetings in 2024*** | | |
|---|---|---|---|---|---|---|---|---|---|
| Name | Board member since | Principal expertise areas | Company | Significant shareholders | Audit Committee | Human Resources Committee | Board | Audit Committee | Human Resources Committee |
| Pekka Vauramo* | 2023 | Finance and accounting, Risk management, Emerging markets, Sustainability | ● | ● | | Member | 13/13 | 2/2 | 3/3 |
| Kerttu Tuomas | 2017 | Human Resources, Emerging markets, Sustainability | ● | ● | Member | | 13/13 | 6/6 | - |
| Mercedes Alonso | 2022 | Packaging and materials, Sustainability, Emerging markets | ● | ● | Member | | 13/13 | 6/6 | - |
| Doug Baillie | 2016 | FMCG and retail, Sustainability, Human Resources, Emerging markets | ● | ● | | Chair | 13/13 | - | 5/5 |
| Robert K. Beckler** | 2024 | Packaging and materials, Emerging markets | ● | ● | Member | | 11/11 | 4/4 | - |
| Anja Korhonen | 2018 | Finance and accounting, Risk management, Emerging markets, Sustainability | ● | ● | Chair | | 13/13 | 6/6 | - |
| Pauline Lindwall | 2023 | FMCG and retail, Emerging markets | ● | ● | | Member | 13/13 | - | 5/5 |
| Ralf K. Wunderlich | 2018 | Packaging and materials, Sustainability, Emerging markets | ● | ● | | Member | 11/13 | - | 5/5 |

*Member of the Audit Committee until April 25, 2024 and member of the Human Resources Committee since April 25, 2024.

**Board member and member of the Audit Committee since April 25, 2024.

***Mr. Pekka Ala-Pietilä acted as the Chair of the Board of Directors and as a Human Resources Committee member until April 25, 2024. Mr. Pekka Ala-Pietilä attended 2/2 board meetings and 1/2 Human Resources Committee meetings during 2024. Mr. William R. Barker acted as a Board and Human Resources Committee member until April 25, 2024. Mr. William R. Barker attended 2/2 Board meetings and 2/2 Human Resources Committee meetings during 2024.

## 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.

## Shares owned by the Board members on December 31, 2024

| | |
|---|---|
| Pekka Vauramo | 3,000 |
| Kerttu Tuomas | 3,000 |
| Mercedes Alonso | 750 |
| Doug Baillie | 1,000 |
| Robert K. Beckler | 1,000 |
| Anja Korhonen | 2,000 |
| Pauline Lindwall | 879 |
| Ralf K. Wunderlich | 19,850 |
| **Board total** | **31,479** |

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 – 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 annual operating plan 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
  - discussing and approving Company's and Group's statutory sustainability related reporting to the extent required, defined and specified under applicable laws and regulations
- financial communication and outlook
- reporting, audit, 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 is regularly conducted by an independent external evaluator, but may also be conducted as an internal self-evaluation. In 2024, the evaluation was done as an internal self-evaluation.

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 2024 the Board convened thirteen (13) times. The average attendance of the members at the Board meetings was 98 %. Each member's attendance in the meetings is available at page 189.

The President and CEO is usually attending all Board meetings. Other GET members are also invited to participate in 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 Committees

The Board may appoint Committees in order to focus on certain responsibilities. The Board also appoints the Chair of each Committee. Each Committee member shall have the qualifications required by the duties of the Committee.

### Board Committees and their duties and responsibilities

On December 31, 2024, the Board had two Committees: the Audit Committee and the Human Resources Committee. The members of each Committee are listed in page 189.

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

#### Audit Committee

- to monitor and assess Company's reporting system and processes
- 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 the sustainability reporting assurer, and in particular the provision of non-audit services
- to monitor the Company's auditing and assurance of the statutory sustainability reporting
- to prepare and make the recommendation to the Board for the election of the statutory auditor and the sustainability reporting assurer at the AGM and
- to review the financial statements, Directors' Report, interim reports, and Corporate Governance Statement.

#### 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.

### The members and meetings of the Board Committees

#### 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, taking into account the scope and nature of the Company's operations. 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. In 2024, the Audit Committee held six (6) meetings. The average attendance of the members at the Audit Committee meetings was 100%. Each member's attendance in the meetings is available at page 189.

#### Human Resources Committee

The Human Resources Committee shall meet at least twice a year. In 2024, the Human Resources Committee held five (5) meetings. The average attendance of the members at the Human Resources Committee meetings was 95%. Each member's attendance in the meetings is available at page 189.

### Changes in Board Committees

The Board decided on December 11, 2024 to establish an Investment Committee with its term of office commencing January 1, 2025. The Investment Committee assists the Board by guiding, overseeing, reviewing, and evaluating strategic investments. Updated information on the Investment Committee is available on the Company's website in section "Board of Directors" (www.huhtamaki.com – Investors – Corporate Governance – Board of Directors).

## 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 Chair of the GET.

On December 31, 2024, Charles Héaulmé (born 1966), B.Sc. (Business Administration), acted as the Group President and CEO of Huhtamaki. Further information on Charles Héaulmé as well as his shareholding in the Company is available in connection with information on other GET members. As announced on January 8, 2025, Mr. Ralf K. Wunderlich has been appointed as President and CEO of the Company effective from January 15, 2025 when the Company's former President and CEO Charles Héaulmé stepped down.

Certain key conditions of the written Service Agreement between the Company and the President and CEO and information on the remuneration of the President and CEO are available in the Remuneration Report for Governing Bodies published in connection with the Directors' Report and on the Company's website in section "Remuneration" (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 Chair 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.

## GET members

The following persons belonged to the GET on December 31, 2024:

### Mr. Charles Héaulmé

Born 1966, French citizen, male

Chair 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); Bosch Braking Systems (1996–1999); AlliedSignal Automotive (1993–1996); KPMG (1990–1993); BRGM Gabon (1988–1990)

**Key positions of trust:** Suominen Corporation, Chair of the Board and the Personnel and Remuneration Committee (2024–); Fedrigoni Group, Board member (2021–2022)

### Mr. Thomas Geust

Born 1973, Finnish citizen, male

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. Fredrik Davidsson

Born 1968, Swedish citizen, male

President, Fiber and Foodservice Europe-Asia-Oceania

**GET member since:** May 1, 2022

**Joined the company:** 2022

**Education:** Degree from Swedish National Defense College

**Primary working experience:** Huhtamäki Oyj (2022–), Executive Vice President, Digital and Process Performance; Tetra Pak (2002–2022), various roles: Vice President Automation & Solutions (2021–2022); Vice President Services, Europe & Central Asia (2016–2021); Vice President, Development & Engineering (2012–2016); Director Project Management, Development & Engineering (2006–2012); Program Manager, Carton Ambient (2002–2006); Ericsson (2002–2002), Project Manager/Main Project Manager; Swedish Armed Forces (1990–2000), several different positions, latest as Major

**Key positions of trust:** European Paper Packaging Alliance (EPPA), Vice President (2023–)

### Mr. Marco Hilty

Born 1972, Swiss and U.S. citizen, male

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

**Key positions of trust:** –

## Ms. Ann O'Hara

Born 1970, U.S. citizen, female

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 in Australia and USA, 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, China and Product Development Engineer

**Key positions of trust:** Hyster-Yale, Inc., Board member, Audit Committee and Planning Committee member (2024–); Foodservice Packaging Institute, Board member (2021–)

## Ms. Salla Ahonen

Born 1971, Finnish citizen, female

Executive Vice President, Sustainability and Communications

**GET member since:** January 1, 2024

**Joined the company:** 2024

**Education:** Master of Science, Helsinki University of Technology

**Primary working experience:** Neste (2019–2023), Vice President, Sustainability; Confederation of Finnish Industries EK (2015–2019), the Brussels office, Senior Advisor; Microsoft (2014–2015), Director of Governmental Affairs; Nokia (1998–2013), several positions, latest position as Director for Sustainability & Environmental Policy

**Key positions of trust:** Confederation of Finnish Industries EK, member of Trade Policy Committee (2024–); Confederation of Finnish Industries EK, member of EU Committee (2024–); The Chemical Industry Federation of Finland, member of Sustainability Committee (2024–); Olvi Oyj, member of the External Sustainability Advisory Team (2023–)

## Mr. Sami Pauni

Born 1974, Finnish citizen, male

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, sustainability and corporate affairs roles, previous position as Group Vice President, Legal, and General Counsel; Roschier Attorneys Ltd. (2001–2006), Attorney

**Key positions of trust:** Plan International Finland, Board member (2023–); Rovio Pet Foods Oy, Board member (2023–); 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–)

## Mr. Johan Rabe

Born 1969, Swedish citizen, male

Executive Vice President, Digital and Process Performance

**GET member since:** August 1, 2023

**Joined the company:** 2023

**Education:** Master of Business Administration, B.A. (Economics), B.S. (Business Administration)

**Primary working experience:** Huhtamäki Oyj (2023–), Oatly AB (2020-2022), Chief Supply Chain Officer; Tetra Pak (2004–2020), several positions, last position as Vice President, Sales Management, Tetra Pak, EMEA; Swedish Armed Forces (1995–2000), last position as Captain

**Key positions of trust:** Svenska Förpacknings- och Tidningsinsamlingen AB (FTI), Board member (2016–2018)

## Mr. Ingolf Thom

Born 1975, German citizen, male

Executive Vice President, Human Resources and Safety

**GET member since:** January 10, 2022

**Joined the company:** 2022

**Education:** MBA

**Primary working experience:** K+S Group (2018–2021) Chief Human Resources Officer; The Dow Chemical Company (2001–2018), various leadership and change management roles in human resources in Europe, India, Asia-Pacific, and North America; latest position as Senior HR Director, Joint Integration Management Office, Dow DuPont Merger & Spins, USA

**Key positions of trust:** –

## Changes in the Global Executive Team

The following changes to the GET that take place after 2024 have been announced at the date of this statement:

As announced on January 8, 2025, Mr. Ralf K. Wunderlich was appointed as President and CEO of the Company effective from January 15, 2025 when the Company's former President and CEO Charles Héaulmé stepped down. Mr. Ralf K. Wunderlich's CV is presented on page 186 as it was on December 31, 2024.

As announced on October 3, 2024, Mr. Wilhelm Wolff (born 1978), MSc (Social Sciences), was appointed as Executive Vice President, Strategy and Business Development and a member of GET as of January 13, 2025. Mr. Wolff joined Huhtamaki from Neste where he served in roles of Vice President, Feedstock & Asset Development and Vice President, Corporate Strategy. Neste is a leading producer of sustainable aviation fuel, renewable diesel and renewable feedstock solutions, headquartered in Finland. Prior to joining Neste, Mr. Wilhelm Wolff had a long career at UPM-Kymmene, a global forest industry company, where he worked in various leadership roles including Vice President, Strategy & Business development, UPM Biorefining.

As announced on October 18, 2024, Mr. Marco Hilty, President, Flexible Packaging, and member of the GET, left Huhtamaki as of January 31, 2025.

As announced on December 12, 2024, Mr. Axel Glade (born 1969), Dipl. Ing. (FH), was appointed as President, Flexible Packaging and a member of GET, and will join the Company no later than January 1, 2026. Mr. Glade joins Huhtamaki from Constantia Flexibles, a Flexible Packaging company headquartered in Vienna, Austria, where he has served as Executive Vice President of the Film Division and member of Executive Committee. Since joining Constantia in 2011, he has held several leadership roles such as SVP Consumer and CEO at Constantia Pirk. Before Constantia, Mr. Glade held various leadership roles in other packaging companies including Sealed Air and Bischof + Klein.

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

During 2024, Ms. Marina Madanat has been a GET member until October 8, 2024. Her CV is presented as it was on October 8, 2024.

## Ms. Marina Madanat

Born 1979, Finnish citizen, female

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:** –

### Shares owned by the GET members on December 31, 2024

| | |
|---|---|
| Charles Héaulmé | 103,310 |
| Thomas Geust | 31,737 |
| Fredrik Davidsson | 10,633 |
| Marco Hilty | 9,621 |
| Ann O'Hara | 15,503 |
| Salla Ahonen | 0 |
| Sami Pauni | 6,739 |
| Johan Rabe | 2,072 |
| Ingolf Thom | 6,907 |
| **GET total** | **186,522** |

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 – 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, either positively or negatively, in changing business environment. The purpose is to manage risks to a level that the Group is capable and prepared to accept, so that there is a reasonable assurance and predictability on the achievement of the Group's objectives. The overall risk management process of the Group follows the principles of the Enterprise Risk Management (ERM) framework of Committee of Sponsoring Organizations of the Treadway Commission (COSO), and ISO 31000 Risk Management Standard. Further, Huhtamaki has tailored its ERM processes to meet its own needs.

### Risk management process and responsibilities

Annual enterprise risk assessment process and follow-up of risk mitigation actions are essential elements of risk management at Huhtamaki. Specific scope risk assessments and property risk control program support Group's risk assessment process. Further, business continuity management, crisis management and insurance programs are complementing enterprise risk management.

Risks are assessed both at the Group and business segment levels. To systematize and facilitate the identification of risks, they are categorized as strategic, operational and financial risks. These categories are closely aligned with the strategic, operational, financial and compliance objectives of the Group. The enterprise risk assessment targets to improve risk management awareness and supports cross-functional and business unit risk management initiatives.

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 guidelines.

The Global Executive Team is to ensure implementation of the Group Enterprise Risk Management (ERM) Policy through allocating adequate resources as well as adopting and deploying risk management procedures. In addition, the GET reviews the Group's and the segments' risks and accepts the related risk levels, and the extent to which these risks have been properly identified, recognized, and addressed by the Group and the segments, for the approval of the Board.

The Board is to review Group's risks and to accept the risk levels for the Group, and the extent to which these risks have been properly identified, recognized and addressed by the Group, as well as to review the adequacy and appropriateness of risk management systems. The Audit Committee assists the Board of Directors by monitoring and assessing the effectiveness and efficiency of the risk management systems.

The Global risk management function organizes, instructs, supports, supervises and monitors risk management activities on an ongoing basis. It reports results of the risk management process to the Audit Committee annually.

Leadership teams at global, segment and local levels are responsible for ensuring that risk management is appropriately implemented in their field of responsibility.

### 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 2024 is available in the Directors' Report and on the Company's website in section "Risk management" (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 – Care, Dare, Deliver – forming the core of the culture and way of working as well as providing discipline and structure for the operations formalized in the Huhtamaki Code of Conduct, policies, instructions and guidelines. 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 the Group functions and in all business segments and business units. Policies, standards and guidelines on, e.g., 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 annual operating plan 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 and Total Productive Manufacturing programs to identify and implement continuous improvement projects.

### Compliance with laws and regulations

Group-wide policies, for example on anti-corruption, corporate governance, competition compliance, data privacy, trade sanctions compliance, information security, 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 ethics and 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 2024 internal audit has been managed by internal resources. The Code of Ethics and other standards and guidelines issued by the Institute of Internal Auditors are complied with in internal audit activities. In 2024 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 internal controls, 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 person responsible for Ethics and Compliance function, 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 Markets 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, or alternatively by the Chair of the Board of Directors. 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 or the Chair of the Board of Directors 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 20,000 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 2024 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 2024 elected the Authorized Public Accountant firm KPMG Oy Ab as the Company's Auditor. Mr. Henrik Holmbom, APA, ASA, 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.

Since the AGM 2024, KPMG Oy Ab has acted as Authorized Sustainability Audit Firm of the Company and Mr. Henrik Holmbom as the key sustainability partner.

**Fees paid to the Auditor and the Authorized Sustainability Audit Firm (MEUR)**

| | 2024 | 2023 |
|---|---|---|
| Audit | 3.6 | 3.2 |
| Other statutory services* | 0.5 | 0.0 |
| Other consultancy** | 0.2 | 0.2 |
| **Total** | **4.4** | **3.4** |

*Other statutory services included fees paid for assurance of the sustainability reporting.

**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 compliance matters.

# Remuneration Report 2024

## Introduction

Huhtamäki Oyj (the Company, and together with its group companies Huhtamaki) complies with the Finnish Corporate Governance Code (Code) adopted by the Securities Market Association. This Remuneration Report has been prepared in accordance with the Code effective from January 1, 2025. The Code is available in its entirety on the internet at www.cgfinland.fi/en. Huhtamäki Oyj is a support member of the Securities Market Association.

This separate Remuneration Report has been issued and published in connection with the Directors' Report. The Human Resources Committee of the Board of Directors has reviewed the report and it has been approved by the Board of Directors. The Company's Auditor has reviewed that the report has been issued.

The Remuneration Report provides information on the remuneration paid to the Board of Directors (Board) and the Managing Director (President and CEO) during the financial year 2024. All references to the President and CEO pertain to Charles Héaulmé (President and CEO until January 14, 2025). Updated information on the remuneration of the Company and Ralf K. Wunderlich (President and CEO as of January 15, 2025) is available on the Company's website in section "Remuneration" (www. huhtamaki.com – Investors – Corporate Governance – Remuneration).

Remuneration paid to the Board members and the President and CEO during the financial year 2024 was in line with the Remuneration Policy for the Governing Bodies (Remuneration Policy) approved by the Annual General Meeting of the Company (AGM) on April 27, 2023. There were no deviations from the Remuneration Policy. The Company uses clawback and malus provisions in its short- and long-term incentive plans and no clawback on compensation has been used during the financial year 2024.

According to the Remuneration Policy, the annual compensation of Board members shall be in proportion to the time commitment required from the Board members and be competitive to attract and retain professionals with strong expertise and knowledge relevant in conducting the Board's responsibilities, such as establishment of strategic and financial directions and monitoring their implementation. Thereby, the principles of remuneration contribute to the Company's long-term financial performance and success. The remuneration of the Board members during the financial year 2024 consisted of annual compensation and meeting fees paid for each meeting attended as approved by the AGM.

According to the Remuneration Policy, the remuneration principles applied to the President and CEO contribute towards creating shareholder value through competitive remuneration based on performance and linking remuneration to the business strategy. Total remuneration shall be in line with the market practices in corresponding global industries to ensure motivation and engagement. The President and CEO's remuneration during the financial year 2024 consisted of a non-variable annual base salary, benefits and performance-based short-term incentive plan. The Company also focused on shareholder value creation by aligning the interests of the President and CEO with those of the shareholders through share-based long-term incentive plans.

Shareholders' views and positions on remuneration are constantly followed and potential amendments in remuneration principles and practices as well as relative disclosures are made. External service providers are engaged by the Company for monitoring and securing market practice alignment for remuneration.

## Development of remuneration over the past five financial years

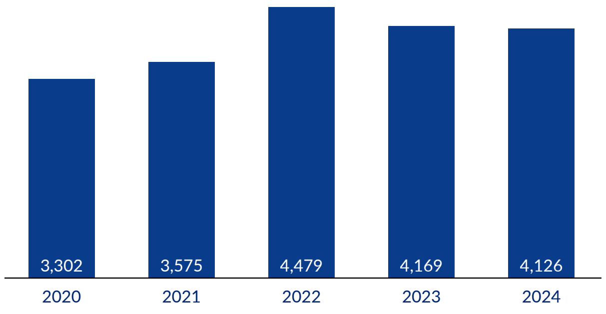
During the past five financial years the Company's net sales has increased with 25%. Improvement in adjusted EBIT was 38% and improvement in adjusted earnings per share (EPS) was 27% during the same period. The Company's adjusted EBIT margin has changed from 9.1% in 2020 to 10.1% in 2024.

The remuneration of the Board has been decided by the AGM. The AGM 2024 resolved that the annual remuneration of the Chair, Vice-Chair and other members of the Board as well as Board Committee Chair and Member remuneration is increased in 2024.

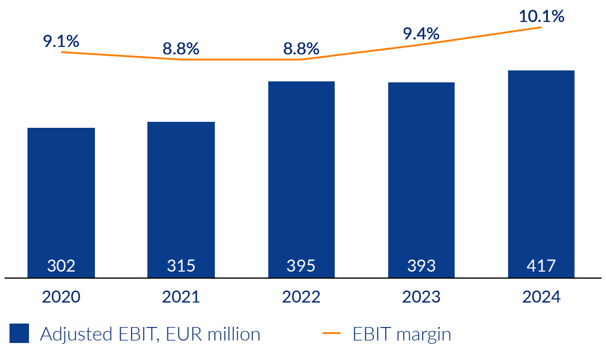
| | Paid compensation (EUR) | | | | |
|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 |
| Board of Directors[1] | 1,002,030 | 1,052,865 | 997,365 | 826,365 | 687,490 |
| President and CEO Charles Héaulmé | 4,205,408 | 3,372,288 | 2,063,476 | 2,699,262 | 1,732,507 |
| Interim Deputy CEO Thomas Geust (during January 1, 2022–April 18, 2022) | - | - | 156,462 | - | - |
| Employees' average remuneration[2] | 40,739 | 38,828 | 35,438 | 29,753 | 32,601 |

[1]Total compensation of the Board
[2]The total wages and salaries amount of Huhtamaki reduced with the wages and salaries amount (excluding share-based payments) paid to the Managing Director and Board members of the Company and divided with the number of employees of Huhtamaki (other than the Managing Director) in the end of the respective financial year. Short-term incentives are considered on the year they are paid. Pensions are not included. 2021 figure includes Elif that was acquired on September 23, 2021.

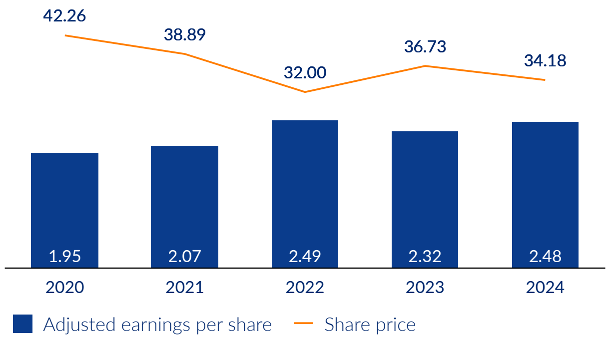
### Net sales
EUR million




### Adjusted EBIT and EBIT margin




### Adjusted earnings per share and share price, year-end
EUR



# Board of Directors

In accordance with the resolution passed by the AGM held on April 25, 2024, as of the AGM 2024 the annual compensation for the Chair of the Board is EUR 175,000, for the Vice-Chair EUR 82,000 and for other members EUR 67,000. In addition, the following annual remuneration is paid to the Chair and members of the Board Committees: to the Chair of the Audit Committee EUR 16,500 and to the other members of the Audit Committee EUR 5,700 as well as to the Chair of the Human Resources Committee EUR 10,000 and to the other members of the Human Resources Committee EUR 4,000. In addition, a EUR 1,500 meeting fee is paid for each Board and Committee meeting attended. Traveling expenses of the Board members are compensated in accordance with the Company policy.

None of the Board members were employed by the Company or any company belonging to its group or acted as an advisor thereof. Thus, Board members were not eligible for any employment relationship related salaries, remuneration or financial or other benefits not related to the Board work nor were they eligible for any pension scheme. The only exception to this is a mobile phone benefit for the Chair of the Board. Board members did not receive the Company's shares as remuneration, and they were not participants in the Company's share-based or other incentive plans. The Shareholders' Nomination Board is recommending all Board members to own shares of the Company.

The following remuneration was paid to the members of the Board for the financial year 2024.

| | 2024 (EUR) | | | | |
|---|---|---|---|---|---|
| Director | Annual compensation | Meeting fees | Total | Committee memberships (until April 25, 2024) | Committee memberships (from April 25, 2024) |
| Pekka Vauramo[1], Chair | 151,875 | 33,000 | 184,875 | Audit Committee, Member | Human Resources Committee, Member |
| Pekka Ala-Pietilä[2], Chair | 43,268 | 4,500 | 47,768 | Human Resources Committee, Member | |
| Kerttu Tuomas, Vice-Chair | 87,150 | 36,000 | 123,150 | Audit Committee, Member | Audit Committee, Member |
| Mercedes Alonso | 72,150 | 36,000 | 108,150 | Audit Committee, Member | Audit Committee, Member |
| Doug Baillie | 75,375 | 33,000 | 108,375 | Human Resources Committee, Chair | Human Resources Committee, Chair |
| William R. Barker[3] | 16,938 | 6,000 | 22,938 | Human Resources Committee, Member | |
| Robert K. Beckler[4] | 54,525 | 30,000 | 84,525 | | Audit Committee, Member |
| Anja Korhonen | 82,875 | 36,000 | 118,875 | Audit Committee, Chair | Audit Committee, Chair |
| Pauline Lindwall | 70,188 | 33,000 | 103,188 | Human Resources Committee, Member | Human Resources Committee, Member |
| Ralf K. Wunderlich | 70,188 | 30,000 | 100,188 | Human Resources Committee, Member | Human Resources Committee, Member |
| **Total** | **724,530** | **277,500** | **1,002,030** | | |

[1]Board Chair from April 25, 2024. Annual compensation includes a mobile phone benefit.
[2]Board Chair and member until April 25, 2024. Annual compensation includes a mobile phone benefit.
[3]Board member until April 25, 2024.
[4]Board member from April 25, 2024.

# President and CEO

The following remuneration was paid to the President and CEO for the financial year 2024.

| Remuneration | 2024 (EUR) |
|---|---|
| **Non-variable annual base salary and benefits[1]** | **1,351,662** |
| **Short-term incentives[2]** | |
| Remuneration based on the performance in the year preceding the payment year | 780,451 |
| **Long-term incentives[3]** | |
| Number of total shares received as a reward (gross) | 53,351 |
| Value of the shares (gross) at the time of the transfer | 2,073,295 |
| **Total remuneration** | **4,205,408** |

[1] Non-variable annual base salary and benefits includes cash payments for pension.
[2] Short-term incentives are presented in the table on the year they have been paid. The total amount of remuneration includes remuneration paid under the short-term incentive plan 2023.
[3] Share-based incentives are presented in the table on the year they have been paid. The total amount of remuneration includes gross payment made under the Performance Share Plan 2021–2023. Applicable taxes and tax-like charges have been withheld from the gross reward and thus, the net amount of shares delivered to the President and CEO in March 2024 was 34,349.

The remuneration of the President and CEO in the financial year 2024 consisted of a non-variable annual base salary, variable short-term incentive plan as well as long-term share-based incentive plans of the Company. Additionally, the President and CEO had the following benefits:

- Car benefit
- Housing benefit
- Support for child's education
- Support for insurance premiums.

The Company contributes towards the pension coverage through monthly cash allowance payments to the President and CEO. The cash allowance is equivalent to 35% of the total annual salary, which resulted in a total cash payment of EUR 307,930 gross. The total compensation paid (excluding EUR 307,930 pension allowance) was EUR 3,897,478 of which 73% consisted of variable compensation. Variable compensation consisted of short-term and long-term incentive payments.

## Variable remuneration earning opportunity and performance measures

The President and CEO's earning opportunity in short-term incentive (STI) plan was 150% out of the annual base salary. Group level criteria and payments under the short-term incentive plans are presented in the tables below. Compensation under the short-term incentive plan is paid in cash which is aligned with Finnish Corporate Governance Code and market practice.

| | Short-term incentive plan 2023 | Criteria weighting |
|---|---|---|
| Criteria | Adjusted EBIT | 50% |
| | Free Cash Flow | 30% |
| | Global Sustainability and Safety Index* | 20% |
| STI earning opportunity (% of annual base salary) | 150% | |
| STI 2023 Outcome (% of maximum) | 61.36% | |
| STI 2023 Payment (Paid in 2024) | EUR 780,451 | |

| | Short-term incentive plan 2024 | Criteria weighting |
|---|---|---|
| Criteria | Adjusted EBIT | 50% |
| | Free Cash Flow | 30% |
| | Global Sustainability and Safety Index* | 20% |
| STI earning opportunity (% of annual base salary) | 150% | |
| STI 2024 Outcome (% of maximum) | 64.10% | |
| STI 2024 Payment (Paid in 2025) | EUR 856,116 | |

*Since 2021, the Company has embedded Huhtamaki Global Sustainability Index (GSI) as one of the business objectives in the short-term incentive plan. Sustainability is a key element in the Company's strategy and thus it's important to link it into pay. In 2023, the scope of the index was broadened with safety KPIs. More info on Huhtamaki Global Sustainability and Safety Index (GSSI) can be found here >>.

## Long-term incentive and other share-based remuneration grants

President and CEO has been granted shares under the following ongoing long-term incentive plans.

| Long-term incentive plan | Maximum earning opportunity (gross shares) | Performance measure | Pay-out year | Achievement (% of maximum) | Share price at delivery (EUR) | Achievement (gross shares) |
|---|---|---|---|---|---|---|
| Performance Share Plan 2021–2023 | 62,000 | Adjusted EPS | 2024 | 86.05% | 38.8614 | 53,351 |
| Performance Share Plan 2022–2024 | 62,000 | | 2025 | In accordance with the Terms and Conditions of Huhtamäki Oyj Performance Share Agreement 2010, the Board of Directors has decided to grant 24,800 shares[1] as part of a severance payment[2] to the President and CEO | | |

[1]Shares will be paid in March 2025. The number of shares represents the gross number of shares. Applicable taxes are withheld from the gross reward.
[2]In accordance with President and CEO's Service Agreement, the President and CEO is entitled to a severance pay amounting to 12 months' base salary. This severance pay will be paid after the termination date in July 2025.

President and CEO shall hold at least half (50%) of the shares received until he holds shares received from the performance share plans corresponding in aggregate to the value of 3 times annual gross base salary (300%). The ownership requirement applies until termination of employment or service.

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