

Huhtamaki Human Trafficking and Modern Slavery Statement

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Huhtamaki Human Trafficking and Modern Slavery Statement

Our Business

Huhtamaki is a global specialist in packaging for food and drink. We are a network of more than 79 business units and 24 sales units in 35 countries with over 18,000 employees. The Group head office is in Espoo, Finland and the parent company Huhtamäki Oyj is listed on Nasdaq Helsinki Ltd. Our practices are governed both at a global and local level.

Our supply chain covers thousands of suppliers, business partners and stakeholders. We have an estimated 20,000 suppliers ranging from small to very large in size, supplying us locally as well as globally with raw materials and services. We operate a supply chain due diligence system that is aimed at concentrating our resources on those parts of our supply chain where the risks, including the risk of modern slavery, is the greatest. The system is described in more detail below.

Our Principles

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

Our Responsibility: Policies

Consistent with the principles set forth in our Employee Code of Conduct and the Code of Conduct for Huhtamaki Suppliers, Huhtamaki prohibits forced labor, child labor and discrimination. Huhtamaki is committed to complying with laws and regulations and to acting in accordance with commonly accepted best practices, including but not limited to California Transparency in Supply Chains Act of 2010, the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018.

Our Working Conditions Requirements and our Global Human Rights Policy set standards for our company, suppliers and partners, regarding protection of human rights. These standards are based, in part, on the United Nation's (UN) Universal Declaration of Human Rights and Fundamental Rights at Work by International Labor Organization (ILO). Specifically, Huhtamaki standards include, but are not limited to, proper verification of identity, prohibiting recruitment fees, and clearly communicating the terms and conditions of employment.

Mitigating Modern Slavery Risk in our Supply Chain

Responsible sourcing is defined in our Code of Conduct for Huhtamaki Suppliers and it states:

“All labor must be voluntary. Under no circumstances will You use forced or involuntary labor, whether in the form of prison, compulsory or trafficked labor, indentured labor, bonded labor or other forms. Mental and physical coercion, slavery and human trafficking are strictly prohibited. You, or any labor agency used by You, will not withhold passports or other identification documents or request employees to pay any recruitment fees.”

Adherence to our Code of Conduct for Huhtamaki Suppliers is mandated for all suppliers. The Code of Conduct for Huhtamaki Suppliers is posted to our website. As such, all suppliers, including labor agencies and recruiters, are required to have processes to ensure that they do not take part in human trafficking or modern slavery. We have a process for reviewing and considering potential new supplier’s ability to adhere to the Huhtamaki Code of Conduct for Suppliers as part of our supplier selection and on-boarding process.

The Huhtamaki Business Partnership Initiative is the formalized process by which Huhtamaki evaluates certain key suppliers, prioritized by Huhtamaki based on defined risk attributes and importance to business operations. This due diligence process is designed to evaluate and address specific risks, including those of human trafficking and modern slavery, and will be developed continuously. This process is built on three base elements:

1. Code of Conduct for Huhtamaki Suppliers;
2. Screening assessments for sanctions, watch lists and adverse media reports, as well as supplier-completed questionnaires through NAVEX RiskRate platform;
3. Third party corporate responsibility audits, utilizing Sedex tools.

This systematic key supplier evaluation is completed for new supplier and existing suppliers is completed at regular intervals.

We are committed to working with suppliers to ensure they have appropriate ethical and responsible policies and practices in place and support them in closing gaps these self-assessments may identify. Business relationships with suppliers that fail to perform according to the requirements stated in the Code of Conduct for Huhtamaki Suppliers will be re-evaluated. The relationship may eventually be terminated if the supplier is not demonstrating enough efforts to improve.

While Huhtamaki uses its contractual right to conduct on-site audits of selected suppliers, those on-site audits do not currently include specific assessment of human trafficking and modern slavery, and this is an opportunity for future improvement. Other than contractual obligations and Huhtamaki’s right to monitor, Huhtamaki does not have a formal supplier certification process for human trafficking. We aim to increase the number of key suppliers in certain high-risk geographical areas to be audited through a third party.

To date, we have no experienced any significant breaches of the Code of Conduct for Huhtamaki Suppliers related to modern slavery.

Mitigating modern slavery risk in our business operations and activities

Management of human rights risk and impact in our business operations is embedded into existing management systems and processes.

Huhtamaki provides all employees regular training on Huhtamaki Code of Conduct and related employment policies. Furthermore, training programs, local policies and control points are required from all Huhtamaki sites to raise awareness on human rights and prevent human trafficking and modern slavery.

We encourage the raising of questions and concerns related to ethical business practices. Huhtamaki employees are, under the terms of employment, expected to follow all applicable laws and all Huhtamaki policies, including the Huhtamaki Code of Conduct. If an employee finds out that another employee has violated the rules, the employee is expected to report the violation by contacting his or her manager, over manager or a local Human Resources representative. Alternatively, the employee can report any suspected violation to the Global Compliance function or through the Huhtamaki Speak Up channel, which is a global, web-based whistleblowing system available for Huhtamaki employees, suppliers, customers and other stakeholders. The Huhtamaki Speak Up channel can be accessed by visiting the website: <https://report.whistleb.com/Huhtamaki>. In the United States, reports can also be submitted through the EthicsPoint reporting system. Any negative actions against an employee who reports a possible violation are explicitly prohibited.

Employees who violate the Huhtamaki Code of Conduct or any Huhtamaki employment policies are subject to disciplinary action, up to and including dismissal.

Looking Forward: Our Commitment

We have made significant steps forward in formalizing our human rights due diligence practices for our interactions with employees, suppliers, customers, communities and other stakeholders, and this work is high priority and ongoing. Those practices shall help us to uncover, prevent and mitigate any potential incidences of human rights abuse, such as forced labor and human trafficking, in our operations and supply chain.

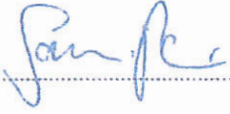
Our work in recognizing the risks, mitigating impacts and training our staff and suppliers specifically on topics associated with human trafficking and modern slavery is a continuous process. We work hard to establish robust processes and based on our work and findings to date we have no evidence that suggests any incidences of human trafficking or modern slavery within Huhtamaki or its supply chain.


This statement has been prepared in relation to financial year ending 31st December 2019. Further details of our activities and ongoing commitment are available in the Huhtamaki Sustainability Report available at www.huhtamaki.com


Signed by authorized representatives of:

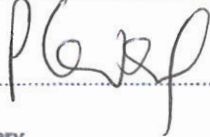
Huhtamaki (UK) Limited
Huhtamaki (Lurgan) Limited
Huhtamaki Foodservice Delta Limited
Huhtamaki BCP Limited

Huhtamaki

Signed: 
Sami Pauni
Director

Signed: 
Leena Kuusikoski
Director

Signed: 
Richard Smith
Director

Signed: 
Patricia Lavery
Director

Signed: 
Andy Hesp
Director