

## ADDITIONAL DISCLOSURE RELATING TO THE 2019 AGM

This notice is intended to provide additional background information in relation to resolutions being proposed at the upcoming AGM.

Following the AGM each year, the Board reviews the final vote results in detail, with a particular focus on any votes registered against management's recommendation. In 2018, the Board, and the Chair of the Nomination Committee, considered the approximately 19% of shareholders that voted against the re-election of Ms Bories. In the lead up to the AGM, we engaged extensively with shareholders to understand their views and reviewed that feedback shortly after the AGM. In light of the continued commitment and input of Ms Bories at Board-level, and the fact that 81% of shareholders supported her re-election, the Board is fully satisfied that she continues to discharge her responsibilities effectively and dedicate sufficient time to her role as non-executive Director, including in a year where additional time commitment was required. Ms Bories is being proposed for re-election at the 2019 AGM. In the Chair's letter to shareholders in the Notice of Meeting for that meeting, the conclusion of this process was detailed:

*I am satisfied that each Director has demonstrated commitment to the role and ensures he/she devotes sufficient time to it, including by attendance at Board and Committee meetings. I believe that the varied and extensive experience of each of the Directors will continue to be invaluable to the Company.*

In determining whether the voting outcome on Ms Bories re-election at the 2018 AGM constituted 'significant' for the purposes of providing additional disclosure, the Board was guided by the clear guidance of the UK Corporate Governance Code. Provision 4 of the 2018 UK Code states:

*When 20 per cent or more of votes have been cast against the board recommendation for a resolution, the company should explain, when announcing voting results, what actions it intends to take to consult shareholders in order to understand the reasons behind the result.*

That provision essentially codifies the parameters of the Investment Association's (IA) public register, which includes details of all "significant votes" against companies in 2017, 2018 and 2019. Smurfit Kappa has not been included in the public register for any of those years. After reviewing both the requirements of the UK Code and the IA's public register, the Board did not provide disclosure – either in the Annual Report or when detailing the 2018 AGM results.