

UK Modern Slavery Act 2015

Slavery and Human
Trafficking Statement

The Smurfit Kappa Group ('SKG', 'The Group') is committed to eliminating the risk of forced labour and human trafficking occurring in our direct operations and supply chain and we welcome the requirements set out in the UK Modern Slavery Act. We will continue to comply with the legislation but also making sure that our culture and actions continue to reflect a no tolerance approach to modern slavery.

This statement relates to the financial year ending 31 December 2023.

Our Business Operations and Structure

Smurfit Kappa ('SKG'), a FTSE 100 company, is one of the leading providers of paper-based packaging solutions in the world, operating across 36 countries with approximately 47,000 employees in over 350 production sites and revenue of €11.3 billion in 2023. The Group headquarters is located in Ireland, and we have subsidiary operations located in 22 countries in Europe, 13 in the Americas and one in Africa. In Europe we are the leader by production volume in corrugated packaging and containerboard and in Latin America, we are the only large-scale pan-regional player. More information on our locations can be found on our website at smurfitkappa.com/locations.

The Group is organised into two operating segments: 1) Europe and 2) the Americas. The two segments are each highly integrated. They include a system of mills and plants that primarily produce a full line of containerboard that is converted into corrugated containers within each segment. In addition, the Europe segment also produces other types of paper, such as solid board, sack kraft paper, machine glazed ('MG') and graphic paper, and other paper-based packaging, such as honeycomb, solid board packaging and folding cartons; and bag-in-box packaging. The Americas segment, which includes a number of Latin American countries and the United States, also comprises forestry; other types of paper, such as boxboard and sack paper; and paper-based packaging, such as folding cartons, honeycomb and paper sacks.

Our business in numbers:

Forestry and plantations (hectares)	Recovered fibre facilities / forestry operations	Paper and board mills	Converting plants	Other production facilities
68k	45	35	242	33

We design, manufacture and supply sustainable and innovative packaging solutions to promote and protect our customers' products.

What Differentiates Us

Our integrated model

We have an integrated system of containerboard mills and corrugated box plants. Our recycling, wood procurement and forestry operations provide raw material to our containerboard mills, who produce a full line of containerboard which is converted into corrugated containers.

Our vertical integration is key to guaranteeing security of supply for our customers and enabling us to drive efficiencies across the whole supply chain with technological advances, paper machine optimisation and logistics management, which in turn means we can offer optimal paper design, quality and logistics. We have lower exposure to volatility in containerboard prices and our integrated structure ensures that we provide a stable outlet for our product through the uncertainty of market falls and rises.



Innovation

We are a highly innovative, design-led company. Our approach to innovation is data-driven and focused on solving our customers’ challenges, whether through product promotion, process improvement, carbon reduction or optimising supply chain efficiency. We employ a range of ‘Innootools’, unique to SKG, enabling us to create the optimal fit-for-purpose packaging solutions for our customers. Our unique approach to innovation for business success is based on combining science, experience, geographic diversity, big data, and creativity on a scale and with a depth not seen elsewhere in the industry.

Sustainability

Our circular business model includes the handling of 7.7 million tonnes of primarily post-consumer recovered paper each year. We reuse or recycle side streams of our production process, power our business with renewable energy where possible and constantly focus on smarter ways of saving energy. Our embedded Chain of Custody ensures that close to 100% of our raw material comes from non-controversial and/or certified sources regardless of whether it is virgin or recycled. We continuously strive to reduce our CO₂ emissions, our waste to landfill and our water consumption with related targets included in management incentives and our cost of funding. As a leader in sustainable packaging, we have a responsibility to respond to the challenges the world faces with litter and inefficient use of materials. We are addressing this with our Better Planet Packaging Initiative which seeks to create more sustainable packaging solutions for our customers providing them with solutions that minimise inefficiency and waste and address their sustainability needs today and tomorrow.

In 2023, the Group reached four of its Better Planet 2050 Targets: 1. A 35.8% reduction in waste to landfill (30% target by 2025, 2013 baseline); 2. Chain of Custody certified packaging deliveries of 95.5% (95% target by 2025); 3. 25.1% of management positions held by women (25% target by 2024); and 4. €25.6 million donated to support social, environmental and community initiatives (€24 million target between 2020 and 2025). In addition, when compared to a 2005 baseline, CO₂ emissions were reduced by 43.7% and water discharge quality improved by 35.7%. At the end of 2023, the Group’s Total Recordable Injury Rate had reduced by 48% versus the 2018 baseline, demonstrating the achievements in safety over that period.

These positive developments are the result of a combination of significant investments by the Group and the relentless dedication of our people.

Culture and People

At SKG, we recognise that culture plays a fundamental role in the delivery of our strategy and the Board is ultimately responsible for ensuring that our activities reflect the culture we wish to instil in our colleagues and other stakeholders to drive appropriate behaviours. Our focus on culture and learning from one another is continuous, which helps us to adapt to a changing environment and ensure our culture supports our business model.

Our performance-led culture continues to drive our industry-leading performance, with our people living our values of Loyalty, Integrity, Respect and Safety at work. We have a relentless focus on quality and delivery for our customers. Our vision, to be a globally admired business, dynamically and sustainably delivering secure and superior returns for all stakeholders, is something that all of us in Smurfit Kappa aspire to every day. We believe the only way to achieve this is through our people. One of the strengths of Smurfit Kappa has been, and will continue to be, the owner/operator type culture that exists within our company.

Our people are at the core of our operations and SKG unites approximately 47,000 people around the globe with a shared purpose to create, protect and care. We can only achieve sustainable long-term success by relying on our people's talent, expertise and innovation.

Our UK People & Communities

The UKI EveryOne initiative, launched in 2022, includes the establishment of community network groups. These groups are strategically designed to give a voice to diverse groups within the organisation. Their primary objective is to ensure that every colleague, irrespective of background or identity, is empowered to express themselves authentically. The community network groups aim to embody and promote the guiding principle of "Free to Be Me," fostering an environment where individuality is not only respected but celebrated.



These groups operate as vital platforms, facilitating open dialogue, understanding, and collaboration among colleagues. By actively engaging with diverse communities, the initiative aims to break down barriers, promote inclusivity, and champion all colleagues within the UKI workforce. Through the lens of "Free to Be Me," the community network groups contribute to creating a workplace culture that embraces the uniqueness of each colleague, fostering a sense of belonging and acceptance.

Our UK Business

Smurfit Kappa UK are market leaders in the paper-based packaging sector. With an unrivalled product and service offering, informed by outstanding expertise, we can provide our customers with innovative and cost-effective solutions to suit a diverse range of products and market sectors.

We also operate our own recycling division complete with paper mills; our national network is strategically placed to collect from anywhere in the UK. Each depot provides a full range of services to either local or national businesses on a high or low volume basis.



Our Commitments

In keeping with the United Nations Guiding Principles on Business and Human Rights and the Fundamental Principles and Rights at Work developed by the International Labour Organisation, we are committed to the principles of respect, diversity, working fairly, fair pay, compensation and benefits which are also applied to our acquisition practices. These principles are maintained in every country in which we have a presence and are set out in our Code of Conduct, our Social Citizenship Policy Statement and our Sustainable Development Report as detailed in the next section.

The Group has thousands of suppliers globally and we believe that our suppliers are an integral part of the value chain of our business. We are committed to working with our suppliers in accordance with our sustainability principles and objectives whereby we distinguish the areas of compliance, performance risk management, social responsibility and governance. Maintaining transparent and long-term relationships with suppliers is essential for our business. This partnership approach ensures we can audit suppliers on their compliance and our sustainable supply chain standards and, where they fall short, work with them to improve sustainability in their business.

UK Commitments

In line with Smurfit Kappa Group the UK business complies with the United Nations Guiding Principles on Business and Human Rights and the Fundamental principles and Rights at Work developed by the International Labour Organisation, we are committed to the principles of respect, diversity, working fairly, fair pay, compensation and benefits which are also applied to our acquisition practices.

The UK business commits to the Modern Slavery Act, ensuring that all policies and procedures within our direct operations and supply chain adhere to the legislation as well as continuous improvement to remove areas of risk. The Modern Slavery committee ensures the 3 divisional areas, Corrugated, Paper and Recycling are regularly reviewing all areas of risk and implement proactive measure to mitigate at the earliest opportunity.



Our Policies

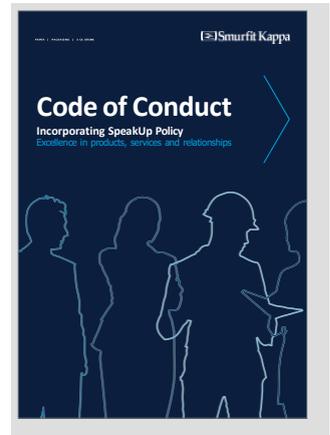
We require all individuals, entities, agents or anyone acting on the Group’s behalf to comply with our various Group policies which are supported and approved by our Board of Directors.

Code of Conduct

The Smurfit Kappa Group Code of Conduct (the ‘Code’) applies to the Group’s Board of Directors, officers and employees worldwide. We require all individuals, entities, agents, or anyone acting on the Group’s behalf, to comply with the Code, which has been translated into 21 languages to ensure full accessibility.

The Code of Conduct incorporates the Speak Up Policy which is designed to ensure our employees and all other stakeholders have the opportunity to report actual or potential wrongdoing.

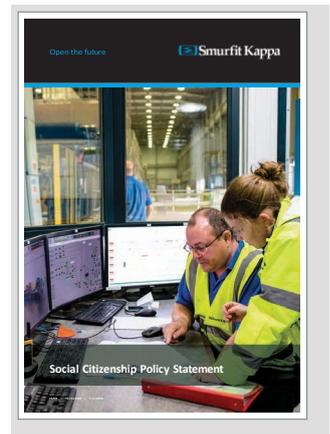
The Code takes account of international conventions and codes such as the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work (core conventions) and the UN Declaration on Fundamental Human Rights.



Social Citizenship Policy Statement

Smurfit Kappa Group is committed to managing its business in accordance with its declared values which recognise that good social citizenship, reflected in the manner in which we interact with our employees, business partners and host communities is an essential ingredient in creating and maintaining a sustainable future.

The policy statement summarises the Group commitments in this regard. It covers human rights, freedom of association, child labour, forced labour and abuse, indigenous peoples and employee respect.



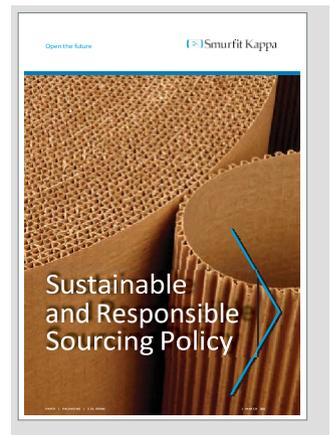
Sustainable and Responsible Sourcing Policy

Our Sustainable and Responsible Sourcing Policy, last updated in May 2022, explicitly states that we will not work with suppliers who do not share our declared values in good citizenship such as respecting human rights, including forced labour specifically.

The policy details our commitment to audit our suppliers, with the focus on suppliers of SKG’s key materials, to ensure that they are in compliance with the policy.

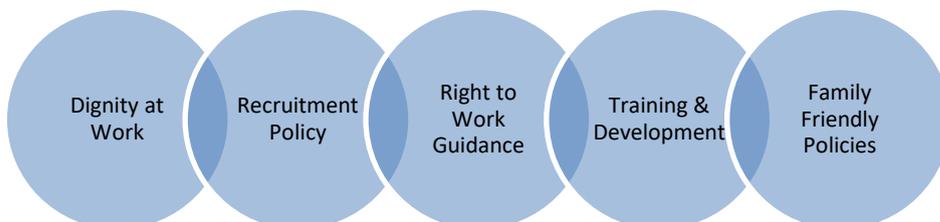
All of our policies include direct contact details if questions or concerns are raised.

For copies of these policies, please see our website at: smurfitkappa.com/about/corporate-governance/policies



UK Policies

The UK policies underpin the practices in which we operate to ensure fair and equal treatment of all staff that link directly to how we mitigate risk within our direct operations.



These policies and the Modern Slavery Legislation are aligned with our Group Core Values



Due Diligence and Risk Assessment

Our Direct Operations

As outlined in the previous section our employees are governed by the Code of Conduct which provides a guide to legal and ethical responsibilities and points them to the information and the resources needed to exercise sound decision-making on the job. Employees are required to be familiar with the Code and all Group policies, to apply them every day and ask questions if they are ever unsure of the correct action to take.

As part of our Speak Up Policy, there is also a 'Speak Up' Service in place. The Speak Up Service is run by an independent third party and allows anyone to raise a concern across all key communication channels, including telephone, email and online. It is available in 21 languages, 24/7/365 and provides confidentiality and/or anonymity and assurance of non-retaliation.

It is the responsibility of our local Management and HR teams in our sites to build awareness of Smurfit Kappa's Code of Conduct and Speak Up service for their current staff and any new joiners. Our objective is to ensure that in every site, each of our employees is aware of our Code of Conduct and Speak Up service in order to encourage transparency and to promote a transparent and trustworthy workplace. Every case reported using the Speak Up service is carefully processed and analysed against a set of basic criteria, that help us decide if corrective action is required to mitigate further risks.

We also have an online e-learning programme to support the Code of Conduct and Speak Up service. The programme remains available for everyone within Smurfit Kappa to ensure that every employee fully understands their responsibilities and expected conduct as responsible corporate citizens, how they can report a suspected case of wrongdoing and to learn about the various elements of the Code.

In 2023, a total of 108 cases were reported via our Speak Up service, none of which related to modern slavery. There were 14 substantiated cases. All reported cases were fully investigated and resulted in 43 corrective actions or improvements to address substantiated cases. All substantiated cases were evaluated using our formal materiality assessment and it was determined that there were no material cases in 2023.

During 2023, the Group conducted a human rights assessment with an external consultancy firm. The assessment focused on a review of the Group's policies and reporting and highlighted a need for the development of new policies in some instances or refining of existing policies. The assessment also highlighted a need to align our policies with best practice frameworks when gaps were identified and will support the company's preparation for the EU Corporate Sustainability Due Diligence Directive ('CSDDD').

Also, during 2023, as part of the Group’s preparation for the EU Corporate Sustainability Reporting Directive (‘CSRD’), we completed a double materiality assessment to identify, assess and prioritise our sustainability topics considering their underlying impacts, risks and opportunities. Material topics identified and reported in our 2023 Sustainable Development Report (‘SDR’) included: Working conditions in the value chain; Responsible employer; Transparency and compliance; Community involvement, and Health and Safety. This materiality assessment process is an important tool in identifying and prioritising material sustainability matters for our strategy, setting targets, developing, and planning our programmes and actions, and in performance management and decision making.

UK Direct Operations

The UK business continues to take pro-active steps to ensure all our direct operations within all three divisions are minimising risk and measuring compliance in accordance with the Ethical Trading Initiative.

All UK units/plants and depots continue to be assessed in line with the Ethical Trading Initiative standard or National SMETA 4 Pillar standard to ensure all direct operations are regularly assessed and mitigating risk factors as they arise. Formal action plans are reviewed on a regular basis to eliminate risk within our direct operations and to review continuous improvement.

All UK sites are registered on the SEDEX platform for transparency with customers to link with our direct operations and reviewing the Audits or Supplier Assessment Questionnaire (SAQ). These SAQ’s are reviewed annually and in accordance with the SEDEX standard. This allows full transparency with all customers and supply chains within the UK operations.

Direct Operational compliance continues to rise in line with the applicable standards, always remaining high on the UK agenda to ensure that all employees are treated fairly and equally in line with applicable UK legislation.

In 2023 the UK partnered with Unseen, the leading UK Charity who support victims of Modern Slavery. As leading experts in modern slavery research, training, and support, the Unseen partnership demonstrates the strong commitment the UK has for protecting our employees, business, and society. We will be working together to develop our modern slavery strategy and identify areas of risk proactively.



The above areas are the four main areas that have been our primary focus and will continue throughout 2024.

This partnership will also give the business opportunities and additional resources. Unseen runs the UK’s 24/7 Modern Slavery & Exploitation Helpline which is manned by a team of subject matter experts and since its launch, the helpline has received over 25,000 contacts with concerns of modern slavery or human trafficking within the UK and beyond.

The Unseen business hub will allow us to work with likeminded businesses that are committed to improving their approach to combat worker exploitation. This will allow us the opportunity to network, attend webinars and updates on UK and international legislation as well as access to unique helpline trend analysis, locally reviewing any issues arising near manufacturing facilities.

Our Supply Chain

The Group will not work with suppliers who do not share its commitment to combat slavery and human trafficking. We will ask suppliers to disclose relevant data in that regard directly or via a recognised organisation.

We are committed to setting a clear objective and target of zero tolerance in relation to slavery and human trafficking in our supply chain and will measure suppliers' performance against this.

As part of our commitment of zero tolerance within our supply chain we identify and mitigate risk by completing audits of suppliers on a regular basis to assess and monitor potential risk areas. In doing this the primary focus will be on suppliers of SKG's key materials and services.

Since 2021, we have reviewed the reported purchasing spend on sourcing materials, goods and services with regard to country risks, based on the risk ranking of the Global Slavery Index. We have progressed this review further during 2023 and have identified that close to 100% of the purchasing spend for both the European and American divisions originates from countries with an A, B, BB or BBB rating.

In terms of the most relevant sourcing categories, our key materials are paper and other wood fibre-based materials, starch, chemicals, inks, adhesives and industrial tapes. These materials are used in our primary production process and form the basis for the packaging solutions that we deliver to our customers.

Across the Group, we are explicitly communicating our expectations to our strategic suppliers to uphold our commitment to combatting slavery and human trafficking and are working with suppliers to develop similar compliance programmes within their own supply chains.

In addition, suppliers will continue to be encouraged to disclose their assured data in accordance with Global Reporting Initiative, an independent institution whose mission is to provide a trusted and credible framework for sustainability reporting.

In 2023 the UK business implemented a "New Supplier" onboarding platform to engage with all new suppliers pro-actively in ethical compliance and Modern Slavery assessment based on potential level of risk by Country of Origin and Type of Supply.

Through the new on-boarding platform 100% of new suppliers have completed the new risk assessment which includes all supply types including.

- Contractors and Contractor Services (Includes Cleaning, Maintenance Engineering, Security, Canteen etc...)
- Transport/Warehousing
- Material Supply (Machinery, Inks, Wrap, Film, Glues etc...)
- Temporary Labour Supplier
- Permanent Recruitment
- Software / Systems
- Insurance / Benefits

Since going live in Summer 2023 we have successfully assessed and onboarded 371 new suppliers ensuring ethical compliance and partnering with responsible businesses within our direct supply chain.

Our Sustainable Sourcing

Our sustainable sourcing programme started in 2010, and since then we have assessed over 437 suppliers, ensuring our key materials, goods and services are managed sustainably and meet our standards.

Our Tier-One suppliers of key materials are global brands themselves and governed by stringent regulation. We audit all of our strategic suppliers, requiring certification or compliance to internationally recognised standards including ISO9001, ISO14001 and ISO45001. Spread over seven regions, across our global network, we work with 15 external auditors supporting us with their knowledge of local legislation regarding environment, working conditions, labour rights, culture and language.

We made modifications to our sustainable sourcing programme as a result of the introduction of the UK Modern Slavery Act including an increase in supplier screening on human rights. We broadened the scope of our supplier assessment, from Human Rights to Sustainable Development Goals (SDG's), targeted at our suppliers of key materials. Suppliers are required to confirm their compliance with the Modern Slavery regulations every three years and the MSA is available in eight languages, which represent the languages used by the majority of our suppliers. Confirmation of compliance the Group's Sustainable and Responsible Sourcing Policy, Supplier Code of Conduct and Modern Slavery Act Statement are

one of the first steps in the onboarding of new suppliers. In 2023, we increased the focus on obtaining signed compliance with our policies from suppliers, with a target for our sourcing teams to cover 100% of the strategic suppliers for key materials by end of 2023, which was achieved. In 2024, we are focused on obtaining signed compliance with our policies from 100% of all strategic and tactical suppliers.

In addition, to the audits through our sustainable sourcing programme, we ensure, that where wood and primary fibre based material is used as raw material, that no wood from controversial origins is used in the supply chain. We request our suppliers to be Chain of Custody certified for pulp and paper and we purchase in line with internationally recognised schemes such as FSC, PEFC, or SFI in the Americas.

Each of our own mills, converting operations and our FSC certified suppliers of any wood based materials we consume are required to complete the FSC self-declaration and in addition all FSC certificate holders are audited periodically against the FSC criteria outlined in a FSC Chain of Custody standard. This declaration involves explicitly agreeing not to be directly or indirectly involved in a number of unacceptable activities including violations of human rights and violations of the ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work.

The FSC Chain of Custody standards include labour requirements based on ILO Core Conventions. FSC chain of custody certificate holders are required to implement the FSC core labour requirements in their operations and must be able to demonstrate this to external third-party auditors.

To comply with the FSC core labour requirements, the organisation must:

- Not use child labour.
- Eliminate all forms of forced and compulsory labour.
- Ensure that there is no discrimination in employment and occupation.
- Respect freedom of association and the effective right to collective bargaining.

To conform with the FSC core labour requirement, organisations are required to complete a self-assessment in relation to the requirements outlined. During 2023, our FSC-certified sites completed the self-assessments and were audited to ensure compliance. The relevant sites were able to demonstrate their conformance to the FSC core labour requirements and in doing so have retained their FSC certification.

During 2023, the Group advanced its preparations for the introduction of the European Union Deforestation Regulation ('EUDR'). The EUDR was formally adopted and came into effect in June 2023 and companies have 18 months (until 30 December 2024) to be compliant. The EUDR requires that products covered under the regulation must be produced in accordance with the local social and environmental laws (of the country of production) including: human rights, labour rights and the principle of free and prior- informed consent ('FPIC').

Training

We are continuously increasing awareness and understanding of our commitment to eliminating the risk of forced labour and human trafficking occurring in our direct operations and supply chain.

At Group level a presentation detailing the provisions of the Modern Slavery Act which outlined our zero tolerance approach to modern slavery throughout our supply chain was presented to senior procurement executives in the organisation during 2023.

In addition, as outlined in the monitoring performance section below, the UK has also implemented a training programme aimed at improving knowledge of the UK Modern Slavery act in their operations.

UK Training

In 2023 the UK continued to increase awareness of modern slavery risks through presentations and SMETA auditing requirements within our direct operations and supply chain through the new onboarding platform. In 2024 through the partnership with Unseen we will be piloting E Learning module training which initially will cover:

- Modern Slavery in Business
- Modern Slavery in Procurement

This we will manage through the Unseen business hub allowing for us to track the completion as well as collate feedback as the training flows through all operational areas.

Monitoring Performance

This statement has outlined the various measures taken by the Group in relation to our zero tolerance approach to modern slavery. SKG undertook a variety of activities during 2023 to help identify risks of and verify the absence of forced labour and human trafficking in our direct operations and supply chain. These activities included the following:

- As outlined earlier in the report, during 2023, our FSC-certified sites completed core labour self-assessments and were audited to ensure compliance. The relevant sites were able to demonstrate their conformance to the FSC core labour requirements and in doing so have retained their FSC certification.
- In the Americas we complete a child labour assessment in high risk areas of the recovered paper supply chain periodically. In 2023, we visited 73 supplier operations in Argentina, 315 in Mexico, 176 in Colombia and 136 in Brazil. These visits were partly unannounced and their purpose was to assess whether there was any presence of child labour identified. No cases of child labour were identified during our visits.
- The Group 'Speak Up' Service through which employees and other stakeholders can raise concerns is used to support us in identifying and reporting potential modern slavery concerns. In 2023, there were no cases related to modern slavery reported through the 'Speak Up' Service.

UK Monitoring

In 2023 the UK cross functional and cross divisional committee, continued to drive the business forward in eliminating the risk of modern slavery, reviewing the businesses key performance indicators.

The business target is to have zero incidents either within its direct operations or direct supply chain and can confirm that we had zero incidents reported either via our sustainability reporting or whistle-blower procedure in 2023.

The UK business has continued to review the processes that were implemented and have monitored ongoing compliance. In line with our partnership with the Charity Unseen, additional structured training is being implemented in 2024 and the committee will monitor progress and feedback as this is piloted across all operational areas.

In 2023 the UK business new supplier portal database was successfully rolled out to all sites which now gives the business a clear and engaging way of being able to assess all new suppliers in a fair and consistent manner, in line with the Company's supplier risk assessment tool based on type of supply and country of origin. The UK business centralise all modern slavery documentation for all site contacts to have simplified access ensuring that they can support customer requests for ethical auditing compliance.

In 2023 the business continued to assess all prospective new suppliers in line with the Company risk assessment criteria. This ensures that 100% of all direct suppliers are compliant with the Company purchasing policy whilst ensuring partnering with responsible businesses within our direct supply chain.

The risk assessment criteria in 2023 did not highlight any supplier of potential risk within the supply chain.

Our Direct Operations – The UK business will continue to assess annually all direct operations against the SMETA assessment standard to drive compliance with this standard and further eliminate risk as demonstrated within this statement. Along with the Gap Analysis completed by Unseen, in 2024 with UK business will be reviewing the report and implementing a plan to assess and action where required.

This statement is made pursuant to Section 54 (1) of the UK Modern Slavery Act 2015 and has been approved by the Smurfit Kappa UK Ltd Board of Directors and signed on their behalf by Eddie Fellows, CEO Corrugated UK & Ireland UK Corrugated Division at Smurfit Kappa UK Ltd and Director of statutory entity.

Eddie Fellows



CEO Corrugated UK & Ireland
21st June 2024