



Sustainable and Responsible Sourcing Policy

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Smurfit Kappa ("SK") is committed to managing its suppliers in accordance with its sustainability objectives. This policy briefly summarises the Group's commitments with regard to its suppliers' environmental compliance, social responsibility, sustainable development and governance.

This policy applies to all suppliers and subcontractors. It will be implemented first with our suppliers of key materials which are used in the manufacture of SK's products.

SK is committed to ensuring that its suppliers will comply (as a minimum) with relevant national and international environmental legislation concerning sustainability issues and SK will seek to achieve best practice from suppliers through the promotion of continuous improvement programmes for the efficient use of resources and actions to prevent pollution, promote recycling, minimise waste and the efficient use of natural resources.

SK ensures, where wood and primary fibre-based material is used as raw materials, that no wood from controversial origins is used in the supply chain. SK requires its suppliers to be Chain of Custody certified for the pulp and paper we purchase, in line with internationally recognized schemes such as FSC[®], PEFC[™], or SFI[™] in the Americas.

SK will ensure that suppliers are aware of our policy on corporate social responsibility, and encourages suppliers to develop strong relationships with the communities in which their, and our businesses operate.

Suppliers are encouraged to join the UN Global Compact initiative and are, as a minimum, required to commit, in their Code of Business Conduct, to its [ten principles](#) in the areas of human rights, labour and environment.

Suppliers will therefore cover in their Code of Business Conduct:

- the freedom of association and collective bargaining,
- prohibiting child labour,
- prohibiting forced labour,
- treating employees humanely,
- working times in accordance with internationally recognised standards,
- respecting employee contributions,
- fair compensation with no wage deduction as disciplinary measure,
- encouragement of continuous training and development,
- health, hygiene and safety at work with use of relevant management systems,
- prohibiting discrimination,
- prohibit harassment, bullying, other unfair practices,
- promoting community involvement,
- recruit, hire and train without regard to race, colour, gender, sexual orientation, age, religion, creed, national origin, disability or any other legally protected status in the countries where they do business,
- no bribery and anti-corruption,
- fair competition and trade practices,
- respecting Indigenous peoples and traditional livelihoods.

Suppliers are able to report any non-compliance in relation to ethical business practices, as per the SK Code of Business Conduct and the Good Faith Reporting Policy, directly into the independently operated [Speak-Up tool](#).

SK will not work with suppliers who do not share its declared values in good social citizenship, in particular, in areas such as the compliance to regulation, providing healthy and safe working environments, respecting human rights such as child labour (ILO conventions 138 & 182), forced labour, freedom of association and collective bargaining (ILO conventions 87 & 98). SK will ask suppliers to disclose relevant data in that regard directly or via a recognised organisation.

SK is committed to setting clear targets and objectives about sustainability for suppliers and will measure suppliers' performance against these. Suppliers will be encouraged to disclose their sustainability data in accordance with Global Reporting Initiative (GRI), an independent institution whose mission is to provide a trusted and credible framework for sustainability reporting.

SK will support suppliers with their own sustainability development projects, by seeking solutions which make a positive contribution to sustainability, by efficiently using resources, minimising material and product wastage, promoting more recycling, and optimising transportation requirements.

We ask our suppliers to support, where material, at least the SDG's where Smurfit Kappa can make an impact. These SDGs are: No 15 (Forest), 13 and 7 (Climate change), 12 (Waste), 6 (Water) and 3 (People).

SK will communicate transparently and train employees liaising with suppliers to ensure that its sustainability goals are achieved. SK will evaluate its overall sourcing policy regularly in the light of new developments in the area of sustainability.

Suppliers sign every three years a declaration as confirmation of compliance to this Sustainable and Responsible Sourcing Policy.

SK will audit its suppliers in a three year cycle to monitor and ensure compliance with this policy. Primary focus will be on suppliers of SK's key materials.

Any exception from this policy which could be justified for business purposes will be properly documented, approved by SK management and communicated to relevant stakeholders.

For more information

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