

# Continued delivery for a better tomorrow

## OUR PURPOSE

# We create, protect & care.



## WE ARE TAKING ACTION TODAY AND INVESTING IN TOMORROW.

At Smurfit Kappa, we are proud to be one of the world's leading providers of paper-based packaging.

We believe that paper-based packaging can be one of the answers to the challenges facing our planet.

Our innovative, sustainably-produced products are 100% renewable, recyclable and biodegradable. By considering the entire life cycle of our products, and bringing together our 48,000 employees, at over 350 production sites across 36 countries, we can have a bigger impact on a greater scale.

The result is packaging that is better for the planet.

### Our vision

**To be a globally admired business, dynamically and sustainably delivering secure and superior returns for all stakeholders.**

### Our commitment

To be an impactful business supporting a greener, bluer planet.

### Our long-term ambition

To have at least net zero emissions by 2050.

### Our priorities

Our ambition of sustainable growth is based on three pillars: Planet, People, and Impactful Business.

### Our culture

People are at the heart of everything we do. We have a strong and positive culture that is based on our values of Safety, Loyalty, Integrity and Respect.



**“**Our leadership in sustainability extends through our products and manufacturing into our local communities. Sustainability has always been at our core and it is now embedded within our capital structure

Tony Smurfit, Group CEO

**”**

# Leading in sustainability

## Delivering for our customers, 100% paper-based solutions

Our Click-to-Lock Box helped McBride reduce their production CO<sub>2</sub> emissions by

**32%**



Our TopClip product helped Grolsch reduce the CO<sub>2</sub> emissions of their packaging by

**36%**



## Science-approved



Our emission targets have been approved by the SBTi as being in line with the goals of the Paris Agreement.

## Circular by nature

**7.4**

million tonnes of (primarily) post-consumer recovered paper handled each year.

## Delivering for the UN SDGs

First FTSE 100 company to be awarded five stars from Support the Goals, in recognition of supporting the UN SDGs.



## Strong governance

**15 years**

of sustainability reporting – independently assured for over 10 years – giving our stakeholders a detailed insight into our actions and impact.

Our governance structure, sustainability-linked incentives and funding structure all support our commitment.

## Sustainable finance

We launched our Green Finance Framework in September 2021, which builds on our existing sustainability-linked Revolving Credit Facility.



## Don't take our word for it, take theirs

Some examples of our external recognition



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### Key to our Strategic Priorities



Our Better Planet 2050 targets quantify our commitment to protect what we care about – our planet, our people, and our business. Our ambitious goals and sustainability targets will help to build a sustainable future for our communities, support good business practices and create a better planet.

Category	Targets	Achievements	Link to Strategy	Link to SDGs
Climate Change	 <b>Net zero</b> Our ambition is to have at least net zero emissions by 2050 with a 55% reduction in relative CO <sub>2</sub> emissions by 2030	<b>41.3%</b> reduction in CO <sub>2</sub> emissions since 2005	 	  
Forest	 <b>&gt;95%</b> packaging solutions sold as Chain of Custody certified to customers by 2025	<b>93.45%</b> packaging solutions sold as Chain of Custody certified in 2021	 	  
Water	 <b>60%</b> reduction in relative Chemical Oxygen Demand discharge by 2025	<b>38.5%</b> reduction in Chemical Oxygen Demand since 2005	 	 
Water	 <b>1%</b> reduction of our water usage annually, which reflects our position as a processor, not consumer, of water	<b>6.2%</b> reduction of our water usage annually	 	 
Waste	 <b>30%</b> reduction in relative waste sent to landfill by 2025	<b>29.2%</b> reduction in waste to landfill since 2013	 	
Health and Safety	 <b>5%</b> reduction in Total Recordable Injury Rate annually	<b>1.7%</b> reduction in Total Recordable Injury Rate in 2021	 	
People	 <b>25%</b> of management positions held by women by 2024	<b>22%</b> of management positions held by women at the end of 2021	 	  
Communities	 <b>€24m</b> will be donated between 2020-2025 to support social, environmental and community initiatives	<b>€12.6m</b> donated since 2020	 	 

# We achieved a lot in 2021

**41.3%**

CO<sub>2</sub> emission reduction since 2005

This is equivalent to the annual CO<sub>2</sub> footprint of

**1,173,434**

passenger cars or

**242,238**

EU citizens



**100,000kg**

of plastic removed annually by Grolsch, thanks to our TopClip solution



**€11.5 million**

invested in a new, lower CO<sub>2</sub> emission energy project in Zülpich

This is equivalent to more than

**4 million**

plastic bags



**159**

community projects across 24 countries

**1st**

packaging company in the world to be certified by The Vegan Society

**38.5%**

Chemical Oxygen Demand ('COD') reduction since 2005

**3,819**

people directly benefited from family projects through Our Open Community initiatives

**29.2%**

reduction of waste to landfill from our paper mills since 2013

As a processor, not a consumer of water, we focus on the quality of the water we return to nature



This is equivalent to the annual waste to landfill of

**1.1 million**

EU citizens



**69 awards**

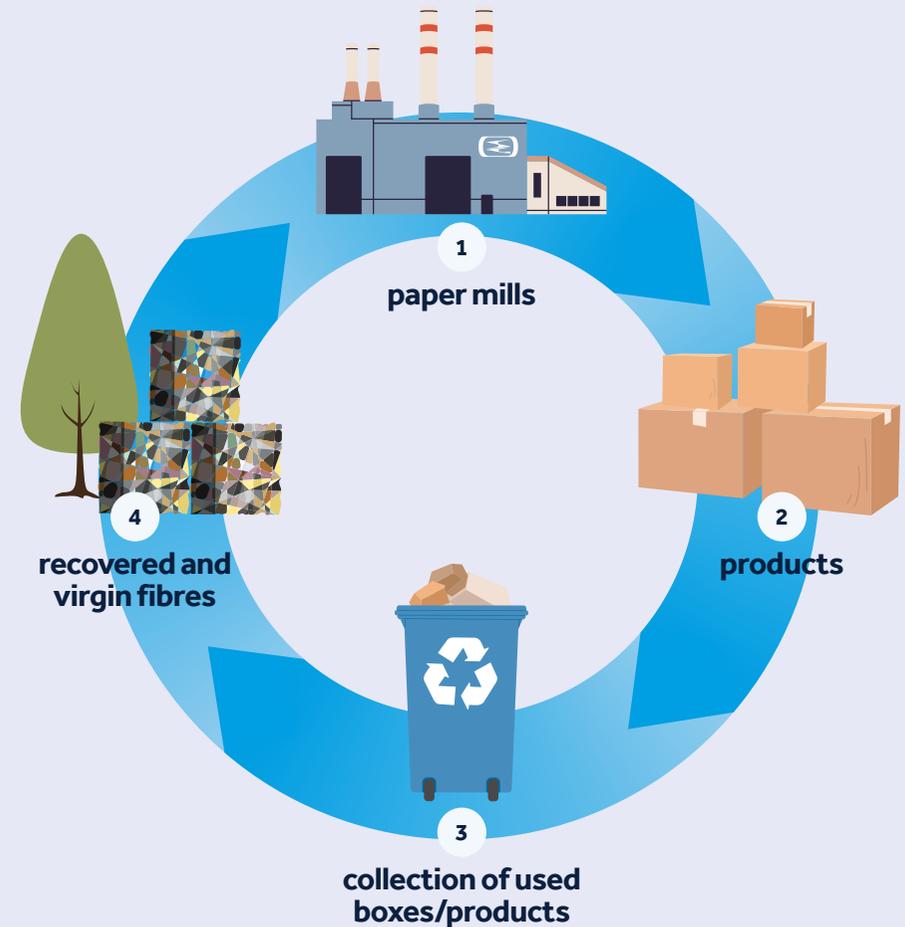
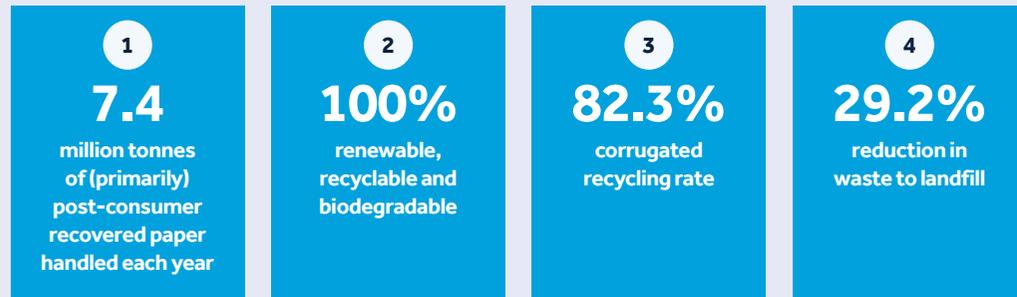
from across the globe, in areas such as packaging innovation, sustainability, design, and print

# Our circular business

True sustainability is end-to-end: from procurement and working with our suppliers, to production and product delivery to our customers. Our economic goals are aligned with our social, community and environmental responsibilities.

Through our holistic approach to product design and manufacture, we can offer right-weighted, fit-for-purpose packaging solutions that minimise inefficiency and waste. Working closely with our suppliers and customers, we design sustainability into every fibre.

Our circular model focuses on making a positive impact. It starts with our product being circular, with 76% of our raw material coming from recycled boxes, and the balance from sustainably managed forests that deliver a positive impact.



# Investing in a better tomorrow

One of the ways we deliver on our Better Planet 2050 targets is by investing in innovative solutions that have a tangible impact. Whether installing cutting-edge technology, reimagining our operations, or making simple changes that lead to big results, we are committed to making a difference.



## Redesigning energy generation in Germany

In 2021, we invested €11.5 million in our Zülpich paper mill. A major redesign of the multi-fuel boiler provides a more sustainable fuel source for generating steam and electricity.

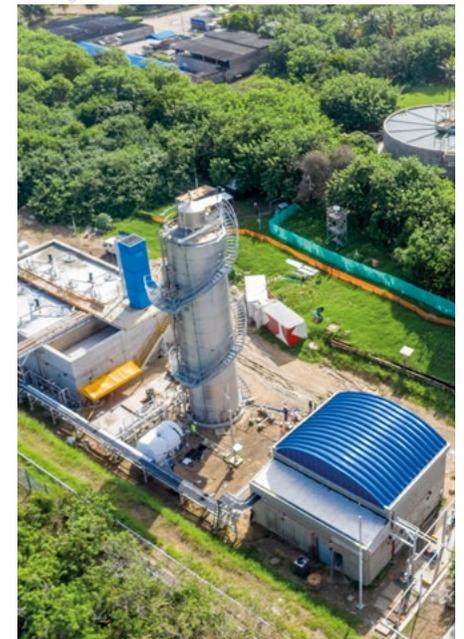
The investment is set to deliver a 25% reduction in CO<sub>2</sub> emissions at the mill.

**25%**  
CO<sub>2</sub> emission reduction



## State-of-the-art water treatment in Colombia

We invested €6.3 million in our Barranquilla paper mill in Colombia. The Wastewater Treatment Plant now has state-of-the-art anaerobic technology, which reduces water intake from the nearby Magdalena River and improves the quality of water returned to it.



## Cutting carbon in Austria

The €134 million investment in Smurfit Kappa Nettingsdorf mill, Austria, has delivered an increase in profitability and sustainability. By using CO<sub>2</sub> neutral bioenergy, the new boiler has cut CO<sub>2</sub> emissions by 27% at Nettingsdorf.

**27%**  
CO<sub>2</sub> emission reduction, with more expected in the coming years



## Journey to zero landfill in UK

We found a solution for the recycling of our die-cut machine cutting tools, used in our West Auckland corrugated plant.

Some 15 tonnes of cutting tools are now recycled annually, which removes up to 420 tonnes of waste by 2050.

**15 tonnes**  
of cutting tools are now recycled annually

# Innovating for our customers

We are not only a sustainable company, we also create innovative, renewable, recyclable, biodegradable and sustainable packaging solutions for our customers.

The demand for sustainable packaging continues to grow, with consumers increasingly the driving force. Packaging provides a clear opportunity for brands and retailers to demonstrate their commitment to sustainability, and as a result, build trust and strengthen the brand-consumer relationship.

*"An excellent example of pooling expertise to support the essential move to more environmentally friendly products."*

Chris Smith, CEO, McBride plc



## Click-to-Lock Box: A sustainable and safe solution

We designed and developed a new packaging solution for laundry pods for McBride. The first-to-market Click-to-Lock Box is a sustainable and safe alternative to traditional plastic boxes.

With a 32% reduction in CO<sub>2</sub> emissions during production, the Click-to-Lock Box has 25% more capacity than the previous plastic version and brings efficiencies to the supply chain by facilitating an increased pallet load.

*"Working in close collaboration with Smurfit Kappa has helped us in achieving our goal of becoming even more sustainable."*

David Waller, Buying Manager, Mindful Chef



## Zero food and packaging waste

Mindful Chef has a no food waste, no packaging waste philosophy. We designed a solution of insulated corrugated packaging that meets their specific requirements for temperature and humidity tolerance. With the recipe on the box, Mindful Chef is not only avoiding food waste, but their packaging is 100% recyclable and waste free, too.

## Paper-based punnets

To reduce the amount of plastic in Coöperatie Hoogstraten's packaging, we developed a complete packaging solution that is fully recyclable. It eliminates over 500,000 kilogrammes of plastic packaging per year and reduces Hoogstraten's carbon footprint.

**over 500,000kg**

of plastic packaging per year eliminated



## Bag-in-Box: a refreshing package

For the launch of UK cider maker Healeys Cyder's new flat cider, we developed an 'envelope' style Bag-in-Box®. With no glue or tape, the solution can withstand vigorous supply chain conditions, provide protection for the cider and is fully recyclable. The unique vacuum functionality gives an increased shelf life after opening.

# Delivering for our people and communities

We are committed to managing our business ethically, recognising that good social citizenship – how we interact with our employees, business partners and local communities – is an integral ingredient in creating a sustainable future.

## Supporting our people

By providing a safe place to work and an inclusive and value-driven culture, we can attract, engage, and empower the best talent. We believe that a diverse work culture makes us stronger and more innovative, and our employees feel more engaged.

**13**  
percentage points  
improvement  
in employee  
engagement levels

## Supplier sustainability

We identify opportunities to increase circularity and benefit our entire value chain. Wherever possible, we procure products and services from local suppliers, keeping finances flowing through local economies whilst mitigating risks related to environmental, social and quality issues.

**93.45%**  
of packaging  
solutions sold as  
**Chain of Custody**  
certified in 2021

## The Smurfit Kappa Foundation

The Smurfit Kappa Foundation supports sustainable projects in the countries where we operate. Its primary focus is on projects involving disadvantaged children in the areas of health and nutrition, basic care, and early education.



## Communities

We have always believed in playing a positive part in the communities in which we are privileged to operate. Through our local operations, we actively support projects that help build a sustainable future for our communities. Aligned to the principles of our Foundation, we are focused on breaking cycles of poverty and dependence when and where they exist, beginning with the younger generations.



**1,000**  
new employees  
on-boarded through  
acquisitions

Global roll-out of our  
**Employee Assistance  
Programme**

**2,249**  
people with disabilities were  
supported through **Our Open Community**

**7,622**  
people were  
directly supported  
by our **medical  
fundraising** with  
medical supplies  
and services



**€12.6**  
million  
in social  
investments  
since 2020



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