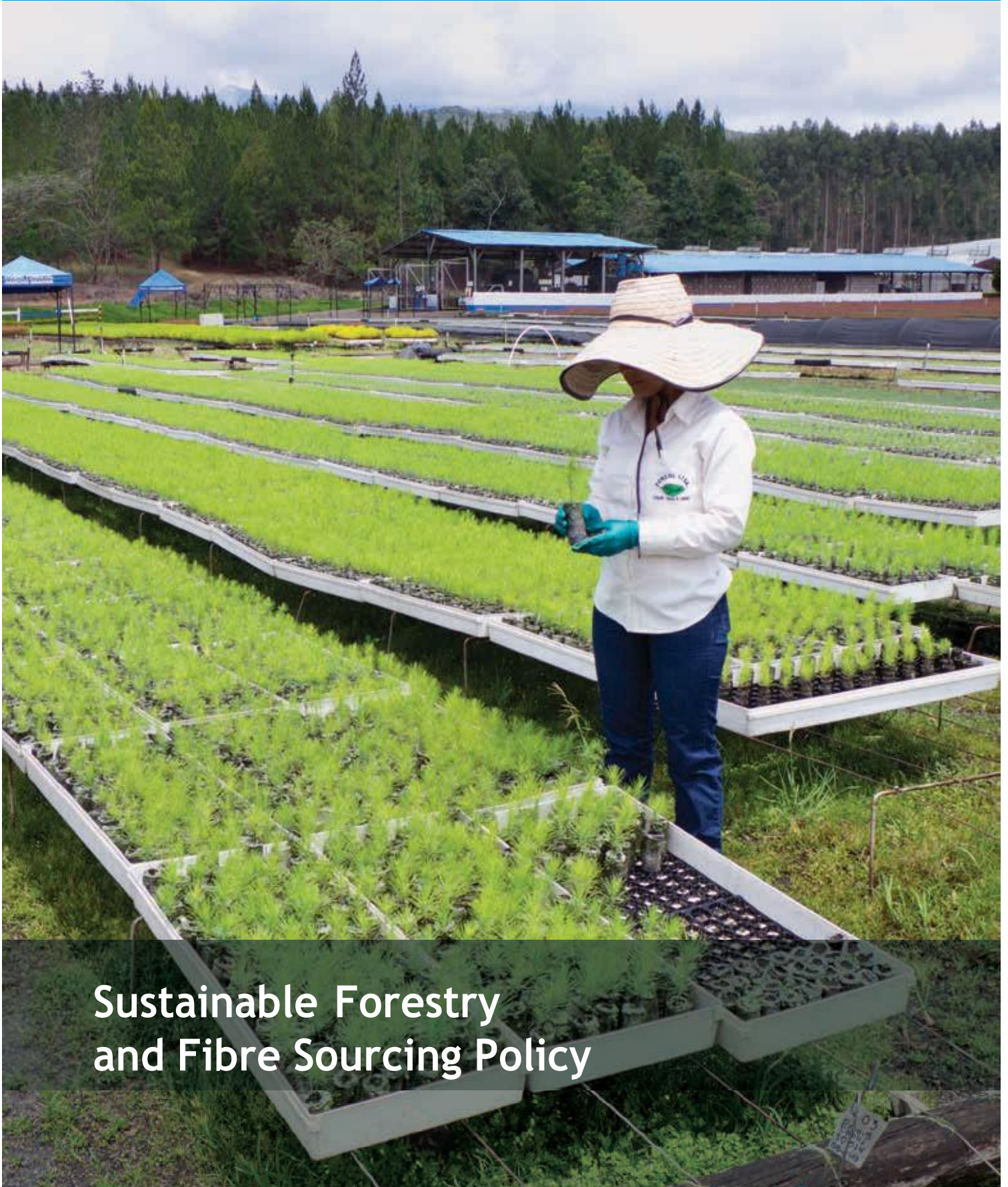


Open the future



**Sustainable Forestry
and Fibre Sourcing Policy**

Sustainable Forestry and Fibre Sourcing Policy

As a significant user of wood and recycled paper fibre in its paper-based packaging solutions, Smurfit Kappa Group ('SKG' or 'the Group') recognises its impact and responsibility in the sustainable use of wood-based raw materials. SKG also recognises the importance of combatting deforestation, and the role of forests and fibre-based products in tackling climate change. Independent, third-party certification, is the most reliable means to promote sustainable forest management throughout the paper-based packaging value chain.

SKG operates an integrated business model, from sustainable sourcing of recycled and virgin fibres, to the sustainable production of paper-based packaging solutions for our customers. Therefore, the Group focuses on forest and related Chain of Custody certification.

SKG takes responsibility throughout its full value chain, from managing its forests and plantations, sourcing wood and fibre, and converting them into appropriate value-added products. The policy sets a framework for all of the Group's forestry, wood, fibre, and paper sourcing operations including:

- Forests and tree plantations owned, leased or managed
- Timber purchases and exchanges, including imports and exports
- Sourcing of pulp and paper from third parties, as well as sales of paper to third parties
- Other wood and wood fibre-based product purchases
- Sourcing of recovered paper and board

This Sustainable Forestry and Fibre Sourcing Policy complement the Smurfit Kappa Code of Business Conduct and other relevant policies supporting sustainable development. SKG performs due diligence on the legality of all wood fibre-based materials in accordance with applicable timber sourcing regulations. SKG's policy considers environmental and social aspects of the fibre value chain.

Since 2015, all relevant SKG operations have been Chain of Custody certified. For green-field operations or operations acquired or merged, the Group applies a two-year integration policy within which the operations must obtain certified management systems.

1. Forests and tree plantations

- SKG adheres, as a minimum, to all relevant national laws and international treaties including national forest legislation.
- SKG supports third-party verified forest management and promotes forest certification according to Forest Stewardship Council® (FSC®), Programme for Endorsement of Forest Certification (PEFC) or Sustainable Forestry Initiative (SFI) standards on all forest and tree plantation land that it owns, leases or manages. Through its timber and fibre sourcing requirements, SKG requires sustainable forest management from its suppliers as well.
- SKG pursues the protection of natural forests through two avenues: land area dedicated for conservation and research, and sustainable forest management practices in managed forests and plantations. This allows for sustainable use of the raw material, protection of biodiversity, habitats and forest ecosystem services as well as supporting local communities.
- SKG contributes to the development of sustainable forestry by open information exchange with interested parties. SKG maintains meaningful relationships with local communities, governments, NGOs, and other relevant stakeholders. SKG participates in and supports forest research through the funding of and participation in research work.
- SKG allocates resources to sustainable forest management including education and training of sustainable forest management practices, ecosystem management and preserving ecosystems.

2. Timber, pulp and paper, and other wood fibre-based products

- In sourcing timber, pulp and paper, and other wood fibre-based materials, preference will be given to the materials that are Chain of Custody certified through FSC[®], PEFC or SFI. As a minimum, SKG requires that all timber, pulp and paper suppliers guarantee a non-controversial origin of the fibrous materials delivered to the Group according to the FSC[®], PEFC and SFI Chain of Custody and controlled wood standards.
- SKG accepts purchases of timber, pulp and paper and other wood fibre-based products only from suppliers who offer a documented trail of the raw material origin on documentation as required in FSC[®], PEFC and SFI Chain of Custody standards.
- SKG is committed to implementing Chain of Custody certified fibre origin management systems at all sites operating with fibrous materials through FSC[®], PEFC and/or SFI and including appropriate Chain of Custody information on all relevant documentation in its sales of products to its customers.
- SKG is committed to performing additional due diligence on suppliers' purchases of timber, pulp and paper and other wood fibre-based products which originate from a high-risk country. As a minimum requirement, all materials listed above shall be materials that are Chain of Custody certified through FSC[®]. In 2021, the following countries in the Group's supply chain are considered high risk: Argentina, Belarus, Brazil, Bulgaria, Chile, Colombia, Indonesia, Russia, Slovakia, Slovenia and Ukraine. This list is updated regularly in accordance with SKG's risk assessments.
- SKG purchases and produces bleached pulp that is either elemental chlorine-free or total chlorine-free.

3. Sourcing of recovered paper

- Recyclability of paper fibres is an important contributor to sustainable paper production. SKG is committed to sourcing its recovered fibres under certified Chains of Custody according to FSC[®] or PEFC standards with sufficient origin and supplier information.

SKG further commits to implementing appropriate communication, training and auditing procedures to ensure that all the Group operations meet the requirements outlined in this policy.

SKG will evaluate this sustainable forestry and fibre sourcing policy regularly in light of new developments in the areas of sustainability. This policy is dated 30 May 2022 and supersedes all previous versions.

For more information:

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