

People

# Empowering people and communities

It is Smurfit Kappa's ambition to be recognised as a globally admired company, a great place to work and an employer of choice for top talent. These ambitions are not just about our business growth, but based on our understanding that our success is driven by our highly valued and motivated teams across the world.

**48k**

employees across the Group

**33.7%**

female representation in Executive Committee and their direct reports

**13.6%**

global reduction of the TRIR in 2022



**People**

**68-97**

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## People continued

### Key Principles

Employees who find meaning at work are happier, more productive, and more engaged. This is well understood by the business community. People who believe their job has meaning and a broader purpose are likely to be more committed, relish taking on a challenge, and collaborate effectively. We aim to create meaningful work with a broader purpose, while ensuring the health, safety and wellbeing of our people at work, as well as on their journey to and from the workplace.

This is why Smurfit Kappa strives to constantly evolve and improve its People Strategy and why our HR pillars: People Development & Talent Management; Employee Experience for Performance; Inclusion, Diversity and Equality; and Reward and Recognition have been developed. These are underpinned by the five foundations of our HR strategy – Safety and Wellbeing, Legal Framework, Employee Relations, HR Information Systems, and Internal Communications.

External to our business in the locations in which we operate, we strive to provide assistance to the local communities by supporting projects aligned to the principles of our Smurfit Kappa Foundation ('the Foundation'). The vision for our Foundation is to positively impact the lives of underprivileged people by supporting sustainable projects that positively influence their lives through health and nutrition, education and basic care thus helping to reduce the inequalities that exist.

Our culture together with our values – Safety, Loyalty, Integrity and Respect – have ensured that we continue to be successful.

Smurfit Kappa unites some 48,000 people around the world. We are a truly diverse organisation, spread across 357 sites in 36 countries, speaking over 20 different languages, across four generations. Our primary objective for all our colleagues is to provide a great place to work.

This involves: creating opportunities for work that is productive and delivers a fair income; provides security in the workplace and social protection for families; offers better prospects for personal development and social integration; allows freedom for people to express their concerns; empowers people to organise and participate in the decisions that affect their lives; and ensures equal opportunity for all. Our materiality assessment outlines that the core areas for us are: being a responsible employer; inclusion and diversity in the workplace; and health, safety and wellbeing. Although we made progress in these three areas, we strive to do even more.



Our values of Safety, Loyalty, Integrity and Respect combine to create a safe and inclusive culture, with equal opportunities for all and where inclusion and adherence to human rights are a priority. We take our responsibilities seriously, and believe that through good corporate citizenship and giving back to our local communities, we can help others build a platform that transforms lives, unlocks opportunities and promotes fairness for everyone.

During 2022, we continued to evolve our HR strategy by aligning the evolving needs of our people, with the ambitious needs of our business. This is the 'sweet spot' we strive to achieve, to deliver success for all of our stakeholders in the business. Our strategy to achieve this is fully outlined on pages 78-85. The most important achievement of our Health, Safety and Wellbeing programme is the continued positive performance of our TRIR trends.

The scope of the Smurfit Kappa Foundation ('the Foundation') has broadened to support underprivileged people, not just children in the communities where we operate. Projects supported tackle areas such as poverty, inequality, and access to education. In 2022, the Smurfit Kappa Board confirmed it would increase its annual donation to the Foundation, contributing up to three million each year.

**Risks and Opportunities**  
**Attracting Talent and Maintaining Diversity**

One of the important areas of focus for Smurfit Kappa is attracting and retaining the talent we need for internal succession planning and leadership continuity. Today's workforce expects choice, purpose, agility and flexibility. Smurfit Kappa like many other successful organisations has adapted well as we continue to focus on sourcing and developing talent through re-skilling, upskilling, recruitment and engagement. We are focused on attracting the right people for our organisation and are investing in retaining and motivating the amazing team we already have.

Our talent agenda ensures we have the right people, in the right places and at the right stages of development to fill key positions as they arise. We aim to attract talented people and help all our employees grow their careers and deliver on their potential. Developing the organisation's culture of talent management is vital to our success; it supports high performance and safeguards the values underpinning our organisation.

To attract the best and most diverse talent available, we continuously improve our recruitment processes, while also introducing a more flexible approach to working arrangements, where possible, to provide a better work-life balance.

We believe that local hires are imperative for our success, so our succession planning has been designed to take this into account and we have development programmes where high potential employees are given the opportunity to spend one to two years in different teams to encourage cross team working and gain additional experience.

Following our last MyVoice survey in 2021, we systematically reflected and analysed over 40,000 employee comments. This helped us evolve our HR strategy for 2022 and provided direction for the areas our people wanted us to focus on, including focusing on providing a digital workplace with multi-lingual communications. Modernising and simplifying our HR systems was also a key message.

As part of our commitment to driving Inclusion, Diversity and Equality within Smurfit Kappa, we are striving to create a more diverse workplace and ensure that female gender representation across the Group is above 30% over time. We are also committed to 25% of management positions being held by women by the end of 2024. For example, during 2022 we were proud to add a new programme to our Smurfit Kappa Academy catalogue: SK RISE. Developed with feedback from female talent in the organisation, SK RISE is a programme for female employees, designed to support their career and personal aspirations.

**Key Performance Towards our People Targets**



## People continued

We have continued to build on our fair and competitive Rewards & Recognition philosophy to attract and retain our key talent, and to motivate employees at every level of the organisation to achieve the Group's strategic objectives. Our resolute commitment to gender pay equality is continuing, and in December we published our first Gender Pay Gap Report for Ireland. We have also invested in the digitisation of the Group rewards system and have started planning for a Group-wide recognition programme, which will be developed in 2023.

### Health and Safety Culture

At Smurfit Kappa we operate large machinery, with complex logistics and regular shift work, and health and safety is a core value for us. Our Safety For Life Programme is making great progress and we believe that operating safely is non-negotiable – no task is so important that it cannot be done safely, this is how we want our employees, contractors and subcontractors to approach their job, each and every day.

The safety and wellbeing of our teams across the world is at the core of how Smurfit Kappa operates. It is part of our culture and we strive to ensure that every day, each of our Smurfit Kappa employees return home safely to their families.

Our health and safety culture is founded on authenticity, empowerment and accountability, with our attention focused around our Safety for Life 'six high-risk areas': working at heights; management of contractors; people and vehicles; warehouses and backyards; contact with moving machines; and energy isolation.

We continually strive to improve our approach to health and safety, and are firmly of the belief that 'what gets measured gets done'. Therefore, for the first time we took the opportunity to have our annual Health and Safety survey included and integrated into MyVoice, our global employee engagement survey.

Equally, we recognise that it is not just about counting incidents. Increasingly our focus is on the actions we know will reduce the numbers of injuries; for example, having safety conversations, recognising strong safety performance and further controlling potential risks within our operations.

During 2022, we began to roll-out a new Health & Safety Management system across all Smurfit Kappa sites, making incident reporting easier and simpler; allowing better access to our data, so we can continue to manage, as well as address and learn from any health and safety incidents that occur. Additionally, our internal auditing programme has been further developed and integrated into the new system, providing progressive governance and action planning.

Our TRIR improvement is 50% since 2018 and 13.6% in 2022. To continue to deliver progressive performance, this year we launched a new five-year strategy – a balanced plan that builds on previous behavioural initiatives, focuses on high risks and delivers a wider wellbeing programme. to continue our positive trajectory.

**“Our improvement in TRIR is 50% since 2018 and 13.6% year on year.**

**To continue to deliver progressive performance, this year we launched a new five-year strategy.”**

➔ Read more on page 79

### Case Study

## Opening Doors for Everyone

### Global

As part of our EveryOne programme, many Smurfit Kappa sites work locally to make workplaces inclusive and to reduce discrimination at work and in their local communities. We tackle different challenges in different regions.

At our Cordoba plant in Spain, we started a collaboration with the local Red Cross to give an opportunity to women who are; single mothers, immigrants, young, over 45 or victims of gender violence and offer them work in a safe environment.

This programme has now been implemented at all our Spanish corrugated plants.

The programme started with a theoretical training and by the end of 2022 we had trained over 161 women. Lisbeth Almeida is one of these women.

She immigrated to Spain from Ecuador and for 12 years had tried to find work.

She joined the Red Cross programme and has been employed by Smurfit Kappa Cordoba for over a year. “Since joining Smurfit Kappa, I feel valued and supported and I have the possibility to develop further,” she says. “In the past year I have advanced from assisting with various tasks to having a licence to run a machine,” she says proudly.

Many other Smurfit Kappa sites have similar programmes in place. Our Nettingsdorf paper mill in Austria and our Culiacan corrugated plant

**“Since joining Smurfit Kappa, I feel valued and supported and I have the possibility to develop further.”**

Lisbeth Almeida

**Our sites have developed programmes that make work more accessible for everyone.**

in Mexico have focused on workplace improvements that make it attractive for women to return to work after maternity leave. Our Atlacomulco corrugated plant in Mexico has made it a priority to ensure the site is accessible for disabled people, while our Lagamill corrugated plant in Sweden collaborates with the local municipality Markaryd to employ immigrants and support their integration into their new home country.

## People continued

### Responding to our Stakeholders

	What We Believe	What Our Stakeholders Expect of Us	Our Commitments
<b>People Values</b>	<p>As a business, we strive to create a diverse workplace where everyone has a real sense of belonging and can be their authentic self at work every day.</p> <p>With a workforce of approximately 48,000 people, fostering diversity, inclusion and equality is important to us.</p> <p>We truly value our diverse mix of people, who bring so much to our organisation.</p>	<p>Our stakeholders expect us to be a unifying force for our 48,000 people across the world. To respect their human rights and those of anyone who comes into contact with our organisation, while providing a fair working environment where everyone feels included and respected.</p>	<p><b>Commitment #1:</b> By 2024, we strive to have 25% female representation in management positions across the Group.</p> <p><b>Commitment #2:</b> Provide a Speak Up service where our employees and all stakeholders can report wrongdoing or possible wrongdoing in full confidence, while ensuring all allegations are fully investigated and actioned accordingly, in a timely and professional manner.</p>
<b>People Strategy</b>	<p>It has always been the ambition of Smurfit Kappa to be recognised as a globally admired company, a great place to work and an employer of choice for top talent. These ambitions are not just based on our business growth, but also on our understanding that our success is driven by our highly valued and motivated team across the world.</p> <p>Our employees are the very centre of our business.</p>	<p>Our stakeholders expect us to be a best practice organisation in the context of our day-to-day interactions with our employees. We are expected to deliver on our promise to be a great place to work, by delivering top level Training and Development, and Rewards and Recognition programmes.</p> <p>We are also expected to be inclusive to all employees.</p>	<p><b>Commitment #1:</b> We are committed to delivering at least 3% of an improvement every two years in employee engagement until 2025 (MyVoice surveys as reference).</p> <p><b>Commitment #2:</b> 100% implementation of all Learning and Development programmes within our global Smurfit Kappa Academy.</p>
<b>Health, Safety and Wellbeing</b>	<p>As an industrial business operating in 36 countries with around 48,000 employees, we are responsible for the health, safety and wellbeing of a large number of people. At Smurfit Kappa, we believe that this extends from work to home.</p> <p>We engage our employees with policies and procedures to deliver, innovate and produce in a safe environment.</p>	<p>Our stakeholders expect us to provide a safe and healthy working environment, and to promote a health and safety culture that encompasses all who work with us, whether it is directly or indirectly.</p>	<p><b>Commitment #1:</b> Reduce TRIR by at least 5% annually.</p> <p><b>Commitment #2:</b> Maintain a productive and safe workplace by minimising the risk of accidents, injury and exposure to health hazards for every employee and all subcontractors, aiming for a zero accident working environment.</p>
<b>Communities</b>	<p>We see ourselves as a 'good corporate citizen' in the communities in which we're privileged to operate around the world, and we actively try to make positive and lasting changes.</p> <p>By supporting local education, we can strengthen communities by creating opportunities for income generation, collaboration and participation. This can in turn also provide a talent pool for our future workforce.</p>	<p>Our impact should not only be on the people we work with. Our responsibilities extend beyond, to supporting local economies and livelihoods, especially in remote areas with limited opportunities for work, where we are a significant employer.</p>	<p><b>Commitment #1:</b> Our employee volunteering programmes will support paid time off for employees to participate in chosen community activities.</p> <p><b>Commitment #2:</b> Between 2020 and 2025, we will donate €24 million to support social, environmental and community initiatives (20% more than the previous five years).</p>

Status key:

Significant improvement needed



Improvement needed



On track to achieve target



Progress Made in 2022	Status	Delivering for SDGs	Scope
<p><b>Progress made:</b> In 2022, we achieved 23.5% female representation in management positions.</p>		<p>As a good corporate citizen, we play our part in society by creating decent work for our 48,000-strong team. We are committed to delivering gender equality, reducing social inequality and ensuring our employees have fair pay and freedom of association.</p>	<ul style="list-style-type: none"> <li>All Smurfit Kappa operations</li> </ul>
<p><b>Progress made:</b> 80 cases (FY 2022) were identified and fully investigated, with 11 of them substantiated or partially substantiated.</p> <p>➔ Read more on <b>pages 76-77</b></p>		<p>Smurfit Kappa contributes to the realisation of the following SDGs and targets:</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>5 GENDER EQUALITY</p> </div> <div style="text-align: center;"> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="text-align: center;"> <p>10 REDUCED INEQUALITIES</p> </div> </div> <p>5.1, 5.2, 5.5, 5.B and 5.C 8.5, 8.7, 8.8 and 8.B 10.2</p>	
<p><b>Progress made:</b> We achieved an improvement of 13 percentage points between the 2017 and 2021 MyVoice employee engagement surveys.</p>		<p>As a responsible employer, we are ensuring a working culture in which every member of our 48,000-strong team feels engaged, appreciated as they are and has a sense of belonging. We help our employees to grow their careers, deliver on their potential, while rewarding them fairly for their contributions.</p>	<ul style="list-style-type: none"> <li>All Smurfit Kappa operations</li> </ul>
<p><b>Progress made:</b> In 2022, all Smurfit Kappa Academy training programmes took place.</p> <p>➔ Read more on <b>pages 78-85</b></p>		<p>Smurfit Kappa contributes to the realisation of the following SDGs and targets:</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="text-align: center;"> <p>10 REDUCED INEQUALITIES</p> </div> </div> <p>8.5, 8.7, 8.8 and 8.B 10.2</p>	
<p><b>Progress made:</b> We achieved a 13.6% reduction in 2022. Sadly, we had one subcontractor fatality in our Forestry Operations in Colombia.</p>		<p>The safety and wellbeing of everybody on our sites is part of our organisational values. Our focus also extends to work-place wellbeing and work-life balance.</p> <p>Smurfit Kappa's approach to safety and wellbeing has a direct impact on the following SDG and targets:</p>	<ul style="list-style-type: none"> <li>All Smurfit Kappa operations</li> </ul>
<p><b>Progress made:</b> In 2022, we had 277 lost time accidents (270 in 2021).</p> <p>➔ Read more on <b>pages 86-91</b></p>		<div style="text-align: center;"> <p>3 GOOD HEALTH AND WELL-BEING</p> </div> <p>3.3, 3.4, 3.5 and 3.9</p>	
<p><b>Progress made:</b> Multiple local projects took place during 2022.</p>		<p>As a good corporate citizen, we play our part in society by creating decent work and delivering economic growth in the communities where we are located. We are committed to delivering gender equality and reducing social inequality.</p>	<ul style="list-style-type: none"> <li>Empowering people in our communities to improve their lives, and where the cycle of poverty, hardship and dependence is an issue we aim to help end this. Applies to the local communities or regions where we are present</li> </ul>
<p><b>Progress made:</b> We invested €6.6 million in social projects in 2022. From 2020-2022, we have donated €18.4 million of our target of €24 million between 2020 - 2025.</p> <p>➔ Read more on <b>pages 92-97</b></p>		<p>Smurfit Kappa's approach to communities has a direct impact on the following SDG and targets:</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="text-align: center;"> <p>10 REDUCED INEQUALITIES</p> </div> </div> <p>8.5 10.2</p>	

People continued

# People values

We are committed to managing our employees in accordance with our declared values. We recognise that good social citizenship, shown in our interactions with employees, business partners and host communities, is essential to creating a sustainable future.

Smurfit Kappa fosters meritocracy and respect, in a safe and open work environment. In keeping with the UN's Declaration of Human Rights, and the Fundamental Principles and Rights at Work developed by the International Labour Organisation ('ILO'), the following principles and conditions are maintained in every country in which we have a presence. While our policy is to select the best person for a position, by far the greater proportion of senior operational positions are held by local managers.

## Respect

We value the contribution our employees make to our business. Smurfit Kappa is committed to providing a working environment that is safe, respects individuality, is non-discriminatory, appoints and promotes people on suitability, rewards fairly, encourages personal and professional development, and has effective mechanisms of communication.

Smurfit Kappa operates in countries where the indigenous people have rights to their land and culture. For us, this applies to our forestry operations in Colombia. Our respect to indigenous people's rights have been covered in the FSC-certified sustainable forest management processes and more of this can be read on pages 53-55. To learn more of the activities and engagement with our communities read Our Open Community booklet at [smurfitkappa.com/sustainability](http://smurfitkappa.com/sustainability).

## No Discrimination

Smurfit Kappa prohibits discrimination on the grounds of age, disability, faith, gender, sexual orientation or gender identity, marital or civil partnership status, parental or caring responsibilities, race (colour, ethnic or national origin, nationality) or other legally protected status in the countries in which we conduct business. This commitment extends to our own employees and on-site contractors, through external suppliers and other business partners and to communities near our operations.

## Working Fairly

We prohibit child labour. We will not employ anyone under minimum school-leaving age or minimum employment age in any country, and no violations of this were identified in 2022. We do not tolerate forced labour or physical abuse, from ourselves or from our suppliers, contractors, subcontractors and others with whom we do business. In 2022, 41 of our operations were subjected to SEDEX Members Ethical Trade Audits, of which 26 were first-time audits.

Furthermore, we have implemented Group-wide self-assessments in each of our FSC-certified sites looking into ILO Declaration on Fundamental Principles and Rights at Work. The assessments are being completed by the local operations themselves and were audited as part of the FSC CoC audits.

## Compliant Acquisition Practices

In all of our acquisition processes, due diligence involves examination of the target organisation's policies and practices on human

## Case Study

# MyHub – Embracing a Digital HR Future to Evolve our Employee Experience

## Global

As part of our global HR strategy and priorities, during 2022 we began designing and planning the launch of a new Group-wide Human Resources Information System for Smurfit Kappa.

“Our aim was to design a system that would enhance our overall employee experience by empowering our managers to manage and plan for

performance, talent, compensation, engagement and learning,” says Catherine Paul, Global HRIS Business Partner. “It will also give our employees autonomy over their working experience, enabling them to plan their career no matter where they are on their journey.”

Following the launch of this new platform, superior data reporting

will be available, including standardised dashboards and KPIs, which will enable us to make data-driven decisions for the benefit of all our stakeholders.

Our goal is to deliver excellent HR services that drive the right behaviours in our business and deliver an excellent employee experience. This new platform will

rights, anti-corruption and anti-bribery. We examine their compliance with local, national and international laws, and the day-to-day application of these.

If any serious non-compliance to these policies and practices arises, the acquisition will be reconsidered.

**Freedom of Association and Collective Representation**

We support all our employees’ right to join trade unions, and for representatives to negotiate on their behalf. If freedom of association and collective bargaining are restricted, or employees do not want trade union membership, we work with them to establish mutually acceptable means of representation.

We ensure employee representatives do not suffer any disadvantage or discrimination because of their role. In 2022, we did not have any confirmed cases, where either the association or bargaining rights of any individual or group of employees had been denied. Collective agreements, currently applicable in some 90% of the Group’s sites and covering 74% of our employees, are the result of either local or national negotiations in the countries concerned.

In many countries, Smurfit Kappa conducts formal employee consultations with local Works Councils (‘WCs’). Read more about these councils in our Annual Report 2022 on page 56. Formal employee consultations include topics on working conditions such as health and safety, minimum notice periods, and benefits not included in basic employment agreements.

enhance the HR team’s ability to enable the business to deliver on its strategic agenda. “Having used the platform myself for our French operations, I have found it easy to navigate and significantly improving my daily work processes,” says Catherine.

**Modern Slavery Act**

Smurfit Kappa is subject to the provisions of the UK Modern Slavery Act. Our principles and policies with respect to our employees and suppliers were updated in 2018 to ensure compliance. See also our Annual Report 2022 on page 58.

**Ensuring Ethical Behaviour**

Every year, all managers and market-facing employees in the business are required to formally confirm adherence to the Group Competition Law Compliance Policy. In addition, these some 6,000 employees completed a competition law compliance e-learning module together with a number of other seminars and ad-hoc presentations.

We have also been continuing to educate colleagues about our Code of Conduct and Speak Up service. It was launched in early 2020 in order to guarantee a confidential employee process for raising issues or matters that align with the three underlying principles of Smurfit Kappa’s Code of Conduct; Compliance with the law, ethical behaviour and a commitment to quality and service.

It allows all stakeholders to easily and confidentially report any issue or instance of wrongdoing, with the service available 24/7/365, guaranteeing user confidentiality and/or anonymity, as well as assurance of non-retaliation.

In the three years since its inception, we are pleased to see increasing awareness of our Speak Up system. Our people understand that it is okay to speak up and that is what we encourage.

Our objective for the system 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 to 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.

In May 2022, to increase awareness and ensure that every employee fully understands their responsibilities and expected conduct as responsible corporate citizens, we launched a new online e-learning programme. This programme offered two different courses, one for office and one for site-based employees to support the Code of Conduct and Speak Up service.

This programme guided employees through the elements of the Code relevant to them and ended with a knowledge quiz to test understanding.

There are eight categories of general issue types covered in the Speak Up service, the three most relevant being: 1) Fraud, Bribery & Corruption; 2) Competition & Anti-Trust; and 3) HR Grievance, ID&E Equal Opportunities, Harassment. In 2022, a total of 80 cases were reported via our Speak Up service. There were 11 substantiated cases, of which seven were from the category HR Grievance, ID&E Equal Opportunities, Harassment. There were no substantiated cases from the category Fraud, Bribery & Corruption and there were no reported cases from the category Competition & Anti-Trust. All reported cases were fully investigated and resulted in 29 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 2022.



## People continued

# People strategy

We strongly believe that everyone has talent and needs to find the right place in the organisation where they can express and reach their full potential. The main focus of our People strategy is the area of talent management and development.

Our strategy aims to help us attract, retain, reward and unlock people's talent and potential – developing our people to grow our business and to deliver. It is specifically focused on:

1. Understanding the organisational needs and the business strategy
2. Identifying the HR strategy and people priorities required to execute the business strategy
3. Defining the HR Roadmap to ensure we have the 'human capital' to address business challenges and deliver on the strategy
4. Ensuring HR services and capabilities are in place for the current and future needs of the business

Our people strategy has four key pillars:

- Employee Experience for Performance;
- Inclusion, Diversity and Equality;
- People Development and Talent Management; and
- Rewards and Recognition.

### The Foundations of our HR Strategy

These four pillars are underpinned by the foundations of our HR strategy, which includes our safety and wellbeing commitments, the legal framework that supports our business including our Code of Conduct, our Speak Up ethics service, our commitment to employee relations, the provision of a state-of-the-art HR Information System and our commitment to Internal Communications.

We focus on these five foundations to ensure the health and wellbeing of our people, the reliability of our information, the integrity of our organisation and to ensure we communicate with all our colleagues in a consistent and timely manner. These provide us with an approach and way of working, behind which the entire HR organisation is aligned. For example, at Smurfit Kappa, every relevant meeting begins with a discussion on health and safety.

\* Percentage changes are reported unless otherwise stated as a percentage point change.

### Employee Experience for Performance

Our focus: To stay connected to our people to ensure they feel safe, supported and part of a strong global Smurfit Kappa community. We also aim to ensure all communications are delivered with a clear voice, at every level of our organisation, while providing the opportunity for open two-way dialogue and employee feedback.

We are a diverse team in the context of background and life experience, but also in terms of longevity of service. We are proud so many employees choose to stay with us for most, if not all, of their careers. Almost 46% of our workforce have a tenure exceeding 11 years, which provides a great mix of experience across our workforce.

Our ambition is to create a continuous two-way dialogue to ensure our people understand our strategy and the role they play in its delivery and to inspire our people to perform at their best every day. It is our belief that the people who commit to the organisation, along with everyone who joins us on their career journey, deserve a working life full of moments that matter, from the day they are hired, to the time they leave the organisation or when they choose to retire.

### Progress in 2022

Our 2021 My Voice survey showed continued growth in our engagement levels. We believe the reasons for these improvements have been the two-way dialogue and listening strategy we have employed throughout the pandemic. This was led by our MyVoice pulse and organisation wide surveys. The over 40,000 comments received by colleagues as part of our MyVoice pulse survey has given us a real focus for our HR strategy.

In 2021, our MyVoice global engagement survey showed growth of 13-percentage points\* in our overall engagement score, which has brought us ahead of the external industrial sector average. This also included an increase of 11-percentage points among our 'highly engaged' employees.

We also saw very strong engagement levels among our top-level executives and leaders of over 95%, with managers reporting levels in the region of 75%. Additionally, we did not see any substantial differences in engagement levels between gender and age groups, which endorses our approach of focusing on all of our diverse talent across the business.

Workforce tenure  
exceeding 11 years, almost  
**46%**

**20%**  
women in total workforce

## Our HR Strategy

<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">  <h3 style="margin: 0;">People Development and Talent Management</h3> </div> <div style="text-align: center;">  <h3 style="margin: 0;">Employee Experience for Performance</h3> </div> </div> <p><b>Our Ambition:</b> To help our people grow their careers and deliver on their potential, so we can realise our ambition for them and the organisation, as we move forward.</p> <div style="text-align: center; margin-top: 20px;">  </div>	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">  <h3 style="margin: 0;">Inclusion, Diversity and Equality</h3> </div> <div style="text-align: center;">  <h3 style="margin: 0;">Rewards and Recognition</h3> </div> </div> <p><b>Our Ambition:</b> To create a continuous two-way dialogue, to ensure our people understand our strategy and the role they play in its delivery and to inspire them to perform at their best every day.</p> <p><b>Our Ambition:</b> To create an inclusive workplace where everyone has a real sense of belonging and can be their authentic selves at work every day.</p> <p><b>Our Ambition:</b> To attract, retain and recognise our employees, through competitive work practices. Making sure that people are not just appropriately rewarded from a monetary perspective, but also see their achievements recognised and valued in the workplace.</p> <div style="text-align: center; margin-top: 20px;">  </div>	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">  <h3 style="margin: 0;">Inclusion, Diversity and Equality</h3> </div> <div style="text-align: center;">  <h3 style="margin: 0;">Rewards and Recognition</h3> </div> </div> <p><b>Our Ambition:</b> To create a continuous two-way dialogue, to ensure our people understand our strategy and the role they play in its delivery and to inspire them to perform at their best every day.</p> <p><b>Our Ambition:</b> To create an inclusive workplace where everyone has a real sense of belonging and can be their authentic selves at work every day.</p> <p><b>Our Ambition:</b> To attract, retain and recognise our employees, through competitive work practices. Making sure that people are not just appropriately rewarded from a monetary perspective, but also see their achievements recognised and valued in the workplace.</p> <div style="text-align: center; margin-top: 20px;">  </div>	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">  <h3 style="margin: 0;">People Development and Talent Management</h3> </div> <div style="text-align: center;">  <h3 style="margin: 0;">Employee Experience for Performance</h3> </div> </div> <p><b>Our Ambition:</b> To help our people grow their careers and deliver on their potential, so we can realise our ambition for them and the organisation, as we move forward.</p> <p><b>Our Ambition:</b> To create a continuous two-way dialogue, to ensure our people understand our strategy and the role they play in its delivery and to inspire them to perform at their best every day.</p> <p><b>Our Ambition:</b> To create an inclusive workplace where everyone has a real sense of belonging and can be their authentic selves at work every day.</p> <p><b>Our Ambition:</b> To attract, retain and recognise our employees, through competitive work practices. Making sure that people are not just appropriately rewarded from a monetary perspective, but also see their achievements recognised and valued in the workplace.</p> <div style="text-align: center; margin-top: 20px;">  </div>	
<b>Health, Safety and Wellbeing</b>	<b>Legal Framework</b>	<b>Employee Relations</b>	<b>HR Information Systems</b>	<b>Internal Communications</b>

The results also delivered strong increases of between 10% and 18% on all aspects of the employee experience, which includes key areas such as Leadership (+11%), the Company (+16%), Infrastructure (+18%), Talent & Development (+11%) and Recognition (+16%). Health and Safety and ongoing COVID-19 support were rated among our top strengths, particularly important to us with the global pandemic still present.

Communicating with our 48,000 employees in all of their different languages has become the norm rather than the exception, and ensures that all key business initiatives are communicated across every level of the organisation. This results in both office and site-based staff being informed of all key initiatives. We have further supported this multilingual approach by building new communications channels, both digital and traditional, to ensure our messages reach every corner of the organisation.

Over the past six months we have been planning for the development of an employee app to give all colleagues instant access to timely communications and an enhanced employee experience in their respective languages. The selection of an employee app provider is now complete and we look forward to piloting this new channel during 2023. This will facilitate information at every level of the organisation at the touch of a button for our employees to access when and where it suits them.

Additionally, in third quarter of 2022, we launched MyHub, our first company-wide Human Resources Information System. MyHub is an online tool which will digitise our key HR processes, helping us to provide a better employee experience. It will also facilitate better people decisions to ensure we have the right people in the right place to deliver for our business.

In September 2022, we held in-person Global Management Conferences in Miami and Vienna, with the theme of 'Embrace our Future'. As a management team, we connected on our strategy for the years ahead and we were unanimous in recognising the importance of making those in-person connections.

Our commitment to further developing our employee experience in Smurfit Kappa continues and as we step our way through this new world of work, we intend to further invest and prioritise our efforts to listen to what our people need to be successful.

## People continued

### Inclusion, Diversity and Equality

Our ambition is to create an inclusive workplace where each one of us feels included, supported and respected in our daily work. We truly value the diversity of our 48,000 employees who bring so much to our organisation in terms of culture, perspective, leadership and innovative thinking.

Embracing and celebrating differences is a core component of EveryOne, our Inclusion, Diversity and Equality ('ID&E') programme. We have continued to advance our commitment to nurturing an inclusive culture, where all employees can thrive and contribute to our success.

### Progress in 2022

With our ambitious plans for ID&E in Smurfit Kappa at the forefront of our minds, we have been on an accelerated journey to step change many of the initiatives within our EveryOne programme.

Working together, with significant commitment and effort from our teams across the world, many of the key ID&E focus areas over the past few years have been collectively achieved. Some examples include formation of the Group Executive ID&E Council, establishing and defining our five diverse communities, enhanced ID&E communications and employee engagement, and the completion of our recent ID&E Discovery insights survey.

Our five diverse communities: Disability, Family & Age, Gender, LGBTQ+ & Allies and Origin, Race & Ethnicity, were chosen to reflect and represent our colleagues across Smurfit Kappa. We will focus our ambitions on these five communities and support each of them with a programme of learning and activity over the coming years.

During the year, we came together to celebrate a series of ID&E events, including International Women's Day (March), Pride (June), World Mental Health Day (October), International Men's Day (November) and International Day of Persons with Disabilities (December).

Celebrating these events helps us raise awareness of our equality programmes, while educating and inspiring everyone to focus and participate in our wider ID&E



### Case Study

## Development of our EveryOne (ID&E) Programme – Discovery Survey 2022

Since the introduction of our five community pillars to our EveryOne programme in 2021, we have continued to deliver our ambitious plans for ID&E in Smurfit Kappa.

Right across the organisation we have a strong and ambitious commitment to ID&E, with a clear strategy and senior sponsorship in place. Our EveryOne approach has been built from the bottom up, with the voice of our colleagues.

One of our key focus areas for 2022 was to really understand how our diverse employees felt about inclusion in the workplace. Seeking employee views and feedback was important, so we embarked on a listening strategy across the organisation by developing a confidential and anonymous Inclusion, Diversity & Equality survey – called EveryOne Discovery. This was the first time in Smurfit Kappa such an initiative had taken

place, and it was welcomed by our employees as it provided them with an opportunity to express their views and feelings.

Over a period of three weeks last May, almost 8,000 colleagues participated in this voluntary discovery process, and reported over 9,000 employee comments to help us plan our three-year roadmap for ID&E in Smurfit Kappa.

agenda. Each of these events were celebrated across the organisation with many local activities. We also launched and hosted 'SK RISE' our first ever female development programme.

In terms of the gender diversity goals we set as part of our 'Better Planet 2050' commitments, at the end of 2022, female employees represented 20% of our total workforce, while female representation in management and the Executive Committee has increased to 23.5% and 38.5% respectively.

At the time of publication of this report, the female representation at Board level is 38.5%, demonstrating progress on our journey to a better gender balance and delivering on our commitments.

### EveryOne Focus Areas



**“Female representation in management and the Executive Committee has increased to 23.5% and 38.5% respectively.”**

As a result of the feedback, we created plans to advance our ID&E journey with our employees involved which will focus on four key areas initially:

- 1 ID&E education and awareness programme of events
- 2 Inclusive infrastructure
- 3 Inclusive recruitment
- 4 Smart Working – the future of work



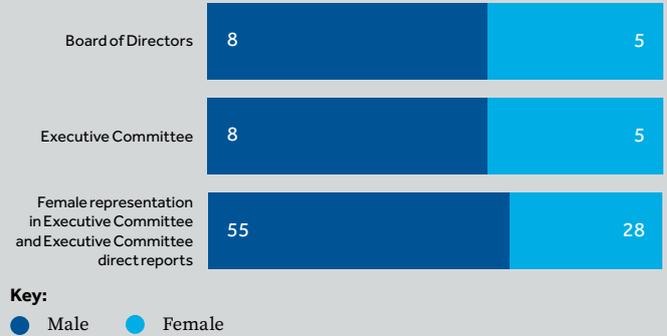
# People continued

## Diversity of the Executive Team

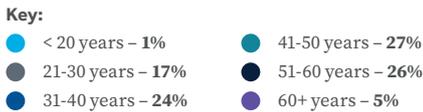
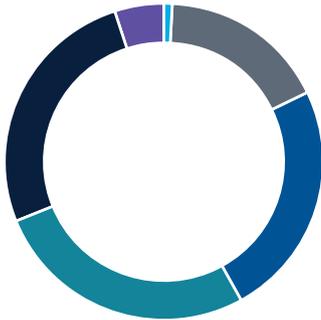
We take part in the FTSE Women Leaders Review which sets out recommendations for FTSE 350 companies to improve the representation of women, both on their executive committee and the direct reports to this committee. We also note the Financial Conduct Authority's requirements on diversity and inclusion on listed boards and executive committees to have at least 40% female representation on boards for financial years starting on or after 1 April 2022. The Board expects to be in line with the new target following the AGM in April 2023, with 45% female representation on the Board. This follows the recent appointment of Mary Lynn Ferguson-McHugh and the announcement in December 2022 that John Moloney and Gonzalo Restrepo will retire from the Board at the conclusion of the forthcoming AGM.

The 2022 FTSE Women Leaders Review was published in February 2023 and represents women on Boards as at 11 January 2023, and senior management as at 31 October 2022.

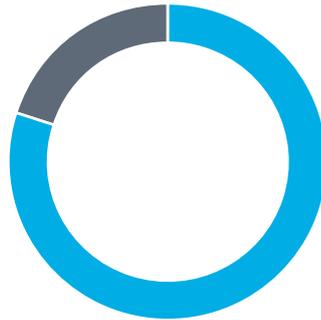
### Gender Diversity Split



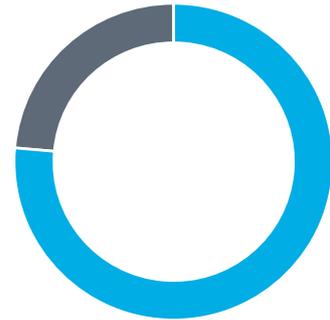
### Employee by Age Group



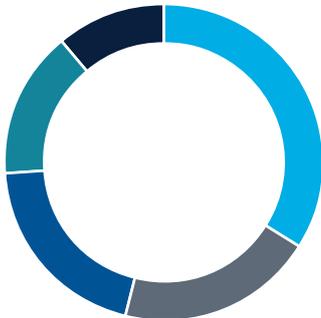
### Total Employees by Gender



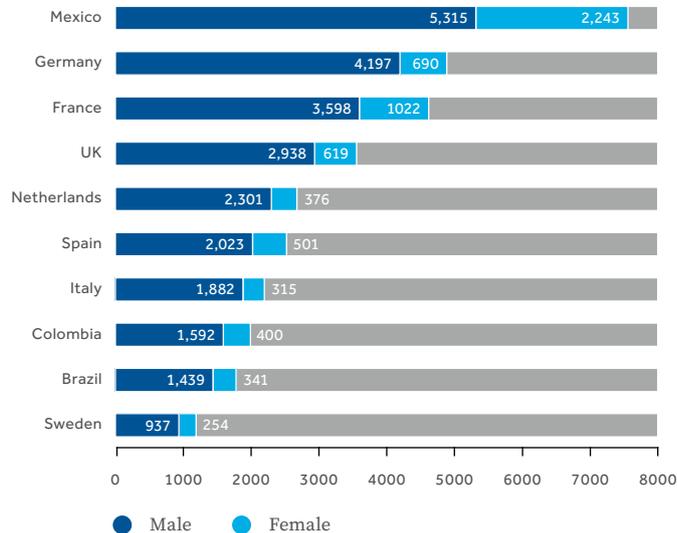
### Management by Gender



### Length of Service



### Top 10 Countries, Total Employees by Gender





# 21 years

of Smurfit Kappa  
AMD programme

## Case Study

# AMD – a Hybrid Approach to Talent Development

## Global

For 21 years, our Advanced Management Development ('AMD') programme has been a key part of the Smurfit Kappa Academy talent development programme. It supports high potential future leaders with the skills, knowledge and experience to accelerate their growth and take on more senior roles in the organisation.

“In 2021, due to the pandemic the programme was run virtually with great success,” explains Deirdre Cregan, Group Director Talent & Inclusion. “However, participants missed out on the opportunity to build their networks and on the informal learning from each other

and senior leaders that takes place over coffee breaks and dinners.”

The three-part programme was an ideal opportunity to trial a new Hybrid approach. “We took all the learnings from a year of virtual learning to run Part One of the programme as an engaging and interactive virtual experience,” says Deirdre. Part Two took place in person in Dublin at our global headquarters, while Part Three was concluded in January 2023 in Amsterdam at our European headquarters.

While this new approach helps us to make the programme more sustainable from a travel perspective, it also makes the programme more inclusive for those who cannot spend too much time away from their personal responsibilities.

“This new approach has been a great success and it has since been replicated across our other Academy programmes,” added Deirdre.

## People continued

### People Development and Talent Management

Further supporting and developing the culture and practice of talent management in the organisation is core to our success and we recognise this is what will guarantee high performance and the continuation of the values and culture which underpin our organisation. Additionally, focusing on talent by having the right succession plans in place will ensure we can continue to fill key operational and strategic positions. This will help us deliver the right people, with the right skill set, for our various roles as they arise, in order to ensure our ongoing success.

This approach to talent management has delivered many leaders for the organisation. Many colleagues have built and grown their careers over many years, with an average tenure of 17 years among this Leadership cohort. A significant number of them joined us straight from university and have built their careers through a mix of internal and external learning and development programmes, as well as real-life and on-the-job training.

We believe it is part of our role to ensure that no matter who joins our organisation, at whatever stage in their career, our learning and development programmes will equip them with skills and experiences that will be applicable long into the future. This focus on training is supported by ongoing performance dialogue and 360 degree feedback for our senior teams. These are all aimed at supporting their work and personal lives, both within and outside of Smurfit Kappa.

### Progress 2022

Our talent agenda continues to focus on ensuring we have the right people, to meet the future needs of the organisation. Our talent cycle integrates talent identification, succession planning and talent development to ensure we invest in our people and support them to achieve their career ambitions.

In 2022, for the second time we undertook a full global talent planning cycle for our top 500 leadership community. This year's cycle built on the exercise completed in 2020 and on the work we did in 2021 to focus on career development. Our focus on targeted talent development over the last two years has seen several successful moves of internal talent into vacancies.

The Smurfit Kappa Global Learning Academy is an important source of development for our people and in 2022 we expanded our offering, with a new programme in our curriculum to support female talent – SK RISE. We also leveraged our experience of virtual learning to redesign our programmes as hybrid experiences. Our programmes were carefully redesigned to make the most out of both a virtual environment where attendees could meet a broader set of people from across the business and an in-person experience, which focused on connection and interpersonal learning.

We were also pleased to see four cohorts of Open Leadership (in partnership with INSEAD), our flagship senior leadership development programme, finally complete their programme following delays as a result of COVID-19. Additionally, we have embarked on a new partnership with Harvard Executive Education in Boston, where a select number of senior executives will attend executive development programmes in line with their development plans and succession planning requirements.

### Case Study

## SK RISE – Female Development Programme

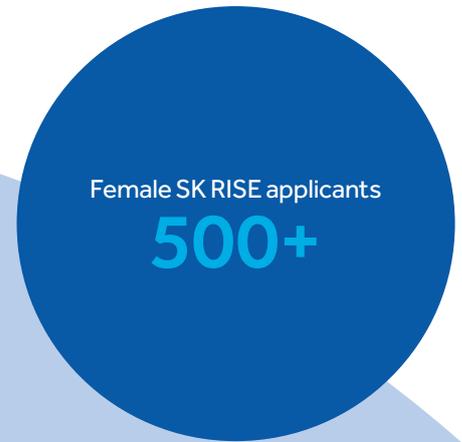
This year we were proud to add a new programme to our Smurfit Kappa Global Learning Academy catalogue: SK RISE.

Developed with feedback from female talent in the organisation, SK RISE is a development programme for female employees, designed to support their career and personal development aspirations.

The programme was launched on International Women's Day 2022 and opened for self-nomination in April 2022. Almost 500 female employees applied for the programme, of which 32 were selected to participate.

The programme, delivered by our learning partner, the Irish Management Institute, is made up of three modules, each with four component parts: 1) a learning module focused on key learnings for female professionals, 2) a leader spotlight where a SK leader shared their experience of the module topic, 3) a peer coaching session where group participants supported each other in small groups to work through their challenges and 4) a one-to-one mentoring session with a leader from the business.

“The SK RISE programme enabled me to expand my female network across the Smurfit Kappa Group” says Gillian Clohessy, Group Tax Manager,



“The experience helped me overcome limiting beliefs, understand my personal impact, as well as giving me a renewed focus on my career goals.”

In addition to the SK RISE programme, we also hosted a virtual workshop on resilience to support those who had not been selected to attend the SK RISE pilot programme in its first year. Their nominations will be considered for selection in 2023, when we have plans to deliver two SK RISE programmes; a second English language programme and a Spanish language version.

These Group-level programmes are just a snapshot of the work that is carried out to support the development of our people. Many other training and development programmes take place at regional, country and site level. In total, 190 employees participated in one of our six Smurfit Kappa Academy programmes run in 2022, for a total of 8,037 training hours, or 42.3 hours per person.

### Rewards and Recognition

Our ambition is to attract, retain and recognise our employees through competitive working practices, and making sure that people are not just appropriately rewarded from a monetary perspective, but also see their achievements recognised and valued in the workplace. Our compensation policy ensures that we pay above minimum wage in all our 36 countries, offering employee rewards that consider living wage metrics and benchmarks.

We recognise the success of our people in a variety of ways, because people feel rewarded and are motivated in different ways. Recognition can be anything from a simple thank you from co-workers, to a success story published on the Smurfit Kappa intranet.

There are many ways in which we communicate to our employees that we respect and value them. For example, we have competitive wage structures aligned with market standards, multiple career advancement opportunities, a commitment to global mobility, easy to understand communication of rewards packages; as well as a policy of openly thanking our colleagues for going above and beyond what is expected.

### Progress in 2022

In 2022, we continued to challenge ourselves to ensure the compensation benefits we offer at every level of our organisation in terms of our Rewards and Recognition packages are fair, competitive and compare favourably with the market.

It is also critical that our Rewards and Recognition programmes are aligned to ensure our people can see a clear link between their compensation package and their performance, particularly when they perform above and beyond what is expected. In setting our reward packages, Smurfit Kappa takes into consideration the employee's performance, external benchmark data for their role in companies of similar size and scope, while also ensuring internal equity within the Group.

In 2022, we began digitalising our Rewards and Recognition processes. Our leaders will complete all the necessary details for the process in the new HR Information System, MyHub. This pilot will provide the organisation with a scalable, compliant, and confidential approach to the process.

As an organisation, we are committed to gender pay equality and we continue to proactively monitor the pay of male and female colleagues, in similar roles to ensure it is comparable. For several years under UK legislation, employers with more than 250 employees are required to publish key metrics on their gender pay gap and our business continues to show improvement.

Additionally, by December 2022 it became a requirement for organisations with 250 or more employees to publish gender pay gap metrics in Ireland.

While not a requirement for Smurfit Kappa, as none of our companies in Ireland have more than 250 employees, we have voluntarily published our first Gender Pay Gap Report, which has shown that across our Irish businesses that we have a mean (average) Gender Pay Gap of 1.6%. This means that the mean (average) pay of men in Smurfit Kappa Ireland is higher than the mean (average) pay of women by 1.6%.

Our mean pay gap of 1.6% compared favourably with the wider marketplace. We recognise that industries such as the one we operate within, have historically attracted a lower number of female colleagues. In that light, it is positive to be able to demonstrate a very limited Gender Pay Gap within Smurfit Kappa Ireland. However, a number of measures we have or are planning to put in place to address this gap are outlined in our Smurfit Kappa Ireland Gender Pay Gap Report 2022, which can be found on our website: [smurfitkappa.com](https://www.smurfitkappa.com).

The Group is also very focused on ensuring that positive employee and trade/labour union relations are maintained to the highest of standards, so we can ensure fair and sustainable Collective Labour Agreements.

The objectives of our Rewards Policy are to:

- 1 Create a framework to enable the Group to attract and retain talented employees;
- 2 Motivate employees at every level of the organisation to achieve the Group's strategic objectives;
- 3 Provide competitive rewards and benefits that are clearly linked to performance;
- 4 Digitisation of our key processes.

### Fair Pay, Compensation and Benefits

We provide competitive rates of pay to ensure fair compensation benefits across all our locations. We apply the 'same job, same pay' principle, and do not gender-discriminate on salary, benefits or any other consideration.

Smurfit Kappa provides a range of employee benefits such as parental leave within local legislations and, depending on our countries, pensions and life insurance form an integral part of the remuneration packages.

Our compensation policy ensures that we pay above minimum wage in all our 36 countries.

In all of our countries we offer similar basic benefits to our employees, full-time, temporary and part-time. The benefits depend on the local social security systems and legislative requirements which vary between countries. Due to vesting periods, stock ownership benefits, where offered, are not applicable for temporary employees.

People continued

# Health, safety and wellbeing

Having products produced in a safe and healthy environment is important to all our stakeholders, especially our employees, their families and the communities where we operate. Therefore, the safety and wellbeing of our workforce is something we take very seriously.

The health, safety and wellbeing of our teams across the world is at the core of how Smurfit Kappa operates and also at the heart of our corporate social responsibility. It is part of our culture and cemented in our organisational values of: Safety, Integrity, Loyalty and Respect. Indeed, our vision is to ensure that every day, every Smurfit Kappa employee returns home safely to their families.

This concept applies equally not only to our own employees, but also to contractors, sub-contractors and other visitors to our sites. Operating a global, integrated business model means that we have a set of health and safety procedures and management systems, owned and managed by countries or clusters, spanning all of our operations from production sites to offices. The local health and safety teams ensure that we abide by local legislation, but also adhere to the Group Policies and audit protocols. Our health and safety protocols describe the processes to

identify and assess risk on health and safety hazards and is available on our website [smurfitkappa.com](http://smurfitkappa.com).

Our Safety for Life Initiative has identified six high-risk areas for which specific tools have been developed to promote strong risk-management and safe choices at work. These areas are: Energy Isolation; Management of Contractors; Contact with Moving Machines; People and Vehicle Interactions; Warehouse and Backyards; and Working at Heights.

### Focus on Behaviour

Health, safety and wellbeing is a mindset, and our approach is to embed a safety-first approach deeply in the company culture to deliver on our aspiration to eliminate all serious incidents and accidents from our operations. We believe that strong health and safety is about individual and collective choices, responsibility and actions. Our Safety for Life Initiative does this through building

an emotional link between the choices we make at work and how that affects the choices we are able to make in our personal lives. Similarly, we also support the choice of a healthy lifestyle, as that also impacts our employees' wellbeing at work and at home.

Alongside our COVID-19 ways of working, we also kept our focus on our business-as-usual progress, and continued to deliver our core Safety and Wellbeing programmes including 'Safety for Leaders' across our operations. This programme helps build resilience, joined up thinking and good teamwork, at a time when it is really needed. In the Americas, we launched a Behavioural Safety Initiative in 2021 - Human Reliability Training - in order to improve the safety culture and leadership, particularly for front-line operational leaders that continued into 2022.

## Our Six High-risk Areas



**“We believe that strong health and safety is about individual and collective choices, responsibility and actions.”**

## Case Study

## Guardian Angels at Smurfit Kappa Queretaro Mexico

Engaging all employees at the site was at the core of Smurfit Kappa Queretaro's idea when they started their Guardian Angel Programme in 2022. The purpose of the programme is for everybody to feel taken care of, listened to, and always protected.

To make this happen, the corrugated plant has created a designated role in which a staff member oversees the programme – working as the Guardian Angel of the month.

The Guardian Angel will follow a procedure developed for the programme such as walking on the shop floor and looking for any safety and wellbeing needs, talking to colleagues, collecting ideas, and suggesting improvements. Each month a report is put together based on the Guardian Angel's findings. These may be solved by the site or followed up by the next Guardian Angel to keep consistency of the good work.

“Having Guardian Angels on site, we have noticed that small actions such as listening and making some small reorganisational changes, such as relocating items to less hazardous places, improves the work environment, prevents incidents and increases engagement to be the best place to work,” says Fernanda Zuñiga, Human Resources Manager for the site.

## Case Study

## How to Lead Safety and Wellbeing Argentina and Chile

Working on behaviour is in the core of Smurfit Kappa's Health and Safety strategy, and good behaviour starts from the top. Smurfit Kappa Central, Argentina and Chile clusters designed and implemented a learning strategy under the topic 'How to anticipate error and violation' to promote safe and health oriented decision making.

“We want to be an organisation that learns and reflects critically on mistakes and the pattern setting behaviours behind them,” says Claudio Martines, H&S Cluster Manager for Argentina and Chile. “Improving causal analysis of incidents and understanding and anticipating human error helps to ensure that accidents at the workplace are not repeated,” continues Oscar Velasco, H&S Cluster Manager for Central cluster.

We created a virtual learning environment, using incidents that had occurred in the past to educate our leaders to use different sets of tools and communication skills to prevent future incidents. The key elements in the training include understanding human behaviour, creating networks of trust, reliable accident investigation and positive interventions. With the learnings from the training we aim at lasting transformation in behaviour.

The programme started in the Central Cluster where we have already 700 leaders trained by the end of 2022, and another 700 will be trained in Argentina and Chile in 2023.



700  
leaders trained in 2022

## People continued

The wellbeing of our employees is core to our agenda. In 2020, we launched a new Employee Assistance Programme ('EAP') and made it available to all of our European colleagues and their families. The programme was piloted in the Americas region in Mexico and has now been rolled out in all countries in the Americas. This means we now have an EAP programme in place across the entire organisation. The EAP programme is available for all Smurfit Kappa employees regardless of whether the employee has been hired by Smurfit Kappa or an agency.

### Health and Safety Policy

We continuously review and improve our Health and Safety practices and performance, to progress towards our vision. We know that doing the right things in the right way, with integrity and respect, is necessary to engage our employees and create a successful business based on trust. Smurfit Kappa has a structured approach to health and safety, through which we continually improve our safety performance.

It is our policy to:

- Promote a supportive culture focusing on openness, involvement and dignity in the workplace; we are all responsible for each other's health, safety and wellbeing;
- Provide constructive feedback to success and setbacks in equal measure. We care for our employees and expect them to care for each other, by speaking up when noticing anything they feel is unsafe or would harm anyone's health or wellbeing;



- Review workplace incidents so there is consistent reporting, investigation and, where appropriate, identification of improvement opportunities that strengthen our health and safety management systems and wellbeing;
- Comply with all applicable legal requirements and implement good health, safety and wellbeing practice by effective deployment of our health and safety management systems;
- Ensure that all line managers foster a work environment where every member of the workforce, including contractors, understands their role in health, safety and wellbeing, and delivers on their individual responsibilities;
- Ensure that all operational managers take responsibility for health and safety implementation, communication and compliance;
- Foster a work environment where every member of the workforce understands their role in health and safety, and delivers on their individual responsibilities;
- Ensure that our employees and contractors are trained to work safely; and
- Have processes in place to identify health, safety and wellbeing hazards so that risks are assessed and minimised to acceptable levels, to prevent the occurrence of injury and ill health to our employees, contractors, partners and visitors.

### Case Study

## Promoting Wellbeing in our Workplace

### Global

The health, safety and wellbeing of our people is something we take seriously, and some of our sites across Europe prove how broadly we apply this.

Healthy habits and exercise have the most positive impact when we do them regularly together. So at Piteå in Sweden, a group of employees and the mill's physiotherapist aim to inspire employees to live a more active life. Their initiatives include a gym that's free for employees and their families to use, and arranging regular healthy activities plus training sessions, courses and lectures.

At Zedek in the Netherlands, one of the folding and gluing machines was upgraded in consultation with operators to provide the highest levels of safety. The new solution included a smart automated door-lock system and a starting procedure that requires pressing two buttons,

which means operators need to signal to each other first. The operators now have much more confidence in all of the machine's safety components.

Smurfit Kappa in Poland has made it easier to practice wellbeing by creating a free private club on the Strava app. It's all about supporting and encouraging an environment where everyone can be the best version of themselves.

In Spain, the Cordovilla plant was awarded the prestigious Blue Prize by Mutua Navarra. The judges praised their innovative and sustainable solutions to improve the health of people and the organisation, including initiatives to support mental wellbeing during the pandemic. And recognised the impact of the measures on wider society according to the UN SDGs.

**Health and Safety Processes**

Our health and safety systems are owned by the respective businesses but are audited to consistent policies across the Group, so that we work to the principles of our Group Health and Safety Policy, local legislation and local risk assessment. All sites have local health and safety support to guide the implementation of the Policies and systems. We have Health and Safety Committees at site, regional and Executive Committee levels.

Understanding the health and safety risks is based on our Policy on Incident Investigation, Reporting and Communication. In addition, we have a Policy on Hazard Identification and Risk Assessment, applicable to all businesses. We also have an Energy Isolation Policy Lock out, Tag out, Try out (LOTOTO) applicable to all sites across the Group. All employees, contractors and visitors are encouraged to report any incidents, including near-misses, ensuring that we learn from our mistakes and repeat-incidents are avoided.

Embedding health, safety and wellbeing thinking into the Company culture means that we have opportunities to listen and share new initiatives, alongside a strong safety agenda in all meetings. Supporting this is a positive culture of competence brought about by consistent and Company-wide training programmes. Employees receive extensive health and safety training that adheres to both country legislation, and also the progressive ambitions of Smurfit Kappa. Significant behavioural-based safety training programmes are in place for all site-based levels of management. New employees, contractors, sub-contractors as well as visitors get an introduction to the site safety measures at the beginning of their tenure in any Smurfit Kappa site.

**Progress in 2022**

One of the most important achievements of our Health and Safety programme is the continued positive performance of our TRIR trends. Focusing on TRIR has delivered a good result, placing us in a leading position among our peers in health and safety. In 2022, we reached a TRIR of 0.51, a 13.6% improvement on 2021 and 50% improvement since our baseline year 2018.

To continue to deliver these and indeed even better numbers in the future, this year we launched a new five-year strategy to continue our positive trajectory. This is focused on four key areas:

- 1 High risk management
- 2 Behavioural-based safety
- 3 Implementation of a Group-wide safety management tool
- 4 Health and wellbeing

In order to deliver against these key strategic areas in our plants and mills across the world, we have designed, built and began the implementation of our new health and safety management system. This is a tool to support supervisors, managers and our health and safety teams with their daily responsibilities. It makes it easy to track and report safety data, analyse trends and draw insights, meet compliance requirements and reduce administrative work. It will also help to increase visibility, drive down incident rates and continue to promote a safety culture across our organisation.



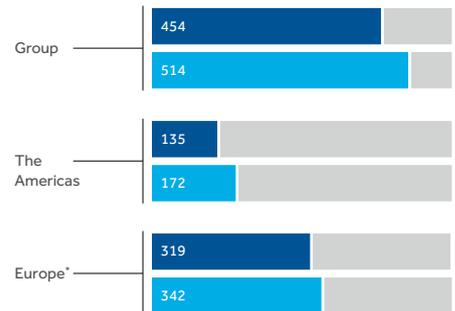
## People continued

Additionally, we executed the following activities as part of our Annual Safety Improvement Plans to continue to drive awareness and keep attention on this key topic:

- On World Safety Day (28 April) we launched an initiative on hand safety under the strapline 'Safety it's in your hands'.
- Through our free and confidential Global Employee Assistance Programme, we continued to provide support to our employees and their family members to cope with any work, life or health concerns. The service offers help to deal with any tough situation that our people and their families are not quite sure how to handle. It is easy-to-access and is available 24/7.
- We undertook a summer Health and Safety campaign, under the banner of 'We're Thinking Safety', to reinforce the message that safety is everyone's responsibility, including contractors. This built on our previous years' message 'I'm thinking Safety' and continued to use our Safety for Life branding.
- We continued with our Safety for Leaders programme, which we had begun to roll out during the pandemic via MS Teams. In 2022, it became a significant face-to-face training programme to further support our managers with their health and safety responsibilities.

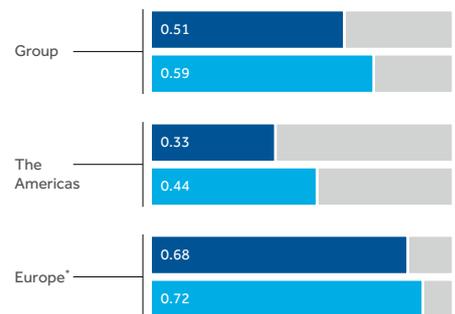
- We further developed our health and safety processes with a particular focus on our Energy & Machinery Isolation Policy, under the theme 'Lock Out, Tag Out, Try Out'.
- Our Health & Wellbeing agenda gathered further momentum with the implementation of our Health & Wellbeing Framework. This has been supported with regular activities such as 'World Mental Health Day'.
- We implemented a new case management process, so that where serious injuries occur, we have a support system in place for those involved.
- Three new Policies (Management of Change, Workplace Inspection and Confined Space Entry) were developed and deployed in the final quarter of the year.
- In December 2022, we regrettably had a subcontractor employee fatality in our Forestry Operations in Colombia. We have launched a campaign in collaboration with our contractors to improve safety at our harvesting operations. This includes raising awareness, training of personnel and managers as well as improving harvesting technology.

### Total Recordable Injuries



Key: ● 2022 ● 2021

### TRIR



Key: ● 2022 ● 2021

\* The employees reporting to Group functions are included to Group data only since 2021. Previously, this data was also included in European figures.

### Case Study

## Employee Assistance Programme is for our People

### The Netherlands

Employee wellbeing is an important element of how we demonstrate that health, safety and wellbeing are core values in Smurfit Kappa. An employee who feels well and has a healthy work-life balance is better able to make decisions at work and at home, which supports their health and mental wellbeing.

At our Vandra corrugated plant in the Netherlands, EAP is embedded in the communications plan for all employees.

“We have focused on ensuring our EAP is visible and understood by everyone at the plant,” explains Cathelijn Schoenmakers, Project

Manager and Communications Specialist on site. This means for example that there are posters about EAP on display in high-traffic areas of the plant, such as coffee areas, canteens, locker rooms and information boards. “When we rolled out the programme, we also handed out flyers explaining the services available to all colleagues through our EAP and it is part of our onboarding process.”

“Now the focus is on making people comfortable about using it,” says Vera Vissers, HR Team Lead at Vandra. “We highlight the programme on our SKTV in intervals and our managers have been trained to talk about the

programme with their team members when they think it could be useful,” adds Cathelijn. “Highlighting EAP next to stories about wellbeing in our internal magazine is also part of the plan.”

“When people understand the full extent of the programme and that it is 100% confidential, they gain confidence to use the service,” says Vera. “Having a system that offers help in work, as well as in everyday life, is a great way of showing how much we care about our employees, and through good communication we can keep the option of seeking help in everyone’s minds.”



Colleagues to receive a copy

**780+**

Case Study

# 100 Stories on Safety

The Americas

When a colleague shares their safety-related story, it brings to life the dangers of workplace accidents and the potential to have a positive impact and change behaviour is much more likely. This was the idea behind the SK Tijuana book, 100 Stories on Safety. In mid-2022, the sites published the second edition of the book, printing 1,200 copies and distributing them to all 780+ colleagues at all sites in Tijuana and other sites in SK North America ('SKNA').

The book is a collection of stories, written and told by members of all departments. Each of the stories has been told in the person's own words, from their perspective, and is not only focused on the safety challenges of working alongside the machinery, but also includes safety in the office environment and even at home. Featuring illustrations by a local artist, the book has become popular in SKNA, supporting the behavioural change in safety, and creating a feeling of togetherness and engagement at the SK Tijuana sites.

People continued

# Communities

We have always believed strongly in being part of the communities in which we are privileged to operate. Through our local operations, we actively support projects that help build a sustainable future for their communities.

We remain deeply committed to our local communities and have always strongly believed in being part of, collaborating with, and giving back to the communities in which we are privileged to operate. Despite facing another challenging year, our teams across the world continued to donate their time, effort and expertise to make a positive and lasting impact on their local communities.

Through our operations, we actively support projects that help build a sustainable future for the communities in which we live and work. We engage with and support local economies and livelihoods by creating opportunities directly and indirectly for employment, investing in infrastructure, and contributing to community activities through our Open Community initiatives. In addition to the direct involvement of our operations

in their local communities, the Group also provides 100% of the funding to the Smurfit Kappa Foundation, ('the Foundation'), a registered charity in Ireland, which focuses on delivering a positive impact on the lives of underprivileged people in the communities where we operate. Since being formed in 2011, the Foundation has supported a total of 200 projects with a social investment of over €12 million in 24 countries.

## Involved in Communities

We always consider the concerns of the wider community at national and international level. Community involvement builds trust and serves as a link to the issues important to us. Local general managers are expected to represent the Group as part of the local community and play a positive part in its development.

The Smurfit Kappa Foundation  
has invested over

**€12 million**

in social projects

## Case Study

### Atomic Ambassadors

#### Argentina

In early 2021, the Smurfit Kappa Bernal paper mill in Argentina officially joined the Atomic Ambassadors community by partnering with Atomic Lab, an organisation created by the inventor Gino Tubaro. Atomic Lab aims to improve the quality of life through technology by providing free 3D printed prosthetic limbs. Through 3D printing, children and adults with disabilities can be changed into superheroes, giving them a unique life-changing opportunity.

After installing a 3D printer at our Bernal site, our employees volunteered their time to train how to create 3D printed prostheses and continued to give their time to print more to donate them to the people who need them. We saw volunteers from across the

design, production, network support, delivery, distribution, and communications teams at the mill become Atomic Ambassadors, who, alongside Gino Tubaro and Atomic Lab, produced and donated four prostheses with unique designs to those in need of them.

**“The way Atomic Lab uses technology to improve the lives of hundreds of people is amazing. To be an Atomic Ambassador is a great honour.”**

Lucila Garcia, Process Chief at Bernal site, Argentina

**“In our philanthropic work, we focus on self-help initiatives, education and health programmes, and contribute through financial donations and volunteering by local employees.”**

Where relevant, we take part in local community engagement projects and impact assessments. Our operations play a role in education, and supporting locally vulnerable groups. As an example of the impact, effectiveness and innovativeness of our focus on employee health, safety and wellbeing, the Mutua Navarra awarded our Cordovilla corrugated plant in Spain with a Blue Prize in 2022.

In our philanthropic work, we focus on self-help initiatives, education and health programmes, and contribute through financial donations and volunteering by local employees. Examples of these can be found throughout the People Section of this report and in the ‘Our Open Community’ booklet, available at [smurfitkappa.com](http://smurfitkappa.com).

All our European sites and the majority of our sites in the Americas have performed an environmental impact assessment which is typically part of the local operational permit process. Each site has an official community-grievance process and we are committed to following these up. The main reasons for complaints are typically, noise and odour from our operations.

The circular economy has an impact on our communities as well. Smurfit Kappa participates widely in local circular operations. Some examples of these are:

- Delivering district heating from our paper mill to the residents of Piteå, Sweden, with a similar project under development in Nettingsdorf, Austria;
- Supporting municipality water treatment systems with our effluent, which has nutrients that help treat municipality waste water in Nettingsdorf, Austria, and Nervión, Spain;
- Treating municipality waste water in Morava, Czech Republic;
- Maintaining rural road structures at our Colombian Forestry Operations; and
- Collecting city-recovered paper in Malaga, Spain.



## People continued

### Smurfit Kappa Foundation

During 2022, we redefined the purpose of the Foundation, so in addition to a focus on children, the Foundation also financially supports sustainable projects that positively impact the lives of underprivileged people in the areas of health and nutrition, education and basic care, thus helping to reduce inequalities that exist. Throughout 2022, over 40 projects were supported, donating over €2.7 million to charities with a focus on supporting mental health and wellbeing programmes, a continuous emphasis on the health and education of underprivileged people, as well as projects to support the inclusion of all in society. Using the UN's SDGs as a guide, we focused on delivering impact for six SDGs: No Poverty, Zero Hunger, Good Health and Wellbeing, Quality Education, Gender Equality and Reduced Inequalities.

### Progress in 2022

The war in Ukraine and the people affected by this tragedy was a particular focus for our fundraising and volunteering hours during the year. Working with the International Red Cross and the Polish Medical Mission, the Smurfit Kappa Foundation, provided funding for life-saving humanitarian aid to the people of Ukraine fleeing the war in their country, as well as funding for the provision of medical aid for Ukrainians on the Polish border. In addition to the contribution made by the Foundation, colleagues across the world combined with the Group, who doubled their

efforts, to raise a further €2.4 million to fund various local charities involved in the humanitarian efforts and provide funds to the International Red Cross.

We estimate that as a Group, including our Foundation, we donated €6.6 million in 2022. This was for a wide range of activities, including children's education, health and social-inclusiveness projects and research.

Our target is to donate over €24 million to social, environmental and community activities between 2020 – 2025. In addition, we will support volunteering by our employees. Our Employee Volunteering Programmes will support paid time-off for employees to participate in chosen community activities. Reporting against our target, we are now at €18.4 million of the target of €24 million to be donated between 2020–2025.

We are proud of all our community activities and believe these are a demonstration not only of our organisational culture but also of our essential and enduring purpose to create, protect and care. Our Open Community initiatives cover all aspects of our involvement with our communities worldwide, which are captured under four categories outlined below.

In 2022, our colleagues invested over 6,300 hours in social projects and these projects impacted 109,000 people in our communities.

**“During 2022, there was a focus on supporting mental health programmes, a continuous focus on the health and education of underprivileged people, as well as projects to encourage the inclusion of everyone in society.”**

## Our Open Communities Initiatives



### Key

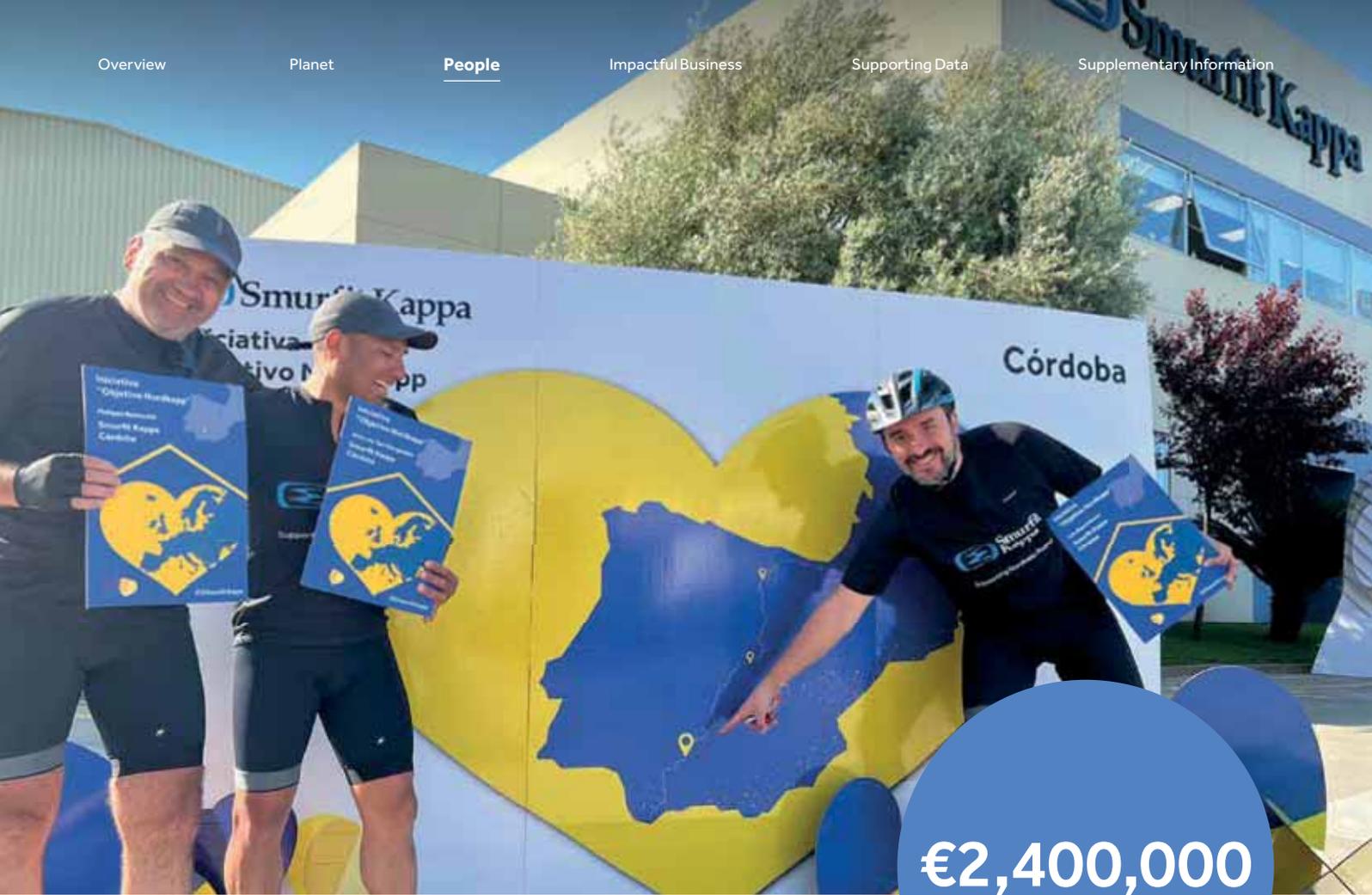
- Empowering communities – 38%
- Encouraging wellbeing – 36%
- Inspiring our future – 19%
- Protecting our planet – 7%

**66**  
Empowering communities projects

**62**  
Encouraging wellbeing projects

**33**  
Inspiring our future projects

**12**  
Protecting our planet projects



**€2,400,000**  
donated

Case Study

**Supporting our Colleagues who are Ukrainian and their Communities**

Global

When the war in Ukraine broke out in early 2022, Smurfit Kappa immediately focused its attention on helping colleagues directly impacted by the conflict, as well as the wider population affected in Ukraine. We began our work by setting aside the agenda for our leadership conference and made the event into an information gathering and sharing session to see how we could help and assist those in need.

In the early days of the war and over the past year, we have donated almost €2,400,000 to fund various local initiatives including re-location and accommodation of our employees from Ukraine. These funds were raised through direct donation from the Group, the Smurfit Kappa Foundation, as well as various colleagues across the globe participating in fundraising initiatives.

Through our colleagues in Poland, we also supported local charities involved in the humanitarian effort. Our activities included:

- Accommodation for over 60 families of our employees who are Ukrainian
- Supporting the Pass It On Foundation, which is accommodating and offering rehabilitation to 32 disabled people, including children from Ukraine.
- Assisting the ECHO Foundation, which rehabilitates deaf children and is currently supporting a number of Ukrainian children.
- Keeping seven ambulances on the road, which are used in eastern Ukraine to ferry the sick and injured to hospital.
- Maintaining a sanatorium in Ukraine, where refugees from eastern Ukraine, mainly from Mariupol, are staying – about 150 women with children.
- Working with the Fundacja Obywatelska Wielkopolska Drohobycz Foundation, which takes care of two refugee centres in Morszyn and Drohobycz in western Ukraine. Approximately 600 women, children and older people are housed in these centres.
- Providing packaging for transporting food and cleaning products for Ukraine, as well as care packages for women, children and babies.

A further €105,000 was raised for the International Red Cross when last summer two of our employees completed a 6,500km bike ride from Gibraltar to the Nordkapp summit to fundraise for Ukraine.

# The Smurfit Kappa Foundation



Supporting sustainable projects in the countries where we operate with a focus on health and nutrition, education, and basic care. These are some of the highlights from 2022.



**73**  
basic care projects  
2012-2022

**87**  
education projects  
2012-2022

Case Study

## Casita del Niño 'Rincón del Sol'

Argentina

The Smurfit Kappa Foundation supported the final stages of the construction of a brand new headquarters for the Casita del Niño 'Rincón del Sol' organisation in Sunchales, which works with children in vulnerable situations. The new headquarters will have comfortable, well-equipped spaces to facilitate the different daily activities of the organisation, such as providing meals, hygiene information, educational support, recreation and the promotion of resources and skills for the development and strengthening of family and community networks. The new building will have a total area of 586 square metres.

**"Smurfit Kappa's support has been key to making this progress. It's a commitment that goes far beyond just providing money."**

Mayor Roman Berardi

Case Study

## Promoting Opportunities for Small Rural Producers

Colombia

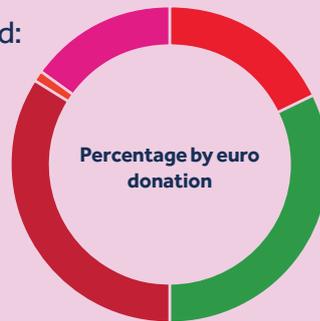
The Smurfit Kappa Colombia Foundation provided funding for the 'Colombia in Peace' fund alongside Colombian organisations Sustainable Colombia, Alpina, Supracafé, and Alpina Foundation. The programme's mission is to close the disparity of technology and business knowledge that can see rural producers exploited in their industry, where their production costs versus value yield often keep them in a perpetual state of social vulnerability and poverty. The Smurfit Kappa Colombia Foundation made a financial contribution of approximately €82,500.

With further contributions and work of the partnering organisations, two commercial agreements have been reached with Alpina S.A. and Supracafé Colombia S.A. to market the production of milk and coffee for the producers as a collective. This agreement will result in small rural producers selling their yields as a collective, directly to wholesalers, rather than selling individually through intermediaries.



## Delivering for UN SDGs

In 2022, the Smurfit Kappa Foundation supported:



- Key
- UN SDG 1 No poverty: 18%
  - UN SDG 3 Health and wellbeing: 32%
  - UN SDG 4 Education: 34%
  - UN SDG 5 Gender equality: 1%
  - UN SDG 10 Reduce inequalities: 15%

# 40

health and nutrition projects  
2012-2022

# 200

projects across  
24 countries  
2012-2022

# €12.4

million invested  
2012 – 2022

# €2.7

million invested  
2022

### Case Study

## La Stazione Rulli Frulli Italy

With the support of the Smurfit Kappa Foundation and the local SK Camposanto plant, an abandoned bus station in Finale Emilia, within the Modena region of Italy, became a place where young adults and children could come together in this socio-occupational project to create a space for cultural and professional activities.

In partnership with 'Astronave Lab,' an inclusive carpentry school, and the music band 'Rulli Frulli,' young people with disabilities, professionals with special needs and passionate volunteers transformed the old bus station into a multi-functional hub, providing them and the local community with a music school, craft and carpentry workshop, and bistro.

As a result of the renovation work and the €192,000 donation by the Foundation, an average of 800 people every week can now benefit from this inclusive community centre.

Federico Alberghini, Rulli Frulli band conductor and project manager, said: "Thanks to Smurfit Kappa, this abandoned place is an example of inclusion and a meeting point that will enable the integration for young people that need support. This project is a benchmark for private companies supporting the local communities."



# €192,000

donated by SK Foundation