



Delivering for the SDGs

UN Sustainable Development Goals Report



INTRODUCTION

At Smurfit Kappa, our purpose is to create, protect, and care; that is why we have set ambitious sustainability targets within our Better Planet 2050 commitment.

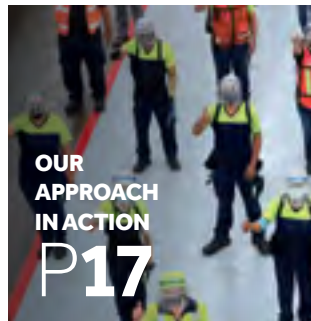
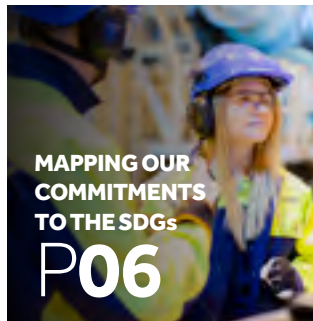
These targets focus on our strategic priority areas and are aligned with the UN 2030 Sustainable Development Goals (SDGs). By reporting on our progress within the framework of the SDGs, we are supporting a global effort for sustainable development. We believe this focus on our own sustainability goals will help us make the greatest positive impact for our planet, our people and for sustaining an impactful business.

This report brings together our approach and commitment to the SDGs, describes our current alignment to the SDGs, highlights key impact

opportunities for the most material SDG targets and explains the interconnections between our end-to-end sustainability strategy and the SDGs.

The Smurfit Kappa SDG Report has been created for our stakeholders who wish to gain a better understanding of our approach to the SDGs.

We welcome collaboration throughout our value chain to drive change for a more sustainable and resilient world for the generations to come.



In 2021, Smurfit Kappa was the first FTSE 100 company to achieve five stars from Support the Goals. This means we meet all five rating criteria by: having defined the key SDGs, having set measurable targets delivering to the goals, sharing examples of our work, reporting on our progress, and actively engaging with our suppliers in their commitment to the goals.



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SMURFIT KAPPA AND THE SDGs

Smurfit Kappa is one of the leading providers of sustainable packaging solutions in the world. We operate across 36 countries in Europe and the Americas with around 48,000 employees in over 350 production sites and revenue of €10.1 billion in 2021.

We are committed to being an impactful business and supporting a greener, bluer planet. This means doing the right thing for our people, our communities and our environment, through circular products and processes. We have an integrated model of containerboard mills and corrugated box plants, our circular system is further demonstrated by our primary raw material, which is post-consumer recovered paper.

True sustainability is end-to-end: from procurement and working with our suppliers, to production and product delivery to our customers. By thinking about the whole of our business and product life cycle, rather than individual parts in isolation, we can collectively achieve more. In looking beyond our own operations and collaborating with our suppliers and like-minded organisations, we can collectively create social, economic and environmental value.

The 17 SDGs and their 169 specific targets are an urgent call to action for a global partnership in which all stakeholders use goals and targets to collectively tackle climate change, reduce inequalities and create economic growth.

Through our size and scope, we support all 17 SDGs. We believe our impact is most material in the delivery of six Goals and we have a significant contribution to four additional SDGs. We support the remaining seven SDGs.

<p>1 NO POVERTY</p>  <p>No. 1 – No Poverty End poverty in all its forms everywhere.</p>	<p>2 ZERO HUNGER</p>  <p>No. 2 – Zero Hunger End hunger, achieve food security and improved nutrition and promote sustainable agriculture.</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>  <p>No. 3 – Good Health and Well-being Ensure healthy lives and promote wellbeing for all at all ages.</p>	<p>4 QUALITY EDUCATION</p>  <p>No. 4 – Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	<p>5 GENDER EQUALITY</p>  <p>No. 5 – Gender Equality Achieve gender equality and empower all women and girls.</p>	<p>6 CLEAN WATER AND SANITATION</p>  <p>No. 6 – Clean Water and Sanitation Ensure availability and sustainable management of water and sanitation for all.</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p>  <p>No. 7 – Affordable and Clean Energy Ensure access to affordable, reliable, sustainable and modern energy for all.</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>  <p>No. 8 – Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>  <p>No. 9 – Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	<p>10 REDUCED INEQUALITIES</p>  <p>No. 10 – Reduced Inequalities Reduce inequality within and among countries.</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>  <p>No. 11 – Sustainable Cities and Communities Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>  <p>No. 12 – Responsible Consumption and Production Ensure sustainable consumption and production patterns.</p>
<p>13 CLIMATE ACTION</p>  <p>No. 13 – Climate Action Take urgent action to combat climate change and its impacts.</p>	<p>14 LIFE BELOW WATER</p>  <p>No. 14 – Life Below Water Conserve and sustainably use the oceans, seas and marine resources for sustainable development.</p>	<p>15 LIFE ON LAND</p>  <p>No. 15 – Life on Land Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>  <p>No. 16 – Peace, Justice, and Strong Institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>  <p>No. 17 – Partnerships for the Goals Strengthen the means of implementation and revitalise the global partnership for sustainable development.</p>	

OUR APPROACH AND METHODOLOGY

Smurfit Kappa's SDG alignment is part of our materiality assessment which is compliant with the GRI Standards. We have followed the guidance of the SDG Compass and the approach taken by the WBCSD.

We started by understanding the individual targets under each Goal and identified those where the private sector can contribute. We then aligned these to our business model and the known issues within our geographical reach.

To understand our relevance to the SDGs we have looked at where reducing our footprint has the most material impact and also reflected where building on our positive actions help deliver the most meaningful contribution.

We have defined three categories for our delivery towards the success of the SDGs depending on the impact and contribution we can make.

We mapped our time-bound sustainability targets against the SDG targets and when we updated our Better Planet 2050 commitment, we deepened this alignment. These targets and their alignment have been reflected under each strategic priority area on pages 6 to 16.

Smurfit Kappa is a member of the WBCSD and its Forest Solutions Group which was the first to publish a forest sector related SDG roadmap. While we created our own SDG alignment, we reflected the agreed approach for our industry from the process and framework at the Forest Solutions Group.

“Our alignment to the UN SDGs is focused on where we can deliver meaningful action and have the greatest positive impact.”

Smurfit Kappa IMPACTS 6 SDGs (3, 6, 7, 12, 13, 15)

These six SDGs have been identified as the core Goals where Smurfit Kappa has the most potential to influence and add value. We have also set measurable targets within our impact area for each of these Goals.



Smurfit Kappa CONTRIBUTES to 4 SDGs (5, 8, 9, 10)

These four SDGs have been identified as Goals where Smurfit Kappa's activities have a meaningful contribution towards each achievement. We have commitments within our impact area for these Goals but we also recognise that a full achievement of these Goals requires a wider contribution and activities from other sectors in society.



Smurfit Kappa SUPPORTS 7 SDGs (1, 2, 4, 11, 14, 16, 17)

As a sustainable and responsible business, we support the delivery of each of the SDGs. These seven Goals are important to us through our values and our way of working, however, we recognise that alone we cannot impact the needed change to deliver these Goals.

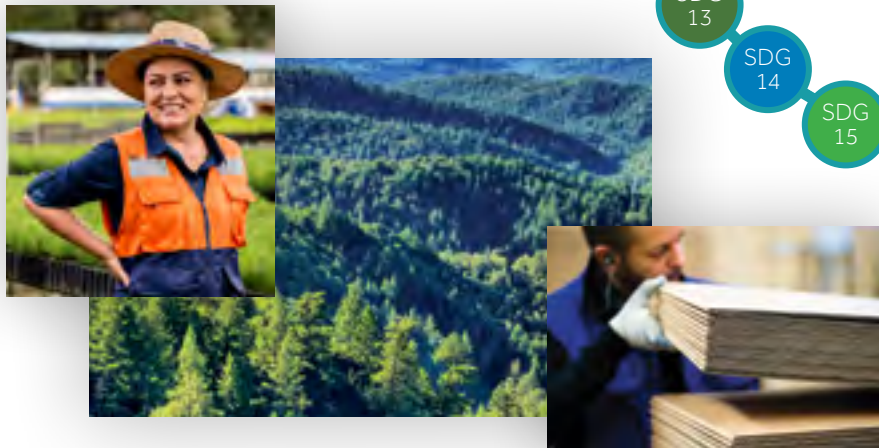


**OUR SUSTAINABILITY STRATEGY
FOR PLANET, PEOPLE, AND IMPACTFUL BUSINESS**

**Smurfit Kappa's
sustainability strategy
is based on three
pillars: Planet,
People, and
Impactful
Business.**

This means: continually striving to minimise our environmental impact and practising responsible governance; treating our stakeholders with respect; and creating an impactful business through our products and processes.

We align the SDGs under these pillars.



A greener, bluer planet

The circular economy is at the core of our business. We use renewable, recyclable, recycled and biodegradable materials to create new products.

We focus on: Climate Change, Forests, Water, Waste

**We impact on SDGs: 6, 7, 12, 13, 15
We support SDGs: 11, 14**



An employer of choice

Having engaged employees is critical for our business. We work safely with talented people in a global, culturally diverse organisation.

We focus on: People Values, People Strategy, Health and Wellbeing, Communities

**We impact on SDG: 3
We contribute to SDGs: 5, 8, 10
We support SDGs: 1, 2, 4**



Impactful business

As a global group, our activities create sustainable value for our stakeholders: shareholders, customers, employees, suppliers and the communities where we operate.

We focus on: Innovation, Governance and Human Rights, Sustainable and Responsible Sourcing

**We contribute to SDGs: 8, 9
We support SDGs: 11, 16, 17**



OUR SUSTAINABILITY STRATEGY FOR PLANET, PEOPLE, AND IMPACTFUL BUSINESS CONTINUED



PLANET

This strategic pillar relates to the following SDGs:



We impact on the following targets:

Climate change 7.2 7.3 7.A 12.6 13.1 13.3	Water 6.1 6.2 6.3 6.4 6.6 12.2 12.4 12.6
Waste 12.2 12.3 12.4 12.5 12.6	Forest 12.2 12.4 12.5 12.6 13.1 15.1 15.2 15.3 15.5 15.8
Reduction intensity to landfill since 2013 29.2%	Reduction in relative CO₂ emissions since 2005 41.3%



Emissions targets approved by the SBTi as in line with the Paris Agreement



PEOPLE

This strategic pillar relates to the following SDGs:



We impact on the following targets:

Safety and Wellbeing 3.3 3.4 3.5 3.9	Reduction in Total Recordable Injury rate between 2018 and 2021 (14% annually) 42%
People Values 5.1 5.2 5.5 5.B 5.C 8.5 8.7 8.8 8.B 10.2	People Strategy 8.5 8.7 8.8 8.B 10.2
Communities 8.5 10.2	Social investments 2020-2021 €12.6m

We contribute to the following targets:



IMPACTFUL BUSINESS

This strategic pillar relates to the following SDGs:



We contribute to the following targets:

Innovation 9.2 9.4 9.5	Views of the InnoTools suite in 2021 160,000
Governance and Human Rights 8.7	Breaches of Laws/Regulations 0
Sustainable and Responsible Sourcing 8.5 8.7 8.8	Supplier audits since 2010 over 350

MAPPING OUR COMMITMENTS TO THE SDGs

PLANET: CLIMATE CHANGE

What We Believe

We are tackling our CO₂ emissions by improving our energy efficiency, as well as moving from fossil fuels to renewable energy, including bio-based sources. In addition, we are improving resource efficiency when producing paper products and optimising the use of raw material residual streams, such as black liquor, in bioenergy production. The circular economy is an opportunity for our business as we seek to use resources efficiently, especially in energy production and the creation of innovative packaging solutions. We use our sustainability data to drive innovation and sustainable product design, develop supportive tools and services, and create packaging solutions for customers that lower their carbon footprint.



What our Stakeholders Expect from Us

Paper manufacturing is energy intensive, and our stakeholders, notably customers and investors, expect us to approach climate change responsibly and provide detailed progress reports. We can also make a significant impact in the value chain through smart packaging solutions that can significantly cut our customers' carbon footprint.

Planet: Climate Change

OUR COMMITMENTS



Commitment #1

A 55% relative reduction in Scope 1 and 2 fossil fuel based CO₂ emissions in our mill system compared with 2005 levels by 2030. Reach at least net zero by 2050.



Commitment #2

Collaboration with customers to determine and reduce footprints of the packaging life cycle.

Our Progress

Commitment #1 Since 2005, we have reached a 41.3% reduction. In 2021, Smurfit Kappa had its CO₂ target approved by the SBTi and further developed its TCFD disclosure.

Commitment #2 Our suite of tools that help and reduce the carbon footprint of our customers' packaging were used 160,000 times in 2021.

CO₂ emissions reduction since 2005

41.3%

Investments in CO₂ reduction in 2021

€57m

Delivering for the SDGs

As a manufacturing business that relies on energy to operate, Smurfit Kappa has a direct impact on affordable and renewable energy. Through our efforts to reduce the climate impact of our operations, as well as our products that can help our customers reduce the climate impacts in their supply chain, and by collaborating with municipalities in district heating, we can contribute to global climate action.

Smurfit Kappa Contributes to the Realisation of the Following SDGs and Targets:

7.2 | 7.3 | 7.A

12.6

13.1 | 13.3



READ MORE ON OUR PROGRESS ON PAGES 17-21 >

MAPPING OUR COMMITMENTS TO THE SDGs

PLANET: FOREST

What We Believe

Promoting sustainable forest management involves managing supplies of sustainable, renewable fibre, while protecting biodiversity and ecosystems, as well as creating employment in rural areas. We work with neighbouring communities, engaging local people in our decision-making.

Wood fibres are renewable and can be recycled up to 25 times when producing paper-based packaging as per a recent study. Using both recycled and virgin fibres in production, we deliver fit-for-purpose packaging with the best overall environmental footprint. We communicate transparently about the sustainable origin of our fibres.



What our Stakeholders Expect from Us

As growing consumption raises pressure on resources, our stakeholders increasingly place value on sustainable consumption, the integrity of origin, recycling and avoiding packaging waste. Sustainable forest management and use of recycled fibres are at the core of the expectations of our stakeholders.

Planet: Forest

OUR COMMITMENTS

Commitment #1

All fibre produced and purchased is CoC certified under FSC, PEFC or SFI (Sustainable Forest Initiative).



Commitment #2

At least 95% of our packaging is certified as CoC certified under FSC, PEFC or SFI.



Commitment #3

All production sites use FSC, PEFC and/or SFI CoC standards.

Our Progress

Commitment #1 We continued to produce and purchase 99.9% of our fibres under fibre-origin management systems that are CoC certified in 2021. This is within our margin of 1% variation.

Commitment #2 93.45% packaging solutions sold as Chain of Custody certified in 2021.

Commitment #3 All production sites use FSC, PEFC and/or SFI CoC standards.

Fibres produced or purchased as Chain of Custody certified in 2021

99.9%

Packaging solutions sold as Chain of Custody certified in 2021

93.45%

Delivering for the SDGs

As a paper-based packaging company that uses recycled and virgin fibres as its key raw material, Smurfit Kappa has a direct impact by mitigating deforestation and supporting forest biodiversity and ecosystems by committing to sustainable forest management and CoC certification.

Smurfit Kappa's Forestry and Sustainable Fibre Sourcing Actions Impact the Following SDGs and Targets:

12.2 | 12.4 | 12.5 | 12.6

13.1

15.1 | 15.2 | 15.3

15.5 | 15.8



READ MORE ON OUR PROGRESS ON PAGES 17-21 >

MAPPING OUR COMMITMENTS TO THE SDGs

PLANET: WATER

What We Believe

Over 90% of the water we use is returned to nature in good condition, and the rest is emitted as steam into the air during the process or is bound to the product. As a processor and not a consumer of water, we focus our efforts on further improving the quality of water we discharge, decreasing our water intake and understanding the risks associated with water availability and use in the areas where we operate. This strategy positions us well to deliver a positive change to our processes and the environment.



OUR COMMITMENTS

Commitment #1

Reduce the organic content of water returned to the environment from our mill plants (chemical oxygen demand (COD)) by 60% compared with 2005 levels by 2025.



Commitment #2

Perform environmental impact assessments of the water use of our paper mills (where relevant) and develop water usage measurements.



Commitment #3

At least 1% intensity reduction annually of water intake by our global paper and board mill system with 2020 as reference year.

Our Progress

Commitment #1

Since 2005, we have reached a 38.5% reduction.

Commitment #2

We finalised the water risk assessments in our paper mills with two final sites assessed in 2021.

Commitment #3

In 2021, we reached a 6.2% reduction of water intake at our paper and board mills compared to 2020.

Reduction of relative COD in water discharge since 2005

38.5%

Investments in water treatment projects in 2021

€20m

Delivering for the SDGs

Water is a critical element in the paper-making process. Without water, we cannot produce the paper we need for our packaging solutions. As a processor, not a consumer of water, we focus on the quality of the water we return to nature. Smurfit Kappa has a direct impact on clean water resources.

Smurfit Kappa's Water Management Practices Impact the Following SDGs and Targets:

6.1 | 6.2 | 6.3 | 6.4 | 6.6

12.2 | 12.4 | 12.6



What our Stakeholders Expect from Us

Stakeholders are increasingly requesting information about our responsible water stewardship covering our paper and packaging production as well as our supply chains.

Our key water footprint consists of paper manufacturing and forest and plantation management.

Planet: Water

MAPPING OUR COMMITMENTS TO THE SDGs

PLANET: WASTE

What We Believe

Our circularity starts with our product, old boxes are needed to make new ones. We handle over 7 million tonnes of primarily post-consumer recovered fibre per annum. We believe the circular economy is the business model for the future, and that we have an important role to play in it. Our products are designed to prevent loss and damage to the consumer goods they protect. Our packaging is produced efficiently and is 'right-weighted' to optimise resource use and minimise waste, and it is made from 100% renewable and recyclable fibres. Once fibres are depleted they are typically used for energy generation or in agriculture due to their natural, biodegradable composition.



What our Stakeholders Expect from Us

Reducing waste is important to our stakeholders and especially our customers. They ask us to reduce waste in our production processes but also to deliver fit-for-purpose packaging that reduces packaged product waste and contributes to the circular economy.

OUR COMMITMENTS



Commitment #1

Decrease the waste sent to landfill by 30% per tonne of product produced by our mill system compared with 2013 levels by 2025.



Our Progress

Commitment #1

Since 2013, there has been a 29.2% reduction of waste to landfill from our paper mills.

Handled over 7 million tonnes of primarily post-consumer recovered fibre per annum

7m

Reduction in waste to landfill

29.2%

Delivering for the SDGs

As a paper-based packaging company that uses recycled fibres as its key raw material and that produces packaging solutions that are recyclable and recycled, and help to reduce waste of packaged goods, Smurfit Kappa has a direct impact on responsible consumption and production.

Smurfit Kappa's Circular Business Model and Packaging Design Impact the Following SDG and Targets:

12.2 | 12.3 | 12.4 | 12.5 | 12.6



Planet: Waste

READ MORE ON OUR PROGRESS ON PAGES 17-21 >

MAPPING OUR COMMITMENTS TO THE SDGs

PEOPLE: PEOPLE VALUES

What We Believe

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.

With a workforce of 48,000 people, fostering diversity, inclusion and belonging is important to us.

We truly value our diverse mix of people, who bring so much to our organisation.



What our Stakeholders Expect from Us

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.

People: People Values

OUR COMMITMENTS



Commitment #1

By 2024 we will strive to have a 25% female representation in management positions across the Group.



Commitment #2

Provide a 'Speak Up Service' where our employees and all stakeholders can report wrongdoing or possible wrongdoing in full confidence, ensuring 100% of the allegations are fully investigated and actioned accordingly in a timely and professional manner.

Our Progress

Commitment #1

In the first reporting year we were able to achieve a 22% female representation in management positions.

Commitment #2

A Materiality Assessment was developed to define material and reportable cases. 70 cases were identified and fully investigated, with 27 of them substantiated or partially substantiated.

Female representation
across senior management

31.6%

Women
on the Board

33.3%

Delivering for the SDGs

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.

Smurfit Kappa Contributes to the Realisation of the Following SDGs and Targets:

5.1 | 5.2 | 5.5 | 5.B | 5.C



8.5 | 8.7 | 8.8 | 8.B



10.2



READ MORE ON OUR PROGRESS ON PAGES 17-21



MAPPING OUR COMMITMENTS TO THE SDGs

PEOPLE: PEOPLE STRATEGY

What We Believe

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.



What our Stakeholders Expect from Us

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.

We are also expected to be inclusive to all employees, no matter what their background.

OUR COMMITMENTS



Commitment #1

At least 3% improvement every two years in employee engagement until 2025 (MyVoice surveys as reference).



Commitment #2

100% implementation of all Learning and Development programmes within our Global Smurfit Kappa Academy.

Our Progress

Commitment #1

We achieved an improvement of 13 percentage points between the 2017 and 2021 MyVoice surveys in employee engagement.

Commitment #2

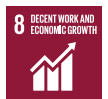
In 2021, all the Smurfit Kappa Academy training and development programmes returned.

Delivering for the SDGs

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 a sense of belonging. We help our employees to grow their careers and deliver on their potential and reward them fairly for their contributions.

Smurfit Kappa Contributes to the Realisation of the Following SDGs and Targets:

8.5 | 8.7 | 8.8 | 8.B



10.2



READ MORE ON OUR PROGRESS ON PAGES 17-21 >

People: People Strategy

MAPPING OUR COMMITMENTS TO THE SDGs

PEOPLE: SAFETY AND WELLBEING

What We Believe

As an industrial business operating in 36 countries with around 48,000 employees, we are responsible for the health and safety of a large number of people. At Smurfit Kappa, we believe that health and safety extends from work to home.

We engage our employees, contractors and sub-contractors with policies and procedures to deliver, innovate and produce in a safe environment.



What our Stakeholders Expect from Us

Our stakeholders expect us to provide a safe and healthy working environment, and promote a health and safety culture that encompasses all who work with us, whether it is directly or indirectly.

OUR COMMITMENTS



Commitment #1

Reduce Total Recordable Injury Rate (TRIR) by at least 5% annually for the next three years.



Commitment #2

Maintain a productive and safe workplace by minimising the risk of accidents, injury and exposure to health hazards for every employee and all sub-contractors, aiming at a zero-accident working environment

Our Progress

Commitment #1

We have reduced our TRIR by 14% annually since 2018.

Commitment #2

In 2021, we had 270 lost time accidents.

Global reduction of the TRIR since 2018

14%

Delivering for the SDGs

The safety and wellbeing of everybody on our sites is part of our organisational values. Our focus extends to work place wellbeing and work-life balance.

Smurfit Kappa's Approach to Safety and Wellbeing has a Direct Impact on the Following SDG and Targets:

3.3 | 3.4 | 3.5 | 3.9



People: Safety and Wellbeing

READ MORE ON OUR PROGRESS ON PAGES 17-21 >

MAPPING OUR COMMITMENTS TO THE SDGs

PEOPLE: COMMUNITIES

What We Believe

We see ourselves as a 'corporate citizen' in the communities in which we are privileged to operate around the world, and we actively make positive and lasting changes.

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.



What our Stakeholders Expect from Us

Our impact is not only 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.

People: Communities

OUR COMMITMENTS



Commitment #1

Our Employee Volunteering Programmes will support paid time off for employees to participate in chosen community activities.



Commitment #2

Between 2020 and 2025 we will donate over €24 million to support social, environmental and community initiatives (20% more than the previous five years).

Our Progress

Commitment #1

We work with community groups to ensure the work leaves a lasting legacy. In 2021, we recorded 950 hours of volunteering.

Commitment #2

We invested €4.9 million in social projects in 2021. We are now at €12.6 million cumulatively since the target was announced, and well on our way to the €24 million target by 2025.

People impacted through our social projects in 2021	Social investments in 2021
92,000	€4.9m

Delivering for the SDGs

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.

Smurfit Kappa Contributes to the Realisation of the Following SDGs and Targets:

8.5	
10.2	

READ MORE ON OUR PROGRESS ON PAGES 17-21 >

MAPPING OUR COMMITMENTS TO THE SDGs

IMPACTFUL BUSINESS: INNOVATION

What We Believe

We are not only a sustainable company, we also create innovative packaging solutions designed with circularity in mind to reduce packaging waste.

A fundamental challenge for all packaging waste is litter; by designing fit-for-purpose packaging solutions we can minimise material waste. Packaging can help to lower a product's environmental footprint, our use of recyclable, renewable and biodegradable materials helps minimise the impact of packaging whilst protecting and promoting our customers' products.

We can realise these aims through our data-driven innovative approach and by using old boxes which otherwise would have been waste.



What our Stakeholders Expect from Us

To deliver fit-for-purpose, cost-effective and sustainable packaging solutions to our customers.

To develop innovative packaging solutions as our response to the global challenge of litter and packaging waste.

OUR COMMITMENTS



Commitment #1

To inspire more sustainable packaging solutions through:

- The development of our Better Planet Packaging initiative;
- Using our data to improve our processes, products, supply chains, logistics and markets; and
- Optimising the use of our InnoTools to support our innovation and design, and leverage our global ideas.



Our Progress

Commitment #1

Our tools: Innobook, Pack Expert, Paper to Box, Shelf Viewer and SupplySmart, were used almost 160,000 times during 2021 delivering lower carbon, circular packaging solutions for our customers.

Delivering for the SDGs

People need food, clothing and household goods to be delivered securely and safe from damage or theft. Our fit-for-purpose packaging solutions are built to deliver for the product, consumer and society and creating sustainable economic growth.

Fit-for-purpose packaging is designed to reduce environmental footprint, is recyclable and actually recycled and it helps to reduce inequalities between consumers.

Smurfit Kappa Contributes to the Realisation of the Following SDG and Targets:

9.2 | 9.4 | 9.5



Impactful Business: Innovation

READ MORE ON OUR PROGRESS ON PAGES 17-21 >

MAPPING OUR COMMITMENTS TO THE SDGs

IMPACTFUL BUSINESS: GOVERNANCE AND HUMAN RIGHTS

What We Believe

We operate in an environment with diverse legislations, regulations and cultures.

Our Code of Conduct is the fundamental guideline for everybody at Smurfit Kappa from the Board of Directors, officers and employees, as well as all individuals, entities, agents or anyone acting on the Group's behalf – and we require the same from our suppliers.

Our Code of Conduct expects adherence to ethical standards, and commitment to quality and service.



What our Stakeholders Expect from Us

To fundamentally comply with regulations and guidelines, have effective corporate governance and respect human rights.

OUR COMMITMENTS

Commitment #1

We are committed to:

- Ensuring our stakeholders adhere to the principles of the Code;
- Offering an independent and unbiased channel to raise concerns about breaches to the Code; and
- Having our Code of Conduct available for anyone interested.



Our Progress

Commitment #1

During 2021, no material breaches to our Code of Conduct were made.

No material fines were imposed on the Group for any breaches of such laws and regulations in 2021.

Number of material fines

0

Number of breaches raised

0

Delivering for the SDGs

For Smurfit Kappa, impactful business means respecting people and having responsible governance. These, in turn, have a positive impact on the communities we have operations in.

Smurfit Kappa Contributes to the Realisation of the Following SDGs and Targets:

8.7



16.2 | 16.5 | 16.10



Impactful Business: Governance and Human Rights

READ MORE ON OUR PROGRESS ON PAGES 17-21 >

MAPPING OUR COMMITMENTS TO THE SDGs

IMPACTFUL BUSINESS: SUSTAINABLE AND RESPONSIBLE SOURCING

What We Believe

Sharing our sustainability knowledge, experience and expertise with our suppliers increases the sustainability of our entire value chain. In order to sustainably grow our business, our materials, goods and services must have the right quality and cost, but also be securely and responsibly sourced.



What our Stakeholders Expect from Us

To extend our ethical and sustainable manner of conducting business to our supply chains, and to require our suppliers to continually advance their sustainable footprints.

OUR COMMITMENTS

Commitment #1

We are committed to:

- Working with suppliers that adhere to our Sustainable and Responsible Sourcing Policy, Supplier Code of Conduct, are Chain of Custody certified where applicable, and commit to our Modern Slavery Act Statement; and
- Regularly auditing our suppliers to ensure adherence with our key Sustainable and Responsible Sourcing principles.



Our Progress

Commitment #1

During 2021, 22 supplier audit activities took place through our six pillar Sustainable and Responsible Sourcing audit programme. Since the beginning of the sustainable sourcing programme, we have audited over 350 suppliers.

Delivering for the SDGs

Smurfit Kappa can extend its impact through its supply chains and through that have an impact on decent work and economic growth. We discuss SDGs with our suppliers and ask their level of commitment to them in our supplier assessments and audits.

We were the first FTSE 100 company to achieve five stars from Support the Goals in recognition of actively engaging with our suppliers in their commitment to the goals.



Smurfit Kappa Contributes to the Realisation of the Following SDG and Targets:

8.5 | 8.7 | 8.8



Impactful Business: Sustainable and Responsible Sourcing

READ MORE ON OUR PROGRESS ON PAGES 17-21 >

OUR APPROACH IN ACTION

Putting our goals and targets into practice – meeting our SDG commitments.



Smurfit Kappa Academy

Fostering diversity, inclusion and belonging is a core pillar of our People Strategy. We champion the talent of over 48,000 employees, recognising that our people have different skills and strengths as a result of their background and experience.

We create a non-discriminative working environment and we promote gender equality. We believe our responsibility is to support our people to reach their full potential. We encourage all of our employees to embrace learning new information and new skills, no matter what stage they are at in their Smurfit Kappa careers or whatever their level in the organisation.

Learning and Development programmes in all Smurfit Kappa businesses support our employees to grow their skills and advance their careers. The Smurfit Kappa Academy offers development opportunities to those employees identified as having future potential to lead the organisation. The Academy is a cross regional initiative and its suite of programmes offers development from management skills to English courses.

Impacts SDG: 5

Interconnected SDG: 10



District Heating with Bioenergy

As well as producing their own energy in a biomass boiler, our Piteå mill produces heat and electricity in a biomass based CHP plant, which is another lower carbon solution.

In addition, we have a well-established partnership with the local energy corporation, where the excess mill heat is used for district heating. This ensures that the local community uses the mill's secondary heat, which offers a circular and affordable approach to the use of renewable energy, and ensuring no resources are wasted.

Piteå experiences severe winters, and heat from our plant supplies 95% of the district's heating, including 3,800 buildings, three indoor swimming pools and also de-ices the main pedestrian street. The partnership has explored options for summer uses, and in 2021 we ran a pilot project using the energy to drive a kindergarten's cooling system. If successful, this solution will be installed at other facilities, such as schools and retirement homes, meaning the plant's energy can be reused even more efficiently all year round.

Impacts SDG: 7

Interconnected SDG: 13



OUR APPROACH IN ACTION CONTINUED



Global Support for People's Wellbeing

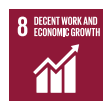
The wellbeing of our employees is core to our agenda. In 2020, we launched a new Employee Assistance Programme (EAP) and made it available to all of our European colleagues and their families. The programme was piloted in the Americas region in Mexico and has now been rolled out in all countries in the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

It is a free and confidential service to help our people and their families cope with any work, life or health concerns.

The programme is available 24/7, in all of our 20 languages and provides local, caring advisors who can help select a support option that suits the person's needs and learning style. The help provided ranges from assistance with meeting work/life challenges to support in a crisis.

"Our experience of the service has been very positive, and we have noticed how it is helping to support a wider message that at times it is ok, not to be ok" says Jackie McDermott, Head of Engagement and Communication SK UK, a sentiment that Cristian Garcia Romano, HR Coordinator SK Mexico also agrees with.

Impacts SDG: 3
Interconnected SDGs: 8 | 10



A Circular Approach to Cleaner Water

Using water is critical in the paper-making process. Without water, we cannot produce the paper we need for our packaging solutions. As a processor, rather than consumer of water, we recycle cleaned and treated water back into nature, improving the quality of water returned.

In 2020, we set ourselves a global target of a 60% reduction of organic content in water returned to the environment by 2025. However, this target came at the same time as a planned 40% capacity increase for Smurfit Kappa Barbosa, creating a challenge.

The mill team worked to develop a range of solutions using a circular economy approach, including a homogenisation tank with chemical control, a settler, a sludge dewatering press, and a biogas removal system.

The state-of-the-art new equipment also gave us the opportunity to install a biologically based, circular self-sustaining anaerobic reactor. Although this was a more expensive solution, the environmental benefit was significant: 75% of the contaminants in the water are removed and converted from sludge into biogas, which in turn can be used to produce renewable electricity.

Since the new installation started operating in November 2020, the water discharge quality has improved enormously and brought us a big step closer to reaching our COD reduction target.

Impacts SDG: 6
Interconnected SDGs:
None



OUR APPROACH IN ACTION CONTINUED

Pavilion for Employee Development

Our ambition is for each employee to find opportunities for personal and professional growth at Smurfit Kappa. We believe these opportunities are key to challenging and engaging work, and with engaged people we can grow our business. That is why, in Smurfit Kappa Tijuana (Mexico), we developed a central area, where our employees could view available learning initiatives in one place.

Our 'Pavilion for Employee Development' is a wall, which extends over 50 feet and is over 9 feet in height. It is a large, colourful and highly engaging mural, with graphics that provide our employees and visitors with information on topics such as career development, internal promotions, events and sustainability.

"It is not only enjoyed by our employees, but more surprisingly, it has become a favourite place for visitors during site tours. It is the place where everyone stops to take pictures, and to share them with their own HR teams. That makes us very proud," says Alejandro Ordaz, HR Manager of SK Tijuana.

Impacts SDG: 8

Interconnected SDGs: 3 | 10



Better Planet Packaging

Our Better Planet Packaging initiative exists to address today's climate challenges, and ultimately to reduce packaging waste in the world. Better Planet Packaging aims to make a positive impact on supply chains while improving the environmental footprint of packaging. Using our industry-leading expertise, we develop more sustainable, optimised, fit-for-purpose, paper-based packaging solutions for our customers.

Along with creativity and design innovation, Better Planet Packaging's purpose is to make a positive impact to a world without waste by supporting the circular economy. As part of this, we play a role in collecting used packaging, and we then recycling these fibres in our closed-loop business model.



We collaborate with new and existing partners to inspire new ideas and encourage positive change. We are already working with our customers to create new and alternative solutions for unsustainable packaging, especially in the area of plastic substitution (not only single-use).

Our Click-to-Lock Box helped McBride reduce their production CO₂ emissions by

32%



Smurfit Kappa
**Better Planet
Packaging**

OUR APPROACH IN ACTION CONTINUED

An Opportunity to Thrive

We believe in doing the right thing for society. Our 'EveryOne' diversity, inclusion and equality strategy is the framework we have developed to foster an appreciation and acceptance of each other and to enable everyone. As part of the strategy, we became a TCPID Business Patron in 2019.

TCPID was established in 2004 to create opportunities for people with intellectual disabilities. The initial idea was to offer these students a college-level education, helping to prepare them for working life.

In 2016, the programme was redesigned. Now, the programme covers both earning a university qualification, and also works to remove barriers to enter the workforce.

The TCPID patrons help to offer tailored, year-two work placements, as well as graduate internships. These help TCPID students and graduates gain experience for their CVs.

The companies also benefit by having the students join their teams. Their presence promotes a real sense of inclusion, and provides companies with talented interns and graduates who bring a huge enthusiasm and determination to succeed. In return, the students get an opportunity to develop their capabilities and confidence.

Impacts SDG: 10

Interconnected SDG: 5



A Climate Act with Bioenergy

We have committed to being net zero by 2050 and are working towards this using a three-avenue approach. We invest in efficient energy production, energy efficiency in our processes and transitioning to renewable energy, where possible.

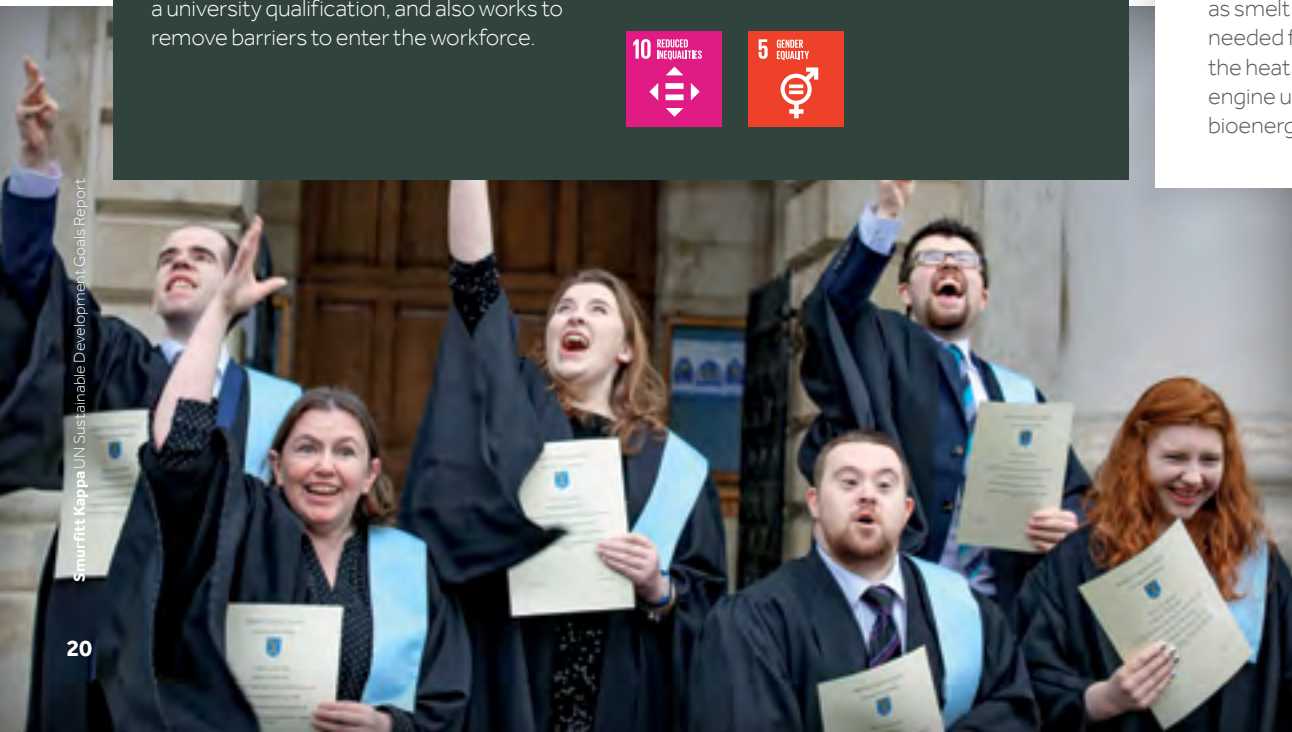
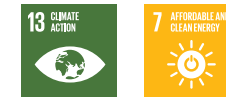
Our Nettingsdorf kraftliner paper mill has initiated a Future Energy Plant project, with an investment of €134 million, which started with the upgrade of the water treatment plant and the installation of new drying cylinders on the paper machine. The most significant upgrade was the bioenergy boiler, this project was finalised in 2020.

The new boiler recovers inorganic chemicals as smelt and burns wood-material not needed for paper production, recovering the heat as steam. The new advanced steam engine uses this to efficiently generate bioenergy electricity.

It has advanced process controllers and sophisticated software to finely control combustion, allowing reduction of emissions like nitrous oxides, or dust, which has been reduced to a tenth from the situation before at under 5mg per cubic metre. There is also a safety gain – the new boiler has a robot for cleaning the 'smelt' spot, formerly a safety concern for workers in any paper mill.

Impacts SDG: 13

Interconnected SDG: 7



OUR APPROACH IN ACTION CONTINUED



Protecting the Forests in Colombia

More than half of Colombia is covered by forests. Smurfit Kappa Colombia is the custodian of 67,000 hectares of forest and plantations in the country. 22,000 hectares of this area are protected natural forests devoted to conservation and are home to over 1,200 species of flora and fauna.

We discovered that 53 of these are endangered species, such as the Andean bear, also known as the spectacled bear. In 2020, Smurfit Kappa Colombia announced a new alliance with WWF Colombia, with both organisations working together to restore, expand and protect forests and ecosystems.

Protecting and promoting natural habitats is an important part of our approach to biodiversity and ecosystem conservation. We do this by developing alliances with third parties, neighbouring communities and organisations, to research and promote sustainable practices. Since 2003, our Colombian plantations have been managed and certified according to the FSC Sustainable Forest Management standard, and this is also something we require from all our suppliers of fibre based raw materials globally.

Impacts SDG: 15

Interconnected SDG: 13



Closing a Recycling Loop in Germany

In 2019, as part of Germany's commitment to the European Green Deal, producers were made legally responsible for their own packaging waste. Where other suppliers may have seen a problem, we saw this as an opportunity to fully close the loop.

Our Recycling Operations team developed the DUAL Recycling service, using our sustainable closed loop approach, to become an even more convenient supplier for our customers. They buy packaging from us, use it, return it, and we convert it back into a valuable raw material: recycled paper fibre. This not only makes life easier for our customers, it forms part of our end-to-end sustainability commitment.

No other packaging supplier in Germany is able to do this. Our paper-based packaging is recyclable, therefore we take responsibility for our product end-of-life and aim to reuse and recycle the fibres. With the DUAL Recycling service we have the ability to collect OCC and make it back into paper and packaging. Since we use the collected product, and the paper is recycled in German paper mills. This cuts down on transport miles, helping achieve our ultimate net zero emissions goal.




Impacts SDG: 12

Interconnected SDG: 9







LINKING THE SDGs TO GRI REPORTING STANDARDS

Within the tables on the following pages we demonstrate how the UN Sustainable Development Goals (SDGs), the relevant SDG targets to Smurfit Kappa, and the GRI Standards align. Within the tables you also can see where to read more about Smurfit Kappa's GRI disclosure.

SDG	Target	Description	Related GRI Disclosure	Where we Report More
3 – Ensure Healthy Lives and Promote Wellbeing for All at All Ages				
 Link to SK strategy: People	3.3	By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases	305-1/305-2/305-3/305-6/305-7/306-3/306-5/403-2/403-3/403-6/403-9/403-10	Sustainable Development Report
	3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing		
	3.5	Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol		
	3.9	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination		
5 – Achieve Gender Equality and Empower all Women and Girls				
 Link to SK strategy: People	5.1	End all forms of discrimination against all women and girls everywhere	102-22/102-24/202-1/401-1/401-3/404-3/405-1/405-2/406-1/414-1/414-2	Annual Report and Sustainable Development Report
	5.2	Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation		
	5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life		
	5.B	Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women		
	5.C	Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment		
6 – Ensure Availability and Sustainable Management of Water and Sanitation for All				
 Link to SK strategy: Planet	6.1	By 2030, achieve universal and equitable access to safe and affordable drinking water for all	303-1/303-2/303-3/303-4/303-5/304-1/304-2/304-3/304-4/306-4	Sustainable Development Report
	6.2	By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations		
	6.3	By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally		
	6.4	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity		
	6.6	By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes		

LINKING THE SDGs TO GRI REPORTING STANDARDS CONTINUED

SDG	Target	Description	Related GRI Disclosure	Where we Report More
7 – Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All				
 Link to SK strategy: Planet	7.2	By 2030, increase substantially the share of renewable energy in the global energy mix	302-1/302-2/302-3/302-4/302-5	Sustainable Development Report
	7.3	By 2030, double the global rate of improvement in energy efficiency		
	7.A	By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology		
8 – Promote Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All				
 Link to SK strategy: Impactful Business; People	8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	102-8/102-41/202-1/202-2/203-2/401-1/401-2/401-3/402-1/403-1/403-2/403-3/403-4/403-5/403-7/403-8/403-9/403-10/404-1/404-2/404-3/405-1/405-2/406-1/407-1/408-1/409-1/414-1/414-2	Annual Report and Sustainable Development Report
	8.7	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms		
	8.8	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment		
	8.B	By 2020, develop and operationalise a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization		
9 – Build Resilient Infrastructure, Promote Inclusive and Sustainable Industrialisation and Foster Innovation				
 Link to SK strategy: Impactful Business	9.2	Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries	202-1/203-1	Annual Report and Sustainable Development Report
	9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities		
	9.5	Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending		
10 – Reduce Inequality Within and Among Countries				
 Link to SK strategy: People	10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	405-1/405-2/406-1	Annual Report and Sustainable Development Report

LINKING THE SDGs TO GRI REPORTING STANDARDS CONTINUED

SDG	Target	Description	Related GRI Disclosure	Where we Report More
12 – Ensure Sustainable Consumption and Production Patterns				
 Link to SK strategy: Planet	12.2	By 2030, achieve the sustainable management and efficient use of natural resources	301-1/301-2/302-1/302-2/302-3/	Sustainable Development Report
	12.3	By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post harvest losses	302-4/302-5/303-1/305-1/305-2/305-3/305-4/305-5/305-6/305-7/306-3/306-4	
	12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their lifecycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment		
	12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse		
	12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle		
13 – Take Urgent Action to Combat Climate Change and its Impacts				
 Link to SK strategy: Planet	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	201-2/302-1/302-2/302-3/302-4/	Annual Report and Sustainable Development Report
	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	302-5/305-1/305-2/305-3/305-4/305-5	
15 – Protect, Restore and Promote Sustainable Use of Terrestrial Ecosystems, Sustainably Manage Forests, Combat Desertification, and Halt and Reverse Land Degradation and Halt Biodiversity Loss				
 Link to SK strategy: Planet	15.1	By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements	304-1/304-2/304-3/304-4/305-1/305-2/305-3/305-4/305-5/305-7	Sustainable Development Report and Website
	15.2	By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally		
	15.3	By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world		
	15.5	By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world		
	15.8	By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species		
16 – Promote Peaceful and Inclusive Societies for Sustainable Development, Provide Access to Justice for All and Build Effective, Accountable and Inclusive Institutions at All Levels				
 Link to SK strategy: Impactful Business	16.2	End abuse, exploitation, trafficking and all forms of violence against and torture of children	205-1/205-2/205-3/408-1/	Annual Report and Sustainable Development Report
	16.5	Substantially reduce corruption and bribery in all their forms	415-1/418-1	
	16.10	Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements		



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