

**Sustainability Committee****Terms of Reference****1 Membership**

- 1.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nominations Committee. The Committee shall be made up of at least three members, all of whom shall be independent non-executive Directors. The Chair of the Board may also serve on the Committee as an additional member provided he or she was independent on appointment as Chair.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chair of the Board, Chief Executive Officer, Group V.P. Development, Group V.P. Human Resources, specialists with appropriate expertise and other relevant senior executives may be invited to attend all or part of any meeting as and when appropriate and necessary.
- 1.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three year periods provided the director continues to be independent.
- 1.4 The Committee Chair shall be appointed from time to time by the Board. In the absence of the Committee Chair, the remaining members present shall elect one of themselves to chair the meeting. The Chair of the Board, who shall not be Committee Chair, may, notwithstanding the provisions of section 1.3, serve in excess of three three-year periods.
- 1.5 The Committee Chair shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.

**2 Secretary**

- 2.1 The Company Secretary or their nominee shall act as Secretary to the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
- 2.2 The Secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

**3 Quorum**

The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present (attendance by telephone, video conference or similar is acceptable for the purposes of determining a quorum) shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

#### 4 **Frequency of Meetings**

The Committee shall meet not less than twice a year and at such other times as the Committee Chair shall require. When deemed necessary or desirable by the Committee or the Committee Chair, decisions may be taken by unanimous written consent.

#### 5 **Notice of Meetings**

5.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than three working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

#### 6 **Minutes of Meetings**

The Secretary of the Committee shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance. Minutes of Committee meetings shall be circulated to all members of the Board.

#### 7 **Annual General Meeting and Engagement with Shareholders**

The Committee Chair or his nominated representative shall attend the Annual General Meeting prepared to respond, if requested by the Chair of the Board, to any shareholder questions on the Committee's activities. The Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

#### 8 **Duties**

8.1 The Committee shall have responsibility for the overall strategic guidance of the Smurfit Kappa Sustainability strategy which will be based on three key strategic sustainability and corporate responsibility pillars (the "**Pillars**"); People; Planet and Impactful Business and will have particular regard to the alignment of SKG's sustainability strategy with global best practice.

In relation to the overall strategic guidance the Committee will:

8.1.1 Receive and consider updates, presentations and reports from the Executive Sustainability Committee, management and relevant external experts in relation to the progress and delivery of the sustainability strategy;

8.1.2 Review and monitor materiality assessments conducted in relation to the Pillars and consider any proposed changes to these;

8.1.3 Consider sustainability related capital expenditure;

8.1.4 Review and approve on an annual basis Group policies and procedures related to the Pillars as presented by the Executive Sustainability Committee;

8.1.5 Review and approve the Sustainable Development strategy for the Group;

- 8.1.6 Ensure that there are adequate resources in place to achieve the Sustainable Development strategy of the Group;
  - 8.1.7 Review and approve of the Annual Sustainable Development Report for the Group and any associated reports being made public in respect of the company's Annual Sustainable Development Report; and
  - 8.1.8 Review and approve of the Sustainability section of the Annual Report for the Group.
  - 8.1.9 Review and consider the TCFD (Task Force for Climate-related Financial Disclosures) compliance, reporting of climate related financial information and the climate risks and opportunities of the Group.
- 8.2 The Committee shall be responsible for engagement with the workforce on behalf of the Board as required by the 2018 Corporate Governance Code and this engagement will be reported in the Annual Report on an annual basis.

## **9 Reporting Responsibilities**

- 9.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting as appropriate.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall liaise with other Board Committees from time to time as it deems appropriate.
- 9.4 The Committee Chair shall seek agreement with shareholders, when necessary, on matters within the Committee's area of responsibility.

## **10 Other**

- 10.1 The Committee shall:
  - 10.1.1 at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval;
  - 10.1.2 consider such other matters as the Board may from time to time refer to it;
  - 10.1.3 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required; and
  - 10.1.4 be provided with appropriate and timely training, in the form of an induction programme for new members and on an on-going basis for all members.
- 10.2 The Committee Chair shall seek agreement with shareholders, when necessary on matters within the Committee's area of responsibility.

## 11 **Authority**

The Committee is authorised by the Board to:

- 11.1 seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee;
- 11.2 carry out all duties set out in its terms of reference and to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference; and
- 11.3 within any budgetary restraints imposed by the Board, to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.

Approved by Board : 2 December 2021