In 2020, we will continue on this journey with investment of €1.54 million in new recovery boiler in our Austria's Triner mill which has the potential to reduce fossil CO2 emissions by 40,000 tonnes. Our waste to skill reduction target is more challenging as, while we have a circular business model, we also rely on availability of partners to recover certain residual materials in the raw material that we currently dispose of. In Forest, our 92.7% rate of delivery to customers that were Chain of Custody certified provide assurance, traceability and proof of resource efficiency, while enabling end- to-end transparency across the supply chain.

We continued to be listed on various environmental, social and governance indices, such as FTSE4Good, the Green Economy Mark from the London Stock Exchange, Euronext Vigeo Europe 120, STOXX Global ESG Leaders and Ethibel’s sustainable investment register. I am proud that Smurfit Kappa is included in a new equity index by ISS Sustain, recognizing companies that are active in the reduction of plastic pollution.

This last accolade is a great recognition for the work Smurfit Kappa does through its Better Planet Packaging initiative by providing alternative, innovative and sustainable paper-based packaging solutions for its customers. ESG rating agencies such as Sustainalytics, MSCI and EcoVadis rate us as sustainability leaders, and the recognition by the ‘We Support the Goals’ initiative is proof that Smurfit Kappa is doing its part to realise the 2030 UN Sustainable Development Goals.

Looking Ahead

At the time of writing, the Covid-19 pandemic continues to bring enormous uncertainty to society. At Smurfit Kappa we are bringing our values of Safety, Loyalty, Integrity and Respect to life during this challenging time. Our immediate primary focus is to protect our employees and continue to meet our customers needs. We remain operational which is as a result of our employees dedication and commitment and have been deemed an essential business by many of the countries in which we operate. This means that we play a critical role in the fight against Covid-19 because without our packaging many vital supply chains including medical equipment, pharmaceutical, food and sanitation products could not continue to be delivered.

We have seen that the responses to the Covid-19 pandemic, especially the lockdowns and business disruption, have resulted in changing consumer patterns and behaviour particularly from a climate perspective. The CO2 impact has been significant with large reductions in our cities and our skies due to the restrictions on travel. We know disruptive events and recessions change consumers perspectives and attitudes and result a consumer purchasing trends. As a leader in Sustainability and innovation Smurfit Kappa is well positioned to deliver insights and packaging solutions for our customers as future trends emerge.

The decade that started this year had already been named the ‘Decade of Action’ as forecasts show that the global community needs to adjust the components of its energy usage in the next 10 years to minimise the rise of global temperatures to 1.5°C this century. Regardless of the effects of the Covid-19 pandemic, Smurfit Kappa will continue to plant trees as a reduct of fossil CO2, over the past 15 years has shown. The evidence shows that our sustainable products are part of the solution. Lifecycle analysis and product level shows a favourable carbon footprint of our paper-based product compared to other packaging materials.

Customers are increasingly switching to our paper-based solutions and turning away from less sustainable solutions. It is this trend that makes us confident that Smurfit Kappa’s tremendous business opportunities to significantly contribute to the transition for the global community will have to make.

In 2020, Smurfit Kappa continued to significantly invest in renewable and biodegradable packaging solutions that decrease the carbon footprint of both our customers and our own manufacturing processes, focus on the reduction of waste and water discharge, and continue the investment in the safety and development of our people.

I hope you find the content of our Sustainable Development Report 2019 interesting and informative, and look forward to your feedback (sustainability@smurfitkappa.com).

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Overview

Planet

People

Impactful Business

Supporting Data

Supplementary Information

Delivering our Targets

Our targets focus on our strategic areas and are designed to align the Group with the UN 2030 Sustainable Development Goals.

Climate Change

Target

40% reduction in fossil fuel emissions intensity by 2030

Achievement

32.9% reduction in fossil fuel emissions intensity since 2005.

Forest

Water

Waste

People

>90% packaging solutions sold as Chain of Custody certified to customers

35.0% reduction in Chemical Oxygen Demand Intensity by 2025

7.1% less waste to landfill since 2013

30% less waste to landfill by 2025

5% reduction in Total Recordable Injury Rate annually

40% reduction in Total Recordable Injury Rate annually

Target Achievement

40%

7.1%

92.1%

35.0%

17.0%

32.9%

100%