An employer of choice

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 team, across the world.

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 more likely to work harder, take on challenging or unpopular tasks, and collaborate effectively. We aim to create meaningful work with a broader purpose, while ensuring the health, Safety and Well-being of our people at work, on their journey to and from work and home.

This is why Smurfit Kappa strives to constantly evolve and improve its People Strategy and why our four pillars: Employee Experience for Performance; Inclusion, Diversity and Belonging; People Development and Talent Management; and Rewards and Recognition have been developed.

Underpinning these strategic pillars, we focus on our five fundamentals: Safety and Well-being; Legal Framework; Industrial Relations; HR Information Systems; and Internal Communications.

Key Achievements 2019

In 2019, we evolved our People Strategy. Organised under the four pillars we outlined earlier, it is focused on ensuring we are a globally admired employer of choice in order to attract and retain the best talent.

During 2019, the Group worked on the introduction of its new Group Ethics Management processes and governance, including an updated Code of Business Conduct and a third-party online tool for whistleblower and good-faith reporting called ‘Speak Up’ services.

2019 was our first full year delivering against our target to annually reach a 5% reduction in Total Recordable Injury Rate. We reached a 17% reduction in comparison with 2018.

In 2019, Smurfit Kappa made approximately €3.5 million in social investments across many projects in the areas in which it is located.

Delivering for SDGs

Smurfit Kappa Impacts

The health and Safety of everybody on our sites is a key priority for our stakeholders. We focus on being an employer of choice, offering meaningful jobs. We are also committed to a 5% reduction in our Total Recordable Injury Rate annually, and have an ambition to deliver zero accidents on our sites. By doing all of this, we can directly impact the SDG3, as well as the good safety and well-being of our employees.

Smurfit Kappa Contributes

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, reducing social inequality and ensuring that every member of our 46,000 strong team feels a sense of belonging.

Additionally, both Smurfit Kappa and its teams are committed to making a contribution to each of the communities in which we operate.

Smurfit Kappa Supports

As a responsible employer, we are committed to the UN targets to end poverty and hunger, alongside offering a quality education. We support these efforts through the work our teams do in their communities and through the Smurfit Kappa Foundation, all of which are focused on disadvantaged children’s health and nutrition, basic care, and early education.
People continued

Decent work is part of the UN 2030 Sustainable Development Goals, as well as major Human Rights declarations, and it is the objective of the International Labour Organisation (ILO) agenda. Decent work involves 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 and social development; and social integration; allows freedom for people to express their concepts and thoughts; empowers people to organise and participate in the decisions that affect their lives; and there is equality of opportunity and treatment for all women and men.

Responding to our Stakeholders

What we believe

Our stakeholders expect us to be a unifying force for our 46,000 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.

We are committed to:

- Stimulate and encourage employee engagement through regular company-wide surveys and focus groups.
- Maintain a good faith ‘Whistleblower Code’ for reporting any unethical or illegal conduct.

What our stakeholders expect from us

We see ourselves as a ‘corporate citizen’ in the communities in which we’re privileged to operate around the world, and we actively make positive and meaningful changes. By supporting local education, income generation, collaboration and participation, we can strengthen communities and keep them attractive to our future workforce.

We impact not only on the people we work with. Our responsibilities extend beyond to supporting local communities and their wellbeing, especially in remote areas with limited opportunities for work, where we are significant employer.

Across Smurfit Kappa, we are committed to the communities in which we operate, while our Foundation empowers people to improve their lives. Where the cycle of poverty and dependencies is an issue, we aim to help and to strengthen the communities around the world.

In 2019, €3.5 million was donated in cash and in kind.

We have found it as an engaging for employees, as for customers.

Alejandro Ordaz, HR Manager of SK Tijuana
We are committed to managing our employees in accordance with our 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 Declaration of Human Rights and the Fundamental Principles and Rights at Work, developed by the 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 committed to providing a working environment that is safe and respectful individually is non-discriminatory. Our values and promotes people on suitability, rewards fairly, encourages personal and professional development, and has effective mechanisms of communication.

No Discrimination
Smurfit Kappa is committed to the elimination of discrimination on the grounds of race, ethnicity, gender, sexual orientation, age, religion, national origin, disability, or other legally protected status in the countries in which we conduct business. This commitment extends from our own employees and on-site contractors, through external suppliers and other business partners, to communities near our operations.

No Forced Labour
Smurfit Kappa prohibits child labour and does not employ anyone under minimum school-leaving age or minimum employment age in any country. We do not tolerate forced labour, human trafficking, or physical or mental abuse. We expect our suppliers, contractors and sub-contractors to adhere to these principles. In 2019, no violations of these principles were identified and 12 of our operations were subjected to SEDEX Members Ethical Trade Audits covering these topics.

Compliant Acquisition Practices
In any of our acquisition processes, due diligence involves examination of the target organisation’s policies and practices on human 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. No such issues arose during the three acquisitions in 2019.

Freedom of Association and Collective Representation
We support 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 union membership, we work with them to establish mutually acceptable means of representation.

Ensuring Ethical Behaviour
During 2019, the Group has been working on a project dedicated to the review of our Group Ethics Management processes and governance in order to:

• provide a reporting channel and case management process that aligns 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; and

• provide a voice and an opportunity for our employees to report wrongdoing or potential wrongdoing in full confidence, through an independent channel with no fear of retaliation.

It was our ambition to move from a decentralised, manual process, to a hotline-based service, available to all employees from office to production, as well as interested third parties and stakeholders across all key communication channels including telephone, email and online.

To this end, the Speak Up platform has been launched, which allows our employees and any third party to easily and confidentially report any issue or instance of wrongdoing. The service is available 24/7/365 days a week and will guarantee users confidentiality and/or anonymity and assurance of non-retaliation.

In support of this new initiative, we also reviewed our Code of Business Conduct and merged it with the Good Faith Reporting Policy & Whistleblower Code to make it one single policy.

TCPID was established in 2004 after the Dublin Special Olympics World Summer Games (2003), to continue creating opportunities for people with intellectual disabilities. The initial idea was to offer them a college-level education, helping to prepare them for working life.

In 2016, the programme was completely redesigned. “We realised that it is not enough for our students to earn a university qualification,” says Marie, “there are still barriers to them entering the workforce. We are incredibly grateful to our TCPID business partners, who now work closely with us to provide tailored, year-two work placements, as well as graduate internships. These help our students and graduates gain experience for their CVs.”

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

We work very closely with our partners, students and graduates to carefully match the individual to the role,” explains Marie. “We look at specific skills to ensure maximum benefit from the experience. Ultimately, we hope that the internships will be a step towards helping the graduates build long-term careers.”

As part of its EveryOne diversity strategy, Smurfit Kappa became a TCPID Business Patron in 2019, providing TCPID with an inclusive environment and work opportunities. “Our graduate has started an internship with the IT Compliance team in Smurfit Kappa and is already thriving in the role,” says Marie. “His employment has been welcomed as an enrichment to the SK team.”

“Everyone deserves the same opportunities in life, so we want to promote real inclusion in education and society,” says Marie Devitt, Pathways Coordinator for the Trinity Centre for People with Intellectual Disabilities (TCPID).
People strategy

We have evolved our People Strategy for 2020-2023, which we believe will continue to ensure that the business is set for success from a people perspective.

Our People Strategy has four key pillars:

• Employee Experience for Performance
• Inclusion, Diversity and Belonging
• People Development and Talent Management
• Rewards and Recognition

Underpinning these new pillars are the five fundamentals of our HR strategy:

Safety and Well-being
Legal Framework
Industrial Relations
HR Information Systems
Internal Communications

We focus on these five fundamentals to ensure the health and well-being 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.

For more information on our strategy, see the diagram below.

Employee Experience for Performance
Our ambitions to create a continuous two-way dialogue, to ensure our people understand our strategy and then how they play in its delivery and to inspire them to perform at their best every day.

Inclusion, Diversity and Belonging
Creating a diverse place to work where ‘EveryOne’ feels respected, supported and has a real sense of belonging so that all our employees can thrive and be their authentic self.

People Development and Talent Management
Building a diverse talent pipeline for Smurfit Kappa’s current and future needs, whilst ensuring we help everyone reach their full potential, growing our people and their careers to enable us to grow our business.

Rewards and Recognition
Attracting, retaining and recognising our employees through fair and competitive practices. Deploying rewards and recognition programmes that our people understand and value, and which drive Smurfit Kappa’s success.

Our People Strategy has four key pillars:

• Employee Experience for Performance
• Inclusion, Diversity and Belonging
• People Development and Talent Management
• Rewards and Recognition

Employee Engagement – MyVoice
Since 2014, to make sure we engage our employees to be part of the Smurfit Kappa success, we have deployed MyVoice, a staff engagement survey which was used by all our people at our companies, plants and offices. The full survey was repeated in 2017, with a separate survey in 2019. Last year’s survey had an exceptionally high participation level of 89%. We have also seen an engagement score improvement of 5% from 2016 to 2017, and a 7% shift from 2016 to 2017. We will also be striving to achieve a further 3% increase when the full survey is undertaken again in 2020. These shifts may be in part due to the 1,000+ actions implemented following the survey in 2017.

We believe that the continued success and engagement levels with the survey is driven by the fact that out of every survey, we have taken all feedback seriously and have implemented extensive employee action plans. From the top of the organisation, right across all of our sites and offices.

We are also using the momentum created by the various surveys to improve our change management systems and use this information to provide better insights and inform our decision-making, such as considering how to better accommodate a more diverse workforce, which includes significantly more women than ever before on some of our more industrialised sites.

Progress in 2019
• We evolved our HR Strategy to align more closely with our business objectives
• We launched our new Code of Conduct and Speak Up service, to ensure everyone has the opportunity to report wrongdoing
• We continued to develop our career frameworks in order to help our people grow and deliver on their potential
• We began to progress our Employee Engagement Strategy, which will continue to develop into 2020 and beyond.

Innovation and Participation

The mills are quite isolated, so a potential wealth of innovative practices and innovation were not being shared. In fact, it was one of the key themes, which arose from the MyVoice staff engagement survey. Our employees asked to see increased participation and recognition of our innovation. Therefore, we decided to create the 2019 Innovation Awards.

The Awards culminated in a celebratory event, where representatives from all eight mills, came together to meet and celebrate their achievements. The event was a mix of presentations about the range of innovations developed across our five countries, dinner and, of course, the Innovation Awards presentations.

“The atmosphere was amazing,” says Jelte, “29 high-level innovative projects were submitted, with 12 receiving prizes, across four categories:
• Process Improvement: This Award was won by the Avignon team, which has ingeniously extended their machine to a 2.8m paper width, meaning a greater range of products could be produced
• Localisation: This Award was won by the Avignon team, which had vigorously extended their machine to a 2.8m paper width, meaning a greater range of products could be produced
• Supply Chain Optimisation: This Award was won by the Avignon team, which had vigorously extended their machine to a 2.8m paper width, meaning a greater range of products could be produced

Simply speaking, this initiative has also led to:
• an Innovation Co-ordinator in each mill;
• local teams being inspired by other teams.

People

Employee Experience for Performance
Engaging and inspiring our entire workforce to perform at their best every day, by creating a continuous dialogue with our employees and building deep internal connections for better performance.

Inclusion, Diversity and Belonging
Creating a diverse place to work where ‘EveryOne’ feels respected, supported and has a real sense of belonging so that all our employees can thrive and be their authentic self.

People Development and Talent Management
Building a diverse talent pipeline for Smurfit Kappa’s current and future needs, whilst ensuring we help everyone reach their full potential, growing our people and their careers to enable us to grow our business.

Rewards and Recognition
Attracting, retaining and recognising our employees through fair and competitive practices. Deploying rewards and recognition programmes that our people understand and value, and which drive Smurfit Kappa’s success.

Five Fundamentals of our HR Strategy

Safety and Well-being
Legal Framework
Industrial Relations
HR Information Systems
Internal Communications

Planet

Overview
People
Impactful Business
Supporting Data
Supplementary Information

Supporting Data
Supplementary Information
Inclusion, Diversity and Belonging

Our ambition is to create a diverse workplace where everyone has a real sense of belonging and can be their authentic self at work, every day.

Fostering Diversity, Inclusion and Belonging at Smurfit Kappa is important to us. We value our diverse mix of people, who add value in terms of leadership, culture, perspective and innovative thinking to our organisation. Building on our Global Diversity Programme ‘EveryOne’, which was launched in 2018, we have continued to advance our commitment to nurturing a diverse culture, where all employees can contribute to our success. Likewise, our enhanced focus is always on abilities not disabilities – if you have the skills to work with us, we will do what is necessary to make that happen.

People Development and Talent Management

Our ambition is to enable our people grow their careers and deliver on their potential, so we can realise our ambition for the organisation and drive forward.

People development is another area where our work establishing the Smurfit Kappa Academy and its related programmes has extended right across 2019. Year-on-year, we have continued to increase our investment in people development.

One of our key areas of focus is leadership. As an organisation, Smurfit Kappa understands the importance of strong leadership, to align, empower and inspire our people. To this end, we have developed our Open Leadership programme, which clearly outlines the leadership behaviours we believe will ensure the success of the organisation.

Open Leadership identifies four key activity areas to deliver strong leadership:

- Leading Self
- Leading People
- Leading the Organisation
- Leading the Market

These four areas contain nine leadership capabilities:

- Empower and develop people
- Take a strategic perspective
- Balance global and local
- Inspire and engage people in change
- Maximise value and innovation for the customer
- Be authentic
- Open and make the most of diversity
- Deliver operational excellence and results
- Know yourself and embrace learning

In addition to the Group training events, there are also extensive training programmes organised regionally, to address the needs of specific sites and individuals. In 2019, just over 480 people attended training provided by the Group, with many more participating in their further development via locally organised events. This mix of training programmes, combined with our ongoing performance dialogue and 360-degree feedback programme for our senior teams, should extend our reputation as a great place to work.

The success of the Academy and other training programmes, along with our focus on recruitment of talent directly from first-level education, is ensuring we have the right mix of talent and experience at every level of the organisation. In 2019, our focus on graduate recruitment provided a graduate pool of 86, across many disciplines including accounting, marketing, engineering, and HR, to name but a few.

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.

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. As an organisation, we are also committed to gender pay equality and will continue to proactively monitor the pay of male and female colleagues in similar roles, to ensure it is comparable. For example, under new legislation, UK employers with more than 250 employees are required to publish key metrics on their gender pay gap. Our UK business has published an report as required by legislation.

In addition, during the end of 2019, to further our ambitions to offer globally mobile careers, we launched our new Talent Management and Succession Planning process, at our European and Americas HR Talent Management workshops.

This will enable leadership teams to implement an approach for talent management, which will allow them to clarify understand and define their teams and where the ambition exist to further increase work mobility. During next year, we will initially focus this activity on our senior teams in every country, before expanding it out to other roles in the months and years ahead.

### Smurfit Kappa Academy – Participants 2019

<table>
<thead>
<tr>
<th>Programme</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate Programme</td>
<td>86</td>
</tr>
<tr>
<td>Advanced Management Development Programme (AMDP)</td>
<td>27</td>
</tr>
<tr>
<td>Global Manager Programme</td>
<td>31</td>
</tr>
<tr>
<td>Open Leadership Programme @ INSEAD Business School</td>
<td>270</td>
</tr>
<tr>
<td>English Immersion Programme</td>
<td>57</td>
</tr>
</tbody>
</table>

As a global employer, we have the opportunity to develop all our capability and training initiatives, with the additional benefit of being able to offer a truly mobile career.

In 2019, we began highlighting our open roles across the world using MyVacancies – an internal app, which ensures all employees have access to vacant positions across our sites.

In addition, during the end of 2019, to further our ambitions to offer globally mobile careers, we launched our new Talent Management and Succession Planning process, at our European and Americas HR Talent Management workshops.

This will enable leadership teams to implement a new approach for talent management, which will allow them to clearly understand and define their teams and where the ambition exist to further increase work mobility. During next year, we will initially focus this activity on our senior teams in every country, before expanding it out to other roles in the months and years ahead.
People continued

We recognise the success of our people in a variety of different ways. Different people feel recognised in different ways. Recognition can be anything from a simple thank you from co-workers, toacassessory publisheds on the Smurfit Kappa intranet.

Our key objectives for our Rewards Policy is to:
• create a framework to enable the Group to attract and retain talented employees;
• motivate employees at every level of the organisation to achieve the Group’s strategic objectives and;
• provide competitive rewards and benefits that are clearly linked to performance.

The Group ensures that positive employee and trade/union relations are maintained to ensure fair and sustainable Collective Labour Agreements. In setting our rewards 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.

We are increasingly looking at total rewards when benchmarking our remuneration levels. The overall rewards package is tailored to help meet both short-and long-term financial needs, but also the development and well-being of our employees.

Everyone Can Make a Difference // Global

Advanced Management Development (AMD), part of the Smurfit Kappa Academy is one of the global training and development programmes we offer our employees.

The Academy has been developed to complement many local programmes, held across all our sites, which are tailored to meet local needs.

Each year, the AMD programme delivers five Group-designed projects to help participants learn about teamwork, project management, and leadership, as well as delivering fresh ideas for the Group to implement. Each project group is made up of colleagues from across the world, working in different functions and locations, bringing unique, individual and collective perspectives to the projects they work on. In 2019, one project focused on Inclusion and Diversity.

Luis Alvarez from Mexico and Elisa Romanello from Italy worked with their project team, whose other members were from Colombia, Poland and Belgium, to present a plan for how the Group can continue its focus on Inclusion, Diversity & Belonging programmes. The idea was to find ways to ensure the Company and all of its employees find ways to benefit from the opportunities Inclusion and Diversity offer.

“We have a very diverse workplace,” explains Luis. “The challenge was to encourage inclusion and belonging within the Group.”

Elisa continues, “Because gender is such an issue in our industry we tend to focus exclusively and we needed to get beyond this. Working with a team of five SK colleagues from all regions was a great opportunity for everyone to listen and appreciate different perspectives, and see the value of a really diverse group working together.”

The team concluded that diversity is a continuous journey, with every SK employee having a role to play. Elisa explains: “An effective way to educate about Inclusion, Diversity & Belonging is to be open to others’ stories and listen to their opinions, no matter what their background, gender, sexuality or abilities.”

The project team recommended that everyone questions their own openness to listening to others, to ensure it becomes part of their ways of working. They also proposed a four-stage approach for the management team to implement including: awareness-raising, Executive Diversity Committee, reviewing ways of working and improving our diversity data. Their project was well-received by the executive team and will be incorporated into the work the Group will do over the coming year in focus on Inclusion, Diversity and Belonging.

“The AMD programme and our project have been an excellent way of learning about ourselves and how we can become better leaders,” concludes Luis.

Fair Pay, Compensation and Benefits

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

Wherever possible, we engage with unions, works councils and employee representatives to ensure fair and sustainable collective labour agreements. Employees are rewarded with their individual and business performance.

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.

Human Library – Building Tolerance and Understanding // UK

In its 2019 Management Conference, Smurfit Kappa UK facilitated a ‘Human Library’ event. The event was attended by 140 managers across the SK UK operations. In keeping with the conference theme ‘Working Together, Delivering Together’, the objective of the Human Library event was to bring to life the Inclusion and Diversity agenda in a surprising and engaging way.

Human Library is an international organisation that first started in Denmark in 2000, which aims to address people’s prejudices. Eighteen ‘books’ from the Human Library were invited to the SK UK Management Conference, and the delegates were given an opportunity to have three readings, or in-depth conversations, with the ‘books’ to explore topics such as race, being a refugee, having an addiction, sexual orientation, and political views, amongst other topics. Delighted by the sessions hugely thought-provoking, challenging and engaging. “For us, this was an efficient and interesting way to bring inclusion and diversity to the attention of our managers,” explains Trudy Rush, HR Director SK UK. “We are very pleased to have been able to use a creative way to introduce a topic that may challenge people and their thoughts.”

Understanding and tolerance of different people is at the core of Smurfit Kappa’s EveryOne Inclusion and Diversity programme.

Number of managers that participated in the Human Library event

140

“For us, this was an efficient and interesting way to bring inclusion and diversity to the attention of our managers”

Trudy Rush
HR Director, SK UK
**Safety and well-being**

The well-being of our staff is something we take very seriously. Health and Safety comes as the most material topic that Smurfit Kappa has in the area of Corporate Social Responsibility.

Having our products produced in a safe and healthy working environment is important to all our stakeholders, especially our employees, their families and the communities where we operate.

Health and Safety in the workplace actually starts at home. It’s all-embracing. At Smurfit Kappa, we are working towards the ambition of instilling ‘safety first’ thinking, so deep in the company culture that we eventually remove all serious accidents from our operations. Therefore, our Health and Safety focus is ‘Safety for Life’. Our message is that every Smurfit Kappa employee must return home safely to their families.

This concept applies equally not only to our own employees but also to contractors, sub-contractors and anybody visiting our sites.

Our Health and Safety Community has identified six high-risk areas for which specific tools have been developed to promote safe choices at work. These areas are: Energy Isolation, Contractors and Visitors, Contact with Moving Machinery, People and Vehicle Interactions, Warehouse and Backyards, and Working at Heights.

### Mental Health and Safety // UK

“Most of us know of someone with a mental health issue and are aware it can happen to anyone,” says Jackie McDermott, Head of Engagement and Communication at Smurfit Kappa UK. “We all want to support, but often aren’t sure how to.”

Back in 2018, SK UK’s Human Resources and Health and Safety teams worked together to form the SK UK Mental Health and Well-being Strategy. The Strategy sets some confidential provision from the Employee Assistance Programme (EAP) that managers need to provide in house support. Nigel Elias, UK Health and Safety Environment Manager, says: “In our line of work, there is a genuine need. Managers can be faced with a serious mental health issue and be unable to help, because we tend to focus on safety, not health.”

The strategy was launched in April 2019 with the full backing of senior SK UK managers. “People believe and want to be involved,” says Jackie. “Almost 200 colleagues volunteered to be Mental Health First-Aiders and were taught how to spot early problems, approach people, create safe spaces, and support appropriate services.” The volunteers chose the green ribbon logo, and were supported with information posters, identifying them.

“As a confidential service, our first-aiders need support,” adds Nigel. “So we set up a community site, and quarterly support calls to talk about issues.” The Mental Health First-Aiders also set up a ‘Let’s Talk’ Room on site where people can talk about their problems in confidence.

The training, provided by ‘Everyday People’, started on International Labour Day 2019 and there are now 195 Mental Health First-Aiders, covering 90% of UK sites with 10 sites having active Well-being Committees. Over 350 managers are now trained Mental Health Champions, focusing on how to spot problems and support staff.

“The initiative is already benefitting many,” says Jackie. “From April 2019, a significant number had received support from a Mental Health First-Aider – it definitely helps to reduce stigma and allow colleagues to quickly access vital help.”

### Lifeline – Communicating Health and Safety // North America

Lifeline is an interactive, two-way communication tool that takes ideas and concerns from workers at sites.

“Smurfit Kappa takes employee safety very seriously – our workplace initiative, ‘Lifeline, for Life’, demonstrates that,” says Greg Marce. Health and Safety Environment Director, North America. “But it’s not just about physical safety. There is an ever-increasing need for employers to recognise mental health as a workplace issue.”

Lifeline is an interactive, two-way communication tool that allows ideas and concerns from workers at sites, incident trends and SKNA corporate initiatives, and turns them into safety concepts. The bulletin transforms these concepts into eye-catching visual images, which, in turn, facilitate dialogue between employees and supervisors on the shop floor.

For example, a graphic on a large corrugated display can reach many more people – and is much more memorable – than a four-page report.

The materials are developed by HSE and Communications teams, and each facility discusses how to use them, so they have ownership of the final message. They may decide to put the site graphics in different areas, or feel that a more detailed message requires formal training. Typical topics include safety, accident reporting, lockout-tagout procedures and the SKNA MuniTrak initiative.

“Because the plant-level implementation is so site specific, the facility takes it very enthusiastically,” explains Greg. “They find creative ways of displaying and communicating to their employees, giving them still further ownership of the message.”

Lifeline goes out a minimum of four times a year. “Our mission is to be ahead of the curve – get the message out before it happens,” says Greg. “For this reason we like Lifeline to be more frequent. Many requests come in from plants asking whether we can roll it out more frequently.”

Lifeline is one of many SKNA initiatives that has contributed to our cluster’s 44% drop in safety-related incidents from 2018 to 2019. Our cluster is on the right path, but there’s always more work to do to achieve a zero-incident culture.”

### Progress in 2019

In 2019, our global Health and Safety performance continued the positive trend over recent years, achieving a 17% reduction in TRIR compared with 2018. There are focused safety improvement plans and strategies across our business that have proved to be effective in delivering stronger performance. It is notable that this is the second full year that our primary measure of performance was TRIR – we changed in the knowledge that achieving ‘zero’ will be more progressive.

A specific initiative for 2019 was to focus on managing higher-level risks within our business, the ones that have been identified through incident investigations and external industry research that have the potential to cause significant injuries. We also paid specific attention to the mental health of our people, as both a Health and Safety factor. Despite our ambition to have all our employees, contractors, sub-contractors and anybody visiting our sites return safely to home from work on our premises, we regretfully had three sub-contractor fatal injuries in 2019: these happened in the Piteå mill in Sweden, the Anzio plant in Italy, and the Forestry Operations in Colombia.
Communities

Smurfit Kappa is committed to the communities in which we operate, while our Foundation empowers people to improve their lives.

In Smurfit Kappa, we actively support local communities through our Smurfit Kappa Foundation and local operations. Internally and externally, we adhere to high ethical and professional standards, making the well-being of people a priority throughout our organisation. Smurfit Kappa invests significantly in its host communities, contributing to their economic and social development. The aim is to keep generating well-being and improvement through our core business in areas vital for the future, such as education, income generation, collaboration, and participation. By doing this, we can make positive, long-lasting changes in the communities with which we are privileged to work.

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 an active part in its development. In our philanthropic work, we focus on self-help initiatives, education and health programmes, and contribute through financial donations and volunteering by local employees.

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
- Supporting municipality water treatment systems with our effluent that has nutrients, that help treat municipality waste water in Nettingdorf, Austria and Jérónimos, Spain
- Treating municipality waste water in Morava, Czech Republic
- Planting road structures at our Colombian Forestry Operations
- Collecting city-recycled paper in Malaga, Spain

Employee Engagement Through Community Activity // UK

Smurfit Kappa SSK is a paper mill located in a deprived area in Birmingham, UK. After the second MyVoice Survey, the UK HR team focused on how they could improve engagement within the workforce and how we could invite more ideas from employees.

"We know that our employees feel strongly about social and charitable initiatives, and we thought that this could be a key for engaging our employees as well," says Maria Flynn, Head of HR SSK UK. "So the idea was born, but we had to determine how best to encourage our people to share with us the Charitable Organisations closest to them and the activities they would be willing to get involved with."

An autonomous committee of members across all areas of the business who could independently decide which projects to support was established, enabling people from different departments in the mill to make the initiative easily accessible for the employees, and monies for projects to support started to pour in. After the Giving Back initiative was launched in March 2018, over 50 nominations were shared with the committee. In 2019, £10,000 was donated to projects such as children’s cancer charities, local homeless charities, a local children’s hospital and even a local dog rescue shelter. While the SSK budget for these donations in 2019 was £5,000, the remaining funding came from the employees and their families, showing the engagement power of this initiative.

"We can measure success in many ways," says Maria, "the employees are engaged by choice and through a feeling that their employer is ready to invest in initiatives close to their hearts; the perception of SSK as an employer that respects citizen in the area has increased and all this while the site has been doing good for the community."

The Smurfit Kappa Foundation

The Smurfit Kappa Foundation was formed in 2011 and supports sustainable projects in the countries where we operate. We focus on projects that are working to address challenges in the areas of health and nutrition, basic care and early education. We are particularly interested in projects in which Smurfit Kappa employees or their families are involved and where they would benefit from support from our Foundation.

Any support we give is in addition to and not a substitute for funding such projects might already receive from the local Smurfit Kappa operations.

Helping Communities Transform Themselves // Colombia

"We work with rural communities that lack opportunities, with citizens rarely consulted on municipality development projects. That’s why they’re so enthusiastic and empowered when they can propose ways to improve their lives," says Beatriz Mejia, Director of the Smurfit Kappa Colombia Foundation.

The Foundation has been working with rural communities for over 50 years and, a decade ago, launched the highly successful "Integral Territorial Development" programme. In 2019, this programme was awarded the prestigious RedEAmérica CSR award for its development.

The focus was in South West Colombia and took a grassroots approach to implementing sustainable initiatives, mostly benefiting the communities neighbouring our forest plantations. As Beatriz puts it out, "We build valuable partnerships with these neighbors. For example, they can be the first to inform us of risks like forest fire. In the last year, the SK Foundation has spent over €1.1 million on long-term and large-impact social development projects in Colombia."

We work with communities, designing and implementing local development initiatives which focus on creating sustainable communities. These are based on a shared vision of the territory, strengthening participatory processes, planning and territorial management. The Foundation gives them tools, capacities and knowledge to influence their own territory, enabling local leaders to work with government and other organisations to bring the projects about.

For example, El Tambo is one of the four municipalities for which the RedEAmérica CSR award was given. Here, community leaders identified economic generation as the main issue – 86% of the rural population qualified as impoverished by a multi-dimensional poverty index. The Foundation provided financial, technical and infrastructure support to help improve productivity. We also helped other projects such as microfinance, water resource management and flora and fauna conservation.

To reduce youth urban migration, we developed productive projects in institutions and established Technical, Agricultural and Forestry Institutes. These offered basic and intermediate, secondary and technical schooling for young farmers.

As Beatriz says, "The award is for creating ownership and leadership – particularly important for Colombia today. We work by the Colombian saying – don’t give fish, teach to fish!"
Over 8,000 employees from Smurfit Kappa came together to take part in World Cleanup Day activities in September 2019. The volunteers, who came from all parts of the business, joined with family and friends to clean designated areas in 28 countries across Europe and the Americas.

As part of a global effort, and in line with its Better Planet Packaging initiative, the Smurfit Kappa Group encouraged employees across the world to support the event in their local communities.

Smurfit Kappa’s Better Planet Packaging initiative seeks to reduce packaging waste, and address the challenges of waste and litter that ends up in oceans and landfill, so there was a natural synergy between us and the World Cleanup Day.

‘BPP Starts with Me’ is an internal campaign which encourages Smurfit Kappa employees to make sustainable changes both at home and in the workplace so there was a huge appetite to get on board with World Cleanup Day.

Almost 20,000 hours were devoted by Smurfit Kappa employees and friends to the World Cleanup Day activities. Volunteers were easily recognisable in brightly coloured World Cleanup Day hats, t-shirts and hi-vis vests.

Over 10,000 bags and boxes of litter were collected from a diverse range of locations including beaches, rivers, parks, streets and woodlands. A group of employees from the UK even took to their kayaks to remove rubbish from the sea.

Some of the more unusual items found on the day included a wig, a bubble-gum dispenser, a lost head, a message in a bottle, half a pair of spectacles and a passport. In El Salvador, volunteers found a tiny turtle which they safely delivered to the local wildlife centre.

A healthy and clean environment is vital for us all, and we are very proud of Smurfit Kappa’s involvement in this important day.

Sustainability is at the core of Smurfit Kappa’s business. As industry leaders, we have a responsibility to address the serious environmental challenges facing us today and believe our global participation in World Cleanup Day further demonstrates our commitment to help make packaging waste extinct.

All of us have seen the devastating impact that packaging waste has had on marine life in particular. It was encouraging to see many Smurfit Kappa volunteers making a difference to the locations they were cleaning up.

Many sites rewarded volunteers with meals afterwards or combined it with additional activities including mushroom gathering, tree planting and even trying out a zip wire! Many passers-by stopped to commend people and join in. For example, in Oosterhout in the Netherlands, a local catering service was so impressed by the World Cleanup Day initiative, they spontaneously offered to sponsor lunch on the day.

The feel-good event got an excellent response from Smurfit Kappa employees who gave a lot of positive feedback including that it was ‘an ideal combination of business and pleasure’ with ‘lots of sunshine, lots of litter, lots of humour’ and that it encouraged ‘great camaraderie between colleagues’.

World Cleanup Day // Global

World Cleanup Day is a global social event which encourages people to pick up litter on a designated day every year. The simplicity of the idea has inspired thousands of people to take part since the initiative began in 2018.

Bags & boxes of litter collected

10,000

Hours spent volunteering

20,000

All of us have seen the impact that packaging waste has had on marine life in particular. It was encouraging to see many Smurfit Kappa volunteers making a difference to the locations they were cleaning up.