People

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 and 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 ambition is to create a continuous two-way dialogue, to ensure our people understand our strategy and the role they play in its delivery and to inspire them to perform at their best every day. We are a diverse team in the context of background and life experience, but also in terms of longevity of service. We are proud so many employees choose to stay with us for most, if not all, of their careers. Almost 50% of our workforce have service exceeding 11 years, which provides a great mix of experience in the workplace.

It is our belief that these people who commit to the organisation, along with everyone who joins us on their career journey, deserve a working life full of moments that matter. From the moment they are hired, to the time they depart the organisation or they choose to retire.

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 new to our people at our mills, plants and offices. The full survey was repeated in 2017, with a pulse survey in 2019. Last year’s pulse survey reflected an employee participation level of 89%. We have also seen an engagement score improvement of 5% from 2014 to 2017, and a 7% shift from 2017 to 2019. 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 some 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.

Smurfit Kappa People People Strategy 2020-2023

Five Fundamentals of our HR Strategy

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

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.

People

Innovation and Participation // Europe

Recycled Paper West (RPW) is a cluster of eight mills, spread across five countries: France, Italy, Serbia, Spain and the UK.

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 had ingeniously 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 ingeniously extended their machine to a 2.8m paper width, meaning a greater range of products could be produced
• Continual Flow of Innovation Projects: This Award was won by the Kemi mill, which has significantly improved the number of projects it is involved in, from 10 to 20.
• Local Involvement: This Award was won by the Agina mill, which has increased its involvement in innovation projects from 0 to 8.

“We are proud of our people, and their innovations, and we are proud to have them represented here tonight.”

The AVN Mill team won a Hive prize for local involvement, and they were presented with the ‘Hive’ prize for a local idea which had been developed across our five countries, dinner and, of course, the Innovation Awards presentations.

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This initiative has also led to:

• an Innovation ‘Co-ordinator’ in each mill;
• regular local recognition of good ideas, across all sites;
• local Competitions, all feeding into the RPW Innovation Awards;
• continued flow of innovation projects – not just annually, but quarterly; and
• managers and workers being inspired by other teams.

Progress in 2019

• We have 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 retain on their path
• We began to progress our Employee Engagement Strategy, which will continue to develop into 2020 and beyond

Smurfit Kappa Sustainable Development Report 2019