

People continued

People values

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 is committed to providing a working environment that is safe, respects individuality, is non-discriminatory, appoints and promotes people on suitability, rewards fairly, encourages personal and professional development, and has effective mechanisms of communication.

No Discrimination

Smurfit Kappa prohibits 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 22 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 trade union membership, we work with them to establish mutually acceptable means of representation.

We ensure employee representatives do not suffer any disadvantage or discrimination because of their role. In 2019, we have not had a confirmed case where either the association or bargaining rights of any individual or group of employees have been denied. Collective agreements cover 70% of our employees, are the result of either local or national negotiations in the countries concerned.

In many countries, Smurfit Kappa conducts formal employee consultations with local Works Councils. More about these councils can be found in our Annual Report 2019 (p. 43).

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 fears 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.



An Opportunity to Thrive // Ireland

"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).

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."

"We hope that the internships will be a step towards helping the graduates build long-term careers."

Marie Devitt
Pathways Coordinator for the Trinity Centre for People with Intellectual Disabilities

