At Smurfit Kappa, we are proud to be one of the leading providers of paper-based packaging in the world.

Our purpose is to meet the needs of our customers, to generate superior returns for our shareholders, and to invest in our people, the communities in which we operate and the environment.

We have around 46,000 employees working across more than 350 production sites, in 35 different countries. Last year we generated revenues of €9 billion and we are listed on the FTSE 100.
Making solid progress in our sustainable journey

"Our ambition is to be the most sustainable company in paper-based packaging."

Tony Smurfit
Group Chief Executive Officer
Over the past decade, the world has woken up to the environmental challenges our planet faces. Companies are now integrating sustainability into their corporate strategy and business practices.

At Smurfit Kappa, our ambition is to be the most sustainable company in paper-based packaging. Our vision is to be a globally admired company, dynamically delivering secure and superior returns for all stakeholders. Both our sustainability and business performance during 2019 demonstrated the progress we have made towards realising that vision. At the end of 2019, our Board of Directors formed a Sustainability Committee of the Board that will drive and provide overall strategic guidance to our sustainability strategy.

We have realised significant reductions in our carbon footprint since 2005 and almost half our energy comes from renewable sources. Our renewable, recyclable and biodegradable packaging solutions help our customers reduce their environmental impact, and support a circular economy.

The passion, quality and determination of our people is key to our continued success. We have developed training programmes to ensure we attract and develop the best talent. We are committed to the highest standards of corporate governance and ethical business conduct, from the boardroom to the factory floor.

Generating superior returns to shareholders will enable us to invest in our people, the environment, our communities, and our long-term sustainable growth.

Our Progress in 2019
We made further progress during 2019 towards our five sustainability goals for 2025 and 2030 (see below). Our paper mills have decreased CO2 emissions by 32.9% since 2005. In Forestry, 92% of our deliveries were Chain of Custody certified, enabling end-to-end transparency across the supply chain. Our waste to landfill reduction target is more challenging, as we also rely on partners to recover the residual materials.

Several ESG rating agencies consider us sustainability leaders; and recognition from the ‘Support the Goals’ initiative is proof that we are working towards 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. We remain operational which is as a result of our employees dedication and commitment and have been deemed an ‘essential business’ in 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.

Despite the current Covid-19 crisis, we remain committed to playing our part in the ‘Decade of Action’ to limit the rise of global temperatures to maximum 2°C from pre-industrial levels. Our sustainable products are part of the solution. Life cycle analysis at product level shows a favourable carbon footprint of our paper-based products compared with other packaging materials.

This gives us confidence that we can contribute to the transition the global community will have to make. In 2020, we will continue to help our customers reduce their carbon footprint. We will continue our efforts to cut our own carbon emissions, waste and water discharge and we will invest in our people’s safety and professional development.

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

Tony Smurfit
Group Chief Executive Officer
30 April 2020

Reduction in fossil fuel emissions intensity since 2005
32.9%

Packaging solutions sold as Chain of Custody certified in 2019
92.1%

Reduction in Chemical Oxygen Demand intensity since 2005
35%

Reduction in waste to landfill since 2005
7.1%

Reduction in Total Recordable Injury Rate in 2019
17%
Delivering a better tomorrow

As a leading company in sustainability, we are committed to doing our part in the global environmental and societal issues that we have control over.

A greener, bluer planet

Climate change
We are stepping up our ambition with low-carbon and energy efficient production systems and increasing our use of renewable fuels. We also offer our customers optimised packaging solutions that help them to reduce CO₂ emissions in their value chain.

Forests
We balance the use of virgin and recycled fibres to maintain a positive and sustainable balance of renewable raw materials. We have committed to a complete Chain of Custody certified sourcing and manufacturing chain, from fibres to the packaging solutions.

Water
We are committed to responsible water stewardship. We focus our efforts on continually improving the quality of water we discharge and understanding the risks associated with water availability in the areas where we operate.

Waste
Our products are specifically designed to protect the goods they package. Our principle raw material itself is circular by nature and we strive to eliminate waste and keep removing the remaining linear elements from our processes.

An employer of choice

People values
We endorse the principles of respect for human rights, freedom of association, fair compensation, and diversity regardless of age, gender, sexual orientation, ethnic origin, disability or nationality.

People strategy
Employees who find meaning at work are happier, more productive and more engaged. This is why we are constantly evolving and improving our people strategy. We believe our employees are the beating heart of our business and they need to feel how much they are valued by the organisation.

Safety and well-being
The safety of our people is a core value for the organisation. Our Safety for Life initiative was launched to increase the level of safety awareness of our entire workforce, to reach our zero-accident goal.

Communities
We are proud to participate where we can in the communities, where we are privileged to operate. In 2019, Smurfit Kappa made approximately €3.5 million in social investments, across many projects in the areas in which it is located.

An impactful business

Innovation
Offering tailored fit-for-purpose packaging is the core of our eco-design. We link data, engineering and creative thinking throughout packaged products’ value chain from packaging solutions back to our supply chain and processes.

Governance and human rights
Smurfit Kappa supports the UN Global compact (UNGC) and is committed to promoting the UNGC ten principles of human rights, labour, environment and anti-corruption. As part of this, Smurfit Kappa reports transparently on its activities and performance in these areas.

Sustainable sourcing
Sharing our sustainability knowledge, experience and expertise with our suppliers increases the sustainability of our whole value chain. To be able to sustainably grow our business, our materials, goods and services must have the right quality and cost, but also be securely and responsibly sourced.
A greener, bluer planet

The circular economy is at the core of our business. We use renewable, recyclable and biodegradable materials to create sustainable packaging solutions.

An employer of choice

Having engaged employees is critical for our business. We work safely with talented people in a global, culturally diverse organisation.

An impactful business

As a global Group, our activities aim to create sustainable value for our customers, investors, employees, suppliers and the communities where we operate.
Our Strategic Priorities

Vision into action

As a global Group our activities create sustainable value for our stakeholders and the communities where we operate.

A greener, bluer planet

- Reduction of relative CO₂ emissions: -32.9%
- Packaging solutions sold as Chain of Custody (CoC) certified: 92.1%

An employer of choice

- Reduction of the TRIR since 2018: -17%
- Social investment in 2019: €3.5m

An impactful business

- Customers welcomed on Global BPP day: +650
- Awards won in 2019: 63
SKG’s engagement with customers, both current and prospective, on the ‘Better Planet Packaging’ initiative was best illustrated with two flagship events, our biennial Innovation Event in May hosting over 350 customers from across the globe and our inaugural ‘Global Better Planet Packaging Day’ on 21 November which involved over 650 brand owners and retailers across our global operations with our Global Experience Centre network providing a unique platform for the day.

In 2019, the Group’s leadership in innovation was recognised with 63 national or international awards for packaging innovation, sustainability, design and print. The Group’ operations received awards in Argentina, Austria, Belgium, Brazil, Bulgaria, Colombia, the Czech Republic, France, Ireland, Mexico, the Netherlands, Russia, Sweden and the UK.

The Group was included in the newly formed Solactive ISS ESG Beyond Plastic Waste Index, which recognises companies active in the reduction of plastic pollution.

During 2019 we audited 112 suppliers through our seven pillar sustainable sourcing audit programme.

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

Since 2005 we have reduced our relative CO₂ emissions and continue to make significant progress towards making further reductions. Due to our commitment and investments in efficient energy generation, combined heat and power production and use of renewable fuels, we have been able to reduce our relative CO₂ emissions by 32.9% since 2005.

More than 92% of our packaging is Chain of Custody certified, meaning that our stakeholders can rely on our commitment to ensure the sustainable origins of our raw materials.

We have reduced waste to landfill by 7.1% since 2013. Since 2005 we invested €73 million in water treatment facilities and have reduced our COD levels by 35%.

This year we have evolved our People Strategy, under four key pillars; Employee Experience for Performance; Inclusion, Diversity and Belonging; People Development and Talent Management and Rewards and Recognition. 2019 was our first full year delivering against our goal to deliver a 5% annual reduction in our Total Recordable Injury Rate (TRIR), since 2018 we have achieved a 17% reduction.

Alongside our new People Strategy, we have introduced a new Group Ethics Management process. This aligns to the principles outlined in our Code of Conduct: compliance with the law, ethical behaviour and a commitment to quality and service. Moreover this ensures our employees have a voice and the opportunity to report wrong-doing or potential wrong-doing in full confidence.

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

Since 2005 we have reduced our relative CO₂ emissions and continue to make significant progress towards making further reductions. Due to our commitment and investments in efficient energy generation, combined heat and power production and use of renewable fuels, we have been able to reduce our relative CO₂ emissions by 32.9% since 2005.

More than 92% of our packaging is Chain of Custody certified, meaning that our stakeholders can rely on our commitment to ensure the sustainable origins of our raw materials.

We have reduced waste to landfill by 7.1% since 2013. Since 2005 we invested €73 million in water treatment facilities and have reduced our COD levels by 35%.
Key Principles
We replace the natural resources we use, and reuse or recycle all side streams that we can. This approach increases our productivity and adds to our competitiveness.

Our circular business model starts with renewable and sustainable raw materials. We are committed to producer responsibility; our well-established and integrated approach means that 75% of our raw material is recycled fibre. We use organic by-products as biofuel, circulate our process waters as much as we can, and collaborate with local organisations to find alternative uses for materials we cannot reuse.

Our product development is focused on the entire value chain. Our mono-material solutions make our customers’ packaging lines more efficient, and make it easier to recycle packaging after use.

Achievements 2019
We continued to make steady progress in reducing our CO₂ emissions, which we have cut by almost a third since 2005. This has been achieved with investments in efficient energy production at our Townsend Hook paper mill; combined heat and power production; and the new, energy efficient paper machine at our Los Reyes paper mill, supported with new boilers.

More than 92% of our packaging is Chain of Custody (CoC) certified.

We have invested €79 million in best practice water treatment since 2005 and have reduced Chemical Oxygen Demand in our water discharge by 35%. Since 2013 we have reduced waste to landfill by 7.1%.

Delivering for SDGs
Smurfit Kappa Impacts
As an energy-intensive manufacturing business that uses natural resources, Smurfit Kappa has a direct impact on clean water resources, affordable and renewable energy and forest biodiversity and ecosystems. Through our efforts to reduce the climate impact of our operations, as well as our products that can help our customers reduce the climate impacts in their supply chain, we can contribute to the global climate action. Supplying our customers with renewable, recyclable and biodegradable packaging solutions that help protect their products from damage and inform consumers of their contents, we are part of the responsible consumption and production chains. We have set targets in all these areas.

Smurfit Kappa Supports
Smurfit Kappa support local communities through its paper recycling operations and is part of the infrastructure for sustainable communities. Our products can help reduce the amount of microplastics entering water bodies and harming ecosystems; and our Better Planet Packaging initiative helps raise awareness in this area.

Planet
A greener, bluer planet
For many years, our operations have been designed on a circular economy model. This means seeking closed loop solutions maximising resource efficiency and minimising waste, including CO₂ emissions. It also means supplying packaging which avoids waste and litter.
The Circular Economy

The UN 2030 Agenda is calling for action via 17 Sustainable Development Goals. By 2030, the Paris Climate Accord aims to limit the increase in global temperatures to well under 1.5°C, from pre-industrial levels. The European Union has committed to reducing CO₂ emissions by 40% from 2005. Achieving these goals requires a shift from linear to circular economic models, creating an era of opportunity and a need for innovation.

We are well-placed to make these targets a reality. Circularity has been our business model since our inception, so we can lead by example as the circular economy goes mainstream. We have 356 production sites across 35 different countries, allowing us to drive positive change in the packaged goods value chain, from sourcing sustainable raw materials, to minimising our impact, and helping our customers reduce their impact on the environment.

Our sustainability strategy tackles Climate Change, Forest, Water and Waste. These priorities cover the environmental aspects our stakeholders identified as most material, including biodiversity, the circular economy, climate change awareness, energy use and emissions, litter on land and in oceans, responsible forestry, water quality and scarcity, and waste to landfill.

**Risks and Challenges: Limits of Resources**

Our challenge is to create value within the limits imposed by nature, ensuring we use resources as efficiently as possible, while minimising our impact on the environment.

**Climate Change**
Climate change is one of the greatest challenges facing society. If emissions continue to rise, ecosystems, biodiversity, economic development and communities will be impacted. Our stakeholders are increasingly looking for low carbon alternatives and therefore it is our priority to adapt and create a more circular approach to packaging.

Paper manufacturing is energy intensive. We welcome the European Energy Union, which aims to deliver affordable, sustainable energy. There must, however, be safeguards against companies moving to areas with weaker carbon policies. The Forest Fibre Industry 2050 Roadmap shows how our sector can cut CO₂ by up to 60% using existing and emerging technologies.

**Scarce Resources**
Our stakeholders expect us to use sustainable raw materials efficiently. Deforestation is a particular concern for consumer-facing companies. We commit to only sourcing sustainable wood and fibre.

Mitigating climate change requires a shift to renewable energy to reduce CO₂ emissions. Government incentives encouraging biomass energy could increase raw material costs, putting paper packaging at a disadvantage. On the positive side, the EU launched its Single Use Plastics directive in 2019, encouraging the use of reusable or biodegradable materials.

Water scarcity remains a concern. Freshwater resources are not distributed evenly around the world, and water quality is declining. Our water risk assessments and other measures ensure that we are not adding to this problem.

Our stakeholders expect us to use sustainable raw materials efficiently. Deforestation is a particular concern for consumer-facing companies. We commit to only sourcing sustainable wood and fibre.

**Opportunities: Embedding Circularity**

Our challenge is to create value within the limits imposed by nature, ensuring we use resources as efficiently as possible, while minimising our impact on the environment.

**Part of the Bioeconomy**

The virgin wood fibres used by the paper industry mostly come from the removal of young trees to support forest growth, or wood chips from sawmills, both fully renewable, sustainable and reusable.

75% of our raw material is recycled fibre – the remaining 25% comes from sustainably-managed forests through Chain of Custody certified supply chains. Wood fibre can be recycled eight times. It can then be used to generate energy, or simply biodegrade.

Forests absorb carbon, help regulate the climate, and purify water. They create local industry and provide employment. We implement sustainable forest management in our own forests and plantations, and only source fibres from sustainably-managed forests.

**Reducing Leakage**

Collection rates for paper-based packaging are relatively easy for consumers to recycle. We work with municipalities and retailers to collect discarded paper packaging for recycling.

Our fit-for-purpose packaging avoids waste. We offer mono-material packaging, which makes recycling easier. If our packaging is not recycled, it can either be burned, releasing only the amount of CO₂ it captured while growing, or it degrades naturally.

**Growing Bio-Raw Materials**

Bio-Raw Materials are not adding to this problem.

**Bio Degradation**

Biological Cycle

Our stakeholders expect us to use sustainable raw materials efficiently. Deforestation is a particular concern for consumer-facing companies. We commit to only sourcing sustainable wood and fibre.

**Synthesising Raw Materials**

Collect/Reuse/Recycle

**Technical Cycle**

Our stakeholders expect us to use sustainable raw materials efficiently. Deforestation is a particular concern for consumer-facing companies. We commit to only sourcing sustainable wood and fibre.

**Smurfit Kappa** Sustainable Development Summary Report 2019

9
Climate change is a global challenge. Our customers and investors expect us to approach this challenge strategically and keep them up-to-date with our progress. We are continually increasing efficiency in our manufacturing and helping our customers reduce their carbon footprint, in line with the Sustainable Development Goal 13: Climate action.

Commitment #1
A 40% relative reduction in scope 1 and 2 fossil fuel based CO₂ emissions (compared to 2005) in our mill system compared to 2005 levels.

Timeframe
By 2030.

Progress Made
Since 2005 we reached 32.9% reduction.

Commitment #2
Collaboration with customers to determine carbon footprints of the packaging life cycle.

Timeframe
Continuous.

Progress Made
Our suite of tools that help to determine the carbon footprint of our customers’ packaging were used on average 11,000 times a day.

Commitment #3
Assessment of energy usage reduction opportunities in converting operations in selected countries.

Timeframe
By 2020.

Progress Made
Project is ongoing.

Local Project, Global Expertise // Mexico

“We faced a big challenge, but also an opportunity”, says Alfredo Leal, Plant Manager at Smurfit Kappa Los Reyes Paper Mill in Mexico. “It was the combination of local resources and the Group’s global expertise that led to our success.”

Staff at SK Los Reyes Mill wanted to replace their 50-year-old boxboard machine with a rebuilt containerboard machine, to meet the paper needs of SK Mexico and improve integration with the corrugated division. The site already had a smaller containerboard machine, which would provide the workers with expertise for the new one.

However, the team knew they could get better value from the new machine, and consulted with SK globally. The Paper Production Technology teams in Europe and the Americas, the Global Sourcing team, and colleagues from Colombia, Europe, and the US were invaluable.

All this led to the following design improvements:
• Stock preparation using the Smurfit Kappa blueprint, meaning less equipment used and energy saved
• Two fire tube boilers, saving fuel and steam during machine breaks
• Thermocompression systems, to get the most efficiency out of the dryer sections
• Tri-nip configuration, including a shoe press, improving dryness speed and efficiency
• Heating the closed hood via an energy-recovery system

These improvements led to a production design of 100,000 tonnes/year capacity – 25,000 tonnes more than the machine’s original capacity. This, along with the more efficient boilers, led to a 13% reduction in CO₂ per tonne of paper in 2019. By the second year, with a better than expected ramp-up and good financial results, SK Los Reyes Mill was awarded Group Company of the Year in SK Mexico.
CertificationTM (PEFCTM) and Sustainable Forestry Initiative® (SFI®) Continuous. Timeframe certified under FSC®, PEFC™ or SFI®. Labelled as Chain of Custody Commitment #2 1% variation. In 2019. This is within our margin of that are Chain of Custody Certified purchase 99.8% of our fibres under Commitment #1 100% of our fibres are Chain of Custody certified under FSC®, PEFC™ and/or SFI® Chain of Custody standards. Timeframe Continuous. Progress Made We were at 92.1%. Commitment #3 All production sites using FSC®, PEFC™ and/or SFI® Chain of Custody standards. Timeframe Continuous. Progress Made All sites use the standards. Commitment #2 Over 90% of our packaging is labelled as Chain of Custody certified under FSC®, PEFC™ or SFI®. Timeframe Continuous. Progress Made Confirmation of rights to use the trademarks: Forest We balance the use of virgin and recycled fibres to maintain a positive and sustainable balance of renewable raw materials. We have committed to a complete Chain of Custody certified sourcing and manufacturing chain, from fibres to the packaging solutions. We aim to source virgin fibres from certifiably well-managed forests, or at least of non-controversial origin, or Chain of Custody certified recycled fibres. All materials must be delivered through a third-party-verified Chain of Custody certified supply chain. We accept Forest Stewardship Council® (FSC®), Programme for Endorsement of Forest Certification™ (PEFC™) and Sustainable Forestry Initiative® (SFI®) certified wood, and the Chain of Custody systems at our mills and plants also cover recycled-fibre sourcing. Forest Certificate The forest of origin is certified according to a forest management standard. CoC Certified Wood Supply CoC certified according to a wood supply certificate. CoC Certified Pulp and Paper Production CoC certified pulp and paper production. CoC Certified Converting Operations CoC certified converting operations. CoC Labelled Packaging Solutions to Customers CoC certified paper and paper production. Forest certificate CoC certified wood supply CoC certified pulp and paper production CoC certified converting operations CoC labelled packaging solutions to customers Non-controversial wood Recovered paper CoC certified external pulp CoC certified external paper Forest of origin The forest of origin is certified according to a forest management standard. Chain of Custody (CoC) – How Does it Work? Progress Made Jose Nehil Zuluaga Trujillo, Harvest Technician of Forestry Sustainable Forest Management “Certified forests mean that we apply specific procedures to protect and manage the forest and forest ecosystems sustainably.” Responsible Sourcing at Paper Mills “We are committed to securing our wood from sustainably managed forests, mainly from nearby regions, either from certified forests or from controlled sources.” Paper Recovery and Recycling “Material sources are stipulated and compliance is closely monitored – to help demonstrate appropriate Chain of Custody.” Transforming Paper into Packaging “Our plant doesn’t work with non-certified material. For a start, it’s all traced and tracked through our order system.” The Final Packaging Product “All of our customers receive a ‘stamp of proof’ clearly marked – their guarantee that our product originates from a sustainable source, verified.” Forest Management “Certified forests mean that we apply specific procedures to protect and manage the forest and forest ecosystems sustainably.” Sustainable Forest Management “Our plant doesn’t work with non-certified material. For a start, it’s all traced and tracked through our order system.” Paper Recovery and Recycling “All of our customers receive a ‘stamp of proof’ clearly marked – their guarantee that our product originates from a sustainable source, verified.” The Final Packaging Product Jose Nehil Zuluaga Trujillo, Harvest Technician of Forestry Ernst Kastner Wood Purchasing Manager Mark Webster Compliance & Environmental Manager Dave Senior Conversion Shift Manager Peter De Knop Key Account Manager Smurfit Kappa Sustainable Development Summary Report 2019
**Water**

Without water we cannot produce paper. It plays a critical role in pulping wood fibres, forming paper, and dyeing it. We use best practice water treatment in our operations to improve the quality of our discharged water, and carry out risk assessments on water availability.

**Commitment #1**
Reduce the organic content of water returned to the environment from our mill plants (COD) by 60% compared to 2005 levels.

**Timeframe**
By 2025.

**Progress Made**
Since 2005 we reached a 35% reduction.

**Commitment #2**
Perform environmental impact assessments of the water use of our sites (where relevant) and develop water usage measurements.

**Timeframe**
By 2020.

**Progress Made**
In 2019 and early 2020, ten sites were assessed. The project will be finalised by the end of 2020.

---

**Sharing the Benefits of Water Treatment // Spain**

Paper mills use a huge amount of water, which is recirculated many times during the paper manufacturing process. Eventually, the water quality becomes too poor, so it needs to be treated and returned to nature. Over 90% of water is returned – the rest is either bound to the product or evaporated.

Smurfit Kappa Nervión works closely with the municipality’s water treatment facility – so closely that the treatment plant is right next to the paper mill, and Nervión sends its pre-treated waste water directly to it.

“Before releasing water to nature, it is usually treated biologically,” says Pilar Veiga, Quality and Environmental Manager of SK Nervión. The water treatment plant uses specific kinds of bacteria that remove impurities from the water, which supply some of the nutrients they need.

Pilar says: “Our paper mill effluent naturally has all the other nutrients the bacteria need. Therefore, our effluent helps the municipality water treatment work better and more cost-efficiently.”

Water treatment is a finely-balanced biological process, which we all benefit from, so it is important to find these synergies with neighbours. Pilar says this collaboration enhances the relationship between Smurfit Kappa and the municipality. “It’s a win-win for everybody.”

We also have a similar collaboration with the municipal water treatment facility at SK Nettingsdorf, in Austria.

“It is important to remember that we are part of the community. Working together towards a better planet is part of this coexistence.”

Pilar Veiga
Quality and Environmental Manager
SK Nervión
Waste

Using materials efficiently is critical within a circular economy. We continually find new ways to reuse, recycle and recover materials, to put an end to the linear economy where products end their lifecycle in landfill. Our packaging protects products from damage to further prevent waste.

Commitment
Decrease the waste sent to landfill by 30% per tonne of product produced by our mill system compared to 2013 levels.

Timeframe
By 2025.

Progress Made
Since 2013 we reached a 7.1% reduction.

From Landfill to Circular Use // Colombia

“We talk a lot about sludge,” says Alfredo Marin, Technical Director of the SK Cali plant in Colombia. “In particular, the sludge from our water treatment plant – our main output to landfill.”

The sludge is residue from the mill process effluent and the raw water treatment plant. The problem is, sludge from the raw water treatment is too wet, with only 5% solids. Alfredo says: “It’s a huge weight to send to landfill.”

Initially the mill used an old screw press to take out the water, but this increased the solid content to just 16%. Alfredo says: “Several solutions were explored, including initial filtration of river water to reduce solids such as grit, or high-tech solutions like centrifuges and membranes. But none guaranteed total separation at low cost.”

The mill started testing in a smaller pilot plant. Alfredo says: “We were able to overcome problems on a smaller scale and, by the end of its run, the pilot plant managed 50% sludge consistency even during the rainy season.”

The main screw press was installed in December 2019 and has achieved better than 50% consistency in its first month. Alfredo says: “Following the Group’s ambition to move into circular systems, we have been researching uses for the compressed sludge, like burning it in our lime kiln, or combining it with unburned particles from our coal boiler to create a pelletized fuel, which we could use in the same boiler.”

“There are other benefits too,” he adds.

“The new process prevents spills – the sludge yard is the cleanest it has been for years.”
People

An employer of choice

It is our ambition to be recognised as a globally admired company, a great place to work and an employer of choice for top talent. As a growing business, our performance depends on our highly motivated and valued team across the globe.

Key Principles

Employees who find meaning in their work are happier, more productive, and more engaged. People who believe their job has a broader purpose are more likely to work harder, take on challenging or unpopular tasks, and collaborate effectively. Our defined vision gives our people this sense of purpose, and we take care to ensure their health and well-being.

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.

Achievements 2019

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

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

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 the key priority for our stakeholders. We are committed to a 5% reduction in our Total Recordable Injury Rate (TRIR) 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 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 inequality and ensuring that every member of our 46,000 strong team feels a sense of belonging.

Smurfit Kappa Supports

As a responsible employer, we are committed to the UN targets to end poverty and hunger, along with 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.
At Smurfit Kappa, we have a strong people-focused foundation. Over the past year, our HR team has been further evolving their strategy to build on this work, with a series of new initiatives based around our people’s development and engagement.

**Attracting Talent and Maintaining Diversity**

One of the most important challenges we face is attracting the talent we need. The nature of our industry, and the business-to-business environment in which we operate, means we need to identify new ways to attract and recruit talent, with specific focus on younger people and millennials.

Many of our operations are in sparsely populated rural areas, making it a challenge to recruit people with the necessary qualifications. Attracting female applicants is a particular challenge for manufacturing companies and we have developed programmes to promote recruitment of women, ensuring we get the best people for our company.

We have made significant changes and improvements to our recruitment processes, to ensure we are attracting the most diverse talent available, while also introducing a more flexible approach to working arrangements, to ensure our workforce can see a way to build a better work/life balance.

Training and developing our people is a key focus for us. Some of the main highlights of 2019 were:

- Promoting global career opportunities;
- Continuing our Leadership Development Programme with INSEAD;
- Developing our Global Smurfit Kappa Academy for managers;
- Our ‘Women in Leadership’ programme; and
- Our Group-wide Inclusion and Diversity programme, ‘EveryOne’.

Training and development is a continuous process, which is being further evolving their strategy to build on this work, with a series of new initiatives based around our people’s development and engagement.

**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.

**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.

**Inclusion, Diversity and Belonging**

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

**Rewards and Recognition**

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

---

**Health and Safety Culture**

Health and Safety is both a challenge and an opportunity for any manufacturing company with large machinery, complex logistics and around-the-clock shift work. At Smurfit Kappa, we promote a Health and Safety culture founded on authenticity, empowerment and accountability.

Our vision is to operate with Health and Safety as a core value. We believe that safe operation is non-negotiable. Our overall Health and Safety performance improved again in 2019. We reduced our Total Recordable Incident Rate by 17%, in line with our annual target. This was due to actions and initiatives implemented during the year. We continually reinforce Health and Safety values to all our managers and employees, with an ultimate goal of zero accidents globally. Regrettably, we had three fatal incidents in 2019 and are working hard to learn what we can from these events, to ensure that we continue to reduce future incidents.

We employ some 46,000 people around the world. Our inclusive culture is dedicated to leveraging our expertise and diversity, and working together to drive the organisation forward. Together we are committed to building a better tomorrow for our customers, our shareholders, our communities and all of our employees. Our materiality assessment shows that the key areas of focus for us are: being a responsible employer; diversity in the workplace; and health and safety.

We have a culture of innovation, with colleagues across all our sites, leveraging their passion, expertise and manufacturing capabilities. We work to develop packaging solutions and products that can deliver new growth opportunities for our customers and help build a more sustainable planet.

We see this as an opportunity for both the company and our people, ensuring we are all ready to step up; and that those talented individuals, who are not yet part of our story, find their way into our organisation.

We have built a solid foundation of employee welfare and care, based on our safety-first approach; instigated a people development programme emphasising personal strengths; and developed an extensive rewards and recognition programme.

---

**Smurfit Kappa People Strategy 2020 – 2023**

- **Employee Experience for Performance**
- **Inclusion, Diversity and Belonging**
- **People Development and Talent Management**
- **Rewards and Recognition**
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.

Commitment #1
Stimulate and encourage employee engagement through regular, company-wide surveys and follow-ups.

MyVoice pulse surveys were conducted with targeted employee groups to measure progress in projects launched after the 2017 MyVoice engagement survey.

Commitment #2
Maintain a good faith ‘Whistleblower Code’ for reporting any unethical or illegal conduct.

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’.

Advanced Management Development (AMD) is one of the global training programmes we offer our employees. Each year, it delivers five Group-designed projects to help participants learn about teamwork, project management, leadership, and deliver fresh ideas for the Group to implement.

In 2019, Luis Alvarez from Mexico and Elisa Romanello from Italy worked with colleagues from Colombia, Poland and Belgium, to develop a plan for how the Group can benefit from the opportunities offered by Inclusion and Diversity.

Elisa says: “Because gender is such an issue in our industry we tend to focus on it exclusively, and we needed to get beyond this. Working with colleagues from all regions was a great opportunity to see the value of a really diverse group working together.”

Luis says:

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

Everyone can Make a Difference // Global
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. Also at the core of our strategy are our five fundamentals of Safety and Well-Being, Legal Framework, Industrial Relations, HR Information Systems and Internal Communications. These provide us with a way of working that benefits our people and our wider business.

Commitment

We are committed to empower all employees to reach our business objectives.

We offer employees at all levels of the organisation the chance to broaden their skillsets and knowledge, fulfil their potential and improve their career prospects. We compensate fairly, review performance regularly and offer gender neutral career opportunities and pay.

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 innovatory 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 Bouma, CEO RPW. 29 high-level innovative projects were submitted, with 12 receiving prizes. The main Award was won by the Avignon team, which ingeniously extended their machine to a 2.8m paper width, meaning a greater range of products could be produced.

Jelte adds, “This has become more than just an innovation competition. It has started a torrent of ideas, which come to us on a quarterly basis and are shared by the central team in our newsletter, to inspire all of us with innovative ideas and good practices of our colleagues.”

This initiative has also led to:
- the introduction of an Innovation Co-ordinator in each mill;
- regular local recognition of good ideas, across all eight mills;
- local competitions, all feeding into the RPW Innovation Awards;
- continual flow of innovation projects – not just annually, but quarterly; and
- managers and workers being inspired by other teams.
Safety and well-being

We place the safety and well-being of our staff at the forefront of everything we do. Our Health & Safety campaign is ‘Safety for Life’ and it focuses on our ambition to ensure that Smurfit Kappa employees return home safely to their families’ every day.

Commitment

We are committed to maintaining a productive and safe workplace by minimising the risk of accidents, injury and exposure to health hazards for every employee and all sub-contractors, aiming at a zero-accident working environment.

Timeframe

Continuous with annual target.

Progress Made

To measure success, we are committed to reducing our Total Recordable Injury Rate by 5% annually. In 2019 we reached a level of 0.84, totalling a 17% reduction in comparison to 2018.

Mental Health and Safety // Safety

“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 them, but often aren’t sure how.”

Back in 2018, our HR and Health and Safety teams worked together to form the Smurfit Kappa UK Mental Health and Wellbeing strategy. The Employee Assistance Programme (Lifeworks) already offered some confidential advice but more was needed. Nigel Elias, UK Health Safety and Environment Manager, says: “Managers can be faced with a serious mental health issue and be unable to help, because we’ve tended to focus on safety, not health.”

The strategy was launched in April 2019. Jackie says: “People believed in it and wanted to be involved. Almost 200 colleagues volunteered to be Mental Health First-Aiders and were taught how to spot early problems, approach people, create safe spaces, and signpost to appropriate services.”
Communities

Through the Smurfit Kappa Foundation we actively support the communities in which we operate. We are committed to making positive, long-lasting changes. We focus on self-help initiatives, as well as education and health programmes, and contribute through financial donations and volunteering by local employees.

Commitment

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 dependence is an issue, we aim to help end this by strengthening communities around the world.

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

In 2019, our ‘Integral Territorial Development’ programme was awarded the prestigious RedEAmérica CSR award for community development.

The SK Foundation spent over €1.1 million on social development projects in Colombia over the past year, mostly in communities neighbouring our forest plantations. Beatriz says: “We build invaluable partnerships with these neighbours. They can be the first to inform us of risks like forest fire.”

Helping Communities Transform Themselves // Colombia

We work with the communities, designing and implementing initiatives based on a shared vision, strengthening participatory processes, planning, and territorial management. We provide tools and training, enabling local leaders to work with government and other stakeholders to carry out the projects.

The CSR award was given for our work in four municipalities, including El Tambo. Here, community leaders identified income generation as the main issue. We provided financial and technical support to improve infrastructure and productivity; with further aid for microfinance, water resource management, and conservation.

We established Technical, Agricultural and Forestry Institutes for young farmers, to reduce the flow of young people migrating to cities. Beatriz says: “We work by the Colombian saying – don’t give fish, teach to fish!”

Timeframe

Continuous.

Progress Made

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

Our focus on sustainability adds value to our products, giving us an advantage over our competitors. As a global company, we help our customers and suppliers grow their businesses with sustainability in mind. Our innovative designs reduce the raw materials used in our packaging, helping our customers deliver on their sustainability targets.

Key Principles

Ever since we embarked on sustainability reporting in 2007, we have worked hard to ensure that our sustainability performance is measurable, transparent and tangible for our stakeholders. We report our progress annually and our sustainability data is independently verified using GRI Standards. We certify our management systems in order to be more transparent and provide credible results for our stakeholders. We have clear policies so that everyone can understand how we govern our performance.

We are committed to managing our business ethically, in accordance with our values. We recognise that good social citizenship is an integral ingredient in creating and maintaining a sustainable future. We reflect that approach in the way we interact with employees, business partners and local communities. We believe that ethical business conduct must be promoted at the most senior levels of the company, and fostered throughout the organisation.

Achievements 2019

In 2019, the Group’s leadership in innovation was recognised with 63 national or international awards for packaging innovation, sustainability, design and print. The Group’s operations received awards in Argentina, Austria, Belgium, Brazil, Bulgaria, Colombia, the Czech Republic, France, Ireland, Mexico, the Netherlands, Russia, Sweden and the UK.

The Group is listed on the FTSE4Good, Euronext Vigeo Europe 120, STOXX Global ESG Leaders, Ethibel’s sustainable investment register and the Green Economy Mark from the London Stock Exchange. The Group was also included in the newly formed Solactive ISS ESG Beyond Plastic Waste Index, which recognises companies active in the reduction of plastic pollution. SKG also performs strongly across a variety of third party certification bodies, including MSCI, CDP, Sustainalytics and EcoVadis.

Impactful Business

Our focus on sustainability adds value to our products, giving us an advantage over our competitors. As a global company, we help our customers and suppliers grow their businesses with sustainability in mind. Our innovative designs reduce the raw materials used in our packaging, helping our customers deliver on their sustainability targets.

Delivering for SDGs

Smurfit Kappa Contributes

To be able to create long-term profitability, a company has to build its business on three pillars of sustainability. For Smurfit Kappa, it means making impactful business through its products and production, respecting people and having responsible governance. These, in turn, have a positive impact on the communities where we have operations. Our products offer a great opportunity for innovation, which can have a significant impact on society.

Smurfit Kappa Supports

Smurfit Kappa supports local communities through its paper recycling operations and is part of the infrastructure for sustainable communities. A responsibly-governed company indirectly supports peaceful societies.
Sustainable Value Chain is Our Business

We work with all our customers and suppliers to help them grow, and to improve sustainability throughout the value chain.

Our investors want long-term profitable businesses. That is why environmental and social responsibility are key factors in choosing where to invest.

Growing consumer demand will increase the market share of paper-based packaging. Surveys from CEPI and the Paper and Packaging Board show increased awareness of environmental issues – for example, over 80% of European and American consumers prefer paper-based packaging.

We are leading the industry in transparency and the level of detail we share with our stakeholders on every aspect of our operations. We promote sustainability in all our customers’ businesses. We work with suppliers who adhere to our Sustainable Sourcing Policy, our Supplier Code of Conduct, and who are Chain of Custody certified, where applicable. We audit suppliers on human rights, labour practices and environmental impact.

Like all responsible companies, we aim to use resources as efficiently as possible, in order to reduce our impact on the environment and minimise our contribution to climate change.

Wood-based fibres are our principal raw material and the starting point of our circular business model (see diagram below). With sustainable management, we can use this material for global carbon management: from the forests that capture atmospheric carbon, to CO₂ neutral bio-energy. When we balance the use of virgin and recovered fibres, we maintain a positive, sustainable circulation of renewable raw material.

Creating Tangible Progress

Sustainability is not only about mitigating climate change and becoming more efficient. It is vital to our future, as one of the world’s largest paper-based packaging companies, and for stimulating innovation and customer demand.

According to the CEO Study on Sustainability – developed by The UN Global Compact and Accenture – sustainability is essential to business strategies and 88% of investors see it as a competitive advantage. We must demonstrate the link between sustainable business and corporate value for investors and our customers.

Measuring our progress on sustainability is part of our business strategy. We know the impact of our sustainable strategy – the facts and figures are in this report. This enables investors to appraise the effect of sustainable performance on our business. We are proud to have received customer awards and investor recognition for our sustainability performance.
Innovation

We pride ourselves on our collaborative approach to work with customers to develop value adding solutions to their supply chain. By taking a holistic approach and understanding our customers entire supply chains, we are able to identify sustainable improvement opportunities with the highest impact.

Commitment

We are committed to inspiring more sustainable packaging solutions through:

- the development of our Better Planet Packaging initiative;
- using our data to improve our processes, products, supply chains, logistics and markets; and
- optimising the use of our InnoTools to support our innovation and design, and leverage our global ideas.

BanaBag® – Removing Plastics in Banana Farming // Spain

Bananas must be ‘bagged’ during growth to produce high quality fruit. A cover is placed over ripening bananas to protect them from insects, and damage caused by friction within the bunch, or leaves hitting the fruit. The bags create an ideal microclimate in which bananas ripen quicker and improve in quality. Typically, these bags are made from plastic.

A producer of organic bananas for the European market wanted to take their sustainable farming further and remove all plastic from the farming process. So Smurfit Kappa Sangüesa created the BanaBag® – a paper tube that can be pulled over banana bunches and cut where needed. Paper spacers are also used between hands of bananas to protect from friction.

Iñaki Urdaci, Market Insight Manager at SK Sangüesa, says: “Using a special kraft paper, we ensure that the product is suitable for a wet environment. Paper creates natural insulation, protecting the fruit from extreme temperatures or overheating.” The solution is food safe, FSC-certified and can be composted.

BanaBag® was tested for a year on Colombian banana farms, replacing more than 43 tonnes of plastic. It proved an excellent substitute and may have helped achieve higher yields of better quality produce.

“I have a better way to demonstrate what we can do with paper?”
Governance and human rights

We believe that ethical business conduct must be promoted from the most senior levels of the business and fostered through the whole organisation. We are committed to strive for the highest standards of corporate governance and ethical business conduct across the group, from the boardroom to the factory floor.

Commitment

We are committed to:

- ensuring that our Code of Business Conduct is available for anyone interested;
- our stakeholders adhere to the principles of the Code; and
- we offer an independent and unbiased channel to raise concerns of breaches to the Code.

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.

Copame – Giving Children a Better Life // Brazil

Copame’s facility can host 45 orphaned, abandoned or maltreated children, from newborn to the age of 18. However, the project is more than just a place to stay. Since its inception in 1987, the charity has found placement homes for 297 of the children. All others were returned to parents, grandparents or family members, or moved on to a facility for older children.

The site includes residential and play facilities as well as an on-site bakery which supplies bread to the area and is an important source of income. Other financial support comes from individual donations, corporations, members’ fees, projects, resources provided by the municipality and overseas donations.

Management and maintenance of the facilities remains a major challenge, however, dependent on external funding. The Smurfit Kappa Foundation supports the upkeep of facilities, to ensure that resident children have the best quality accommodation possible.

The facility also provides for its children’s future well-being by partnering with the local university. University teachers and students offer expertise in medicine, dentistry, psychology and nutrition. Copame employees and volunteer-drivers also commute between three different schools, taking the children to sport, musical and religious events, as well as medical and dental appointments.

“Our 14 permanent and 24 on-call volunteers are indispensable in supporting these young people,” says Derk Lambers (fundraiser for Copame).

“They help our children get a better start in their lives.”
Sustainable sourcing

Sourcing materials, goods and services represents the single largest cost item for Smurfit Kappa. As such, sustainable sourcing is an integral part of our sustainability vision and strategy. We want to sustainably grow our business and value chain. That means our materials, goods and services not only have the right quality and cost, but also should be sourced securely and responsibly.

In the Core of Circularity // Italy

We have a growing network of 17 recycling depots across Europe, including our newest depot in Marlia, Italy, which we acquired in 2019.

Stefano Mazzei, Manager of the SK Marlia recycling facility, says: “Lucca in Tuscany has always been the heart of Italian paper production, so it’s remarkable that ours is the first high-quality recycling depot in the area.” Here, locally-recovered paper can replace raw materials from far away, saving on fuel miles and overall CO₂ emissions.

Stefano says: “A recycling facility is always in relationship with the local communities and institutions. We used a range of methods to raise awareness about recycling.”

The team created a cardboard Noah’s Ark in the town hall, which was later recycled. Staff carried out school visits and presentations and took part in a local clean-up day. SK sponsored the local Labour Festival on 1st May, and a hot air balloon for the Montgolfier Bicentennial. The plant worked with schools, the council, supermarkets and businesses to collect used paper and board, which is made into new containerboard.

By the end of the year, 15,000 tonnes of paper had been recovered, with a target of 25,000-30,000 tonnes for 2020. Luca Mannori, the General Manager, says:

“The new plant shows our commitment to the circular economy.”

Commitment

We are committed to working with suppliers that adhere to our Sustainable Sourcing Policy, our Supplier Code of Conduct and that are Chain of Custody certified where applicable, and comply with our Modern Slavery Act Statement. We audit (preferred and multinational) suppliers on a regular basis on our key sustainable sourcing principles.

Timeframe
Continuous.

Progress Made
We audited 112 suppliers during 2019.
Better Planet Packaging

We seek to reduce packaging waste and address the challenges of litter that ends up in our oceans and landfill.

We continue to lead in innovative sustainable packaging solutions for our customers, led by our ‘Better Planet Packaging’ initiative which provides customers with sustainable solutions today, ready for the challenges of tomorrow.

In doing this we:

- **Develop and design** paper-based packaging concepts and materials with improved functionalities, that are fully renewable, recyclable and biodegradable as alternatives for today’s unsustainable packaging solutions.

- **Educate and inspire** all stakeholders to understand the role sustainable packaging can play in addressing the challenges of waste.

- **Support** our customers and other stakeholders to develop a go-to-market strategy and implementation plan for paper-based packaging alternatives.

We have a range of tools and approaches that support our BPP initiative, please see our case studies over the page.
Develop and design

We are working with customers (and many other stakeholders) to deliver innovative, sustainable packaging solutions.

These solutions include alternatives to traditional fruit and vegetable packaging (Safe&Green), a paper-based solution to traditional wood and plastic pallets, a lightweight sustainable alternative to wooden pallet tops (TOPPSafe™) and a portfolio of products to replace single-use plastic in the bundling of cans and bottles (TopClip, GreenClip and Nor-Grip), to name a few. We are working to develop paper-based packaging with functional barrier properties, that is fully renewable, recyclable and biodegradable and new recycling systems (linked to the paper recycling system) to recycle packaging that is ‘unrecyclable’ today.

Implement and support

We support customers in the development of a sustainable packaging strategy, a go-to-market strategy and implementation plan for paper-based packaging alternatives for today’s unsustainable packaging solutions. We analyse proposed solutions for recyclability, design for recycling and biodegradability.

Case study
Automated Packaging Solution

Topro, a producer of mobility aid products, needed smarter transport packaging in order to minimise logistics costs and environmental impact. They also wanted to improve production efficiency and automate their entire packaging process. Together with Topro, we assessed the supply chain throughout Europe and with the help of Paper to Box, defined the required packaging criteria and functionality. Our new tapered box solution allowed better pallet fill with 180 more products per truck. Our solution for Topro reduced logistics costs by 40% and their packing line is now 100% automated.

Case study
Brand Enhancement Through Sustainable Choices

School kit, is an office supplies box developed for an Argentinian office supplies company that wanted to improve recognition and market share of its brand through sustainability. The box is for school material supplies and can be repurposed later into tools for school children such as rulers, folders and pencil cases. The customer has achieved the anticipated brand recognition and the initiative has led to the introduction of recycling projects in schools.
Smurfit Kappa’s engagement with customers was best illustrated with two flagship events, our biennial Innovation Event in May 2019, and our inaugural Global Better Planet Packaging day in November 2019. This year we also launched the ‘BPP starts with ME’ internal campaign to ensure that, as a Group, we are working hard towards removing plastic waste in our daily lives, both at home and at work.

The 2019 Innovation Event, hosting over 350 customers from across the globe focused on the theme Better Planet Packaging, looking at how we can make packaging for a sustainable world.

Case study
Global Better Planet Packaging Day

On 21 November 2019, we hosted our inaugural Global Better Planet Packaging Day. This event saw us welcome over 650 brand owners and retailers to our Global Experience Centre network in 27 locations, across three continents. The day involved a combination of educational and inspirational lectures followed by a series of interactive workshops aimed at helping our customers to design packaging that helps rather than harms our planet.
SupplySmart

SupplySmart is a combination of unique tools, data and expertise that enables customers to optimise their supply chain with improved packaging solutions with the assurance they’re making fully risk-assessed decisions that will deliver measurable cost savings.

SKG engages with businesses using a proven six-step methodology, designed to help our customers make the most informed packaging choices to deliver the best return while reducing their environmental footprints.

Case study

No-damage Transportation with a Corrugated Box

A Colombian children’s toy producer was packaging its high-quality toys in low-cost plastic bags. The situation was unsustainable for the customer with poor product perception, damage from transport and unstable storing. After evaluating the customer supply chain, partly customised, partly standardised corrugated packaging options, Smurfit Kappa was able to offer a cost-efficient packaging solution that allowed the customer enter new premium product sales channels and move towards damage-free transportation.

ShelfSmart

The right shelf-ready packaging is proven to boost sales quickly and cost effectively, giving our customers maximum brand benefit where it matters most – at the point of purchase.

ShelfSmart is an innovative retail merchandising service designed to develop scalable, risk-proofed shelf-ready packaging solutions. This is especially important for food packaging, where lost products mean a high environmental footprint.
Our eSmart process is designed to improve all aspects of eCommerce packaging, from packing line to supply chain to consumer experience, including environmental impacts.

Smurfit Kappa helps customers manage complexity by analysing their eCommerce business across 12 key areas – from optimising their planning, increasing supply chain efficiency and delivering a positive customer experience. This analysis helps to identify areas for improvement and further development.

Case study
Safe&Green

Safe&Green is a shelf packaging concept from Smurfit Kappa offering our customers a 100% recyclable alternative to fruit and vegetable packaging. The concept is fit for a variety of dried and fresh fruits, vegetables, nuts, herbs, etc.

The punnets, trays and other shelf ready packaging can have a natural look or be printed with branding to attract consumers. The concept is fully compliant with EU regulations for food contact and recyclability.

Case study
Sustainable, Protective Packaging

Smurfit Kappa worked with a leading Latin American egg provider to successfully enable them to enter the eCommerce channel. Smurfit Kappa tapped into the expertise and experience of its eSmart service to identify a packaging concept that would both protect the product and drive sales growth. An attractively designed pack was created to promote both the product and the brand alongside creating a positive consumer experience.

Styled like a briefcase with handles for carrying, the packaging keeps the eggs fresh and secure throughout the supply chain. It is also attractive from a sustainability perspective because more packs can be shipped during transportation and it is 100% renewable, recyclable and biodegradable.