

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Finance Framework

Smurfit Westrock plc

15 November 2024

VERIFICATION PARAMETERS

Type(s) of instruments contemplated

- Green finance instruments¹

Relevant standards

- Green Bond Principles, ICMA, June 2021 (with June 2022 Appendix 1)
- Green Loan Principles, LMA, February 2023

Scope of verification

- Smurfit Westrock plc's Green Finance Framework (as of Nov. 12, 2024)
- Smurfit Westrock plc's eligibility criteria (as of Nov. 12, 2024)

Lifecycle

- Pre-issuance verification

Validity

- Valid as long as the cited Framework remains unchanged

¹ Green bonds, green hybrid bonds, green commercial papers, green loans and green private placements.

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SCOPE OF WORK

Smurfit Westrock plc (“Smurfit Westrock,” “the Issuer” or “the Company”) commissioned ISS-Corporate to assist with its green finance instruments by assessing three core elements to determine the sustainability quality of the instruments:

1. Smurfit Westrock plc’s Green Finance Framework (as of Nov. 12, 2024), benchmarked against the International Capital Market Association’s (ICMA) Green Bond Principles (GBP) and the Loan Market Association’s (LMA) Green Loan Principles (GLP).
2. The eligibility criteria — whether the project categories contribute positively to the United Nations Sustainable Development Goals (U.N. SDGs) and how they perform against ISS-Corporate’s proprietary issuance-specific key performance indicators (KPIs) (see Annex 1).
3. Consistency of green finance instruments with Smurfit Westrock plc’s sustainability strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

SMURFIT WESTROCK PLC OVERVIEW

Smurfit Westrock plc engages in the development and provision of packaging solutions. It offers a portfolio of packaging solutions ranging from corrugated and consumer packaging to Bag-in-Box packaging and point-of-sale displays. In July 2024, legacy WestRock Company and legacy Smurfit Kappa² merged to become Smurfit Westrock plc. Smurfit Westrock plc operates in 40 countries with more than 500 production facilities worldwide and more than 100,000 employees.

The Company is working toward combining its environmental, social and governance policies in 2025.

ESG risks associated with the Issuer’s Industry



Smurfit Westrock plc is classified in the packaging industry, as per ISS ESG’s sector classification. Key sustainability issues faced by companies³ in this industry are environmental impacts of production, resource-conserving production, product Safety, packaging life cycle and responsible sourcing of raw materials.

This report focuses on the sustainability credentials of the issuance. Part III of this report assesses the consistency between the issuance and the Issuer’s overall sustainability strategy.

² When Smurfit Kappa and WestRock Company are mentioned hereinafter, they refer to the legacy companies. When “legacy companies” are mentioned, these refer to legacy Smurfit Kappa and legacy WestRock Company.

³ Please note that this is not a company-specific assessment but rather areas that are of particular relevance for companies within that industry.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ⁴
<p>Part I:</p> <p>Alignment with GBP and GLP</p>	<p>The Issuer has defined a formal concept for its green finance instruments regarding the use of proceeds, processes for project evaluation and selection, management of proceeds, and reporting. This concept is in line with the GBP and GLP.</p>	<p>Aligned</p>
<p>Part II:</p> <p>Sustainability quality of the eligibility criteria</p>	<p>The green finance instruments will (re)finance the following eligible asset categories: circular economy, environmentally sustainable management of living natural resources and land use.</p> <p>Product and/or service-related use of proceeds categories⁵ individually contribute to one or more of the following SDGs:</p> <div data-bbox="691 1055 924 1169" style="text-align: center;">   </div> <p>The environmental and social risks associated with the use of proceeds categories are managed.</p>	<p>Positive</p>
<p>Part III:</p> <p>Consistency of green finance instruments with Smurfit Westrock plc's sustainability strategy</p>	<p>The key sustainability objectives and the rationale for issuing green finance instruments are clearly described by the Issuer. All the project categories considered are in line with the Issuer's sustainability objectives.</p>	<p>Consistent</p>

⁴ The evaluation is based on Smurfit Westrock plc's Green Finance Framework (Nov. 12, 2024), on the analyzed selection criteria as received on Nov. 12, 2024.

⁵ Circular economy-adapted products, environmentally sustainable management of living natural resources and land use.

SPO ASSESSMENT

PART I: ALIGNMENT WITH THE GREEN BOND PRINCIPLES AND GREEN LOAN PRINCIPLES

This section evaluates the alignment of Smurfit Westrock plc’s Green Finance Framework (as of Nov. 12, 2024) with the Green Bond Principles and Green Loan Principles.

GBP AND GLP	ALIGNMENT	OPINION
<p>1. Use of Proceeds</p>	<p>✓</p>	<p>The use of proceeds description provided by Smurfit Westrock plc’s Green Finance Framework is aligned with the GBP and GLP.</p> <p>The Issuer’s green categories align with the project categories as proposed by the GBP and GLP. Criteria are defined clearly and transparently. Disclosure of an allocation period and commitment to report by project category has been provided and environmental benefits are described.</p> <p>The Issuer defines a look-back period of three years for eligible capital and operating expenditures, in line with best market practice.</p>
<p>2. Process for Project Evaluation and Selection</p>	<p>✓</p>	<p>The process for project evaluation and selection description provided by Smurfit Westrock plc’s Green Finance Framework is aligned with the GBP and GLP.</p> <p>The project selection process is defined. ESG risks associated with the project categories are identified and managed appropriately. Moreover, the projects selected show alignment with the Issuer’s sustainability strategy.</p> <p>The Issuer clearly and transparently defines responsibilities in the process for project evaluation and selection, and also involves various stakeholders in this process, in line with best market practices.</p>

GBP AND GLP	ALIGNMENT	OPINION
<p>3. Management of Proceeds</p>	<p>✓</p>	<p>The management of proceeds provided by Smurfit Westrock plc’s Green Finance Framework is aligned with the GBP and GLP.</p> <p>The net proceeds collected will equal the amount allocated to eligible projects. The net proceeds will be tracked appropriately and are managed on an aggregated basis for multiple green instruments (portfolio approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds and confirms that each loan tranche will be clearly labeled as green.</p> <p>The risk of double counting is addressed by an internal tracking system. In case of a green commercial paper issuance, Smurfit Westrock would ensure the total volume of green finance instruments outstanding does not exceed the eligible green project portfolio. The Issuer is transparent on the nature of the instruments and their impacts.</p> <p>The Issuer defines intended types of temporary placement for the balance of unallocated proceeds and makes them known to the lenders. Also, the Issuer has defined an expected allocation period of 24 months.</p>
<p>4. Reporting</p>	<p>✓</p>	<p>The allocation and impact reporting provided by Smurfit Westrock plc’s Green Finance Framework is aligned with the GBP and GLP.</p> <p>The Issuer commits to disclose the allocation of proceeds transparently and report with appropriate frequency. The reporting will be publicly available on the Issuer’s website or available to the institutions participating in the loan as relevant. Smurfit Westrock has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the portfolio level. The short-term instruments listed in the Framework will be reported following a cumulative mechanism on</p>

GBP AND GLP	ALIGNMENT	OPINION
		<p>an annual and aggregated portfolio basis, and on both the simple average and the highest amount of outstanding use of proceeds applied to the eligible green projects over the reporting period. Moreover, the Issuer commits to report annually until the bond matures.</p> <p>The Issuer is transparent on the level of impact reporting and the information reported, and further defines the scope and frequency of the impact reporting, in line with best market practice.</p> <p>Additionally, the Issuer commits to having the allocation report audited by an external party.</p>

PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA

A. CONTRIBUTION OF THE GREEN FINANCE INSTRUMENTS TO THE U.N. SDGs⁶

The Issuer can contribute to the achievement of the SDGs by providing specific services/products that help address global sustainability challenges, and by being a responsible actor working to minimize negative externalities in its operations along the entire value chain.


1. Products and services

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as the ISS ESG SDG Solutions Assessment (SDGA), a proprietary methodology designed to assess the impact of an Issuer's products or services on the U.N. SDGs, as well as other ESG benchmarks (the EU Taxonomy Climate Delegated Acts, the Green/Social Bond Principles and other regional taxonomies, standards and sustainability criteria).

The assessment of the UoP categories for (re)financing specific products and services is displayed on a three-point scale:




Each of the use of proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Circular economy-adapted products, production technologies and processes, and/or certified eco-efficient products</p> <p><i>Assets and expenditures associated with the sustainable and responsible production of circular paper-based packaging products through circular processes, including:⁷</i></p> <ul style="list-style-type: none"> ▪ <i>Reclamation of used fibers</i> 	<p>Contribution</p>	

⁶ The impact of the UoP categories on the U.N. Sustainable Development Goals is assessed with proprietary methodology and may therefore differ from the Issuer's description in the Framework.

⁷ The review is limited to the examples of projects spelled out in the Framework.

USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> ▪ <i>Recycling of used fibers</i> ▪ <i>Paper milling</i> ▪ <i>Packaging conversion</i> 	<p>Contribution</p>	
<p>Environmentally sustainable management of living natural resources and land use</p> <p><i>Assets and expenditures associated with certified sustainable forests and procurement of responsibly sourced raw materials (e.g., wood, pulp, paper and recovered paper).⁸</i></p> <p><i>Forests and raw materials are certified in accordance with:</i></p> <ul style="list-style-type: none"> ▪ <i>Forest Stewardship Council (FSC) standards</i> ▪ <i>Sustainable Forestry Initiative (SFI)</i> ▪ <i>Programme for the Endorsement of Forest Certification (PEFC)</i> 		

⁸ Ibid.

B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE ELIGIBILITY CRITERIA

The table below evaluates the eligibility criteria against issuance-specific KPIs. The assets are located globally.

Currently, Smurfit Westrock plc has a combined Code of Conduct and Code of Ethical Conduct for Directors and Senior Financial Officers, as well as its Corporate Governance Principles. Additionally, Smurfit Kappa and WestRock Company operate under their existing individual policies until the combined policies are implemented.

ASSESSMENT AGAINST KPIs

All Categories

Labor, health and safety

Smurfit Westrock plc has policies and measures to ensure high labor, health and safety standards are respected. The [Code of Conduct](#), applicable to all employees, covers compliance with the law regarding a diverse workforce, freedom of association, the recognition of the right to collective bargaining, the prohibition of child labor, the elimination of discrimination, fair compensation, community involvement, condemnation of forced labor and physical abuse, and the encouragement of speaking up and raising concerns confidentially.



Each of the legacy companies has a health and safety policy at the group level, applicable to all employees and contractors, ensuring training is provided and processes are in place to identify health and safety hazards. For Smurfit Kappa, all sites undergo an audit review every two years to evaluate compliance with regulations and internal policies. Compliance with ISO standards is part of the audit protocol, covering health and safety management systems, handling of machinery and processes, working at height, fire safety, explosive atmosphere, and hazardous substances, among other labor, health and safety areas. Smurfit Kappa has the following policies: Incident Investigation, Reporting and Communication; Hazard Identification and Risk Assessment; Management of Change; Workplace Inspection; and Confined Space Entry. All employees can report any incident through the health and safety management system. Through the Safety for Life initiative, Smurfit Kappa identified six areas of focus: energy isolation, management of contractors, contact with moving machines, people and vehicle interactions, warehouse and backyards, and working at heights. Additionally, the [Health and Safety Policy Statement](#) is publicly available on its website. All sites have local health and safety support guiding

the implementation of the group policies and systems. Also, there are health and safety committees at the site, regional and executive levels.

All Smurfit Kappa sites have safety management systems audited and designed to comply with ISO 18001 and 45001. Additionally, Smurfit Kappa requires its suppliers to be ISO 45001 certified.

WestRock Company has [Global Health and Safety Principles](#) and a [Mutual Respect in the Workplace](#) policy. The Safety Excellence System (SES) is the framework for health and safety management, and it is reviewed annually. WestRock Company leaders are responsible for supporting its implementation.

WestRock Company strives for a 100% safe culture by driving continuous improvement to reduce risk in the workplace and by supporting employees' well-being. The company provides training based on exposure to potential hazards and risks in the workplace covering, among other topics, emergency response, control of hazardous energy/lockout-tagout, ergonomics, machine guarding, human and organization performance, and injury and illness reporting. Each manufacturing site has a safety team or safety pillar team. The site safety team drives the implementation and improvement of the SES, developing health and safety plans with key performance indicators and annual self-assessments, and an internal health and safety audit rotation based on risk. Additionally, WestRock Company's SES ensures sites have appropriate safety processes to ensure emergency preparedness and response plans, evacuation plans, fire prevention strategies, and response strategies for emergency scenarios.

Some WestRock Company facilities use a third party for contractor qualification and safety performance evaluation. The company has safety guidelines for contractors, monitors safety metrics and targets, and reports its safety performance to its board of directors. Also, it has a company-wide safety management software system to track safety incidents and for employees to use in reporting safety concerns.

Community dialogue



Smurfit Kappa and WestRock Company have measures in place to ensure community dialogue is part of the planning process during the construction of new sites. The respective websites, Smurfit Kappa's Speak Up Services and WestRock Company's Contact Us page offer platforms for stakeholders to raise concerns about possible wrongdoings.

Smurfit Kappa confirms that local managers are involved and engaged in the projects and impact assessments and consider the needs of local communities. There is an official community grievance process in place at the group level.

WestRock Company confirms that all paper mills and manufacturing facilities underwent a period of public notice and comments, during which the community could ask questions and raise concerns. The company proactively engages and reaches out to local officials, local governments and community leaders during the planning stages of major projects. In Brazil, before any forestry activity, a survey of environmental and social aspects and impacts is conducted. Communities are notified before operations through face-to-face meetings, door-to-door distribution of printed materials or conversations with community leaders.

Circular Economy and Waste Management

Environmental aspects of construction (or production) and operation



The Issuer states that not all sites conduct an environmental impact assessment (EIA) covering noise mitigation and environmental impacts during the construction of new sites. However, all European sites and most of the sites in the Americas have performed an EIA as part of the local operational permits needed for the construction.

Circular Economy and Sustainable Forestry

Conservation and biodiversity management



Both legacy companies have policies and measures in place ensuring that potential impacts on biodiversity are managed during the planning process for a new site. Smurfit Kappa's [Sustainable Forestry and Fibre Sourcing Policy](#) and WestRock Company's [Global Sustainable Forestry and Virgin Wood Fiber Procurement Policy](#) and [forest management summary](#) cover all forestry, wood, fiber and paper sourcing operations, as well as biodiversity protection. The Issuer confirms that all European sites undergo an EIA covering ecosystem conservation and biodiversity management in the planning stage of a new site in line with Directive 2014/52/EU, and most of its American sites do the same. Additionally, Smurfit Westrock plc's forests in Colombia and Brazil are certified by the FSC. Independent third-party verifications ensure sustainable forest management through the value chains of both legacy companies, and nearly all wholly owned fiber-based manufacturing facilities are chain-of-custody certified to internationally recognized standards such as FSC, SFI, PEFC and ATFS. Smurfit Westrock commits to maintaining 100% certification for all existing facilities and certifying newly acquired, wholly owned facilities. WestRock Company conducts environmental site assessments following ASTM

E 1528 standards for limited environmental due diligence before acquiring real property or entering leases.



Both legacy companies have policies and measures in place ensuring the protection of natural habitats and wildlife. Smurfit Westrock's Code of Conduct, Smurfit Kappa's Forestry Policy and WestRock Company's Global Sustainable Forestry and Virgin Wood Fiber Procurement Policy set the commitments for recycled fiber consumption and ensure fiber is not sourced from high deforestation-risk areas, including High Conservation Value areas. The Issuer only accepts FSC, PEFC and SFI certified wood, and ATFS certification. The schemes are aimed at the protection of natural habitats and wildlife.



The Issuer has measures to ensure sustainable soil and biodiversity management along the value chain. When Smurfit Kappa uses fertilizers, it must demonstrate that the choice is more beneficial or equivalent to a sustainable alternative. A Pest and Diseases Management Program is implemented and focuses on pest monitoring and reporting of pests and diseases. The use of pesticides complies with local laws and regulations, particularly the Colombian legislation, the OIT Guide and FSC standards. Furthermore, the pesticides used are evaluated with the environmental and social risk assessment, including an FSC Pesticide Policy.

WestRock Company monitors biodiversity and landscapes for its forest in Brazil. As part of its soil management process, routine monitoring and assessments are conducted, including soil conversation, biodiversity and water resources. WestRock Company also follows the FSC Pesticides Policy and has implemented a research and development program to identify chemical products that are most suitable based on the level of organic matter in local soils, products that are most efficient in controlling weeds, the dosages of chemical products for eucalyptus and pinus clones, and the period of efficiency in weed control. Also, an environmental and social risk analysis is conducted for each chemical product used.

Circular Economy

Environmental aspects of construction (or production) and operation



The Issuer has measures in place to ensure its products are taken back and recycled at the end of life. Smurfit Kappa participates in the post-use management of its products, collecting recovered fiber and paper-based packaging and returning it to its paper mills. 100% of the products are recyclable and collected and 88% are returned to Smurfit Kappa's paper mills. After use, the packaging becomes raw material and around 92% of the

corrugated packaging gets recycled. WestRock Company states that approximately 96% of its packaging products were recyclable, compostable or reusable in 2023. By 2025, WestRock Company has set the target of having 100% of its products recyclable, compostable or reusable.



Smurfit Kappa's approach to life cycle assessment (LCA) covers all life cycle phases of its products, from sourcing the raw materials, to product design, production, sale and end-of-life recycling. Smurfit Kappa requires its suppliers to adhere to international certifications and be ISO 14001 certified when possible. An LCA manager supports the Issuer with the LCA studies. Smurfit Kappa, together with FEFCO, a European industry association, delivered a comprehensive LCA study overseen by its head of sustainability reporting, comparing recycling and reusing for packaging. The study included a peer-reviewed comparative life cycle assessment for different packaging solutions, a hot spot analysis of the logistics chain and a critical view of recycling and reuse of packaging in the European circular economy.

WestRock Company created its own life cycle analysis tool in partnership with a third party and followed ISO 14040 and ISO 14044 frameworks. The tool allows WestRock Company to model greenhouse gas, water and solid waste impacts of different packaging designs. WestRock Company participates in industry LCA through membership in organizations, providing manufacturing, environmental and other data for the studies. WestRock Company's [Supplier Principles of Conduct](#) includes the requirement that suppliers must have an environmental management system in place.

Energy efficiency



The Issuer has policies and measures in place to optimize energy efficiency during production. Smurfit Kappa has set the target to improve its energy efficiency by 1% annually in the global paper mill network. Smurfit Kappa has invested in energy-generation technologies that reduce energy used and technologies that recover energy and has set medium- and long-term CO₂ emissions reduction targets.

WestRock Company's measures to optimize energy use include dashboards showing the energy usage in the mills by each fuel, converting manufacturing facilities to high-efficiency LED lighting, partnering with a compressed air machinery company that identifies leaks and monitors results, and collaborating with HVAC vendors and suppliers to achieve efficiency gains.

Sustainable forestry

Fire management

✓ Smurfit Kappa’s Forest Management Plan includes a section for the Forest Fire Prevention and Control Plan, which is annually updated. A training program is done at the Forest Fire Training Center, in a collaboration between Smurfit Forest Fire Control Brigade and the volunteer fire departments in different municipalities maintained, and training sessions are carried out. The actions taken to prevent forest fires include the construction and maintenance of firebreaks in critical sites, pruning activities in pine forest plantations, cleaning of road edges, and plan assembly of brigades and their operation. All actions are registered in the Forestry Information System, which has records of plantation losses, too.

WestRock Company’s fire prevention measures are included in its risk management program and include fire brigades on-site at certain paper mills and in its forestry operation in Brazil, fire prevention and fighting systems, fire awareness campaigns, and fire observation towers. The paper mills with fire brigades are those in remote or rural locations where the municipal fire service is not close. Also, WestRock Company is investing in high-resolution cameras for fire detection.

Water

✓ The Issuer has policies and measures in place to assess whether projects are located in regions with high levels of water stress. Smurfit Kappa has investigated the environmental impact of its operations and performed water risk assessments across its mills using the Aqueduct and the Weather Research & Forecasting model tools to map water scarcity risk. Three percent of Smurfit Kappa’s water intake takes place in areas of water scarcity. WestRock Company uses the World Resources Institute’s Aqueduct Tool to conduct water stress evaluation on its paper mills. One in India, three in Mexico and one in the United States are considered high-risk and are implementing water conservation measures.

✓ The Issuer has measures in place to reduce its water consumption. In 2020, Smurfit Kappa set the target to reduce its water intake by 1% annually per produced metric ton of paper at its paper and board mills. For the chemical oxygen demand, Smurfit Kappa has set a 60% reduction target by 2025 against the baseline of 2005. Smurfit Kappa monitors its water intake, returning 90% of the used water to nature. The water intake from natural forest areas is registered and mapped in the Forestry Geographic Information System.

WestRock Company has measures adapted to the needs of each paper mill situated in an area with scarcity of water. Some of the facilities reuse and recycle the treated water, while others use municipal wastewater. WestRock Company has the target of reducing water intake by 15% from a 2019 baseline

by 2030. Additionally, WestRock Company has a target to implement a water management system at all its mills that includes flow meters on sources of mill water intake, metering, site-specific KPIs, water lead and mill water teams, and a program for periods of high-water usage. Some of the mills use third-party experts who apply methodologies to identify energy and water improvement opportunities.

PART III: CONSISTENCY OF GREEN FINANCE INSTRUMENTS WITH SMURFIT WESTROCK PLC'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

TOPIC	ISSUER APPROACH
Strategic ESG topics	The Issuer focuses on the three pillars: planet, people and communities, and impactful business. These sustainability pillars have been defined through a materiality analysis of Smurfit Kappa and WestRock Company. Smurfit Westrock is currently undergoing its double materiality assessment.
ESG goals/targets	The Issuer is working to develop combined ESG targets and will publish them in 2025. ^{9,10}
Action plan	Until the combined sustainability goals are publicly communicated, Smurfit Westrock will continue to pursue actions aligned with each legacy company's respective targets, which are mutually consistent in nature.
Climate transition strategy	<p>The Issuer has GHG emission reduction targets validated by the SBTi.</p> <p>Smurfit Kappa's goal is to reduce Scope 1 and 2 GHG emissions by 37.7% per metric ton of saleable production by 2030 compared to the baseline year 2019.</p> <p>WestRock Company's goals are to reduce absolute Scope 1 and 2 GHG emissions by 27.5% by 2030 compared to the baseline year 2019. Also, to reduce absolute Scope 3 GHG emissions by 27.5% by 2030 compared to the baseline year 2019. Scope 3 emissions include the ones from purchased goods and services, fuel and energy activities, upstream and downstream transportation and distribution, and end-of-life treatment of sold products.</p>
ESG risk and sustainability strategy management	Smurfit Westrock uses the policies and guidelines from Smurfit Kappa and WestRock Company for its risk assessment and evaluation. A Sustainability

⁹ Smurfit Kappa publishes ESG targets in its [Sustainable Development Report](#).

¹⁰ WestRock Company publishes ESG targets in its [Sustainability Report](#).

TOPIC	ISSUER APPROACH
	Committee has been established to review the Company's climate risks and opportunities. The committee undertakes the risk assessment process and coordinates with the Audit Committee to oversee risks.
Sustainability reporting	Smurfit Westrock plc will publish its first sustainability report in the first half of 2025. The report will disclose the 2024 performance of Smurfit Kappa and WestRock Company individually. The 2026 report will disclose the combined performance of 2025 and follow the Corporate Sustainability Reporting Directive (CSRD) requirements.
Industry associations, collective commitments	Smurfit Kappa is a member of various organizations, including the United Nations Global Compact and the World Business Council for Sustainable Development. ¹¹ WestRock Company is a participant in the following associations: the Ellen MacArthur Foundation, the American Forest & Paper Association, FSC, SFI and PEFC, among others. ¹²
Previous sustainable/sustainability-linked issuances or transactions and publication of sustainable financing framework	Smurfit Kappa issued green finance instruments totaling EUR 1 billion in September 2021 under Smurfit Kappa's 2021 Green Finance Framework, and USD 2.75 billion in April 2024 under its March 2024 Green Finance Framework.

Rationale for issuance

Smurfit Westrock plc is committed to supporting the transition to a low-carbon and circular economy with its Green Finance Framework.

The Framework covers the issuance of green finance instruments including green bonds, green hybrid bonds, green commercial papers, green loans, green private placements and other types of debt instruments. The proceeds will be exclusively applied to finance or refinance new and/or existing eligible green projects with clear environmental benefits. The issuance of green finance instruments will allow Smurfit Westrock to provide transparency about its investments and environmental benefits.

¹¹ The full list of Smurfit Kappa's industry associations can be found on pages 20-21 of its 2023 [Sustainable Development Report](#).

¹² The full list of WestRock Company's industry associations can be found in Appendix I of its 2022 [Sustainability Report](#).

In addition, through the issuance, Smurfit Westrock seeks to diversify its investor base, broaden the dialogue with existing investors and contribute to the green finance market's development.

Opinion: *The key sustainability objectives and the rationale for issuing green finance instruments are clearly described by the Issuer. All the project categories financed are in line with the Issuer's sustainability objectives.*

DISCLAIMER

1. Validity of the Second Party Opinion ("SPO"): Valid as long as the cited Framework remains unchanged.
2. ISS-Corporate, a wholly owned subsidiary of Institutional Shareholder Services Inc. ("ISS"), sells, prepares, and issues Second Party Opinion, on the basis of ISS-Corporate's proprietary methodology. In doing so, ISS-Corporate adheres to standardized procedures designed to ensure consistent quality.
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ANNEX 1: METHODOLOGY

The ISS-Corporate SPO provides an assessment of labeled transactions against international standards using ISS-Corporate's proprietary [methodology](#).

ANNEX 2: QUALITY MANAGEMENT PROCESSES

SCOPE

Smurfit Westrock plc commissioned ISS-Corporate to compile a green finance instruments SPO. The second-party opinion process includes verifying whether the Green Finance Framework aligns with the GBP and GLP and assessing the sustainability credentials of its green finance instruments, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant standards for this second-party-opinion:

- Green Bond Principles, ICMA, June 2021 (with June 2022 Appendix 1)
- Green Loan Principles, LMA, February 2023

ISSUER'S RESPONSIBILITY

Smurfit Westrock plc's responsibility was to provide information and documentation on:

- Framework
- Selection criteria
- Documentation of ESG risk management at the Framework level

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS Group, which ISS-Corporate is a part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent second-party opinion of the green finance instruments to be issued by Smurfit Westrock plc has been conducted based on proprietary methodology and in line with the Green Bond Principles and Green Loan Principles.

The engagement with Smurfit Westrock plc took place between September and November 2024.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS Group Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About this SPO

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses alignment with external principles (e.g., the Green/Social Bond Principles), analyzes the sustainability quality of the assets and reviews the sustainability performance of the Issuer itself. Following these three steps, we draw up an independent SPO so investors are as well-informed as possible about the quality of the bond/loan from a sustainability perspective.

Learn more: <https://www.iss-corporate.com/solutions/sustainable-finance/bond-issuers/>.

For more information on SPO services, please contact: SPOsales@iss-corporate.com.

Project team

Project lead

Claudia Muñoz Carmona
Associate
Sustainable Finance Research

Project supervision

Marie-Bénédicte Beaudoin
Associate Director
Head of Sustainable Finance
Research