

OUR COMPANY AND DIVERSITY AT DS SMITH

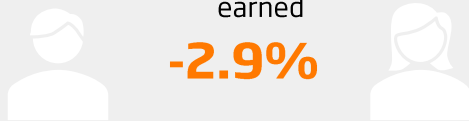
DS Smith is a leading provider of sustainable packaging solutions, paper products and recycling services worldwide, employing around 29,000 employees across 34 countries.

Our Purpose is 'Redefining Packaging for a Changing World' and that requires a modern and dynamic workforce that is looking to the future to solve our customers' biggest challenges. We know that a key enabler is the fostering of an inclusive workplace where everyone can thrive, contribute creatively and realise their potential. We continue to drive action across the business to achieve this.

In the UK, we employ approximately 4,011 people (80% Male and 20% Female). We are only required to report on legal entities which have more than 250 employees. The total UK numbers represented below are for all UK entities, which provides the full picture for the UK.

OUR TOTAL UK PAY GAP

On average (mean) pay gap shows male employees earned



-2.9%

less than female employees

The median pay gap shows male employees earned



1.5%

more than female employees

The national median pay gap is 8.3% (Office of National Statistics 2022)

OUR TOTAL UK BONUS GAP



51.6% of male employees received a bonus



53.6% of female employees received a bonus

Average (mean) male bonus payments were



17.1%



higher than female bonus payments

Median male bonus payments were



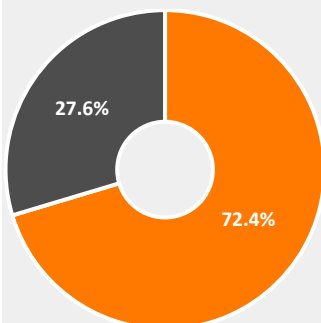
13.4%



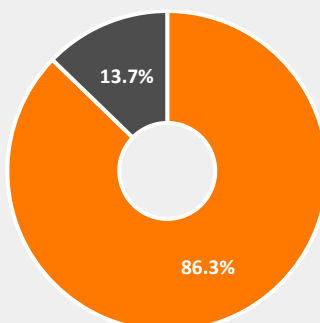
higher than female bonus payments

OUR TOTAL UK PAY QUANTILES

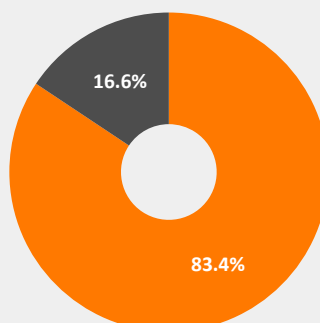
Male
Female



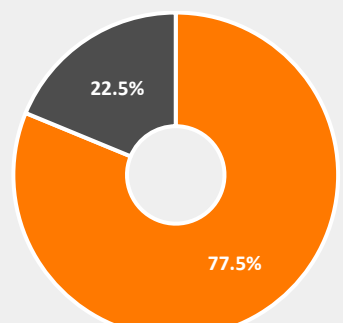
Quartile 1 (Lower)



Quartile 2 (Lower middle)



Quartile 3 (Upper middle)



Quartile 4 (Upper)

OUR GENDER PAY COMMENTARY

Our continued focus on female retention, development, and recruitment has led to year on year improvements in our gender pay gap and this year we have achieved parity for the first time.

OUR PRIORITIES

Actively encouraging females to choose manufacturing careers

- We have further improved female occupancy of senior roles with the appointment of external hires: Camilla Sala (Group Head of Logistics, joining Feb 2023) and Lesley Laird (UK SSC Director); internal hires Jacky Wearn (Group HRD) and Sarah Whitmore (Group Head of Talent).
- Representation of women on our board has remained at 37.5% and combined Executive Committees and direct reports increased to 34.5% (FTSE Women Leaders Report 2022). A comment from a recent female hire comments on their reasons for joining below:

Lesley Laird (Director of Business Services) *“Several factors influenced my decision to move to DS Smith: the quality of the recruitment process and the company’s commitment to sustainability to the reality that DS Smith is a purpose-driven organisation that lives up to its values. I felt I could meaningfully contribute to DS Smith and build high-performing teams to meet the needs of the future.”*

- An ongoing focus on providing hiring managers with diverse shortlists has resulted in a 7% improvement of female hires.
- Further improvements in our graduate attraction campaign resulted in gender parity in this year’s intake. A current Graduate shares their experience below:

Tara Lawson (2022 Procurement Graduate) *“The DS Smith graduate programme has been a fantastic experience working within a FTSE100 company that has made significant strides in the European market. In my current rotation, I have been able to travel extensively, diversify my portfolio, expand my business knowledge, and develop a key network—setting me up for a successful career in Procurement.”*

Next Steps:

- Further improvements will be made in how we ensure equity in our attraction and selection processes and measure the impact – starting with senior hiring processes.
- Review how we further improve the attractiveness of manufacturing careers to females through our existing employer branding work.

Actions to identify female talent and support them to grow and develop

- Our talent reviews are the mechanism via which we review succession – by focussing on this agenda we have been able to identify a population of high potential talents, 35% of which are female.
- We have refreshed our approach to the development of female leaders and now offer: The Authentic Women Leader Programme to develop our senior leadership population; and the Elevating Women Programme.
- We currently have 29% (46/157) female participants and alumni across our leadership programme cohorts, in partnership with Oxford Said Business School.
- We are investing in coaching for females at all levels of the company and this year launched our new Coaching for Excellence with 30% (28/96) places occupied by women.

OUR PRIORITIES CONTINUE

- We have recently launched a group wide talent acceleration programme with 37% female participants. A participant shares their experience below:

Natali Bilandzija (Senior Internal Auditor) *"The Development Centre provided me with a unique opportunity to think deeply about my career and actions I need to consider. I have gone through this process with a cohort of ambitious peers and helpful mentors, all of whom support my journey to build self-awareness about who I am and how I work with others."*

- Targeted action to retain and develop key talents has resulted in a lower than average attrition rate 6.9% female leavers versus 15% overall and an improvement in the % of female promotions to 30%.

Next steps:

- Focus on how we further accelerate internal female talents into our senior leadership roles.

Actions to ensure everyone can reach their full potential by removing any barriers for all to succeed

- Continued to scale our campaign to build confidence and competence in creating a more inclusive environment through our leadership workshops.
- Inspired female colleagues around career opportunities through roundtable discussions and our highly popular career panels.
- This year we launched four employee resource groups to support females across DS Smith, including our global Gender Diversity Network aimed at raising awareness and drive action.
- Our mentoring platform was launched in February 2023 including reverse mentoring to help leaders understand the lived experience of diverse talent in the business and provide talents with active career sponsorship. One of our mentors shares their experience below:

Gillian Sinclair (Customer and Commercial Operations Director) *"Mentoring is about empowering the next generation of leaders. As a mentor, I strive to create a safe space for my mentees to explore their ideas, develop their thinking, and practice their influencing skills."*

- We are passionate about creating an environment where diversity can thrive and have created targeted action plans across 17 sites to improve engagement and retention of all colleagues.

Next Steps:

- Refresh our inclusive leadership workshop and ensure participants drive change across our operations.
- Scale the mentoring platform across the business to build awareness of the potential barriers diverse talent can experience and actively sponsor their career progression.
- Working with our ERGs, progress partnerships, policies and inclusive working practices.

OUR PAY AND BONUS GAP BY LEGAL ENTITY

	Mean pay gap	Median pay gap	Mean bonus gap	Median bonus gap	% Male receiving bonus	% Female receiving bonus
DS Smith Packaging Ltd	-3.5%	4.0%	-29.1%	50.3%	58.4%	53.8%
DS Smith Paper Ltd	-0.7%	16.7%	6.1%	-20.6%	20.8%	46.2%
DS Smith Recycling UK Ltd	9.3%	2.6%	25.9%	16.5%	17.5%	18.5%
DS Smith Plc	27.4%	6.8%	73.4%	17.4%	79.5%	62.4%

- A negative figure denotes where female remuneration is higher than that of males

OUR PAY QUANTILES BY LEGAL ENTITY

	DS Smith Packaging Ltd		DS Smith Paper Ltd		DS Smith Recycling UK Ltd		DS Smith Plc	
	M	F	M	F	M	F	M	F
Quartile 1: Lower	69.7%	30.3%	73.2%	26.8%	58.8%	41.2%	53.4%	46.6%
Quartile 2: Lower middle	83.9%	16.1%	98.4%	1.6%	75.4%	24.6%	63.4%	36.6%
Quartile 3: Upper middle	89.4%	10.6%	98.0%	2.0%	81.2%	18.8%	55.9%	44.1%
Quartile 4: Upper	81.8%	18.2%	89.5%	10.5%	69.2%	30.8%	65.4%	34.6%

- The total UK numbers in the previous slide represent the combined data of these four legal entities as well as our out-of-scope entities in order to provide the full picture for the UK.
- Pay data is based on the snapshot date of 5 April 2022. Bonus data is based on the 12 months preceding this.

OUR STATEMENT OF ACCURACY

I confirm the data in this report is accurate

Jacky Wearn- Group Human Resources Director

