

Redefining Packaging for a Changing World

Sustainability Report 2024



Redefining Packaging for a Changing World

DS Smith at a glance

DS Smith is a leading provider of sustainable packaging solutions across Europe and North America. Our circular business model, which includes recycling, paper and packaging operations, plays a central role in e-commerce, fast moving consumer goods and industrial value chains.

Our vision is to be the leading supplier of sustainable packaging solutions

Our strategic goals

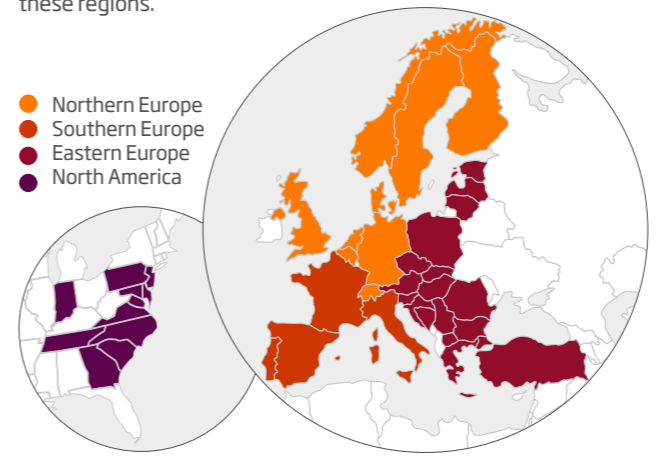
-  **To delight our customers**
By delivering outstanding results to them as we increase their sales, reduce their costs, manage their risk and become circular-ready
-  **To lead the way in sustainability**
By bringing our customers into the circular economy using recyclable materials responsibly in our business
-  **To realise the potential of our people**
By creating a safe environment where every colleague can develop their skills and ideas
-  **To double our size and profitability**
By driving operational and commercial excellence, growing our market share and expanding into new markets

Our values

-  **Be caring**
We take pride in what we do and we care about our customers, our people and the world around us
-  **Be trusted**
We can always be trusted to deliver our promises
-  **Be challenging**
We are not afraid to constructively challenge each other and ourselves to find a better way forward
-  **Be responsive**
We seek new ideas and understanding and we are quick to react to opportunities
-  **Be tenacious**
We get things done

Where we operate

Our packaging business operates in four geographic segments, three in Europe and one in North America. Upstream recycling and papermaking form an integral part of our operations in these regions.




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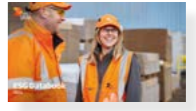
Reporting period, scope and independent assurance


This report covers our 2023/24 period, which is from 1 May 2023 - 30 April 2024. All of our packaging plants, paper mills and recycling depots are part of Now & Next, our Group-wide Sustainability Strategy. Deloitte have provided independent assurance over selected information, identified with * on pages 58-61. A summary assurance statement can be found on page 58 and the full assurance report can be obtained from our DS Smith ESG Reporting Hub, alongside our Basis of Preparation, which includes a detailed methodology for how our ESG reporting is prepared.

Our 2024 reporting suite

 [Policies and other documents](#)


 Net Zero Transition Plan 2024


 ESG Databook 2024


 Annual Report 2024

Highlights from 2023/24

In 2023/24, we made progress towards our Now & Next Sustainability Strategy, and our Circularity, Carbon, People & Communities and Nature targets.

ESG ratings

We participate in reputable environmental, social and governance ratings that our customers and investors value as an independent indicator of sustainability performance.

We continued to perform well in 2023/24, joining the 2 per cent of the 21,000 companies scored on CDP's 'A List'.



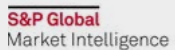
CDP Climate Change A
CDP Forests A-
CDP Water Security A-



EcoVadis Gold



MSCI AA



S&P Global 72



Sustainalytics 'Low Risk'



Circularity



Over **1.2 billion** pieces of plastic avoided through supply of alternative corrugated solutions since 2020/21

19% reduction in waste to landfill compared to last year

90% of our new packaging specifications uniquely optimised for individual customer supply chains*

Over **100,000** packaging design decisions influenced by our Circular Design Metrics since their launch

c.4,000 solutions presented to our customers featuring our Circular Design Metrics each month

→ [See pages 14-21 for more information on our plastic replacement programme](#)

* This figure represents c. 74 of our conventional packaging sites for which BSIR (Board Strength Index Rating) data is available. It does not capture all packaging designs and specifications, excludes board purchased externally and sheet board sales. See page 17 for more information.



Carbon



5% reduction in total greenhouse gas emissions compared to last year

€90 million investment to transition Rouen mill to biomass waste, saving c. 99,000 tonnes CO₂e, expected by 2025/26

19% reduction in total greenhouse gas emissions compared to 2019/20 base year

c. 42% of our purchased goods and services emissions generated by strategic suppliers either with, or in the process of setting, a science-based target

Published our inaugural **Net Zero Transition Plan** setting out actions to achieve our science-based target



→ [Read our full report online](#)

Achieved **CDP 'A-List' status** for our 2023 Climate Change response

→ [See pages 22-26 for more information on how we're decarbonising our operations and value chain](#)

Highlights from 2023/24 continued



People & Communities



100%

of our in-scope sites have completed the Sedex SAQ¹, strengthening our human rights due diligence

262

sites with zero lost time accidents this year

12%

reduction in employee lost time accidents compared to last year

100%

of our in-scope sites² participated in community activities

96th percentile

social dimension score in the S&P Global CSA³, included in the S&P 2024 Yearbook for the second year running

→ See pages 27-48 for more information on how we are creating a [safe, diverse and inclusive workplace](#)



Nature



14

of our paper mills completed biodiversity activities

Three

biodiversity assessments completed across two forests, helping us to begin to measure and improve biodiversity

10%

reduction in water abstracted for use in own process per tonne of production compared to last year at paper mills in water stressed areas

EUDR preparation

Began EU Deforestation-Free Regulation (EUDR) preparation, including assessing our obligations and a risk analysis exercise

Nature targets

Began to assess how our business interfaces with the environment, to prepare to set targets to regenerate nature, taking a science-based approach

→ See pages 49-56 for more information on how we are protecting [and regenerating forests and biodiversity](#)

Alignment with international frameworks

We respect several international frameworks that are relevant to corporate responsibility and ethical business conduct, including:

- United Nations Declaration of Human Rights and the Convention on the Rights of the Child
- International Labour Organization (ILO) Eight Fundamental Conventions
- Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- United Nations Global Compact (UNGC)
- United Nations Sustainable Development Goals (SDGs)

1. The Sedex SAQ (Supplier Ethical Data Exchange Self Assessment Questionnaire) is a set of questions for businesses to complete about their practices in labour standards, health & safety, the environment and business ethics. All of our manufacturing sites are in scope (238).
2. Sites with greater than 50 full-time employees.
3. Corporate Sustainability Assessment, an annual evaluation of companies' sustainability practices. We scored 72 overall, placing in the 97th percentile in our industry.

Reflections

from our senior leadership



Geoff Drabble
Chair

What achievements are you most proud of this year?

I'm very pleased that sustainability is more integrated in DS Smith than ever before. We have implemented a new approach to governance which has improved and simplified collaboration. As a result, we stayed on track with the delivery of our Now & Next Sustainability Strategy.

Our community engagement is a significant source of pride and for the 5th year running 100 per cent of our sites in scope have engaged with their local community. There are some nice examples of this in this report.

I am happy that we have made big investments in carbon reduction this year, in particular, Rouen paper mill where we have invested €90 million to replace the coal-fired boiler with a new biomass-from-waste, saving c. 99,000 tonnes CO₂e per year.

Do you think DS Smith is well-positioned to perform well in sustainability in the future?

It is encouraging to see the full breadth of sustainability progress we are making.

Our Human Rights due diligence is stronger than ever. We are measuring our impacts on nature in preparation for SBTN and TNFD. For the first time published our Net Zero Transition Plan and we are on track to comply with EUDR.

Overall, I feel the scale and depth of our sustainability programme is one of the best in the industry and we are well placed to continue our sustainability leadership position in our industry.



Miles Roberts
Group Chief Executive

How would you describe the past year in terms of achievements in sustainability?

I am delighted with the progress we have made on our Now and Next Sustainability Strategy. We have delivered a 5 per cent reduction in our total greenhouse gas emissions and a total of 19 per cent compared to our 2019/20 base year.

Another area where we have made excellent progress is circularity and in particular, our Plastic Replacement Programme. Four years ago we set out to replace one billion pieces of plastics in our customers' supply chains with recyclable corrugated packaging and I am delighted that we have achieved this target a year ahead of our 2025 deadline.

These are just two highlights but our overall programme has moved forward significantly. We believe that Now and Next is leading our industry and we were very proud to receive recognition of this progress, achieving CDP 'A List' status for our 2023 Climate Change response, whilst maintaining our A- scores in Water Security and Forests.

How is DS Smith helping customers achieve their sustainability objectives?

We are working with some of the world's largest and most iconic global brands to achieve their own ambitious sustainability agendas.

Our Circular Design Metrics enable us to partner with our customers on a range of challenges from supply chain transparency and recyclability through to designing out waste and reducing plastics. Our designers work side by side with our customers to maximise the circularity and effectiveness of their packaging.

Data exchange on carbon, deforestation and many other sustainability topics are also fundamental for our customers, given the increased regulatory and reporting requirements on supply chains.

Our Now and Next Sustainability strategy was created four years ago with the same ethos as our Purpose which was to multiply the positive impact of our sustainability work through partnering with the world's biggest companies.

We still have a lot to do in the years ahead but I am proud of the progress we have made and the momentum we are creating.

Circularity



Patricia Oddshammar
Chair of Steering Group

"Our focus is on plastic reduction, waste to landfill reduction and recyclable solutions with our customers through our Circular Design Metrics."

Designing out waste and pollution, and keeping materials in use

In 2023/24, we achieved our target to replace, avoid or reduce one billion pieces of plastics, one year ahead of target. We also continue to use our Circular Design Metrics and our designers have created over 60,000 solutions for customers in 2023/24.

→ [See pages 14-21 for information on Circularity](#)

People & Communities



Paul Adams
Chair of Steering Group

"We continue to have a strong focus on health and safety and driving diversity, equity and inclusion across our sites and offices."

Creating a safe, diverse and inclusive workplace and being active in our communities

We continued to strengthen our human rights due diligence in 2023/24, with Sedex SAQ rolled out to 100 per cent of our manufacturing sites. Health and Safety continues to be a top priority, with 262 sites with zero accidents in 2023/24.

→ [See pages 27-48 for information on People & Communities](#)

Carbon



Nick Furnston
Chair of Steering Group

"Our focus in 2023/24 has been on Scope 1, 2 and 3 reductions to achieve our aim of decarbonising our operations and value chain."

Decarbonising our operations and value chain

In 2023/24, we continued to focus on decarbonisation roadmap, publishing our first Net Zero Transition Plan. We continued to engage strategic suppliers, with c. 42 per cent of our purchased goods and services emissions generated by strategic suppliers either with, or in the process of setting, a science-based target.

→ [See pages 22-26 for information on Carbon](#)

Nature



Wouter van Tol
Chair of Steering Group

"We are focused on water, biodiversity, deforestation, and assessing our impacts and dependencies on nature."

Protecting and regenerating nature

This year we made good progress on Nature, particularly on water management plans, biodiversity programmes at our paper mills and selecting an expert consultancy to help us to assess our impacts and dependencies on nature.

→ [See pages 49-56 for information on Nature](#)

Powered by our Purpose

Redefining Packaging for a Changing World

Our Purpose is our reason for being. It's why we exist. It captures the value we bring to all our stakeholders and the wider world. We keep an eye on the future and recognise the changing world in which we operate. Our ways of working, consuming, travelling and living are rapidly transforming. The growth in digital technology is revolutionising the way we shop, live and work. We expect to purchase products tailored for us, whenever we want them, delivered in a way that fits our busy lifestyles. We want more choice and convenience, but with less impact on the world around us.



“Our Purpose brings ‘the outside’ in. It requires every employee to look outside the Company and forward, so we understand the context we operate in and the opportunities for the future.”

Greg Dawson
Director of Corporate Affairs and Sustainability

Redefining packaging for the circular economy

There's a need for a new approach, new thinking to packaging, one that is circular rather than linear, decoupling material consumption from finite natural resources. There is also a need for strong leadership in our industry, delivered through our Now & Next Sustainability Strategy. This is what drives us and why we have a shared purpose of Redefining Packaging for a Changing World. Every day across Europe and North America, we collect used paper and cardboard for recycling, from which we make new recyclable packaging. This is the circular journey of one box to another at DS Smith.

[See more at www.dssmith.com](http://www.dssmith.com)

Financing for the circular economy

Sustainable revenues

As a fibre-based packaging business, we are enabling the circular economy with our customers by avoiding plastics through supply of alternative fibre-based solutions. The vast majority of our activities and therefore our revenues relate to the manufacture and sale of 100 per cent recyclable packaging.

€1.5 billion green bond issuance

Our Green Finance Framework sets out how we finance and/or refinance selected capital expenditure identified as circular economy adapted products, production technologies and process, and/or certified eco-efficient products, environmentally sustainable management of living natural resources and/or land use.

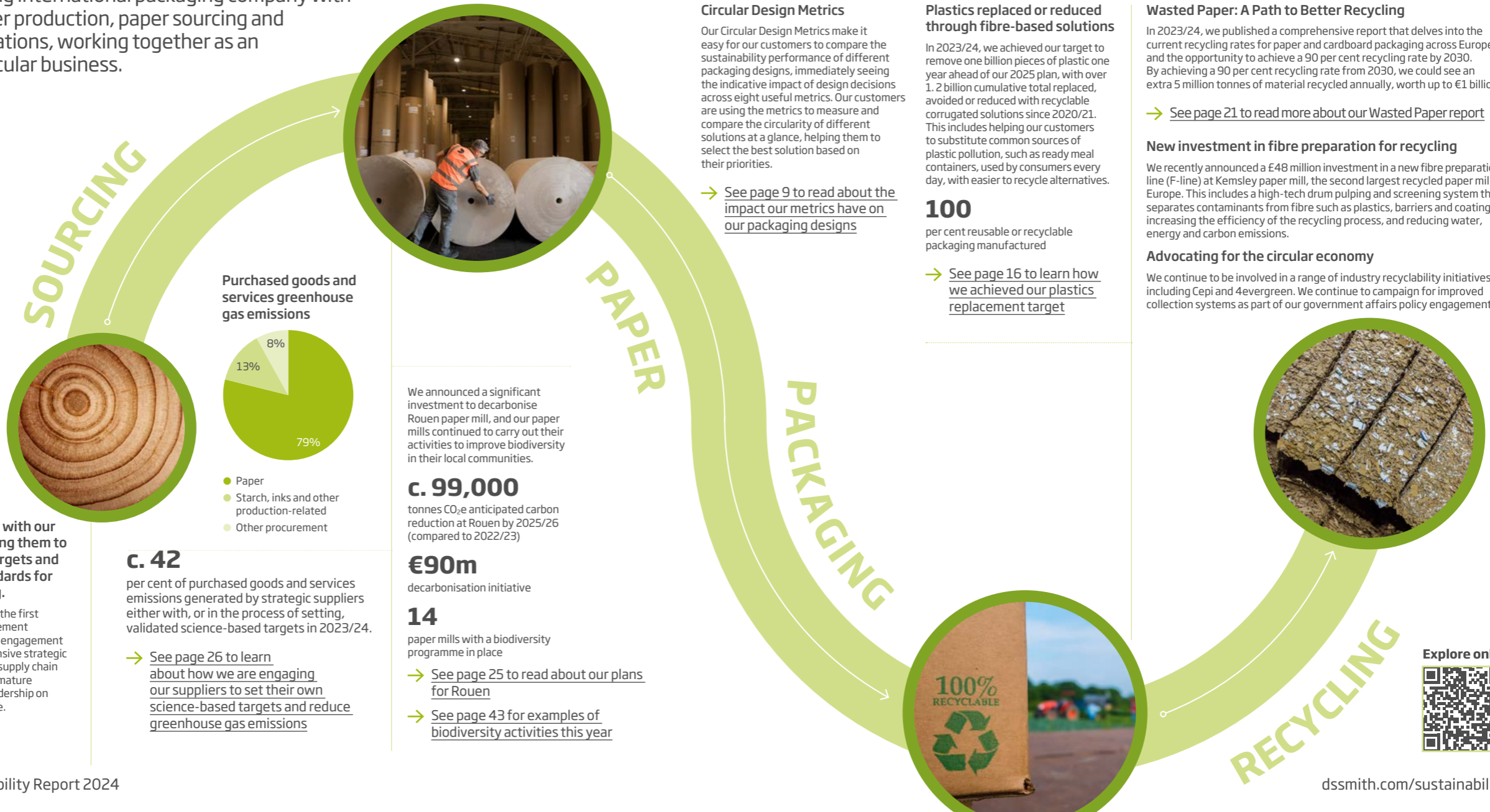


Sustainability is at the heart of our circular business

- We are a leading international packaging company, specialising in recyclable paper packaging
- We produce paper-based packaging predominantly from recycled materials
- We operate a circular business model, helping our customers with packaging and recycling services to close the loop over many packaging life cycles
- We source and produce 100 per cent recycled or chain of custody certified papers to protect natural resources and ensure sustainable forest management
- We are a Strategic Partner of the Ellen MacArthur Foundation, the recognised global authority on the circular economy

How we are redefining packaging for a changing world

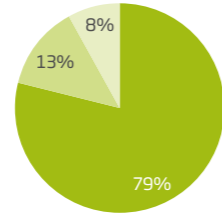
We are a leading international packaging company with upstream paper production, paper sourcing and recycling operations, working together as an integrated, circular business.



We are collaborating with our suppliers, encouraging them to set science-based targets and upholding high standards for responsible sourcing.

In 2023/24, we completed the first year of our supplier engagement programme. We prioritised engagement with our most carbon-intensive strategic suppliers through the CDP supply chain programme, and with less mature suppliers, the Supplier Leadership on Climate Transition initiative.

Purchased goods and services greenhouse gas emissions



- Paper
- Starch, inks and other production-related
- Other procurement

c. 42

per cent of purchased goods and services emissions generated by strategic suppliers either with, or in the process of setting, validated science-based targets in 2023/24.

→ See page 26 to learn about how we are engaging our suppliers to set their own science-based targets and reduce greenhouse gas emissions

We announced a significant investment to decarbonise Rouen paper mill, and our paper mills continued to carry out their activities to improve biodiversity in their local communities.

c. 99,000

tonnes CO₂e anticipated carbon reduction at Rouen by 2025/26 (compared to 2022/23)

€90m

decarbonisation initiative

14

paper mills with a biodiversity programme in place

→ See page 25 to read about our plans for Rouen

→ See page 43 for examples of biodiversity activities this year

Circular Design Metrics

Our Circular Design Metrics make it easy for our customers to compare the sustainability performance of different packaging designs, immediately seeing the indicative impact of design decisions across eight useful metrics. Our customers are using the metrics to measure and compare the circularity of different solutions at a glance, helping them to select the best solution based on their priorities.

→ See page 9 to read about the impact our metrics have on our packaging designs

Plastics replaced or reduced through fibre-based solutions

In 2023/24, we achieved our target to remove one billion pieces of plastic one year ahead of our 2025 plan, with over 1.2 billion cumulative total replaced, avoided or reduced with recyclable corrugated solutions since 2020/21. This includes helping our customers to substitute common sources of plastic pollution, such as ready meal containers, used by consumers every day, with easier to recycle alternatives.

100

per cent reusable or recyclable packaging manufactured

→ See page 16 to learn how we achieved our plastics replacement target

Wasted Paper: A Path to Better Recycling

In 2023/24, we published a comprehensive report that delves into the current recycling rates for paper and cardboard packaging across Europe and the opportunity to achieve a 90 per cent recycling rate by 2030. By achieving a 90 per cent recycling rate from 2030, we could see an extra 5 million tonnes of material recycled annually, worth up to €1 billion.

→ See page 21 to read more about our Wasted Paper report

New investment in fibre preparation for recycling

We recently announced a €48 million investment in a new fibre preparation line (F-line) at Kemsley paper mill, the second largest recycled paper mill in Europe. This includes a high-tech drum pulping and screening system that separates contaminants from fibre such as plastics, barriers and coatings, increasing the efficiency of the recycling process, and reducing water, energy and carbon emissions.

Advocating for the circular economy

We continue to be involved in a range of industry recyclability initiatives, including Cefi and 4evergreen. We continue to campaign for improved collection systems as part of our government affairs policy engagement.

Explore online



Redefining packaging with our suppliers

Redefining packaging with our suppliers

We value the relationships we have with our suppliers. We collaborate with them on topics such as responsible sourcing, carbon and human rights. We encourage our suppliers to improve their resilience and sustainability.

Our upstream value chain and nature

Whilst we have plenty to do to make our own operations even more sustainable, we recognise that there are also significant positive impacts we can have on our own supply chain.

Our upstream value chain in particular, like many industries, is dependent on the provision of natural resources and ecosystem services that regulate the climate for humankind's benefit.

For example, although we recycle used packaging, sustainably sourced virgin fibre is required as the primary raw material and as a renewable fuel, in the form of biomass. Water is also a crucial natural resource used to transport fibres through the process and as a conduit of energy in the form of steam.

Impacts and dependencies

In 2023/24, we began a project to assess our dependencies on nature as one of the first steps to setting targets to regenerate nature. We are taking a science-based approach, with reference to the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations and technical guidance from Science Based Targets Network (SBTN).

This includes an assessment of our supply chain (alongside direct operations and a downstream assessment), comprehensively locating the interfaces with nature and prioritising sensitive locations. It is described in greater detail on page 53.

As part of our EU Deforestation-Free Regulation (EUDR) preparation, we began screening exercises, a risk assessment and the development of a deforestation policy to meet the EUDR requirements. We are working hard to be ready to comply with EUDR in line with the legislative timelines during 2024/25.

We continued to implement biodiversity programmes at our paper mills, with 14 programmes now underway and in 2023/24, 10 per cent of our in-scope paper mills and packaging plants developed water management plans, including identification of water reduction opportunities and awareness-raising and training.



Sustainable procurement

Setting high standards

Our Global Supplier Standard (GSS) documents the expectations that we have of our suppliers in relation to sustainability and responsible business, based on the internationally recognised Ethical Trading Initiative base code. We continue to aim to ensure that 100 per cent of our suppliers agree to comply with our standards, with agreement obtained from 90 per cent of our suppliers overall.

Assessing suppliers

We use EcoVadis to assess supplier performance, involving 100 per cent of our strategic suppliers (see page 75 for how we define 'strategic' supplier). We work with suppliers to develop action plans to address weaknesses on environmental, labour, human rights and ethical issues. This helps us to monitor challenges and opportunities within our supply chain, allowing us to opt not to buy from suppliers whose performance is deemed inadequate.

Encouraging improvements

We address under-performing suppliers in line with our Supplier Management Policy. We use on-site audits for suppliers who fail to meet our standards. We engage suppliers by retraining and educating them in the first instance, to then consider whether we continue working with a supplier of concern.

Reducing emissions

We are engaging with our strategic suppliers to encourage them to set science-based targets. This includes helping enable our suppliers to calculate their carbon footprint, set a science-based target and begin reducing emissions. For those further along the journey, we review their progress and plans.

Monitoring supply chain risk

We use EcoVadis IQ to apply predictive intelligence to monitor and assess risk and ethical business conduct in our supply chain. This tool enables us to identify suppliers, countries and categories that potentially pose risk and address that possible danger appropriately.

Redefining packaging with our customers

We help our customers by designing packaging solutions that help to achieve their sustainability and recyclability goals, bringing our customers into the circular economy.

Our customers want to tackle plastic pollution, improve recycling rates and develop circular business models. They trust us to partner with them to achieve their sustainable packaging strategies, utilising our expertise, innovative solutions and resilient supply to increase recyclability and reduce value chain emissions.

Over the past year, we have engaged with customers on topics including decarbonisation plans, fibre sourcing and human rights.

Our engagements often involve large global FMCG brands with mature sustainability strategies, with whom we have long-term relationships, increasing the degree of leverage and impact of our collective actions.

Circular Design Metrics

Our Circular Design Metrics make it easy for our customers to compare the sustainability performance of different packaging designs, immediately seeing the indicative impact of design decisions across eight useful metrics.

Our customers are using the metrics to measure and compare the circularity of different solutions at a glance, helping them to select the best solution based on their priorities.

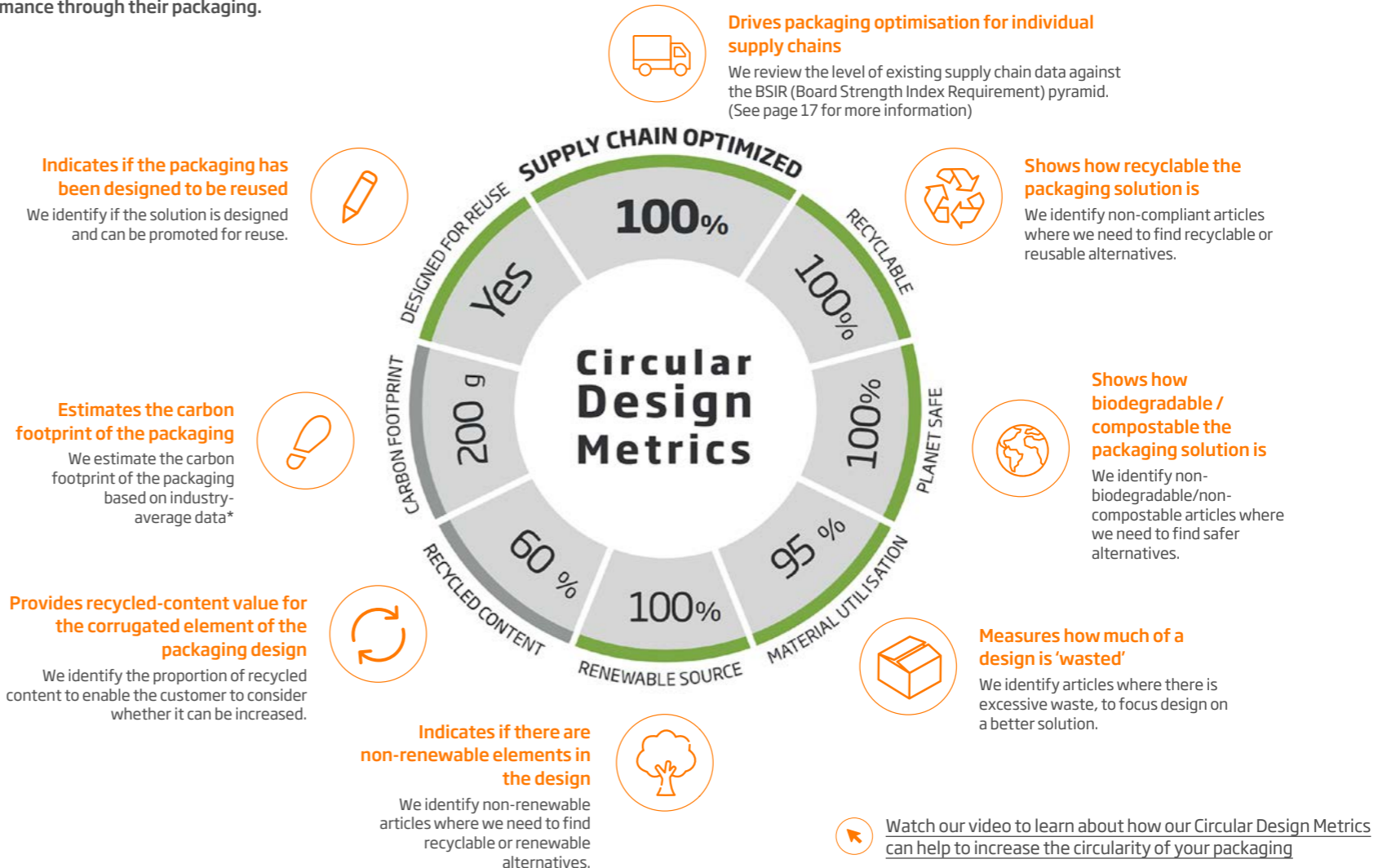
The metrics present an opportunity to quantify and improve the impact packaging has on the environment, including its carbon footprint*.

The metrics are supported by our Circular Design Principles, utilised by our expert design and innovation community of designers, to ensure that supply chain conditions are integrated into the design process. This results in leaner packaging that maintains required strength, resilience and recyclability properties.

* Carbon footprint calculation is based on industry-average data from the FEFCO cradle to grave life cycle assessment. The life cycle inventory data and methodology can be obtained from <https://www.fefco.org/lca/>

Powerful metrics to see and compare packaging sustainability

The Circular Design Metrics are a useful tool for brands that want to drive sustainability performance through their packaging.



Now & Next

Sustainability Strategy



We are taking action today to lead the transition to a low carbon, circular economy.

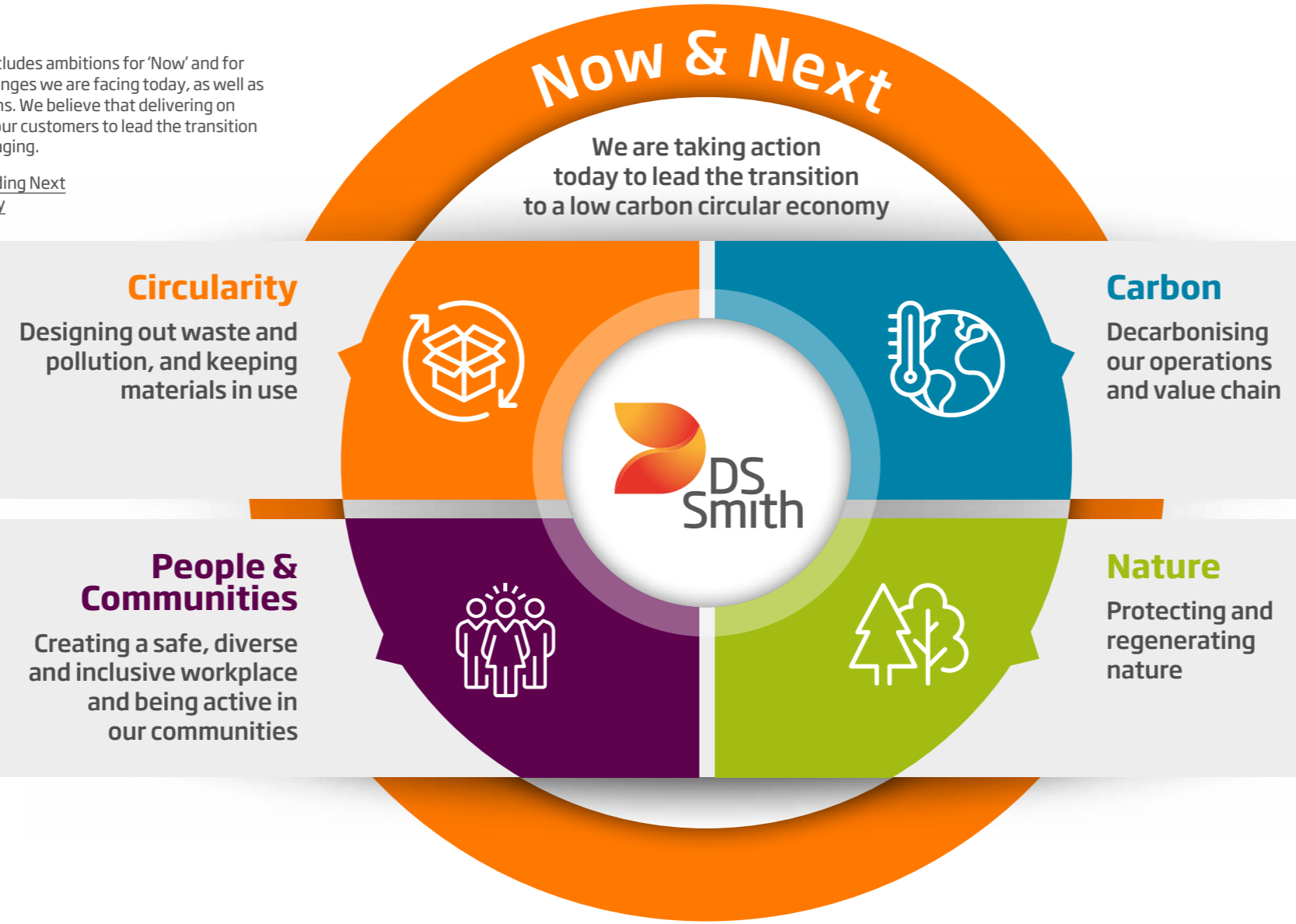
- In this section**
- [Now & Next Sustainability Strategy](#)
 - [Now & Next progress](#)

Now & Next Sustainability Strategy

Delivering against our strategy


Our Now & Next Sustainability Strategy includes ambitions for 'Now' and for 'Next', focusing on the sustainability challenges we are facing today, as well as those that will impact on future generations. We believe that delivering on these goals will enable us to partner with our customers to lead the transition to a low carbon, circular economy for packaging.

See [DS Smith Delivering Now & Leading Next for more information on our strategy](#)



Now & Next progress

Circularity

	23/24	22/23	21/22		Status
Design out waste and pollution					
→ See pages 15-18 for more information					
By 2025, optimise fibre for individual supply chains in 100 per cent of new packaging solutions ¹ Metric: Percentage of fibre use optimised for individual supply chains	90%	64%	26%	✓	On track
By 2030, optimise every fibre for every supply chain	Ongoing	Ongoing	Ongoing	✓	On track
By 2025, help our customers to replace one billion pieces of plastic with alternative fibre-based solutions Metric: Number of pieces of plastic replaced	Over 1.2 billion cumulative since 2020/21				Achieved
By 2030, send zero waste to landfill Metric: Total waste landfilled (tonnes)	165,840 tonnes	204,637 tonnes	255,920 tonnes	✓	On track
Keep materials in circulation					
→ See pages 19-21 for more information					
By 2025, test up to five reuse pilots and continue to manufacture 100 per cent recyclable and reusable packaging	Ongoing	Ongoing		✓	On track
By 2030, aim for all our packaging to be recycled or reused ²	Ongoing	Ongoing	Ongoing	✓	On track



Contributes to United Nations Sustainable Development Goal (SDG):

Achieving these targets helps us to keep materials in use for longer, reduce waste and pollution and protect natural resources

Carbon

	23/24	22/23	21/22		Status
Decarbonise our operations and value chain					
→ See pages 23-26 for more information					
By 2030, reduce Scope 1, 2 and 3 GHG emissions by 46 per cent compared to 2019 ³ Metric: Total GHG emissions (tonnes CO ₂ e)	6,985,269 tonnes CO ₂ e	7,391,418 tonnes CO ₂ e	8,250,702 tonnes CO ₂ e	✓	On track
By 2027, encourage 100 per cent of our strategic suppliers (representing 76 per cent of purchased goods and services emissions) to set their own science-based targets ⁴ Metric: Percentage of purchased goods and services emissions from suppliers with science-based targets	42%	32%	-	✓	On track
By 2050, reach Net Zero GHG emissions	Ongoing	Ongoing	Ongoing	✓	On track



Contributes to United Nations Sustainable Development Goal (SDG):

Achieving these targets helps us to reduce our emissions to combat climate change and its impacts



See our Basis of Preparation, online from the DS Smith ESG Reporting Hub, for full methodology notes

1. This figure represents c. 74 of our conventional packaging sites for which BSIR (Board Strength Index Rating) data is available. It does not capture all packaging designs and specifications and excludes board purchased externally and sheet board sales. See page 17 for more information.
2. In 2023/24, 99.6% (2022/23: 99.7%) of our packaging volume met our 100 per cent recyclable and reusable standard. For the remaining 0.4 per cent volume that is presently not either recyclable in practice or at scale, such as some barrier coatings and foam, we continue to push for alternatives.
3. DS Smith commits to reduce absolute Scope 1, 2 and 3 GHG emissions 46.2% by FY 2030 from a FY 2019 base year.
4. DS Smith commits that 76% of its suppliers by emissions covering purchased goods and services will have science-based targets by FY 2027.

Now & Next progress continued



People & Communities

23/24 22/23 21/22 Status

Engaged people and communities

→ See pages 40-48 for more information

By 2025, engage 100 per cent of our people on the circular economy Metric: Percentage of our people engaged on the circular economy	76%	57%	50%	✓	On track
By 2030, engage 10 million people on the circular economy and circular lifestyles Metric: Number of people engaged on the circular economy	9.8 million cumulative since 2020/21			→	Ahead
100 per cent of our sites ¹ engaged in community activities each year Metric: Percentage of sites participating in community activities	100%	100%	100%	🏆	Achieved

A safe and inclusive workplace

→ See pages 28-32 for more information

Reduce the Accident Frequency Rate (AFR) every year Metric: Accident Frequency Rate (AFR)	1.65	1.82	1.93	✓	On track
Strive to achieve Vision Zero	Ongoing	Ongoing	Ongoing	✓	On track
By 2025, inclusive leadership workshops completed by all leadership teams across all sites Metric: Percentage of managers who have completed inclusive leadership workshops	25%	New target		✓	On track
By 2030, improve gender diversity towards 40 per cent women in senior leadership ² and set an aspiration for other protected characteristics Metric: Percentage of senior leadership, female employees	31.1%	34.5%	31.8%	✓	On track

Respect human rights

→ See pages 38-39 for more information

By 2025, complete SEDEX SAQ roll out to all sites and perform appropriate auditing of SAQs ³ Metric: Percentage of sites completed SEDEX SAQ	100%	56%		🏆	Achieved
Continue to improve human rights due diligence each year	Ongoing	Ongoing	Ongoing	✓	On track



Contributes to United Nations Sustainable Development Goal (SDG):

Achieving these targets helps us to be a responsible employer, with high ethical, labour and employment standards



Nature

23/24 22/23 21/22 Status

Protect and regenerate forests and biodiversity

→ See pages 50-53 for more information

By 2025, measure and improve biodiversity in our own forests and assess our dependencies on nature	Ongoing	Ongoing	Ongoing	✓	On track
By 2025, biodiversity programmes in place at each of our paper mills Metric: Number of our paper mills with biodiversity programmes in place	14	13	12	✓	On track
Set targets to regenerate nature taking a science-based approach	Ongoing	New target		✓	On track

Water management

→ See pages 54-56 for more information

By 2025, 100 per cent of our paper mills and packaging sites to have water management plans ⁴ Metric: Percentage of sites with water management plans	10%	New target		✓	On track
By 2030, 10 per cent reduction in water withdrawal per tonne of production at mills at risk of water stress compared to 2019 Metric: Water abstracted for use in own process (per metric tonne of net saleable production) (m ³ /t nsp) ⁵	7.52 m ³ /t nsp	8.4m ³ /t nsp	8.1m ³ /t nsp	🏆	Achieved



Contributes to United Nations Sustainable Development Goal (SDG):

Achieving these targets helps us to protect and restore ecosystems

1. Sites with greater than 50 full-time employees.
2. Defined in accordance with the requirements of the FTSE Women Leaders Review as those on our four Executive Committees and their direct reports.
3. The Sedex SAQ (Supplier Ethical Data Exchange Self-Assessment Questionnaire) is a set of questions relating to business practices, management systems, policies and worker information. The scope includes manufacturing sites and the 100 per cent figure refers to the SEDEX SAQ roll out.
4. Sites in scope include manufacturing sites with >5,000m³ annual water withdrawal, identified at current or future water stress risk with the WRI Aqueduct Tool.
5. Metric updated to reflect the water that is abstracted for own process, which is water withdrawals less water exported to a third party for their own use.

Now & Next

Circularity



We have helped our customers remove, avoid or reduce over one billion pieces of plastic, and continue to optimise fibre for our customers' individual supply chains.

We will continue to manufacture 100 per cent recyclable or reusable packaging and will test reuse pilots.

In the future, we aim for all our packaging to be recycled or reused and zero waste sent to landfill.

In this section

- Design out waste and pollution
 - Keep materials in circulation
-



Designing out waste and pollution

90%

of new packaging specifications optimised for individual supply chains*

We are reducing the volume of materials that go to landfill and ensuring no more fibre than necessary is used by helping our customers design out plastics, designing waste out of our operations and seeking to optimise our packaging for individual supply chains.

The majority of a product’s environmental impacts are determined at the design stage. Therefore, making conscious choices seek to limit environmental impact is essential.

Our designers and innovators work with our customers to avoid the generation of unnecessary waste and pollution at the outset through better design.



Designing out waste and pollution contributes to promoting sustainable consumption and production patterns.

2023/24 highlights

Over **1.2 billion** pieces of plastic replaced, avoided or reduced with alternative corrugated solutions

Over **60,000** packaging design decisions influenced by our Circular Design Metrics

* This figure represents c. 74 of our conventional packaging sites for which BSIR (Board Strength Index Rating) data is available. It does not capture all packaging designs and specifications, excludes board purchased externally and sheet board sales. See page 17 for more information.

Design out waste and pollution

By 2025, help our customers to replace one billion pieces of plastic with alternative fibre-based solutions

In 2023/24, we achieved our target, replacing, avoiding or reducing a cumulative total of over 1.2 billion since we set this target in 2020/21. Any plastic, whether from the customer's primary or secondary packaging, that has now been reduced in volume or completely removed from the customer's existing packaging as a direct result of our 'plastic replacement' packaging solution, is considered within scope of this target¹.

We were able to achieve and exceed this target by the continued dedication and collaboration between our Sales, Marketing and Innovation (SMI), Group Innovation, and Group Research & Development (R&D) functions to deliver fibre-based solutions as an alternative to our customers' plastic packaging.

Each year we have seen continued demand for plastic alternatives, which demonstrates a strong appetite for fibre-based packaging as an alternative to plastic.

Over half of respondents in our survey² said that they would purchase products containing less plastic to help improve recycling rates across Europe.

Additionally, campaigns were launched, targeting common sources of plastic for our FMCG (fast moving consumer goods) customers, such as produce trays, bottle holders and takeaway food boxes.

There are now more than 6,000 recyclable fibre-based packaging solutions added to the portfolio of products sold by our customers, including e-commerce and retail.

We have continued to develop our data capture and reporting capabilities and are reacting more quickly to opportunities to convert plastic-based solutions to our fibre-based alternatives. Our teams have focused on piloting new innovations and scaling these solutions in our target markets and across multiple countries.

Although most solutions result in a complete switch to a 100 per cent fibre-based solution, for some applications a fibre-composite solution is required, which often includes plastic. We are addressing this challenge through our ongoing R&D, exploring non-fibre material alternatives that are also recyclable.

Our printed barrier technology is an example of an innovation being used to replace some of our solutions that previously used PE/PET laminates to prevent moisture transfer, anti-grease and/or anti-slip, and we are printing a varnish barrier instead. Although this does not completely eliminate the plastic element, it significantly reduces it and makes the packaging even easier to recycle in standard waste-streams.

In 2024/25, we will continue to collaborate with our customers to design and deliver fibre-based solutions as an alternative to their plastic packaging.

Total pieces of plastic replaced or reduced with alternative recyclable fibre-based solutions

2023/24 **Over 1.2 billion cumulative total since 2020/21**

Coca-Cola and 'DS Smith LiftUp' cardboard based packaging innovation replaces plastic shrink wraps

In 2023/24, we collaborated with Coca Cola HBC Austria, and other parties in the packaging industry, to replace plastic shrink wraps for 1.5 litre PET soft drink multipacks with cardboard based outer packaging. This new solution was delivered to supermarkets in Austria from September 2023. The innovative packaging solution is a recyclable corrugated handle which improves carry functionality for consumers and is designed to contribute together with other partners to the kraft paper and cardboard based solution that reduces around 200 tonnes of plastic each year for Coca-Cola HBC Austria.

Designed using our Circular Design Metrics, DS Smith LiftUp is manufactured in partnership with Krones, a leading packaging machine manufacturer and other parties in the packaging industry.

We believe collaboration is necessary to deliver sustainability targets and the circular economy.

"Compared to the previous production process, the plastic shrink films that wrap our multipacks are being replaced by cardboard and kraft paper. With the introduction of this solution, we will be able to reduce material use by a further 200 tonnes of plastic per year in the future."

Felix Sprenger
Supply Chain Director at Coca-Cola HBC Austria



Global Versuni collaboration

Our collaboration with Versuni, through our Circular Design Metrics, has resulted in producing a packaging solution which is made with 100 per cent recyclable paper with durability for transportation.

This packaging solution will initially be applied to Versuni's top performing Philips products and then expanded to Versuni's Philips home appliance global product portfolio.

This has enabled us to protect products, ensure that supply cycles are more efficient, and deliver improved customer satisfaction.

This is a step forward in fulfilling Versuni's commitment to deliver 100 per cent plastic-free packaging within the next four years.

Additional sustainable measures that are being introduced include:

- Replacing single-use protection buffers (EDF) plastics inside the packaging with fibre-based alternatives
- Reducing the outer printed area of the packaging box, resulting in a 65 per cent reduction in ink usage
- Replacing traditional paper-based instruction guides within the box with scannable QR codes printed on the product packaging
- Reducing dimensions of packaging by focusing on space optimisation and minimising empty areas in each product box

1. Plastics include, but are not limited to: HDPE, LDPE, LLDPE, PA (nylon), PE-maleic anhydride, PET, PP, PP orientated, PS, PU, PVC, Foams (e.g. EPE, EPS, EPU), and Laminates.

2. A specially-commissioned survey of 3,395 respondents across DS Smith's key markets of Belgium, Germany, Poland and the UK that took place in July 2019 which sought to understand consumers' attitudes and habits on packaging, recycling and waste management.

Design out waste and pollution continued

By 2025, optimise fibre for individual supply chains in 100 per cent of new packaging solutions*

By the end of 2023/24, we had optimised the design of 90 per cent of new packaging specifications for individual supply chains (2022/23: 64 per cent) at 74 of our packaging plants where we measure the board performance during the manufacturing process to ensure it meets the required BSIR (Board Strength Index Rating) established at the design stage. For the purpose of this target, we do not include sheet as a packaging specification. This is because we do not have control of the final packaging solution manufactured using sheet that we sell externally.

In addition, in some cases, the data we use excludes board purchased externally, for example, where we do not have access to the relevant data from those third-party sheet manufacturers. As such, the disclosed optimisation figure is limited in terms of completeness as it does not cover all packaging designed for those 74 sites during the period.

The figure does not capture all of our efforts to optimise fibre. However, from the rich data we are capturing, we can see changes in behaviour over time, which support the initiatives we are driving at a fundamental design level.

We continue to face the challenge of obtaining supply chain data for some packaging solutions. For example, it is difficult to capture data when the packaging solution is used in multiple supply chain situations or sold via distributors or merchant resellers.

In an attempt to overcome this challenge, we continue to engage with such customers to extract what supply chain data we can and utilise our own knowledge and experience to provide the best design solution given the information we have.

We continue to apply our Circular Design Principles, which we developed in collaboration with the Ellen MacArthur Foundation. These principles guide our designers in their development of our circular packaging solutions.

This means our packaging solutions are designed for the customers' supply chain, ensuring their products remain safe and

* This figure represents c. 74 of our conventional packaging sites for which BSIR (Board Strength Index Rating) data is available. It does not capture all packaging designs and specifications and excludes board purchased externally and sheet board sales.

protected whilst on the move, utilising both our customers' supply chain data plus our extensive knowledge and experience of our customers' markets.

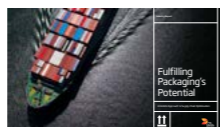
→ [See page 21 for more information on our Circular Design Principles](#)

By 2030, optimise every fibre for every supply chain

Our aspiration remains to optimise every fibre in every supply chain we design packaging for and the progress delivered in this year for the 'Now' (2025 target) contributes towards the 'Next' (2030 target). For 2030, this will mean expanding beyond new packaging solutions and encompassing every fibre-based item we supply. In 2024/25, we will continue to scale our practices and identify further opportunities to design out waste and pollution and keep materials in use for longer, bringing more value to our packaging solutions and customers.

“Supply chain optimisation plays an important part when designing packaging that delivers the quality and performance expected by our customers, without wasting unnecessary resources. The focus and commitment of our Designers and Sales teams enabled us to exceed expectations for our supply chain optimisation target this year. We are very proud of the results from 2023/24, though our work continues.”

Rickard Styverts
Divisional Head of Material Optimisation, Packaging



Read our industry report, 'Fulfilling Packaging's Potential: A holistic approach to supply chain optimisation' online at www.dssmith.com for more information on how innovative packaging can reduce complexity in logistics.

Supply chain optimisation ratings

Board Strength Index Requirement (BSIR) is a rating used to qualify supply chain information at the point of solution development. We use it in assessment of the quality and known accuracy of supply chain conditions.

BSIR 1: Specification is fully DS Smith validated

Our PackRight process has generated a comprehensive supply chain study from which DS Smith has created a design solution. Material defined in the solution has been optimised to meet the requirements of the article and its entire supply chain.

BSIR 2: Solution specifications calculated using customer data

Our PackRight process has been utilised to gather comprehensive customer supply chain data from which DS Smith has generated a design solution. Material defined in the solution has been optimised to meet the requirement of the article, its anticipated supply chain and customer-defined criteria.

BSIR 3: BSIR calculated using standard parameters

Our PackRight process has been utilised to gather essential customer supply chain data. Customers have supplied specific criteria that has to be met as part of the design solution, e.g. material specifications are defined using supply chain model assumptions and experience-led reasoning.

BSIR 4: Specification identified as an opportunity for supply chain optimisation review

BSIR Level 4 is raised based on customer specific information only with no design interaction. Our aim is to seek more information regarding actual supply chain conditions so we may optimise the individual solution specification. Where we are successful, this will result in an uplift in BSIR classification to level 1, 2 or 3 (supply chain optimised). Owing to data coverage and quality, the ratings are not available for all packaging solutions at all sites.



Why does design matter over the entire packaging value chain?

Our customers aim to tackle plastic pollution, improve recycling rates and develop circular business models.

We are capitalising on the benefits of the circular economy by incorporating circularity into our product development to reduce the environmental impact of our products.

Circular design criteria are integral to developing new specifications, enabling our customers to engage with the circular economy and consider the impact of their packaging choices from the design stage.

Designing circular packaging involves considering manufacturing processes and impact.

In our circular business, wastepaper and corrugated materials are recycled into new paper for new circular packaging solutions, focusing intensely on resource efficiency throughout the life cycle.

We understand that small improvements can have a significant cumulative impact. Keeping materials in use longer is a key aspect of our Circular Design Principles.

Corrugated materials have a long history of being recycled at scale in many markets, ensuring material is continually returned to circulation through a recognised recovery and recycling system.

Design out waste and pollution continued

By 2030, send zero waste to landfill

In 2023/24, 165,840 tonnes of waste was sent to landfill (2022/23: 204,637 tonnes), a 19 per cent decrease compared to last year and a 51 per cent decrease overall since 2019/20.

In an ideal world, we would only collect used paper and cardboard to recycle into paper. But in reality, through poor-quality waste streams, other materials contaminate used paper and cardboard we receive for recycling, reflecting that c. 90 per cent of the waste that we send to landfill is a result of our Paper operations.

Given this, significant projects at Rouen and Viana came online during the year, with alternative waste destinations deployed for waste that would otherwise be sent to landfill. Our packaging plants also continued to develop their waste management practices, such as stronger controls put in place at Cambridge.



Improved waste-to-energy at Rouen

Rouen paper mill in France achieved a 42 per cent reduction in waste sent to landfill during 2023/24 compared to the previous year, through improved waste management and partnerships with waste management providers.

Almost all waste is disposed via waste-to-energy, composting and recycling, and we are actively working to find alternative destinations for waste so that it does not get sent to landfill.

Improved ways of working for identifying initiatives

These examples of projects have been supported by our Waste Working Group, part of our new Carbon, Water, Waste Steering Committee, bringing a stronger focus to the portfolio of projects and initiatives to deliver our ambitious targets. In 2023/24, this included reviewing waste definitions and classification systems, beginning a waste mapping exercise and over the next year it is anticipated that this will progress to waste reduction roadmaps for the most significant sources of landfill waste, enabling relevant and functional projects that will contribute reductions.

An example of an initiative under investigation is the installation of perforated skips to separate wastewater and materials to split metallic parts away from fibre through crushing increasing metal and fibre recycling. This process has the potential to enable recyclable materials to be recycled through stronger segregation.



Stronger controls for more recycling at Cambridge

Cambridge packaging plant achieved a 46 per cent reduction in waste to landfill in 2023/24, driven by pursuing an alternative to landfill for wax.

The site implemented inspections of open top dumpsters and began to control what was discarded in them. Through this, the site began to recycle more pallets.

Additionally, opportunities to keep machinery in good working condition were identified, with more regular check-ups, repairs and training, leading to less waste.

Scope 3 greenhouse gas (GHG) emissions from waste

We are proactively working with our recycling customers, policy makers and trade associations to improve segregation and collection methods, whilst advocating for segregated recycling.

We continue to find innovative alternatives to sending waste to landfill to keep materials in circulation for longer. For example, at our Greena packaging plant in Denmark, we are piloting the use of paper leftovers as wrapping materials for some of our customers.

Sending less waste to landfill has the added benefit of reducing the emissions generated by landfill waste as it decomposes, which represents c. 2 per cent of our Scope 3 GHG emissions.

As we make progress on our zero waste to landfill target, our Scope 3 emissions will reduce as alternative waste destinations, such as recycling, release fewer greenhouse gas emissions into the atmosphere compared to waste sent to decompose in landfill.



Improved processes, energy and waste at Viana

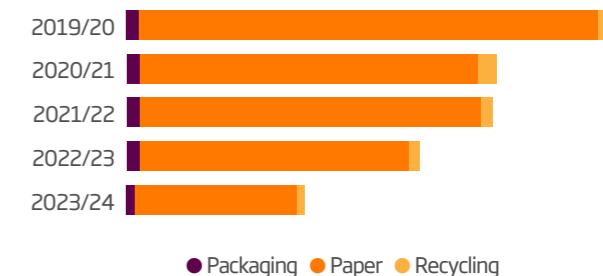
Viana paper mill in Portugal significantly reduced the amount of waste sent to landfill in 2023/24, achieving an impressive 74 per cent reduction compared to last year.

Our paper mills are complex, and often changes made in parts of the process can have a far impact.

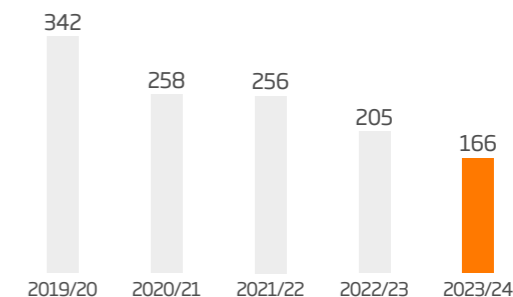
For example, a boiler was configured with a higher burning temperature, resulting in improved efficiency and reduced by-waste.

Furthermore, an opportunity to use biomass boiler waste for quarry sealing was found. These examples demonstrate the linkages between processes, energy and waste.

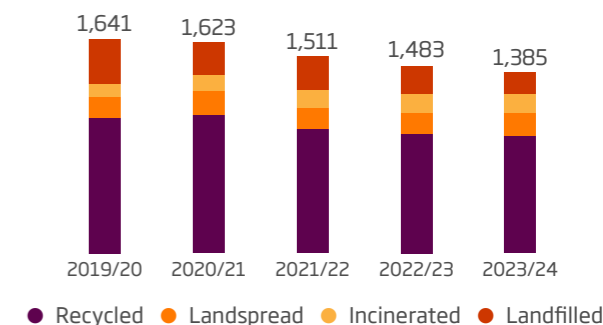
Split of waste to landfill by operation



Total waste sent to landfill (thousand tonnes)



Total waste by disposal destination (thousand tonnes)





Keep materials in circulation



100%

manufactured packaging solutions either reusable or recyclable*

The circular economy promotes the circulation of products and materials at their highest value. By designing recyclable or reusable materials and striving for all our packaging to be recycled, we are keeping materials in circulation for longer, reducing the need for virgin materials.

By maximising the use of renewable materials and recycled inputs, we are contributing to the conservation of natural resources.

We only source virgin fibre from managed forests, helping to reduce the impact of illegal deforestation and resulting loss of biodiversity.



Keeping materials in circulation contributes to substantially reducing waste generation through prevention, reduction, recycling and reuse.

2023/24 highlights

Launched our Circularity Steering Committee

enabling greater focus on maintaining 100 per cent recycled or reused packaging

* Packaging or a component of a packaging solution that has been conceived and designed to accomplish within its life cycle (a minimum of two trips or rotations) or recycled (recycled in practice and at scale, equal to or greater than ≥95% of the total pack weight is recyclable as this pack would be accepted by and processed in paper mills as per CPI recyclability guidelines) by the end consumer.

Keep materials in circulation

Continue to manufacture 100 per cent recyclable and reusable packaging

In 2023/24, over 99.6 per cent of our manufactured packaging solutions continued to be either reusable or recyclable, a target achieved in 2021/22 that we have continued to maintain.

The remaining 0.4 per cent are fibre-composite materials (meaning that they contain non-fibre materials), where fibre still accounts for upwards of 80 per cent of the construction, though a non-fibre material is required for reasons such as:

- Food hygiene regulations (e.g. barriers for fresh meat trays)
- Prolonged water exposure (e.g. wax coatings for fish)
- Supply chain impact absorption demands (e.g. foam inserts)

The slight increase compared to last year (2022/23: 0.3 per cent) is due to the increased customer demand in fibre-composite solutions, such as laminated solutions, rather than plastic.

Innovation through design

We continue to innovate with our designers and operational and R&D teams, working with our customers and our suppliers, to identify, trial and bring to market more recyclable solutions than those currently available and have had success in this area.

We actively apply our Circular Design Principles (see page 21) at the design stage, which ensures our designers are innovating with end-of-life in mind and promoting 100 per cent fibre solutions as a priority over fibre-composite solutions, where appropriate.

Our Circular Design Metrics (see page 9) enable our customers to make informed decisions regarding the sustainability of their chosen packaging solution, especially with 'recyclability' and 'reuse', two of the eight metrics.

Through better design for recyclability, more materials can be kept in circulation as a result of our extensive work to reduce the non-fibre materials in our packaging solutions, enabling our packaging to be recycled at scale.

Alternatives to hard-to-recycle materials

Our Greencoat® solution provides a suitable alternative to wax for some specifications. This water resistant packaging solution provides the same performance properties as wax-coated boxes but is 100 per cent recyclable.

We continue to test our innovations at our Kemsley Lab for re-pulpability at the end-of-life using the 4evergreen® Harmonised Test and Assessment method, which was adopted upon launch in 2023 to provide testing consistency across the industry.

We are committed to innovating and designing alternative solutions for challenging materials, such as wax, foams and minor volumes of miscellaneous plastics, manufactured by our suppliers, and in 2023/24, we converted specifications where foam can be switched for fibre fittings where feasible.

However, these remain a challenge, predominantly due to a lack of third-party alternatives on the market, customer resistance and supplier timelines in the provision of alternative materials.

In 2024/25, we will continue to explore new non-fibre innovations with the view to make more of our fibre-composite packaging solutions recyclable.

Recyclability Working Group

Our Recyclability Working Group, reporting to the Circularity Steering Committee, includes cross-divisional representatives focused on a consistent approach to recyclability, ensuring alignment with existing and forthcoming legislation.

In 2023/24, we continued to assess any new non-fibre materials introduced into business from the outset by our innovation stage gate process.

This ensures that new materials are compliant with our standard of being recycled at scale and in line with any legislative requirements. As a result, we expect to be in a stronger position to drive recyclable solutions and exploit new opportunities.

By 2025, test up to five reuse pilots

As part of refreshing our Now & Next Sustainability Strategy, we set a target to launch up to five reuse pilots by 2025.

Although recycling is an established, tested and scaled means of processing fibre waste materials, and a necessary component of the circular economy, reuse is an opportunity to keep the value of the product at a higher level. Where recycling is about the fibre, reuse is about the product.

We are developing and testing fibre-based packaging that can accomplish several trips or rotations in its original design without losing value. It remains our aspiration that all our packaging is recycled or reused by 2030.

Our pilots will help us understand how we can support our customers to utilise reusable fibre-based solutions more and reduce plastic and non-fibre materials packaging. They will give us important insights into how strong the market pull and uptake of reusable fibre-based packaging is and may become, and what products and services we should develop to build an effective and efficient reuse system at scale.

We are excited to test our reuse propositions with customers over the next 12 months. In parallel, we continue to develop the tools that will enable our customers to evaluate the economic and environmental impact of recyclable versus reusable fibre-based packaging and take relevant data-driven decisions for their specific products and supply chains.



DS Smith Easy Bowl: A plastic reduction solution

Easy Bowl is a fibre-based alternative to food trays made that are completely from plastic.

A fibre tray, recyclable in most markets*, provides structure to an easily separable protective inner skin. This reduces plastic usage by up to 85 per cent when compared to a completely plastic tray.

The product allows for impactful branding, protection and preservation of fresh meat, meat substitutes and other ready meals.

* Recycling in practice is dependent on market infrastructure. Easy Bowl includes a plastic film inner skin, with corrugated fibre-based surrounds.

Keep materials in circulation continued

By 2030, aim for all our packaging to be recycled or reused

Paper is currently the most recycled packaging material, with recycling rates higher than all other common packaging types, presently at c. 82.5 per cent of paper and cardboard packaging recycled across Europe, according to EuroStat¹.

Owing to this high recycling rate, we are able to use an exceptional amount of recycled content in our products, protecting finite natural resources and enabling the circular economy.

Although the 2030 target is still some years away, we have begun working towards our aim for all of our packaging to be recycled or reused, as part of our recyclability and reuse work streams.

In 2023/24, we launched our new Circularity Steering Committee with a subsequent working group focusing on the delivery of targets. The cross-divisional representatives of the working group focus on all our packaging being recycled or reused by 2030. Their work is concentrated on three main work streams: data, innovation and thought leadership.

Establishing a DS Smith recycling rate

By 2030, we aim for all our packaging to be recycled or reused, validated through downstream traceability of all our packaging. We continue to work with an agency of researchers, engineers and technologists to refine our recycling rate calculation tool for our packaging and to map data requirements for future expansion. This enables us to gain visibility over what happens to our packaging in practice, throughout its full life cycle, as well as identify opportunities for improvements and impacts of closed loop recycling.

In 2024/25, we will continue to refine and develop our recycling rate calculations, focusing on data granularity dependencies, which will enable us to improve our data quality and calculations further.

Working towards a 100 per cent recycling rate target by 2030 aims to keep components in circulation, whilst reducing emissions from the end-of-life treatment of fibre-based materials that, although recyclable, are not always recycled at scale in some countries.

Wasted Paper: A Path to Better Recycling

In 2023/24, we commissioned the report 'Wasted Paper: A Path to Better Recycling' in collaboration with White Space Strategy.

The report advocates for high-quality recycling of paper and cardboard, highlighting the challenges and key recommendations for reaching a 90 per cent recycling rate for paper and cardboard packaging by 2030. By achieving a 90 per cent recycling rate from 2030, we could see an extra 5 million tonnes of material recycled annually, worth up to €1 billion, according to EuroStat¹.

The report highlights the challenges of stagnating recycling rates, inconsistent recycling systems, increasing waste generation and consumer confusion around recycling. To overcome these challenges, we make four key recommendations, set out below.

We will continue to engage with policy makers across the UK and Europe, guiding them on actions which can be taken to improve the quantity and quality of paper and cardboard to be recycled.

Four recommendations for improving paper and cardboard packaging recycling rates

Source Segregation



Separation of paper and cardboard from other materials at the point of disposal

Consistent Collections



The same collection system across each country, with consistent labelling & advice

Greater Clarity



Clarity on why, how and what to recycle, building greater trust in the system

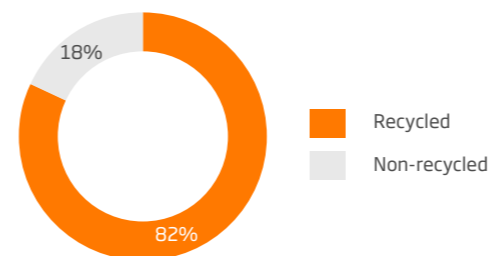
Legislation



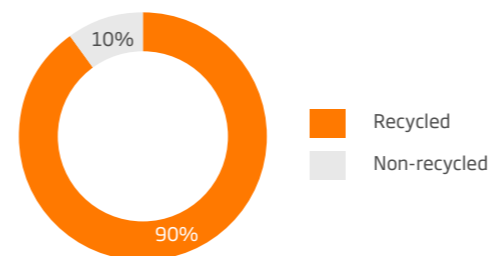
Introduction and enforcement of long-lasting, consistent recycling legislation

Paper and cardboard packaging recycling rate in the European Union

Current rates¹



Anticipated future rate if 'Wasted Paper' recommendations adopted²



1. EuroStat, 2023, Packaging Waste by Waste Management Operations.
2. According to our study, 'Wasted Paper: A Path to Better Recycling'. Our methodology and resource references for the study can be found on page 46 of the Wasted Paper report.

The EuroStat recycling rate of 82.5 per cent is a European average, whilst there are a range of rates in different European countries where data is available.



Read our full report, 'Wasted Paper: A Path to Better Recycling' online at <https://www.dssmith.com/media/wasted-paper>

Circular Design Principles

As over 80 per cent of a product's environmental impact is determined at the design stage, enabling circularity through design is essential.

Our Circular Design Principles, launched in 2020 in collaboration with the Ellen MacArthur Foundation, provide a framework to stimulate circular design innovation, ensuring that packaging is designed to meet its purpose with minimal excessive environmental impact.

We protect brands and products



Designers must always ensure that packaging successfully protects its product. Damaged products from poor packaging have a negative economic and environmental impact

We use no more materials than necessary



Optimising materials and structures based on the actual performance requirements throughout the supply chain helps us design out waste and pollution

We design for supply cycle efficiency



Our designers drive efficiency by changing the layout of products within boxes for stacking in delivery vehicles

We keep packaging materials in use



We eliminate waste by keeping packaging products in use for as long as possible, recycling material again and again

We find a better way



We empower our designers to challenge the status quo and support customers in the drive for a circular economy

Now & Next Carbon



We are reducing our emissions for our science-based target to reduce Scope 1, 2 and 3 GHG emissions by 46 per cent by 2030.

We are supporting our strategic suppliers to set their own science-based targets and, together, we aspire to reach Net Zero by 2050.

- In this section**
- Decarbonising our operations and value chain
 - Reach Net Zero by 2050



Decarbonising our operations and value chain




By increasing the effectiveness of resource utilisation and the use of renewable energy sources, applying circular economy principles has the potential to reduce greenhouse gas emissions.

Greenhouse gas reduction targets will be reached by addressing how we generate and consume energy as well as changing the way society makes and uses products and investing in renewable energy solutions.

Decarbonising our operations and value chain is crucial to reduce the effects of climate change, which has significant impacts on natural ecosystems, air quality and human health.

13 CLIMATE ACTION



Driving carbon reduction strengthens capacity on climate change mitigation, adaptation and impact reduction.



CDP 'A-List' status for 2023 Climate Change

2023/24 highlights

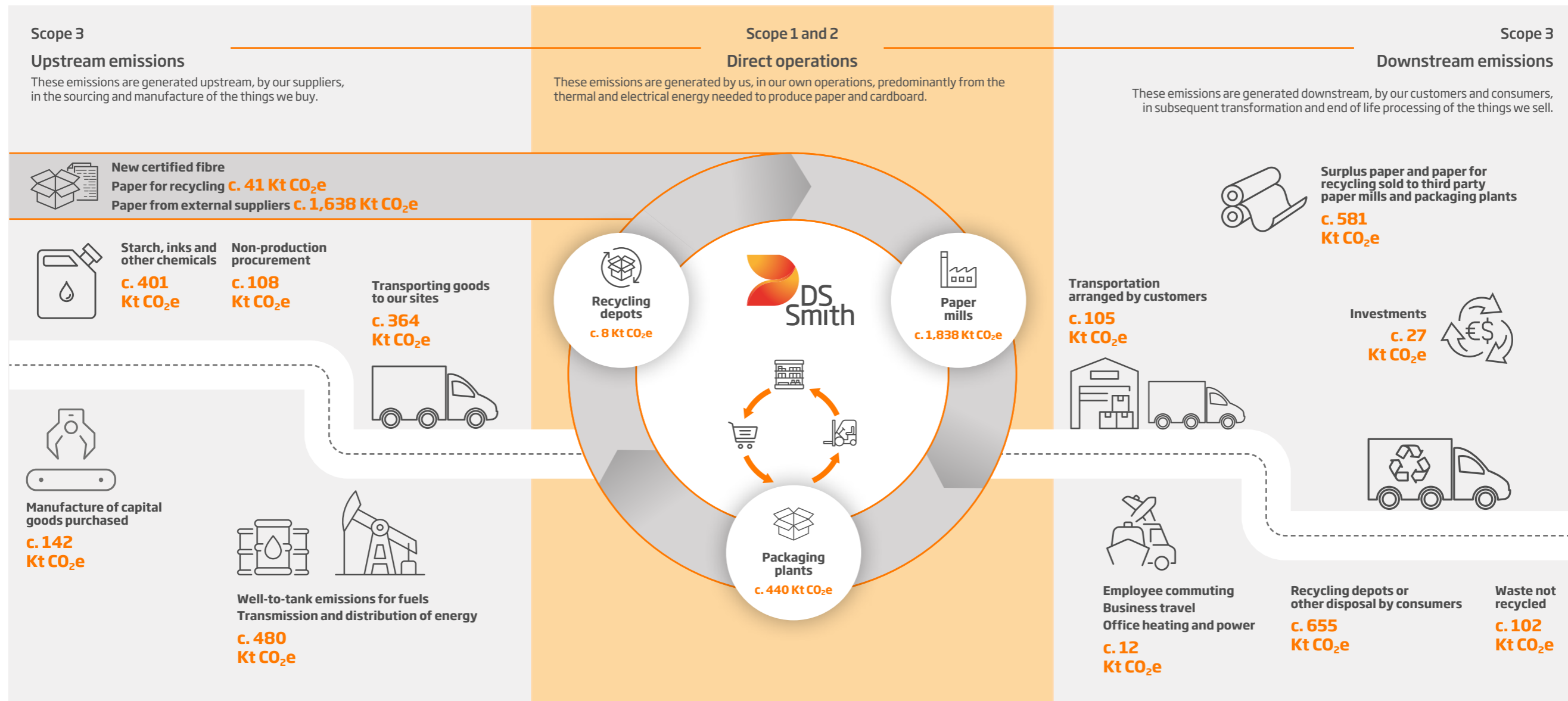
19%

reduction in Scopes 1, 2 and 3 GHG emissions since 2019/20

Published our inaugural

Net Zero Transition Plan

Our carbon footprint



Decarbonising our operations and value chain

By 2030, reduce Scope 1, 2 and 3 GHG emissions by 46 per cent compared to 2019*

In 2023/24, GHG emissions across all three scopes totalled 6,985,269 tonnes CO₂e (2022/23: 7,391,418 tonnes CO₂e), which is a 5 per cent reduction compared to last year and 19 per cent compared to the base year (2019/20: 8,645,693 tonnes CO₂e).

A 4 per cent reduction in Scope 1 and 2 (market-based) compared to last year was primarily a result of changes made in preparation for the new waste-to-energy facility at the Aschaffenburg mill (c. 14,000 tonnes CO₂e), alongside other smaller projects, and a strengthened focus on energy efficiency initiatives (c. 27,000 tonnes CO₂e).

A 6 per cent reduction in Scope 3 was primarily the result of methodology development. In contrast to last year, changes in production volumes did not have a significant impact in 2023/24, other than the closure of Pazardzhik (Trakia) paper mill during the period and several other smaller non-core operations resulting in an emissions reduction of c. 50,000 tonnes CO₂e.

Decarbonisation projects at our paper mills

The Aschaffenburg project has already delivered a reduction of c.14,000 tonnes CO₂e as a result of ceasing excess electricity sales, instead importing only our electricity requirement. Further smaller-scale energy reduction initiatives at Belisce, Dueñas, Kemsley, Lucca, Reading and Viana contributed c. 23,000 tonnes CO₂e reduction. An additional c. 4,000 tonnes CO₂e was found in biogas improvements at Zarnesti. Several significant transition projects continued to be progressed, including the transition from coal to biomass at Rouen. We continued to develop our decarbonisation roadmap for our paper mills, optimising for best cost solutions and carrying out assessments relating to future decarbonisation projects.

Decarbonisation projects at our packaging plants

In 2023/24, our organic investment programme continued to bring energy efficiency benefits, with upgrades made from new corrugator machines and boilers to LED lighting. We continued to progress our energy efficiency programme, maintaining ISO 50001:2018 energy management system at 100 per cent of our in-scope sites (covering 90 per cent of our energy consumption).

Our packaging plants and recycling depots tend to be more exposed to changes in the fuel mix for imported grid electricity and during the period we experienced c. 6,000 tonnes CO₂e increase in emissions from purchased electricity independent of contractual arrangements in place. This adverse impact was mitigated by a minor reduction in consumption as a result of energy efficiency projects and reduced volumes.

Decarbonising our value chain

During 2023/24, we continued to develop our understanding of our value chain emissions, led by a cross-functional Scope 3 working group. This consists of both delivering our supplier engagement programme (see page 26) and developing our carbon reporting. We implemented a range of methodology improvements to begin to report the performance of our suppliers more accurately. This includes utilising CDP (2023) sector-average emission factors, reflecting CDP-reviewed data for over 8,900 respondents backed by a robust and transparent methodology. We changed from applying a single European average recycling rate for paperboard packaging to country-level rates (source: EuroStat 2023) to capture end of life emissions more accurately across our markets in Europe. Finally, exceptional events in the prior period resulted in reduced emissions for waste generated in operations.

Total Scope 1, 2 (market-based) and 3 GHG emissions

2023/24	6,985,269
2022/23	7,391,418
2021/22	8,250,702
2020/21	8,373,310
2019/20	8,645,693

* DS Smith commits to reduce absolute Scope 1, 2 and 3 GHG emissions 46.2% by FY 2030 from a FY 2019 base year.



Rouen paper mill biomass boiler

In partnership with Engie, the coal-fired boiler at Rouen mill is being replaced with a new biomass boiler, which will supply c. 80 per cent of the heat demand and is anticipated to be operational by 2025/26.

It is expected that the 56 MW Valmet boiler will be fuelled by c. 30 per cent plant by-products (pulper waste) and c. 70 per cent waste wood from sources such as furniture and demolition waste.

The project was granted approval by the Regional Biomass Scheme in 2022 and is supported by local authorities including a €15 million subsidy from the French Agency for Ecological Transition (ADEME). It is anticipated that by 2025/26, this will save c. 99,000 tonnes CO₂e per year.

Publishing our first Net Zero Transition Plan

In 2023/24, we prepared our first Net Zero Transition Plan, with reference to the UK Transition Plan Taskforce (UK TPT) framework. Our plan communicates the targets, actions and resources that we are deploying to enable the transformation to Net Zero for 2050 and our science-based target for 2030. It is a living document, setting out our response to climate change and highlighting key initiatives that are intended to contribute to an economy-wide transition.

Our plan describes three main levers that we intend to use to continue to reduce emissions, alongside how we engage with our suppliers, customers and consumers.

Reduce

- Reducing energy consumption
- Reducing material consumption
- Reducing waste generation

Switch

- Switching to renewable energy

Adopt

- Adopting new technologies



Our Net Zero Transition Plan can be found online at dssmith.com/sustainability/reporting-hub/

Decarbonising our operations and value chain continued

By 2027, encourage 100 per cent of our strategic suppliers* to set their own science-based targets

We engage our strategic suppliers to set science-based targets, deploying bespoke engagement mechanisms depending on supplier maturity, towards delivering our Now & Next target, 'By 2027, encourage 100 per cent of our strategic suppliers to set their own science-based targets.'

We prioritise 'strategic suppliers', which we define as the suppliers with whom we hold a long-term, mutually cooperative relationship with mutual commitment, where significant and ongoing value is accrued to both parties through operational capabilities.

We typically have a strong relationship with these suppliers, meaning we have a great degree of leverage to influence actions.

Given that our strategic paper suppliers generate our greatest source of upstream emissions, our Paper Sourcing team regularly meets with suppliers to review their decarbonisation progress and discuss their plans.

We engage less mature suppliers through the Supplier Leadership on Climate Transition initiative, founded by some of our key customers, to encourage them to calculate their carbon footprint, set a science-based target and begin reducing emissions.

Over the next year, we will engage more suppliers as a member of the CDP Supply Chain programme, completing our first CDP cycle in 2023. This enables us to collect data to measure the progress made in our supply chain.

We continue to assess the sustainability practices of our suppliers annually, using EcoVadis, in addition to requiring that our suppliers adhere to our Global Supplier Standards.

In line with our Supplier Management Policy, we aim to retain and engage suppliers in instances where the engagement does not lead to desired changes. In extreme cases, non-adherence can result in exiting a relationship with a supplier.

We estimate that in 2023/24, 42 per cent of our Scope 3 Category 1 (Purchased Goods and Services) emissions were generated by strategic suppliers who have set, or are in the process of setting, their own science-based target (2022/23: 32 per cent).

Percentage of purchased goods and services emissions from suppliers with a science-based target

2023/24 **42%**

2022/23 32%

Reach Net Zero by 2050

The transition to Net Zero and the circular economy will not happen overnight, nor will it be delivered by any given company operating in isolation. In support of a 1.5°C Net Zero economy, we are committed to considering the Paris Agreement in our activities, including in our external engagement, as underpinned by the IPCC Sixth Assessment Report (AR6) and the IPCC Special Report on Global Warming of 1.5°C (SR1.5).

In order to reach Net Zero, we intend to use high-quality offsets only as a last resort to balance a maximum of 10 per cent of remaining 'hard-to-abate' emissions through high-quality natural climate and technological solutions. We are monitoring the development of these solutions, including carbon capture, usage and storage (CCUS), and the role they may play in our plan.

We have begun the process of responding to the Science Based Target initiative (SBTi)'s updated requirements for Net Zero Validation, including the requirement for our industry to set a target to decarbonise 'FLAG' (Forest, Land and Agriculture) emissions and set a no deforestation commitment, which we aim to complete in 2025.

* We define 'strategic suppliers' as companies with whom we have a long-term, mutually cooperative relationship with mutual commitment where significant and ongoing value is accrued to both parties through operational capabilities. In 2023/24, we categorised 110 of our suppliers as 'strategic'. Within our current Scope 3 inventory, we estimate that these companies generate c. 76 per cent of emissions in Scope 3 Category 1: Purchased Goods and Services. This figure may change as we adopt supplier-specific emission factors in our inventory.

Information and policies

[See our Net Zero Transition Plan for more information about our plans to deliver our science-based target for 2030, including our engagement strategy](#)

Scope 3 supplier engagement programme: Marbach



Marbach is one of our global strategic suppliers and a technological leader in tool and die manufacturing for the packaging industry. Our Procurement Enablement team first engaged with Marbach in December 2022, introducing them to the Leadership on Climate Transition programme. The Supplier Leadership on Climate Transition (Supplier LoCT) is an initiative to support our least mature strategic suppliers to calculate their carbon footprint, set a science-based target, and implement an emissions reduction programme.

With our support, Marbach are completing their third season of the Supplier LoCT programme. The LoCT programme 'Scope 3' has given Marbach valuable information regarding data collection. Through seminars, they were able to determine their main Scope 3 emissions more precisely and accurately and adapt and improve their calculations in some categories from spend-based to average-based surveys in the future.

Sustainability is an integral part of Marbach's philosophy, and in 2023 they decided to be more precise in their targets and defined their important topics. They set up a sustainability programme, disclosed to CDP for the first time and committed to setting a science-based target.

To support their sustainability programme and strengthen their commitment, Marbach created a sustainability team, that set quantitative and qualitative goals, improved data quality, and became members of organisations such as UN Global Compact, CDP and Science Based Targets initiative (SBTi). Marbach's increased focus on sustainability has enabled them to improve their EcoVadis score from 42 in 2019 to 61 in 2024, achieving a silver medal, an award that reflects their commitment to responsible business activities.

In 2024 Marbach intends to set a near-term target for validation by SBTi, 42 per cent in Scopes 1 and 2 by 2030, and 25 per cent in Scope 3 by 2030. In the future, Marbach intends to implement its first human rights assessment in Malaysia, provide training for employees on code of conduct and environmental awareness, conduct a financial materiality assessment in preparation for the Corporate Sustainability Reporting Directive (CSRD) and submit their Communication on Progress (CoP) UN Global Compact and CDP Climate disclosure.

"We would recommend the Supplier LoCT programme to all and have already registered for the next course on SBTi Targets. The programme has helped us become a leader in sustainability, enabling us to have conversations with important individuals within our customers' organisations that otherwise we would not have reached. It has also improved the sustainability performance in our employee satisfaction surveys."

Eva-Maria Agreiter
Sustainability Manager, Marbach

Now & Next

People & Communities



We are equipping our people to transition to the circular economy whilst we play an active role in our local communities.

We are aiming to engage 10 million people on the circular economy and strive to have a diverse and inclusive workplace that is the safest in our industry.

- In this section**
- Create safe, diverse and inclusive workplaces
 - Diversity, equity and inclusion
 - Respect human rights
 - Engage our people and communities



Create safe, diverse and inclusive workplaces




262
sites with zero accidents this year

The circular economy provides opportunities for more inclusive growth, providing the resilience and the solutions society is calling for.

We believe that creating safe, diverse and inclusive workplaces is an essential prerequisite for our people to drive the transition to a circular economy.

A safe, diverse and inclusive workplace is a fundamental foundation for a successful company and crucial to our sustainability agenda and strategic goal 'to realise the potential of our people'.

We want all of our people to come to work every day feeling that they are safe and included.

8 DECENT WORK AND ECONOMIC GROWTH  Creating a safe and inclusive workplace helps to protect labour rights and promote safe and secure working environments for all workers.

2023/24 highlights

12%
reduction in employee lost time accidents

25%
of managers have completed inclusive leadership workshops

Create safe, diverse and inclusive workplaces

2023/24 Health and Safety highlights

12%

reduction in employee lost time accidents compared to last year, **an all-time low**

40%

increase in employee H&S engagement, **an all-time high**

14%

reduction in total number of accidents¹ compared to last year



- 1. Accidents with and without lost time.
- 2. Sites include offices, paper mills, packaging plants and recycling depots.

262

sites with zero accidents this year across the Group



216,122

safety observation tours, **record high**



183,011

risk assessments recorded, **record high**

53%

of our sites operated without recording a single lost time accident for five years or more



11%

reduction in the total number of employee Accident Frequency Rate (AFR)

812,259

safety observations reported by employees during the year, **a record number**



169

sites with zero lost time accidents in the last five years or more²

25%

increase in leader-led health and safety activities compared to last year



62,633

safety shares led by senior managers

Create safe, diverse and inclusive workplaces continued

Reduce the Accident Frequency Rate (AFR) every year and strive to achieve Vision Zero

In 2023/24, we made significant progress and improvements across all divisions, reducing the Accident Frequency Rate (AFR)* by 6.5 per cent to a new record low of 1.65 (2022/23: 1.82).

Vision Zero underpins our safety culture across the whole business to empower our employees to be proactive, enabling them to identify and eliminate risks.

Vision Zero Health & Safety

Our safety culture is built on our Health and Safety strategy, Vision Zero. The strategy aims to foster an interdependent environment in which, every person takes responsibility for safety and will be alert to identifying and eliminating risks.

In 2023/24, we implemented various initiatives using our Vision Zero framework to seek to achieve our health and safety target of zero harm. These initiatives are aimed at emphasising leadership, engagement, processes and culture across the business.

Leadership

The conduct of leaders is pivotal to engagement, engaged leaders directly influence our health and safety employee engagement index.

Engagement

Engaged employees proactively identify and eliminate risk, driving a resilient and interdependent culture. The health and safety engagement index measures the rate of participation in risk identification and elimination activities.

Processes

Our robust health and safety processes are essential for a safe working environment. These include on-site health and safety auditing. These audits are aimed at driving continuous improvements and accelerating the implementation of our global health and safety standards, such as workplace transport, machine guarding or working at heights, which are driven through our Health & Safety networks.

Culture

Our focus on leadership, engagement and processes develops and drives an interdependent safety culture in which every person in the business is safety conscious, and will work hard to recognise and remove risk.

We believe that our pursuit of Vision Zero has been instrumental in creating a safe and healthy workplace.

Leadership engagement with Health & Safety

In 2023/24, our primary engagement has been facilitating a cultural transformation improvement through leadership's influence, enhancing the level of safety and well-being engagement within our organisation, whilst continuously eliminating risks at the operational level.

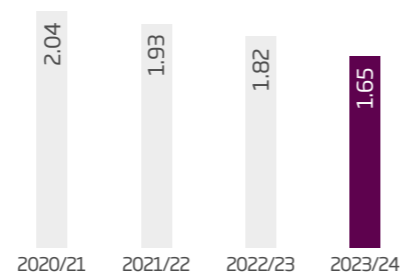
This included 25 per cent more leader-led health and safety activities, approximately 62,633 safety talks, 216,122 observation tours and 183,011 leader-led risk assessments, in comparison to 2022/23.

Policy

In 2023/24, we revised and relaunched our Group Health and Safety Policy, strengthening our commitment, articulating our vision, and outlining roles and responsibilities for all employees. This policy serves as a guiding framework that defines the purpose that motivates us, the goals we are working to achieve and the behaviours we expect of ourselves and each other.

In 2024/25, we will continue standardising our processes and ways of working across all divisions, ensuring we equip and empower our employees and foster a culture of safety leadership.

Accident Frequency Rate (AFR)*



* The Accident Frequency Rate (AFR) is the number of lost time accidents (LTAs) per million hours worked.



Leadership Health & Safety onboarding

The engagement and endorsement of Vision Zero across the organisation is the aim of our Health and Safety onboarding. Leaders have the ability to create a health and safety-conscious culture within their teams, it comes from the top down. To create this environment within our organisation our leaders need to be prepared to embrace it.

In November 2023, we conducted our first face-to-face Health and Safety onboarding since 2019 at our site in Gent, Belgium. The workshop was held for new leaders, focusing on Vision Zero and their role within it. 12 Plant Managers and General Managers from Packaging, Paper and Recycling attended the day.

"Leadership training is crucial to align new leaders with our values. Our goal is to provide our leadership teams with the tools, skills and understanding to communicate, implement and drive our Vision Zero strategy."

Marco Maguina
Group and Packaging Health, Safety and Environment Director



Ghimbav, Romania, transformation case

In response to several Lost Time Accidents (LTAs), a new management team at Ghimbav packaging plant was appointed, focusing on enhancing Health and Safety accountability at the operational level.

The Leadership in Action programme for senior managers was implemented to exemplify safety leadership and provide training for front-line managers to take ownership of their teams' safety. Employees were given clearly defined roles, processes were streamlined and user-friendly supporting systems were introduced, enabling active engagement and collaboration, ensuring a safer work environment.

Within a year of implementing these measures, Ghimbav became one of our highest-performing, safest sites in Packaging, with 784 days without an LTA at the end of 2023/24.

"With these changes in the finished goods depot, my work is more productive, risk-free and creates a friendly and healthy working environment."

Veres Mircea
Forklift Operator at Ghimbav

Create safe, diverse and inclusive workplaces continued

Health and mental well-being and occupational safety programmes

We believe that our people's well-being is an important aspect of Health and Safety, and one of the cornerstones of a profitable, innovative and sustainable business.

Our Well-being Framework provides our people with tools, inspiration and support to thrive, focusing on four key areas:

- **Taking the lead** - Encouraging everyone to set a positive example and champion well-being visibly and demonstrably.
- **Learning and development** - Providing knowledge and information to empower people to take ownership of their physical and mental well-being.
- **Engagement** - Working together, involving and including everyone to continuously improve health and well-being.
- **Toolkits** - Creating best practice tools to inspire and motivate positive and healthy people and workplaces.



→ [Turn to page 65 for our approach to customer and product safety and chemical safety](#)

Information and policies

Group Health and Safety Policy



Health and Well-being Week

Following on from the 2022/23 international well-being survey, we recognised significant geographic variations in the understanding of well-being and what employees needed. Therefore, rather than implementing uniform minimum well-being programmes across the business we encouraged sites to evaluate and enhance their offerings and drive their own programmes.

In 2023/24, we held our Company-wide Health and Well-being Week with the theme of 'Body'. Over 600 events were held across the business aimed at enhancing nutrition, physical activity, mental health, and piloting innovative ideas, such as yoga classes, sleep seminars, manual handling training and on-demand webinars.

A survey found 81 per cent of respondents planned to do something different to boost their well-being owing to the week. In 2024/25, we will continue to promote activities and tools to help all employees learn the necessary skills, experience and knowledge to promote work-life balance and increase their well-being.

Managing Health and Safety

All employees and third parties, including contractors and visitors, are required to always adhere to our Health and Safety policies and procedures, including emergency action plans, at all of our sites. Manufacturing sites have a Health and Safety Committee, composed of both management and employee representatives, as per our internal standards and in compliance with local laws.

Audits

All our operational sites are subject to regular internal and external audits, which identify risks and drive health and safety improvements.

Management systems

All our sites maintain health and safety management systems. These are certified to ISO 45001 at 33 per cent of our sites, and 66 per cent of our mills.

Performance management

Our sites report monthly performance with reactive and proactive KPIs, such as the health and safety engagement rate. Our long-term target is zero accidents (Vision Zero). Accidents are investigated and the findings are circulated throughout the business as appropriate.

Risk and hazard assessment

We strive to control hazards using a risk-based approach, with a hierarchy of measures. We aim to continuously improve proactive mitigation. Any observations or raised concerns are addressed openly and promptly.

Training

We provide comprehensive information, instruction, training and supervision. Our aim is that 100 per cent of employees and third parties undertake some form of required health and safety training, depending on the activities they are required to carry out.

We have issued a range of internal Group minimum standards, covering topics such as handling chemicals, lifting equipment and spills.

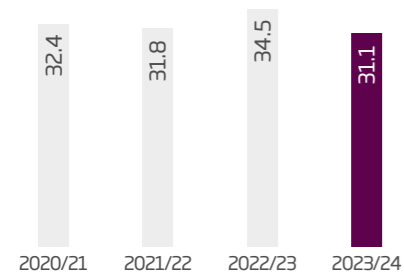
Diversity, equity and inclusion

By 2030, improve gender diversity towards 40 per cent women in senior leadership and set an aspiration for other protected characteristics¹

We are committed to building the diversity of our workforce to better reflect the communities we operate in. Together we create an inclusive environment where everyone is able to realise their own individual potential and thrive. This is fundamental for any successful company and crucial to our strategic goal 'to realise the potential of our people'.

We have continued to make progress on our Diversity, Equity and Inclusion (DEI) strategy throughout 2023/24.

Percentage of senior leadership, female employees (%)^{*}



^{*} Senior leadership is defined in accordance with the requirements of the FTSE Women Leaders Review as those on our four Executive Committees - Global Operating Committee; Global Strategy Committee; M&A Committee; and H&S, Environment and Sustainability Committee - and their direct reports.

What do we mean by Diversity, Equity and Inclusion (DEI)?

- **Diversity** is defined as the range of human characteristics within the organisation. This includes, but is not limited to, race, ethnicity, gender, gender identity, sexual orientation, age, social class, physical or mental ability, religious or ethical values systems, national origin and political beliefs. It also includes diverse thinking and neurodiversity.
- **Equity** means providing everyone with what they need to succeed, recognising that not everyone starts from the same place.
- **Inclusion** describes how people feel about their experience at DS Smith, whether they feel it promotes and sustains a sense of belonging.

The impact of DEI on our leaders and people

Being known as an inclusive organisation will help us to attract and retain, as well as enhance the diversity of talent we need and deliver our business plan.

To accelerate progress, we have three immediate focuses:

- **Investing in leaders**
- **Raising awareness through our Active Networks**
- **Inclusive people processes**



By 2025, inclusive leadership workshops completed by all leadership teams across all sites

This will provide the cultural awareness and understanding needed to role-model inclusive behaviours and recruit and manage diverse teams. We will take 3,000+ people managers and leaders through a facilitated journey exploring what DEI means to them and the Company, focusing on actions that will make an impact.

Our approach to inclusive leadership is two-fold. We are working with 'Included', a global, impact-driven DEI consultancy, to enable our most senior leaders to become role models for a more diverse business. We are also rolling out a similar internal programme, focused on the meaning and practical application of DEI and unconscious bias, with an emphasis on action planning to drive inclusive leadership. Our in-house facilitators will deliver this programme in local languages to our wider management populations to meet the various cultural needs of our business. To date, 25 per cent of our leaders have completed this internal programme.

Raising awareness through our Active Networks

Active Networks foster a sense of belonging, creating a safe and supportive space for employees who share a common sense of identity. They offer a platform for members to openly discuss their experiences and perspectives, leading to greater empathy and understanding throughout our business.

Active Networks also promote greater awareness through various means including building an annual calendar to support important dates and celebrations within their respective communities.

During 2023/24, our Active Network membership increased, on average, by over 60 per cent, with more than 350 members participating to date, reflecting our colleagues' commitment to championing positive change. Our networks include:

- **LGBTQ+ & Allies Network**
- **Culture & Ethnic Diversity Network**
- **Gender Diversity Network**
- **Disability & Allies Network**



"As chair of the Culture & Ethnic Diversity Network, I am grateful to work with a passionate team of colleagues. We engage our organisation in conversations about important DEI topics, such as intersectionality and race, as well as celebrate different cultural and religious events. I have learned so much in my role as chair, and I am motivated to educate my colleagues about difference, encourage allyship, and foster inclusivity within DS Smith."

Jessica Heap
Chair of the Culture & Ethnic Diversity Network

Diversity, equity and inclusion continued

Our Active Networks

In June 2023 we established an internal DEI Steering Committee (Steerco) to enable alignment and knowledge-sharing among our four Active Networks.

Through collaboration on the DEI Steerco and with the support of their executive sponsors, the Active Networks have written charters and co-created a schedule of coffee breaks and webinars. On behalf of the LGBTQ+ & Allies Network, we joined Workplace Pride as a member in May 2023 to further drive LGBTQ+ inclusion at work. The Active Networks have also worked alongside the European Works Council (EWC) to increase DEI engagement among non-wired colleagues through establishing a community of DEI Site Champions.

To support our Active Networks and inclusive leadership workshops, we have developed digital resources, including an Active Network toolkit and a manager's guide on how to lead inclusively.

Our Manager's Guide to Diversity Equity and Inclusion helps our managers learn more about diversity, equity and inclusion at DS Smith and how to foster a culture of inclusion in their teams. The guide discusses DEI in depth, including a glossary of key DEI terms, guidance on how to lead with inclusion during the recruitment process and tips for creating belonging among teams.

The content in this guide has been developed in response to the feedback we received in listening sessions with leaders and includes topics they wanted to learn about and understand to better enhance their teams.



International Pronouns Day workshop

The LGBTQ+ & Allies Network partnered with Workplace Pride to deliver an interactive workshop for colleagues to learn about the importance of using pronouns to cultivate a psychologically safe and inclusive space for members of the LGBTQ+ community and allies. Education is a key component to ensure all employees feel valued and respected to bring their best to work. The network sponsor Paul Brown, Managing Director, Paper Supply & Procurement, attended the workshop with his leadership team, welcoming all participants and highlighting the importance of inclusive language. One attendee stated:

"The workshop was insightful and whilst it may not feel necessary for me, it might make someone else feel more comfortable."



International Women's Day workshop at Lucca

In honour of International Women's Day, our DEI Site Champions at Lucca paper mill organised a workshop to raise awareness and challenge gender-based discrimination and harassment.

Participating in Scuola Superiore Sant'Anna's Engine Project, workshop attendees listened to an interactive presentation on patriarchy and gender equality in Italy. They then had the opportunity to experience gender-based micro-aggressions through virtual reality.



Neurodiversity Celebration Week

To commemorate Neurodiversity Celebration Week, the Disability & Allies Network hosted an informative and engaging roundtable with award-winning Neurodiversity Consultant Rachel-Morgan Trimmer.

In sharing her personal experiences and explaining neurodiversity, Rachel led a conversation on how we all play a role in creating an inclusive and accessible workplace for people living with ADHD, Dyslexia Autism, Dyspraxia, Dyscalculia, as well as neurotypicals.

Diversity, equity and inclusion continued




Inclusive people processes

We are actively reviewing our people processes to ensure alignment to our Diversity, Equity and Inclusion ambition.

For example, our Equal Opportunities and Anti-Discrimination, and Menopause policies are being embedded through training and awareness campaigns.

We ensure that we recruit diverse candidates who can challenge us and help to drive us forward. This has enabled our female to male hiring ratio to increase for three years in a row.

 [See DS Smith Diversity, Equity & Inclusion for more information on our commitment](#)

Information and policies

[Equal Opportunities and Anti-Discrimination Policy](#)

[Board Diversity and Inclusion Policy](#)

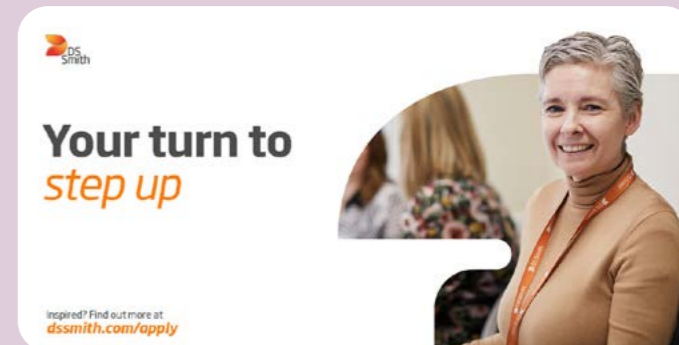
Attraction, recruitment and onboarding

Attraction

We have refreshed our employee brand and careers website. We want to attract the talent we need, including graduates, and provide more visibility of the careers we have to offer.

Our messaging is simple and clear: 'We believe that a better, more sustainable and inclusive tomorrow is possible when we bring together the right people'.

We are united by a shared purpose, where we support and challenge each other to make a difference.



Recruitment

We are implementing Workday Recruitment & Onboarding across our European countries. This will drive consistency and standardisation for the hiring process and improve candidate experience across the business.

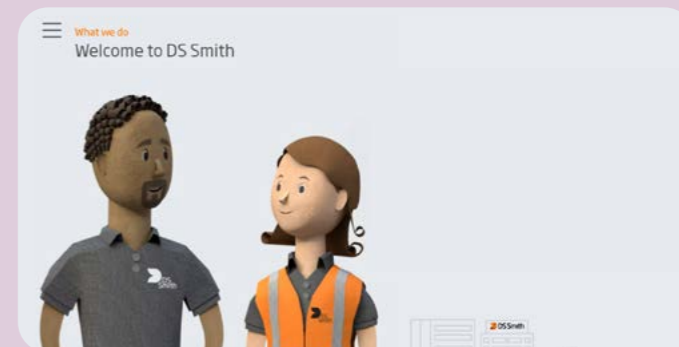
By bringing our Talent Acquisition employees together in a forum of continuous improvement, we strive to improve attraction, engagement and selection processes for a more diverse population of candidates with a variety of skills, talent and experience.



Onboarding

We have designed and implemented improvements to our onboarding experience to ensure new employees feel engaged and are enabled to be productive in their new roles, as quickly as possible.

These improvements include a redesigned onboarding process, onboarding e-learning, which is available in 11 core languages, and an onboarding hub, in which individuals can access all the key information, processes and tools they need as a new starter.



Engaging our people

Engaging our people

Listening to employee feedback is a critical part of our engagement strategy. Labour markets have become increasingly competitive and, in response, we have refreshed our approach.

In 2023/24, we continued to use pulse surveys and gave more frequent opportunities for our employees to provide feedback and drive action. Follow-up listening sessions were then organised for feedback discussions and agreed actions.

Further improvements to our listening approach have been introduced over the past 12 months, including better guidance and support for managers on how to use survey insights, clearer reporting and action planning. Online idea boards were also introduced this year, enabling suggestions for improvement to be crowd sourced.

In total over 12,000 employees were surveyed in 2023/24, with a response rate of 84 per cent versus 72 per cent in 2021.

Despite a challenging external environment and labour market and the changing expectations of the workforce, we have seen marked improvements in perceptions.

Recognition has had a 9-point increase, due in part to our continued focus on our Smithies programme, which celebrates the fantastic achievements of our colleagues. We have also seen a further increase in inclusion, a 5-point increase, and safety, a 4-point increase.

At site level there has been a clear commitment to improvement. For example, between 2021 and 2023, our Birmingham packaging plant engagement increased from 46 per cent to 83 per cent, 9 per cent above the external norm. Through acting on employee feedback, it is now our most engaged site in North Europe.

“The site has come on leaps and bounds. The site leadership, led by a fantastic General Manager, listens to the shop floor and gets their opinions.”

Employee
Birmingham packaging plant

In 2024/25, we will continue to run frequent, targeted pulse surveys, giving opportunities for our employees to provide regular feedback and drive action. We will also introduce opportunities for employees to voice their opinions on important experiences during their tenure with us, beginning with onboarding.

Manager capability is at the heart of our People & Communities pillar, within our DEI Strategy, and we continue to embed our DS Smith Management Standards, outlining a clear and consistent set of accountabilities and management development programmes.

Our Operations, Sales, Marketing and Innovation, Finance and Digital Learning Academies have delivered learning, expanding their coverage, with our Operations Learning Academy expanding across all regions delivering thought-provoking real-life operational training scenarios in Digital and Virtual Reality. Additionally, our Sales, Marketing and Innovation Academy completed over 7,000 learning interventions during the year.

We continue to invest in our learning platform, and in 2023/24, we added new content, expanded the number of languages available and launched conversation AI functionality for 60+ subjects, allowing employees to practise their skills with an AI coach.

84%

average employee survey response rate

7,000+

learning interventions with the Innovation Academy

60+

AI coach enabled subjects



Birmingham packaging plant

European Works Council (EWC)

Our EWC, which includes 50 representatives from across the business, engages twice a year with management to provide further feedback and discuss opportunities to improve.

Regular engagement with regional leads, as well as both safety and diversity committees, ensures we have a regular two-way dialogue on employee matters across Europe.

“The EWC ensures that employees’ opinions are listened to at Group, Divisional and Regional levels. The feedback given to management is taken seriously and we can influence policies and guidelines set across Europe and the entire Group. ‘Yes we can!’ best describes my experience in the DS Smith EWC.”

Joseph B. Reed
European Works Council Chairman
EWC Coordinator



Aspire and Compass

Oxford Saïd Business School emphasises the development of leaders who drive meaningful change in businesses and, consequently, create transformational impact in the world.

Working with Oxford Saïd Business School, we continue to run programmes which are designed to accelerate the development of high potential talents. Of the 200 people who have participated in our Oxford Saïd Aspire programmes, since the launch in 2021, 30 per cent of participants are female.

We have also developed a new internal programme, Compass, targeted at developing people earlier in their careers. Additionally, we have identified development opportunities for high potential female talent to support career development.

Since starting Compass in 2023 we have 60 people who have participated in the programme of whom 46 per cent are female. Data continues to show a significant return on investment in terms of promotions and retention rates from both groups.

Our commitment to talent development

Graduate development programme

Graduates continue to be critical to our succession strategy and we have seen a marked increased interest in applications this year. We are delighted that three successful candidates onto our 2024 programme have come from within DS Smith.

We currently have over 70 graduates attending our two-year personal development programme which is fully aligned to their professional development journey.

Our graduate development programme was shortlisted for the British HR Awards 2024 'L&D Initiative of the Year', with two further finalist places of 'Best People Experience' & 'Manufacturing & Engineering Company of the Year' following feedback from our graduates.

These nominations resulted in DS Smith's graduate programme winning 'Manufacturing & Engineering Company of the Year'.



Winner

Manufacturing and Engineering Company of the Year

Nominated for:

**L&D Initiative of the Year
Best Overall People Experience**



"I had access to development opportunities within my rotations but also external to my role."

Radhika Joshi
2022, Procurement Graduate

How does DS Smith support your own career growth?

Since joining DS Smith in September 2022, not only have I had access to development opportunities within my rotations but also external to my role.

Reflecting on my own developmental journey, some of the key opportunities have included peer mentoring and being involved within the Diversity, Equity and Inclusion Active Networks. Being involved in DS Smith's journey in embracing diversity, promoting equity and fostering inclusion has been incredibly rewarding and insightful.

What skills or qualifications have you been able to study?

From day one, DS Smith has provided a supportive and dynamic environment where I have had the opportunity to grow, develop and manage meaningful projects. Leading these projects has not only given me a great insight into DS Smith, but has also helped me develop fundamental procurement skills and values. The true highlight of DS Smith is that skill development is not simply limited to rotations.

I have also had the opportunity to start my professional Chartered Institute of Procurement and Supply qualification.

Would you recommend the graduate programme?

There are a multitude of development opportunities available at DS Smith and my key advice to anyone considering the programme would be to be proactive and make the most out of these opportunities.



"There is a supportive community dedicated to career development."

Maxamed Duran
2021, Sales, Marketing & Innovation Graduate

How does DS Smith support your own career growth?

The availability of learning resources and clearly defined development paths is testimony to DS Smith's dedication to the growth of its people. Each manager and mentor I've encountered has not only expressed an interest in nurturing my current role but has provided the tools and guidance necessary for me to progress towards my next career milestone.

What skills and experiences have you gained?

Through this journey, I have gained insights into my professional profile, developed the skills to navigate challenging conversations, and developed my ability to deliver impactful presentations.

As an SMI graduate, I have had the privilege of gaining exposure to various parts of the business and leading big projects with the support of my manager, which has helped me expand my professional network.

Would you recommend the graduate programme?

I highly recommend the graduate programme, particularly for those seeking a dynamic work environment. It offers invaluable insights into key business areas and equips individuals with the necessary tools for personal and professional growth.

My advice is to remain curious and embrace challenges. There is a supportive community dedicated to career development at DS Smith, providing invaluable insights into the packaging industry.



"There are ample opportunities to network with people from all over the organisation."

Paloma de Palacios McGrath
2021, Finance Graduate

What skills and experiences have you gained?

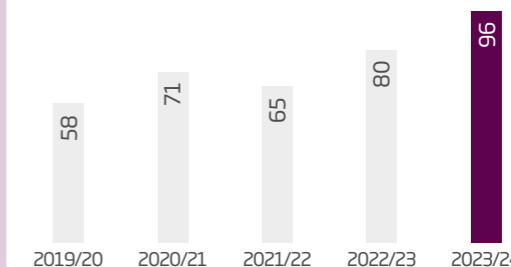
Throughout my Graduate programme I have had the opportunity to work in different parts of the business, in different countries, allowing me to gain a thorough understanding of how DS Smith operates.

Alongside my rotations I have had the chance to complete a professional Chartered Institute of Management Accounting qualification, join multiple insightful learning and development modules and I am now starting a Data and Digital Apprenticeship.

Would you recommend the graduate programme?

I would highly recommend the Finance Graduate programme as it offers ample opportunities to learn and grow professionally, as well as network with people from all over the organisation.

Completion rate of graduate programme (%)



Our commitment to talent development continued

Apprenticeships

Apprenticeships are work-based training programmes combining on-the-job training with formal off-the-job learning. We currently have 114 live learners on apprenticeships ranging from Engineering to Accountancy. In the last 12 months, 42 employees completed apprenticeship programmes, taking our total number to 211 since their introduction in 2017.

Of these completed apprenticeships, 84 have been in Leadership and Management courses, with a further 53 live learners in this area. These figures highlight how apprenticeships are helping to develop our current and future leaders within the business, equipping new managers with the skills needed to lead teams.

Apprenticeships are a fantastic way for employers to develop their talent internally, as well as for individuals to develop skills and work experience whilst gaining a qualification. We can attract and retain a skilled workforce by offering apprenticeships, which provides us with a diverse group of skilled workers with relevant skills.



“Apprenticeships play a key part in our learning & development strategy. They not only enable us to bring fresh talent into the business but also enable us to continually upskill existing DS Smith colleagues, providing them with career opportunities and enhancing our own future workforce.”

Oliver Churchill
Early Careers Manager

Information and policies

For more information on our Apprenticeship and Graduate programmes see www.dssmith.com/uk/careers/students-and-graduates



Sara Blout
Packaging Sales Manager

“The apprenticeship has been fundamental in my development and promotion through the Company and where I am today.”

What is your apprenticeship?

I have just completed the postgraduate diploma in senior leadership practice through the Open University.

How is the apprenticeship aiding your development?

I think the apprenticeship itself has given me the management concepts and learning to enhance the practical experience that I've gained whilst moving through my current role into a leadership role. It's really supported my personal development and contributed to my confidence in moving into a people management position. I think it's made me a better leader.

How have you managed your workload while doing an apprenticeship?

It is about prioritising, allowing that time for study, making sure that you're strict with yourself. Keep positive and motivated.

I was fortunate to have a good cohort that I was able to share ideas with and we could experience the challenges together.

What advice would you give someone looking to do an apprenticeship?

Commit yourself to it. It has really given me a good foundation to now use to develop my career. I made sure I always spoke to my line manager and shared my experiences with them, asking for their feedback.

For me it's been a great and enjoyable experience.



Joe Coote
Packaging Account Manager

“You get out what you put in, if you give your all to the apprenticeship and your role, you'll be successful.”

What is your apprenticeship?

I completed the Sales Executive Level 4 apprenticeship over a two-year period. I had good work experience from working in sales but the apprenticeship taught me beneficial ways of dealing with certain situations.

It's relevant for the day-to-day, and you can take what you learn and use it to good effect in real life situations. For example, the apprenticeship covered negotiations and dealing with customers, both of those are daily tasks in my role.

How does DS Smith support you?

The Company has been very supportive of my apprenticeship, my manager is a big advocate of apprenticeships and understands what is needed to be successful.

What advice would you give to someone looking to do an apprenticeship?

I would say grab the opportunity! Be 100 per cent open minded. You will learn a lot and be able to link it to your job.

I wanted to start working straight away and doing an apprenticeship gave me the opportunity to learn on the job whilst getting paid as well. The experience I learned from working on the job was invaluable.



Josephine Cooper
Apprentice Packaging Technician

“I know the business will support me in my studies and in my personal development.”

What attracted you to DS Smith?

I went on a school trip to a DS Smith site. I was impressed at the scale of the manufacturing process. A few years later I saw DS Smith were advertising. As a Company, I felt they were passionate about partnering with brands to reduce packaging waste and increase sustainability. I think it's important to work for a company which aligns with personal values.

What apprenticeship course are you doing?

I'm on the Packaging Professional Degree apprenticeship course at Sheffield Hallam University. The course is designed for people across the whole packaging industry as it aims to give a wide understanding of the different materials, processes, companies and related job roles.

How does DS Smith support you?

It was daunting to relocate to start my job, but the team made me feel welcome and supported from the beginning. Over the last few years, I have been given the space to grow both as an individual and into my role. I have been given the freedom to explore where my strengths and interests lie.

What advice would you give to someone looking to do an apprenticeship?

Whilst gaining invaluable workplace experience, I'm getting a degree and earning simultaneously, which is enabling me to reach my goals.

It's really rewarding to see how far I have progressed and I'm proud of all I have achieved so far.



Respect human rights



100%


of in-scope sites completed Sedex SAQ¹

As the importance of the circular economy continues to increase, the spotlight is placed on sourcing and supply chains, bringing into focus where and how products and materials are made, and by whom.

As an international employer of approximately 29,000 people, supported by thousands more in our extensive supply chains, we have a responsibility to respect and uphold human rights.

We have a zero-tolerance approach to modern slavery both within our own operations and in our supply chains with effective measures in place to promote human rights and prevent modern slavery.

8 DECENT WORK AND ECONOMIC GROWTH



Protecting labour rights, promoting safe and secure working environments and eradicating modern slavery.

2023/24 highlights

0

known human rights breaches²

1. The Sedex SAQ (Supplier Ethical Data Exchange Self-Assessment Questionnaire) is a set of questions relating to business practices, management systems, policies and worker information. The scope includes manufacturing sites.
2. Number of known human rights breaches as a result of our operations, including incidents of violations to the rights of indigenous people.

Respect human rights

By 2025, complete Sedex SAQ (Self Assessment Questionnaire) roll out to all of our sites and perform appropriate auditing of SAQs

In 2023/24, we continued to roll out the Sedex (Supplier Ethical Data Exchange) Self Assessment Questionnaire (SAQ) to all our operational sites.

By the end of 2023/24, we achieved the roll out to all of our sites in scope one year ahead of target, with 100 per cent of our operational sites¹ completing the SEDEX SAQ, with appropriate auditing of SAQs in place.

The delivery of this target has been a cross-functional collaborative effort, driven by actively engaging with our Human Resources and Operational employees at divisional, country and site-level.

Led by our Group HR and Group Sustainability functions, multiple training webinars were delivered following the introduction of Sedex's new Goods Provider SAQ, with ongoing guidance and support provided throughout project deployment.

We will continue to complete the Sedex SAQ on an annual basis as part of our ongoing commitment to improving our human rights due diligence.

Assessing and managing risk relating to human rights

In order to perform appropriate auditing, we analysed our site-level SAQ responses and calibrated responses to reflect our working practices across our sites and the countries in which they operate. From this, we created a risk-rated heatmap to identify trends and give visibility to the areas where we are strong, and areas where there are potential opportunities to improve as part of our ongoing human rights due diligence. This accompanies on-site Sedex SMETA (Supplier Member Ethical Trade Audit) at a selection of sites. In 2024/25, we will establish a baseline for SAQ risk scoring and completion across all operational sites and include Sedex SAQ focused checks within our Human Rights and Business Ethics internal audit process.

Our commitment to human rights protects our people and gives our customers the transparency and visibility they require to help them also identify and manage risk within their own supply chain.

"In 2023/24, we undertook human rights deep dive assessments at three of our operational sites. Connecting directly with workers provides insights into their experiences working for DS Smith and identifies opportunities for improvement at both a local and global level."

Paul Adams
Human Resources Director

Continue to improve human rights due diligence each year

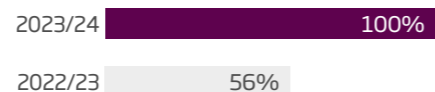
Human Rights Policy

Our policy outlines our commitments and responsibility to respect human rights. It applies to all DS Smith operations and employees and governs all our business dealings and the conduct of all persons or organisations with whom we contract directly or who we appoint to act on our behalf.

Human rights governance

A multi-disciplinary Modern Slavery and Human Rights Committee, supported by a working group, reports to our Group Operating Committee (GOC). The GOC is chaired by our Group Chief Executive, who has ultimate responsibility for human rights due diligence. The Modern Slavery and Human Rights Committee steers action and monitors progress, embedding due diligence across the business and supply chain. The working group reports to this committee quarterly and is responsible for the delivery of our programme of work on human rights.

Percentage of sites completed Sedex SAQ (%)*



* The Sedex SAQ (Supplier Ethical Data Exchange Self-Assessment Questionnaire) is a set of questions relating to business practices, management systems, policies and worker information. The scope includes manufacturing sites.

Our human rights focus areas

We respect the fundamental human rights of all people, complying with all legal requirements. We have strong policies, procedures and other actions in place to mitigate any potential risks in the following five human rights categories:

Forced labour and child labour

We have a zero-tolerance approach to forced and/or child labour of any kind within our operations and our supply chain. Our Modern Slavery and Human Trafficking Policy sets our policy for managing modern slavery risk.

Health and safety

Health and safety is our top priority and we strive for continuous improvement to achieve our target of zero harm. We are committed to ensuring that our products and operations are safe and this extends to contractors and visitors to our sites.

Wages and working hours

We do not employ people below the minimum wage at which the applicable local law permits the relevant work type to be undertaken. We are committed to monitoring and taking action to reduce excessive working hours, and to support flexible working arrangements where possible.

Freedom of association

It is a fundamental right of employees to have the freedom of association and collective bargaining. We recognise and respect the rights employees have under local and transnational laws, including, where applicable, the right to collective representation and bargaining, with no detriment arising from involvement in legitimate trade union activities.

Discrimination

We are committed to promoting equal opportunities and pride ourselves on building a culture with a zero-tolerance approach to discrimination, harassment and victimisation.

→ [See pages 67-68 for more information on our approach to responsible business and business ethics](#)

Support for international frameworks

Recent global trends have emphasised why human rights matter so much and as an international manufacturer in the paper and packaging industry involved in sourcing, manufacturing and recycling, we have the potential to impact human rights in our operations and supply chain.

We are committed to all fundamental human rights and standards, including:

- The UN Sustainable Development Goals
- The ten principles of the United Nations Global Compact
- The Universal Declaration of Human Rights
- The UN Guiding Principles on Business and Human Rights
- The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work
- The United Nations International Convention on the elimination of All Forms of Racial Discrimination

Information and policies

[Code of Conduct](#)

[Global Supplier Standard \(GSS\)](#)

[Anti-Slavery and Human Trafficking Policy](#)

[Human Rights Policy](#)

[Equal Opportunities and Anti-Discrimination Policy](#)




Engage our people & communities

9.8 million
people engaged on the circular economy since 2020/21

Raising awareness, teaching skills and showing our commitment to action are essential to enabling our people and communities to meaningfully participate in the transition to the circular economy. Together we can progress further and faster with the confidence and understanding needed to lead the change.

Engaging our people and communities aids employee development and the continued prosperity of our people and local communities. As an international employer, we can equip our people and communities with useful resources, particularly to promote sustainable development.



Engaging our people and communities contributes to promoting sustainable development.

2023/24 highlights

100%

of sites participating in community activities in 2023/24 for the 5th year running*

Launched our Community & Engagement working group

enabling greater visibility of engagement

76%

of our people engaged on the circular economy

* Sites with greater than 50 full-time employees.

Engage our people & communities

By 2025, engage 100 per cent of our people on the circular economy

In 2023/24, we reached 76 per cent of our people on the circular economy (2022/23: 57 per cent). We will continue to reach our remaining colleagues throughout 2024/25, focusing on non-wired employees.

Our continued ambition to engage all of our people on the circular economy encourages a continuous focus on circularity, both in their personal and daily working lives. We aim to equip our people to lead change individually, as well as with our customers, communities and others.

During 2023/24, we held team briefings, quizzes for employees and provided resources, such as e-learning modules. Colleagues in Benelux developed a Sustainability Awareness Training delivering sessions to customer service and supply chain teams at local sites to understand and drive circularity, both at home and at work.

Thanks to this training, our Benelux sites have developed roadmaps to support in leading the transition to a low-carbon, circular economy, and raising awareness of how we all, as individuals and a business, can contribute. We look forward to making this training available across the business in 2024/25.

We continued to provide opportunities for our people by offering selected places on the Circular Economy Masterclass, delivered by the University of Exeter Business School and supported by the Ellen MacArthur Foundation.

By 2030, engage 10 million people on the circular economy and circular lifestyles

From visits to circular economy content on our website, to views on videos and clicks on social media posts, we have made significant progress on our journey to engage 10 million people on the circular economy and circular lifestyles.

Our circular economy lesson plan has been downloaded and delivered to over 9,000 students in 2023/24 alone. We have engaged people on circularity through hosting a circular design challenge with students, regional media and radio coverage and sustainability festival attendance.

This brings our cumulative total to 9.8 million people engaged since 2020/21.



Circular Design Challenge with the University of Exeter

As the corporate sponsor of the University of Exeter's 2023 MBA Circular Economy Challenge, we invited enterprising students to take part in a week-long design sprint to inspire a new way of thinking about sustainable packaging. Students heard from DS Smith experts in sustainability, innovation, design and e-commerce to deepen their understanding of the industry dynamics and challenges.

The MBA students were given a circular economy challenge to create a reusable packaging system for e-commerce and white goods, catering for our changing world.

“The Circular Economy Masterclass and Challenge sponsored by DS Smith were an excellent introduction to the concept of the circular economy. It gave the students an opportunity to apply learnings to a tangible challenge, working with real-world complexities.”

Dr. Merryn Haines-Gadd
Research Associate in Circular Economy and Design,
University of Exeter Business School



Seasonal tips for more recycling

Paper recycling in the UK has improved, but more still needs to be done. Source segregation is the answer to improve recycling rates to ensure the quality of material is high.

Timed with seasonal celebrations, significant amounts of packaging and wrapping paper can be found in consumers' homes, we carried out research to support recycling over the Christmas and Easter periods.

Our colleague, Samantha Upham, was featured in regional media and radio coverage sharing recycling tips to help people do more effectively.

“Avoid cards with glitter, plastic or electrical components as these are tricky to recycle. Don't forget to separate the plastic windows from the cardboard box, remove any chocolate residue and make sure they are put in the correct bins.”

Samantha Upham
Senior Sustainability Manager



'Wishcycling' panel at EA Sustain festival

We participated in a variety of workshops, events and forums over the past year, including EA Sustain in January.

Aiming to educate and awaken through combining environment, culture and entrepreneurship and featuring leaders in environment, creativity and business, our Group Chief Executive, Miles Roberts, participated in a panel discussion.

The panel considered recycling, 'Wishcycling' and the disconnect between what we expect for product placed in recycle bins and the reality. The panel discussed the obstacles to increasing recycling rates of both paper and plastic and the need to introduce new nomenclature to modify cultural attitudes towards waste.

Miles provided expertise on paper recycling rates for paper and cardboard packaging across Europe and the findings in our report, Wasted Paper: A Path to Better Recycling (see page 21 for more information).

The discussion provided a valuable platform and opportunity to engage a local community on recyclability.

 [Watch the panel discussion here](#)

Communities

100 per cent of our sites engaged in community activities each year¹

We operate in numerous international communities. We therefore have a significant opportunity and responsibility to make a positive, local difference where we operate.

We believe a strong Community Programme not only supports local causes, builds relationships with stakeholder groups and raises the profile of our sites, but also engages and motivates our people.

By providing opportunities outside day-to-day roles, our people have the opportunity to serve and contribute to the communities in which they often live and work.

In 2023/24, 100 per cent of the sites in scope for our Community Programme² engaged with their communities for the fifth year running.

The launch of our Community & Engagement Working Group has enabled greater visibility on target progress and in the future will lead to more strategic alignment of community activities.

Some sites build on activities delivered in previous years in their local community, to continue to strengthen relationships with local stakeholders and to develop a recognised and anticipated event in the local calendar.

Activities included teaching various schools about the circular economy and the importance of biodiversity, creating and donating our designed products for community events, and volunteering in nature reserves to enhance biodiversity.

1. Sites with greater than 50 full-time employees.

2. Estimated using the B4SI Framework - see DS Smith ESG Databook 2024 for methodology.

3. Includes cash donated by the DS Smith Charitable Foundation.

Our community themes

We have an ambitious, Company-wide Community Programme because we believe that as a responsible and sustainable business, investing in the communities where we operate is the right thing to do.

Our sites support a range of causes, often unique and creative ideas in response to the needs of the local communities.

Our three main strategic themes are:



Biodiversity

Improving the environment for plants and animals, protecting natural habitats, and enhancing the diversity of species within the areas in which we operate.



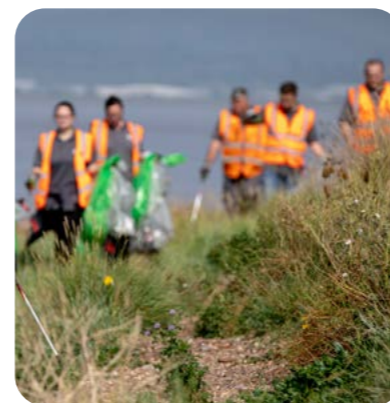
Education

Inspiring and educating our communities and future generations on sustainability and the role of the circular economy.



Design

Using our unique expertise to inspire and stimulate creativity within the community through design and/or offering donations of DS Smith designed products for the benefit of community causes.



326

projects delivered to support local communities

33K

members of our local community engaged

£179K

time contributions

£357K

management costs

£6K

in-kind contributions, including product donations

£689K

cash contributions³





Community programme theme: biodiversity



'Let's Do It, Romania!' with Zărnești mill

In September 2023, our Zărnești paper mill in Romania joined the annual 'Let's Do It, Romania!' campaign.

The campaign, celebrated alongside World Clean Up Day, encourages Romanians to care for the environment and clean up the planet by picking up litter and combating the mismanaged waste crisis.

Organised together with the local community, the event brought together around 80 participants, including employees from Zărnești mill and students from local schools with whom the mill partners.

Volunteers collected an impressive 400kg of waste from three tourist and residential areas in Braşov County: Gura Râului, Plaiul Foi and the Bârsa River area in Zărnești.

"We are delighted once again join the 'Let's Do It, Romania!' campaign and contribute to caring for the environment in which we live and work. We are thrilled to see so many volunteers, including children, enthusiastically involved in the action. We aspire to be a role model for social and environmental responsibility, and this activity is part of our ongoing commitment to a cleaner, greener future."

Diana Ciuraru
Human Resources Director at Zărnești



Support for a nature reserve in Diegem, Belgium

Diegem packaging Head office and Tour and Taxis, Brussels, Belgium, wanted to reinforce team spirit and bring together the different teams through an activity in their local community, whilst supporting and enhancing biodiversity through a partnership with Natagora.

Natagora, a local conservation association, aims to protect nature in Wallonia and Brussels, with the main objective to halt the degradation of biodiversity and restore a good general state of nature, in balance with human activities.

In March 2024, a group of 24 employees cleared access roads in the reserve, pruned and uprooted exotic plant species and cleared vegetation along the fences of grazed plots.

The day received great enthusiasm and feedback from all participants with eagerness to organise further activities.



Tree planting festival in Timișoara, Romania

In May 2023, Timișoara box plant supported Codru Planting, a local festival that promotes foresting and ecological activities.

Employees and their families volunteered alongside other companies, NGOs and the local community in tree planting activities over two days.

Volunteers were guided by a specialist who provided a lesson on local tree species, their importance to local biodiversity, the process of planting and how to ensure the seedling survives and flourishes over time.

It was a great opportunity for our colleagues to contribute to forest regeneration in the area, learn about biodiversity and spend time together as a team.



Community programme theme: education



School visit at Ștefănești, Romania

Pupils from the Afumati City Elementary School were invited to visit our Ștefănești recycling site to learn about the recycling process.

The visit began with the site's safety procedures and providing pupils with safety caps so that they felt like part of the team for the day. The pupils learned about the recycling process, from the delivery of the cardboard waste and its sorting, baling and storage, to the transportation to our paper mill.

Those leading the tour spoke about circularity and waste segregation, and the class understood that this same process can be carried out in their homes and classrooms. The children were very receptive, asking questions about the difference between cardboard boxes and fibres.

During the tour, the children learned about the necessity of destroying documents when seeing the shredder.



They learned that notebooks from their school can be recycled and their teacher proposed a recycling contest at their school to recycle used books and notepads.

Colleagues at the site bought books about recycling, climate change and our planet for the pupils to read and share with their classmates.

The following day, the pupils brought hundreds of old notebooks to school to be recycled, which the site collected. The class teacher contacted the Ștefănești team to thank them for their efforts in teaching and challenging the children to recycle.

Following the success of this visit our employees at Ștefănești are keen to replicate the experience and activities and have organised visits with other local schools in the area.



'The Little Heroes' launch with Pazardzhik, Bulgaria

In December 2023, colleagues in our Pazardzhik packaging plant, in cooperation with Detelina kindergarten in the village of Patalenitsa and groups in the villages of Debrashtitsa and Tsrancha, created a three-day adventure called 'The Little Heroes: How to Take Care of Nature', which attracted the attention and participation of more than 40 children from the local community.

The children were engaged through our Circular Economy Lesson Plan, 'Let's Go Circular!', featuring a variety of everyday examples and engaging videos, and finished with hand-painting a cardboard corrugated tree.

To enhance their understanding of waste separation, a game called 'Put Me in the Right Colour Bin!' was organised. Each child received a custom-made crown featuring a picture of a product that they then had to recycle in the appropriate bins, provided by the team.



This project not only enabled the children to understand the difference between the linear and circular economies, but also the importance of recycling to protect our finite, natural resources.

"Planting seeds of environmental care in young minds and hearts was an unforgettable and joyful experience! We were privileged to inspire over 40 little heroes, aged five to seven, who eagerly embraced sustainability with enthusiasm, helping to foster a brighter, greener future they can contribute towards."

Tanya Stoyanova
Subregional Communications Manager



Community programme theme: education continued



Biodiversity lesson plan launch in Atlanta and Riceboro, USA

The Atlanta Head Office contributed funds in partnership with the DS Smith Charitable Foundation to develop and deliver the Biodiversity Rangers lesson plan to middle grade students.

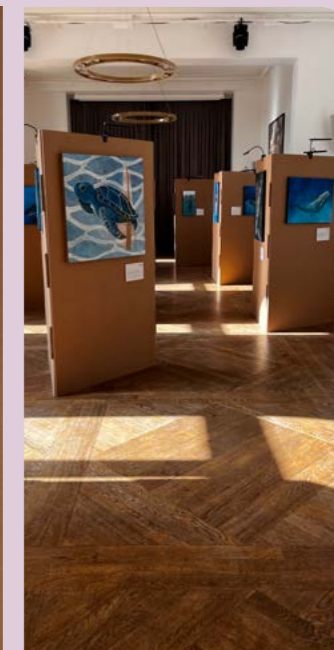
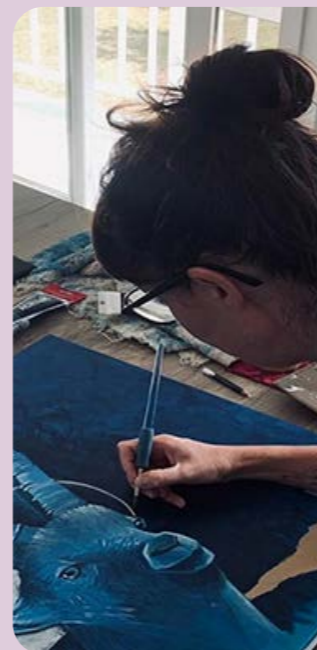
The lesson plan discusses the importance of biodiversity, and how we can contribute to its growth. Students were engaged by the content and thoroughly enjoyed the activities, including cards to construct a food web in a pine forest.

Our Riceboro paper mill team also worked with the local South Effingham Middle School to educate students about our efforts to enhance biodiversity. The students signed the 'DS Smith Biodiversity Rangers Pledge', promising to look after nature. The pledge is on a seed paper card, so students could sign it, rip it up, and plant it in the ground to grow native wildflowers.

The funds provided by the Foundation are being used to contribute towards biodiversity projects implemented by the students, including installing bat boxes and butterfly bushes in their outdoor eating area to encourage pollinators and limit mosquito populations.

Sustainability education is one of our focus areas for community engagement and the biodiversity lesson plan has helped us educate many students about issues important to us.

So far, we have reached over 600 students in both North America and Spain and aim to reach more students in 2024/25.



AniMAUX art exhibition in Paris, France

In October 2023, we organised a captivating public art exhibition 'aniMAUX' at the GoodPlanet Foundation in Paris, featuring beautifully painted animals, displayed on cardboard.

Our employee, Servan Legoff, created these paintings of animals.

This exhibition not only enabled our employee to share their artwork and passion with the general public, but also educated visitors to the GoodPlanet Foundation.

The exhibition clearly demonstrated the challenges species are facing, the decline of biodiversity, and human impact on nature.

"I am a Product Manager at DS Smith but I am also an artist. The exhibition is two years of work for me. Thank you to DS Smith Packaging France for allowing me to express myself artistically on a common value, the Environment."

Servan Legoff
Key Account Product Manager

[View the exhibition here](#)



Community programme theme: design



'Make it! Race it! Recycle it! 2023' in Timișoara, Romania

The 'Make it! Race it! Recycle it!' annual event is held to promote sustainability among the local community in Timișoara, Romania.

We took part in the famous race down the Bega River in a ship created from recycled and recyclable materials. The team leveraged their design and innovation skills to support this local event. The boat impressed everyone, with its structural design, sailing speed and water resistance, and our team was awarded second place for Artistic Impression.

The team participated as an official partner of the event together with EcoStuff Romania and helped to prepare surprises for attendees.

One of the most popular creations was a temple, made from 100 per cent recycled corrugated cardboard and guarded by Egyptian pharaohs and Gods.

Employees posed for pictures and rewarded young visitors with chocolate gold coins.

The children had the opportunity to play with cardboard swords and shields, all made by the team. We provided the organisers with corrugated cardboard bins for selective waste collection so that the public could immediately practise their recycling habits at the event.

"I'm glad that we are part of a community involved in raising awareness of environmental issues. 'Make it! Race it! Recycle it!' is an unconventional sporting event that manages to reach people of all ages, who are informed in a very entertaining way about the importance of recycling. We are proud to be part of a community with which we share the same values."

Denisa Boar
Cluster Communications Manager



Support for Finland's largest aid event at Nummela, Finland

In November 2023, our design team and Nummela packaging plant produced and donated over 1,000 traditional cardboard boxes to Finland's largest aid event, '#1000tekoa' (1000 actions). This event is organised by Commu App, a free mobile app created to make helping people easier. The event distributed food to over 1,000 people in Helsinki.

We supported the event by designing, manufacturing and donating the boxes to enable food to be distributed to those in need. A QR code on the box directed attendees to download Commu's award-winning application and it also featured a hidden word puzzle to inspire good deeds.

"Our community's well-being plays a significant role in building a healthy society, that's why we supported this event by designing and donating packaging."

Ari Viinikkala
Managing Director of DS Smith Finland

"From designing and providing essential packaging for the #1000tekoa event goes, DS Smith embodies a commitment to making a difference and making tangible actions for social sustainability. Together, we gave out more than €50,000 worth of food for those in need and inspired nearly two million people to do good deeds. We extend our heartfelt gratitude for their unwavering support and for joining us in our mission to create positive change in local communities and nationally."

Karoliina Kauhanen
Founder of Commu App, Finland

Impact of the DS Smith Charitable Foundation

The DS Smith Charitable Foundation was established in 2011 and from its inception has supported a large variety of charitable causes and bodies.

We encourage employee involvement in charitable activities, whether making donations or giving their time and expertise to good causes, and will often support this by complementing employee fund-raising.



“The impact of the DS Smith Charitable Foundation is remarkable, both in the UK and in Europe. The funding

allows numerous projects in the fields of biodiversity, circular economy and poverty relief, leading to a positive impact on nature and people.”

Giulio Giannini
Head of Legal, Italy
Trustee of the DS Smith Charitable Foundation

£216K
worth of cash donations given by the DS Smith Charitable Foundation to support various projects



£172K
for environmental projects

39
donations given in 2023/24

9
countries supported



£44K
for educational projects



Supporting Liberty Bear Sanctuary in Zărnești, Romania

In October 2023, the Liberty Bear Sanctuary, a non-governmental organisation received funding from the DS Smith Charitable Foundation to plant 250 acacia trees around the sanctuary and the Educational Hope Farm.

The sanctuary in Zărnești is the biggest brown bear sanctuary in the world, home to over 100 brown bears, most of which have been rescued from captivity.

The DS Smith Charitable Foundation was proud to support this bear sanctuary and its surrounding ecosystem.

The initiative is highly beneficial to the bears as acacia trees not only supply food for the bears but also protect the area against strong winds, create a barrier to minimise the extreme temperatures during the winter, and provide shade during the summer.

Impact of the DS Smith Charitable Foundation continued



Tree planting campaigns in Germany

The DS Smith Charitable Foundation supported One for the Planet, an organisation with a shared goal of educating future generations on sustainability.

The educational project, 'A Tree for Every Child', initiated by the German Environmental Foundation, organises tree-planting campaigns with pupils throughout Germany. Through educational material and engaging activities, children are encouraged to get involved in environmental protection.

This donation provided seedlings, tools and information materials for environmental education of 40 school classes throughout Germany.

"DS Smith's support will enable us to introduce more school classes to the concept of circular economy in 2024. We are very grateful for the donation, which allows us to further expand the educational offer."

Celin Sommer
Project Manager of the school planting campaign

Children nature education programmes in Romania

The DS Smith Charitable Foundation provided funding to the Carpathia Conservation Foundation for 60 children from socially disadvantaged groups in Romania to participate in nature education programmes at the Nature Exploration and Activity Centre Richita.

During the education programmes, each three days long, the children took part in interactive activities and learnt about different species of plants and animals in the Fagaras Mountains.

They were shown a camera trap used by rangers and biologists to observe wild animals. They learnt about the Carpathia Conservation Foundation's activities, including reintroducing species like the European bison and the beaver.

The children also listened to the sounds of birds whilst on hikes, identified common tree species and observed a beaver dam and their teeth marks on trees and branches.

This learning experience has been enriching for the children and the Carpathia Conservation Foundation was grateful for our support.

Summer Leys Nature Reserve in Northamptonshire, UK

Summer Leys Nature Reserve is one of the most visited reserves of the Wildlife Trust for Bedfordshire, Cambridgeshire and Northamptonshire.

The site is a significant site for biodiversity protection, as one of a chain of gravel pits in the Nene Valley, which are important internationally for waterfowl migrating south for the winter.

This site is known for its birdlife, including rarities such as white storks and glossy ibises. The open water, low islands and sinuous margins flanked by grassland also make this an excellent habitat for birds and invertebrates, including dragonfly larvae, diving beetles and water stick insects.

The Foundation provided support for a new pond dipping platform, replacing the former structure that had become unsafe. The donation also contributed to resurfacing the circular path around the main lake.

The new dipping platform now hosts events organised by staff and volunteers, including the 'Little Bugs Club' for carers with young children and 'Youth Rangers' for teenagers. The drainage for the circular path has been greatly improved, allowing the path to remain usable for visitors, bird watchers and wildlife photographers, even in the wettest conditions.

Now & Next

Nature



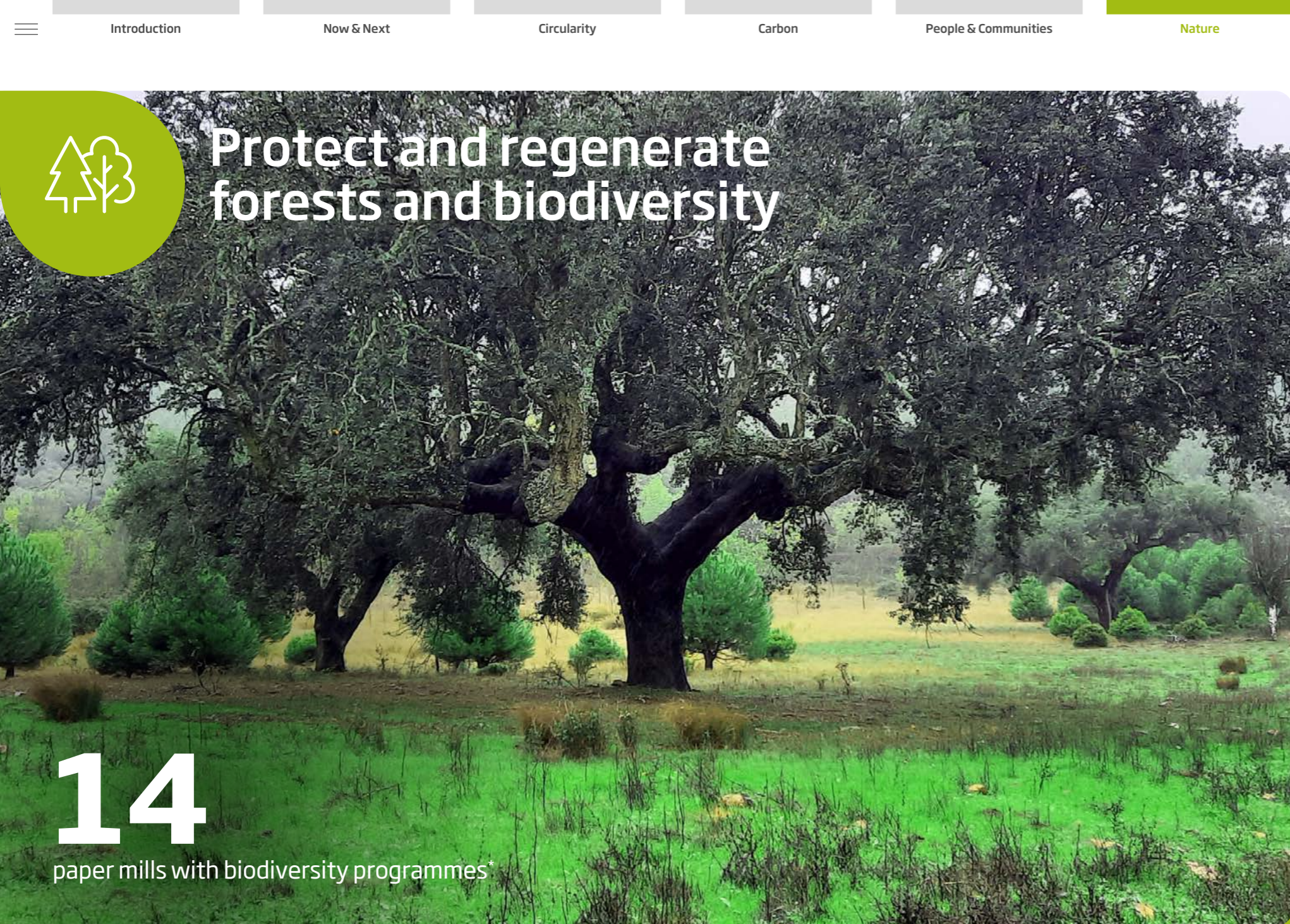
We are protecting nature, assessing and supporting biodiversity and managing water responsibly.

We have increased our focus on measuring biodiversity in our own forests and are investigating new science-based approaches for setting targets for nature.

- In this section**
- Protect and regenerate forests and biodiversity
 - Water management



Protect and regenerate forests and biodiversity



14

paper mills with biodiversity programmes*

The circular economy is regenerative by design, prioritising resources to stay in use for longer and ensuring processes which extract natural resources leave room for biodiversity and natural systems to regenerate.

By sourcing responsibly and using sustainable forest management practices, we reduce our impact on nature and encourage biodiversity to thrive.

Protecting and regenerating forests and biodiversity is essential to ensure the survival of plant and animal species, genetic diversity and natural ecosystems.



Measuring and improving biodiversity contributes to reducing the degradation of natural habitats, halting the loss of biodiversity and protecting and preventing the extinction of threatened species.

2023/24 highlights

Three

biodiversity assessments completed across two forests, helping us to begin to measure and improve biodiversity

* Cumulative total of mills with biodiversity projects per year.

Protect and regenerate forests and biodiversity

By 2025, measure and improve biodiversity in our own forests and assess our dependencies on nature

Measuring biodiversity in our Georgia, USA, forests

In 2021/22, we began a collaboration with the University of Georgia Warnell School of Forestry and Natural Resources to provide undergraduate and graduate students the opportunity to work with us to gain a better understanding of the biodiversity that could be found and supported within our own forests. In phase one, they created a list of species we should expect to encounter in our forests.

In 2022/23, phase two of the project involved gathering data and establishing a biodiversity baseline. Project groups assessed flora and fauna using a variety of tools and identified several species of interest in our forest lands.

In 2023/24, the final phase of the project, two graduate students carried out fieldwork within our forests.

One student, Elise McDonald, focused on the presence of wild pollinator species in our pine stands. Another student, Aisha Nobles, conducted further assessment on gopher tortoises and key species of interest, building off the work conducted by undergraduates in the previous year.

Elise McDonald collected samples of pollinators by installing bug traps in various strands of forest. She continues to collect more data with the bug traps and is identifying all collected insects to compare their presence across pine stands that have been raked of pine straw, and pine stands that have been left untouched. This is an area of work that is of high emphasis in the forest management industry.



Aisha Nobles identified many gopher tortoise burrows in our forest lands and is currently quantifying the population of tortoises on our properties. She will determine the viability of the overall gopher tortoise population to inform future forestry management decisions. She has also placed dozens of camera traps across our forest lands to monitor the presence of other species of interest as they walk in front of the cameras.

Over the years of our collaboration with the University of Georgia, several students have received real world experience in working with external organisations, gaining industry contacts and knowledge. Working with the University of Georgia furthers our knowledge of the species present in our forests.

“Working with DS Smith has allowed me to investigate the effects of pine straw management on wild bee community structure, an important facet of forest management, yet understudied. Seeing problems from multiple perspectives and working closely with people of different expertise, we can identify conservation solutions that are more operationally feasible to implement.”

Elise McDonald
Graduate Student



A key difficulty surrounding this project includes the large and dispersed forest lands that we own in southeast Georgia.

As nature and biodiversity are developing and emerging areas of focus, there is no one set guideline on how to measure or quantify biodiversity, therefore partnering with an academic institution has allowed us to better tackle this target.

Assessing forest biodiversity and ecosystem services in Portugal, Iberia

Over five months in 2023/24, a biodiversity assessment was completed in partnership with the consultancy Natural Business Intelligence (NBI), a business and ecology consultancy based in Portugal, for two regions of our Portuguese forests: Outeiro and Vale de Mouro.

The assessment focused on identifying habitats and species in the two study areas, encompassing 100 per cent of our forest lands in Portugal and 33 per cent of our total Iberian forest. The aim was to demonstrate and signal the current state of biodiversity and ecosystem services present, and inform management solutions going forward.

NBI carried out this assessment through field visits, analysis of GIS, satellite data and imagery, reviews of existing database and documentation, and interviews with our forestry team.

In Vale de Mouro

The first study area, Vale de Mouro, covers 706,8 ha and is located mostly in the Alegrete parish, Central-east Portugal. The assessment identified 14 habitats in this study area, of which 29 per cent were determined as High Natural Value areas, which can be considered a priority for conservation or control of exotic or invasive species.

In total, the study also identified 219 flora species within the area, 18 per cent of which are considered of conservation interest, as well as 293 fauna species, where 29 per cent are considered species of conservation interest, including the greater horseshoe bat (*Rhinolophus ferrumequinum*) and the golden eagle (*Aquila chrysaetos*).

In Outeiro

The second study area, Outeiro, covers 178.6 ha and is located mostly in the Outeiro parish, northeast Portugal. It was found to have six habitats, 11 per cent of which were considered High Nature Value Areas.

The assessment in Outeiro identified 155 flora species within the area, 20 per cent of which are considered to be of conservation interest, along with 192 fauna species, 26 per cent considered to be of conservation interest, including the great tit (*Parus major*) and the Provencal fritillary (*Melitaea deione*).

Joao Goncalves, Forest Director, Iberia, was really pleased with the results and explained that “the assessment within our forests in Portugal has shed light on the fantastic variety of fauna and flora present, and how important it is to proceed with responsible and sustainable forestry management practices, informed by this assessment, to continue in the conservation of our native biodiversity and ecosystem services enhancement”.

Outcomes

This project, promoted by Joao Goncalves, focused on the assessment of several key ecosystem health indicators. Based on these indicators, we were able to estimate the potential of the main ecosystem services provided by these forests, namely carbon sequestration, surface and groundwater availability, water purification services, erosion control and flood regulation.

This work provides us with a strong basis for the work we are doing to set targets to regenerate nature taking a science-based approach, following the Taskforce on Nature-related Financial Disclosures (TNFD) and Science Based Targets Network (SBTN) guidance. NBI have shared proposed management and monitoring measures to continue to promote biodiversity.

Information and policies

[Sustainable Forest Management and Fibre Sourcing Policy](#)

Protect and regenerate forests and biodiversity continued

By 2025, biodiversity programmes in place at each of our paper mills

Biodiversity programmes aim to sustain and support the variety of plants, animals and the ecosystem health at and surrounding our paper mills, including the communities of which they are a part. All 14 paper mills have completed at least two years' worth of biodiversity activity to date.

Site-based biodiversity activity

Site-based initiatives are often employee led and demonstrate their commitment towards local biodiversity. For example, a member of the Site Services team at Kemsley mill, England, constructed ten bat boxes to place around the mill's perimeter, providing the local bat population somewhere safe to roost and raise their pups. Colleagues at Reading mill, North America, focused on maintaining their onsite beehives by splitting hives, planting perennials and enjoying their first honey harvest amongst colleagues at the plant.

Another great example is our team at Aschaffenburg mill, Germany, who were recognised for their ongoing commitment to maintaining green spaces. This programme is now largely in the hands of its employees, who have implemented further measures to promote biodiversity including mosaic mowing, planting wildflowers and removing invasive species - which all serve to keep its local 'Blossoming Company' certificate.

Supporting biodiversity efforts in the community

Challenges posed by construction on-site disrupted some of our mills' biodiversity plans, yet their innovative ideas were used to support local biodiversity efforts in the community instead.

Riceboro mill, North America, engaged with a local school using their new 'biodiversity lesson plan' which was attended by over 500 students. Colleagues at Zărnești mill, Romania, partnered with Tudor Association, Brasov, to provide 50 students with a lesson about supporting local bird life including the building and painting of bird boxes to be put up around the school and mill.



Flower meadows and insect houses at Kaysersberg and Coullons, France

Colleagues at Coullons paper mill, France, planted three flower meadows at the entrance of the mill, including a variety of 15 plant species to help support biodiversity by attracting new varieties of insects. The insects can take shelter in a new insect house, which the team built from scratch using recycled materials.

At our other French paper mill in Kaysersberg, 15 colleagues constructed two insect houses in collaboration with the local environmental protection association, Sentinelle Nature Alsace. The insect houses were placed on two newly planted flower meadows at the mill entrance, allowing the insects to easily access food from the flowers. To learn more about biodiversity, the team also visited the local wildlife conservation park NaturOparC. The organisation works to preserve endangered species with breeding and reintroduction programmes for local animals.

"Building the insect houses was a great experience for all involved, raising awareness of the importance of preserving biodiversity while also allowing us to spend time together with colleagues from across the mill. Both associations - Sentinelle Nature Alsace and NaturOparC - make important contributions to biodiversity in the local area, so it was a pleasure to work with them and support them financially."

Audrey Heinrich
Communications and HR Responsible



Beekeeping events in Witzhausen mill, Germany

In 2023, the local association Beekeepers at the Hohe Meißner e.V., contacted Witzhausen paper mill and received funding from the DS Smith Charitable Foundation. They held an informative series of events titled 'Sustainable Beekeeping in Frau Holle Land'.

The series included courses on the basics of beekeeping and planting bee havens, and featured guest lecturers.

"With a strong partner behind us, training and events were made possible that we would otherwise not have been able to finance. Thanks to DS Smith, we have been able to boldly develop and expand our ecological education work in 2023."

Martin Schuler
Chairman Hohe Meißner e.V



Tree planting in Dueñas mill, Spain

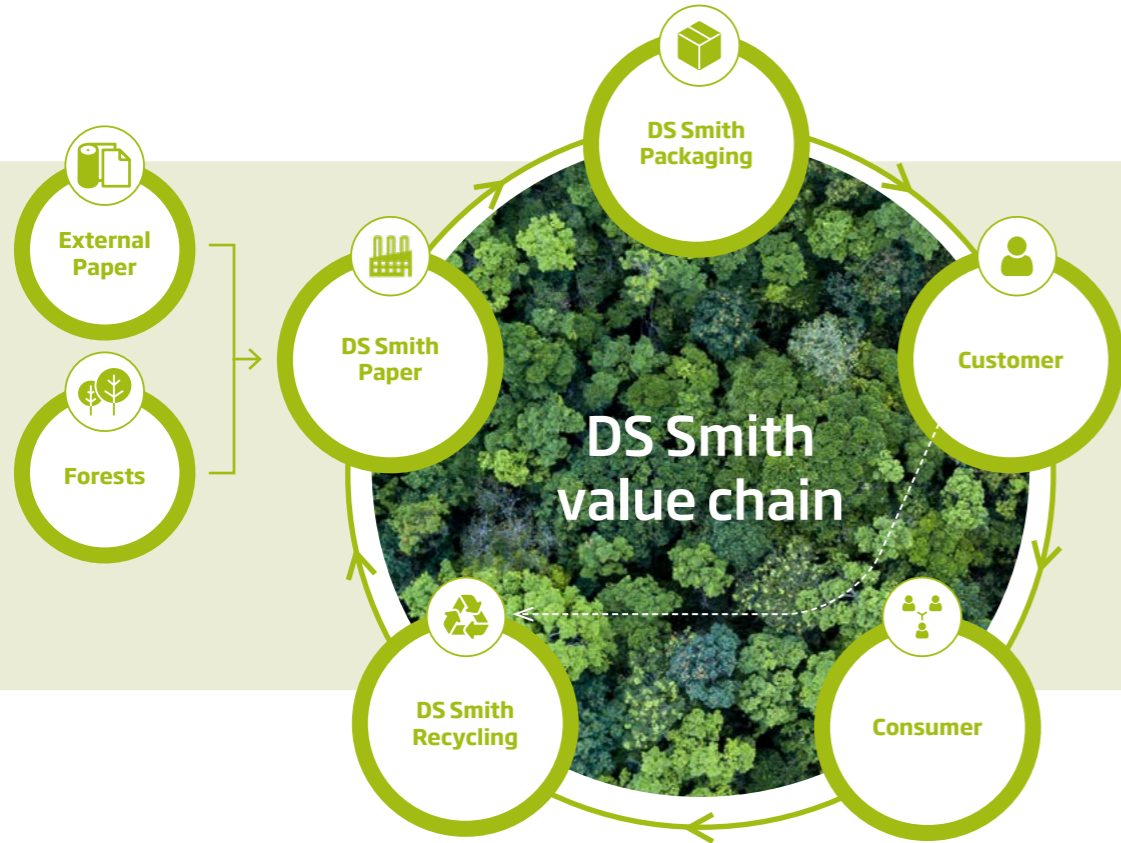
As part of their Biodiversity Programme, our Dueñas paper mill recently supported biodiversity and landscape recovery in the local community through planting trees that are native to the area.

The project aims to preserve and enhance the surroundings of the Ermita de la Virgen de Onecha church, a historical building located just across the river from the mill. The project included weeding and maintaining the large trees of poplars, mulberry, juniper and pine, and cleaning the pond.

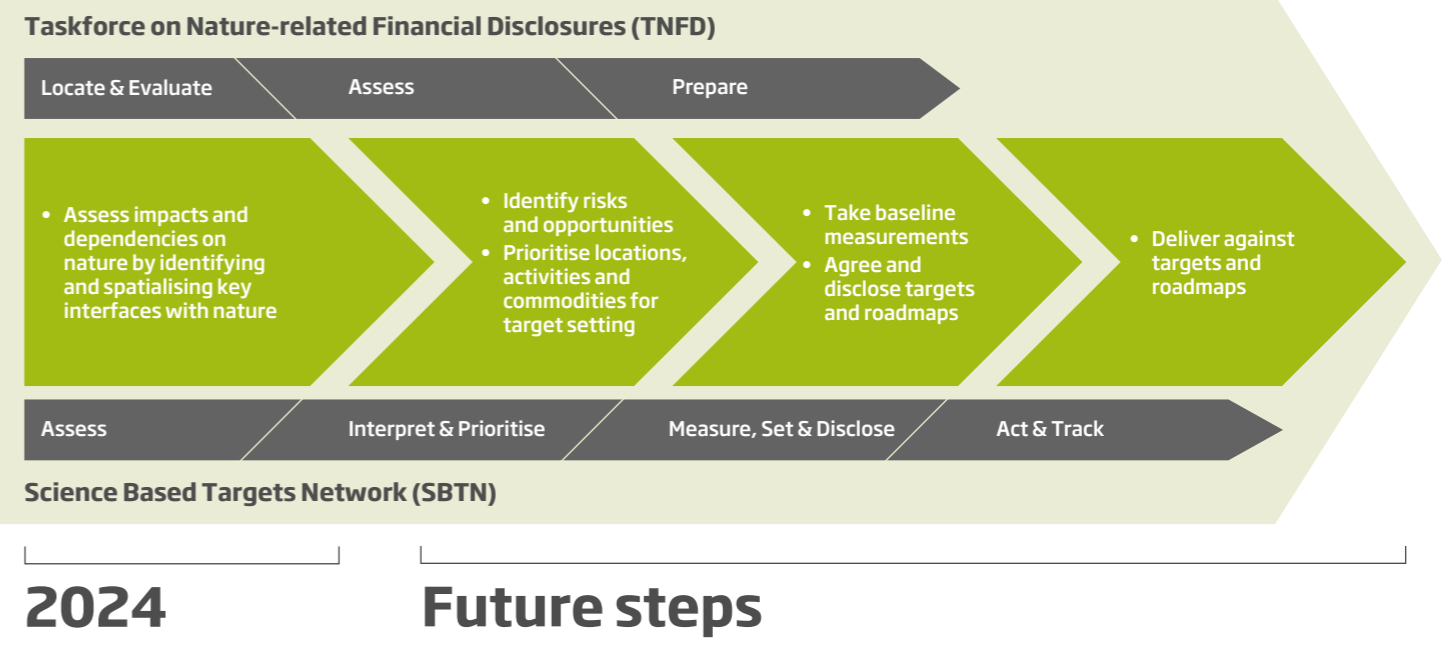
The landscape design and tree species were chosen specifically to ensure minimum future maintenance, and to improve habitats for local wildlife.

Protect and regenerate forests and biodiversity continued

We will analyse our impacts on nature across our value chain following TNFD and SBTN processes



Our approach to assessing our impacts and dependencies on nature



Set targets to regenerate nature taking a science-based approach

We have established strong foundations to reduce our impact on nature by sourcing responsibly, managing our forests and operations sustainably, and working in partnership with our communities.

However, our Now & Next Nature pillar remains a key area of opportunity to further learn about our impacts on the natural environment and what we can do to reduce them further. We are dependent on nature in a variety of ways, including through the use of natural resources, such as timber and water, or through the ecosystem services that nature provides, including climate regulation, water purification and pollination.

Assess our dependencies on nature

In 2023/24, building on the work achieved with our forests in Georgia, USA and Iberia, we initiated a collaboration with a specialist agency to assess our impacts and dependencies on nature from a business-wide perspective. This will be carried out during 2024/25.

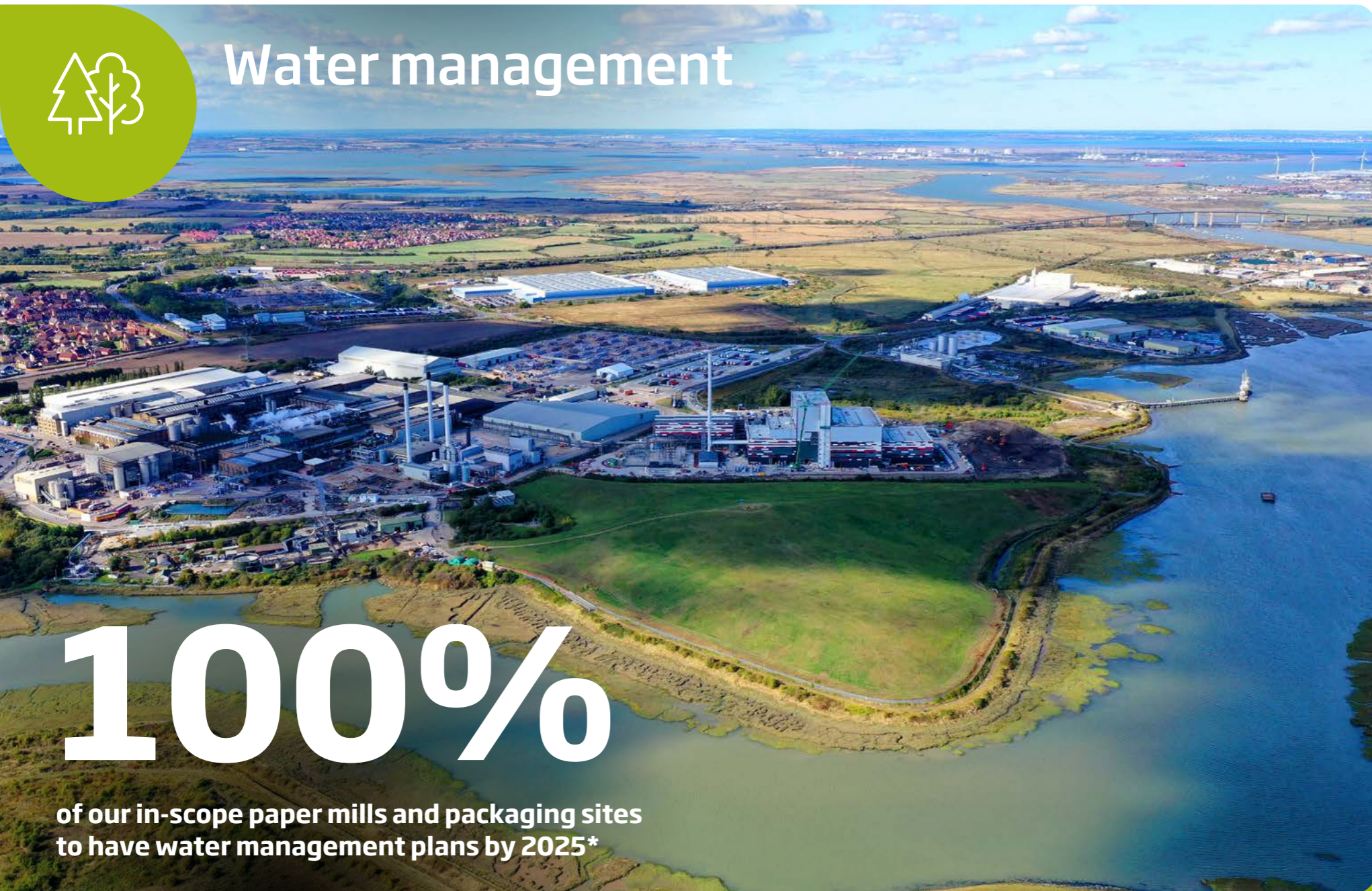
The impact assessment will identify where our most material impacts and dependencies lie within our direct operations, upstream supply chain and a high-level view in our downstream. The assessment will consider the key pressures on nature loss, as described by Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), in all geographies that we touch upon.

These could include land-water-sea use change, ecosystem use, water, air, and soil pollution, disturbances and invasive species, as well as resource extraction.

The assessment will follow initial steps set out in the Science Based Targets Network's (SBTN) Technical Guidance and the Taskforce on Nature-related Financial Disclosures (TNFD). The assessment will help to inform our ambition to set targets to regenerate nature taking a science-based approach by identifying the most material areas on which to focus.



Water management



100%

of our in-scope paper mills and packaging sites to have water management plans by 2025*

Processes for natural resource use are designed to allow natural systems to regenerate. By reducing the amount of water we withdraw from nature to carry and transform fibre through our operations, we have an opportunity to reduce pressure on natural systems.

By reusing and recycling water multiple times and through efficient water treatment, over 70 per cent of the water we withdraw is safely returned to the natural environment to continue the water cycle.

Responsible water management is important to benefit and respect the needs and priorities of all water users in a locality, in a way that does not harm the natural ecosystem and water cycle.



Responsible water management contributes to improving water quality, efficiency and scarcity, protecting and restoring water ecosystems.

2023/24 highlights

7.52m³

water abstracted for use in own process per tonne of production (at mills at risk of water stress)

Begun the development of

Water Management Plans

for 2025*

* Sites in scope include manufacturing sites with >5,000m³ annual water withdrawal, identified at current or future water stress risk with the WRI Aqueduct Tool.

Water management

By 2030, 10 per cent reduction in water withdrawal per tonne of production at mills at risk of water stress compared to 2019

In 2023/24, the average water abstracted for own process per tonne of production at paper mills located in regions at risk of water stress was 7.52 m³/t nsp (2022/23: 8.4 m³/t nsp), reflecting a 10 per cent reduction since 2019/20, driven by the closure of Trakia (Pazardzhik) mill. In addition to the closure, changes to the energy system at Aschaffenburg resulted in greater volumes of water exported to a third party, reducing own process water use significantly. At Alcolea, a new shoe press has been set up to squeeze and recirculate water back around the water loop, thus reducing water withdrawal. Over the course of the next year we will evaluate how to take the target forward to further water reduction, reuse and recycle opportunities.

Managing water resources effectively

In our direct operations, approximately half of our sites maintain ISO 14001 certified environmental management systems, which includes practical tools to manage environmental impacts and responsibilities, including water impacts. This enables management that is specific and tailored to its locality. Regular reviews are conducted to ensure that responses to water-related risks can be implemented in a timely manner. As part of our supplier engagement programme, we set standards relating to water reduction and assess the water performance of our suppliers using EcoVadis. This supplements our use of the WRI Aqueduct Water Risk Atlas tool to identify direct operations located in water-stressed areas.

Aqueduct was updated in 2023 with new inputs to the hydrological model, providing more accurate baseline data, as well as future projection data for 2030, based on the latest climate models. Whilst this up to date data has informed our climate scenario analysis, the scope of the sustainability target remains the same scope identified in 2022/23.

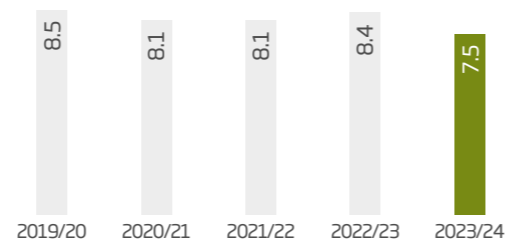
Information and policies

[Group Water Management Policy](#)

[WRI Aqueduct Water Risk Atlas](#)

[CDP Water Security](#)

Water abstracted for use in own process per tonne of production (at mills at risk of water stress) (m³/t nsp)

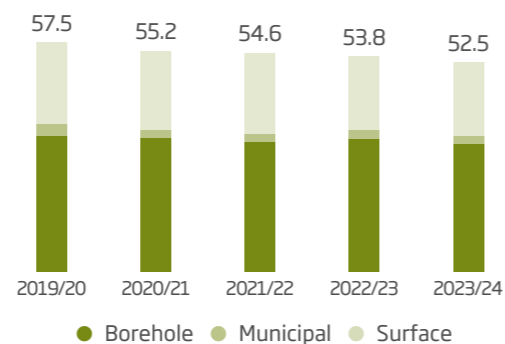


Group Water Management Policy

Our Group Water Management Policy was updated in 2023/24 to reflect our commitment and responsibility to work with our local communities and regulators to ensure that wherever we operate, water is used efficiently.

We participate in the CDP Water Security questionnaire annually, providing transparency and accountability for performance on water, scoring A- for Water Security in 2023.

Total water withdrawals, by source (million m³)



Reducing our freshwater consumption

Our business is vitally dependent on freshwater given that it is intrinsic to the paper-making process. Water is used as a transportation medium for our primary raw material (fibre) as it is transformed from used paper to recycled paper. It is also used as a means for transferring energy (as steam), within both paper-making and corrugating.

Our major initiatives to reduce freshwater consumption are focused on making improvements at our paper mills as around 95 per cent of the water that we withdraw is used for paper-making

Water management and reduction in consumption volumes, as well as improvements in water efficiency, are key performance indicators.

These initiatives include:

- Reusing freshwater multiple times**
Changing the configuration of machinery, infrastructure and processes to allow water to enter a different part of the process before being returned to the natural environment.
- Recycling freshwater multiple times**
Changing the configuration of machinery, infrastructure and processes to allow water to cycle multiple times within the same process before being returned to the natural environment.
- Optimising water intensive processes**
By improving the processes that require water so that they are more efficient and less resource intensive, such as making changes to how water spray nozzles are configured, with the potential to reduce energy and water consumption.
- Upgrading water intensive equipment**
By investing in new and improved equipment that is less resource intensive, with the potential to reduce energy as well as water consumption.

These practices help to reduce water withdrawal and consumption, conserving and protecting water.



Valmet to supply new Lucca paper machine

In 2023/24, we announced that Valmet had been chosen to supply our brand-new paper machine at our Lucca paper mill in Italy, expected to commence operation in 2025.

The new machine will meet the demand for sustainable packaging innovation in the region, as well as improve Lucca's environmental performance by reducing specific emissions and water use per tonne of paper produced.

Annually, the paper machine will produce recycled liner grades of approximately 450,000 tonnes.

"We are thrilled to get the deal agreed with our partners at Valmet and are looking forward to the next stage now where we can start to get the physical build up and running."

Stefano Andreotti
Project Manager

Water management continued

By 2025, 100 per cent of our paper mill and packaging sites¹ to have water management plans

We have defined a water management plan as an operational plan for the management of water withdrawal to ensure environmentally sustainable and economically beneficial practices.

To further our commitment to water management in 2023/24, we extended our water management plan, including water stress mitigation planning and water withdrawal reduction initiatives, to all sites, not just those in water-stressed regions.

Our water management plans have been developed throughout 2023/24, and include a survey, and the development of either a water scarcity plan, for packaging sites, or a water management plan, which includes a water scarcity plan, for paper mills. This provides awareness and allows individual and specific ownership of plans at a site level. The survey includes:

- Water usage on site
- Training and awareness-raising
- Water reduction, reuse and recycle opportunities
- Stakeholder mapping and engagement planning
- Proactive performance measurement
- Monitoring of watershed conditions

Sites that withdrew more than 5,000m³ of water in 2022/23 are required to complete a water management plan, covering 99.8 per cent of our water footprint and 57 per cent of our sites in high to extremely high areas of water stress, using the WRI Aqueduct model. In 2024/2025, we will re-evaluate the water withdrawal at our sites and add any new sites that cross into the threshold.

Water scarcity plans

The water scarcity plan is designed to be an appendix to an already existing site Business Continuity Plan (BCP). This allows the packaging site to put an action plan in place in the event the site loses access to water for less than 24 hours, 24 hours to one week, or more than one week. Within the scarcity plans sites have been asked to develop and include the process to follow once their water supply has been resumed. These would include, among other steps, contacting FM Global, their water supplier, the relevant fire department, sanitation, etc.

Water management plans

The water management plans that the paper mills are developing include a water scarcity plan and are more detailed and comprehensive.

As a minimum, the plans are required to cover:

- Location and descriptions of all water sources on site
- Description of potential water loss scenarios and actions to mitigate/potential back up solutions
- Emergency team roles and responsibilities
- Reduction opportunities

Paper mills that already had water mitigation plans are reviewing, updating and re-submitting their plans. The plans are reviewed annually, and actions are created where improvement opportunities are identified.

Adapting to climate change

In the long term, there is a risk that competition for water could increase in the river basins from which we withdraw water. There is a chance that local authorities could impose supply constraints to prioritise domestic supplies over industrial users of water. In our Task Force on Climate-related Financial Disclosures (TCFD) reporting, we have identified that the increased likelihood of water stress is a chronic physical risk arising from climate change.

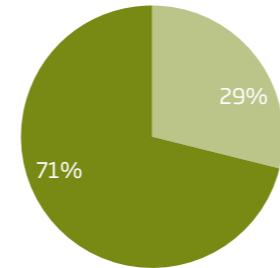
Water stress has the potential to impact specific geographies in the long term and is likely to be more severe in a higher warming scenario (e.g. in a greater than 2°C world compared to pre-industrial era temperature levels). In our climate scenario analysis, we considered the potential primary financial impact of water curtailment event to consider the resilience of our strategies considering different climate scenarios.

We consider our present-day strategies resilient to climate-related risks and opportunities, helped in part by key mitigation actions, including the major initiatives to reduce freshwater consumption outlined on the previous page.

1. Sites in scope include manufacturing sites with >5,000m³ annual water withdrawal, identified at current or future water stress risk with the WRI Aqueduct Tool.

➔ See DS Smith Annual Report 2024, pages 60-77 for our Task Force on Climate-related Financial Disclosures (TCFD) reporting

Water withdrawal in regions at current or future risk of water stress (%)



- Total water withdrawn from regions at current or future risk of water stress
- Total water withdrawn from regions not at current or future risk of water stress



Aschaffenburg water action plan

When challenged with producing a comprehensive, detailed water management plan, employees at Aschaffenburg paper mill, Germany, went above and beyond.

Working across the mill they created a plan that not only detailed alternative options but went a step further to analyse their water consumption, highlight areas of opportunity and create an action plan for 2024/25.



Cambridge water scarcity plan

In 2023/24, our Cambridge packaging plant in USA developed a water scarcity plan as part of our initial pilot.

The purpose of the plan was to provide a management framework and detail alternative options if the site either experiences a shortage or a lack of water supply to minimise business disruptions.

Upon review of the pilot, it was clear that the team had produced a very strong plan, and it was used as the 'gold standard' for the rest of the Packaging division.

This pilot enabled the team to take ownership of water performance, produce an individual water scarcity plan, and share best practice with other packaging plants.

Now & Next

ESG data



We are committed to communicating detailed non-financial performance information to our stakeholders, across a wide range of environmental, social and governance (ESG) metrics.

In this section

- Environmental metrics
 - Social metrics
 - Governance and other metrics
-

Environmental metrics

Group greenhouse gas (GHG) emissions

Metric	Unit of measure	2023/24	2022/23	2019/20 (base year)	Compared to last year	Compared to base year
Direct (Scope 1) GHG emissions	tonnes CO ₂ e	1,340,272*	1,542,250*	2,181,890	-13%	-39%
Indirect (Scope 2 market) GHG emissions	tonnes CO ₂ e	944,921*	833,759*	792,275	13%	19%
Indirect (Scope 2 location) GHG emissions	tonnes CO ₂ e	922,923*	891,267*	875,544	4%	5%
Indirect (Scope 3) GHG emissions	tonnes CO ₂ e	4,700,076	5,015,409	5,671,528	-6%	-17%
Total GHG emissions	tonnes CO ₂ e	6,985,269	7,391,418	8,645,693	-5%	-19%
Gross Scope 1 and 2 (market) GHG emissions	tonnes CO ₂ e	2,285,193*	2,376,009*	2,974,165	-4%	-23%
GHG emissions from energy export	tonnes CO ₂ e	488,604*	529,699*	791,810	-8%	-38%
Net Scope 1 and 2 (market) GHG emissions	tonnes CO ₂ e	1,796,589*	1,846,310*	2,182,355	-3%	-18%
Energy consumption	MWh	14,058,435*	14,407,601*	15,707,667	-2%	-10%
Energy exported	MWh	1,525,376*	1,739,186*	1,977,616	-12%	-23%
Total production	tonnes	9,874,853*	10,164,657*	10,222,065	-3%	-3%
GHG emissions per tonne of production	kg CO ₂ e/t nsp	182*	182*	213	0%	-15%
Out of Scope GHG emissions	tonnes CO ₂ e	1,022,400*	1,018,232*	911,659	0%	12%

Scope 3 greenhouse gas (GHG) emissions

Scope 3 category	Unit of measure	2023/24	2022/23	2021/22	2020/21	2019/20
Category 1: Purchased goods and services	tonnes CO ₂ e	2,233,164	2,341,614	2,477,300	2,480,272	2,562,626
Category 2: Capital goods	tonnes CO ₂ e	141,634	161,217	86,304	90,017	96,891
Category 3: Fuel- and energy-related activities	tonnes CO ₂ e	480,239*	471,063	500,446	494,324	425,243
Category 4: Upstream transportation and distribution	tonnes CO ₂ e	363,900	377,052	425,362	474,224	407,883
Category 5: Waste generated in operations	tonnes CO ₂ e	101,192*	119,671*	218,444	231,287	252,834
Category 6: Business travel	tonnes CO ₂ e	3,102	3,912	1,487	381	4,173
Category 7: Employee commuting	tonnes CO ₂ e	4,903	5,390	6,062	4,880	7,992
Category 8: Upstream leased assets	tonnes CO ₂ e	4,037	4,110	4,558	2,009	4,507
Category 9: Downstream transportation and distribution	tonnes CO ₂ e	104,621	109,260	118,392	112,632	109,381
Category 10: Processing of sold products	tonnes CO ₂ e	581,463*	693,418	725,649	789,587	943,600
Category 12: End of life treatment of sold products	tonnes CO ₂ e	654,726*	693,027	827,855	806,397	780,090
Category 15: Investments	tonnes CO ₂ e	27,095	35,675	76,308	76,308	76,308
Total Indirect (Scope 3) GHG emissions	tonnes CO₂e	4,700,076	5,015,409	5,468,167	5,562,318	5,671,528

Some historic data may not be given owing to limited coverage.

Scope 3 categories 11, 13 and 14 are excluded on the basis of relevance or materiality - see our Basis of Preparation for a complete Scope 3 methodology.

GHG emissions are reported in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (Revised), under a financial control boundary. Department for Business, Energy & Industrial Strategy (BEIS) 2022 emission factors are applied, unless emission factors from other sources are deemed more appropriate. For more information, see our Basis of Preparation, available from our ESG Reporting Hub.

* Independent Assurance has been obtained for metrics marked **, see the statement opposite.
Independent third-party limited assurance of selected information for the 2019/20 base year was provided by Bureau Veritas.
All full assurance statements can be found on our ESG Reporting Hub, at www.dssmith.com/sustainability/reporting-hub.

Energy

Metric	Unit	Renewable sources	Non-renewable sources	Total energy consumed
Consumption of fuel (excluding feedstock)	MWh	2,953,132	6,369,598	9,322,730
Consumption of purchased or acquired electricity	MWh	186,600	2,046,380	2,232,980
Consumption of purchased or acquired steam	MWh	893,976	1,602,660	2,496,636
Consumption of self-generated non-fuel renewable energy	MWh	6,089	0	6,089
Total energy consumption	MWh	4,039,797	10,018,638	14,058,435*

Fuel

Metric	Unit	For self- generation of electricity	For self- generation of heat	For self- generation of steam	For self- cogeneration or trigeneration	Total fuel consumed
Sustainable biomass	MWh	-	-	-	1,416,592	1,416,592
Other renewable fuels	MWh	-	-	-	1,536,540	1,536,540
Coal	MWh	-	34,921	-	-	34,921
Oil	MWh	-	216,690	-	-	216,690
Gas	MWh	-	14,091	1,012,910	5,090,986	6,117,987
Total fuel consumption	MWh	-	265,702	1,012,910	8,044,118	9,322,730

Energy generation

Metric	Unit	Total gross generation	Generation that is consumed by DS Smith	Gross generation from renewable sources	Generation from renewable sources that is consumed by DS Smith
Generation of electricity	MWh	1,556,962	370,906	491,190	118,925
Generation of heat	MWh	14,091	14,091	-	-
Generation of steam	MWh	4,098,013	4,098,013	2,038,579	2,038,579

Renewables

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Energy consumption from a renewable source	Percentage	29*	26	21	17	17
Electricity from a renewable source	Percentage	11*	15	13	12	11

Independent Assurance Statement

Deloitte have provided independent third-party limited assurance in accordance with the International Standard for Assurance Engagements 3000 (ISAE 3000) and Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) issued by the International Auditing and Assurance Standards Board (IAASB) over the selected information, identified with * in the above table, and other selected information relating to carbon, energy, water, waste, production and employee diversity identified with * within the DS Smith Annual Report 2024, DS Smith Sustainability Report 2024, DS Smith Net Zero Transition Plan 2024 and DS Smith ESG Databook 2024.

Deloitte's full unqualified assurance opinions, which include details of the selected information assured in 2023/24, 2022/23 and 2021/22, can be found on our ESG Reporting Hub, at www.dssmith.com/sustainability/reporting-hub.

Environmental metrics continued

Water

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Water withdrawals	m ³	52,477,496*	53,802,571*	54,644,995*	55,237,583	57,451,994
Borehole water	m ³	31,799,921	33,202,877	32,359,020	33,417,463	33,997,180
Municipal water	m ³	2,200,842	2,270,500	2,062,697	1,950,460	2,858,967
Surface water	m ³	18,476,733	18,329,194	20,223,278	19,869,660	20,595,838
Water recirculated for reuse	m ³	111,558	146,383	543,325	473,832	-
Water discharges	m ³	36,737,703*	39,159,644*	41,584,291*	41,560,885	44,543,734
Fresh surface (river)	m ³	16,038,527	16,858,349	17,881,245	17,871,181	19,153,806
Brackish surface (sea)	m ³	18,225,897	19,791,514	19,960,460	19,949,225	21,380,992
Third-party or municipal	m ³	2,473,279	2,509,781	3,742,586	3,740,480	4,008,936
Total water consumption	m ³	15,851,351*	14,789,310*	13,604,030*	14,150,530	12,908,260
Water withdrawals in areas at risk of water stress	Percentage	29*	38	31	36	36

Waste

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Total waste	tonnes	1,385,247*	1,438,424*	1,510,728	1,623,229	1,641,493
Recycled	tonnes	895,810*	912,649*	949,442	1,056,831	1,038,275
Landspread	tonnes	179,901*	176,206*	162,455	184,679	156,123
Incinerated	tonnes	143,696*	144,932*	142,911	123,494	105,168
Landfilled	tonnes	165,840*	204,637*	255,920*	258,225	341,927
Recycling rate ¹	Percentage	65	63	63	65	63
Hazardous waste	tonnes	3,958	3,683	3,424	3,120	3,940

Some historic data may not be given owing to limited coverage.

* Independent Assurance has been obtained for the metrics marked with an asterisk '**' - see the summary assurance statement on page 58.

DS Smith ESG Databook 2024, which is available to download from the ESG Reporting Hub on the DS Smith website, contains additional metrics and our Basis of Preparation, which explains the approach we have taken to prepare and report ESG information. The complete Independent Assurance report can also be found online.

Social metrics

Employees

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Total number of employees	Number	28,978	29,523	29,584	28,864	29,266
Full-time contract	Percentage	92.7	92.4	92.3	92.4	92.4
Part-time contract	Percentage	3.0	3.0	2.3	2.7	2.7
Temporary contract	Percentage	4.3	4.6	5.5	4.9	4.9
Employees joining	Number	4,069	5,658	6,667	4,298	4,537
Employees leaving ¹	Number	4,599	5,034	4,711	3,896	4,435
Resignation/retirement	Percentage	54	58	63	50	57
Employee turnover ¹	Percentage	15.72	16.99	16.09	13.39	14.64
Voluntary	Percentage	8.56	9.83	10.32	6.88	9.03
Length of service > 10 years	Percentage	41.6	42.3	42.6	44.8	45
Employee age < 21 years	Percentage	1	1	1	1	1
Employee age 21-30 years	Percentage	13	14	14	14	14
Employee age 31-40 years	Percentage	24	23	23	22	22
Employee age 41-50 years	Percentage	26	26	26	26	26
Employee age 51-60 years	Percentage	28	28	27	27	27
Employee age > 61 years	Percentage	6	6	5	5	5
Age unrecorded	Percentage	2	2	4	5	5
Employees under collective bargaining agreements	Percentage	85	85	85	85	-

Gender diversity

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Board of Directors	% female	40	37.5	37.5	37.5	33.3
Senior leadership	% female	31.1*	34.5	31.8	32.4	27.9
All employees	% female	23.2*	22.9*	22.5	21.9	21.7
Graduate recruitment	% female	35	50	64	66.7	25

UK gender pay reporting

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Average (mean) gender pay gap	Percentage	-3.8	-2.9	2.2	3.5	4.7
Average (median) gender pay gap	Percentage	-0.2	1.5	6.6	6.2	6.7

Some historic data may not be given owing to limited coverage.

* Independent Assurance has been obtained for the metrics marked with an asterisk '**' - see the summary Assurance Statement on page 58.

1. Excludes employee turnover owed to divestment.
2. Independent third-party limited assurance of selected information for the 2019/20 base year was provided by Bureau Veritas.
3. This figure has been restated (previously disclosed 1.08 in DS Smith Sustainability Report 2023).

Training and career progression

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Average hours of training and development	Hours per FTE	33	32	26	24	-
Promotions (positions filled by internal candidates)	Number	665	696	626	388	427

Health and Safety

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Lost time Accidents (LTAs)	Number	94	103	110	113	138
Employees	Number	80	91	96	101	119
Contractors	Number	14	12	14	12	19
Accident Frequency Rate (AFR)	Number	1.65	1.82	1.93	2.04	2.4
Fatalities	Number	0	0	0	0	0
Total Recordable Injury Rate (TRIR) ³	Number	1.28	1.46	1.42	1.42	1.96
Lost Time Injury (LTI) Severity Rate	Number	0.11	0.12	0.11	0.13	0.13

DS Smith ESG Databook 2024, which is available to download from the ESG Reporting Hub on the DS Smith website, contains additional metrics and our Basis of Preparation, which explains the approach we have taken to prepare and report ESG information. The complete Independent Assurance report can also be found online.

Governance and other metrics

Sedex SMETA (Supplier Members Ethical Trade Audit) non-conformances

Metric	Unit	2023/24 ¹	2022/23	2021/22	2020/21	2019/20	2018/19
Entitlement to work	Number	4	0	2	1	4	3
Environment	Number	4	2	3	3	3	4
Health, safety and hygiene	Number	50	13	15	30	32	48
Management systems	Number	13	2	3	16	4	3
Regular employment and wages	Number	12	4	4	4	8	10
Working hours	Number	16	4	8	3	4	6
Other	Number	12	4	3	1	1	2

Management system certifications

Metric	Unit	2023/24	2022/23	2021/22	2020/21
ISO 9001	% of sites	71	72	74	75
ISO 14001	% of sites	54	55	56	56
ISO 50001	% of sites ²	100	100	100	100
ISO 45001	% of sites	33	33	33	34
FSC®	% of sites ³	100	100	100	100
PEFC	% of sites	2	2	3	2
SFI	% of sites	2	2	2	2

Paper certifications⁴

Metric	Unit	2023/24	2022/23	2021/22	2020/21
FSC® Mix	% of papers	6	6	7	7
FSC® Recycled	% of papers	76	75	73	73
FSC® Controlled Wood	% of papers	18	19	20	20

Responsible sourcing

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Suppliers agreed to our supplier standards	% of suppliers	90	78	78	45	11	2
Strategic suppliers agreed to our GSS ⁵	% of suppliers	100	100	100	100	74	30
Strategic suppliers assessed on sustainability ⁶	Number	100	100	100	100	74	-
Suppliers engaged in improvement plans	Number	31	63	68	46	18	-
Initiated actions to improve performance	Number	99	444	330	389	239	-
Completed actions to improve performance	Number	31	222	167	180	139	-

Normalisation metrics

Metric	Unit	2023/24	2022/23	2021/22	2020/21	2019/20
Total revenue	GBP £ million	6,822	8,221	7,241	5,976	6,043
Total production	tonnes	9,874,853*	10,164,657*	11,014,256*	10,445,145	10,222,065
Total employees	FTEs	28,978	29,523	29,584	28,864	29,266

Some historic data may not be given owing to limited coverage.

* Independent Assurance has been obtained for the metrics marked with an asterisk '**' - see the summary Assurance Statement on page 58.

- In 2023/24, there was a significant increase in the number of Sedex SMETA undertaken on behalf of our customers as part of the ongoing commitment to improve human rights due diligence each year in our supply chains. This is reflected by the increased number of non-conformances identified in 2023/24, for which corrective actions have already been implemented or are underway. See page 39 for more information.
- Scope: Sites accounting for at least 90 per cent of overall Group energy consumption.
- Scope: Packaging, Paper and Paper Sourcing sites that trade or manufacture products derived from timber.
- Scope: Papers purchased through our centralised Paper Sourcing platform.
- Global Supplier Standard (GSS).
- Assessed on sustainability refers to undertaking the EcoVadis sustainability ratings assessment, or via other means. Improvement plans, initiated actions and completed actions refer to those issued within the EcoVadis platform. We define 'strategic suppliers' as companies with whom we have a long-term, mutually cooperative relationship with mutual commitment where significant and ongoing value is accrued to both parties through operational capabilities. In 2023/24, we categorised 110 of our suppliers as strategic.

DS Smith ESG Databook 2024, which is available to download from the ESG Reporting Hub on the DS Smith website, contains additional metrics and our basis of preparation, which explains the approach we have taken to prepare and report ESG information. The complete independent assurance report can also be found online.

Now & Next

Appendices



We are committed to being rigorous in our approach to sustainability, engaging with our stakeholders proactively and designing robust governance over our activities.

This commitment is included in our high standards for responsible and ethical business and sourcing.

In this section

- Double materiality assessment
- Stakeholder engagement
- Governance
- Responsible business
- Compliance
- Global Reporting Initiative (GRI) content index
- SASB Standards Index (Containers & Packaging)
- Glossary

Double materiality assessment

We conduct a regular double materiality assessment to identify sustainability-related risks and opportunities, ensuring that our Now & Next Sustainability Strategy fits with the priorities of our stakeholders, enabling us to develop strategy and leverage our resources in prioritised areas. The assessment is refreshed every two to three years, ensuring that we capture shifts in stakeholder sentiment and needs.

In our most recent assessment, conducted in 2022/23, we adopted a 'double materiality' approach, capturing both 'impact' and 'financial' materiality. This meant that impacts that the business has on people and the environment ('inside-out'), alongside the impacts that people and the environment have on the business ('outside-in'), were evaluated.

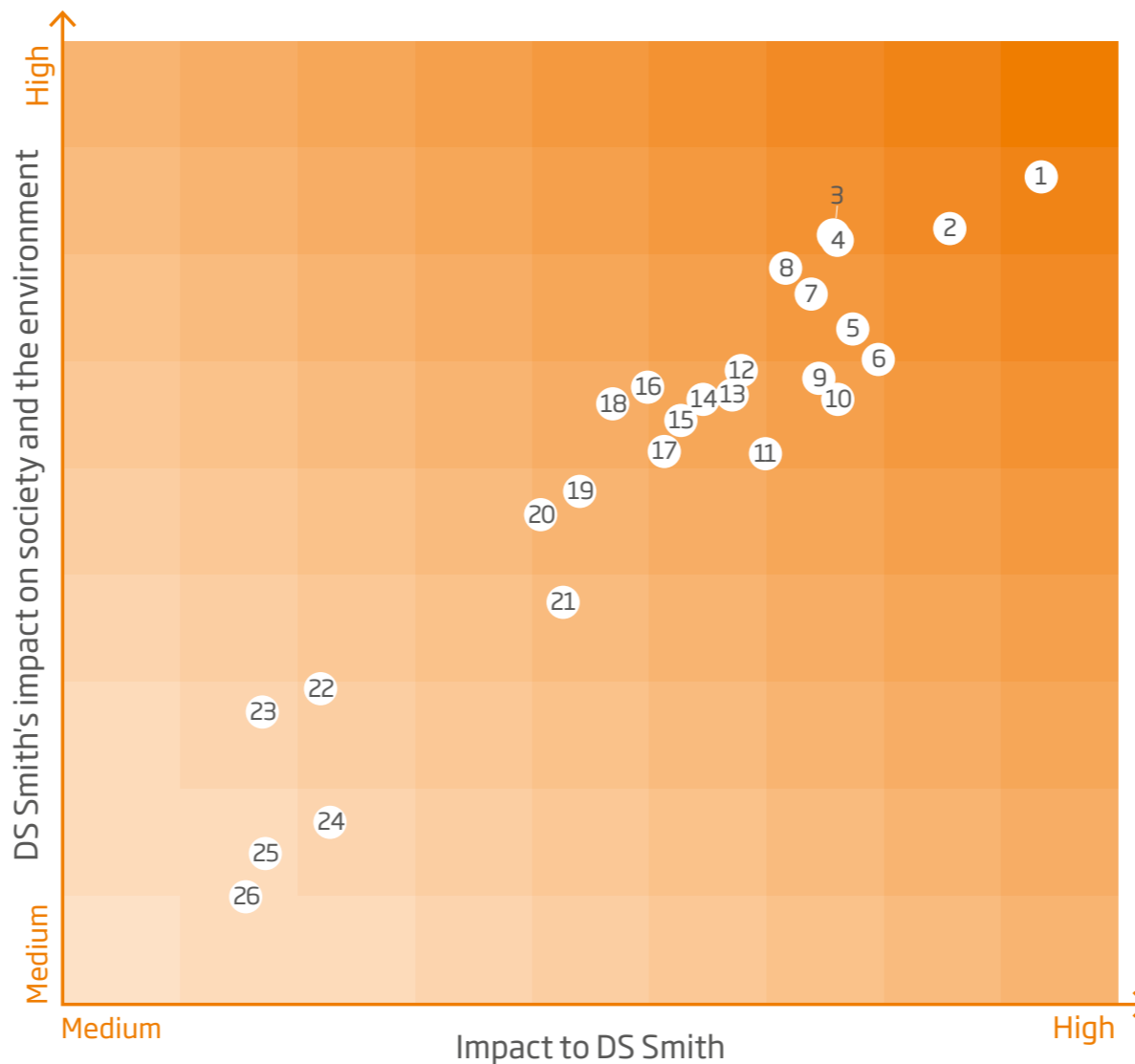
Our materiality assessment includes inputs and parameters such as:

- A topics long-list, informed by a range of sources, covering our entire operations and the value chain
- Quantitative rankings and prioritisation, by importance, determined by surveying:
 - Internal stakeholders (e.g. employees, at a range of seniority levels)
 - External stakeholders (e.g. customers, investors, trade associations)
- Semi-structured interviews, exploring (financial and sustainability) material topics, and:
 - Key (sustainability, climate and wider) risks and opportunities facing DS Smith
 - Expectations for how DS Smith should respond to these
 - Implications for the future strategic direction, prioritisation, and ambition for the Now & Next Sustainability Strategy

Results

The most recent assessment concluded that the circular economy and climate change should remain our top priorities, being of critical importance for both the business and for people and the environment. Biodiversity and the regeneration of nature emerged as nascent topics that had increased in importance, and health and safety, diversity and inclusion and human rights were also identified as important. These findings informed the development of Now & Next and will guide our activities over the coming years.

Materiality matrix



List of sustainable development issues (topics)

1. Climate action
2. Energy use and efficiency
3. Product design for optimal resource use
4. Recyclability
5. Transitioning to a circular economy
6. Biodiversity and regeneration of nature
7. Business ethics, ESG governance and transparency
8. Post consumer waste and recycling infrastructure
9. Responsible sourcing
10. Community engagement and impact
11. Data privacy and security
12. Diversity, equity and inclusion
13. Fair wages and labour
14. Human rights in the value chain
15. Physical and mental wellbeing
16. Product health and safety
17. Public policy and advocacy
18. Sustainable consumer choices
19. Sustainable forest management
20. Waste in operations
21. Water efficiency and quality
22. Water scarcity
23. Education development and upskilling
24. Employee engagement
25. Health and safety
26. Re-use business models

📍 Our materiality and risk management processes in relation to climate-related risks and opportunities are described in greater detail as part of our Task Force on Climate-related Financial Disclosures (TCFD) reporting in DS Smith Annual Report 2024, on pages 70 to 75.

Stakeholder engagement

Dialogue with our stakeholders

We are taking a leading role in our industry to shape the sustainability agenda and lead the transition to the circular economy.

Stakeholder engagement is an essential building block of our Now & Next Sustainability Strategy and wider business activities and engagements.

We maintain ongoing dialogue with a range of stakeholders, listening to them in order to shape our priorities.

→ This includes our [double materiality assessment, which involves consultation with a wide range of stakeholders, explained further on page 63](#)

Over this page and the next, examples of engagement with our stakeholders on sustainability and ESG topics are given.

 [Our wider approach to stakeholder engagement is described on pages 22 and 23 of DS Smith Annual Report 2024](#)

Stakeholder	Who we engage	What they tell us	What we are doing
Customers	We equip our Sales, Marketing and Innovation teams to be able to support our customers with their sustainability challenges	Driven by consumer trends, regulations and their own sustainability targets, customers are increasingly conscious of the sustainability impacts of the packaging they buy	<ul style="list-style-type: none"> • Designing with our Circular Design Principles • Utilising our Circular Design Metrics • Responding to sustainability data requests from customers
Investors	We engage with many of our largest shareholders, as well as some smaller shareholders, on topical issues of particular interest to them	Investors expect to see honest and transparent communication, primarily focused on carbon, forestry and water and the opportunity for DS Smith with sustainability as a growth driver across the packaging industry	<ul style="list-style-type: none"> • Showcasing our latest circular packaging innovations • Improving our performance in ESG ratings • Providing analysts with non-financial information
Employees	We involve colleagues in not only delivering but also making our sustainability plans, drawing on key expertise and skills from across the business both internally and through the European Works Council	Our people want to feel proud of their employer, that their personal values are reflected in their workplace, and they can make a real impact and a difference in their job	<ul style="list-style-type: none"> • Equipping our people to lead the way in the circular economy • Regular employee surveys and 'pulse' surveys which inform local action plans and sharing of best practice • Launching and supporting Employee Resource Groups (ERGs) to open up involvement and encourage action
Suppliers	We focus on engaging our strategic suppliers - those with whom we have a long-term, mutually cooperative relationship with mutual commitment where significant and ongoing value is accrued to both parties through operational capabilities	<p>Suppliers want to know how they can support us in delivering our sustainability plans through the products and services we purchase from them</p> <p>Suppliers want to know our standards and expectations of them, particularly in reducing emissions to reach Net Zero</p> <p>Suppliers are also crucial for supply chain information regarding Scope 3 emissions, EUDR and other regulations</p>	<ul style="list-style-type: none"> • Communicating our minimum supplier standards in our Global Supplier Standard, assessing supplier sustainability performance and helping them to improve • Identifying opportunities to collaborate and work in partnership towards tackling common sustainability challenges • Encouraging our suppliers to set their own science-based targets, utilising platforms such as CDP and the Supplier Leadership on Climate Transition Initiative, as part of our commitment to encourage 100 per cent of our strategic suppliers to set their own science-based target by 2027
Regulators and policy makers	<ul style="list-style-type: none"> • European Commission and Parliament representatives • Country level government representatives, e.g. UK Government, Members of Parliament, ambassadors • Policy advisors and researchers • Local government representatives, e.g. mayors, councillors 	<p>The primary focus of regulators and policy makers has been on:</p> <ul style="list-style-type: none"> • Climate change • Plastic packaging • Waste • Eco-design • EPR (Extended Producer Responsibility) 	<ul style="list-style-type: none"> • Meetings with MPs about our local operations and relevant developments, e.g. energy security and supply, raw materials (such as starch) and external events and the impact on supply chains • Engaging on climate topics, including Net Zero • Responding to a range of government consultations, typically through industry associations

Stakeholder engagement continued

Stakeholder	Who we engage	What they tell us	What we are doing
Media, consultancy and education	<ul style="list-style-type: none"> Key financial, business and consumer affairs journalists including The Daily Telegraph, The Guardian, The Financial Times, The Financial Mail on Sunday, The Times, CNBC, BBC Today Programme We have worked with research organisations such as Opinium to source consumer research and partnered with White Space to create a report into the state of recycling across Europe YouGov UK University of Leeds, UK, and others University of Georgia, USA 	<p>Our interactions with media and consultants have been focused on:</p> <ul style="list-style-type: none"> Trends in recycling The role of fibre-based packaging at key seasonal moments Damages and supply chain optimisation at key seasonal moments Innovations in plastic replacement, and e-commerce <p>Our partnership with the students at the University of Georgia, USA, has provided us invaluable information about the biodiversity existing in our forests and how to manage effectively for it</p>	<p>Our campaigns and research this year focused on:</p> <ul style="list-style-type: none"> Designing out plastics and highlighting the role of innovation in support of sustainable, fibre-based packaging Highlighting the need for consistency of collections and improved recycling infrastructure Collaborating with industry to support the Packaging and Packaging Waste Regulation in its intended goal of reducing unnecessary packaging and packaging waste Educating and supporting on consumer recycling behaviours in peak seasonal moments In the USA, we are engaging with undergraduate and graduate students who have developed projects in our forest lands, focusing on species of interest such as gopher tortoises. In 2023/24, two graduate students have gathered data about pollinators and other key species in our properties, and will continue to work with us in 2024/25
Trade associations and industry bodies	<ul style="list-style-type: none"> FEFCO (European Federation of Corrugated Board Manufacturers) Cepi (Confederation of European Paper Industries) EUROPEN (The European Organisation for Packaging and the Environment) 4evergreen National trade associations, including: <ul style="list-style-type: none"> CPI (The Confederation of Paper Industries) The Packaging Federation WRAP (Waste and Resources Action Programme) BPF (British Plastics Federation) FCCG (Food Contact Coordination Group) 	<p>Driven by government and policy makers, trade associations have been focused on regulatory developments around:</p> <ul style="list-style-type: none"> Plastic Waste Recyclability Eco-design Food contact Carbon Awareness of the benefits of corrugated Implications of the above on product design 	<p>Technical experts across our business were involved in the following:</p> <ul style="list-style-type: none"> 4evergreen, a cross-industry initiative to drive the recycling rate of paper products in Europe to 90 per cent by 2030 Input into legislative processes, e.g. around eco-design for e-commerce packaging Food contact matters
Non-governmental organisations and charities	<ul style="list-style-type: none"> Ellen MacArthur Foundation Forest Stewardship Council NGO partners in various projects Charities near our sites Charities supported by the DS Smith Charitable Foundation IFRS ISSB (International Sustainability Standards Board) 	<ul style="list-style-type: none"> Organisations such as the Ellen MacArthur Foundation tell us what we're doing well and what we could do better in their area of expertise Charities tell us about local needs and how DS Smith can help drive biodiversity and education for the circular economy The ISSB sets standards to guide the disclosure of financially material sustainability information to investors 	<ul style="list-style-type: none"> Continuing our strategic partnership with the Ellen MacArthur Foundation Becoming involved in a variety of local community groups to improve and enhance the communities in which we operate Participating in the Technical Reference Group (TRG) to contribute to the technical development of the new IFRS Sustainability Disclosure Standards

Governance

Board oversight

The Board is responsible for oversight of long-term aspects of the Group's operations, including sustainability matters, when reviewing and guiding strategy, budgets and business plans.

The Board takes into account sustainability-related risks and opportunities when overseeing strategy, major transactions and risk management by evaluating the sustainability-centric vision and strategy of the Group, including considering any trade-offs associated with sustainability matters.

The Board is informed about the results of the sustainability materiality assessment, strategy development, approval and progress. The Remuneration Committee considers sustainability through the use of an ESG underpin, which includes sustainability factors.

The Board of Directors includes the Group Chief Executive and Group Finance Director as Executive Directors, both of whom are members of the four Management Committees that support the work of the Board and its principal Committees.

Management roles and responsibilities

Sustainability-related matters are discussed every month at the Group Health, Safety, Environment and Sustainability Committee and every two months at the Group Strategy Committee, both of which are chaired by the Group Chief Executive.

Other Committees, such as the Group Compliance Committee, maintain oversight of sustainability-related risks and opportunities to the extent which they relate to material compliance matters.

Four Steering Committees, aligned to the Now & Next Sustainability Strategy, are responsible for maintaining a portfolio of projects to coordinate delivery and resources and propose solutions to critical trade-offs.

Thematic working groups, which include subject matter experts, provide input, interfacing with internal functions, such as Sales, Marketing and Innovation (SMI), Procurement, Finance and Legal.

Governance includes formalised terms of reference, clear objectives and regular reporting, at least quarterly, to the Group Health, Safety, Environment and Sustainability Committee.

Topics discussed during 2023/24

- Circular economy, including recyclability and biodiversity
- Now & Next progress, including monthly GHG forecasts
- Roadmaps to deliver the 1.5°C science-based target
- Supplier engagement for Scope 3 emissions reduction
- Government affairs and the policy environment
- Community affairs programme
- ESG ratings performance



This governance structure is described in greater detail in the context of climate change on pages 60-77 of DS Smith Annual Report 2024, as part of our IFRS S2 Climate-related disclosures and Task Force on Climate-related Financial Disclosures (TCFD) reporting.



Responsible business

Chemical safety

We ensure that any chemicals or hazardous substances used in our manufacturing processes are deployed in a manner that minimises risk to people and the environment. Where possible, we are selective in our use of materials, chemicals and substances that may be of human health and/or environmental concern and we substitute or eliminate Substances of Very High Concern (SVHCs) from our manufacturing processes.

We ensure compliance with Regulation EC 1907/2006 on the Registration, Evaluation, Authorisation and Restriction of Chemicals as amended ('REACH Regulation') for all personnel involved in the procurement, storage, handling and use of chemicals.

This involves monitoring the candidate list of SVHCs to ensure that additions to the list are evaluated with respect to our products. If substances appear on this list, they are identified, and relevant stakeholders are notified where appropriate.

We monitor where and in what quantity SVHCs are present, their purpose, whether they are part of the Company's product formulation, and whether they can be substituted or eliminated. Where possible, efforts are made to substitute or eliminate SVHCs.

Customer and product safety

We have a duty to ensure that all our products achieve legal compliance. Within the corrugated packaging industry, the most significant product safety impact is in food packaging. This is of upmost importance to us, with FMCG, including food, comprising the majority of our customer base.

We have policies and procedures in place, and provide training to our people, to seek to ensure compliance with applicable product safety laws and standards. We work together with our suppliers to select safe additives and raw materials for our paper mills and packaging sites. We apply Good Manufacturing Practice (GMP) principles in our manufacturing and conduct regular testing of paper purity as part of our compliance schemes. [In the Packaging division, our procedures require food contact products to be risk assessed before production. We would not knowingly produce a product that causes harm to human health.

In 2023/24, we had zero (2022/23: zero product safety-related recalls.



Code of Conduct

Our Code of Conduct describes expectations that apply to all our employees, providing guidance on our approach to ethical business practices, human and labour rights and the environment.

It is made available to employees as part of their induction and has been translated into multiple languages. It is linked to our core values: to be caring, challenging, trusted, responsive and tenacious.

All employees are encouraged to report any suspected misconduct, non-compliance or unethical behaviour.

Code of Conduct summary

Health and safety

Health and safety is our top priority and we actively strive for continuous improvement of health and safety in the workplace.

Business practice

All current and potential business partners must be treated fairly and equitably. Employees must act with honesty and integrity in every interaction and comply with all applicable laws.

Employees must also always comply with our legal compliance policies, including our Anti-Bribery and Anti-Corruption Policy, our Competition Law Compliance Policy, our Conflicts of Interest Policy and our Document Retention and Personal Data Protection Policies.

Human rights

We respect fundamental human rights, and we are committed to the principles set out in the United Nations Universal Declaration of Human Rights. Turn to page 38 for our complete commitment to fundamental human rights standards.

Environment

We are committed to running our business in a responsible and sustainable manner.

Prevention of tax evasion

We apply a zero-tolerance policy on tax evasion and are committed to preventing the criminal facilitation of tax evasion. We expect anyone performing services for or on our behalf to share our commitment to preventing tax evasion and its facilitation and to ensure this commitment is adopted throughout the provider's supply chain.

Employee relations

We are an equal opportunities employer. We are firmly committed to both the principle and realisation of equal opportunities and our policies are designed to provide such equality.

Personal development

We aim to develop our employees to fulfil their potential. We promote the alignment of the Group's talent behind the corporate strategy through communication, engagement and effective management.

Working transparently

We are committed to conducting all of our affairs with openness and transparency, subject to legal and regulatory restrictions and commercial confidentiality.

Community relations

We seek to develop and maintain good relationships in the local communities in which we operate.

Responsible business continued

Business ethics

We comply with high, responsible and ethical business standards.

Anti-bribery and anti-corruption

We do not tolerate any form of corruption and we are committed to complying with applicable anti-bribery and anti-corruption laws in all countries in which we conduct business.

All employees are required to report any circumstances that are in breach of our Anti-Bribery and Anti-Corruption Policy.

Online Anti-Bribery and Anti-Corruption training is mandatory for targeted audiences and is supplemented by live training provided by our Legal Team. Our Anti-Bribery and Anti-Corruption Policy is supplemented by our Conflicts of Interest, Commercial Agents and Gifts & Hospitality Policies.

Anti-competitive behaviour

As an international business, DS Smith encounters laws and regulations designed to promote fair competition and encourage ethical and legal behaviour.

Antitrust and fair competition legislation generally prohibits activities that restrain free trade or limit competition.

Prohibited activities include collusion with competitors to fix prices, share markets or allocate customers, and sharing of commercially sensitive information such as pricing and strategy with competitors.

DS Smith is committed to an even playing field in its business dealings and is committed to conducting its business in full compliance with such legislation.

All employees are required to comply with our Competition Law Compliance Policy and to report any suspected breaches. Online competition law compliance training is mandatory for targeted audiences and is supplemented by training from our Legal Team.

Gifts and hospitality

We recognise that the act of giving and accepting gifts can be part of building normal business relationships. Some gifts and hospitality can create improper influence and conflicts of interest. Employees are required to report any circumstances which are in breach of our Gifts and Hospitality Policy.

Political donations

No political donations were made in 2023/24 (2022/23: nil).

DS Smith has a policy of not making donations to political organisations or independent election candidates or incurring political expenditure anywhere in the world, as defined in the Political Parties, Elections and Referendums Act 2000.

'Speak Up!'

Our 'Speak Up!' Policy is communicated to employees using a variety of formats, such as employee handbooks, our intranet and on notice boards. It encourages employees to ask for advice or raise their concerns internally about unethical behaviour. It also explains the various internal channels available to our staff: reporting via line manager or local HR, internal email address direct to the Company Secretary, 'Speak Up!' telephone number or website, or reporting via a local representative of the employee.

'Speak Up!' is available not only to employees, but a range of other third parties. It is supported by an independent, 24/7 telephone number and a website that is available in local languages.

Confidentiality is maintained throughout the whole process and reasonable steps are taken to ensure that the reporter is not subjected to any retaliation from raising the report.

In 2023/24, 42 (2022/23: 33) reports were received, investigated and resolved through our 'Speak Up!' process.

In 2022/23, we launched 'Doing Business the Right Way', an internal communications campaign which included videos from our senior leaders that highlight the importance of conducting business ethically. This campaign continued into 2023/24, reaffirming our commitment to ethical business practices. These communications include a reminder of the 'Speak Up!' Policy and the processes to take for colleagues who suspect a breach of any of our policies.

'Speak Up!' reports received, investigated and resolved

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
'Speak Up!' reports received, investigated and resolved	42	33	50	25	33	38
Reports relating to alleged HR incidents	36	28	45	19	29	32
Reports relating to alleged H&S incidents	3	2	3	5	3	4
Reports relating to alleged fraud, bribery, corruption or other incidents	3	3	2	1	1	2

Tax Strategy

We aim to manage our tax affairs in a proactive and responsible way. Our Group Tax Strategy outlines the approach we adopt to manage the tax obligations and activities of the Group.

Information and policies

- [Anti-Bribery and Anti-Corruption Policy](#)
- [Code of Conduct](#)
- [Equal Opportunities and Anti-Discrimination Policy](#)
- [Human Rights Policy](#)
- [Anti-Slavery and Human Trafficking Policy](#)
- [Modern Slavery and Human Trafficking Statement](#)
- ['Speak Up!' Policy](#)
- [Group Tax Policy](#)

Compliance

Our culture of compliance

Our people actively contribute to realising our Purpose of Redefining Packaging for a Changing World, collectively progressing our vision of being the leading supplier of sustainable packaging solutions.

In doing so, sustainability is placed at the heart of our business, uniting our functions, divisions, sites and teams across the world.

By nurturing respect, care and ownership, empowerment to lead change and a sense of pride in our strong performance, we have created a culture where everybody can contribute diverse ideas that often become shared practices for how we do business.

Compliance with applicable legislation is fundamental to our way of doing business. It is a licence to operate and a condition of trading.

Building trust in our stakeholders and protecting our reputation are crucial, as they lead to repeat business and sustainable financial growth.

Compliance monitoring and training

Compliance is monitored by our Legal Team, Governance Team and Internal Audit. Our Legal Team provides targeted in-person and mandatory online legal compliance training to relevant audiences. Audiences are selected on a risk-based approach depending on their job profile and function, as well as targeting customer and supplier-facing employees.

Alignment with international frameworks

The United Nations Sustainable Development Goals (SDGs) set a clear agenda for tackling the challenges of our changing world. Throughout this report we have set out in detail how our Purpose, circular business, Now & Next Sustainability Strategy and sustainable packaging contribute to these goals.

Alignment and cooperation internationally are essential to achieving our Purpose and we align with the following international standards:

- United Nations Declaration of Human Rights and the Convention on the Rights of the Child
- International Labour Organization Eight Fundamental Conventions
- Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises
- United Nations Global Compact
- United Nations Sustainable Development Goals (SDGs).

Following the United Nations Principle 15 of The Rio Declaration on Environment and Development, we apply the precautionary principle to reduce our impact on the environment. This is also applied in our assessment of risk and our approach to data and reporting.

Environmental incidents

In 2023/24, there were 42 (2022/23: 39) minor environmental incidents. There were zero major incidents (defined as incidents of significant impact reportable to local or national authorities, or potentially resulting in legal prosecution and more than £10,000 cost) during the reporting period.

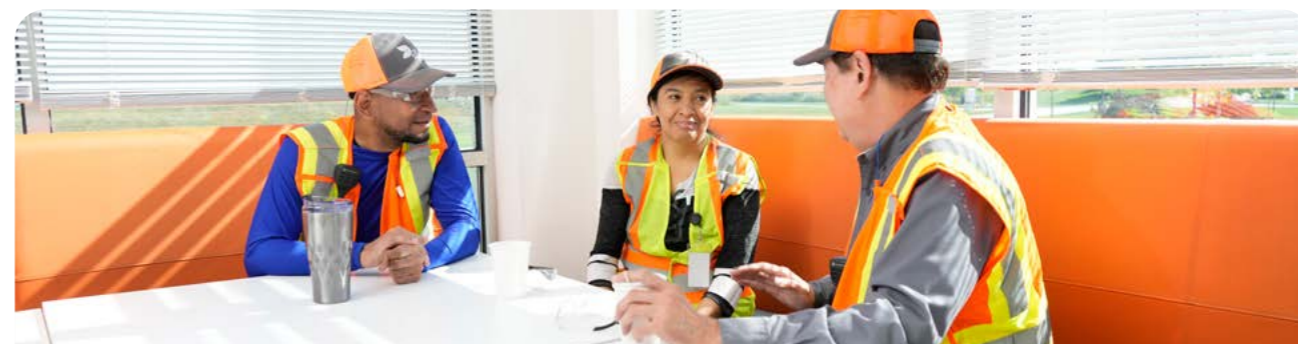
Water non-conformances

We continue to monitor and take action to mitigate issues of non-conformance with water discharge consents. In 2023/24, 3 notifications of non-conformance with consents to discharge were received (2022/23: 24).

A Group minimum standard for effluent management was introduced, setting out standards to ensure compliant operation of waste water treatment plants.

This includes effective compliance monitoring of volumes, flow rates, discharge contents and proactive maintenance and calibration of equipment.

A significant challenge continues relating to inks containing high levels of copper. Some progress has been made in gaining customer acceptance for alternative 'copper-light' inks, which reduce the demand on waste water treatment plants.



Policies

Policies are an essential part of any organisation, providing a roadmap for day-to-day operations and to ensure compliance with laws and regulations, guiding decision-making and streamlining internal processes.

All of our policies are made available to employees and other stakeholders of DS Smith and are regularly communicated, with mandatory training requirements in many cases. Our policies are regularly reviewed and we remain committed to regular and open dialogue and raising awareness of our policies with our stakeholders.

Environmental

- Carbon and Energy Efficiency Policy
- Conflict Minerals Policy
- Energy Management System Policy
- Evaluation and Authorisation of Chemicals (REACH) Policy
- Palm Oil Policy
- Sustainable Forest Management and Fibre
- Sourcing Policy
- Water Stewardship Policy
- Zero Waste to Landfill Policy

Social

- Code of Conduct
- Community Engagement Policy
- Employee Charter
- Global Supplier Standard (GSS)
- Health and Safety Policy Statement
- Human Rights Policy
- Supplier Management Policy

Governance

- Anti-Bribery and Anti-Corruption Policy
- Anti-Slavery and Human Trafficking Policy (Modern Slavery)

- Code of Conduct
- Commercial Agents Policy
- Competition Law Compliance Policy
- Compliance Framework Policy - ABC & Antitrust
- Confidential Information Policy
- Conflicts of Interest Policy
- Corporate Criminal Offences (Tax Evasion) Compliance Framework Policy
- Document Retention Policy
- Gifts and Hospitality Policy
- Legal Policy
- Personal Data Protection Policy
- Sanctions Policy
- Speak Up! Policy
- Sustainability Data and Reporting Policy

Information and policies

[Our public policies can be downloaded from the DS Smith ESG Reporting Hub](#)

Global Reporting Initiative (GRI) content index

The relevant pillars of our Now & Next Sustainability Strategy that correspond to each GRI Standard are stated in the 'Theme' column in the table. In the 'Ref' column, 'SR' refers to this DS Smith Sustainability Report 2024, 'AR' to DS Smith Annual Report 2024, 'NZ' DS Smith Net Zero Transition Plan 2024, and 'DB' DS Smith ESG Databook 2024, which can be obtained from the ESG Reporting Hub on the DS Smith website.

Statement of use	Theme	GRI	SDG targets	Ref
DS Smith has reported the information cited in this GRI content index for the period May 2022 - April 2023 with reference to the GRI Standards.				
GRI 1 used	GRI 1: Foundation 2021			
	GRI 2: General Disclosures 2021			
	2-1 Organizational details			SR 2, 76 AR 124, 207
	2-2 Entities included in the organization's sustainability reporting			AR 45-46, 201-205
	2-3 Reporting period, frequency and contact point			SR 2, 76
	2-4 Restatements of information			SR 2
	2-5 External assurance			SR 58
	2-6 Activities, value chain and other business relationships			SR 2, 6-9 AR 2-3, 24-29
	2-7 Employees			SR 32-41, 60 AR 3, 26-29
	2-9 Governance structure and composition			SR 66
	2-22 Statement on sustainable development strategy			SR 5
	2-23 Policy commitments			SR 2, 69
	2-24 Embedding policy commitments			SR 67-69
	2-26 Mechanisms for seeking advice and raising concerns			SR 68
	2-27 Compliance with laws and regulations			SR 69
	2-28 Membership associations			SR 64-65
	2-29 Approach to stakeholder engagement			SR 63-65
	2-30 Collective bargaining agreements			SR 68
	GRI 3: Material Topics 2021			
		3-1 Process to determine material topics		SR 2, 63
		3-2 List of material topics		SR 63
		3-3 Management of material topics		SR 2, 12-13, 63, 66, 69
	Annual Report	GRI 201: Economic Performance 2016	16.3	AR 38-42
	DS Smith at a glance	GRI 202: Market Presence 2016		AR 2, 24-24
	Responsible sourcing	GRI 204: Procurement Practices 2016		SR 7-9, 61
	Responsible business	GRI 205: Anti-corruption 2016		SR 68
	Responsible business	GRI 206: Anti-competitive Behavior 2016		SR 68
	Circularity	GRI 301: Materials 2016	8, 4, 12.2, 12.5	SR 14-21
	Carbon	GRI 302: Energy 2016	7.2-3, 8.4, 12.2	SR 22-26, 58
	Nature	GRI 303: Water and Effluents 2018	6.3-4, 12.4	SR 54-56, 59
	Nature	GRI 304: Biodiversity 2016	15.1, 15.5	SR 50-53
	Carbon	GRI 305: Emissions 2016	3.9, 12.4, 13.1	SR 22-26, 58 NZ 26-28, 33-34
	Circularity	GRI 306: Waste 2020	12.4, 12.5	SR 18, 59
	Responsible sourcing	GRI 308: Supplier Environmental Assessment 2016	12, 15	SR 8-9, 61 NZ 9, 12, 17, 20-24
	People & Communities	GRI 401: Employment 2016	5.4, 8.5-6, 10.3	SR 28-37, 60
	People & Communities	GRI 402: Labor/Management Relations 2016	8.8	SR 28-37, 60
	People & Communities	GRI 403: Occupational Health and Safety 2018	3.3, 8.8	SR 28-31
	People & Communities	GRI 404: Training and Education 2016	4.3-5, 8.2, 8.5	SR 34-37
	People & Communities	GRI 405: Diversity and Equal Opportunity 2016	5.5, 8.5, 10.3	SR 32-34
	People & Communities	GRI 406: Non-discrimination 2016	5.1, 8.8	SR 32-34, 39
	People & Communities	GRI 407: Freedom of Association and Collective Bargaining 2016	8.8	SR 67
	People & Communities	GRI 408: Child Labor 2016	8.7	SR 39
	People & Communities	GRI 409: Forced or Compulsory Labor 2016	8.7	SR 39
	People & Communities	GRI 411: Rights of Indigenous Peoples 2016	2.3	SR 39
	People & Communities	GRI 413: Local Communities 2016	2.2-3	SR 40-48
	Responsible sourcing	GRI 414: Supplier Social Assessment 2016	5.2, 8.8, 16.1	SR 8, 61
	Stakeholder engagement	GRI 415: Public Policy 2016	16.5	SR 8-9, 64-65
	Responsible business	GRI 416: Customer Health and Safety 2016	16.3	SR 67

SASB Standards Index (Containers & Packaging)

This table contains Sustainability Accounting Standards Board (SASB) Containers & Packaging industry standard disclosures. The standard provides investors and other report users with consistent, comparable and reliable ESG information. Disclosures can be located directly in the table, with associated information on the pages referenced. SR' refers to this DS Smith Sustainability Report 2024, 'AR' to DS Smith Annual Report 2024, 'NZ' DS Smith Net Zero Transition Plan 2024, and 'DB' DS Smith ESG Databook 2024, which can be obtained from the ESG Reporting Hub on the DS Smith website.

Topic	Accounting metric	Unit	Code	Disclosure	Ref
Greenhouse gas emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	tonnes CO ₂ e; %	RT-CP-110a.1	1,340,272*; 70*	SR 58
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and analysis	RT-CP-110a.2	Narrative	NZ 12-19
Air quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM)	Tonnes	RT-CP-120a.1	4,170; 248; 0; 0	
Energy management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	MWh; %	RT-CP-130a.1	14,058,435*; 12; 28*; 5,669,066	DB 7
Water management	1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	m ³ ; %	RT-CP-140a.1	52,477,496*; 15,851,351*; 29*	DB 8-9
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis	RT-CP-140a.2	Narrative	AR 70-71
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	RT-CP-140a.3	3	SR 69
Waste management	Amount of hazardous waste generated; percentage recycled	Tonnes; %	RT-CP-150a.1	3,958; 65	DB 10
Product safety	Number of recalls issued; total units recalled	Number	RT-CP-250a.1	0; 0	SR 67
	Discussion of process to identify and manage emerging materials and chemicals of concern	Discussion and analysis	RT-CP-250a.2	Narrative	SR 67
Product lifecycle management	Percentage of raw materials from: (1) recycled content, (2) renewable resources, and (3) renewable and recycled content	%	RT-CP-410a.1	82; 100; 100	
	Revenue from products that are reusable, recyclable and/or compostable	£ '000000	RT-CP-410a.2	6,797	SR 6
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and analysis	RT-CP-410a.3	Narrative	SR 14-21

Topic	Accounting metric	Unit	Code	Disclosure	Ref
Supply chain management	Total wood fibre procured, percentage from certified sources	Tonnes; %	RT-CP-430a.1	4,545,648; 100	SR 58-59
	Total aluminium purchased, percentage from certified sources ¹	Tonnes; %	RT-CP-430a.2	Not applicable	

1. We consider this indicator immaterial as we are a purely fibre-based packaging business.

Responding to the evolving ESG reporting landscape

We continue to monitor the evolving ESG reporting landscape, which has continued to mature over the past year. We are preparing new disclosures and developing our existing disclosures to meet the needs of our stakeholders and regulatory requirements.

Corporate Sustainability Reporting Directive (CSRD)

The EU's CSRD requires companies to disclose information about the risks and opportunities arising from social and environmental issues and the impact of business activities on people and the environment. These disclosures aim to help investors, civil society, consumers and other stakeholders to evaluate the sustainability performance of companies, as part of the European Green Deal. We have begun preparation to report against material European Sustainability Reporting Standards (ESRS), informed by our double materiality assessment and Now & Next Sustainability Strategy.

International Sustainability Standards Board (ISSB)

The IFRS Foundation, through the ISSB, is developing standards that aim to result in a high-quality, comprehensive global baseline of sustainability disclosures focused on investor needs. We have prepared DS Smith Annual Report 2024, pages 30-37 with reference to IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' and DS Smith Annual Report 2024, pages 60-77 with reference to IFRS S2 Climate-related Disclosures. These are consistent with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, with some additions. We continue to monitor the development and release of future IFRS sustainability disclosure standards.

UK Transition Plan Taskforce (UK TPT)

The UK TPT has published the Transition Plan Taskforce Disclosure Framework, which aims to provide a set of recommendations for effective reporting on climate transition plans. We have prepared our inaugural DS Smith Net Zero Transition Plan with reference to the TPT disclosure recommendations and guidance. A short summary of our transition plan is presented within the 'strategy' section of our climate-related disclosures, on DS Smith Annual Report 2024, pages 64-68.

Taskforce on Nature-related Financial Disclosures (TNFD)

The TNFD consists of disclosure recommendations that aim to encourage and enable businesses to assess, report and act on their nature-related dependencies, impacts, risks and opportunities. As part of our commitment to assess our impacts and dependencies on nature for 2025, we have begun to assess the interfaces our operations and value chain have with nature, in alignment with the TNFD 'LEAP' (Locate, Evaluate, Assess and Prepare) approach. We plan to report against TNFD in DS Smith Annual Report 2025.

Alongside these developments, we maintain our GRI-aligned Sustainability Report, SASB (Sustainability Accounting Standards Board) standard disclosures and ESG ratings submissions.

Glossary

1.5°C-aligned	the target set out in the Paris Agreement to limit global warming to 1.5°C by 2100 compared to pre-industrial levels to avoid the worst impacts of climate change	Biodiversity project	a one-off project with a start and end point relating to biodiversity, typically at a DS Smith site or in the local community	CHP (Combined Heat and Power Plant)	the concurrent production of electrical and thermal energy from a single fuel	Circular lifestyles	day-to-day activities that embrace the principles of designing out waste and pollution, keeping products and materials in use and regenerating natural systems
4evergreen	a cross-industry alliance to foster synergies among companies promoting low-carbon and circular fibre-based packaging	Board	the Board of DS Smith PLC is comprised of Executive and Non-Executive Directors, who are collectively responsible for overseeing and directing our operations, while monitoring the performance of management on behalf of the shareholders	Circular business	integrated operations designed to generate value by reducing waste and pollution and keeping products and materials in use at their highest value	Climate change	a change in global or regional climate patterns, in particular, a change apparent from the mid to late 20 th century onwards and attributed largely to the increased levels of atmospheric carbon dioxide produced by the use of fossil fuels
AFR (Accident Frequency Rate)	the number of lost time accidents per million hours worked	Business models	ways of working, processes and financial models, including technology, consultancy and service offerings	Circular Design Metrics	a pioneering tool from DS Smith that rates and compares the circularity of packaging designs across eight indicators, giving a clear indication of a packaging design's sustainability performance, and where to focus attention	CO₂e (carbon dioxide equivalent)	a unit for measuring different greenhouse gases in a common unit
Annual Report	a yearly publication to stakeholders, documenting activities and finances in the previous financial year	Business travel	transportation of employees for business-related activities in vehicles	Circular Design Principles	a set of principles, developed by DS Smith in collaboration with the Ellen MacArthur Foundation, which guide designers to develop more circular packaging solutions	Community Programme	the voluntary donation of Company resources, employee hours and/or goods and services to support local community or charitable projects
Biodiversity	the variability among living organisms from all sources, including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems	Carbon intensity per tonne of production	the average GHG emissions arising from the manufacture of producing an average tonne of product	Circular economy	a systems solution framework that tackles global challenges like climate change, biodiversity loss, waste and pollution. It is based on three principles, driven by design: eliminate waste and pollution; keep products and materials in use; and regenerate natural systems	Consent to discharge	permits made available to allow effluents and other water to leave the organisation boundary
Biodiversity assessment	the identification of diversity in habitats and species (biodiversity) in a certain area at a certain point of time, often used to inform management solutions going forward	CDP (Carbon Disclosure Project)	a not-for-profit charity that runs a global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts	Circular economy engagement	two-way interaction on topics relating to the circular economy through activities such as e-learning training, newsletters, social media, webinars and other campaigns	CPI (Confederation of Paper Industries)	the leading trade association representing the UK's paper-based industries
Biodiversity programme	a series of activities to support biodiversity and indicating a long-term (typically 2-3 years) commitment of a DS Smith paper mill, either at a DS Smith site or in the local community	Cepi (Confederation of European Paper Industries)	the European association representing the paper industry			DJSI (see also S&P Global)	The Dow Jones Sustainability Indices (DJSI) are a family of best-in-class benchmarks for investors who have recognised that sustainable business practices are critical to generating long-term shareholder value and who wish to reflect their sustainability convictions in their investment portfolios
		Chain of custody certified papers, minimum controlled wood standard	verification that certified materials and products have been checked at every stage of processing. Controlled wood is wood of known origin with a minimum risk of being harvested in an unacceptable way				

Glossary continued

Downstream transportation and distribution	third-party transportation and distribution services after the point of sale not purchased by DS Smith	ESG Databook	a yearly publication to stakeholders, documenting non-financial performance in the previous and historic financial years	GHG (greenhouse gas)	a gas that contributes to climate change by absorbing infrared radiation	IPCC (Intergovernmental Panel on Climate Change)	the United Nations body for assessing the science related to climate change
DS Smith Charitable Foundation	a charity supporting causes in the local communities of our operations and that align with the primary objectives of protecting our environment and providing educational opportunities	ESG Rating	a measurement of performance on ESG standards	GOC (Group Operating Committee)	the Group Chief Executive's management board for considering Group-wide initiatives and priorities	ISO (International Standards Organisation)	an international standard development organisation that publishes standards, e.g. ISO 9001, 14001, 45001, 50001. For our Group-wide ISO 50001:2018 certification, we include sites accounting for at least 90 per cent of overall Group energy consumption
EcoVadis	the world's largest and most trusted provider of business sustainability ratings, creating a global network of more than 90,000 rated companies	EUDR (EU Deforestation Regulation)	a new EU Regulation aiming to minimise the EU's contribution to deforestation and forest degradation worldwide (supporting reduction of GHG emissions and biodiversity loss)	Greenhouse Gas Protocol	a comprehensive framework to measure greenhouse gas (GHG) emissions	Linear economy	an economy in which finite resources are extracted to make products that are used, generally not to their full potential, and then thrown away
Ellen MacArthur Foundation	the Ellen MacArthur Foundation works to accelerate the transition to a circular economy, developing and promoting the idea of a circular economy, and working with business, academia, policymakers and institutions to mobilise systems solutions at scale, globally	FEFCO	European Federation of Corrugated Board Manufacturers, Europe's corrugated packaging association	GRI (Global Reporting Initiative)	an international independent standards organisation that helps businesses, governments and other organisations understand and communicate their impacts on issues such as climate change, human rights and corruption	LTA (Lost Time Accident)	an accident resulting in lost time of one shift or more
Employee commuting	transportation of employees between their homes and work sites	Fibre	natural cellulose material used to make paper	GSS (Global Supplier Standard)	a document that communicates the minimum standards that every supplier of materials and/or services to DS Smith is expected to meet	LTI (Lost Time Injury)	an injury resulting in lost time of one shift or more
End-of-life treatment of sold products	the expected waste disposal and treatment of sold products at the end of their life	Fibre optimisation	a process in which supply chain data is used to predict and calculate the exact performance and fibre requirements of packaging	Hard-to-recycle packaging	packaging that is not presently recycled at scale in common waste streams	Major environmental incident	an environmental incident of significant impact reportable to local or national authorities, or potentially resulting in legal prosecution and >£10,000 cost
Energy export	process of flowing energy that leaves our organisation boundary to a third party	Forest management certification	a mechanism for verifying that a forest is managed responsibly to the requirements of a standard to promote the sustainable management of forests	HSES (Health, Safety, Environment and Sustainability) Committee	a sub-committee of the GOC for considering Group-wide health, safety, environment and sustainability matters	MSCI (Morgan Stanley Capital International)	a global investment research firm with an ESG rating model to identify ESG risks that are most material to a sector and recognise companies managing most significant ESG risks and opportunities relative to industry peers
Energy generation	process of producing energy from a primary fuel or energy source	Fossil fuel	a non-renewable energy source formed from decomposition of carbon-based organisms that release carbon dioxide when burned, contributing to climate change	Human rights	basic rights and freedoms that belong to every person in the world, from birth until death. They apply regardless of where you are from, what you believe or how you choose to live your life.		
Environmental incident	an event or occurrence relating to the natural world	FSC® (Forest Stewardship Council®)	an international non-profit that promotes responsible management of the world's forests. For our FSC certification, we include Packaging, Paper and Paper Sourcing sites that trade or manufacture products derived from timber	Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)	an independent intergovernmental body established by States to strengthen the science-policy interface for biodiversity and ecosystem services for the conservation and sustainable use of biodiversity, long-term human well-being and sustainable development		
EPR (Extended Producer Responsibility)	a policy approach under which producers are given a significant responsibility for the treatment or disposal of post-consumer products	Fuel- and energy-related activities	production of fuels and energy purchased				
ESG (Environmental, Social, Governance)	standards relating to sustainability for an organisation's operations						

Glossary continued

Net Zero	the state of reaching a balance between the amount of greenhouse gas produced and taken out of the atmosphere resulting in no net impact on the climate from greenhouse gas emissions intended to limit global temperature rise	PEFC (Programme for the Endorsement of Forest Certification)	an international NGO which promotes sustainable forest management through independent third-party certification	Purchased goods and services	upstream activities (i.e. cradle-to-gate) relating to the production of all tangible and intangible products purchased or acquired	Reuse pilot	a project in a real-world environment with a customer and partner(s) to test reusable packaging innovations and business models as appropriate. DS Smith's innovation stage gate process is used to evaluate the success of the pilot and potential to progress and scale
Net Zero Transition Plan	a time-bound roadmap of decarbonisation activities to reach Net Zero, with defined targets and actions	Post-consumer waste	recovered fibre originated from end-consumer material streams, such as household waste or in back-of-store collections	Raw materials	basic materials used to manufacture a product, such as pulp or starch	S&P Global	see 'DJSI'
NGO (non-governmental organisation)	a not-for-profit organisation that operates independently of any government	Pre-consumer waste	recovered fibre originated from manufacturing scrap material streams, such as trimmings and off-cuts	Recovered fibre	used fibrous material that is collected for recycling and used again as a raw material for papermaking	SBT (science-based target), SBTi (Science Based Targets initiative)	measurable, actionable, and time-bound objectives, based on the best available science, that allow actors to align with Earth's limits and societal sustainability goals
Optimise (packaging solutions)	predicting the most effective performance requirement of a packaging solution using supply chain data	Plastics replaced, avoided or reduced	any plastic with a low recycling rate compared to paper and cardboard or not made from renewable resources that has been replaced, avoided or reduced with a fibre-based alternative	Recyclable	a material that can be collected, separated or recovered from the waste stream through an established programme; whereby ≥95 per cent of the total packaging weight is accepted by and processed in paper mills as per CPI recyclability guidelines	SBTN (Science Based Targets Network)	the SBTN builds upon the work of the Science Based Targets initiative (SBTi) to deliver resources and a methodology for setting science-based targets (SBTs) for nature
Packaging and Packaging Waste Regulation (PPWR)	the Packaging and Packaging Waste Regulation, replacing the Directive of the same name, is the European Union's main legislative framework to reduce the impact of packaging on climate and the environment by promoting greater packaging reduction, reuse and recycling	Processing of sold products	further transformation before use by the end consumer of sold intermediate products by third parties (e.g. other manufacturers)	Recycled or reused packaging	packaging recycled in practice and at scale or packaging designed to accomplish a minimum of two trips or rotations within its life cycle	Scope 1 (direct) GHG emissions	greenhouse gas emissions arising from the combustion of fuels in assets owned by the Company (e.g. emissions from owned boilers, furnaces, vehicles, etc)
Packaging solutions	fibre-based packaging products that are designed to address customer and consumer needs and maximise sustainable performance	Production	sum of net saleable production (output) from our three main operations: Packaging, Paper and Recycling, that is sold to internal and external customers. This includes Packaging (boxes, sheets and other), Paper reels (and other), Wood products (sold by our Timber business) and recovered fibre and other materials (e.g. glass, metals, plastic and wood) processed and sold through our Recycling depot network	Recycled paper	paper made from recycled materials	Scope 2 (indirect) GHG emissions	greenhouse gas emissions arising from the generation of purchased electricity, heat, steam or cooling, which physically occur at the facility where the energy is generated
Paper products	fibre-based paper products that are designed to address customer and consumer needs and maximise sustainable performance, made from recycled and/or chain of custody certified fibres	Pulp	a lignocellulosic fibrous material used in papermaking that is prepared by separating cellulose fibres from wood	Renewable fuel	fuels produced from renewable natural resources, such as biogas, biomass and biomethane	Scope 3 (indirect) GHG emissions	greenhouse gas emissions arising in the value chain from all other sources as a consequence of our activities but from sources not owned by the Company
Paris Agreement	a legally binding international treaty on climate change (adopted in 2015), aiming to hold global temperature increases to well below 2 °C above pre-industrial levels and pursue efforts to limit global temperature increases to 1.5 °C above pre-industrial levels			Reporting period	the span of time the report covers, which in this report is from 1 st May 2023 to 30 th April 2024	SFI (Sustainable Forestry Initiative)	a sustainability organisation operating in the US and Canada that works to advance sustainability through forest-focused collaboration
				Responsible fibre sourcing	an approach to purchasing and supply chains that actively and consciously sources and procures fibre for operations in an ethical, sustainable and socially responsible way, using for example only recycled or chain-of-custody certified papers	Sedex	a global data platform to store, analyse, share, and report on sustainability practices for supply chain assessment and transparency
				Reusable	packaging designed to accomplish a minimum of two trips or rotations within its life cycle		

Glossary continued

SMETA (Sedex Members Ethical Trade Audit)	a social auditing methodology, enabling businesses to assess their site and suppliers to understand working conditions in their supply chain	Traded waste	waste that is acquired and sold but does not physically enter the boundary of a DS Smith recycling depot	Water stress	a situation in which the water resources in a region are insufficient for its needs
'Speak Up!'	an independent confidential process for asking for advice or raising concerns about unethical behaviour	Upstream transportation and distribution	third-party transportation and distribution services between tier 1 suppliers and own operations; and outbound transportation services purchased by DS Smith	Water management plan	an operational plan for the management of water withdrawal to ensure environmentally sustainable and economically beneficial practices
Strategic supplier	a long-term, mutually cooperative relationship with mutual commitment where significant and ongoing value is accrued to both parties through operational capabilities. In 2023/24, we categorised 110 of our suppliers as 'strategic'.	Virgin fibre	natural fibre used to make paper that has not yet been recycled	Water withdrawal	total water withdrawn into the boundary from all sources for any use
Supplier LOCT	Supplier Leadership on Climate Transition, Supplier LOCT, is a group of companies helping suppliers become part of the climate solution by providing an online learning environment on carbon emissions reduction (Scope 3)	Vision Zero	our campaign to strive towards a workplace without accidents and illness through an approach to prevention that improves the health, safety and well-being of employees	Zero harm	an approach to occupational safety with the goal of operating a workplace without exposing an individual to injury through the implementation of safe work systems
Supplier standards	see GSS (Global Supplier Standards)	Waste collected for recycling	used paper and cardboard for recycling that is acquired and physically enters the boundary of a DS Smith site (i.e. excludes 'traded waste')	Zero waste	no operational solid waste, excluding waste generated by exceptional projects such as construction or demolition works
Sustainability	the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs	Waste generated in operations	third-party disposal and treatment of waste from own operations, such as reject non-fibre material that enters our circular business model		
Sustainalytics	a global leading ESG research and data firm that rates the sustainability of companies based on ESG performance	Water consumption	total water withdrawals that are not discharged back into the water environment or to a third party		
T NSP	(metric) tonne net saleable production	Water discharge	total water effluents and other water leaving the boundary and released into the natural environment		
TCFD (Task Force on Climate-related Financial Disclosures)	a framework developed to help public companies and other organisations disclose climate-related risks and opportunities	Water efficiency	efficiency from which production is realised from water as a natural resource. As a calculation, this is water withdrawal divided by production		
TNFD (Task Force on Nature-related Financial Disclosures)	a nature-related risk-management and disclosure framework	Water scarcity plan	an action plan in the event a site loses access to their water supply		

Comments about our Sustainability Report

We are committed to continuing to develop our Sustainability Report to keep our stakeholders informed about the progress we are making.

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