

OUR COMPANY

DS Smith is a leading provider of sustainable packaging solutions, paper products and recycling services worldwide.

We are present in 30 countries, employing over 30,000 people across manufacturing and distribution sites, paper mills and recycling depots.

In the UK, we employ approximately 4,800 people (81% Male and 19% Female). Although we are only required to report on legal entities which have more than 250 employees*, we have also reported on the total UK business figures for all employees across our legal entities.

* At time of reporting, we had 3 legal entities with more than 250 employees, plus 1 that we are reporting as it had more than 250 employees in the previous reporting cycle.

OUR TOTAL UK PAY GAP

The **median pay gap** shows male employees earned

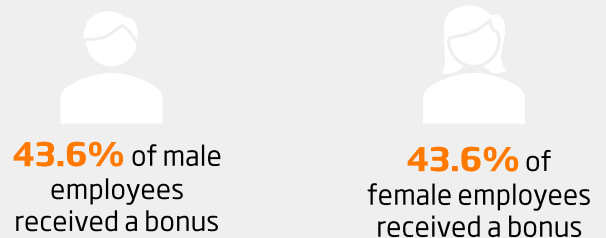


On **average (mean) pay gap** shows male employees earned

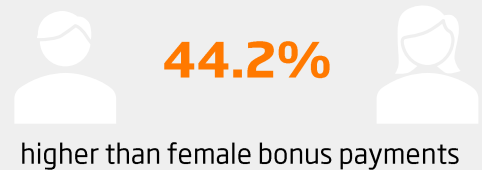


The national median pay gap is 15.4% (Office of National Statistics 2020)

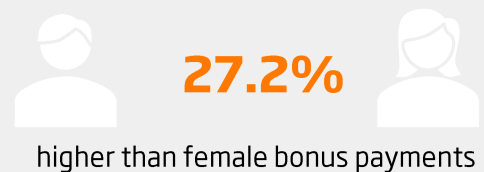
OUR TOTAL UK BONUS GAP



Median male bonus payments were

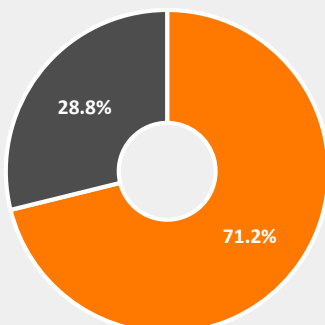


Average (mean) male bonus payments were

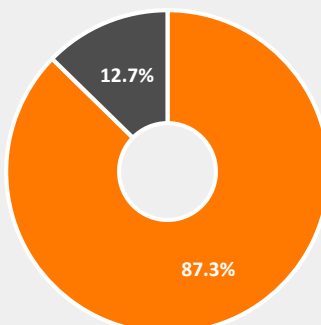


OUR TOTAL UK PAY QUANTILES

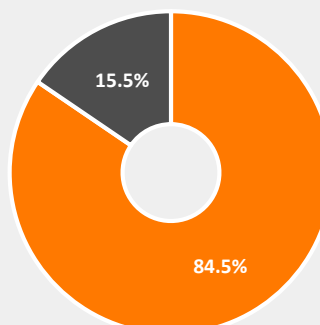
Male
Female



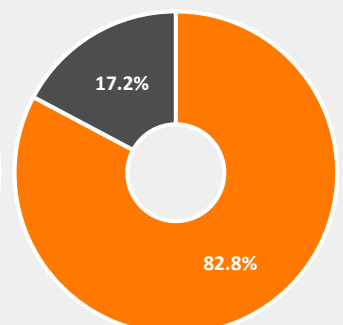
Quartile 1 (Lower)



Quartile 2 (Lower middle)



Quartile 3 (Upper middle)



Quartile 4 (Upper)

DIVERSITY AT DS SMITH

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

OUR GENDER PAY COMMENTARY

DS Smith is committed to paying men and women equitably at every level of the company. Our 2020 figures demonstrate a decrease for the second year in a row in the overall pay gap versus the previous year (and are also lower than the UK average, and most manufacturing companies). We expect our figures to change year-on-year due to natural turnover among our colleagues.

While we are working to further close it, the current pay gap is predominantly due to the historical challenge of attracting female colleagues to work in heavy industry. A contributing factor is male colleagues being more likely to work the unsociable shift patterns that accrue premium payments. Meanwhile, our bonus gap is mostly driven by fewer female colleagues working in senior positions where bonuses make up a greater proportion of the reward package.

OUR PRIORITIES

We continue to make good progress to ensure stronger diversity throughout the business that will help to close the pay gap in the future.

Actively encouraging females to choose careers in manufacturing

Key Action. As a result of our targeted actions on graduate recruitment we achieved gender parity in our graduate programme offers in 2020. Recruitment is a critical area of focus and our recruitment team, alongside internal communication colleagues and external search partners, is working to reach a broader candidate audience and demonstrate the diversity of opportunity across the business. We regularly profile our female talent and their career stories and we are accelerating our role in the WISE Campaign (Women in Science and Engineering), which promotes careers in STEM for women.

Next Steps: Extend our networks and partnerships to promote opportunities to female talent, continue to review the end to end recruitment process to ensure it is fully inclusive.

Identifying female talent and supporting them to grow and develop within our organisation

Key action: We have almost doubled the female representation in our senior management population and this continues to be a priority. To engage more women in senior positions, we are working hard to deepen the leadership pipeline and in the past year we further expanded the representation of women on our core leadership and management programmes. We know that gaining exposure to strategy development is key to executive succession and three of our female leaders now sit on two of our Executive Committees. We have also extended our executive coaching and mentoring programmes.

Next steps: Continue to increase the representation of women on our leadership development and core management development programmes. Pilot a new mid-level career development programme for women to accelerate their progression into leadership.

Ensuring everyone can reach their full potential by removing any possible barriers so that everyone can succeed in our business

Key Action: We have developed and delivered an Inclusive Leadership workshop to over 100 leaders who now form an internationally and culturally diverse alumni to drive inclusive practices within their teams. Our D&I forum, with representation from across DS Smith, is helping to connect female colleagues within the business and support diversity development activity locally. International Women's Day, for example, saw significant engagement across the business and provided practical case studies and content to inform action plans. We are using the insights derived from 2020, including specific challenges around remote working, to evolve our ways of working with a greater focus on flexibility and create a dialogue on the nature of work and how we structure it.

Next Steps: Continue to engage and connect with our female colleagues, through the D&I forum and focus groups, to understand what support they need to thrive and progress in their careers. Evolve our ways of working to make it easier to integrate work and balance life outside sustainably.

OUR PAY AND BONUS GAP BY LEGAL ENTITY

	Mean pay gap	Median pay gap	Mean bonus gap	Median bonus gap	% Male receiving bonus	% Female receiving bonus
DS Smith Packaging Ltd	5.3%	8.4%	13.9%	73.1%	43.6%	35.4%
DS Smith Paper Ltd	2.4%	20.8%	12.7%	11.5%	20.1%	31.0%
DS Smith Recycling UK Ltd	13.8%	8.1%	48.7%	34.3%	11.8%	10.4%
DS Smith Plc	22.8%	-3.7%	68.8%	2.1%	79.6%	73.9%

OUR PAY QUANTILES BY LEGAL ENTITY

	DS Smith Packaging Ltd		DS Smith Paper Ltd		DS Smith Recycling UK Ltd		DS Smith Plc	
	M	F	M	F	M	F	M	F
Quartile 1: Lower	70.9%	29.1%	81.9%	18.1%	61.0%	39.0%	61.4%	38.6%
Quartile 2: Lower middle	89.4%	10.6%	100.0%	0.0%	82.3%	17.7%	68.4%	31.6%
Quartile 3: Upper middle	87.5%	12.5%	97.4%	2.6%	81.2%	18.8%	58.9%	41.1%
Quartile 4: Upper	85.8%	14.2%	88.8%	11.2%	73.7%	26.3%	66.7%	33.3%

- The total UK numbers presented overleaf represent the combined data of these four legal entities as well as our out-of-scope entities in order to provide the full picture for the UK.
- Pay data is based on the snapshot date of 5 April 2020. Bonus data is based on the 12 months preceding this.

OUR STATEMENT OF ACCURACY

I confirm the data in this report is accurate

Darren Littleboy- Group Human Resources Director

