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

- → Materiality assessment
- → Stakeholder engagement
- → Governance
- → Responsible business
- → Responsible sourcing
- → Compliance
- → Global Reporting Initiative (GRI) Index
- → SASB Standards Index (Containers & Packaging)
- → Glossary

MATERIALITY ASSESSMENT

Refreshing our materiality assessment

Reflecting the pace of change in the world, in 2022/23 we refreshed our assessment to ensure that our Sustainability Strategy captures changes in the prioritisation of issues since the assessment was undertaken three years ago.

In order to be responsive to the priorities of our stakeholders, we adopted a 'double materiality' approach.

Impact materiality
A lens to evaluate the impacts that the business has on people and the environment ('inside-out').

Financial materiality
A lens to evaluate the impacts that people and the environment have on the business ('outside-in').

Methodology
A three-stage approach was undertaken:

1. Landscape review to refresh 2019 topic long-list
2. Input from internal and external stakeholders
3. Analysis and prioritisation of topics

The topics were identified and prioritised using industry analysis, reports and reporting frameworks, alongside stakeholder engagement through surveys and interviews.

Results
The assessment indicated that circular economy (including recyclability and product design for optimal resource use) and climate change (including energy use and energy efficiency) remain 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 our Now & Next Sustainability Strategy, and will guide our activities over the coming years.

Materiality matrix
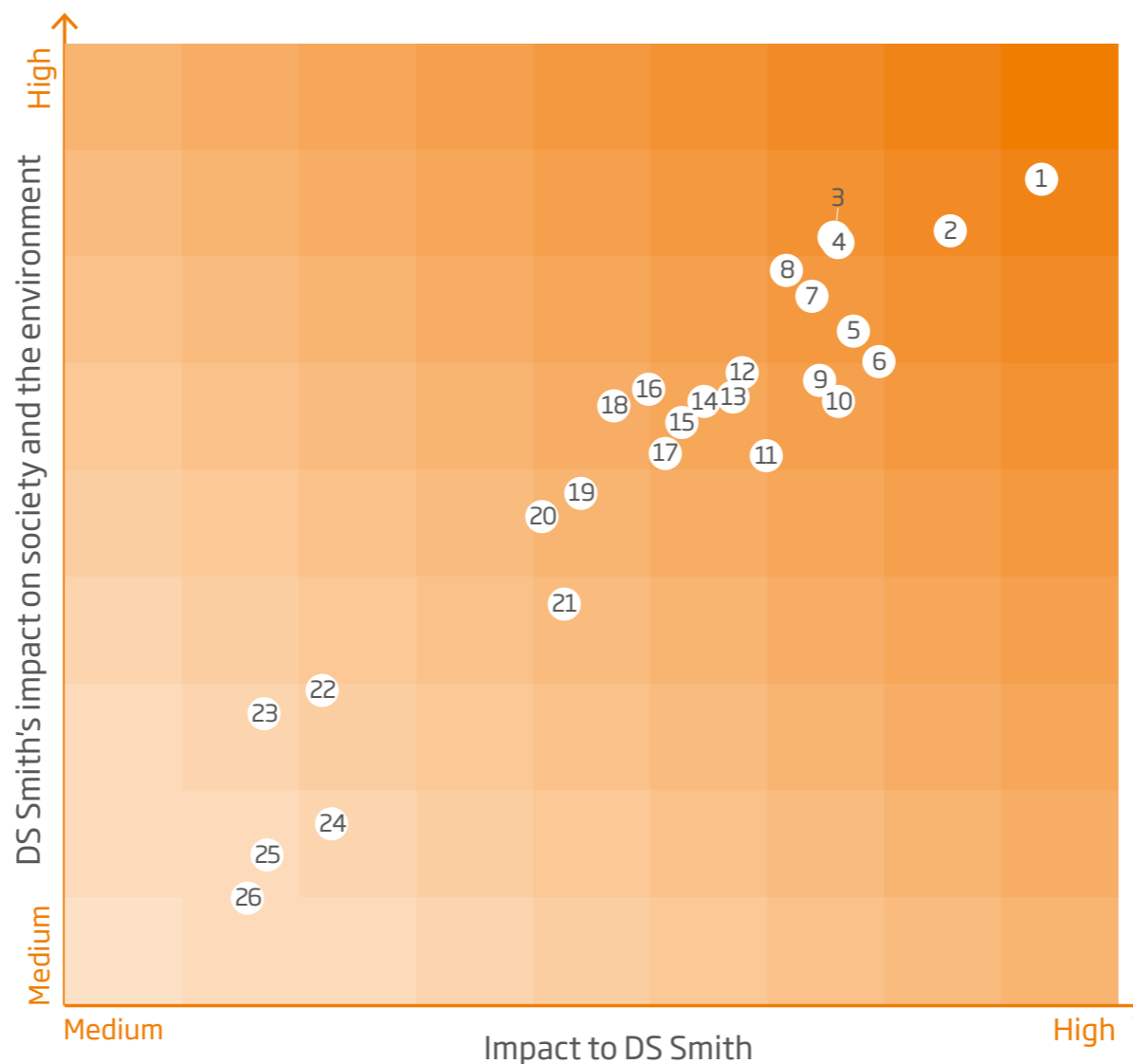
List of sustainable development issues (topics)

#	Topic
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

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 in our triennial materiality assessment, which involves consultation with a wide range of stakeholders, explained further on page 61

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 14 and 15 of DS Smith Annual Report 2023

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, customers want to compare product specifications to calculate the environmental impact of packaging, as well as assess our sustainability performance generally	• 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	• 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	• 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	Suppliers want to know how they can support us in delivering our sustainability plans through the products and services we purchase from them Suppliers want to know our standards and expectations of them, particularly in reducing emissions to reach Net Zero	• 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 • Introducing our suppliers to Circulytics and encouraging them 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	• 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	The primary focus of regulators and policy makers has been on: • Climate change • Plastic packaging • Waste • Eco-design • EPR (Extended Producer Responsibility)	• Meetings with MPs about our local operations and relevant developments, e.g. energy security and supply, raw materials (such as starch) and external events such as the war in Ukraine 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	• Ipsos Mori • Key financial, business and consumer editors and reporters including CNBC, Reuters, Financial Times and Sunday Times • YouGov • University of Leeds and others	Our interactions with media and consultants have been focused on: • Science-based targets and Net Zero • Trends in sustainability, plastic replacement, e-commerce and recycling	Our campaigns and research this year focused on: • Designing out problem plastics • Consumer recycling behaviours • Recycling confidence, behaviour and damaged deliveries • 'Air commerce' and oversized packaging

Trade associations and industry bodies	• 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:
	  • CPI (The Confederation of Paper Industries)
	  • The Packaging Federation
	  • WRAP (Waste and Resources Action Programme)
	  • BPF (British Plastics Federation)
	  • FCCG (Food Contact Coordination Group
		Driven by government and policy makers, trade associations have been focused on regulatory developments around:
		
		• Plastic
		• Waste
		• Recyclability
		• Eco-design
		• Food contact
		• Carbon
		• Awareness of the benefits of corrugated
		• Implications of the above on product design
			Technical experts across our business were involved in the following:
			
			• 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	• Ellen MacArthur Foundation • Forest Stewardship Council • UN Global Compact • NGO partners in various projects • Organisations related to Covid-19 relief (e.g. food distribution) • Charities near our sites • Charities supported by the DS Smith Charitable Foundation • IFRS ISSB (International Sustainability Standards Board)	• 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	• 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

Increasingly, stakeholders are interested not only in what we do, but how we do it. Strong governance is essential to deliver our Purpose of 'Redefining Packaging for a Changing World' and our vision of being the leading supplier of sustainable packaging solutions. We are committed to maintaining strong governance, accountability and reporting.

Governance of sustainability

Sustainability lies at the heart of our business, where it is led by our leadership. Our Group Operating Committee (GOC), the Group Chief Executive's management board for leading Group-wide priorities, includes sustainability at the heart of its agenda. Accountability ultimately lies with the Group Chief Executive and sustainability risks, opportunities and strategy are considered by the Board of Directors as core to the Group's operations. These are reviewed monthly by the Health, Safety, Environment and Sustainability (HSES) Committee.

Topics discussed this year included:

- 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

Governance of ESG reporting

The Group ESG Reporting Team produces environmental, social and governance data and oversees the governance and assurance arrangements required to meet the Group's non-financial reporting obligations.

Board
Including related committees, e.g. Audit Committee
Receives regular progress updates and approves substantial strategic decisions

Health, Safety, Environment and Sustainability (HSES) Committee
Chaired by the Group Executive, this management committee of the Group Operating Committee (GOC) reviews sustainability performance, processes and strategies. It monitors compliance with responsibilities and commitments, and approves strategic decisions

Sustainability Leadership Team (SUSLT)
Chaired by the Director of Corporate Affairs, this is a cross-Divisional and multi-Functional group with Director-level membership which leads the delivery of our Now & Next Sustainability Strategy

Group Sustainability and Community Affairs Team (Corporate Affairs)
Reporting to the Director of Corporate Affairs and led by the Head of Sustainability and Community Affairs, this team partners with the business to deliver Now & Next and runs our Community Programme

Group ESG Reporting Team (Finance)
Reporting to the Group Finance Director and led by the Group Financial Controller, this team produces non-financial reporting, including the governance and assurance of information, to meet the Group's non-financial reporting commitments

Sustainability Delivery Team
Reporting to the Group Engineering team and led by the Sustainability Delivery Director, this team is responsible for coordinating the delivery of carbon, water and waste roadmaps.

Divisional and Functional Leadership
Receive regular progress updates and consult on decisions related to their areas of oversight

Sustainability Network
Drives delivery of progress in their respective areas of oversight, e.g. SMI (Sales, Marketing and Innovation), FSC, sustainable procurement

Project teams
Horizontal collaboration platforms to launch initiatives, progress delivery and resolve challenges, e.g. SBT/Net Zero, circular design, plastic replacement, community engagement

Sites
Hold operational -lead responsibility for implementation including HSE (Health, Safety and Environment)

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 packaging industry, the most significant product safety impact is in food packaging.

This is of upmost importance to us, with FMCG and consumer goods, including food, comprising the majority of our customer base.

We actively follow regulatory initiatives to ensure compliance with laws and standards. We work together with our suppliers to select only safe additives and raw materials for our paper mills and packaging sites. We manufacture paper and food contact products according to Good Manufacturing Practice (GMP) principles and conduct regular testing of paper purity as part of our compliance schemes.

In the Packaging division, our food contact products are risk assessed before production. We would not knowingly produce a product that does not comply with the applicable laws or poses an unacceptable risk to consumers.

In 2022/23, we had zero (2021/22: 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 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 34 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 only to the needs of 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.

Anti-competitive behaviour

As a global 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.

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 2022/23 (2021/22: 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: 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 2022/23, 33 (2021/22: 50) 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 includes videos from our senior leaders that highlight the importance of conducting business ethically.

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

	2022/23	2021/22	2020/21	2019/20	2018/19
'Speak Up!' reports received, investigated and resolved	**33**	50	25	33	38
Reports relating to alleged HR incidents	**28**	45	19	29	32
Reports relating to alleged H&S incidents	**2**	3	5	3	4
Reports relating to alleged fraud, bribery, corruption or other incidents	**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

Modern Slavery Policy

Modern Slavery and Human Trafficking Statement

'Speak Up!' Policy

Tax Policy

RESPONSIBLE SOURCING

Sustainable procurement

Setting supplier standards

Our Global Supplier Standard (GSS) documents the high expectations that we have of our suppliers in relation to sustainability and responsible business.

We continue to ensure that 100 per cent of our suppliers agree to comply with our standards, with agreement explicitly obtained from c. 78 per cent of our suppliers, including 100 per cent of our strategic suppliers.

Over the past year, we have developed the standard to make it easier for our suppliers and category managers to understand and engage with in their day-to-day business.

The standard, which is based on the ETI (Ethical Trading Initiative) base code (an internationally recognised code of practice), includes expectations relating to social, environmental and governance practices.

Assessing suppliers on sustainability

We use EcoVadis to assess supplier performance, involving 100 per cent of our strategic suppliers. We proactively share scorecards with suppliers, developing Corrective Action Plans to address weaknesses on environmental, labour, human rights and ethical issues. This provides a clear view of the challenges and opportunities within our supply chain, allowing us to choose not to buy from suppliers whose performance is deemed inadequate.

Helping suppliers to improve and rewarding top performers

We engage under-performing suppliers to improve weaknesses in line with our Supplier Management Policy.

We conduct on-site audits for suppliers who fail to meet our standards. We constructively engage suppliers by retaining and educating them in the first instance, to then consider whether we continue working with a supplier of concern.

Next year, we are introducing a Sustainability and Circularity supplier award, encouraging and celebrating the contributions our suppliers make to sustainability.

Managing 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 the risk appropriately.

Our suppliers are expected to take an active approach to monitoring compliance with our standards, maintaining our reputation for excellence, independence and integrity.

100%

of our strategic suppliers are involved in EcoVadis supplier ratings, bringing sustainability criteria into our purchasing decisions

32%

of purchased goods and services emissions generated by suppliers either with, or in the process of setting science-based targets in 2022/23

Information and policies

Global Supplier Standard (GSS)

Supplier Management Policy

Modern Slavery Statement

Building circular supply chains

We're working with our suppliers to develop solutions for many of the challenges we face today. This includes our Sludge Project and Cutting Tools Project, both of which aim to divert waste from landfill. Sludge, coming away from our waste water treatment plants, is often sent to landfill due to the level of heavy metals in the waste.

Similarly, cutting tools often end up in landfill due to the difficulty of separating steel from wood manually. In both instances, we're engaging with our suppliers to introduce circular initiatives to reuse sludge as an input to ink and to find recycling opportunities for cutting tools.

COMPLIANCE

Our culture of compliance

Our people actively contribute to realising our Purpose of Redefining Packaging for a Changing World, moving the Group towards its 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 Global Compact
- 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.

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 2022/23, there were 39 (2021/22: 47) 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 2022/23, 24 notifications of non-conformance with consents to discharge were received (2021/22: 10).

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. See the case study on page 54 for an example of how we are finding innovative ways to treat effluent water.

Policies index

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
- Modern Slavery Policy
- Supplier Standards Policy

Governance
- Anti-Bribery and Anti-Corruption Policy
- Anti-slavery and Human Trafficking Policy
- Board Diversity and Inclusion Policy
- Compliance Framework Policy
- Gifts and Hospitality Policy
- Group Tax Policy
- Legal Policy
- Speak Up! Policy
- Sustainability Data and Reporting Policy

Our public policies can be downloaded from the DS Smith ESG Reporting Hub

GLOBAL REPORTING INITIATIVE (GRI) INDEX

Aligned to the Sustainable Development Goals (SDGs)

The relevant pillars of our Now & Next Sustainability Strategy that correspond to each GRI Standard are **highlighted in bold** in the table. In the 'Ref' column, 'SR' refers to this DS Smith Sustainability Report 2023, and 'AR' to DS Smith Annual Report 2023.

Theme	GRI	SDG targets	Ref	Theme	GRI	SDG targets	Ref
Circularity	301: Materials	8.4, 12.2, 12.5	SR 10-18, 57	Organisational profile	102-1 Name of the organisation	–	SR 2
Carbon	302: Energy	7.2-3, 8.4, 12.2	SR 19-26, 56		102-2 Activities, brands, products, services	–	SR 5
Nature	303: Water and effluent	6.3-4, 12.4	SR 52-54, 57		102-3 Location of headquarters	–	SR 75
People & Communities	304: Biodiversity	15.1, 15.5	SR 47-51		102-4 Location of operations	–	SR 2
Carbon	305: Emissions	3.9, 12.4, 13.1	SR 19-26, 56		102-5 Ownership and legal form	–	AR 113, 196
Circularity	306: Waste	12.4, 12.5	SR 15, 57		102-6 Markets served	–	AR 2, 18-19
Compliance	307: Environmental compliance	16.3	SR 68		102-7 Scale of the organisation	–	AR 3, 20-3
Responsible sourcing	308: Supplier environmental assessment	12, 15	SR 25, 59, 67		102-8 Information on employees	–	SR 27-41, 58
People & Communities	401: Employment	5.4, 8.5-6, 10.3	SR 27-41, 58		102-9 Supply chain	–	SR 59, 67
People & Communities	402: Labour/Management relations	8.8	SR 27-41, 58		102-10 Significant changes to the organisation	–	SR 2
People & Communities	403: Occupational health and safety	3.3, 8.8	SR 29-30		102-11 Precautionary principle or approach	–	SR 68
People & Communities	404: Training and education	4.3-5, 8.2, 8.5	SR 40-41		102-12 External initiatives	–	SR 62-3
People & Communities	405: Diversity and equal opportunity	5.5, 8.5, 10.3	SR 31-32		102-13 Membership of associations	–	SR 62-3
People & Communities	406: Non-discrimination	5.1, 8.8	SR 31-32, 34	Strategy	102-14 Statement from senior decision-maker	–	SR 4
People & Communities	407: Freedom of association and collective bargaining	8.8	SR 65		102-15 Key impacts, risks and opportunities	–	SR 8, 23
People & Communities	408: Child labour	8.7	SR 34	Responsible business	102-16 Values, principles, standards and norms	–	SR 2
People & Communities	409: Forced or compulsory labour	8.7	SR 34		102-17 Mechanisms for advice and concerns about ethics	–	SR 66
People & Communities	411: Rights of indigenous peoples	2.3	SR 34	Governance	102-18 Governance structure	–	SR 64
People & Communities	412: Human rights assessment	8.7-8	SR 33-34	Stakeholder engagement	102-40 List of stakeholder groups	–	SR 62-3
People & Communities	413: Local communities	2.2-3	SR 42-46		102-41 Collective bargaining agreements	–	SR 66
Responsible sourcing	414: Supplier social assessment	5.2, 8.8, 16.1	SR 59, 67		102-42 Identifying and selecting stakeholders	–	SR 61
Stakeholder engagement	415: Public policy	16.5	SR 25, 62-63		102-43 Approach to stakeholder engagement	–	SR 62-3
Responsible business	416: Customer health and safety	16.3	SR 65		102-44 Key topics and concerns raised	–	SR 62-3
Compliance	419: Socioeconomic compliance	16.3	SR 68	Reporting practice	102-45 Entities included in the consolidated financial statements	–	AR 190-194
Annual Report	201: Economic performance	–	AR 30-35		102-46 Defining report content and topic boundaries	–	SR 2
DS Smith at a glance	202: Market presence	–	AR 2, 18-19		102-47 List of material topics	–	SR 61
Responsible sourcing	204: Procurement practices	–	SR 59, 67		102-48 Restatements of information	–	SR 2
Responsible business	205: Anti-corruption	–	SR 66		102-49 Changes in reporting	–	SR 2
Responsible business	206: Anti-competitive behaviour	–	SR 66		102-50 Reporting period	–	SR 2
					102-51 Date of the most recent report	–	SR 2
					102-52 Reporting cycle	–	SR 2
					102-53 Contact point for questions regarding the report	–	SR 75
					102-54 Claims of reporting in accordance with the GRI Standards	–	SR 69
					102-55 GRI content index	–	SR 69
					102-56 External assurance	–	SR 56

SASB STANDARD INDEX (CONTAINERS & PACKAGING)

The 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 relevant to financial performance and enterprise value. Disclosures can be located directly in the table, with associated information on the pages referenced in the column titled 'Ref'.

We continue to monitor the development of the new International Sustainability Standards Board (ISSB), including the transition of SASB's standards into the ISSB's standards.

Topic	Accounting metric	Unit	Code	Disclosure	Ref
Greenhouse gas emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	tonnes CO_2e; %	RT-CP-110a.1	1,542,250*; 73*	56
	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	–	19-26
Air quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM)	Tonnes	RT-CP-120a.1	10,747; 290; 0; 0	ESG Data book
Energy management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	MWh; %	RT-CP-130a.1	14,407,601*; 12; 26; 6,886,235	56
Water management	1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	m³; %	RT-CP-140a.1	53,802,571*; 14,789,310*; 38	57
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis	RT-CP-140a.2	–	52-54
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	RT-CP-140a.3	24	68
Waste management	Amount of hazardous waste generated; percentage recycled	Tonnes; %	RT-CP-150a.1	3,683; 63	57

Topic	Accounting metric	Unit	Code	Disclosure	Ref
Product safety	Number of recalls issued; total units recalled	Number	RT-CP-250a.1	0; 0	65
	Discussion of process to identify and manage emerging materials and chemicals of concern	Discussion and analysis	RT-CP-250a.2	–	65
Product lifecycle management	Percentage of raw materials from: (1) recycled content, (2) renewable resources, and (3) renewable and recycled content	%	RT-CP-410a.1	81; 19; 100	57
	Revenue from products that are reusable, recyclable and/or compostable	£ '000000	RT-CP-410a.2	8,196	5, 17
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and analysis	RT-CP-410a.3	–	10-18
Supply chain management	Total wood fibre procured, percentage from certified sources	Tonnes; %	RT-CP-430a.1	4,651,848; 100	57, 59
	Total aluminium purchased, percentage from certified sources[1]	Tonnes; %	RT-CP-430a.2	0; 0	–

1. We consider this indicator immaterial as we are a purely fibre-based packaging business.

* Independent Assurance has been obtained for the metrics marked with an asterisk '*'. See the independent assurance statement summary on page 56.

GLOSSARY

Term	Definition
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
4evergreen	a cross-industry alliance to foster synergies among companies promoting low-carbon and circular fibre-based packaging
AFR (Accident Frequency Rate)	the number of lost time accidents per million hours worked
Annual Report	a yearly publication to stakeholders, documenting activities and finances in the previous financial year
Biodiversity	the variety of plant and animal life in the world or in a particular habitat, a high level of which is usually considered to be important and desirable
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
Biodiversity project	a series of activities to support biodiversity and indicating a long-term (typically 2-3 years) commitment of a DS Smith paper mill, within a DS Smith site and/or in the local community
Board	the Board 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

Term	Definition
Business models	ways of working, processes and financial models, including technology, consultancy and service offerings
Business travel	transportation of employees for business-related activities in vehicles
Carbon intensity per tonne of production	the average GHG emissions arising from the manufacture of producing an average tonne of product
CDP	a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts
Cepi (Confederation of European Paper Industries)	the European association representing the paper industry
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
CHP (Combined Heat and Power Plant)	the concurrent production of electrical and thermal energy from a single fuel
Circular business	integrated operations designed to generate value by reducing waste and pollution and keeping products and materials in use at their highest value

Term	Definition
Circular Design Metrics	a pioneering tool from DS Smith that rates and compares the circularity of packaging designs across eight indicators, giving a clear identification of a packaging design's sustainability performance, and where to focus attention
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
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
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
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
Circulytics	the most comprehensive circular economy performance measurement tool, available from the Ellen MacArthur Foundation

Term	Definition
Climate change	a change in global or regional climate patterns, in particular a change apparent from the mid to late 20th century onwards and attributed largely to the increased levels of atmospheric carbon dioxide produced by the use of fossil fuels
CO_2e (Carbon dioxide equivalent)	a unit for measuring different greenhouse gases in a common unit
Community Programme	the voluntary donation of Company resources, employees hours and/or goods and services to support local community or charitable projects in 100 per cent of our sites with 50 or more full time employees
Consent to discharge	permits made available to allow effluents and other water to leave the organisation boundary
CPI (Confederation of Paper Industries)	the leading trade association representing the UK's paper-based industries
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

GLOSSARY CONTINUED

Term	Definition
Downstream transportation and distribution	third-party transportation and distribution services after the point of sale not purchased by DS Smith
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
EcoVadis	the world's largest and most trusted provider of business sustainability ratings, creating a global network of more than 90,000 rated companies
Ellen MacArthur Foundation (EMF)	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
Employee commuting	transportation of employees between their homes and work sites
End-of-life treatment of sold products	the expected waste disposal and treatment of sold products at the end of their life
Energy export	process of flowing energy that leaves our organisation boundary to a third party
Energy generation	process of producing energy from a primary fuel or energy source
Environmental incident	an event or occurrence relating to the natural world

Term	Definition
EPR (Extended Producer Responsibility)	a policy approach under which producers are given a significant responsibility for the treatment or disposal of post-consumer products
ESG (Environmental, Social, Governance)	standards relating to sustainability for an organisation's operations
ESG Databook	a yearly publication to stakeholders, documenting non-financial performance in the previous and historic financial years
ESG Rating	a measurement of performance on ESG standards
FEFCO	European Federation of Corrugated Board Manufacturers, Europe's corrugated packaging association
Fibre	natural cellulose material used to make paper
Fibre optimisation	a process in which supply chain data is used to predict and calculate the exact performance requirement of packaging
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
Fossil fuel	a non-renewable energy source formed from decomposition of carbon-based organisms that release carbon dioxide when burned, contributing to climate change

Term	Definition
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
Fuel- and energy-related activities	production of fuels and energy purchased
GHG (greenhouse gas)	a gas that contributes to climate change by absorbing infrared radiation
GOC (Group Operating Committee)	the Group Chief Executive's management board for considering Group-wide initiatives and priorities
Greenhouse Gas Protocol	a comprehensive framework to measure greenhouse gas (GHG) emissions
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
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
Hard-to-recycle packaging	packaging that is not presently recycled at scale in common waste streams

Term	Definition
HSES (Health, Safety, Environment and Sustainability) Committee	a sub-committee of the GOC for considering Group-wide health, safety, environment and sustainability matters
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
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
LTA (Lost Time Accident)	an accident resulting in lost time of one shift or more
LTI (Lost Time Injury)	an injury resulting in lost time of one shift or more
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
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

GLOSSARY CONTINUED

Term	Definition
Net positive recycler	an organisation, such as DS Smith, that manages more material for recycling than packaging sold
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 to limit global temperature rise
Net Zero Transition Plan	a time-bound roadmap of decarbonisation activities to reach Net Zero, with defined targets and actions
NGO (Non-governmental organisation)	a not-for-profit organisation that operates independently of any government
Optimise (packaging solutions)	predicting the most effective performance requirement of a packaging solution using supply chain data
Packaging solutions	fibre-based packaging products that are designed to address customer and consumer needs and maximise sustainable performance
Paper products	fibre-based paper products that are designed to address customer and consumer needs and maximise sustainable performance, made from 100 per cent recycled or chain of custody certified fibres

Term	Definition
PEFC (Programme for the Endorsement of Forest Certification)	an international NGO which promotes sustainable forest management through independent third-party certification
Post-consumer waste	recovered fibre originated from end-consumer material streams, such as household waste or in back-of-store collections
Pre-consumer waste	recovered fibre originated from manufacturing scrap material streams, such as trimmings and off-cuts
Problem plastics	any plastic with a low recycling rate compared to paper and cardboard or not made from renewable resources
Processing of sold products	further transformation before use by the end consumer of sold intermediate products by third parties (e.g. other manufacturers)
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
Pulp	a lignocellulosic fibrous material used in papermaking that is prepared by separating cellulose fibres from wood

Term	Definition
Purchased goods and services	upstream activities (i.e. cradle-to-gate) relating to the production of all tangible and intangible products purchased or acquired
Raw materials	basic materials used to manufacture a product, such as pulp or starch
Recovered fibre	used fibrous material that is collected for recycling and used again as a raw material for papermaking
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
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
Recycled paper	paper made from recycled materials
Renewable fuel	fuels produced from renewable natural resources, such as biogas, biomass and biomethane
Reporting period	the span of time the report covers, which in this report is from 1st May 2022 to 30th April 2023
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

Term	Definition
Reusable	packaging designed to accomplish a minimum of two trips or rotations within its life cycle
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
S&P Global	see 'DJSI'
SBT (science-based target), SBTi (Science-Based Targets initiative)	a carbon reduction target that reflects an emissions reduction in line with climate science, as promoted by the SBTi, an NGO which drives ambitious climate action in the private sector
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)
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
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
SFI (Sustainable Forestry Initiative)	a sustainability organisation operating in the US and Canada that works to advance sustainability through forest-focused collaboration

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
'Speak Up!'	an independent confidential process for asking for advice or raising concerns about unethical behaviour
Strategic supplier	a long-term, mutually cooperative relationship with mutual commitment where significant and ongoing value is accrued to both parties through operational capabilities
Supplier standards	see GSS (Global Supplier Standards)
Sustainability	the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs
SUS LT	Sustainability Leadership Team
Sustainalytics	a global leading ESG research and data firm that rates the sustainability of companies based on ESG performance
T NSP	(metric) tonne net saleable production
TCFD (Task Force on Climate-related Financial Disclosures)	a framework developed to help public companies and other organisations disclose climate-related risks and opportunities
TNFD (Task Force on Nature-related Financial Disclosures)	a nature-related risk-management and disclosure framework

Traded waste	waste that is acquired and sold but does not physically enter the boundary of a DS Smith recycling depot
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
Virgin fibre	natural fibre used to make paper that has not yet been recycled
Vision Zero	our campaign to strive towards a workplace without accidents and illness through an approach to prevention that improves the health, safety and wellbeing of employees
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')
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
Water consumption	Total water withdrawals that are not discharged back into the water environment or to a third party
Water discharge	Total water effluents and other water leaving the boundary and released into the natural environment
Water efficiency	efficiency from which Production is realised from water as a natural resource. As a calculation, this is water withdrawal divided by production

Water stress	a situation in which the water resources in a region are insufficient for its needs
Water stress mitigation plan	a risk management plan to mitigate water stress risk implemented at 100 per cent of our sites identified as at risk of water stress by the WRI Aqueduct Water Risk Atlas tool
Water withdrawal	total water withdrawn into the boundary from all sources for any use
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
Zero waste	no operational solid waste, excluding waste generated by exceptional projects such as construction or demolition works

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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