



**Group Sustainability and Group HR**

# **Human Rights Policy**

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## 1. Introduction

At DS Smith we believe everyone deserves to be treated with fairness, respect, and dignity. We are committed to conducting our business in a responsible manner, respecting the human rights of our workers and everyone we come into contact with. This policy helps us ensure this and is overseen by the Modern Slavery and Human Rights Committee.

## 2. Purpose and Scope

DS Smith supports and respects the protection of human rights within its sphere of influence. In line with the UN Guiding Principles on Business and Human Rights framework of 'Protect, Respect and Remedy,' in this policy we outline our commitments and responsibility to respect human rights, by carrying out risks and gap analysis, assessing and addressing negative impacts<sup>1</sup>, setting out the grievance mechanisms provided in our Speak Up! policy and providing access to effective remedy if violations have occurred.

This Policy applies to all DS Smith operations and employees (whether permanent, fixed-term or temporary). All employees are expected to comply with our policies, report suspected misconduct, non-compliance, or unethical behaviour<sup>2</sup>. This policy also 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. DS Smith expects equivalent standards of conduct from all persons acting on its behalf, such as suppliers, agents, and business partners.

We will review this policy every two years to ensure it remains current and appropriate to the nature and scale of our operations.

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<sup>1</sup> A negative human rights impact occurs when an action removes or reduces the ability of an individual to enjoy his or her human rights. Please check Appendix for definitions

<sup>2</sup> If any employee believes that someone is violating the Human Rights Policy or the law, they are asked to report it immediately – more details on grievance mechanism and reporting channels in section [4.4](#)

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### 3. Commitment

We conduct our business in a manner that respects the rights and dignity of all people, complying with all legal requirements. We respect the rights of individuals belonging to groups or populations which may be particularly vulnerable to being adversely affected by human rights violations, including, but not limited to: indigenous people; women; national or ethnic, religious, and linguistic minorities; children; LGBTQ+ people, people with disabilities; and migrant workers and their families.

**We respect fundamental human rights, which are the basic rights and freedoms that belong to every person in the world, and which include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more<sup>3</sup>.** We are committed to internationally declared human rights and standards, including:

- 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 UN Sustainable Development Goals
- The ten principles of the United Nations Global Compact<sup>4</sup>
- The United Nations International Convention of the Elimination of All Forms of Racial Discrimination

Our commitment to respecting human rights is highlighted in our [Code of Conduct](#), which describes expectations that apply to all our employees, providing guidance on our approach to ethical business practices, human and labour rights, and the environment. Our [Employee Charter](#) builds on our Code of Conduct and reinforces our standing commitment to comply with applicable legislation and regulatory requirements.

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<sup>3</sup> Please see Appendix for more information

<sup>4</sup> We have been members of the UN Global Compact since 2013

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## 4. Our Human Rights Due Diligence

We use due diligence as a means to identify and prevent human rights risks to people in our business and value chain. We have identified human rights key risks across our operations and supply chain, and we are committed to assess our business, and seek to prevent or mitigate adverse human rights impact that are directly related to our operations, products or through our business relationships.

If we identify that there has been a violation of any human rights principles, we will provide for or cooperate in their remediation through legitimate processes.

We are a member of Sedex (Supplier Ethical Data Exchange) as part of our commitment to respect and support human rights, and which supports us in identifying human rights risks in our own operations; we are committed to register all of our sites on the Sedex platform and completing the SAQ (Self-Assessment Questionnaire) for annual risk assessments. We are also committed to audit our sites which are considered to be high risk based on their geographical locations, and Sedex risk assessment score. This is an external audit, based on SMETA (the Sedex Members Ethical Trade Audit), which also provides external assurance of the management of ethical supply chain risks for our customers. SMETA methodology uses the Ethical Trading Initiative (ETI) code and local law as a foundation, covering:

- Labour standards: wages, working hours, children and young employees, freedom of association, non-discrimination, forced labour and human rights
- Health and safety: management, training, emergency and fire safety and worker health
- Environment: management, waste, raw materials, water, energy, and pollution
- Business ethics: anti-bribery and anti-corruption.

Any non-compliances<sup>5</sup> identified during our site ethical audits are reported to the sites and recorded on the Sedex platform for full transparency with our stakeholders. Sedex allows us to manage our ethical and social performance in our own operations, helping to protect people, the environment, and businesses.

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<sup>5</sup> Please see Appendix for more information

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## **4.1. Highest Human Rights priorities**

At DS Smith, we are committed to respect all human rights, and we believe our main responsibilities lie in a number of critical areas outlined below.

### **Health and safety**

Health and safety is a top priority and DS Smith actively strives for continuous improvement of health and safety in the workplace to achieve our target of zero harm. Our vision is to provide a working environment and culture where our people actively engage in our drive to continuous health and safety excellence. The campaign for zero harm focuses on our four main strategic goals: leadership, engagement, processes, and culture. We are also committed to ensuring that our products and operations are safe, and this extends to downstream users of our products, including consumers. We ensure compliance with the Regulation EC 1907/2006 on the Registration, Evaluation, Authorization and Restriction of Chemicals as amended ("REACH Regulation") for all personnel involved in the procurement, storage, handling, and use of chemicals as per our [REACH Policy](#).

In relation to the wellbeing of our people, for many years now, we have been developing our ability to support the physical and mental wellbeing of all employees through nutritional advice, healthy food options in canteens, health check opportunities and exercise groups. We have also seen the introduction of Mental Health First Aid training for DS Smith employees. This internationally recognised course teaches people how to spot the signs and symptoms of mental ill health and provide help on a first aid basis. Those who attended can now feel confident to guide people towards appropriate support, raise awareness about mental health, reduce stigma around mental health and promote early intervention. We also have a Group health and wellbeing strategy, which incorporates best practice from internal and external benchmarking. Our new framework is designed to build positive healthy working environments enabling our people to thrive and perform sustainably.

### **Wages & working hours**

We are committed to treat all employees fairly and honestly regardless of where they work. Where possible we are committed to monitor and take action to reduce excessive working hours, and to support flexible working arrangements. We will continue to build a consistent approach to reward,



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and we will invest in technology to help us ensure fairness and compliance across all locations. We will continue to use market and country benchmarks as the basis for our decision-making.

### **Forced labour and child labour**

DS Smith maintains relationships with many different organisations in its supply chain, as well as directly employing large numbers of people. DS Smith has a zero-tolerance approach to modern slavery both within the DS Smith Group and within its supply chain. We are committed to opposing modern slavery in all its forms and preventing it by whatever means we can. We demand the same attitude of all who work for us and expect it of all with whom we have business dealings.

Our [Modern Slavery and Human Trafficking Policy](#) ensures that we are not only in compliance with the UK's 2015 Anti-Slavery Act and equivalent legislations across DS Smith, but that we are also doing everything in our power to manage the risks of modern slavery in our business and in our supply chain. DS Smith also publishes a [Modern Slavery Statement](#) annually which can be found on our website.

### **Freedom of association**

It is a fundamental right of employees to have the freedom of association and collective bargaining. We state that we recognise and respect the rights which employees have under local and transnational laws, including, where applicable, the right of employees to collective representation and bargaining. Employees will not be subjected to any detriment because of their involvement in legitimate trade union activities.

### **Discrimination**

DS Smith is committed to promoting equal opportunities in employment and prides itself on building a culture free from discrimination, harassment, and victimisation at work. We are firmly committed to both the principle and realisation of equal opportunities and our policies are designed to provide such equality. We are opposed to any form of less favourable treatment or discrimination, in no particular order, on the grounds of age, disability, race, religion or belief, sex, sexual orientation, gender reassignment, marriage and civil partnership, pregnancy and maternity or any other characteristic protected by local law ("Protected Characteristics"). DS Smith is also committed to providing a respectful work environment and has a zero-tolerance approach to discrimination. Our employees and contingent workers are required to comply with our [Equal Opportunities and Anti-Discrimination Policy](#) at all times.

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## **4.2. Our Governance**

We have strong governance in place to drive improvement in our human rights due diligence, and address any issues and challenges.

### **4.2.1. Modern Slavery and Human Rights Committee**

The Modern Slavery and Human Rights Committee is made up of a multi-disciplinary team from different departments within the Group. The Committee reports to our Group Operating Committee (the "GOC"), as well as keeping the Sustainability Leadership Team and the Compliance Committee updated. It is chaired in two-year rotation by the Group General Counsel and Company Secretary, Group HR (Human Resources) Director, Head of Government, Community Affairs & Sustainability, and Group Chief Procurement Officer. This Committee meets on a quarterly basis and provides a forum for representatives across the business including operations, Legal, HR, Risk, Procurement, and Sustainability. It inputs on the Group's policies, annual statements and procedures relating to Modern Slavery and human rights, discussing areas of potential risk, mapping out improvements to be made, providing direction and tracking progress on human rights due diligence. The committee is also dedicated to reporting on steps taken to prevent instances of modern slavery, to prepare the annual Modern Slavery Statement and to embed the ethos of preventing modern slavery and human rights violations within the Company and our supply chains.

### **4.2.2. Modern Slavery and Human Rights working group**

Our Modern Slavery and Human Rights working group is made up of a multi-disciplinary team from different departments across all divisions, including Legal, HR, Risk, Procurement and Sustainability. The working group meets monthly and aims to deliver our human rights objectives, ensure consistency of approach with any Modern Slavery or Human Rights breaches or incidents identified in the business, and strengthen due diligence in our own operations and supply chain.<sup>6</sup> It reports to the Modern Slavery and Human Rights Committee, and it is chaired by Group Sustainability.

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<sup>6</sup> The Risk & Gap assessment conducted by third-party twentyfifty included a roadmap with key actions to strengthen our human rights due diligence

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### **4.3. Conduct in our supply chain**

Suppliers are required to agree to our [Global Supplier Standard](#), which is written into our standard purchasing 'Terms and Conditions'. We monitor and assess risk and ethical business conduct in our supply chain using EcoVadis. In line with the Supplier Management Policy, we are committed to audit our higher risk suppliers and to engage in structural collaboration on human rights topics with our key suppliers. We seek to establish relationships with entities that share the same principles and values as ours.

[Our Anti-Slavery and Human Trafficking Policy](#) covers both our own operations and our supply chains.

#### **4.3.1. Conflict Minerals**

In DS Smith Paper and Packaging Divisions we do not deliberately use tin, tantalum, tungsten, and gold in our fibre packaging products and as per our [DS Smith Conflict Minerals Policy](#) we are continuously engaging and checking with our supply chain to ensure that this is always the case.

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#### **4.4. Our grievance mechanisms, reporting channels and access to remedy**

Compliance with local, national, and international legislation is fundamental to our way of doing business. It is a licence to operate and a condition of trading. Building trust with our stakeholders and protecting our reputation are crucial, as they lead to repeat business and sustainable financial growth. Monitoring ethics and compliance and providing associated annual training to our employees is the responsibility of our legal team. This commitment seeks to respect the right of our internal and external stakeholders to access an effective remedy in cases where we have caused or contributed to impacts on their human rights. Grievance and reporting mechanisms play a critical role in opening channels for dialogue, problem solving, and investigation.

All our employees are encouraged to report suspected misconduct or unethical behaviour directly to their own supervisor, Human Resources, or the Group General Counsel. All our employees are also encouraged by our [‘Speak Up!’ Policy](#) to report suspected misconduct. Our ‘Speak Up!’ Policy is communicated to all employees via our employee handbook and it is also embedded within our legal compliance policies and training. It encourages employees to raise their concerns if they see something that does not meet the standards set out in the DS Smith Code of Conduct, and explains the various grievance channels: internally via their line manager or local HR, via internal email address direct to the Group General Counsel & Company Secretary, by the independent third party sourced ‘Speak Up!’ telephone number or website, or reporting via local representatives of the European Works Council. Reporting via the ‘Speak Up!’ telephone numbers or website is available not only to employees, but a range of other third parties, for example suppliers. If required by the person speaking up, confidentiality is maintained throughout the entire process and in all cases the reporter is entitled to remain free from any retaliation for raising the report. If individuals feel they are not able to raise their concerns directly with us, we will never obstruct access to state-based judicial or non-judicial mechanisms for those who feel human rights have been impacted and aim to co-operate as required with competent authorities in investigating or adjudicating alleged human rights impacts. We have also created a flow chart which goes through the different level of breaches and steps if Human Rights incidents are reported by any internal or external channels.

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We will continue to reinforce the company’s values and code of conduct through all our actions. We will continue to robustly investigate any ‘Speak Up!’ Policy reports, and we will continue to work closely with our employee representatives to ensure all issues are tackled and resolved quickly. We will continue to explore how to improve access to remedies and ways of allowing rights holders and stakeholders to inform us of potential issues across our value chain in an anonymous, safe, and retaliation-free way.

## 5. Further resources and training

We are committed to provide the appropriate resources and training to all our employees and operations to understand and implement this policy and monitor and audit our performance<sup>7</sup>.

## 6. Key Related Documents

Ref Number	Title
	<a href="#">Anti-Bribery and Anti-Corruption Policy</a>
	<a href="#">Code of Conduct</a>
	<a href="#">Conflict Minerals Policy</a>
	<a href="#">Employee Charter</a>
	<a href="#">Global Supplier Standard (GSS)</a>
	<a href="#">Modern Slavery Policy</a>
	<a href="#">Speak Up! Policy</a>
	<a href="#">Modern Slavery and Human Trafficking Statement</a>
	<a href="#">Equal Opportunities and Anti-Discrimination Policy</a>
	<a href="#">Community Engagement Policy</a>
	<a href="#">REACH Policy</a>

<sup>7</sup> We already have mandatory eLearning modules on Modern Slavery, and Anti-bribery and Anti-Corruption

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## 7. Document Change Record

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1.0	26/05/2022	Initial Policy	Nadia Provenza	Policy Board and GOC

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## 8. Appendix

### 8.1. Definitions

#### a. **Human Rights**

Human rights are rights we have simply because we exist as human beings - they are not granted by any state. These universal rights are **inherent** to us all, regardless of nationality, sex, national or ethnic origin, colour, religion, language, or any other status. They range from the most fundamental - the right to life - to those that make life worth living, such as the rights to food, education, work, health, and liberty.

#### b. **Impacts and risks**

Companies need to identify and address human rights:

- **Impacts** – that are happening, so they can be stopped and remediated/put right. A **negative human rights impact** occurs when an action removes or reduces the ability of an individual to enjoy his or her human rights.
- **Risks** – potential impacts, which need to be prevented or mitigated.

#### c. **Human Rights Impact Assessment (HRIA)**

Human rights impact assessment (HRIA) is a process for identifying, understanding, assessing, and addressing the adverse effects of a business project or activities on the human rights enjoyment of impacted rights-holders such as workers and community members. HRIAs can take various shapes and be led by different stakeholders but should share the goal of protecting human rights and improving accountability of businesses for their adverse impacts on human rights.

#### d. **Sedex and SMETA**

- **Sedex** (Supplier Ethical Data Exchange) is a membership organisation that provides one of the world's leading online platforms for companies to manage and improve working conditions in global supply chains. It provides practical tools, services, and a community network to help companies improve their responsible and sustainable business practices, and source responsibly.
- **SMETA** (Sedex Members Ethical Trade Audit) is an ethical audit methodology which encompasses all aspects of responsible business practice. As a multi-stakeholder initiative, SMETA was designed to minimise duplication of effort and provide members and suppliers with an audit format they could easily share. SMETA reports are published in the SEDEX system, ensuring transparency and efficient information sharing. SMETA audits use the ETI Base Code, founded on the conventions of the International Labour Organization, as well as relevant local laws.
  - **Non-Compliance (NC):** An instance where the practices of the site of employment do not meet the requirements of either the law or the ETI Base Code. Since the Sedex system encourages audit sharing it is very important that the standard procedure is followed and that non-compliances are recorded where the site practice does not meet EITHER the law OR the ETI Base Code OR both. A non-compliance can be raised where either there is no system in place, the system is not effective in ensuring compliance or where a lapse in the system puts workers at a disadvantage.

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#### **e. Grievance mechanism and remediation**

**A grievance mechanism** is a formal, legal, or non-legal (or 'judicial/non-judicial') complaint process that can be used by individuals, workers, communities and/or civil society organisations that are being negatively affected by certain business activities and operations. Grievance mechanisms can help provide remedy where a company has caused or contributed to a negative impact; they can also be important early warning systems for companies and can provide critical information for broader human rights due diligence processes.

**Remediation** is the act of remedying or correcting something that has been corrupted or that is deficient. In the Guiding Principles, the term 'remediation' is used to refer to the process or act of providing remedy. At its core, the concept of remedy aims to restore individuals or groups that have been harmed by a business's activities to the situation they would have been in had the impact not occurred. Where this is not possible, it can involve compensation or other forms of remedy that try to make amends for the harm caused. This should not be confused with 'remediation' in the context of social audits, where the concept includes – and typically focuses on – forward-looking actions to prevent a non-compliance from recurring.

## **8.2. Standards/ Declarations / Principles**

#### **a. The Universal Declaration of Human Rights**

The Universal Declaration of Human Rights (UDHR), adopted by the UN General Assembly in 1948, was the first legal document to set out the fundamental human rights to be universally protected. The UDHR, which turned 70 in 2018, continues to be the foundation of all international human rights law. Its 30 articles provide the principles and building blocks of current and future human rights conventions, treaties, and other legal instruments. The UDHR, together with the 2 covenants - the International Covenant for Civil and Political Rights, and the International Covenant for Economic, Social and Cultural Rights - make up the International Bill of Rights.

#### **b. The UN Guiding Principles on Business and Human Rights**

The UN Guiding Principles on Business and Human Rights are a set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations. The UN states that "The Guiding Principles are grounded in recognition of:

- States' existing obligations to respect, protect and fulfil human rights and fundamental freedoms.
- The role of business enterprises as specialised organs of society performing specialised functions, required to comply with all applicable laws and to respect human rights.
- The need for rights and obligations to be matched to appropriate and effective remedies when breached."

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**c. The Declaration on Fundamental Principles and Rights at Work**

The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work was adopted in 1998, at the 86th International Labour Conference. It is a statement made by the International Labour Organization "that all Members, even if they have not ratified the Conventions in question, have an obligation arising from the very fact of membership in the Organization to respect, to promote and to realize, in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of those Conventions".

There are eight core conventions, which cover collective bargaining, forced labour, child labour and discrimination. They require;

- Freedom to join a union, bargain collectively and take action
  - Freedom of Association and Protection of the Right to Organise Convention, 1948, No 87
  - Right to Organise and Collective Bargaining Convention, 1951, No 98
- Abolition of forced labour
  - Forced Labour Convention, 1930, No 29
  - Abolition of Forced Labour Convention, 1957, No 105
- Abolition of labour by children before the end of compulsory school
  - Minimum Age Convention, 1973, No 138
  - Worst Forms of Child Labour Convention, 1999, No 182
- No discrimination at work
  - Equal Remuneration Convention, 1951, No 100
  - Discrimination (Employment and Occupation) Convention, 1958, No 111

**d. The UN Sustainable Development Goals**

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

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**e. The United Nations Global Compact**

**The UN Global Compact** is a non-binding United Nations pact to encourage businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. It asks companies to embrace a set of universal principles in the areas of human rights, labour, the environment, and anti-corruption. It is a platform for the UN to engage globally with businesses.

- **10 main principles;**  
**Human Rights**

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

**Labour Standards**

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour;

Principle 6: the elimination of discrimination in respect of employment and occupation.

**Environment**

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

**Anti-Corruption**

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery

**f. The United Nations International Convention of the Elimination of All Forms of Racial Discrimination**

The International Convention on the Elimination of All Forms of Racial Discrimination was adopted in the 1965 and entered into force in 1969. It remains the principal international human rights instrument defining and prohibiting racial discrimination in all sectors of private and public life.