



# DS Smith Group Water Stewardship Policy

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|-----------------------|---|-------------------------|----------------|
| <b>Title:</b>         | DS Smith Group Water Stewardship Policy | <b>Functional area:</b> | Sustainability |
| <b>Applicability:</b> | Group                                   | <b>Policy owner:</b>    | Sustainability |
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| <b>Status:</b>        | v0.3                                    | <b>Signature:</b>       |                |



## **Context**

### *Introduction to issue*

The availability of sufficient amounts of freshwater is critical for any business to operate and ensuring the equitable distribution of freshwater amongst all stakeholders is one of the hallmarks of a responsible business. It is the right of all humans to have access to clean water and sanitation, and as a large water user it is our responsibility to minimise our impact. Increasing population density around sources of water as well as predicted increases in the frequency and intensity of severe weather events (e.g. floods) caused by climate change, combined with further likely changes in the weather patterns that govern the availability of water, means that the management of water as a resource is just as important as the management of raw materials or energy.

### *Materiality to DS Smith*

Water is used as a transport medium for our key raw material (wood and paper fibres) and also as a means to transfer energy (in the form of steam) within the paper production process, therefore freshwater is vital to our paper making operations because the manufacturing process cannot function without it. DS Smith uses over 25 million m<sup>3</sup> of water every year and returns 21 million m<sup>3</sup> to the environment after treatment, which is monitored to locally monitored environmental standards, whilst the remainder is consumed in the manufacturing process (through evaporation etc.).

## **Scope**

This policy is relevant to the whole DS Smith Group. Our first two targets are relevant to the whole DS Smith Group, whilst the third target is relevant to our paper mills.

## **Our target(s) and commitments**

Water stewardship is one of our sustainability targets that underpin our strategy to “lead the way in sustainability.” Our goal is the “Achieve zero water impact by 2030” which we will accomplish through meeting our three targets:

1. Ensuring that 100% of our sites in water-stressed areas have a mitigation plan in place.
2. Ensuring that the quality of the effluent water we return to the environment meets our effluent discharge consent limits.
3. Investing in our paper-making capability so that 100% of our paper mills consume less than the European best-practice 6.5m<sup>3</sup> of water per tonne of production (mills producing recycled papers only).

Successfully meeting our commitments brings us into alignment with United Nations Sustainable Development Goal (UN SDG) 6 “Clean Water and Sanitation” and UN SDG 9 “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.”

We are committed to working with our local communities and regulators to ensure that wherever we operate there is enough water for all.



## **Our management approach**

At DS Smith the responsibility for our sustainability performance is governed at the highest levels in line with our strategic goal to “lead the way in sustainability.”

The Group Chief Executive is ultimately responsible for the management of all sustainability-related topics. Management of individual topics is done within the appropriate divisional and functional teams with oversight by both the monthly Health, Safety, Environment and Sustainability Committee and tri-annually by the Sustainability Steering Group. All of the above are supported by the Core Sustainability Team which focuses on providing insight and knowledge, specialist project support and delivery, and data and reporting services.

The World Resources Institute’s “Aqueduct” tool is used to identify which of our sites are in water-stressed areas, which we define as those sites at “high risk” or “extremely high risk” of water stress. This list is reviewed annually to include new acquisitions. Sites identified as being “water-stressed” are required to have a mitigation plan in place to minimise their use of water wherever practicable, which improves their resilience.

We monitor the number of non-conformances with our consents to discharge on a monthly basis. Any site which reports a value greater than zero is asked to investigate the incident and explain their action plan to prevent recurrence.

Our paper mills’ water consumption per tonne of production is monitored monthly. Site management teams at those sites operating above the benchmark of 6.5 m<sup>3</sup> per tonne work in conjunction with the central sustainability team to identify projects that can bring them into compliance.

## **Stakeholder engagement and awareness raising**

Stakeholder engagement is an essential part of our activities. We maintain an ongoing and constructive dialogue with our stakeholders, including customers, suppliers and investors. This includes shaping our priorities and taking a leading role in our industry to meet the aims of this policy. Awareness and training should be provided to relevant roles in achieving the aims of this policy.

## **Supporting documents**

- [WRI Aqueduct](#)

## **Review**

We will review this policy annually.