

Sustainability Update 2017

At DS Smith we are building an even better business, focused on delivering sustainable value to all of our stakeholders. To us, truly sustainable value is found when balancing the needs of Our Business, Our Environment and Our People.

I'm delighted that our recent Sustainability Review has been acknowledged by PricewaterhouseCoopers; highlighting our desire to share progress with our stakeholders in a consistent, accurate way, and to operate more sustainably.

Each and every day, the activities of all our colleagues are directed towards delighting our customers, providing a safe and productive work environment for employees and ultimately, creating value for our stakeholders.

In this update we share just some of the work underway across the business, focusing on the priority issues identified in our most recent materiality analysis.



DS Smith boxes up award for Sustainability Review 2016

We are proud to have received
PricewaterhouseCoopers' award in
"Building Public Trust in Corporate Reporting in the FTSE 250" category.

Success in CDP

DS Smith is delighted to announce a hat-trick of excellent results in this year's Carbon Disclosure Project (CDP), scoring 'Management B' in the Climate Change module, and 'Leadership A' in both the Water and Forests section of the annual sustainability benchmark.

Gold in EcoVadis

We are pleased to have achieved Gold Award for the second year running in the EcoVadis corporate performance benchmark - retaining our position in the top 5% of organisations evaluated.







Ensuring the safety and wellbeing of colleagues and contributing to our communities

Creating shared value through responsible recycling, paper and packaging solutions

Health & Safety



Our Viewpoint

As a manufacturing business, health and safety means ensuring the physical and mental wellbeing of all visitors, employees, contractors, agency workers and members of the public.

This remains our number one priority. It is important to ensure our zero accident culture is embedded across the business, especially as our business continues to grow and expand into new territories.

Baler Safety and Zero Accident Culture

All our current sites and many of our new acquisitions in the Packaging Division received capital investment in the first stage of our Baler Safety Project, applying our new standard (based on EN technical safety standards). This investment will continue until all new and existing baling machines meet this new standard.

Our OWN IT! programme is a core part of reducing risks and raising our safety awareness, as we realise the potential of our people to drive the zero accident culture. In our Plastics business our Rapak™ site in Asia Pacific has achieved 11 years (4016 days) with no lost time accidents (LTA), and our Worldwide Dispensers™ site in the USA has been recognised at a state level for safety excellence since 2007.

Packaging Reputation



Our Viewpoint

As Packaging Strategists we recognise the role packaging can play in increasing sales, lowering costs and managing risks.

Occasionally, packaging can have negative connotations when oversized or inefficient. Therefore, we realise the need to improve packaging's reputation.

100th Impact Centre Workshop in Benelux

Our Impact Centre in Gent, Belgium hit an important milestone when Refresco (Europe's largest bottler) joined us for the region's 100th Impact Centre workshop. At Impact Centres, our customers can judge their packaging's performance at each stage of the supply cycle.

At a workshop, customers are able to assess sales performance, instore efficiency, optimised logistics and many other topics, right up to the moment when the shopper decides which product to purchase.

"We used to start from the product, and the packaging would come later, but the customer sees it the other way, and is guided by the packaging. This open approach by DS Smith has opened our eyes [and] has permanently changed our view on packaging."

Maarten Kusters, Managing Director of Refresco Benelux

Supply Cycle Thinking



Our Viewpoint

Closed loop approach, circular economy, resource efficiency... At DS Smith, we talk about Supply Cycle Thinking.

To us, this is the concept of moving away from traditional linear supply chains, to focus on more cyclical resource systems.

Constantly increasing pressures on resource use, energy, water and waste production mean we need to use what we have ever more efficiently, considering every stage of the supply cycle.

Award-winning Circular Innovations

From using grape residues to develop 100% biodegradable champagne boxes, to regrinding 9 year-old beer crates back into brand new ones, we are proud to continually celebrate award-winning circular innovations. We are delighted that a collaboration between our sites in Plymouth and the Eden Project (featured in our Sustainability Review 2016) has recently been awarded gold for Environmental Best Practice at the International Green Apple Awards.

Delighting our customers

Good packaging protects products, keeps food fresher for longer and reduces damages, using no more material than necessary; helping our customers to lower cost, increase sales and operate more sustainably.



Minimising our impact, from design to production and supply to recycling

Traceability & Transparency



Our Viewpoint

To us, traceability is the ability to accurately understand our suppliers and supply chains, and transparency is about being honest and open with this information.

We understand the important role we can play as a responsible company in ensuring our supply chains are managed to the high standards that we, our customers and consumers increasingly expect.

Self-assessment of Social Sustainability through SEDEX

Since the publication of the Sustainability Review 2016, the completion rate of SEDEX self-assessments across the business has leapt from 34% to 76%. Every Paper Mill and a number of our Packaging regions, including Italy and Spain, are now complete. Aligned with our zero tolerance policy on human rights issues we continue to work towards our goal to achieve 100%.

Fibre Sourcing & Availability



Our Viewpoint For DS Smith, this means continuing

to source good quality recovered paper, ensuring security of supply, and sourcing all virgin fibre responsibly.

Fibre is our primary raw material and it is essential for our business to ensure we have a continued, responsibly-sourced supply.

Working towards 100% FSC Certification

DS Smith has embarked on an ambitious programme to achieve 100% certification for all relevant DS Smith operations in 2018. This programme underlines our commitment to sourcing responsibly.

Delighting our customers

By providing our customers with either recycled or certified sustainable packaging, we are managing risk associated with deforestation on their behalf.

Recycling & Waste



Waste is the ultimate destination of resources once they are considered to have ended their useful life – but at DS Smith, we see waste as a resource.

Harvesting virgin raw materials can be costly in terms of financial and environmental impact, and added to that, no resource is infinite. We divert from landfill and recycle materials back into production – helping to keep materials in supply cycles for as long as possible.

A Legacy of Zero Waste

At DS Smith, we have a legacy of helping our customers on their journeys to zero waste, as well as focusing on our own efforts to reduce waste within our business.

Through innovation, a dedication to world-class customer service, a focus on providing quality recycling streams, and some well-developed closed loop recycling models, we were the natural choice of partner for the first major UK retailer to commit to a 'zero waste to landfill' strategy.

Continuing in this success, since the publication of the Sustainability Review 2016, we are glad to report that through our support, one of the world's largest furniture retailers has announced that they have reached zero waste to landfill.

Energy & Carbon





Energy consumption and associated carbon emissions are significant environmental aspects that contribute to global challenges such as climate change, and we are committed to reducing our emissions relative to production.

Heat Recovery Systems in Northern Europe

Installing heat recovery systems in Northern Europe is an essential part of our energy strategy in countries where the winters can be harsh. In Sweden we installed two heat recovery systems to recover waste heat from the moist air exhausted from the corrugator enclosures. The heat can then be ducted to the converting and warehouse areas to reduce space heating demand in the winter months. The project also helps improve the overall site air balance.

The system is estimated to save 750MWh/year whilst improving the environment for both operators and machinery.

Delighting our customers

There are both environmental and financial reasons to avoid landfill. By working with our customers to achieve zero waste, we help them lower cost and operate more sustainably.

Delighting our customers

Many of our customers are focused on reducing their Scope 3 supply chain emissions. By reducing our footprint, we help our customers to reduce theirs.



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