



Global Supplier Standard



The Power of Less®

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Statement to Suppliers

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.

Our Business, our products and our services create sustainable value for our customers through responsible recycling, paper and packaging solutions. Our focus is to provide the right packaging and recycling solutions for our customers, whilst simultaneously adding value through increased brand impact and ensuring functionality to reflect changing consumer lifestyles and retail trends.

A commitment to **Our Environment** is a key part of how we are working to create a sustainable business model. Throughout our operations and supply chains, from design to production and supply to recycling, we are reducing energy consumption, minimising waste and embedding the highest ethical standards to ensure the most positive impact on our environment.

We are dedicated to creating sustainable value for **Our People**. We are committed to the highest standards of safety, and are keen to ensure DS Smith is an engaging employer where our people can thrive and fulfil their potential. Across our business we play an active role in our communities, enabling our people to support the causes that matter to them.

We are aware of the important role our suppliers play in DS Smith fulfilling our mission. We expect our suppliers to have an active approach to monitoring standards of social responsibility and a programme to improve their performance in this sphere. This approach will be evaluated and considered in our procurement activities. Each and every supplier of materials and/or services to DS Smith is expected to meet the same standards that we apply to our own operations. Through compliance with these standards, our suppliers help maintain our reputation for excellence, independence and integrity. These standards define only the minimum requirements for doing business ethically with or on behalf of DS Smith and we encourage our suppliers to go above and beyond these minimum requirements.



Alex Jennings
Chief Procurement Officer
DS Smith

Purpose and Scope of the Global Supplier Standard

DS Smith Plc and our subsidiaries (collectively, "DS Smith") are committed to the highest ethical standards in the way we engage with each other, our customers, employees, shareholders, suppliers and other stakeholders.



Our reputation is founded on our achievement of these high standards. At DS Smith we build relationships based upon our core values - to be caring, to be challenging, to be trusting, to be responsive and to be tenacious and do so in a socially and environmentally responsible manner. DS Smith has developed the Global Supplier Standard (GSS) to ensure our suppliers and business partners are in alignment with our business core values.

The GSS provides clarity to our suppliers regarding our general expectations and requirements in the areas of ethical business practices, social and environmental management. In addition to the general requirements and expectations, the GSS also lays down various product safety and quality assurance requirements and standards directed to suppliers of raw materials, indirect production materials/service, energy, transport service and paper. The GSS will serve as a complement to DS Smith's Code of Conduct and corresponding practices. The GSS applies to all our suppliers and partners across the globe. We trust and expect our suppliers to honour our values, policies and standards herein.

In this GSS, the term supplier refers to any business or individual, including subcontractors, agents, manufacturers, distributors and consultants that provide materials and/or services to, or act on behalf of DS Smith.

DS Smith's core values:



To be caring



To be challenging



To be trusted



To be responsive



To be tenacious

In a socially and environmentally responsible manner

Corporate Vision



DS Smith's expectations:

Suppliers shall be in alignment and act in accordance with the values of DS Smith by:

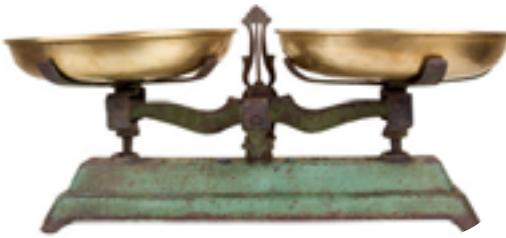
- Performing business activities responsibly and ethically
- Developing and maintaining comprehensive quality systems that ensure DS Smith quality and specifications are met
- Conducting continuous improvement activities with a focus on quality, cost, innovation and sustainability for mutual growth and benefit for suppliers and DS Smith
- Understanding and complying with the Code of Conduct governing our business

Fundamental Standards

This section describes the general requirements that all suppliers must comply with in order to sustain any business relationship with DS Smith. These requirements are based on the Ethical Trade Initiative (ETI) Base Code (www.ethicaltrade.org).

Sourcing and purchasing ethically

DS Smith conducts business activities ethically and with integrity. All suppliers must comply with local laws and regulations, and be honest and straightforward with all of their business processes. This means suppliers must engage in fair dealings and truthfulness by ensuring these fundamental standards are met.



Suppliers must have documentation verifying their ethical sourcing and purchasing activities and may use the Ethical Trading Initiative (ETI) Base Code or any other similar standard as a guideline for implementing ethical sourcing and purchasing. Suppliers must provide this information to DS Smith upon request.

In addition, suppliers of recycled materials shall ensure that such materials are supplied to European Standard EN643. Such materials must have been sourced and moved in accordance with waste legislation as required by the revised EU Waste Framework Directive and in-country waste legislation as laid out by the in-country environmental agencies.

All suppliers must:

1. Ensure that employment is freely chosen
2. Respect freedom of association, including the right to collective bargaining
3. Ensure that working conditions are safe and hygienic
4. Ensure that child labour is not used
5. Pay at least a legal minimum wage (the minimum national legal standard or industry benchmark, whichever is higher)
6. Ensure that working hours are not excessive
7. Not tolerate any form of discrimination
8. Ensure that regular employment is provided
9. Ensure that harsh or inhumane treatment is not tolerated
10. Respect and protect the environment
11. Combat and eliminate bribery and corruption
12. Promote free and open competition
13. Protect confidential information
14. Establish grievance procedures
15. Comply with laws and regulations
16. Permit no tax evasion
17. Comply with sanctions regimes
18. Respect the rights of indigenous people

1. Ensure that employment is freely chosen

Forced labour includes all work or service which is imposed on any person under the threat of any penalty and for which the person did not offer voluntarily. It is a fundamental human right for no person to be subject to forced or compulsory labour. Therefore, suppliers shall prohibit the practice or use of any form of forced labour.

The UK Modern Slavery Act ("the Act") requires companies either private or public with an annual global turnover of over £36 million that carries on a business, or part of a business in any part of the UK to publish a 'slavery and human trafficking statement' for each financial year.

The statement should disclose the steps the organization is taking during the financial year to ensure that slavery and human trafficking is not taking place in its own operations and in its supply chains or that no such steps have been taken.

DS Smith is fully supportive of the Act and we are committed to driving the highest ethical standards within our supply chains. Read more about our policy [here](#).

We expect our suppliers to respect human rights, including;

1. Maintaining policies.
2. Having procedures in place to prevent the use of child labour.
3. Having procedures in place to prevent the use of forced labour.

Modern slavery and human trafficking occur when employees for example:

- Are forced to work
- Are "owned" or controlled
- Are trafficked to workplace for a fee
- Have no or limited freedom to leave
- Work under very challenging conditions with no recourse
- Get punished or constrained physically
- Have no working rights
- Owe debts to employer or trafficker

Suppliers must confirm that they comply with the requirements of the Act and similar local and international acts that prohibit the practice of any form of modern day slavery. Suppliers must establish a system to monitor and eliminate forced or compulsory labour from their whole supply chain. Refer to the Act for more details.

DS Smith are committed to driving the highest ethical standards within our supply chains



2. Respect freedom of association, including the right to collective bargaining

It is a fundamental right of employees to have the freedom of association and collective bargaining. Suppliers must respect this by providing the right of its employees to freely establish or join labour organisations of their choice and freely bargain. This practice should be based on national regulations and laws and internationally recognised labour standards.

3. Ensure that working conditions are safe and hygienic

Suppliers must provide a safe and healthy working environment for their employees. Suppliers must establish a system or methods to monitor and report health and safety incidents and performance.

Occupational health and safety incidents and performance must be managed and continuous improvement actions must be established by suppliers. Responsibility for the management of employees' health and safety must be appointed to a management representative. Suppliers must comply with the International Labour Organization (ILO) convention or similar national law. In general, DS Smith expects that its suppliers provide safe and humane working conditions for all their employees.

4. Ensure that child labour is not used

Suppliers must not engage in any form of child labour directly or indirectly (by the use of sub-contractors). Suppliers must ensure that employees are at least of minimum age according to national or international law. Suppliers must establish systems to ensure there is no child labour present within their own organisation or within their supply chains.

**DS Smith expects
that its suppliers
provide safe and
humane working
conditions for all
their employees**

5. Pay at least a legal minimum wage

Suppliers must ensure wages and benefits paid to employees for a standard working week meet minimum national legal standard or industry benchmark standards (whichever is higher). In any event, wages must always be enough to meet basic needs and provide some discretionary income.

All workers must be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

In addition, suppliers must not permit deduction from wages as a disciplinary measure, nor must any deduction from wages not provided for by national law be permitted without the express permission of the worker concerned.

6. Ensure that working hours are not excessive

Working hours must comply with national laws, collective agreements and the stipulations of the ETI Base Code.

7. Not tolerate any form of discrimination

Suppliers must not practise or tolerate any form of discrimination on the grounds of race, colour, sexual orientation, gender, political opinion, religious belief, age or disability. Suppliers are required to establish anti-discrimination policies and systems to monitor compliance throughout their organization. Suppliers must comply with national anti-discrimination laws and regulations, or in situations where there is no national law present, suppliers shall comply with international laws and regulations.

8. Ensure that regular employment is provided

To every extent, work performed must be on the basis of recognised employment relationships established through national law and practice.

9. Ensure that harsh or inhumane treatment is not tolerated

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation must be prohibited.



10. Respect and protect the environment

DS Smith conducts business in a manner that respects and protects the environment. We emphasise the importance of assessing and managing the environmental impact caused by our products during their lifecycle. From sourcing to delivery, suppliers must conduct business activities that minimises waste, energy and water consumption and carbon emissions. Service suppliers are required to supply services in a manner that contributes to a sustainable environment.

11. Combat and eliminate bribery and corruption

Bribery is defined as a specific offence which concerns the practice of offering or receiving something, usually money, to gain an illegal advantage or with the intention of influencing the recipient in a way favourable to the provider. Corruption is an abuse of a position of trust or the misuse of power for private gain.

Suppliers must prohibit engagement in any form of bribery, corruption, extortion and embezzlement. Suppliers must establish and implement policies and solid systems to combat all forms of corruption, bribery, extortion and embezzlement. Suppliers must comply with international and national acts on anti-corruption and bribery.

12. Promote free and open competition

DS Smith believes and promotes free and open competition. Suppliers must prohibit any activities involving anti-competitive agreements, anti-competitive unilateral conduct that exploits market dominance or market power, cartels, anti-competitive mergers and acquisitions and any other form of anti-competitive activity. Suppliers must comply with all applicable national and international anti-trust and anti-competitive laws and regulations.

13. Protect confidential information

Suppliers must secure DS Smith private and confidential information in their possession, use it only as per DS Smith's instructions and safeguard the confidential information from unapproved or unintended disclosure. The obligation to safeguard DS Smith's confidential information is ongoing and continues even after the supplier's business relationship with DS Smith ends.

DS Smith conducts business in a manner that respects and protects the environment

14. Establish grievance procedures

Suppliers must establish formal grievance mechanisms. This must allow employees to report any dispute that occurs, for example, in connection with employment practices, corruption or human rights. Suppliers must document and report such instance, the number of grievances reported and the number resolved. Suppliers must record and document procedures followed and/or measures taken to resolve any grievance reported by employees.

15. Comply with laws and regulations

Suppliers are fully accountable for their supply chains and shall ensure their supply chains are compliant with all applicable laws and regulations. DS Smith reserves the right to investigate any alleged noncompliance by suppliers. Noncompliance with the GSS may result in DS Smith terminating any business relationships with suppliers.

16. Permit no tax evasion

Suppliers must not engage in any activity, practice or conduct which would constitute tax evasion or the facilitation of tax evasion. Suppliers must ensure this commitment is adopted throughout the suppliers' supply chain.

17. Comply with sanctions regimes

Suppliers must not, directly or indirectly sell, export, distribute, transfer or otherwise provide materials and/or services to any country, entity or person or conduct business on behalf of DS Smith in contravention of any current economic or trade sanctions, laws, or regulations of the United States, the United Kingdom, European Union, the United Nations or any other applicable sanctions authority, as amended from time to time. Further laws and regulations specifically apply to the following: raw materials and industrial goods suppliers (Section I), energy suppliers (Section II), indirect materials and/or service suppliers (Section III), transport suppliers (Section IV) and paper suppliers (Section V).

18. Respect the rights of indigenous people

Suppliers must respect the rights of indigenous people and their traditional livelihoods. Suppliers must seek free, prior and informed consent of stakeholders affected by resettlement, offer adequate compensation and avoid complicity in forced evictions. Suppliers must respect the right to water and other vital resources essential to all stakeholders.

Suppliers are fully accountable for their supply chains and shall ensure their supply chains are compliant with all applicable laws and regulations

Section I: Raw Materials and Industrial Materials

This section of requirements and standards is directed to suppliers of any raw materials and/or industrial materials to DS Smith.

Suppliers shall ensure:

1. Quality systems are in place

DS Smith's suppliers shall have a quality management system in place to ensure we receive products and services that comply with our specifications and requirements. Our suppliers shall adopt a quality management system that conforms to all requirements of the current ISO 9001 or equivalent systems which drives continuous improvement. The preferred quality level is an ISO 9001 certification.

2. Documents and records are controlled

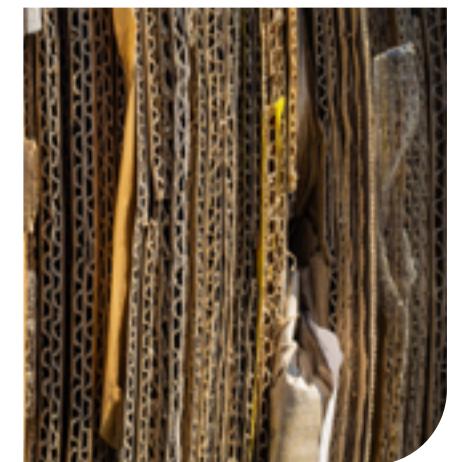
Supplier's document control shall ensure approved, reliable and effective documents are used. The quality system records shall be kept available for evaluation by DS Smith for a period of five years after delivery of the material or service.

Documents shall include and not be limited to:

- Specification of the material or service delivered
- Quality control data/certificates of analysis to prove conformity of the material or service delivered
- Traceability of raw materials/components used for production of the material delivered

3. Review of quality management is conducted

Suppliers shall periodically review the quality system to ensure consistency, effectiveness and adequacy and shall keep records of these results. The review of the quality system should include documentation of audit results, feedback, process monitoring results and product performance. DS Smith reserves the right to ask for evidence of these quality reviews and the improvement actions taken as a result of them.



4. Product/material specifications are met

All materials must be defined by an agreed specification or technical data sheet, and with a unique identification code, during regular supply and when in development phases. During the development phase, the identification can be temporary.

Suppliers may not make any changes (that impact or influence the product/material specification and/or performance) in raw materials/components used, and/or in their processes, including changes of production unit or line, unless such changes have been communicated to and accepted in writing by DS Smith before implementation. This also applies during the development phase. DS Smith must be notified a minimum of three months but preferably six months in advance if any such changes relating to commercially delivered material take place. A new material identity shall be used if raw materials or process conditions are significantly changed, particularly if the changes may influence the material's chemical composition.

5. Design and development is controlled

Suppliers should use their design outputs to establish a controlled operation at their manufacturing, test or inspection locations. The development and launch of new materials and products should follow a documented cross-functional process.

The process description shall include:

- Consultation and/or innovation meetings with DS Smith to help determine and identify DS Smith expectations
- How material in the developmental phase is transferred to regular production
- How parameters necessary for repetitive production of a material in the developmental phase are documented, e.g. material composition and process parameters

When requested by DS Smith, a formal agreement on the scope and goals of a development project shall be made between the supplier and DS Smith. A separate confidentiality agreement (or non-disclosure agreement) may also be required.

The initial stage of projects to develop new materials shall include the following considerations:

- Process capability analysis, also valid for pilot machines when applicable
- Patents and other intellectual property
- Cost analysis
- Regulatory and product safety aspects
- Environmental aspects
- Occupational health and safety aspects



6. To control their purchases

DS Smith requires suppliers to establish requirements and supplier selection processes, to ensure the components and raw materials used in production comply with DS Smith requirements as per Section I.

Suppliers are responsible for the quality of the raw materials and components they purchase for production. Therefore, suppliers are required to conduct additional controls in situations where necessary, to verify components and raw materials comply with DS Smith specifications.

Suppliers shall audit their supply chains to ensure that purchases made are from suppliers that also conform to these standards; that ethical business practices and the fundamental standards described in this document are adhered to.

7. Handling, storage and delivery of products/materials meet specifications

Suppliers shall comply with established specification of packaging requirements and instructions. Packaging operations shall be controlled to avoid mislabelling, cross contamination, and errors.

Suppliers shall establish and follow packaging standards and methods to ensure that material is adequately protected from alteration, damage and contamination during transit.

Supplier labelling shall meet applicable regulation and standards, remain legible and attached to product/material during normal handling, storage and distribution conditions.

Where applicable, suppliers shall ensure vehicles are suitable for hygienic product/material transportation and are regularly cleaned and inspected to ensure that they are free of odours and contamination. All vehicles, regardless of source, shall be inspected before loading and records of inspection shall be kept.

8. To control non conformance of materials/products

Nonconforming product/materials shall be identified, separated and evaluated. The supplier shall report to DS Smith the reason for non-conformance and what actions have been taken to prevent re-occurrence.

Product Safety

DS Smith has defined and established procedures for assessing the safety of materials for its intended use. Suppliers shall conduct safety assessments on all commodities or products supplied to DS Smith and record documentation. All assessment procedures shall abide by the principles of general risk assessment. This covers the identification of hazards, exposure assessments and risk characterisation.

Safety assessments are based on compliance with legislation and standards relevant to the type of material and the intended market.

9. Compliance with restriction and handling of chemicals laws

Substances subject to special restrictions and actions describing their permissible use are detailed in Annex A1. All materials delivered shall comply with applicable national and international chemical legislations.

Suppliers may be required to follow chemical legislation for other parts of the world other than where the material is delivered as the final DS Smith product may be distributed globally. DS Smith has defined additional chemical substances which are of special concern and are subject to specific restrictions. These chemicals are of special concern if intentionally added to materials supplied to DS Smith and if delivered for use as process chemicals in our processes. Annex 1 lists the chemicals of special concern.

DS Smith requests for information:

Suppliers shall agree to comply with DS Smith requests for information relating to material compliance, including but not limited to:

- EU and other country Restriction of Hazardous Substances (e.g. Toxic Substances Control Act USA)
- Directives and related substance declarations or evidence
- Human rights supply chain related laws such as the U.S. Dodd-Frank Act (Conflict Minerals provisions) and related declarations
- Safety Data Sheet (SDS) according to relevant legislation (e.g. REACH Regulation EC 1907/2006) or other relevant safety information when SDS is not applicable
- Information on toxicological tests already performed (e.g. cell toxicity, skin irritation or sensitisation tests)
- Where product/materials have regulated or listed components, the complete details of those components including Chemical Abstracts Service (CAS) numbers, additives and impurities, e.g. (residual monomers) must be supplied to DS Smith
- Regulation 1907/2006/EC called REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals). Suppliers supplying within the EU shall take full responsibility for pre-registering, registering, notifying and/or applying for authorisation as and when required. This also applies when customs documents identify DS Smith as the importer
- Food contact legislation (e.g. The Framework regulation (EC) 1935/2004 and Good Manufacturing Practice regulation (EC) 2023/2006)
- Occupational health & safety (hazardous substances) legislation

10. Manage environmental activities

Suppliers shall adopt Environmental Management Systems (EMS) when applicable to assist them in managing their environmental impact.

11. Reduce energy and greenhouse gas emissions

DS Smith is working to reduce its greenhouse gas emissions from a holistic perspective, i.e. from the extraction of resources, through production, transportation, use, and end of product life.

Where applicable, suppliers shall actively contribute to reduce emissions, both in terms of energy for manufacturing, transportation, and the source of material, and work with DS Smith to improve its own energy efficiency.

DS Smith prefers suppliers to increase the proportion of renewable energy they utilise and work with alternative materials that are more environmentally sound.

12. Protect water resources

Suppliers shall use water efficiently and conserve water resources where possible. Waste water should be adequately treated to industry standard or legal requirements, whichever is greater.

13. Manage waste appropriately

Suppliers should minimise waste. Hazardous waste should be adequately treated to industry standard or legal requirements, whichever is greater, including solid waste and air emissions, where applicable.

14. Improve material use

Suppliers should use materials efficiently and conserve them where possible. Suppliers should reduce, re-use and recycle materials where possible. Products and packaging should be designed to simplify re-use and recycling. Suppliers should eliminate single-use plastics, where possible.

15. Assess environmental performance

Suppliers will be assessed on their environmental performance. This will be done either through self-audits and assessments or ad-hoc audits when necessary.

Suppliers are expected to answer questions on such topics as:

- Use of energy (electricity and fuels)
- Use of water
- Emissions to air, effluents to water, and solid waste
- Raw material and finished material
- Fibre raw materials and pulp production



Annex A1: Chemicals of Special Concern

Chemicals in Table 1 should not be intentionally added to materials supplied to DS Smith. Exceptions from the list may exist for materials delivered to DS Smith only to be used as process chemicals.

Chemicals in Table 2 are of special concern and their presence as a result of intentional or non-intentional addition will always be assessed in each individual case.

Presence of substances in Table 2 in concentrations above 0.1% in the material delivered should be communicated to DS Smith.

Note that this list is not exhaustive. There may be additional restrictions other than those listed below in particular packaging applications or as a result of requirements from our downstream customers. Such restrictions will be handled on a case by case basis or if needed, included in future updates of this GSS.

Table 1

Chemical substance
Any substance classified as Carcinogenic, Mutagenic or toxic to Reproduction (CMR substances classified with H350, H340, H350i, H360F, H360D), category I or II under current EU legislation and listed in Annex I of Regulation (EC) No 1272/2008 or CMR substances in Category 1A and 1B with Hazard statements: H340, H350 and H360 according to The United Nations Globally Harmonised System of Classification and Labelling of Chemicals (UN-GHS), and Classification, Labelling and Packaging of substances and mixtures, Regulation (EC) No 1272/2008 (CLP)
Mineral oil that contributes to Mineral Oil Saturated Hydrocarbon and Mineral Oil Aromatic hydrocarbon (MOSH and MOAH) are not allowed to be included in any raw material paper chemical supplied to DS Smith
All substances in Annex XIV of EU REACH regulation 1907/2006
Allergens classified with H317 (previously R43)
Substances identified as PBT/vPvB substances, according to EU REACH Regulation No. 1907/2006
Substances prohibited in Annex XVII of EU REACH regulation (former EC directive 76/769/EEC)

Table 2 (Non-exhaustive)

Chemical substance
Carcinogenic, Mutagenic or toxic to Reproduction (CMR substances, classified with H351, H341, H361f, H361d), category III under current EU legislation and listed in Annex I of Directive 67/548 or CMR substances in Category 2 with Hazard statements: H341, H351 and H361 according to The United Nations Globally Harmonised System of Classification and Labelling of Chemicals (UN-GHS), and Classification, Labelling and Packaging of substances and mixtures, Regulation (EC) No 1272/2008 (CLP), or under review by official regulatory bodies, e.g. IARC
Recognised or documented allergens
Recognised or documented hormone disturbing substances (endocrine disruptors)
All other substances in the REACH candidate list of EU REACH regulation 1907/2006 (current and future lists)
All other restricted substances in Annex XVII of EU REACH regulation (former EC directive 76/769/EEC)
Chemical substances on the California Proposition 65 list
Persistent organic Pollutants (POPs) as defined by the Stockholm Convention
Substances restricted in toys regulations (directive 88/378/EEC and 2009/48/EC replacing 88/378/EEC from 1 July, 2011)
Ozone depleting substances as defined by the Montreal protocol and Regulation EC/2037/2000
Substances restricted in Directive 1994/62/EEC in Packaging and Packaging Waste
Substances restricted in Directive 2002/95/EC (RoHS directive)
Substances identified on the OSPAR List of Chemicals for Priority Action
Declare the content of palm oil in any product supplied to DS Smith and prove that it is sustainably sourced

Section II: Energy

This section is directed to suppliers of energy. Suppliers of energy shall ensure:

1. Energy market management and supply

DS Smith requires suppliers to provide the following services and information:

- Full transparency on load profiles per site
- Full transparency on detailed cost elements
- Regular reporting on energy efficiency and technology
- Remit reporting related to DS Smith supply

2. Energy efficiency for the suppliers of machinery and equipment

Electrical

- Equipment should be supplied with the most effective high efficiency motors
- Frequency control drives should be included where appropriate
- Electronic actuators and positioners should be used in preference to pneumatic activation where possible
- All lighting should be high efficiency LED and conform to EN 62471:2008 or later standards classified as Exempt. Site supplier standards may apply
- Digital metering should be included to allow for machinery power consumption to be monitored in real time and to allow connection to a site energy management system

Compressed Air

- Compressed air should not be utilised unless absolutely necessary
- If compressed air is required it should be used at the lowest possible motive pressure commensurate with the task to be undertaken
- Cleaning devices should utilise local vacuum systems to remove waste rather than air nozzles to distribute waste

Thermal Energy

- All steam systems and condensate systems should have sufficient control valves to allow for control and isolation at each point of steam or condensate use
- Condensate should be collected and not flashed off under any normal operational circumstances
- All steam and condensate pipes should be suitably insulated to allow for safe hand contact and to minimise heat losses
- All steam and condensate valves, pumps and other components should be adequately insulated with properly fixed insulation blankets with clips to allow for occasional safe removal for maintenance and reinstatement thereafter
- Any noise enclosures should also provide adequate thermal insulation and be equipped with heat recovery equipment as appropriate. Any ventilation systems should include controls (temperature, air flow) on exhaust and ingress fans and systems to minimise energy consumption and optimise operating temperatures. Any access doors should be equipped with automatic 'soft' closure systems

Section III: Indirect Materials and Services

This section of requirements and standards is directed to suppliers of any indirect materials and/or services to DS Smith.

Indirect products and services are referred to as products and services which are used in a production process but are not part of a finished product. Suppliers shall ensure:

1. Products and services comply with specifications

Suppliers shall deliver products and services according to established specifications and requirements by DS Smith. Suppliers are required to inform DS Smith immediately in case of any changes in their products or services.

2. Products and/or services are in compliance with regulations

Suppliers shall deliver products or materials that comply with all (but not limited to) EU, national and international Restriction of Hazardous Substances Directives.

Suppliers shall comply with all international environmental, employment and human rights laws and regulations; including implementing programmes to ensure products do not contain restricted or banned substances or take steps to ensure the raw materials do not originate from areas of conflict and significant human rights abuses (Conflict-Affected and High Risk Areas as defined by the OECD) and make the proper documentation available on a periodic basis.

With regard to requests for the origin of substances in products, suppliers agree to cooperate with DS Smith and conduct reasonable due diligence of its upstream suppliers to facilitate DS Smith compliance efforts.

Suppliers are required to inform DS Smith immediately in case of any changes in their products or services

Section IV: Transport Services

This section describes DS Smith transport requirements for all services used for the delivery of DS Smith materials. Suppliers shall ensure:

1. Quality management system is in place

Suppliers shall have a quality management system in place where applicable to ensure services provided to DS Smith meet specifications and requirements. Suppliers' quality management system shall focus on continuously improving performance effectively and efficiently. The preferred level of quality is an ISO 9001 certification.

2. Transport activities comply with laws and regulations

Suppliers shall utilise suitable transportation mode(s) as required by DS Smith. Suppliers shall ensure the utilisation of efficient, safe, secure and environmentally friendly mode(s) of transportation for the delivery of materials or products to DS Smith customers.

DS Smith's suppliers shall comply with all EU, national and international laws including but not limited to:

- Drivers' hours and rest periods
- Working time
- Use of tachograph and GPS
- Drivers' licensing
- Alcohol and drug policy
- Truck weight and dimensions
- Safe loading/unloading of materials
- Loading and strapping where required
- Waste carriers' licence is held where appropriate

In order to comply with national and international immigration laws, suppliers shall conduct inspection of carriers to ensure persons are not intentionally or unintentionally transported across borders.

Suppliers shall ensure the utilisation of efficient, safe, secure and environmentally friendly mode(s) of transportation for the delivery of materials or products to DS Smith customers

3. Health and safety systems of employees are ensured

Suppliers are required to have health and safety management systems in place to ensure the health and safety of employees are guaranteed. Health and safety systems shall aim to continuously improve the health and safety of employees. Suppliers' health and safety management shall conform to OHSAS 18001 standard. The preferred level of health and safety is OHSAS 18001.

4. Contribute to a sustainable environment

Suppliers shall conduct business in a responsible manner through utilising transportation mode(s) that contribute to low emissions. Suppliers are required to have systems in place to record and monitor their impacts on the environment as a result of their transport activities. Suppliers are required to have measures or plans in place to reduce their environmental impacts. The preferred environmental management level is ISO 14001 certification.



Section V: Paper Sourcing

This section of requirements and standards is directed to suppliers of paper and/or pulp to DS Smith. Suppliers shall ensure:

1. Quality management system is in place

Suppliers are required to have a quality system in place where applicable to ensure DS Smith receives materials that comply with specifications and requirements. Our suppliers shall adopt a quality management system that conforms to all requirements of the current ISO 9001 or equivalent system which drives continuous improvement where applicable. The preferred quality level is an ISO 9001 certification.

A supplier's quality management system shall include but not be limited to:

- Quality systems manual, policy and objectives
- Procedures to control documents and records
- Periodic review of quality management
- Meeting products/materials specifications
- Control of purchases to ensure the components and raw materials used in production comply with DS Smith requirements.
- Identification and traceability of products/goods
- Conducting of internal audit
- Utilisation of efficient and suitable transport mode for Delivery
- Control of non conformance of materials/Products

2. Sustainable environmental management

At DS Smith, we recognise our obligations and are committed to managing forests responsibly. Suppliers shall assist DS Smith in protecting the environment through sustainable environmental management practice.

Suppliers shall ensure the protection and preservation of forest ecosystems, conserve biological diversity and soil, water resources, safeguard forest areas of significant cultural importance and ensure sustainable supply through fewer emissions.

Suppliers shall establish an Environmental Management System (EMS) to monitor their impact on the environment through the course of their business operations. Suppliers' EMS shall enable them to monitor and manage direct or indirect emissions, effluents and resource usage. Suppliers' EMS shall include but not be limited to an objective for continual improvements for their environmental performance. Preferred level of environmental management is ISO 14001.



3. Ethical sourcing practice

Suppliers will not include any illegal wood raw materials in any paper or pulp delivered to DS Smith and ensure wood raw materials are derived from certified sustainable sources. Suppliers will work under strict conditions to limit the inclusion of hazardous substances and/or materials in the processing and content of paper and/or pulp.

All fibre, pulp and paper suppliers will provide accurate data in accordance with the requirements of the EU Timber Regulations as necessary and as requested by DS Smith.

4. Community health

Suppliers will ensure sustainable community health throughout their supply chain. Suppliers shall establish measures to prevent accidents during the storage and transportation of chemicals.

During the transportation of wood, either as logs or chips, suppliers shall ensure to establish measures to stimulate traffic safety.

5. Compliance with laws and regulations

Suppliers are required to comply with all applicable environmental, health and safety regulations including but not limited to:

- Forestry codes of practice
- Regulations governing legal acquiring of wood
- Hazard and risk assessment

When requested by DS Smith, suppliers shall provide information regarding their sustainable activities

Annex A2 Legislation and Abbreviations

Legislation and standards (this list is not exhaustive)

ISO:

ISO 9001 Quality management systems - Requirements

ISO 14001 Environmental management systems - Requirements

http://www.iso.org/iso/iso_catalogue.htm

ISO 50001: Energy Management

Europe:

88/378/EEC: Directive on the safety of toys

1223/2009/EC: Regulation on cosmetic products (replacing 76/768/EEC from July 2013)

1907/2006/EC: Regulation concerning the Registration, Evaluation,

Authorisation and Restriction of Chemicals (REACH) <http://echa.europa.eu/>

1935/2004/EC: Regulation on materials and articles intended to come into contact with food

2001/95/EC: Directive on general product safety

1994/62/EEC: Directive on Packaging and Packaging Waste

2002/95/EC: Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS)

2002/96/EC: Directive on waste electrical and electronic equipment (WEEE)

2006/66/EC: Directive on batteries and accumulators and waste batteries and accumulators

E2008/1/EC: Directive on integrated pollution prevention and control

2009/48/EC: Directive on the safety of toys (replacing 88/378/EEC from July 2011)

2023/2006/EC: Regulation on Good Manufacturing Practice

BfR Recommendations on Food Contact Materials

BfR Guidelines for the evaluation of Personal Sanitary Products

The Stockholm Convention on Persistent Organic Pollutants <http://chm.pops.int/default.aspx>

The OSPAR list of Chemicals for Priority Action www.ospar.org

1272/2008/EC: Regulation concerning the Classification, Labelling and Packaging of substances and mixtures (CLP)

USA:

Consumer Product Safety Act <http://www.cpsc.gov/businfo/cpsa.html>

FDA 21 CFR: Food and drug administration, code of federal regulations title 21 <http://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/cfrsearch.cfm>

California Proposition 65 - Safe Drinking Water and Toxic Enforcement Act <http://oehha.ca.gov/prop65/background/p65plain.html>

Abbreviations

OECD	Organisation for Economic Co-operation and Development
BfR	Bundesinstitut for Risikobewertung (Federal Institute for Risk Assessment, Germany)
CAS	Chemical Abstracts Service
EMS	Environmental Management System
EU	The European Union
ILO	International Labour Organization
GHG	Greenhouse Gases
ISO	International Organisation for Standardisation
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
SDS	Safety Data Sheet
TGO	Therapeutic Goods Order
TOC	Total Organic Carbon
TDS	Toxic Substances Control Act (USA)
USA	United States of America
ETI	Ethical Trading Initiative
UN	United Nations