



Why does this matter?

A safe, diverse and inclusive workplace is a fundamental foundation for a successful company and crucial to our sustainability agenda and strategic goal 'to realise the potential of our people'. We want all of our people to come to work every day feeling that they are safe and that they are included.

How does this contribute to the Sustainable Development Goals?



Creating a safe and inclusive workplace helps to protect labour rights and promote safe and secure working environments for all workers.

Now

- Reduce the Accident Frequency Rate (AFR) every year
- By 2025, inclusive leadership workshops completed by all leadership teams across all sites

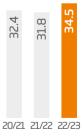
Next

- Strive to achieve Vision Zero
- By 2030, improve gender diversity towards 40 per cent women in senior leadership and set an aspiration for other protected characteristics

Accident Frequency Rate (AFR)

Percentage of senior leadership, female employees (%)*





* Senior leadership is defined in accordance with the requirements of the FTSE Women Leaders Review as those on our four Executive Committees - Global Operating Committee; Global Strategy Committee; M&A Committee; and H&S, Environment and Sustainability Committee - and their direct reports.

CREATE SAFE, DIVERSE AND INCLUSIVE WORKPLACES

CARBON

Reduce the Accident Frequency Rate (AFR) every year and strive to achieve Vision Zero

Throughout 2022/23, we continued to make significant progress on reducing the accident frequency rate (AFR), with improvements across all divisions, reduced 6 per cent, to a new record low of 1.82 (2021/22: 1.93*).

Our Vision Zero campaign is designed to develop and drive an interdependent safety culture which enables every person in the organisation to feel responsible for safety and act proactively to identify and eliminate risks.

Our Vision Zero Health & Safety campaign

Vision Zero is our Health and Safety strategy, which includes activities designed to focus on leadership, engagement, processes and culture, to achieve our health and safety target of zero harm.

- Leadership
- Engagement
- Processes
- Culture

During 2022/23, we reaffirmed Vision Zero, which underpins our safety culture, empowering our employees to proactively identify and eliminate risks.

Leadership

Leadership behaviour is critical to engagement, where engaged leaders positively impact our health and safety employee engagement index. This is the central theme of our site leader health and safety on-boarding programme.

Engagement

Engaged employees proactively identify and eliminate risk, driving a resilient and interdependent culture. The health and safety engagement index measures the rate of participation in risk identification and elimination activities.

Processes

Robust health and safety processes are essential for safe working environments. These include on-site health and safety auditing which aims to drive continuous improvements and accelerate the implementation of our global health and safety standards, such as workplace transport, machine quarding or working at heights, which are driven through our H&S networks.

Culture

Our focus on leadership, engagement and processes develops and drives an interdependent safety culture in which every person in the organisation feels responsible for safety and proactively identifies and eliminates risk.

We believe that our drive towards Vision Zero has been key in developing a safe and healthy workplace.

Leadership engagement with Health & Safety

During the year, we continued to focus on leadership safety programmes to create role models and further strengthen our health and safety culture.

This included 29 per cent more leader-led health and safety activities compared to last year (approximately 45,000 safety talks, 176,000 observation tours and 147 leader-led risk assessments).

Leaders across all of our divisions and regions organised over 80 workshops to reinforce our alignment across the business and drive H&S engagement.

When leaders engage in H&S, we see a positive impact on our H&S Employee Engagement Index, increased by 65 per cent this year.

In 2023/24, we will continue to strive towards our Vision Zero ambition and ensure the health and safety culture is strengthened across all of our sites.

* This figure has been restated (correction from 1.91 published last year).



Case study

East Europe Health and Safety Campaign

Involving over 30 sites across 17 different countries, our East European region launched a Health & Safety campaign during June and September 2022.

Over 5,000 employees actively participated in workshops and activities.

The initiative was well-received and reinforced the message that everyone is responsible for promoting a Health and Safety culture.

reduction in the Accident Frequency Rate (AFR) compared to last year

75%

Lost Time Accident (LTA) reduction compared to last year in our Paper Division

sites with zero accidents this year across the Group

increase in leader-led health and safety activities compared to last year

Case study

H&S Day at Rochechouart Packaging plant

Over 280 employees came together to participate in various safety activities facilitated by internal and external experts, utilising cutting-edge technology.

Workshops included fire extinguisher training, virtual reality, road safety and slip-simulator training.

Well-being activities included physiotherapy sessions and talks on important topics, such as good quality nutrition and sleep.

DS Smith Sustainability Report 2023

CREATE SAFE, DIVERSE AND INCLUSIVE WORKPLACES CONTINUED

Health and mental well-being and occupational safety programmes

We firmly believe that well-being is one of the cornerstones of a profitable, innovative and sustainable business.

Our well-being framework is designed to enable our people to thrive, focusing on four key areas:

- Taking the lead Encouraging everyone to visibly and demonstrably set a positive example and champion well-being
- Learning and Development Providing knowledge and information to empower people to take ownership of their physical and mental well-being
- Engagement Working together, involving and including everybody to continuously improve health and well-being
- Toolkits Creating best practice tools to inspire and motivate positive and healthy people and workplaces.

Global well-being survey

In 2022/23, we launched a global well-being survey to understand local initiatives and activities against our well-being framework.

The survey confirmed every site has an active programme, with initiatives such as physical and mental health support, phased retirement programs, site risk assessments for employees with a disability and workplace assessments.

In 2023/24, during our Health & Well-being Week, we will further promote activities that will help every employee gain the necessary skills, experience and knowledge to promote work-life balance and increase their well-being.



Case study

Daily stretching at Figueira Recycling Depot

The whole production team and drivers participate in a programme of daily stretches designed to enhance the well-being of the team.

In addition to seeing the physical benefits of stretching to prevent injuries and correct posture, the team recognises that this activity boosts mental well-being and enables everyone at the depot to come together.

Key findings from our global well-being survey

100%

of our sites run management training courses and recruit from within to build company relationships

91%*

of our sites offer medical screening and/or support programmes **78%**

of our sites offer phased retirement programs or retirement assistance programs

72%*

of sites risk assess the needs of individuals with disabilities **67%**

of our sites promote biking or offer workout classes at work or gym membership subsidies

75%

of sites conduct mental health checks (workplace stress assessments) and / or have trained individuals with skills and knowledge to help identify and support those with mental health issues **37%**

of our sites offer standing desks, exercise ball seats, or exercise bike seats

28%

of our sites formally organise social events, such as corporate runs or company lunches

 in some geographies local legal requirements prevent us from extending this offer to all our employees.

Information and polices

Health and Safety

→ Turn to page 65 for our approach to customer and product safety and chemical safety.

Managing Health and Safety

All employees and third parties, including contractors and visitors, are required to adhere to H&S policies and procedures at all of our sites at all times.

Audits

All of our sites are subject to regular internal and external audits, which identify risk and drive health and safety improvements.

Management systems

All of our sites maintain health and safety management systems. These are certified to ISO 45001 or OHSAS 18001 at 33 per cent of our sites.

Performance management

Our sites report monthly performance with reactive and proactive KPIs, such as the H&S engagement rate. Our long-term target is zero accidents (Vision Zero). Accidents are investigated and the findings are circulated throughout the business as appropriate.

Risk and hazard assessment

Our workplace presents hazards. We strive to control hazards using a risk-based approach, with a hierarchy of measures. We aim to continuously improve proactive mitigation. Our employees help ensure that we operate safely and observations raised are addressed openly and promptly.

Training

We provide comprehensive information, instruction, training and supervision, which 100 per cent of employees and third-parties are required to undertake.

We have issued a range of internal Group minimum standards, covering topics such as handling chemicals, lifting equipment and spills.

CARBON

CREATE SAFE, DIVERSE AND INCLUSIVE WORKPLACES CONTINUED

NOW & NEXT

By 2025, inclusive leadership workshops completed by all leadership teams across sites

By 2030, improve gender diversity towards 40 per cent women in senior leadership and set an aspiration for other protected characteristics

We are committed to increasing the diversity of our workforce to better reflect the communities in which we operate.

This year, as part of the refresh of our Now & Next Sustainability Strategy, we set targets related to diversity, equity and inclusion (DE&I), supporting the development of an inclusive environment where everyone can realise their potential and thrive.

This includes a 'Now' target for 2025 and a gender diversity target for 2030. We will also set an aspiration for other protected characteristics.



Our DE&I strategy

In order to accelerate progress on DE&I, we are focused on:

- Active networks: working in partnership with Employee Resource Groups (ERGs) to raise greater awareness and commitment to DE&I, measured by the geographic footprint and number of employees participating in ERGs
- Visible leadership: strengthening leadership capability to create an inclusive and equitable working environment
- People processes: improving the use of demographic data to establish a baseline for our wider DE&I ambition.

Leadership capability

We continue to strengthen leadership capability to create an inclusive and equitable working environment by rolling out inclusive leadership workshops and through our 'First Line Manager (FLM)' programme.

Our Equal Opportunities & Anti-Discrimination policy is being embedded through training and awareness campaigns. During 2022/23, we focused on developing diverse candidate shortlists resulting in a seven per cent increase in the percentage of female hires in the UK.

We are focused on creating more equity by providing everyone with what they need to succeed, recognising that not everyone starts from the same place. We are in the process of reviewing people processes from feedback we received from the onboarding experience. We plan to work with our employee networks to agree the mechanisms that will accelerate the development of underrepresented groups, including sponsorship, reverse mentoring and targeted development.

We have achieved gender parity in our graduate intake for the third year in a row. A total of 29 per cent attending our leadership programmes were female.

FTSF Women Leaders Report 2022

Overall FTSE ranking (up from 41 in 2021)	40
Women on DS Smith Plc Board	37.5% ¹
Women in senior leadership*	34.5% ²

- 1. Compared to FTSE 100 average of 40.5%.
- 2. Compared to FTSE 100 average of 34.3%.
- * Senior Leadership defined as our four Executive Committees and their direct reports: Group Operating Committee; Group Strategy Committee; Group M&A Committee; and Group Health, Safety, Environmental and Sustainability Committee

Employee Resource Groups (ERGs)

During 2022/23, our people worked together to create three new ERGs. We are now proud to support our LGBTQ+ and Allies, Culture and Ethnic Diversity, Gender Diversity and Disability and Allies networks, with over 250 members and an executive sponsor engaged with each ERG.

LGBTO+ and Allies network

Our LGBTO+ and allies network was our first ERG, launched in October 2021. It has since welcomed a diverse range of speakers into the organisation, created useful resource guides, and represented DS Smith at Pride Events this year.

In 2023/24, the team are planning a global celebration of Pride and are striving to increase transgender awareness on Transgender Remembrance Day.



Culture and Ethnic Diversity network

Our Culture and Ethnic Diversity Network launched in July 2022 to promote an inclusive work environment that welcomes and celebrates all cultural and ethnic differences. This year, during UK Black History month, colleagues shared their lived experiences in their personal and professional lives.

In 2023/24, the network will promote World Day for Cultural Diversity for Dialogue and Development, UN International Day of Peace, and World Kindness Day.

Gender Diversity network

We launched our Gender diversity network in November 2022 to advance gender inclusion. The network held a roundtable for International Women's Day, reflecting on female role models. In 2023/24, the network will hold similar sessions to celebrate non-binary people and International Men's Day.

Disability and Allies network

We launched our Disability and Allies network during Neurodiversity Celebration Week in March 2023.

In 2023/24, the network plans to raise awareness with a goal of removing stigma and driving positive action. The network is motivated to celebrate our workforce's similarities and differences, whilst discussing how to accommodate unique needs, and remove barriers to ensure everyone can thrive.

CREATE SAFE, DIVERSE AND INCLUSIVE WORKPLACES CONTINUED



Case study

Inclusive leadership workshops in the Nordics

In response to the need to create a more inclusive and welcoming culture, our leadership teams in Sweden and Denmark ran workshops on how to foster inclusive working environments.

Reflecting on actions to take following the workshop, a manager decided to use emojis to explain production levels at his site to ensure colleagues with dyslexia and non-native speakers felt included.



Case study

Improving gender diversity in operations, Castelfranco packaging plant, Italy

Castelfranco opened in September 2022 with state-of-the-art machines removing the requirement for operators to handle heavy machinery, making this kind of work more accessible to women.

HR and the leadership team explored different recruitment avenues to attract a more diverse group of candidates. In addition to valuing technical expertise, they considered qualities such as curiosity, pro-activity, and team-work.

Although no gender targets for Castelfranco were set, nearly one-third of the workforce are women, the majority working in operations.

Diversity of our Executive team

The Financial Conduct Authority (FCA) has introduced a new requirement for listed companies to report on new Board diversity targets and to provide data on the gender and ethnic diversity of the Board and in its Executive Management. This disclosure can be found on page 23 of DS Smith Annual Report 2023.

Representation of women on our Board has remained at 37.5 per cent and senior leadership increased to 34.5 per cent as noted in the 2022 FTSE Women Leaders Report.

There is one Board member from an ethnic minority background. We are committed to improving diversity across all protected characteristics and will continue to make progress.

Our focus on female retention, development and recruitment has resulted in year-on-year improvements in our gender pay gap and this year we have achieved parity for the first time (see our UK Gender Pay report).

Set an aspiration of other protected characteristics by 2030

With our Now & Next refresh, we have set a longer term 'Next' target to set an aspiration of other protected characteristics by 2030.

We acknowledge that diversity is broader than gender and we are making progress through our ERGs, talent development and recruitment searches.

In 2023/24, we will review how we use demographic data to establish a baseline for our wider DE&I ambition.





Why does this matter?

As a global employer of over 29,000 people, supported by thousands more in our extensive supply chains, we have a responsibility to respect and uphold human rights.

We have a zero-tolerance approach to modern slavery both within our own operations and in the supply chain. It is crucial that effective measures are in place to promote human rights and prevent modern slavery.

How does this contribute to the **Sustainable Development Goals?**



8 BEST HOUSE AND Protecting labour rights, promoting safe and secure working environments and eradicating modern slavery.

Now

- By 2025, complete SEDEX SAQ roll out to all sites and perform appropriate auditing of SAQs1
- Continue to improve human rights due diligence each year

Percentage of sites completed SEDEX SAQ (%)1

2022/23 56%

Number of known human rights breaches²

2022/23 **0**

2021/22 0

2020/21 0

- 1. Supplier Ethical Data Exchange (SEDEX) Self Assessment Questionnaire (SAQ)
- 2. Number of known human rights breaches as a result of our operations, including incidents of violations to the rights of indigenous people

RESPECT HUMAN RIGHTS

By 2025, complete SEDEX SAO (Self-Assessment Ouestionnaire) roll out to all of our sites and perform appropriate auditing of SAQs

In 2022/23, we began to roll out the SEDEX (Supplier Ethical Data Exchange) Self-assessment Ouestionnaire (SAO) to all our operational sites as a tool for embedding human rights compliance monitoring and reporting into our standard practices.

This marks the next phase of our programme of work to strengthen human rights due diligence, having conducted a human rights risk assessment and established a new human rights policy and governance mechanism last year.

Assessing and managing risk relating to human rights

Upon setting the new target in 2022/23 for 100 per cent of our operational sites to complete the SAO by 2025, 56 per cent of our sites completed this by the end of 2022/23. Our next step is to analyse these completed SAQs and identify a sample of sites to undergo a detailed third-party risk assessment as part of our on-going human rights due diligence activities.

Human rights policy

Our policy outlines our commitments and responsibility to respect human rights. It applies to all DS Smith operations and employees and 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.

Human rights governance

A multi-disciplinary Modern Slavery and Human Rights Committee, supported by a working group, reports to our Group Operating Committee (GOC). The GOC is chaired by our Group Chief Executive, who has ultimate responsibility for human rights due diligence. The Modern Slavery and Human Rights Committee steers action and monitors progress, embedding due diligence across the business and supply chain. The working group reports to this committee quarterly and is responsible for the delivery of our programme of work on human rights.

Our salient human rights risks

The following five human rights risks were identified in our high-level human rights risk and gap assessment.

We have strong policies, procedures and other actions in place to mitigate these risks.

Forced labour and child labour

We have a zero-tolerance approach to forced and/or child labour of any kind within our operations and our supply chain, Our Modern Slavery and Human Trafficking Policy sets our policy for managing modern slavery risk.

Health and safety

Health and safety is our top priority and we strive for continuous improvement to achieve our target of zero harm. We are committed to ensuring that our products and operations are safe and this extends to downstream users of our products, including consumers, as well as contractors and visitors to our sites.

Wages and working hours

We do not employ people below the minimum wage at which the applicable local law permits the relevant work type to be undertaken. We are committed to monitoring and taking action to reduce excessive working hours, and to support flexible working arrangements where possible.

Freedom of association

It is a fundamental right of employees to have the freedom of association and collective bargaining. We recognise and respect the rights employees have under local and transnational laws, including, where applicable, the right to collective representation and bargaining, with no detriment arising from involvement in legitimate trade union activities.

Discrimination

We are committed to promoting equal opportunities and pride ourselves on building a culture with a zero tolerance approach to discrimination, harassment and victimisation.

→ See pages 65-66 for more information on our approach to responsible business and business ethics.

Commitment to respecting human rights

We respect the fundamental human rights of all people, complying with all legal requirements.

This commitment is described in our Code of Conduct and other policies which set the expectations that apply to all our employees. These policies explain clearly our approach to ethical business practices, human and labour rights and the environment.

Support for international frameworks

Recent global trends have emphasised why human rights matter so much and as a global manufacturer in the paper and packaging industry involved in sourcing, manufacturing and recycling, we have the potential to impact human rights in our operations and supply chain.

We are committed to all fundamental human rights and standards, including:

• The UN Sustainable Development Goals

ESG DATA

- The ten principles of the United Nations Global Compact
- The Universal Declaration of Human Rights
- The UN Guiding Principles on Business and Human
- The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at
- The United Nations International Convention on the Elimination of All Forms of Racial Discrimination

For more information, please see our Code of Conduct.





Why does this matter?

Engaging our people and communities aids training, employee skills and continued prosperity of our people and local communities. As a large, global employer, we can equip our people and communities with useful resources, particularly to promote sustainable development.

How does this contribute to the Sustainable Development Goals?



Engaging our people and communities contributes to promoting sustainable development.

Now

- By 2025, engage 100 per cent of our people on the circular economy
- 100 per cent of our sites engaged in community activities each year

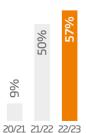
Next

• By 2030, engage 10 million people on the circular economy and circular lifestyles

Percentage of sites participating in community activities

2022/23	100%
2021/22	100%
2020/21	100%

Percentage of our people engaged on the circular economy



Number of people engaged on the circular economy



* Cumulative total since 2020/21

INTRODUCTION

ENGAGE OUR PEOPLE AND COMMUNITIES

By 2025, engage 100 per cent of our people on the circular economy

By the end of 2022/23, we had reached 57 per cent (2021/22: 50 per cent) of our people and next year we will extend our focus to reach our remaining colleagues.

Our ambition to engage all of our people on the circular economy encourages a continuous focus on circularity, both in their personal and daily working lives. Our aim is to equip our people to lead change individually, as well as with our customers and others.

Building on the success of last year, we continued to provide opportunities for our people by offering selected places on the Ellen MacArthur Foundation Circular Economy Masterclass, run by the University of Exeter.

We engaged a wider group of colleagues through regular communications, including intranet articles, videos and Town Halls.

In 2022/23, we extended our focus to reach our colleagues that do not have access to a company-provided laptop through quarterly team briefings, quizzes and resources such as our Circular Economy Lesson Plan for local communities and schools.

By 2030, engage 10 million people on the circular economy and circular lifestyles

In 2022/23, we made the decision to broaden our ambition from engaging 5 million people on the circular economy to 10 million by 2030, given a greater than anticipated reach of our social media activities.

From visits to circular economy content on our website, to views on videos and to clicks on social media posts, we reached record numbers.

Our circular economy lesson plan has also been downloaded for use by nearly 20,000 students this year alone.

This brings the cumulative total to 8.4 million on our journey to engage 10 million people.



Case study

Ellen MacArthur workshop

We participated in a variety of workshops, events and forums over the past year, including the Ellen MacArthur Foundation's biannual Network Workshop in Stockholm, as a strategic partner of the Foundation.

Aiming to inspire participants, connect organisations and discuss active solutions for the circular economy, our team participated in working sessions considering issues such as circular design, supply chains and plastics.

The workshop provided a platform to make new connections with many of our customers and representatives of other brands, including those working on recyclability.



Case study

P is for Paper podcast

Our Kemslev Mill have been working with Fun Kids, the UK's radio station for children, who produce informative and inspiring educational content for children aged 7-13 years old.

The team at Kemsley contributed to the "P for Paper" episode in an "A to Z of Engineering" series, sharing how we contribute towards the circular economy.

Alongside the podcast, a web page has been produced, which explains how quality paper is produced from used material and how all of the people at Kemsley Mill, working together, help to enable the circular economy in action.

The entire series has received over 10,500 downloads to date and our paper episode has received 604 downloads. This podcast provides an accessible introduction to the circular economy for young audiences.

"The opportunity to inspire and educate the next generation of children by collaborating with Fun Kids was a great opportunity to share the science behind paper making and the part DS Smith plays in the circular economy."

Stuart Ruck Operations Excellence Director, Kemsley

Listen to our "P for Paper" episode



Case study

Partnership with the Good Planet Foundation

This year, our packaging business in France launched their partnership with the GoodPlanet Foundation, an organisation chaired by Yann Arthus-Bertrand, renowned photoiournalist.

The aim of the partnership with Good Planet Foundation is to raise public awareness (particularly for young people) of environmental & sustainability challenges and solutions, including the circular economy.

For example, in April 2023, DS Smith attended the GoodPlanet Foundation's CAP 2030 national programme, where 120 students were present, to foster discussion and provide expert counsel at a roundtable on the role of the packaging industry within the circular economy.



ENGAGING OUR EMPLOYEES

Employee engagement

A working environment that motivates and enables our workforce is critical to a continued positive customer experience. Understanding how people feel about working at DS Smith is an important part of our people agenda.

Alongside surveys, we use several approaches to engage our people. During 2022/23, our leaders ran over 350 listening sessions with their teams to explore the results of our most recent employee survey in greater detail.

Over 700 actions were taken to address feedback on topics such as communication, health and safety, customer focus, work organisation and inclusion.

"After the listening sessions, the team are even more engaged to suggest improvements to our ways of working. Colleagues put the top and bottom topics from our survey on noticeboards and voted for their priorities."

Karl Pennell

General Manager, Louth Sheetfeeding Plant

In response to feedback from the last employee survey, we launched an on-boarding project to support colleagues joining the company or moving internally. New hires shared positive reasons why they joined, including our sustainability ambition, career opportunities, the recruitment process and connection with Line Managers. Feedback was received that information for new starters was not available in one central place and we responded to this observation by launching an on-boarding hub with resources available for new hires.

To assess the impact of the engagement survey actions and pilot an improved approach to listening, we ran a series of targeted pulse surveys between January and March 2023.

In total 4,700 employees in 12 countries were invited to give feedback. The average response rate grew with average engagement increasing by 5 per cent and enablement by 3 per cent, with some locations recording improvements of more than 20 per cent.

In 2023/24, we will continue to engage our people and intend to build on the success of the pulse pilot to run targeted pulse surveys more frequently, giving opportunities for our employees to provide regular feedback and drive action.

European Works Council (EWC)

Our European Works Council (EWC), which includes 50 representatives, meets twice a year with management to provide feedback and discuss opportunities to improve. The EWC Executive holds monthly meetings with regional leads to ensure we have a regular two-way dialogue on employee matters across Europe.

Innovation squads

We are engaging our colleagues and customers by introducing innovation squads. They deploy agile principles to evaluate innovative products both in development and within the business to maximise value that we offer to our customers. Cross-functional colleagues across regions are brought together, allowing them to use their collective minds to make fast decisions to drive better outcomes.

"Working in small multi-disciplined groups in short work cycles, sharing knowledge and information, the squads showed the speed and progress that can be achieved through collaboration and building effective communications channels."

Richard Leather Innovation Programme Manager, Packaging, UK





Case study

Increasing engagement and enablement with better technology provision

Our people need access to reliable and fast technology to support them in their roles.

We reacted quickly to feedback gathered through a pulse survey, leading to a 20 per cent increase in the engagement score and 19 per cent increase in the enablement score for our UK Business Services.

The Pulse survey enabled increased granularity to understand feedback from teams to drive targeted action, with a programme launched and delivered within two months whilst maintaining normal operations.



Case study

A new recognition programme for Riceboro Paper Mill in North America

It is important to recognise excellent work. Feedback regarding a lack of recognition was noted amongst the team at Riceboro in our last employee survey.

The management team took the decision to introduce a monthly recognition award, leading to increases in the recognition score by 35 per cent, overall engagement by 21 per cent and enablement by seven per cent.

Overall engagement has improved, resulting in an increase of 28 per cent for how employees feel about working for DS Smith.

CARBON

The Smithies

Our employee recognition programme, The Smithies, helps to engage and celebrate all of our employees by recognising their incredible achievements and contributions.

We have monthly local awards and an annual online global awards ceremony celebrating finalists and winners across seven categories.

The Smithies award categories include:

- Deliahtina our customers
- Realising the potential of our people
- Leading the way in Sustainability
- Doubling our size and profitability
- Best Health & Safety Improvement
- Best Team Improvement
- Best Community Project

In October 2022, over 2,500 colleagues around the world joined to celebrate 33 finalists, seven winners and a special Diversity & Inclusion Trailblazers award.

In 2023/24, we will launch a new **Energy Efficiency Improvement Award** to engage our people in supporting our ambition to reach Net Zero.



Delighting our customers

"Delighting our customers motivates me to do things better than I did yesterday. A huge thank you to all of my DS Smith family."

Tekin Dursun Shift Leader, Packaging East, Siliviri, Turkev

After receiving customer feedback about clippings in a box that created an extra step in the cleaning process, Tekin took the initiative to implement a simple but brilliant solution.

He added an air-blower in the machine, eliminating the clippings and resolving the customer's concern.



Realising the potential of our people

"I am honoured to be appreciated, it is a powerful way to say well done, thank you. It created unforgettable memories."

Vasken Mardirosyan Paper Machine Technologist, Trakia, Bulgaria

To cover staff shortages, Vasken volunteered to work at our paper mill in Witzenhausen, Germany. He had never left Bulgaria before and did not speak German, demonstrating his resilience and commitment to his role.

Hilbert Guttschuss worked closely with Vasken to ensure a successful visit.



Leading the way in Sustainability

"I am honoured to receive this award and would like to share it with those who supported this project, which tackles a crucial issue for our planet."

Elodie Atger QHSE Manager, Ales, France

Elodie led a project which enabled 85 per cent of water consumed during production processes to be reused internally.

From idea to execution, she led with professionalism and is a true champion of circularity and preserving precious water resources.



Doubling our size and profitability

"I am pleased to have been recognised for this action."

Milan Honeiser Process Engineer, Boletice, Czech Republic

A gluing machine had been out of action at the Boletice site in the Czech Republic, since 2019.

Milan, with the team, refurbished the machine and trained colleagues how to operate it.

This proactive approach led to a 23 per cent increase in gluing capacity, representing a significant cost saving and keeping a piece of equipment in use for longer.

INTRODUCTION NOW & NEXT CIRCULARITY CARBON PEOPLE & COMMUNITIES NATURE



Best Health & Safety Improvement

"Being recognised for this is wonderful, I'd like to thank DS Smith and all my co-workers at the Reading Mill."

Rocco Piccone NAPP, Reading Paper Mill, USA

Rocco went out of his way to stop another colleague who was walking through a heavy traffic area and gave instructions on the safe pathways to use.

Rocco has also played an important role in training newer production employees on safe work practices and the operation of equipment.



Best Team Improvement

"This was a total team effort. We did this in a tough time. It is not only about numbers, we went through the year without a lost time accident."

Production TeamReading Packaging Plant, USA

The production team worked together tirelessly to exceed production targets.

In 2022/23, despite being understaffed during the pandemic, they found ways to produce 25 per cent more product.



Best Community Project

"We are very happy to receive this award, thank you to our team and the DS Smith Charitable Foundation for funding the books, it is important to help educate children."

Servan Legoff, Christopher Furet and Julien Clery Atlantique plant (France)

Jo the Hedgehog was created as a story to educate youngsters on how to protect the planet.

Thanks to the DS Smith Charitable Foundation and crowdfunding, 4,000 books made from recycled material were donated to colleagues and schools.



APPENDICES

ESG DATA

2022 Special Award Diversity & Inclusion Trailblazers

"We are proud of the network's progress, and the Smithies' recognition encourages us to continue driving action."

Clara Navarro Veiga and Anouska Kett LGBTQ+ and Allies network

The network has raised awareness about the LGBTQ+ community and led to DS Smith's first-ever participation in Pride Events.

Turn to page 31 to learn about our LGBTQ+ and Allies network and other Employee Resource Groups.

DEVELOPING OUR EMPLOYEES

Talent development

We realise the potential of our people by creating a workplace in which everyone can develop their skills and ideas. The investment we make in developing our people focuses on ensuring that everyone has access and receives opportunities to learn, grow and flourish, both professionally and personally. By investing in learning, we develop our workforce with the skills for today and the future, improving employee satisfaction, engagement and performance.

Enhancing the skills of our people enables them to realise their potential and enables us to succeed in an increasingly changing world. As a business with a strong focus on innovation, sustainability and digitisation, our learning and development portfolio has continued to evolve to provide timely, relevant and future-focused skills development.

Ensuring we have the right skills to deliver our sustainability ambition, including on the circular economy, is critical to our success. We are actively investing in development to realise the potential of our people.

Developing future leaders

Developing our future leaders is key to our growth ambition. We continue to partner with Oxford SAID Business School for leadership development with over 200 leaders having attended the Global Leadership Programme or Aspire Programme over the past five years.

Over 40 per cent of participants have been promoted and retention rates are significantly higher compared to the company average.

Participants continue to experience increased collaboration, networking and sharing of best practice as a result of the relationships developed through the programmes.

We have expanded the developmental support given to first line managers built on the foundation of the First Line Manager (FLM) programme, which was implemented 4 years ago, with all of our people managers provided with access to these development paths.

Supporting early career talent

In 2022/23, we expanded our provision beyond leadership development to support talent earlier in people's careers.

A new development centre was piloted in Finance and Packaging UK to help individuals better understand their potential. We also created a new Compass Programme. piloted in East Europe, to help individuals prepare for future roles by assessing where they are today and providing access to career development opportunities.

Career mentoring platform

In 2022/23, we launched a new mentoring platform to support the development of our colleagues. It has helped to formalise the existing mentoring relationships and increase visibility for all, enabling new mentoring connections.

"Being a mentor is an opportunity to support colleagues who are often in the early stages of their careers. Mentors can become strong role models and help others feel supported and encouraged to grow. A mentoring culture can enable development across the business."

Ionathan Scott Technical Ops Manager, UK Mentor

"I found my mentoring experience to be incredibly worthwhile, allowing me to discuss my career ambitions and goals in a safe and supportive environment. My mentor introduced me to important contacts throughout the business, expanding my network, who help me overcome challenges and further develop my skills and knowledge."

Jess Heap HR Graduate, UK Mentee



Case study

Early Career Development Centres

Colleagues who are early in their career and work within pre-management roles are nominated or can self-nominate themselves for this programme. The course comprises of a two-day event, focused on understanding strengths and development areas, completing a business challenge, and receiving relevant learning which leads to the creation of a individually focused development plan.

"It provided me with a unique opportunity to think deeply about my career and actions I need to consider. I have gone through this process with a cohort of ambitious peers and helpful mentors, all of whom support my journey to build self-awareness about who I am and how I work with others."

Natali Bilandziia Senior Internal Auditor, Group Finance



Case study

Compass Programme

This programme focuses on accelerating people into management roles and equipping individuals with a greater understanding of the wider business, an improved internal network and visibility of internal career opportunities.

"Compass gave me the opportunity to get to know some of our great futurebusiness-leaders. By developing junior talent we ensure that our great longterm commitments, such as our sciencebased target, will be flawlessly delivered by passionate and skilful leaders."

Antonis Kantzelis Mentor for the Compass Program

TALENT DEVELOPMENT CONTINUED

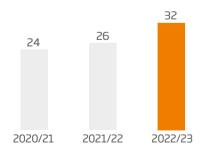


Expanding our e-Learning provision

Our e-learning platform hosts c. 7,000 courses in multiple languages and during 2022/23, 96,506 hours of development were completed. We have launched Learning Academies to develop critical skills in Sales, Marketing and Innovation (SMI), Operations, Finance, Digital and Data.

In 2022/23, 1,176 colleagues received learning through our SMI Academy across all countries.

Average hours of training per FTE



Turn to page 58 for more social metrics

Graduates and apprentices

Graduates and apprentices are critical to developing a diverse talent pipeline. We have had a strong graduate programme for many years and recognise the importance of bringing in new capabilities and diversity to support our business ambition.

During 2022/23 we welcomed 40 new hires bringing the total number of graduates who are currently on one of our programmes to 77. Our schemes include Sales, Operations, Procurement, IT, Finance and Human Resources which are currently supported by a new structured two-year development pathway.

"I joined as a sales graduate in 2012 and was presented with invaluable opportunities to cultivate my knowledge of DS Smith and work alongside colleagues to understand what packaging is and what it means to our customers. This eye-opening experience showed me the real world of doing business, from seeing how different functions operate and developing my commercial awareness to building a strong network of colleagues who have accelerated my career growth."

lacob Tomlinson

Global Business Development Manager, Packaging Sales, Marketing and Innovation, UK

We have evolved our graduate programme to include a structured approach with learning pathways and experiences.

Before joining, incoming graduates are invited to a LinkedIn community which includes communications, information about DS Smith, our ambition, the graduate journey and skills framework.



In order to ensure that graduates have the best experience, we ensure all managers complete the 'Managing Graduates Effectively Training' which reinforces the graduates' personal and professional development curriculum. The personal development path comprises of seven modules that centre on increasing self-awareness and building understanding of working with others and the broader business ambition. Furthermore, all graduates are offered a buddy and mentor to support them when they join DS Smith and throughout their time on the programme.

Some of our graduates tell us about their experiences:

"The programme has been a continuous growth experience for me, as the exposure embedded within its rotations has gifted me with more confidence and versatility in different fields of the business.

The challenges I faced throughout my placements have rewarded me with a set of new skills and a collection of memories from the people and cities I experienced."

Miguel Marinheiro 2021 Packaging Graduate, Operational Excellence Team, Belgium



"Since joining the graduate programme, I have learnt both practical and soft skills and have been given responsibility from day one. I am grateful to have met so many inspiring people within the company, who encourage me to become the owner of my career journey, whilst also contributing to building a more sustainable planet through packaging."

Radhika Joshi 2022 Procurement Graduate, UK

"Thanks to the modules, the people from various departments that you get to know and the rotations that increase the full immersion in the company, my learning path has changed my vision professionally and in a deeply personal way."

Concha Pineda 2022 IT Graduate, Spain

In 2023/24, we will continue focusing on developing our employees and talent through our early career and leadership programmes.

COMMUNITIES

100 per cent of our sites engaged in community activities each year

Contributing to local communities is a core social responsibility for any organisation. Not only does our Community Programme support local causes and build relationships with nearby stakeholder groups, but it also engages and motivates our people.

In line with our Community Engagement and Charitable Donations Policy, we celebrate our local areas and neighbourhoods and make a difference through the three themes of our Community Programme.

Our community programme themes

Our colleagues support a range of causes that meet the needs of their local communities. Our three main strategic themes include:



Biodiversity

Improving the environment for plants and animals, protecting natural habitats, and enhancing species diversity in the areas we operate.



Design

Using our unique expertise to inspire and stimulate creativity within the community and offer donations of DS Smith designed products for the benefit of local causes.



Education

Inspiring and educating our communities and future generations on sustainability and the role of the circular economy.

In 2022/23, 100 per cent of the sites included in our community programme (those with greater than 50 full time employees) engaged with their communities for the fourth year running.

Activities included eco-gesture booklets for young children, planting trees in the Hoombos Forest and building an outdoor learning space, pictured to the right.



2022/23 Community Programme Highlights

164

communities across 30 countries supported

143

schools impacted

11,562

members of our local communities engaged

377

projects supported to improve local communities

46

circular economy lessons delivered

Our contribution to our local communities

£1.6 million

estimated value contributed in 2022/231

£959 K

cash contributions²

£145 K

time contributions

£344 K

management costs

£176 K

in-kind contributions, e.g. product donations

- Estimated using the B4SI Framework see DS Smith ESG Databook for methodology
- 2. Includes cash donated by the DS Smith Charitable Foundation

CARBON

Community programme theme: biodiversity



Case study (biodiversity)

Forestry workshop for minority landowners at Riceboro Mill

Our colleagues at our Riceboro Mill in Georgia, USA, partnered with McIntosh SEED (McIntosh Sustainable Environment and Economic Development), a non-profit organisation working to strengthen lowincome families and improve rural communities.

Our resident Procurement Forester participated in a free forestry workshop for a group of 25 minority landowners, covering the types of pine trees native to the area, some of their uses, and how to identify them. The workshop included a demonstration of how to take measurements for performing a timber inventory.

The field experience concluded with a tour of the Community Forest.



Case study (biodiversity)

A corridor for vulnerable and endangered nature

Supported by the DS Smith Charitable Foundation, our Packaging colleagues in Belgium joined together to contribute to 'Natuurpunt' in November 2022, restoring vulnerable and endangered nature in Flanders.

Together with a volunteer association, 18 employees each contributed two hours of their time to plant 5,000 square meters of forest in total. The aim of the forest, named the 'Hoombos' is to create a large nature complex, with a corridor for animals providing a space for them to thrive.

"We are proud to be able to contribute to restoring fragile and endangered nature here as well. Sustainability is embedded in our DNA, we recognise the importance of reinvestment in the communities where we operate. By supporting these kinds of projects, we are happy to contribute to the necessary restoration and conservation of biodiversity, at a local level."

Philip Bautil Managing Director Benelux at DS Smith



Case study (biodiversity)

Tree planting and local biodiversity at Belgrade Recycling Depot

Since the easing of Covid restrictions, the Recycling team in Belgrade has returned to their engagement with young local people, who have been captivated by the work done by our colleagues in looking after the environment.

The team helped local school children plant over 30 trees and donated a range of sports equipment to encourage the voungsters to keep active.

After a morning spent planting, there was time for a session in the classroom. Youngsters were given an insight into the world of recycling, and the infrastructure in Belgrade, in addition to how to play an active role in maintaining local biodiversity.

"We're a very close-knit group here in Belgrade, and not just within the depot. We love building relationships with schools and charity groups in the region. The difference it makes to them, and to us, is immeasurable It's a feeling of good will and warmth and it gives us even more purpose to come into work."

Dejan Trifunović Legal Counsel for Recycling Serbia

COMMUNITIES CONTINUED

Community programme theme: design



Case study (design)

Corrugated cars for school's drive-in movie

Indiana's Hope Elementary School, located near our Lebanon Packaging plant, hosted a fun drive-in movie show at the end of their school year with a little 'box office' support. Each student was provided the opportunity to customise their cardboard car for the end of school year celebration. The corrugated cars were designed and produced at our site in Lebanon, each with personalised number plates.

"Speaking on behalf of the Design team for DS Smith North America I can say we really enjoy supporting the local community. Working with Hope Elementary we found a creative way to support a drive-in movie showing. Priding ourselves on problem solving for our customers in our day-today activities means that we welcome the challenge of coming up with a fun way to be innovative with corrugated board."

Shaun Stamford Customer Value Team Manager



Case study (design)

Creativity and recyclability at an international festival

At the end of August 2022, our paper mill and packaging plant in Belišće, Croatia supported the international family festival, 'Land without borders', by contributing some of our own recyclable cardboard products.

This festival has been held for 18 years and is a popular event that gathers both children and adults together.

The aim of the festival is to encourage the creativity of children and young people through informal learning, science, technology, culture, crafts, art, intercultural dialogue, and international connection.

Belišće supported the festival with a donation of cardboard and paper for the "Orion" workshop, which enabled children, and all interested parties to show their creativity and let their imaginations run wild in making a spaceship from recycled materials.

Photo used with permission from The Zemlja Bez Granica Festival and the Breza Association



Case study (design)

Brand Box to support people living with dementia

Tackling loneliness and encouraging bonding, Packaging UK collaborated with the Museum of Brands to develop a special Brand Box to help carers and those living with dementia.

Designed to be sent through the letterbox to help those who may not be able to leave the house, the Brand Box contains a selection of heritage brands to encourage reminiscing, bring back positive memories and allow carers and those they care for to bond over precious memories.

The Brand Boxes will be sent free of charge to carers and people with dementia, especially those who are digitally excluded, with funding from The DS Smith Charitable Foundation.

"As part of our international Community Programme, we're pleased to provide for our communities and offer a valuable resource for those suffering with dementia, and those that care for them."

Rob Wheatcroft E-commerce and innovation specialist



Case study (design)

Thanksqiving boxes for families in need

Over Thanksgiving, our colleagues in North America proudly assisted packaging innovation partner, Mountaire Farms, by donating corrugated boxes and employee resources as part of its efforts to provide wholesome Thanksgiving meals to residents in Delaware, Maryland, Virginia and North Carolina.

Mountaire's 'Thanksgiving for Thousands' programme' now in its 28th year, distributed tens of thousands of food boxes to more than 150 churches, non-profits, food pantries and community groups who help distribute the food boxes to families in need, supplying a nutritious meal to local communities.

"This a great cause, and we're honoured to be a part of it. Supporting the local communities where we work and live is tremendously important to Mountaire and DS Smith, and we're happy to do donate our resources to make it happen."

Melanie Galloway

Vice-President of Sales, Marketing and Innovation DS Smith North America Packaging

COMMUNITIES CONTINUED

Community programme theme: education



Case study (education)

'Follow the fibre' lessons at Rouen

Colleagues at our Rouen Paper Mill in France delivered lesson plans at two local schools, engaging 85 pupils on the circular economy.

During the activity, 'Follow the Fibre', the pupils were asked to place cards on a cardboard board game which had been especially created for the lesson. As part of the game students followed the loop of a paper fibre, from the customer to the packaging it was used to create.

This provided the children with an opportunity to work together as a team, challenging them to collaborate with each other by asking questions.

The groups shared with us the good sustainable habits they were already implementing at their homes with their parents.



Case study (education)

Circular economy lessons at Pessione

In June 2022, our Impact Centre in Pessione Italy hosted 31 young people between 12 and 15 years old, from the DAI Cultural Association of Santena to learn about the circular economy.

During the lesson, participants were able to observe the entire production chain behind packaging. By the end of the day the attendees came away from the experience with a greater awareness of the circular economy and the health of our planet.

"It was special! Having the responsibility to involve, inspire and inform young people between the ages of 12 and 15 about circular economy issues does not happen every day and only makes me proud. This would not have been possible without my colleagues."

Stefano Soffia Italy Customer Experience Manager



Case study (education)

'Waste or raw material?' lessons at Viana

Viana Mill ran a circular economy lesson at the Facha Educational Centre in June 2022 with 70 students who were 6 to 7 years old.

The lesson included a presentation titled 'Waste or raw material?' and focused on the benefits of recycling.

"It is really important that children learn about these topics at an early age. They are the adults of the future and can convince their parents that it is necessary to look at waste in a different way."

Paula Ferreira Environmental Manager at Viana Mill

A partnership was agreed between Viana and the Facha Educational Centre, to support the Educational Centre becoming an Eco-School. As part of this, students will visit the mill on an annual basis, and a colleague from Viana Mill will participate in their 'Eco-Schools Week'.



Case study (education)

Eco-classroom in Nagykáta

In October 2022, the second eco-classroom of a series in Hungary was opened. The classroom in Nagykáta at the Váci Mihály Catholic Primary School was built with the help of over 100 volunteers. Its construction was supported by the DS Smith Charitable Foundation, in collaboration with the Department of Residential Building Design of the Budapest University of Technology and Economics.

The classroom's function is to provide an outdoor space for developmental sessions, environmental education, and community programs which complements the school's day-to-day learning schedule. It was designed with the principles of experiential learning pedagogy at its heart. Experiential pedagogy involves the development of skills and understanding in a hands-on and dynamic way, outside of the typical framework of education.

Experience-based methods can also be used to develop important skills such as maintaining attention, concentration, logical thinking, and the imprinting of knowledge.

IMPACT OF THE DS SMITH CHARITABLE FOUNDATION

The DS Smith Charitable Foundation has had another busy year, with 42 donations given by the Foundation to support initiatives across 12 countries.

Meeting on a quarterly basis, the eight trustees welcome project applications for charitable causes to support the environment, education and humanitarian efforts.

"The Foundation has supported many biodiversity projects recently which has such a positive impact not only to the mental health of employees and surrounding communities, but also the environment."

Mark Reeve

Group Finance Reporting Manager and trustee of the Charitable Foundation

worth of cash donations given by the DS Smith Charitable Foundation to support various projects:

- £152 K for environmental projects
- £10 K for educational projects
- £54 K for humanitarian projects
- £1 K for other projects

donations given by the DS Smith Charitable Foundation

countries supported by the DS Smith Charitable Foundation



Case study

Promoting sustainable farming techniques

The DS Smith Charitable Foundation contributed funding towards the 2022 Farm Resilience Programme in Wales. This included a workshop entitled 'Your farm and the environment' which was delivered to 19 farm businesses. Participants were keen to adopt the sustainable farming techniques taught, such as rotational grazing to allow grass to grow larger roots or creating herbal leys, planting multi-species to improve animal and soil health.

"I believe that farmers hold the key to reversing some of the negative impacts of food production and species decline. This engagement with farmers and land managers is so valuable, as they are part of the solution. I hope that more companies will invest their money in supporting nature friendly farming."

Toby Small T Small Cattle Company Ltd



Case study

A natural oasis supporting a Silva Aquae ecosystem

In 2022, the DS Smith Charitable Foundation helped to fund the Fondazione Patrimonio Ca' Granda, a non-profit organisation based in Milan, Italy.

This funding contributes to establishing a natural oasis including marshes, wooded spots, bushes, wet clearings and flooded depressions. These contain a variety of microhabitats for local biodiversity to thrive within, protected from the urban environment.

The funding from the Charitable Foundation supports 2,550 square metres of a Silva Aquae ecosystem, which refers to the Silva Lupanica (a humid wood), which previously existed in the area.

In January 2023, trees within the Silva Aquae area were planted, and during the Spring, the ponds will slowly begin to fill up.

Case study

ESG DATA

The Turkish Red Crescent (Kizilay)

The 7.8 magnitude earthquake which struck in February this year was the most devastating to hit Turkey for more than 20 years.

The DS Smith Charitable Donation donated £50,000 towards the Turkish Red Crescent (Kizilay).

"On behalf of the DS Smith Charitable Foundation, our sympathies are with those affected by the earthquake in Turkey. We would like to help local support recovery efforts and have chosen to donate to the Red Crescent Turkey (Turk Kizilay)."

Wouter van Tol

Head of Sustainability & Community Affairs Chair of the DS Smith Charitable Foundation

Case study

ADEPT

A donation was made to support the work of ADEPT, a conservation and rural development NGO based in Saschiz, Romania.

The project, "Good and Clean Trails," is still in development but involves working with local school children and adult volunteers. The children will be guided to collect litter from a segment of the 100 km trail, along the Scroafa Valley river, as well as maintaining 20 km of the adjacent bike trail.