



## **INDEPENDENT LIMITED ASSURANCE STATEMENT**

**To: The Stakeholders of DS Smith Plc**

### **Introduction and objectives of work**

Bureau Veritas UK Limited ('Bureau Veritas') has been engaged by DS Smith Plc ('DS Smith') to provide independent verification of the environmental performance indicators presented on page 34 of its Annual Report & Accounts 2020 for calendar year 2019 (the 'Report'). This Assurance Statement applies to the related information included within the scope of work described below.

### **Selected information**

The scope of our work was limited to assurance over the following information included within the Report for the period 1<sup>st</sup> January to 31<sup>st</sup> December 2019 (the 'Selected Information'):

- total energy consumption;
- total energy exported;
- Scope 1 and 2 greenhouse gas (GHG) emissions;
- raw material usage;
- water consumption;
- total water effluent;
- landfill waste;
- discharge to air and water; and
- total production.

The reporting boundaries cover DS Smith's global operations as defined in the Report.

### **Reporting criteria**

The Selected Information has been prepared in accordance with internal definitions set for DS Smith's Environmental Indicators.

### **Limitations and Exclusions**

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined reporting period;
- Positional statements (expressions of opinion, belief, aim or future intention by DS Smith) and statements of future commitment;

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- Appropriateness of the reporting criteria
- Financial data provided in the Report which are audited by an external financial auditor, including but not limited to any statements relating to production, tax, sales, and financial investments; and
- Other information included in the Report other than the scope defined above.

This limited assurance engagement relies on a risk based selected sample of environmental data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at site level, not addressed as part of this assurance. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

### **Responsibilities**

This preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of DS Smith.

Bureau Veritas was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- Obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria;
- Form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- Reporting our conclusions to the Directors of DS Smith.

### **Assessment Standard**

We performed our work to a limited level of assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after December 15, 2015), issued by the International Auditing and Assurance Standards Board.

### **Summary of work performed**

As part of our independent verification, our work included:

1. Conducting interviews with relevant personnel of DS Smith;
2. Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries;



3. Carrying out nine 'virtual' site visits. Government advice at the time of this 'virtual' site visit was to avoid unnecessary travel. We conducted a risk assessment and determined that conducting a 'virtual' site visit with video conferencing, screen sharing, remote document sharing along with reliance on previous site visits to similar facilities resulted in a low level of residual verification risk. Sites were selected using a risk based approach to the following business units:
  - a. DS Smith Paper at Zarnesti Mill (Romania), Reading Mill (US), Kemsley Mill (UK), DS Smith Packaging at Launceston (UK), Kielce (Poland), Gyor (Hungary), Ghimbav (Romania), Reading Corrugator (US), Erlensee (Germany)
4. Conducting remote data verification for a selection of data points for a further nine sites;
  - a. Rives Packaging (France), Riceboro Mill (USA), Lowell Corrugator (USA), Westminster Sheet Plant (USA), Thessaloniki Packaging (Greece), Skopje Packaging (Macedonia), Jilhove u Decina Packaging and Printing (Czech Republic), Krsevac Packaging (Serbia), Penedes Corrugator (Spain).
5. Agreeing a sample of the Selected Information to the corresponding source documentation;
6. Checking the data aggregation calculations performed at Head Office; and
7. Assessing the disclosure and presentation of the Selected Information to ensure consistency with assured information.

## Conclusion

On the basis of our methodology and the activities described above for the agreed scope, nothing has come to our attention to indicate that the Selected Information as stated below and in the Report are not fairly stated in the in all material respects.

Reported GHG Emissions	
<b>Scope 1:</b> 1,833,166 tonnes of CO <sub>2</sub> e	<b>Scope 2 (market based):</b> 509,625 tonnes of CO <sub>2</sub> e

Further detailed recommendations are provided in the form of an internal management report to be issued to DS Smith.



### **Statement of Independence, Integrity and Competence**

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015<sup>1</sup>, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)<sup>2</sup>, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.



**Bureau Veritas UK Ltd**  
**10th June 2020**

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<sup>1</sup> Certificate available on request

<sup>2</sup> International Federation of Inspection Agencies – Compliance Code – Third Edition

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