



Modern Slavery & Human Trafficking

Statement 2023/24

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Preface

As a global employer of over 30,000 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 and human trafficking both within our own operations and within our sphere of influence in the supply chain. It is crucial that effective measures are in place to promote human rights and prevent modern slavery and human trafficking.



“At DS Smith, we know that safe, diverse, and inclusive businesses are successful, sustainable businesses.”

Miles Roberts,
Group Chief Executive

1. Introduction

DS Smith Plc together with our subsidiaries and affiliates (“**DS Smith**” or “**the Group**” or “**we**”) is a leading provider of sustainable fibre-based packaging across Europe and North America (“**USA**”) which is supported by recycling and paper-making operations.

Modern slavery and human trafficking are some of the most complex and important human rights challenges of our time. Modern slavery and human trafficking are violations of fundamental human rights. Modern slavery takes various forms, such as slavery, servitude, forced and compulsory labour, and child labour, all of which have in common the deprivation of a person’s liberty by another person in order to exploit them for personal or commercial gain.

Slavery, servitude, and forced or compulsory labour interpreted in accordance with Article 4 of the European Convention on Human Rights Convention are as follows:

- Slavery takes place where an individual has a legal right to own another person as they do with property.
- Servitude, similar to slavery, may include instances where an individual might live on a person’s premises, work for them yet be unable to leave or be prevented from leaving.

Human trafficking as defined by the United Nations (“UN”), is the recruitment, transportation, transfer, harbouring, or receipt of people through force, fraud, or deception, with the aim of exploiting them for profit.

Child labour as defined by the International Labour Organisation (“ILO”), is work that deprives children (any person under 18) of their childhood, their potential, and their dignity, and that is harmful to their physical and/or mental development.



“As a Group, we have a zero-tolerance approach to modern slavery and human trafficking”

Iain Simm,
Group General Counsel and
Company Secretary

As a Group, we have a zero-tolerance approach to modern slavery and human trafficking. DS Smith has identified that most of the modern slavery and human trafficking risk it faces sits within its supply chain and associated processes. This statement, for the year ended 30 April 2024, sets out the policies and due diligence processes we have across the Group, together with the steps taken since our last statement for the year ended 30 April 2023, to ensure that human rights violations, including modern slavery and human trafficking, are not occurring within our operations or our supply chain. It also summarises the steps we plan to take during the year ending 30 April 2025 to continue to strengthen our policies and due diligence processes.

We are pleased to report that for the year ended 30 April 2024 there were no instances of modern slavery, human trafficking, or child labour within our own business operations. One potential incident of modern slavery was reported within the downstream supply chain of our suppliers, with actions taken to investigate and remedy where required. Further details regarding this incident are outlined in section 8.

2. Our business



Today, DS Smith operates in more than 30 countries, employing over 30,000 people, with our Total Marketing Support (“TMS”) business covering an additional 18 countries. We serve customers across a range of industries including e-commerce, fast-moving consumer goods (“FMCG”), pharmaceutical, other retail, and industrials. With manufacturing operations across Europe and the USA, and sourcing, consultancy, sales, and marketing presence across six continents, we provide products and services to our customers both on a local and global level.

For the year ended 30 April 2024, our revenue was £6.9 billion. More information about the Group and our locations is published on our [website](#) and in our [Annual Report](#).

DS Smith is committed to the highest governance standards in the way we engage with each other, our customers, shareholders, suppliers, and other stakeholders. Our reputation is founded on our commitment to and achievement of these high standards. We are committed to acting ethically and with integrity in all our business dealings and seek to implement and enforce effective systems and controls to ensure modern slavery (including child labour) and human trafficking is not occurring within our own business or those of our suppliers.

DS Smith aims to build an environment of trust, transparency and accountability which is essential for fostering long-term business integrity. DS Smith is committed to opposing modern slavery and human trafficking and preventing these by whatever means necessary. We demand the same attitude and commitment of all who work for us or with us.

Our ambitions on respecting human rights are set out in our **Now & Next Sustainability Strategy** under our key focus area of **People & Communities**. As we transition to the circular economy, the spotlight is placed on sourcing and supply chains, bringing into focus where and how products and materials are made, and by whom. A sustainable circular economy is economically and socially inclusive, treating everybody that makes it work with respect.



3. Our policies



Key to our zero-tolerance approach is ensuring that the Group has robust policies and procedures in place relevant to the prevention of modern slavery and human trafficking. In relation to our own operations these policies include our Code of Conduct, Human Rights Policy, Anti-Slavery and Human Trafficking Policy, Global Supplier Standards (“GSS”), and our ‘Speak Up!’ Policy. These policies are published on our [website](#) and are aimed at our employees, suppliers, and partners. Each policy has been reviewed and formally approved by the Board of Directors of DS Smith Plc (the “Board”) or the Group Operating Committee (“GOC”).

Employees are regularly made aware of our policies, as mentioned below, and our policies are communicated to newly acquired businesses as part of our formal integration process. DS Smith expects equivalent standards of conduct from all persons acting on its behalf, including suppliers, agents, and business partners.

A communication campaign explaining our key policies and the importance of compliance commenced in our fiscal year 2022/23 and continued into the year ending 30 April 2024, supported by training webinars on our core policies, including Modern Slavery & Human Trafficking. We also deliver training to our business divisions on these policies on demand and as a result of our annual legal compliance reviews.

3.1 Code of Conduct

Our Code of Conduct sets out DS Smith's commitment to the highest ethical standards in the way in which we engage with each other and our customers, employees, shareholders, suppliers, contractors, and other stakeholders. We continue to require employees in managerial or customer/supplier facing roles to reconfirm their awareness of and compliance (and where applicable, the awareness of and compliance of their direct reports) with Group policies every six months.

This is part of the Group's ongoing legal and compliance efforts to ensure that our employees are familiar with DS Smith policies and procedures.



3.1.1 Employee Charter

Our Employee Charter was developed in collaboration with our European Works Council ("**EWC**") which is made up of employee representatives from our European countries and supplements a network of local works councils and other employee representative bodies across our business. The Employee Charter reflects our commitment to our values in terms of how we treat employees. It builds on our Code of Conduct and reinforces our standing commitment to comply with all applicable legislative and regulatory requirements including taking a zero tolerance approach to child or forced labour.



3.2 Human Rights Policy

Recent global trends have emphasised why human rights matter. As an international 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 our supply chain.

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

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

These values, commitments, and expectations in relation to human rights are incorporated in our Human Rights Policy. All employees are expected to comply with this policy and report suspected misconduct, non-compliance, or unethical behaviour. The policy also applies to all our business dealings and the conduct of all persons or organisations with whom we contract directly or whom we appoint to act on our behalf.

We are committed to the continued improvement of our processes and procedures in this area by regularly conducting gap analyses of our business to identify areas of improvement, in line with the UN Guiding Principles on Business and Human Rights framework of 'Protect, Respect, and Remedy.' We strive to improve by setting out and communicating how to report concerns through our 'Speak Up!' Policy and providing access to effective remedies if violations or potential violations occur.

3.3 Anti-Slavery and Human Trafficking Policy

Our Anti-Slavery and Human Trafficking Policy governs our approach to modern slavery and human trafficking in our own and in our suppliers' businesses. It underpins our approach and is used to inform this annual statement on slavery and human trafficking.



DS Smith supports and respects the protection of human rights within our sphere of influence. This means that all work must be undertaken with agreement of both parties and workers must be free to leave work and terminate their employment or other work status with reasonable notice and without requiring workers to surrender government issued identification, passports or work permits as a condition to work. Workers must be provided with documentation clearly stating the terms of employment in a language the worker can understand.

3.4 Management Standards

Our Management Standards set out the performance standards expected of all managers within the Group. The Management Standards include duties on managers to ensure their teams receive all the information regarding the Group's policies that is relevant to them, that employees fully understand their responsibilities and neither DS Smith nor its employees breach applicable rules or regulations.



3.5 Global Supplier Standards

DS Smith has maintained its GSS for several years. The GSS sets out the minimum conditions expected when doing business with or on behalf of DS Smith. One key area covered in these standards is the expectation that all our suppliers and partners comply with the principles of the UK Modern Slavery Act 2015 (the "Modern Slavery Act") and equivalent legislation in other jurisdictions (including, but not limited to, the Act on Due Diligence in Supply Chains (LkSG) in Germany).

Our Suppliers play a role in assisting DS Smith to fulfil its purpose and we expect our suppliers to take an active approach to monitoring standards of social responsibility and compliance with applicable laws and regulations. Through compliance with the GSS, our suppliers help maintain our reputation for excellence, independence, and integrity.

The GSS is translated into the local language of all countries in which we operate and is regularly reviewed for relevance in an ever-evolving environment.

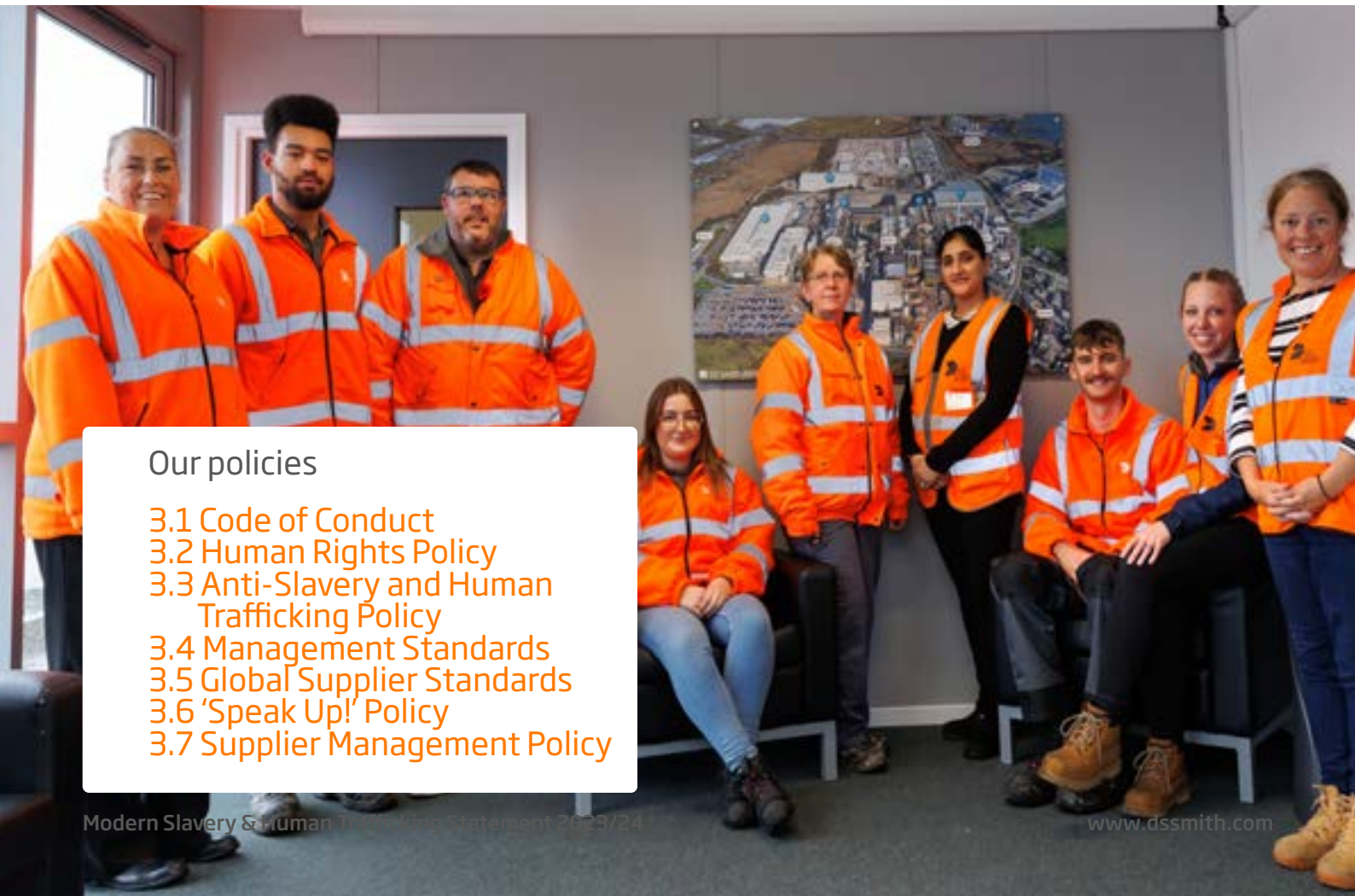
3.6 'Speak Up!' Policy

The 'Speak Up!' Policy provides guidance on communicating concerns to the business on a confidential basis and without fear of retaliation. Any concerns about suspected incidents of human rights violations, including modern slavery and human trafficking, can be reported by e-mail, postal service, via the web, or telephone via the independent 'Speak Up!' hotline by any employee, supplier, or other stakeholders. Reports received through 'Speak Up!' are considered by the Audit Committee as part of their regular reviews of internal controls.



3.7 Supplier Management Policy

This internal policy outlines how we manage suppliers to ensure we are compliant with DS Smith's Now & Next Sustainability Strategy and our commitment to respect human rights, and also our expectations on our suppliers to comply with our GSS, the process for assessing compliance through external assessment tools, managing modern slavery incidents, and monitoring suppliers to ensure there is no modern slavery or human trafficking in our supply chain.



Our policies

- 3.1 Code of Conduct
- 3.2 Human Rights Policy
- 3.3 Anti-Slavery and Human Trafficking Policy
- 3.4 Management Standards
- 3.5 Global Supplier Standards
- 3.6 'Speak Up!' Policy
- 3.7 Supplier Management Policy

4. Our governance

We are
Redefining
Packaging for a
Changing World



A multi-disciplinary Modern Slavery & Human Rights Committee (“**the Committee**”), supported by a Working Group (“**the Working Group**”) reports to our GOC. The GOC is chaired by our Group Chief Executive, who has ultimate responsibility for human rights due diligence.

4.1 Modern Slavery and Human Rights Committee

The Committee meet quarterly to input on the Group’s policies and procedures relating to human rights, including modern slavery and human trafficking, discuss areas of potential risk that DS Smith may potentially face, identify improvements to be made across DS Smith to mitigate these risks and further embed this ethos across our business.

Reporting into the Committee on progress against implementation of the Modern Slavery and Human Trafficking roadmap is the Working Group. The Working Group includes representatives from across our divisions and all key functions including Human Resources (“HR”), Legal, Procurement, Risk, and Sustainability. The Working Group meets monthly and aims to ensure consistency of approach with any potential human rights violations, incidents, or concerns identified in our business or supply chain and strengthen our due diligence in these areas.

4.2 Compliance Committee

Formed in January 2020 and chaired by the Group General Counsel and Company Secretary, the Compliance Committee includes representatives from each division, Internal Audit, and key functions within the Group. It meets on a quarterly basis and reports to the GOC and the Audit Committee. The remit of the Compliance Committee is to consider risk and compliance, associated procedures and management or mitigation, where appropriate, of those risks facing DS Smith and our supply chain, including the risk of modern slavery and human trafficking.



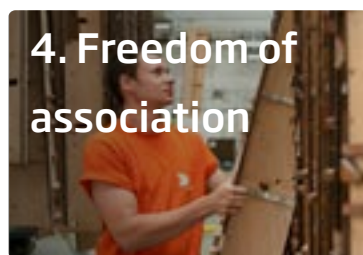
5. Assessing our risk



Understanding our human rights risks, including those related to modern slavery and human trafficking, is critical to targeting our actions and partnerships to prevent and address any issues.

5.1 Human Rights due diligence

DS Smith has established human rights governance mechanisms that support identification and prevention of human rights risks in our business and supply chain. For year ended 30 April 2024 we required all our operational sites to complete the Sedex self-assessment questionnaire (SAQ) (see section 5.2) to assess location specific risk. We are focused on the five priority human rights risks identified across DS Smith and our supply chain:



The risk of human rights violations continues to be higher in our supply chain than in our operations, though overall our operations and supply chain are mainly low to medium risk. We continue to categorise our suppliers to ensure robust strategies can be delivered for those identified as critical or strategic on an annual basis at the beginning of each fiscal year or when new suppliers are on-boarded (after which they fall into the annual cycle).

Critical suppliers are those supplying a product with a high sustainability risk and those identified as high risk in the EcoVadis risk profiling system. The EcoVadis risk profiling tool enables us to identify suppliers, countries and categories that potentially pose the highest risk within our supply chain and address those risks appropriately. Strategic suppliers are defined as a long-term, mutually cooperative relationship with mutual commitment where significant and ongoing value is accrued to both parties through operational capabilities. In 2023/24, we categorised 110 of our suppliers as strategic.

Our critical and/or strategic suppliers are assessed through EcoVadis or to a lesser extent, Sedex, and are expected to meet DS Smith's minimum scoring thresholds for overall performance, with attention focused on labour and human rights. Suppliers that score below the threshold defined by DS Smith or decline to be assessed will go through an escalation process up to our Group Procurement Director and may be subject to an audit and ultimately removed from our supply base.

5.2 Supplier & Ethical Data Exchange (“Sedex”)

Responsibility for managing human rights due diligence in our own business sits with our Operations Leadership supported by our HR network.

As one means of facilitating our due diligence, DS Smith utilises Sedex, one of the world’s largest organisations helping companies manage responsible sourcing in their supply chain. Sedex has 85,000 members in 170 countries and operates a collaborative online platform that enables members to collect and share information and map risk. This is done in two ways:

1. SAQ covering health and safety, labour standards, environment, and business ethics based on the ILO definition of modern slavery.
2. Sedex Members Ethical Trade Audit (“**SMETA**”), one of the most widely used ethical audit formats in the world which assesses conformance with a site’s SAQ answers and the Ethical Trade Initiative (“**ETI**”) Base Code.

Collectively, this enables organisations to manage their ethical and social performance and build trust with their suppliers, helping to protect people, the environment, and business.

Our ‘Now’ Sustainability target requires all DS Smith operational sites in Europe and USA to complete the Sedex SAQ and perform appropriate auditing of SAQs by 2025. This target underpins our ‘Next’ target to increase our ongoing due diligence through the identification and assessment of any potential human rights risks within our own operations at a site-level. It also increases the transparency of our activities, an increasing expectation of our customers, by looking beyond our Group policies and into site-level implementation of health and safety, labour standards, environment, and business ethics.

Our target for the year ended 30 April 2024 was for 75% of our manufacturing sites to complete the Sedex SAQ. We achieved 100%, with all 235 in-scope manufacturing locations completing either the Goods Provider or Service Provider SAQ in full.

The outcome of this internal risk analysis confirmed DS Smith is predominately low risk, with isolated pockets of medium-higher risk which require further analysis to identify the root cause and implement, where appropriate, solutions in the coming fiscal year ending 30 April 2025.

In addition, thirty-four of our operational packaging sites participated in a Sedex SMETA audit for the year ended 30 April 2024 which demonstrates the increasing importance of assessing supply chains for ethical business practices. All audits are conducted by third-party auditors, approved by Sedex, who assessed compliance with the ETI Base Code, and their local knowledge and implementation of DS Smith policies.

Any non-conformances identified during site audits, as well as observations and good examples, are reported to the sites and recorded on the Sedex platform for full transparency with our customers. Addressing non-conformances quickly, particularly any critical or major issues, is highly important to us and our customers. These 34 SMETAs flagged 87 good examples, 55 observations, and 97 non-conformances, 38 of which are resolved and 56 of which are in the process of being resolved as at the year ended 30 April 2024.

6. Training on modern slavery and human trafficking



Managers at all levels are responsible for ensuring that they and those reporting to them understand and comply with policies relating to human rights, including modern slavery and human trafficking, and are provided with appropriate training in the context of their specific roles.

For the year ending 30 April 2024, the Legal team conducted in-person and on-line training sessions on Modern Slavery, prioritising higher risk categories of employees with supplier-facing roles.

The Legal team also co-ordinates the delivery of a modern slavery compliance e-learning module to further strengthen our compliance across the business. This training is mandatory for relevant employees, who must pass a test at the end to demonstrate competency and is recirculated every two years to refresh knowledge and understanding. All new starters are required to complete the training as part of their on-boarding programme. The next refresher cycle will be undertaken in the year ending 30 April 2025.

7. Our supply chains and modern slavery risks

A photograph of two workers in orange safety gear. On the left, a man in profile wearing an orange cap and safety glasses is smiling. On the right, a woman wearing an orange cap with the DS Smith logo and safety glasses is also smiling. They are both wearing high-visibility orange jackets. The background is a blurred industrial or construction site.

7.1 Our Supply Chain

DS Smith principally trades with UK, European and USA suppliers other than our display business where our subsidiary business TMS trades with suppliers in South America, Asia, the Middle East, and Africa. DS Smith requires all suppliers in South America, Asia, the Middle East, and Africa to be registered with EcoVadis or Sedex, which means that we assess the modern slavery and human trafficking risk as part of our routine due diligence. High risk suppliers are also required to have SMETA audits.



7.1.1 Procurement

For the year ended 30 April 2024, 100% of our strategic and critical suppliers managed by our Procurement function were compliant with our Supplier Management Policy. In addition, 91% of our suppliers with a spend of £10,000 per annum or more have signed our GSS (or equivalent), exceeding our target of 87% for the year ended 30 April 2024.

100% of critical and strategic suppliers completed the EcoVadis assessment to support our ongoing due diligence in our supply chain. Suppliers that have a ≤ 45 score must complete a corrective action plan within three months, and that process is ongoing.



7.1.2 Paper Sourcing

For our internal and external Paper Sourcing suppliers, 100% of these suppliers were compliant with our Supplier Management Policy. These suppliers are also 100% compliant with the Forest Stewardship Council ("FSC®") new standard for Chain of Custody and Controlled Wood (FSC-COC-40-004 V3-1), which includes respecting human rights and modern slavery aspects. Our Suppliers are audited annually for FSC® compliance, undertaken by recognised third-party certification bodies.



7.1.3 Recycling

In the year ended 30 April 2024, 75% of our recycling suppliers in scope of our Supplier Management Policy have signed the GSS. We identified some hotspots for data improvement and have put a corrective action plan in place to engage with our suppliers to target 100% compliance with GSS and 100% compliance with EcoVadis for our critical and strategic suppliers in the next fiscal year.

7.2 Mitigating modern slavery risk within our supply chains

DS Smith's procurement contract templates continue to include a clause requiring our suppliers to agree that they comply with the Modern Slavery Act. They also impose an obligation on our suppliers to ensure that the suppliers within their supply chains also comply with the Modern Slavery Act or equivalent applicable legislation and permit DS Smith to audit the operations of a supplier to ensure full compliance with applicable anti-slavery and human trafficking laws. This clause also enables DS Smith to terminate all agreements with the supplier if there has been a breach by the supplier of any applicable law, which includes the Modern Slavery Act. In instances where our DS Smith template is not used, we ensure that an equivalent compliance clause is included in the terms agreed with such suppliers.

7.3 International conflict and humanitarian crises

Serious violations of international humanitarian and human rights laws are common in many armed conflicts. Those seeking refuge abroad, overwhelmingly woman and children, face increased risks and many are left vulnerable to exploitation. These risks are not just at the border or along their journey but also at the destination country where human traffickers may see conflict not as a tragedy but as an opportunity, increasing the risk of modern slavery. DS Smith remains watchful to ensure the processes and procedures we have in place are effective so that human trafficking and exploitation do not become a reality within DS Smith nor within our sphere of influence, and that we continue to make informed decisions in relation to our supply chain and our employee base.



8. Incident reports



For the year ended 30 April 2024, one potential incident with a supplier was brought to our attention through external media channels.

This incident involved Scottish Water, a utility supplier to DS Smith, who admitted that in 2021 they identified their solar farms could be using parts linked to forced labour camps in China. This conflicted with their anti-slavery policies and Scottish Water took action to not develop any further projects, or install photo voltaic panels in other equipment, until they were assured that an ethically safe supply was available from their supplier linked to this incident.

In mitigation, Scottish Water advised that they had followed UK Government guidance and are working with other bodies, including Utilities Against Slavery, to influence future supply chains in a positive way. Upon reviewing Scottish Water's action plan and mitigation plan, DS Smith are satisfied our supplier has taken appropriate action to address this incident to ensure no future links to modern slavery. We will continue to monitor them closely.

9. Key Performance Indicators to measure effectiveness of steps being taken



Our focus in 2023/24

What we achieved at year-end 30 April 2024

Ensure 100% of our suppliers adhere to our Supplier Management Policy.

- 100% of internal and external Paper Sourcing suppliers are compliant.
- 100% of Procurement strategic and critical suppliers are compliant.
- 75% of Recycling suppliers are compliant.
- This requirement is now embedded as business as usual across all our divisions and we continue to actively monitor compliance and implement corrective action plans where needed to achieve 100% across all relevant business functions.

At least 75% of our manufacturing sites to complete Sedex SAQ.

100% of our manufacturing sites have completed the Sedex SAQ.

Undertake detailed third-party assessments for DS Smith manufacturing sites identified as high risk.

A third-party human rights deep dive assessment was undertaken in each of our business functions:

- Packaging: Selimpaşa, Turkey
- Paper: Belišće Mill, Croatia
- Recycling: Osijek, Croatia

Implement and embed updated governance and reporting procedures, to drive accountability for Sedex SAQ ownership, SMETA and associated outcomes into HR and Operations communities.

An internal review of our governance structure and reporting procedures has been undertaken. Opportunities to drive greater accountability for the SMETA process and audit outcomes have been identified for implementation in the 2024/25 financial year.

Implement recommendations arising from Internal Audit on Modern Slavery undertaken in the year ended 30 April 2023.

Actions arising from the Internal Audit have been implemented and marked as complete.

Our focus in 2024/25



Review of our Anti-Slavery and Human Trafficking Policy and Human Rights Policy



100% of our operational sites to complete the Sedex SAQs



Implement, where appropriate, the recommendations from the third-party deep dive human rights assessments undertaken in 2023/24 fiscal year.



Continue to embed new performance measures into governance and reporting procedures, to drive accountability for SMETA outcomes into HR and Operations communities.



Develop a human rights due diligence improvement plan using our analysis of our Sedex SAQ responses and ESG ratings.



Integrate human rights checks into our internal auditing processes.

Modern Slavery & Human Trafficking Statement 2024

This statement is made pursuant to section 54(1) of the U.K. Modern Slavery Act 2015 and constitutes our Group's Slavery and Human Trafficking Statement for the year ended 30 April 2024. This statement has been approved by the Board of Directors of DS Smith Plc, who will review and update it annually.

Miles Roberts
Group Chief Executive
3 September 2024

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