

## Independent Limited Assurance Report to the Directors of DS Smith PLC

Independent Limited Assurance Report by Deloitte LLP to the Directors of DS Smith PLC on selected Environmental, Social and Governance (“ESG”) metrics (the “Selected Information”) within the Annual Report, Sustainability Report and accompanying Databook for the reporting year ending 30 April 2023.

### What we found: Our assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information, as listed below and disclosed within the Annual Report, Sustainability Report and accompanying Databook for the year ended 30 April 2023, has not been prepared, in all material respects, in accordance with the Applicable Criteria (Basis of Preparation) prepared and published by DS Smith PLC at [ESG Reporting Hub - DS Smith](#).

### What we looked at: scope of our work

DS Smith PLC has engaged us to provide independent limited assurance in accordance with International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000 (Revised)”) and the International Standard on Assurance Engagements 3410 Assurance engagements on greenhouse gas statements (“ISAE 3410”), issued by the International Auditing and Assurance Standards Board (“IAASB”) and our agreed terms of engagement.

The Selected Information in scope of our engagement for the year ended 30 April 2023, as listed below and indicated with a (\*) in the Annual Report, Sustainability Report and accompanying Databook and as listed below is as follows:

Selected Information	Reported Amount	Units
Direct (Scope 1) GHG emissions	1,542,250	Tonnes CO <sub>2</sub> e
Indirect (Scope 2) GHG emissions - market-based	833,759	Tonnes CO <sub>2</sub> e
Indirect (Scope 2) GHG emissions - location-based	891,267	Tonnes CO <sub>2</sub> e
Gross Scope 1 and 2 (market) GHG emissions	2,376,009	Tonnes CO <sub>2</sub> e
GHG emissions from energy export	529,699	Tonnes CO <sub>2</sub> e
Net Scope 1 and 2 (market) GHG emissions	1,846,310	Tonnes CO <sub>2</sub> e
GHG emissions (net) per tonne of production	182	Kg CO <sub>2</sub> e / tonnes net saleable production
Scope 3 – Category 5 – Waste generated in operations GHG emissions	119,671	Tonnes CO <sub>2</sub> e
Out of scopes GHG emissions	1,018,232	Tonnes CO <sub>2</sub> e
Percentage gross total Scope 1 emissions covered under emissions-limiting regulations	73	%
Energy consumption	14,407,601	MWh
Energy exported	1,739,186	MWh
Energy consumption (net)	12,668,415	MWh

Water withdrawals	53,802,571	m <sup>3</sup>
Water discharges	39,159,644	m <sup>3</sup>
Water withdrawals at mills in areas at risk of water stress per tonne of production	8.9	m <sup>3</sup> / tonnes net saleable production
Total water consumption	14,789,310	m <sup>3</sup>
Waste sent for landfill	204,637	Tonnes
Waste sent for recycling	912,649	Tonnes
Waste sent for incineration	144,932	Tonnes
Waste sent for landsread	176,206	Tonnes
Total waste	1,438,424	Tonnes
Total production	10,164,657	Tonnes
Percentage of female employees	22.9	%

The Selected Information, as listed in the above table needs to be read and understood together with the Applicable Criteria (Basis of Preparation) prepared and published by DS Smith PLC at [ESG Reporting Hub - DS Smith](#).

#### **Inherent limitations of the Selected Information**

We obtained limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The self-defined Basis of Preparation, the nature of the Selected Information, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.

We draw your attention to the following specific limitation:

- Selected information in relation to percentage of female employees is derived from self-reported data, reported by individuals within the organisation. As a result, our procedures did not include validation that self-reported assertions were appropriate in all sample selections.

#### **Directors' responsibilities**

The Directors are responsible for preparing an Annual Report which complies with the requirements of the Companies Act 2006 and for being satisfied that the Annual Report, Sustainability Report and Databook, taken as a whole, are fair, balanced and understandable.

The Directors are also responsible for:

- Selecting and establishing the Basis of Preparation.
- Preparing, measuring, presenting and reporting the Selected Information in accordance with the Basis of Preparation.

- Publishing the Basis of Preparation publicly in advance of, or at the same time as, the publication of the Selected Information.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.
- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of the Services.

### **Our responsibilities**

We are responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected Information.
- Communicating matters that may be relevant to the Selected Information to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected Information.
- Reporting our conclusion in the form of an independent limited Assurance Report to the Directors.

### **Our independence and competence**

In conducting our engagement, we complied with the independence requirements of the FRC's Ethical Standard and the ICAEW Code of Ethics. The ICAEW Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We applied the International Standard on Quality Management 1 ("ISQM 1"), issued by the Financial Reporting Council. Accordingly, we maintained a comprehensive system of quality including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **What we did: key procedures**

We are required to plan and perform our work to address the areas where we have identified that a material misstatement in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement, we performed the following procedures:

- Performed analytical review procedures and considered the risks of material misstatement of the Selected Information;
- Inspected the Applicable Criteria prepared by management and determined whether it aligns with our understanding of current industry and regulatory best practice.
- Through inquiries of management obtained an understanding of the Company, its environment, processes, and information systems relevant to the preparation of the Selected Information sufficient to identify and assess risks of material misstatement in the Selected Information, and provide a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.
- Through inquiries of management, obtained an understanding of internal controls relevant to the Selected Information, the quantification process and data used in preparing the Selected Information, the methodology for gathering qualitative information, and the process for preparing and reporting the Selected Information. We have not evaluated the design of particular internal

control activities, obtained evidence about their implementation, or tested their operating effectiveness.

- Inspected documents relating to the Selected Information, including material presented to the Board committee to understand the level of management awareness and oversight of the Selected Information.
- Performed procedures over the Selected Information, including recalculation of relevant formulae used in manual calculations and assessment of whether the data had been appropriately consolidated.
- Performed procedures over underlying data on a statistical sample basis to assess whether the data had been collected and reported in accordance with the Applicable Criteria, including verifying to source documentation.
- Conducted site visits at a sample of sites, selected on a judgemental basis to determine consistency in understanding and application of the Applicable Criteria.
- Performed procedures over the Selected Information including assessing management's assumptions and estimates.
- Accumulated misstatements and control deficiencies identified, and assessed whether material.
- Read the narrative accompanying the Selected Information with regard to the Applicable Criteria, and for consistency with our findings.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### **Use of our report**

This report is made solely to the Directors of DS Smith PLC in accordance with ISAE 3000 (Revised) and ISAE 3410 and our agreed terms of engagement. Our work has been undertaken so that we might state to the Directors of DS Smith PLC those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than DS Smith PLC and the Directors of DS Smith PLC, we acknowledge that the Directors of DS Smith PLC may choose to make this report publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than DS Smith PLC and the Directors of DS Smith PLC as a body, for our work, for this report, or for the conclusions we have formed.

*Deloitte LLP*

**Deloitte LLP**  
London, UK  
07 July 2023