

Group Corporate Citizenship Policy

This policy supports Sappi's Group Sustainability Charter and our approach to sustainable development. Our approach to sustainability is based on a holistic view of Prosperity, People and Planet (the 3Ps).

Being a sustainable organisation means that we balance and integrate the 3Ps into our business decisions, strategies and processes to help us add more value for all our stakeholders. Our strong sustainability governance structure is underpinned by our commitment to living our value statement: *At Sappi we do business with Integrity and Courage; making Smart decisions which we execute with Speed. Our values are underpinned by an unrelenting focus on and commitment to safety.*

Sappi believes that a formal programme for corporate citizenship incorporating corporate social responsibility (CSR) and creating shared value (CSV) is critical in giving substance to our commitment to society. We believe that our approach and programmes should be aligned with and support the achievement of our business objectives, forming part of our engagement and partnering initiatives with our key stakeholder groups throughout all our businesses.

Our approach to corporate citizenship:

- Encapsulates all three areas of sustainability. We identify and support longer-term initiatives or individual projects which promote and build the Prosperity, People and Planet commitments embodied in our Group Sustainability Charter.
- Prioritises spend in the first place on initiatives and projects relevant to our role in society and our other key stakeholder groupings, including our communities, customers, environmental and conservation organisations, as well as organised industry and business groups.
- Strives to align our CSR objectives with our business activities and objectives, including through cause-related marketing initiatives and sponsorships.
- Promotes the use of the Asset Based Community Development (ABCD) approach.
- Looks to move beyond CSR by recognising the importance of creating shared value (CSV) in securing sustainable communities and increased profitability.
- Contributes to our commitment to supply chain transparency.
- Is guided by the principles of the UN Global Compact and aligns to the United Nations Sustainable Development Goals.

We direct the majority of our funding to:

Education

- Promoting education, particularly mathematics, science, as well as artisan skills helps expand the talent pool in areas which are pivotal to our overall sustainability.
- We prioritise early childhood development (ECD) as the most effective means of building capacity in the youth from our communities.

Health and welfare

The health and welfare of the communities surrounding our operations are inextricably linked with our own. Focusing on the health and welfare of local communities helps lower internal health and welfare costs, leading to increased productivity.

The environment

Land, air and water are shared resources. By motivating and encouraging people—particularly those close to our operations—to share our commitment of treading more lightly on the Planet, our aim is to enhance the sustainability of the natural resources and ecosystems on which our business depends.

Community engagement and upliftment

Our profile in the communities where we operate is most often that of a major economic role-player. As such, communities look to Sappi for support and engagement on fundamental development issues beyond short-term projects, donations or sponsorships. Given the wide spectrum of requirements, we engage with communities on a case-by-case basis and encourage projects based on the ABCD philosophy which facilitate partnerships and collaboration locally and also between communities, government and the private sector.

We recognise that our operations and our supply chain can provide myriad opportunities for traditional enterprise development as well as shared value solutions to systemic problems. We actively seek to develop and strengthen local economies through targeted support for small-, medium- and micro enterprise development, both within our value chain as well as more generally in the communities where we operate.

We commit to:

- Measuring and monitoring the impact of the projects we support on a regular basis to determine whether pre-established outcomes are being achieved.
- Reporting on CSR spend, as well as impacts and outcomes.
- Reporting on shared value initiatives, as well as impacts and outcomes.
- Ensuring that our overall CSR programme support the principles of the United Nations Global Compact and aligns to the United Nations Sustainable Development Goals.

In terms of this policy, we do not use Sappi funds, resources, or services to contribute to political parties or their candidates. Similarly, we do not contribute to religious groups for religious purposes.

Going forward, we will continue to develop our manufacturing, human, social and natural resources in a way that ensures sustainability enhances our long-term viability and overall Prosperity.

Steve Binnie
Chief Executive Officer
Sappi Limited