



An EMPOWERDEX Generic Forestry Sector Scorecard

SAPPI LIMITED

Registration Number: 1936/008963/06

AAA

LEVEL TWO CONTRIBUTOR

ELEMENT	EMPOWERDEX SCORE		TARGET SCORE	B-BBEE ANALYSIS	RESULTS
Ownership	A	23.12	25.00	Black Ownership Percentage	70.89%*
Management & Control	D	7.12	19.00	Black Women Ownership Percentage	35.67%*
Skills Development	B	15.28	20.00	51% Black Owned Designated Group Supplier	No
Enterprise & Supplier Development	A	42.26	43.00	Black Disabled Percentage	0.00%
Socio-Economic development	A	7.48	5.00	Black Youth Percentage	0.00%
Overall Score	AAA	95.26	112.00	Black Unemployed Percentage	0.00%
				Black People Living in Rural Areas	0.00%
Empowering Supplier		Yes		Black Military Veterans	0.00%
Recognised Procurement Recognition Level		125.00%		Modified Flow-Through Principle Applied	No
Discounting Principle Applicable		No		Exclusion Principal Applied	Yes**
Recorded Procurement Recognition Level		125.00%		Financial Year	30/09/2023
Participated in Y.E.S Initiative		No		VAT Number	4440120816
Achieved Y.E.S Target & 2.5% Absorption		N/A		Effective Date	07 December 2023
Achieved 1.5 x Y.E.S Target & 5% Absorption		N/A		Expiry Date	06 December 2024
Achieved 2 x Y.E.S Target & 5% Absorption		N/A		Re-Issue Date	N/A

*Includes Mandated Investments **Exclusion of Foreign Operations.

This verification report is an independent opinion in terms of the Forestry Sector Codes (gazetted 21 April 2017). The information herein is based on an analysis performed by Empowerdex using the information presented by the management of the measured entity.

Technical Signatory – M van den Berg

07 December 2023

Date



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EXECUTIVE SUMMARY PER ELEMENT: SAPPI LIMITED

DETAILED INDICATORS	TARGET LEVEL	TARGET SCORE	VERIFIED LEVEL	VERIFIED SCORE
OWNERSHIP				
Verification Date			22 NOVEMBER 2023	
Voting rights of black people:	25.00% + 1 vote	4.00	100.00%	4.00
Voting rights of black women:	10.00%	2.00	68.74%	2.00
Economic interest of black people:	25.00%	4.00	70.89%	4.00
Economic interest of black women:	10.00%	2.00	35.67%	2.00
Economic interest of designated groups:	7.50%	3.00	0.80%	0.32
Black participants in employee ownership schemes:				
Black beneficiaries of broad-based ownership schemes:				
Black participants in co-operatives:				
Black new entrant:	2.00%	2.00	0.80%	0.80
Net Value:	25.10%	8.00	70.89%	8.00
Bonus: Economic Interest held by Communities in area	2.5% over 7.5% above	5.00	0.00%	0.00
Bonus: Economic Interest held by black employees of ME	2.5% over 7.5% above	5.00	0.00%	0.00
Bonus: Economic Interest in the hands of black people >25%	5% over 25% above	1.00	45.89%	1.00
Bonus: Economic Interest in the hands of black woman >25%	5% over 10% above	1.00	25.67%	1.00
TOTAL SCORE: OWNERSHIP	25.00 + 12.00		23.12	
Sub minimum achieved	3.20		YES	
MANAGEMENT AND CONTROL				
Verification Date			22 NOVEMBER 2023	
Black representation at board:	50.00%	2.00	35.71%	1.43
Black Female representation at board:	25.00%	1.00	14.29%	1.14
Black representation of the executive directors:	50.00%	2.00	0.00%	0.00
Black female representation of the executive directors:	25.00%	1.00	0.00%	0.00
Black Executive Management:	60.00%	2.00	25.00%	0.83
Black Female Executive Management:	30.00%	1.00	8.33%	0.28
Black Senior Management as % of all Senior Management	60.00%	2.00	19.24%	0.64
Black Female Senior Management as % of all Senior	30.00%	1.00	2.30%	0.08
Black Middle Management as & of all Middle Management	75.00%	2.00	33.05%	0.88
Black Female Middle Management as & of all Middle	38.00%	1.00	10.69%	0.28
Black Junior Management as % of all Junior Management	88.00%	1.00	55.16%	0.63
Black Female Junior Management as % of all Junior	44.00%	1.00	17.86%	0.41
Black Employees with Disabilities as % of all Employees	2.00%	2.00	0.52%	0.52
TOTAL SCORE: MANAGEMENT & CONTROL	19.00		7.12	
SKILLS DEVELOPMENT				
Latest Skills Development Plan submitted to:			FP&M SETA	
Skills development review period:			01 OCTOBER 2022 – 30 SEPTEMBER 2023	
Skills spend on black people as a percentage of leviable amount:	5.00%	8.00	4.19%	6.70
Skills spend on black disabled staff as a percentage of leviable amount:	0.30%	4.00	0.04%	0.53
Learnerships and category B, C and D programmes for black employees as a percentage of total employees:	2.50%	4.00	2.01%	3.21
Learnerships and category B, C and D programmes for black unemployed people as a percentage of total employees:	2.50%	4.00	2.29%	3.66
Bonus Points: Number of black people absorbed by entity or industry at the end of the learnership:	100.00%	5.00	23.64%	1.18
TOTAL SCORE: SKILLS DEVELOPMENT	20.00 + 5.00		15.28	
Sub minimum achieved	8.00		YES	
ENTERPRISE AND SUPPLIER DEVELOPMENT				

June 2023

COR-04/E/R27

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Empowerdex Northern Regions (Pty) Ltd, Reg. 2008/004631/07
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Preferential Procurement				
Financial period verified:			01 OCTOBER 2022 – 30 SEPTEMBER 2023	
Total BEE procurement with Empowering Suppliers as a percentage of total measured procurement spend:	80.00%	5.00	73.69%	4.61
Total BEE procurement from QSE's as a percentage of total measured procurement spend:	15.00%	2.00	13.27%	2.00
Total BEE procurement from EME's as a percentage of total measured procurement spend:	15.00%	3.00	3.68%	1.47
Total BEE procurement from 51% black owned suppliers as a percentage of total measured procurement spend:	40.00%	9.00	31.72%	9.00
Total BEE procurement from 30% black women owned suppliers as a percentage of total measured procurement spend:	10.00%	2.00	17.88%	2.00
Procurement spend with designated groups whom are at least 51% Black Owned	2.00%	2.00	2.38%	2.00
Bonus: Compliance with industry codes of good standing	Yes	2.00	Yes	2.00
TOTAL SCORE: Preferential Procurement	23.00 + 2.00		23.08	
Sub minimum achieved	9.20		YES	
Supplier Development:				
Financial period verified:			01 OCTOBER 2022 – 30 SEPTEMBER 2023	
Supplier development contributions as a percentage of NPAT:	2.00%	10.00	1.44%	7.18
TOTAL SCORE: Supplier Development	10.00		7.18	
Sub minimum achieved	4.00		YES	
Enterprise Development:				
Financial period verified:			01 OCTOBER 2022 – 30 SEPTEMBER 2023	
Enterprise development contributions as a percentage of NPAT:	1.00%	10.00	1.23%	10.00
Bonus: Graduation of one or more Enterprise Development beneficiaries to Supplier Development status:	Yes	1.00	Yes	1.00
Bonus: For one or more jobs created as a direct result of Enterprise or Supplier Development	Yes	1.00	Yes	1.00
Bonus: Annual value of ED/SD in partnership with government	0.5% in excess of 3% ED/SD targets above	1.00	0.00	0.00
Bonus: Annual value of contributions to 30% black woman owned QSE's or EME's	0.5% in excess of 3% ED/SD targets above	1.00	0.00	0.00
TOTAL SCORE: Enterprise Development	10.00 + 4.00		12.00	
Sub minimum achieved	4.00		YES	
TOTAL SCORE: ENTERPRISE & SUPPLIER DEVELOPMENT	43.00 + 4.00		42.26	
SOCIO-ECONOMIC DEVELOPMENT				
Financial period verified:			01 OCTOBER 2022 – 30 SEPTEMBER 2023	
Socio-economic development contributions as a percentage of NPAT:	1.00%	5.00	1.62%	5.00
Bonus: Socio-economic development contributions in excess of 1% target:	0.75%	3.00	0.62%	2.48
TOTAL SCORE: SOCIO ECONOMIC DEVELOPMENT	5.00 + 3.00		7.48	
TOTAL SCORE:	112.00 + 23.00		95.26	



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ANALYST:

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EMPOWERDEX	CONTRIBUTION LEVEL	QUALIFICATION	PROCUREMENT RECOGNITION LEVEL
AAA+	Level One Contributor	≥ 100 points on the Scorecard	135.00%
AAA	Level Two Contributor	≥ 95 But < 100 points on the Scorecard	125.00%
AA	Level Three Contributor	≥ 90 But < 95 points on the Scorecard	110.00%
A	Level Four Contributor	≥ 80 But < 90 points on the Scorecard	100.00%
BBB	Level Five Contributor	≥ 75 But < 80 points on the Scorecard	80.00%
BB	Level Six Contributor	≥ 70 But < 75 points on the Scorecard	60.00%
B	Level Seven Contributor	≥ 55 But < 70 points on the Scorecard	50.00%
C	Level Eight Contributor	≥ 40 But < 55 points on the Scorecard	10.00%
D	Non-Compliant Contributor	< 40 points on the Scorecard	0.00%

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