

Steve Binnie
Chief Executive Officer, Sappi Limited
09 May 2024

sappi

Q2 FY24 financial results



Forward-looking statements

Certain statements in this release that are neither reported financial results nor other historical information are forward-looking statements, including but not limited to statements that are predictions of or indicate future earnings, savings, synergies, events, trends, plans or objectives. The words “believe”, “anticipate”, “expect”, “intend”, “estimate”, “plan”, “assume”, “positioned”, “will”, “may”, “should”, “risk” and other similar expressions, which are predictions of or indicate future events and future trends and which do not relate to historical matters, identify forward-looking statements. In addition, this document includes forward-looking statements relating to our potential exposure to various types of market risks, such as interest rate risk, foreign exchange rate risk and commodity price risk. You should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements (and from past results, performance or achievements). Certain factors that may cause such differences include but are not limited to:

- the highly cyclical nature of the pulp and paper industry (and the factors that contribute to such cyclicity, such as levels of demand, production capacity, production, input costs including raw material, energy and employee costs, and pricing);
- the impact on our business of adverse changes in global economic conditions;
- unanticipated production disruptions (including as a result of planned or unexpected power outages);
- changes in environmental, tax and other laws and regulations;
- adverse changes in the markets for our products;
- the emergence of new technologies and changes in consumer trends, including increased preferences for digital media;
- consequences of our leverage, including as a result of adverse changes in credit markets that affect our ability to raise capital when needed;
- adverse changes in the political situation and economy in the countries in which we operate or the effect of governmental efforts to address present or future economic or social problems;
- the impact of restructurings, investments, acquisitions, dispositions and other strategic initiatives (including related financing), any delays, unexpected costs or other problems experienced in connection with dispositions or with integrating acquisitions or implementing restructurings or other strategic initiatives, and achieving expected savings and synergies;
- currency fluctuations.

We undertake no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events, circumstances, or otherwise.

Regulation G disclosure

Certain non-GAAP financial information is contained in this presentation that management believes may be useful in comparing the company’s operating results from period to period.

Reconciliations of certain of the non-GAAP measures to the corresponding GAAP measures can be found in the quarterly results booklet for the relevant period.

These booklets are available on our website: <https://www.sappi.com/quarterly-reports>

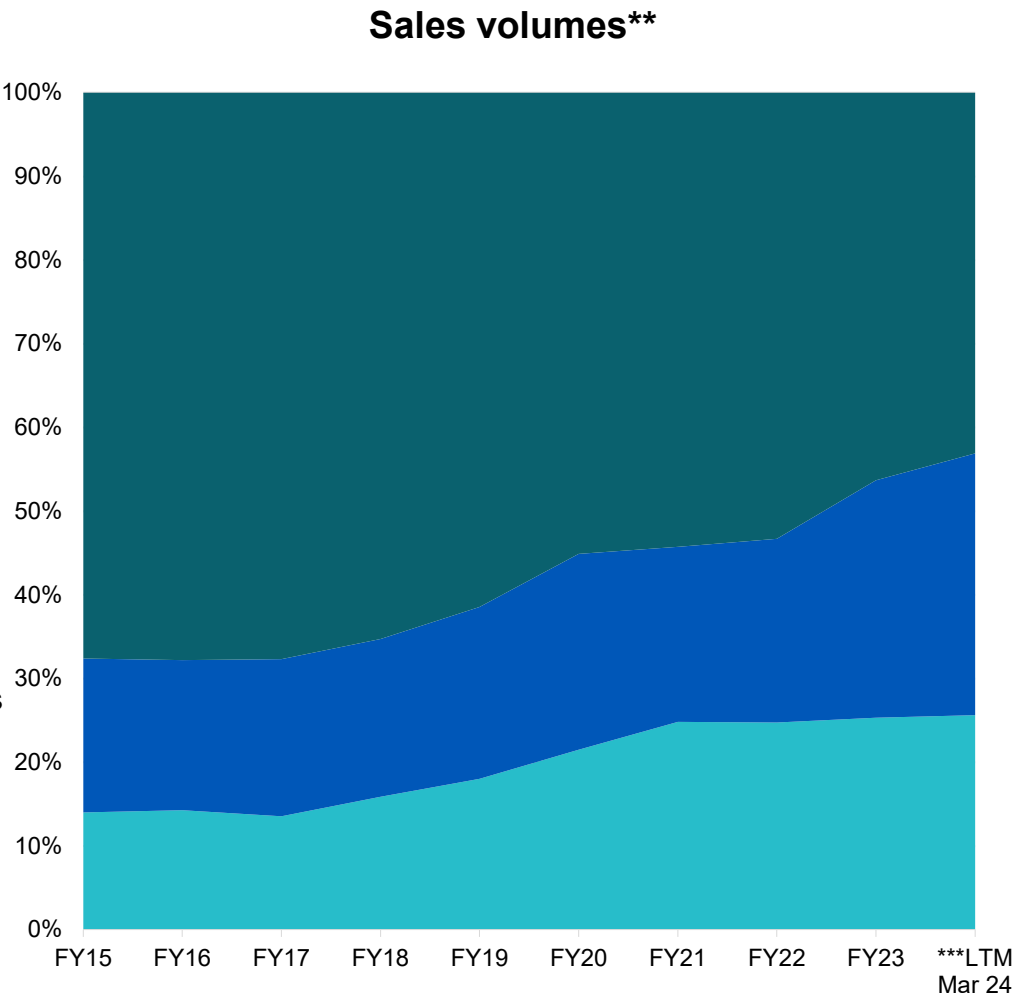
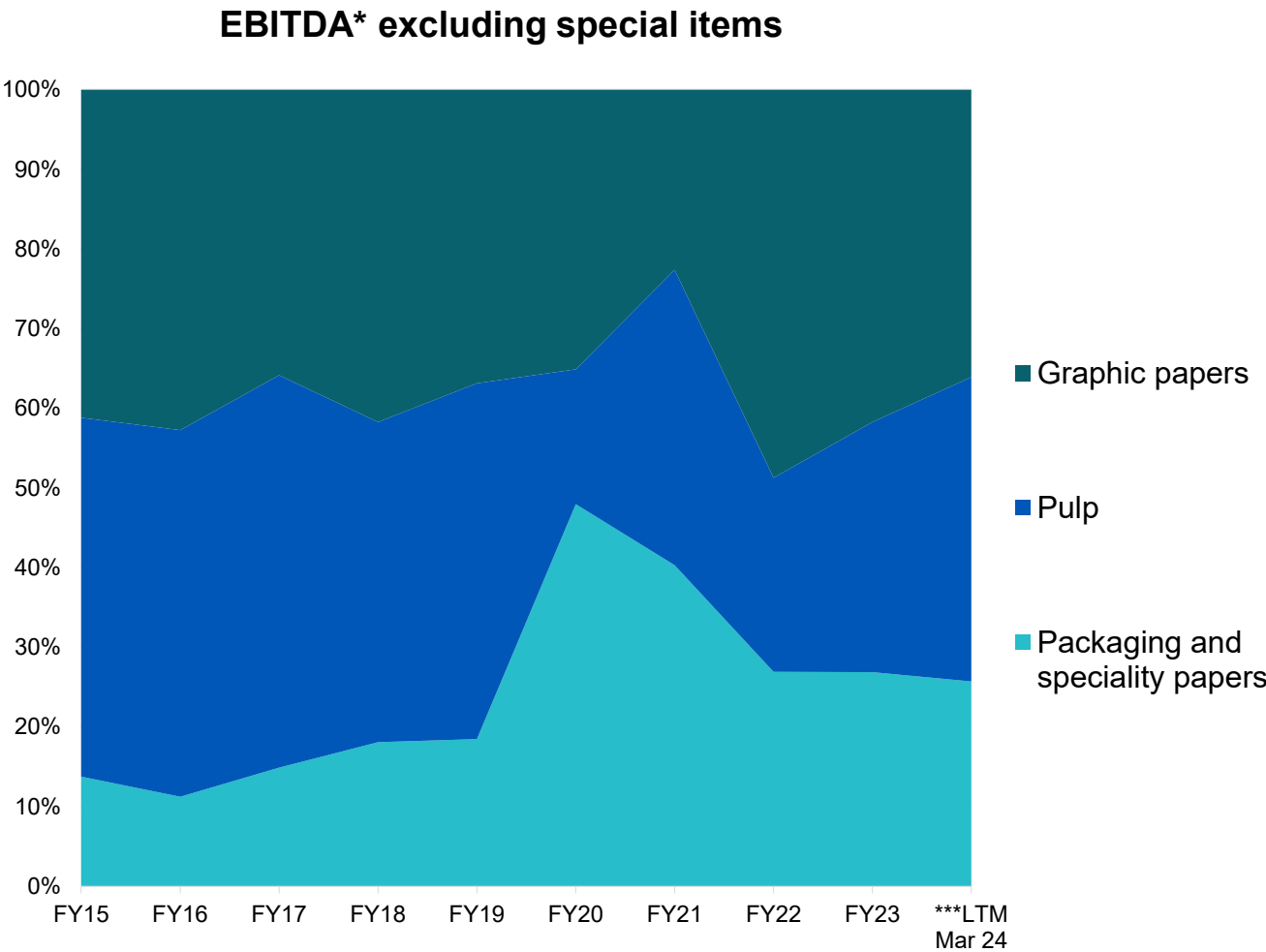


- Operating performance slightly ahead of expectations
- Improved profitability from the pulp segment
- Modest recovery in global paper markets
- Closures of Stockstadt and Lanaken Mills were completed
- Significant cost savings; 9% reduction in cash fixed costs following the closures

* EBITDA and EPS excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

** Q2 FY24 EBITDA excluding special items includes positive plantation price fair value adjustment of US\$3 million.

Product contribution split



* Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items. Data excludes treasury operations and an insurance captive.

** Sales volumes exclude forestry operations.

*** EBITDA excluding special items includes positive plantation price fair value adjustment of US\$26 million for Q1 FY24 and US\$3 million for Q2 FY24.

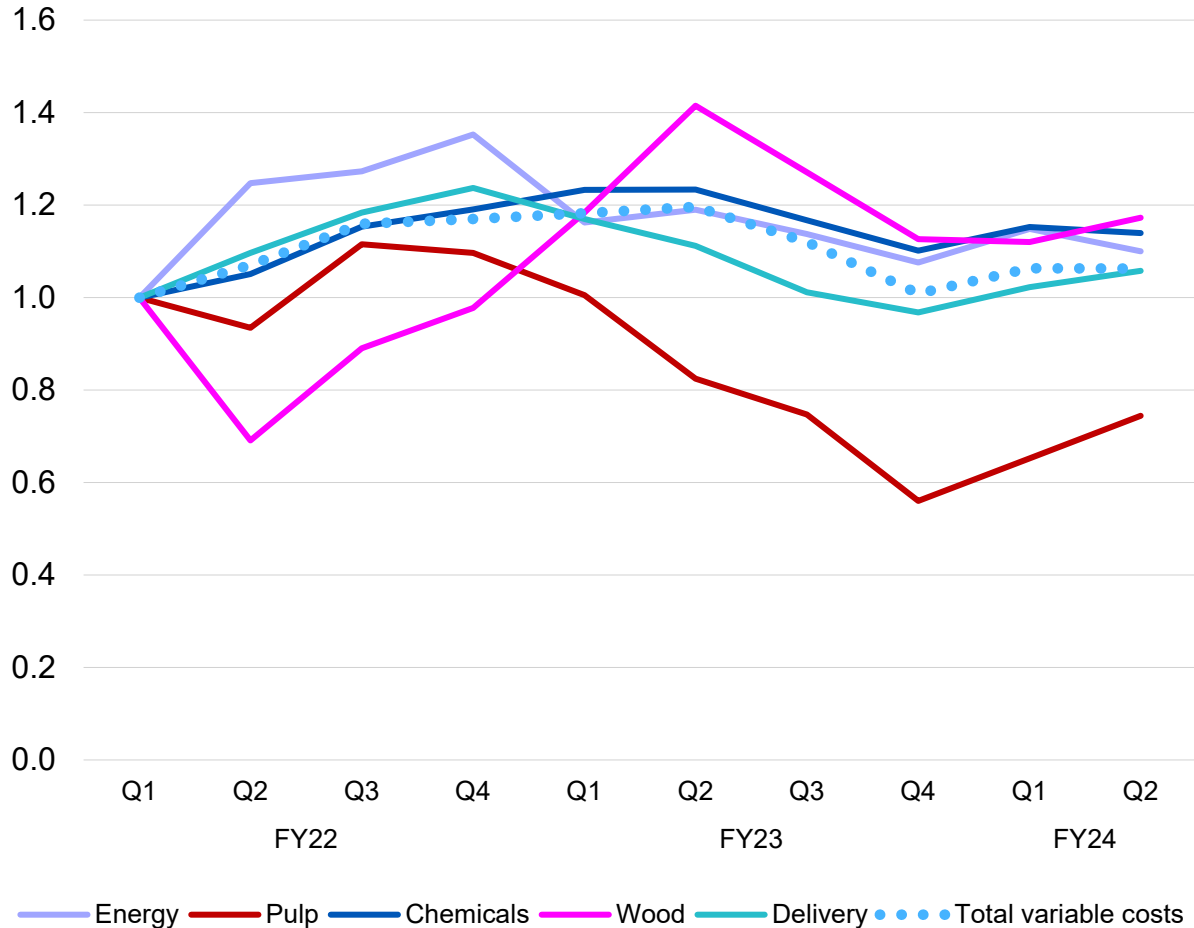
EBITDA* reconciliation Q1 FY24 to Q2 FY24



1. The following variances were calculated, excluding Sappi Forestry – Sales volume, Price & mix, Variable & delivery costs and Fixed costs.
2. Currency conversion reflects translation and transactional effect on consolidation.
3. * = Excluding special items.

Cost inflation developments

Major variable input cost/ton impact since Q1 FY22



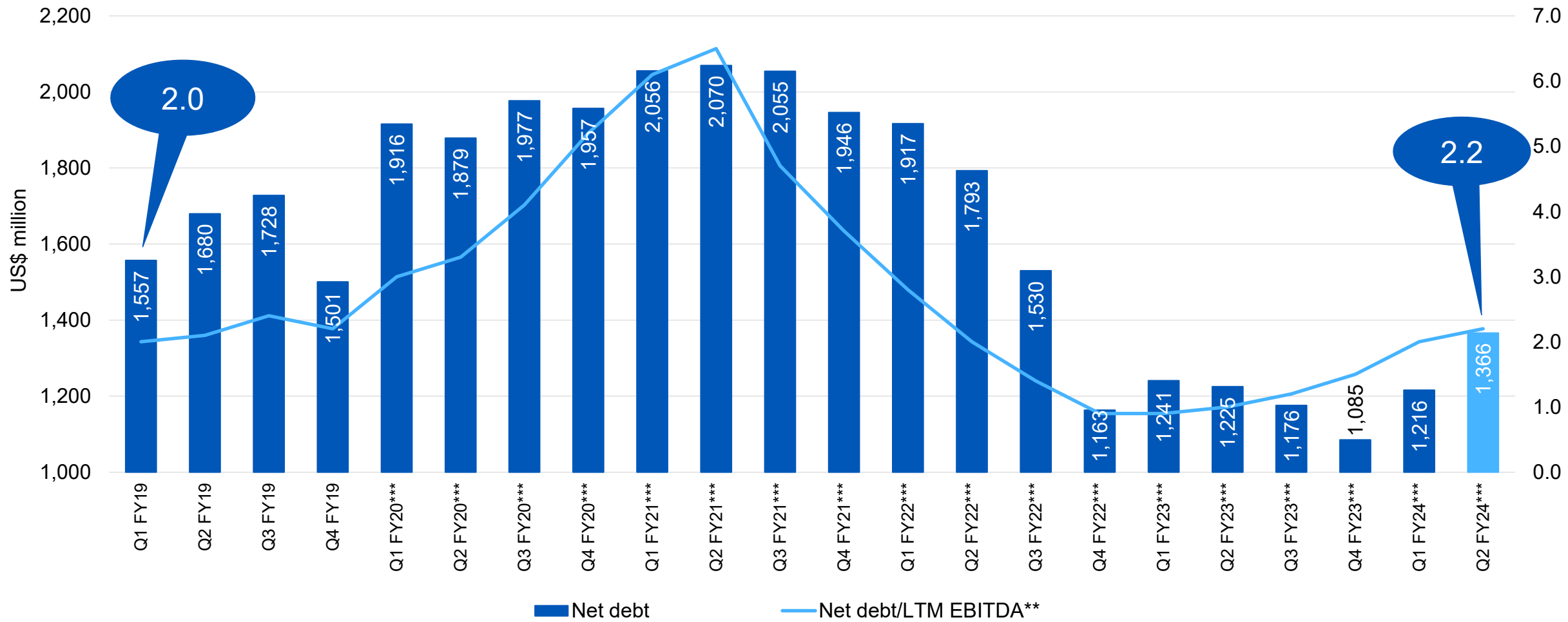
- Q-o-q* input costs decreased for energy and chemicals but increased across all other variable cost categories
- Total variable costs fairly flat q-o-q*

Indexed to Q1 FY22.

* Q2 FY24 versus Q1 FY24.

Net debt/EBITDA* development

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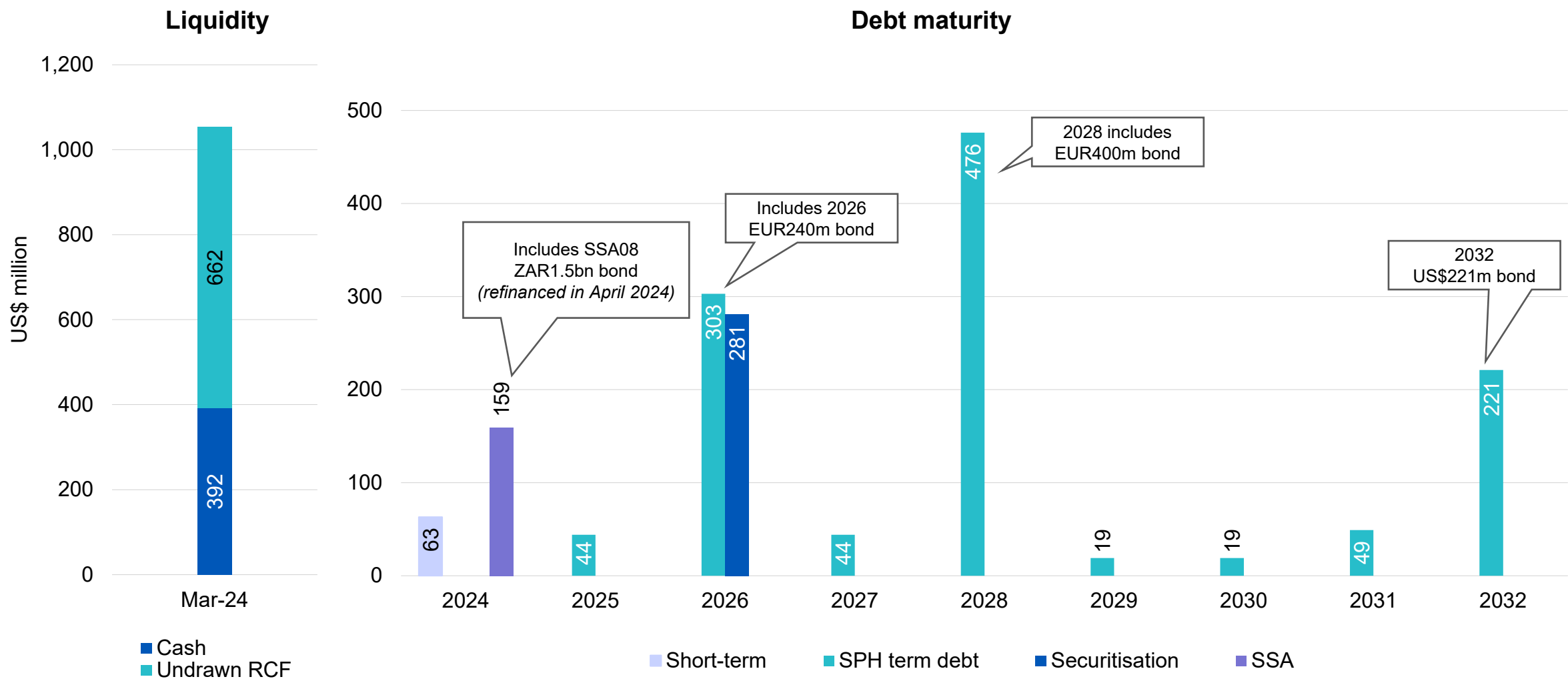
* EBITDA excluding special items.

** The covenant Net debt/LTM EBITDA calculation has adjustments and therefore differs from that shown above.

*** Quarters impacted by IFRS 16 leases (Q2 FY24 ~US\$89m) and Matane Mill acquisition (Q1 FY20 US\$158m).

Note: EBITDA excluding special items includes positive plantation price fair value adjustment of US\$26 million for Q1 FY24 and US\$3 million for Q2 FY24.

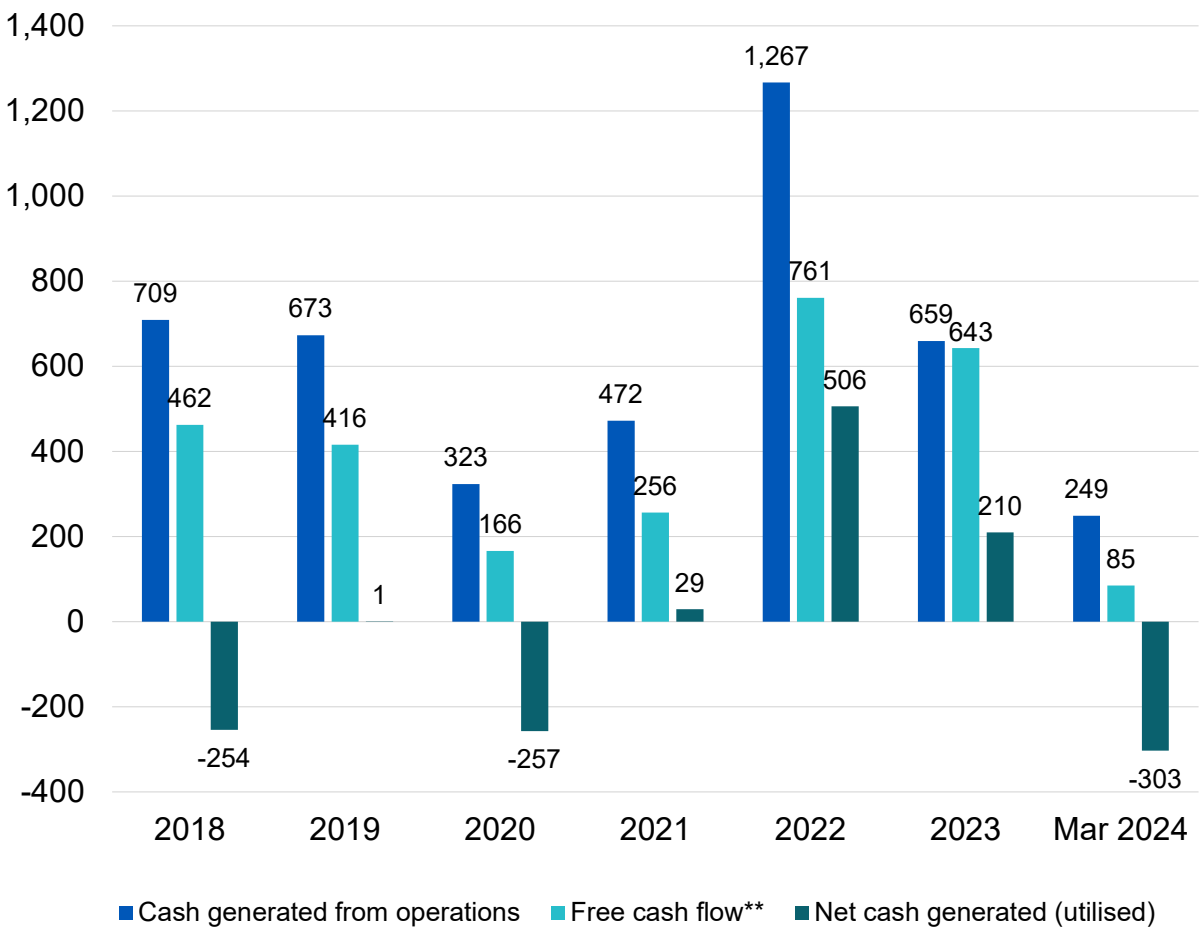
Debt maturity profile* Fiscal years



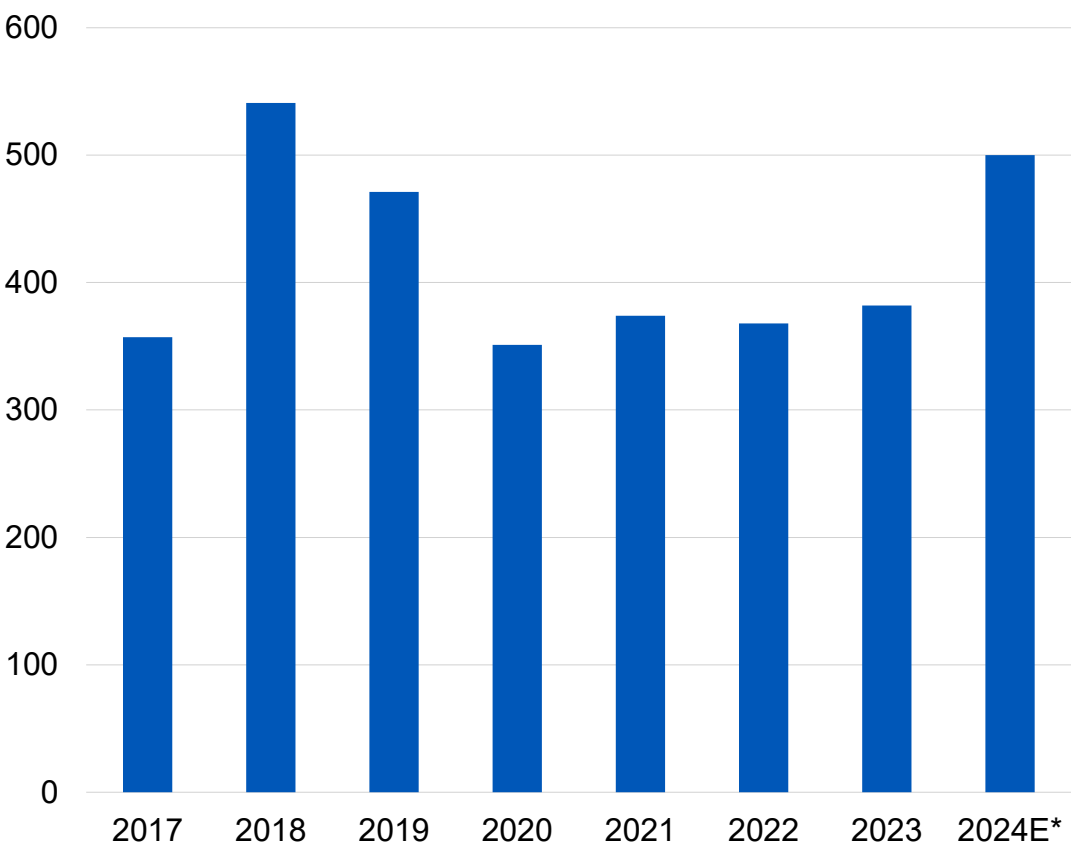
* Excludes US\$91 million in IFRS 16 leases; average time to maturity of approximately four years.
** Gross debt reduced by US\$57 million conversion of debt to equity associated with Sappi Southern Africa's 5.25% senior unsecured convertible registered bonds.

Cash flow and capex

Cash flow












Capital expenditure



* FY23 capital expenditure of US\$382 million included US\$100 million for the conversion and expansion of Somerset Mill PM2 to packaging grades. Capital expenditure for FY24 is estimated to be in the region of US\$500 million including approximately US\$154 million for the Somerset Mill PM2 project.

** Free cash flow = Cash generated from operations less working capital, less maintenance and regulatory/environmental capex.

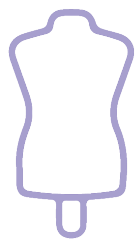
Disciplined capital allocation

Category		Strategic priority		FY24 Targets
 Regulatory & environmental	External regulatory & environmental requirements	High 	Mandatory license to operate Mandatory to meet ESG goals	 Sustainability projects: SSA renewable energy contract for 2025, Saiccor Mill turbine, Gratkorn Mill phase 2 boiler biomass conversion
	Balance sheet sustainability		A healthy balance sheet maximises capital allocation flexibility	 Long term net debt target ~ US\$1 billion FY2024 focus on maximising cash generation. Net debt likely to increase in short term due to cash outflow associated with closure of EU capacity
	Protect against future decline		Reduce exposure to declining graphic papers markets	 Reduce SEU graphic papers capacity by ~30% through closure of Stockstadt and Lanaken Mills
	Cost reduction Increase efficiency Mix optimisation		Improve cost position Optimise assets Shift into better-performing product categories	 Gratkorn Mill wet strength label production
	Shareholder value		Sustainable dividends return value to shareholders Target ROCE 2% above WACC	 Dividend payment 15 US cents in Q2 FY24
 Growth	Expansion of existing products	Low	Invest in growth segments	 Conversion & expansion of Somerset Mill PM2 from graphic papers to paperboard (FY24 estimated capex US\$154 million)

Segmental overview



Pulp



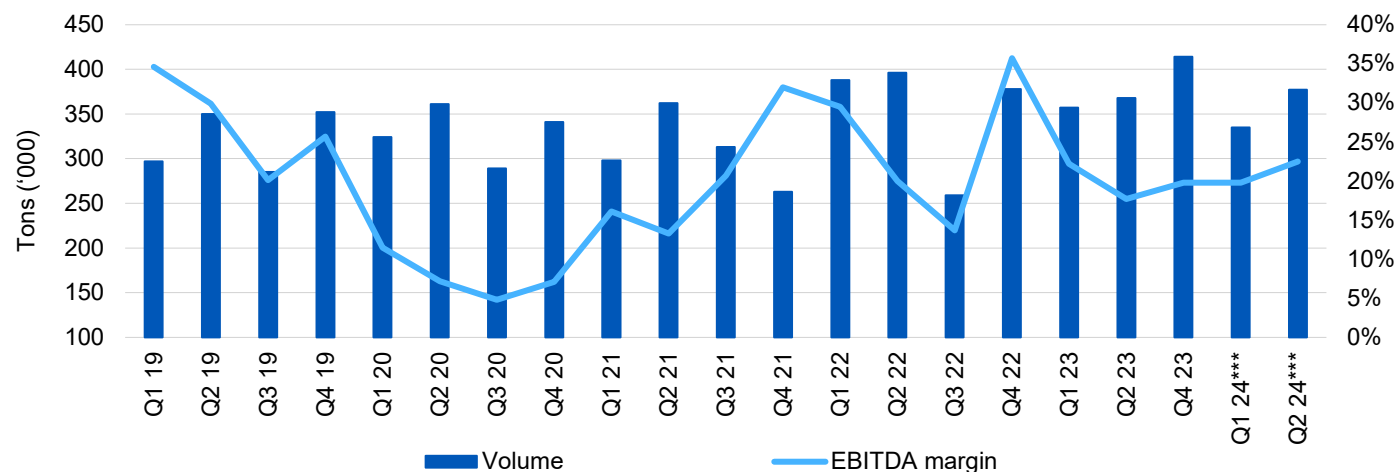
Summary Q2 FY24

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Sales tons +13%
q-o-q**

Selling price per ton
+3% q-o-q**

EBITDA* margin
22.5%



- Demand for dissolving pulp (DP) was strong throughout the quarter
- DP market prices increased by US\$60/ton ending the quarter at US\$940/ton
- Y-o-y improved profitability supported by significant cost savings, particularly for wood and chemicals

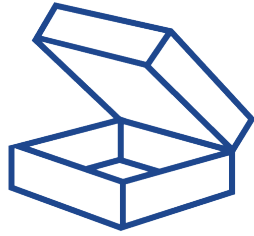


* EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

** Q2 FY24 vs Q1 FY24.

*** EBITDA excluding special items includes positive plantation price fair value adjustment for Q1 FY24 of US\$10 million and nil for Q2 FY24.

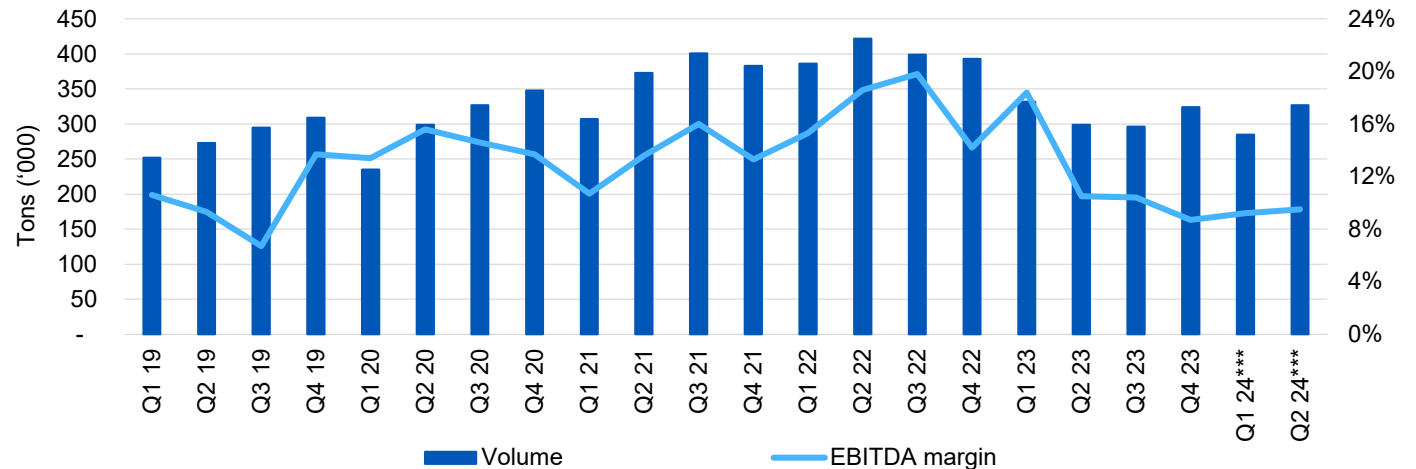
Packaging and speciality papers



Sales tons +15%
q-o-q**

Selling price per ton
-1% q-o-q**

EBITDA* margin
9.5%



- Strong recovery of paperboard demand in North America
- Sales volumes improved in Europe, but market conditions remained challenging
- In South Africa sales volumes impacted by overstocked paper supply chains
- Y-o-y cost savings insufficient to offset negative impact of the lower selling price



* EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

** Q2 FY24 vs Q1 FY24.

*** EBITDA excluding special items includes positive plantation price fair value adjustment for Q1 FY24 of US\$14 million and US\$3 million for Q2 FY24.

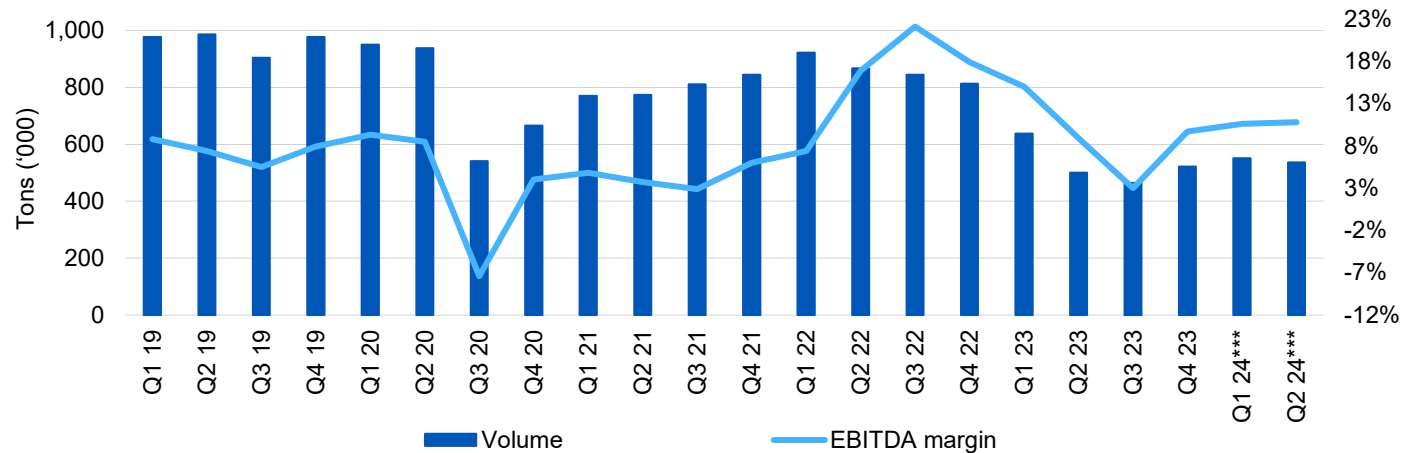
Graphic papers



Sales tons -3%
q-o-q**

Selling price per ton
+1% q-o-q**

EBITDA* margin
10.8%



- Gradual recovery in paper demand
- Operating rates in our European graphic papers assets increased substantially
 - Successful transfer of sales volumes from Stockstadt and Lanaken Mills
- Y-o-y profitability improved due to increased sales volumes and cost savings

* EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

** Q2 FY24 vs Q1 FY24.

*** EBITDA excluding special items includes positive plantation price fair value adjustment for Q1 FY24 of US\$2 million and nil for Q2 FY24.

Regional segments

Summary Q2 FY24

Sappi Europe



Sales tons flat
q-o-q**

Selling price per ton (EUR)
+1% q-o-q**

EBITDA* margin
5.9%

Sappi North America



Sales tons +13%
q-o-q**

Selling price per ton (US\$)
flat q-o-q**

EBITDA* margin
11.3%

Sappi Southern Africa



Sales tons*** +8%
q-o-q**

Selling price per ton (ZAR)
flat q-o-q**

EBITDA* margin
27.0%

* EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

** Q2 FY24 vs Q1 FY24.

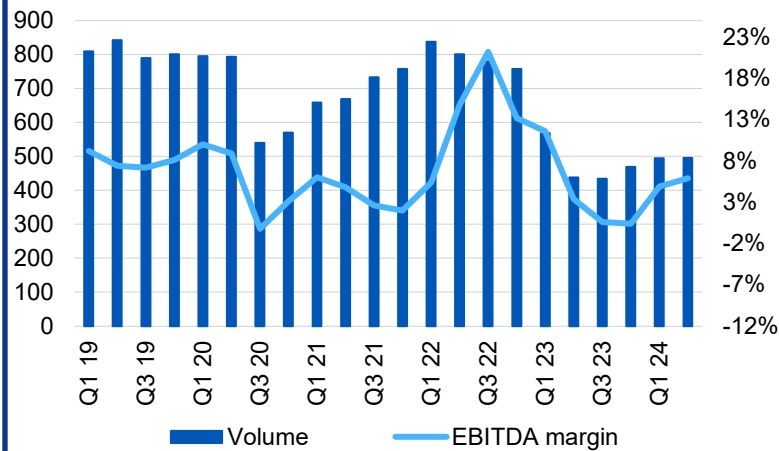
*** Sales tons and price per ton excludes forestry operations.

Note: Sappi Southern Africa's Q2 FY24 EBITDA excluding special items includes positive plantation price fair value adjustment of ZAR56 million.

Regional segments continued

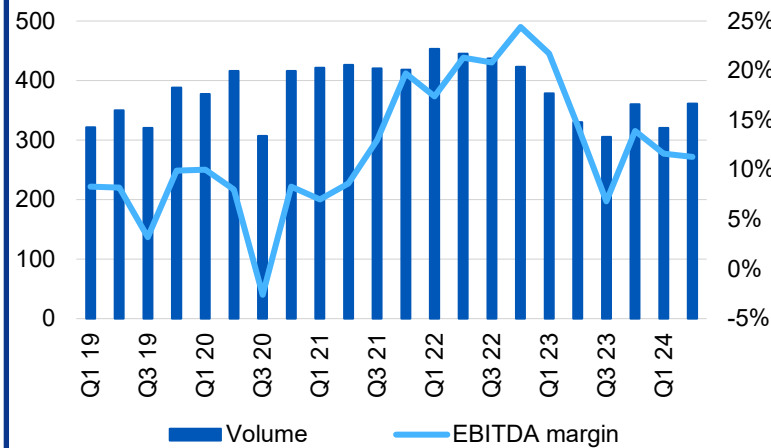
Summary Q2 FY24

Sappi Europe



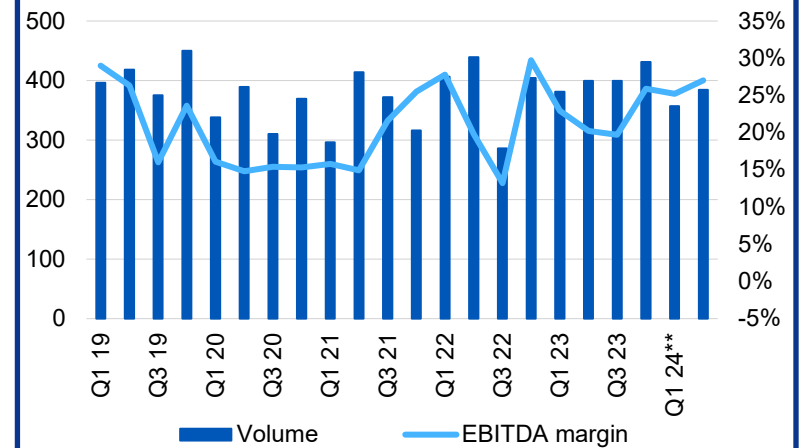
- Profitability continued to recover slowly
- Improvement driven by increased y-o-y sales volumes and cost savings

Sappi North America



- Good performance despite slower recovery in graphic papers demand
- Strong increase in paperboard sales volumes

Sappi Southern Africa



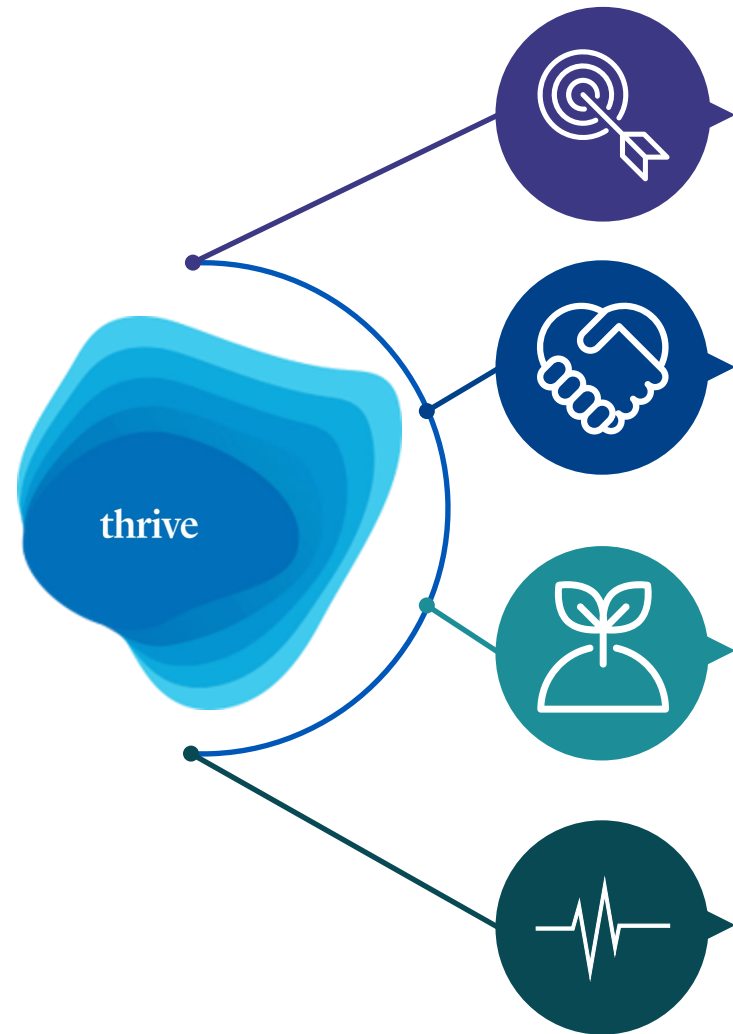
- Solid performance; profitability benefiting from significant cost savings
- Pulp demand robust

* EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

** Sappi Southern Africa's Q2 FY24 EBITDA excluding special items includes positive plantation price fair value adjustment of ZAR56 million.

Our business strategy

Thrive



What this means

Drive operational excellence

- Strengthen our safety-first culture
- Continuously improve our cost position
- Continue to maximise the benefits of our global footprint
- Best-in-class production efficiencies

Enhance trust

- Improving our understanding of and proactively partnering with all stakeholders
- Driving sustainability solutions
- Meeting the changing needs of every Sappi employee

Grow our business

- Grow dissolving pulp (DP) capacity, matching market demand
- Continue to expand and grow packaging and speciality papers (P&SP) in all regions
- Further commercialisation of biotech opportunities
- Reduce exposure to declining graphic papers business

Sustain our financial health

- Target net debt: EBITDA⁽¹⁾ at 1.5x
- Reduce absolute debt level and improve EBITDA
- Optimise capital management
- Optimise debt maturity profile and finance charges

Strategic objectives

- Achieve zero fatalities and at least a 10% reduction in LTIFR pa
- Maximise production outputs
- Gain cost advantage through a global footprint
- Optimise supply chain and customer service
- Increase forestry footprint in South Africa
- Improve pulp integration

- Progress towards science-based decarbonisation targets
- Implement the TCFD⁽²⁾ recommendations
- Expand Supplier Code of Conduct
- Maintain forestry certification and Level 1 BBBEE in SA
- Sustain and/or improve employee engagement
- Sustainability capex spend ~US\$70m per annum

- Continue to grow and optimise packaging and speciality papers
 - Label grades at Gratkorn Mill
 - Somerset Mill PM2 conversion & expansion from CWF to SBS
- Maximise DP volumes to capacity
- Reduce graphic papers exposure in Europe
- Continue to grow and advance biotech opportunities
 - Valida (micro fibrillated cellulose), Furfural and Lignin

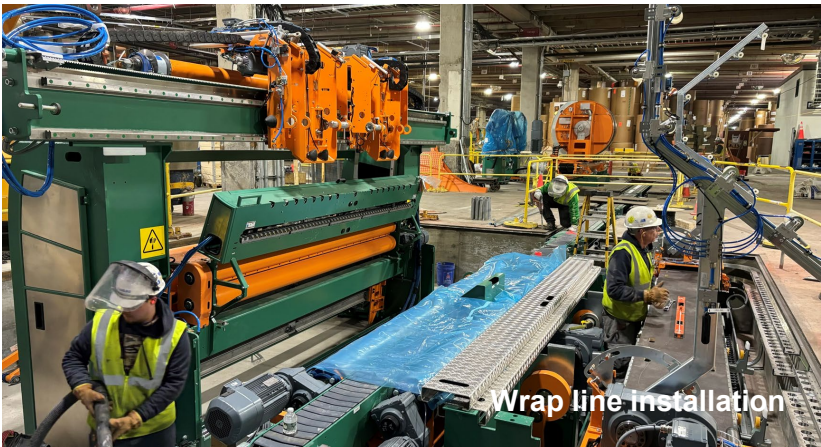
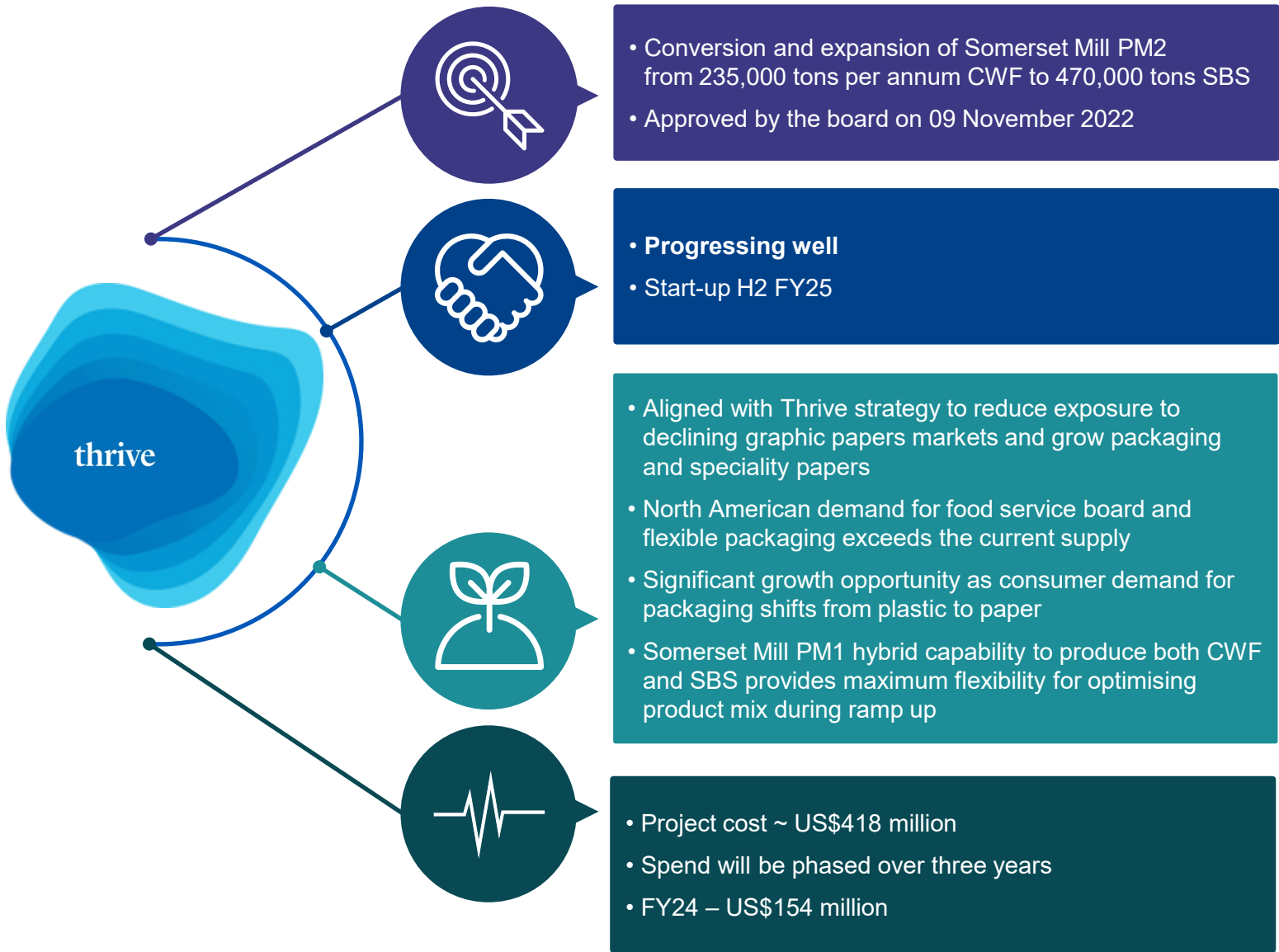
- Focus on managing fixed and variable costs
- Optimise the graphic papers business
- Focus on maximising cash generation through efficient capex and working capital management
- Long-term target net debt of approximately US\$1bn
- SPH RCF renewed to 2027 with sustainability-linked KPIs

* Earnings before interest, tax, depreciation and amortisation.

⁽¹⁾ EBITDA = EBITDA excluding special items.

⁽²⁾ TCFD = Task Force on Climate-related Financial Disclosures.

Conversion and expansion of Somerset Mill PM2



ESG - Continuously rethinking what we do and how we do it

Our commitment to sustainable growth

The logo features a circular seal with '2023 ecovadis Sustainability Rating' and a green banner at the top stating 'PLATINUM Top 1%'.

Awarded **Platinum Level** in sustainability performance by independent rating agency **EcoVadis**

A photograph of lush green trees with sunlight filtering through the leaves.

Sappi Forests **100% FSC- and PEFC-certified**

The logo consists of a circular graphic with three wavy lines in blue, green, and orange, representing the Science Based Targets initiative.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Validated **Science-Based GHG reduction target**

Corporate Responsibility

Prime

rated by **ISS-oekom**

Rated **'Prime'** by **Oekom Research**, an improvement from C+ to B- (December 2022)

MSCI
ESG RATINGS

The MSCI ESG rating 'A' is displayed inside an orange circle. Below it is a row of boxes representing the rating scale: CCC, B, BB, BBB, A, AA, AAA, with 'A' highlighted in orange.

MSCI rating improved to **A** (May 2022)

The cover features a blue flower bud on a green stem against a light blue background with abstract blue shapes.

2023 Annual Integrated Report
for the year ended September 2023

sappi

2023 Annual Integrated Report

The cover shows a colorful butterfly and a green chrysalis hanging from a branch, with the year '2023' in large green numbers.

sappi Group Sustainability Report

2023 Group Sustainability Report

The logo for the Department of Trade and Industry (dti) of the Republic of South Africa, featuring the national coat of arms.

Sappi Southern Africa is a **Level 1** broad-based black economic empowerment contributor (2024)

BBBEE

The CDP logo features a stylized red and white geometric design next to the letters 'CDP'.

Report to the **CDP** (www.cdp.net/en) under its **climate change** (2023 **A-**), **forest** (2023 **A-**) and **water** (2023 **B**) programmes making our responses publicly available on www.sappi.com

Outlook



Demand

- Market sentiment is generally improving across all of our product segments
- DP demand remains healthy
- Graphic paper demand is expected to continue its slow recovery
- Packaging and speciality paper markets continue to improve

Strategy

- Our European restructuring programme has significantly increased our capacity utilisation which, combined with the fixed costs savings, is expected to improve our competitive position
- We continue to diligently adapt our product and market mix to match demand in North America ahead of the Somerset PM2 ramp-up in 2025

Profitability

- Globally, pulp market prices have started rising which could negatively impact the profitability of our paper businesses
- Saiccor and Somerset Mills will take scheduled maintenance shuts, estimated impact of US\$30 million on profitability

Capital expenditure

- Capital expenditure for FY24 is estimated to be in the region of US\$500 million including ~US\$154 million for the Somerset Mill PM2 project

Guidance for Q3 FY24

- The plantation fair value price adjustment for the third quarter is expected to be slightly negative due to higher fuel costs and discount rates
- We anticipate that EBITDA* for the third quarter of FY2024 will be below that of the second quarter but substantially above last year

* Excluding the plantation fair value price adjustment.

Thank you

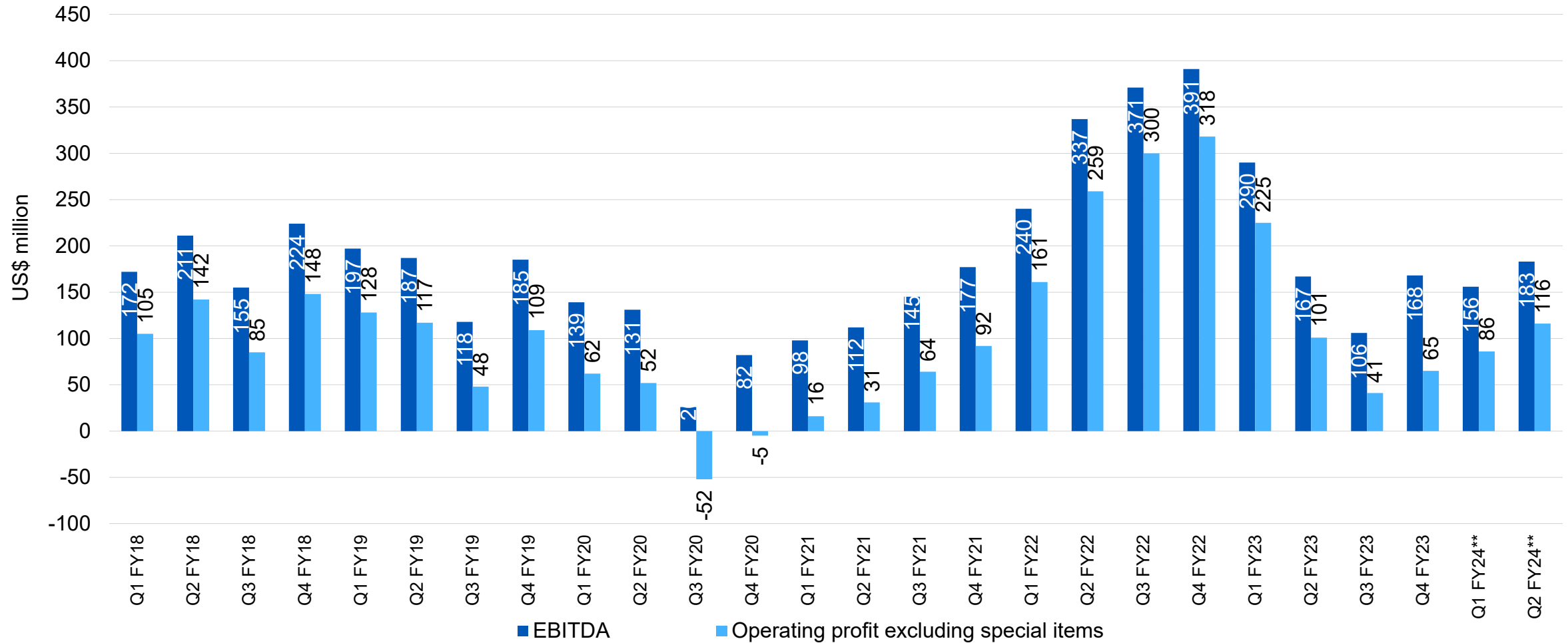




Supplementary
information

EBITDA and operating profit

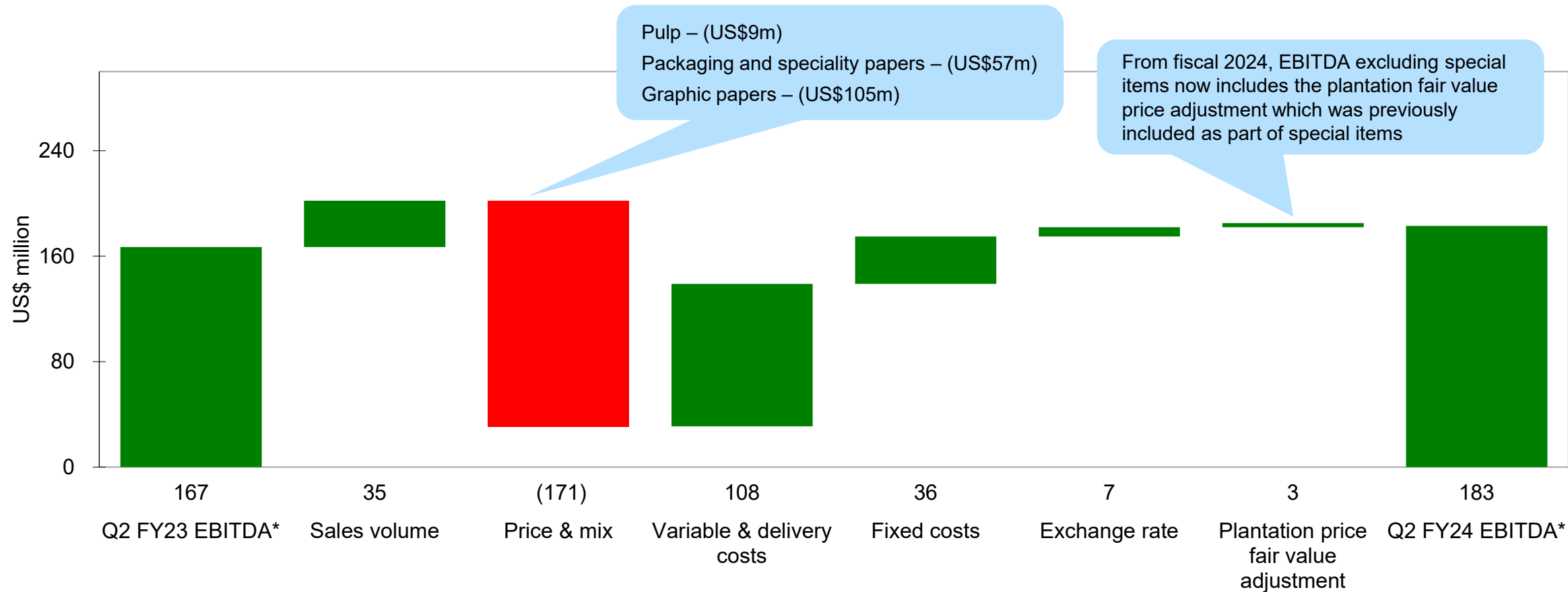
Excluding special items*



* EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.













** EBITDA and operating profit excluding special items Includes positive plantation price fair value adjustment of US\$26 million for Q1 FY24 and US\$3 million for Q2 FY24.

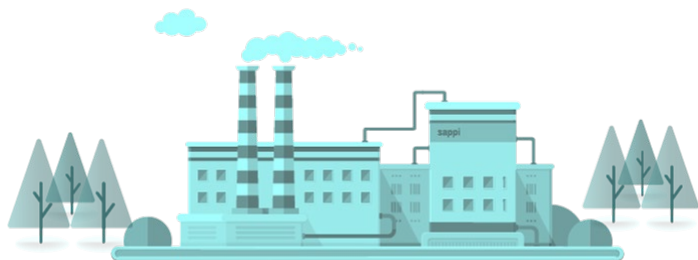
EBITDA* reconciliation Q2 FY23 to Q2 FY24



1. The following variances were calculated, excluding Sappi Forestry – Sales volume, Price & mix, Variable & delivery costs and Fixed costs.
2. Currency conversion reflects translation and transactional effect on consolidation.
3. * = Excluding special items.

Packaging and speciality papers Production facilities

	Alfeld Mill (Germany) Flexible packaging, label paper, paperboard, silicone base paper, functional paper		Ehingen Mill (Germany) Containerboard		Rockwell Solutions (Scotland) Functional papers and flexible packaging, coated barrier film
	Carmignano Mill (Italy) Flexible packaging paper, label paper, dye sublimation paper		Gratkorn Mill (Austria) Label paper		Somerset Mill (United States) Label paper, paperboard, flexible packaging
	Cloquet Mill (United States) Label paper		Maastricht Mill (Netherlands) Paperboard		Tugela Mill (South Africa) Containerboard
	Condino Mill (Italy) Flexible packaging paper, silicone base paper, dye sublimation paper		Ngodwana Mill (South Africa) Containerboard		Westbrook Mill (United States) Casting and release paper





Packaging papers



- Paperboard
- Flexible packaging
- Containerboard



Speciality papers



- Label & self-adhesive
- Casting & release
- Dye sublimation
- Tissue



Graphic papers



- Coated woodfree
- Coated mechanical
- Newsprint
- Office



Pulp



- Dissolving pulp
- High-yield pulp
- Kraft pulp



Biomaterials



- Biochemicals
- Fibrillated cellulose
- Lignin

	Q2 FY24	Q1 FY24	Q2 FY23
Tons sold ('000)	495	494	438
- <i>Packaging and speciality papers</i>	120	102	110
- <i>Graphic papers</i>	375	392	328
Sales (EURm)	540	534	592
Price/Ton (EUR)	1,091	1,081	1,352
Cost/Ton* (EUR)	1,071	1,077	1,352
Operating profit excluding special items** (EURm)	10	2	-
EBITDA excluding special items** (EURm)	32	26	20

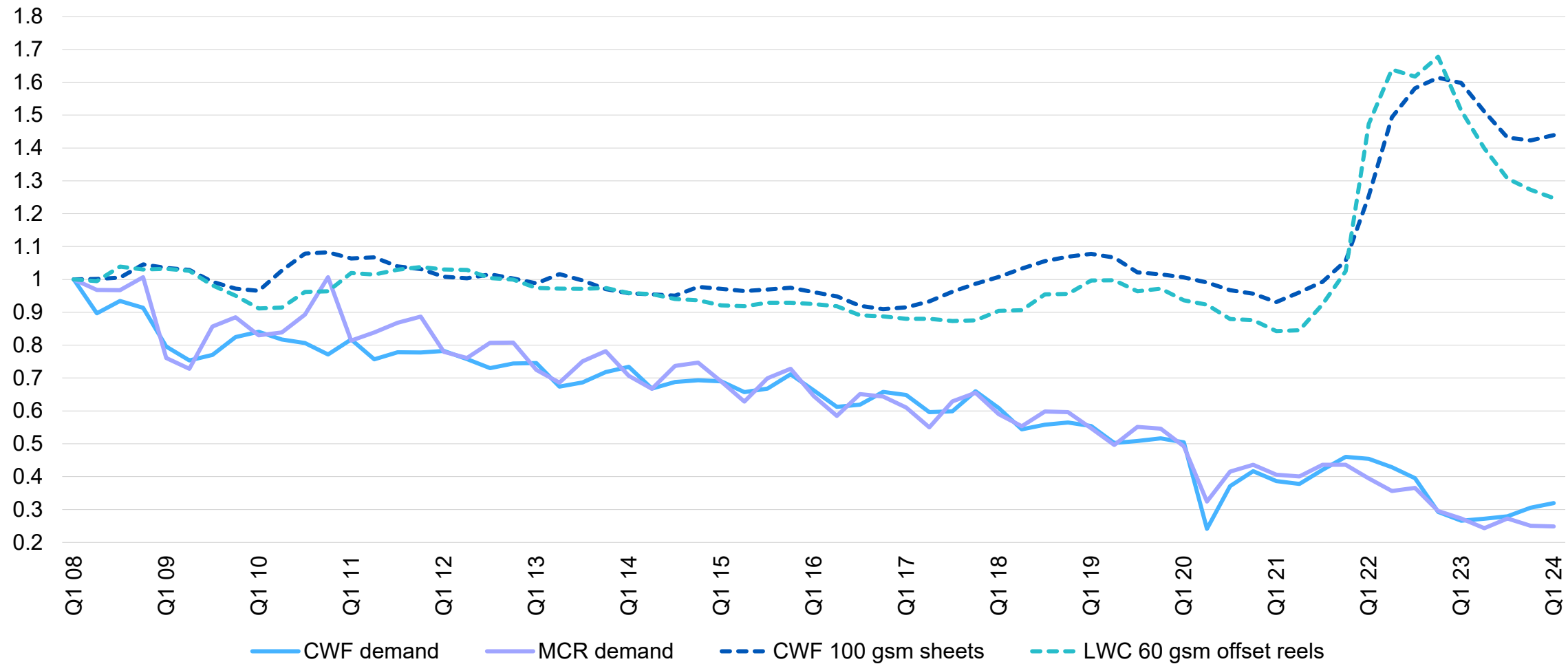
* Sales less operating profit excluding special items divided by tons sold.

** EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

Coated paper Deliveries and prices

Western Europe*

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* Western Europe shipments, including export.

Source: Cepifine, Cepiprint and RISI indexed to Q1 08.

	Q2 FY24	Q1 FY24	Q2 FY23
Tons sold ('000)	361	320	330
- Pulp*	122	104	108
- Packaging and speciality papers	112	95	91
- Graphic papers	127	121	131
Sales (US\$m)	450	398	458
Price/Ton (US\$)	1,247	1,244	1,388
Cost/Ton** (US\$)	1,166	1,172	1,258
Operating profit excluding special items*** (US\$m)	29	23	43
EBITDA excluding special items*** (US\$m)	51	46	66

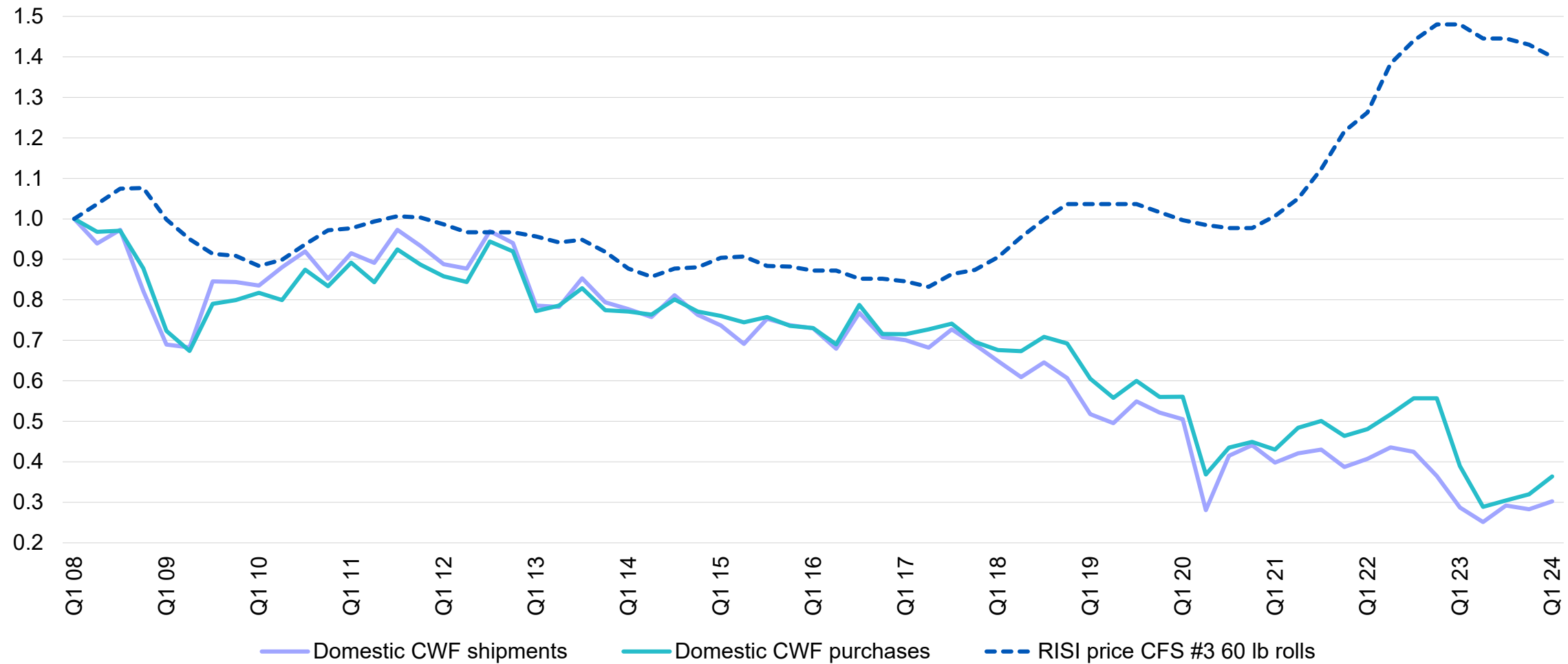
* Included in pulp volumes are BCTMP and kraft market pulp volumes of Q2 FY24 – 49 Kt, Q1 FY24 – 54 Kt and Q2 FY23 – 45 Kt.

** Sales less operating profit excluding special items divided by tons sold.

*** EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

Coated paper Deliveries and prices

United States*



* US industry purchases are defined as industry shipments plus imports, less exports.

Source: AF&PA and RISI indexed to Q1 08.

	Q2 FY24****	Q1 FY24****	Q2 FY23
Tons sold* ('000)	384	357	399
- Pulp	255	231	260
- Packaging and speciality papers	95	88	98
- Graphic papers	34	38	41
Sales* (ZARm)	6,154	5,749	6,231
Price/Ton* (ZAR)	16,026	16,104	15,617
Cost/Ton** (ZAR)	12,490	12,955	13,213
Operating profit excluding special items*** (ZARm)	1,358	1,124	959
EBITDA excluding special items*** (ZARm)	1,736	1,517	1,332

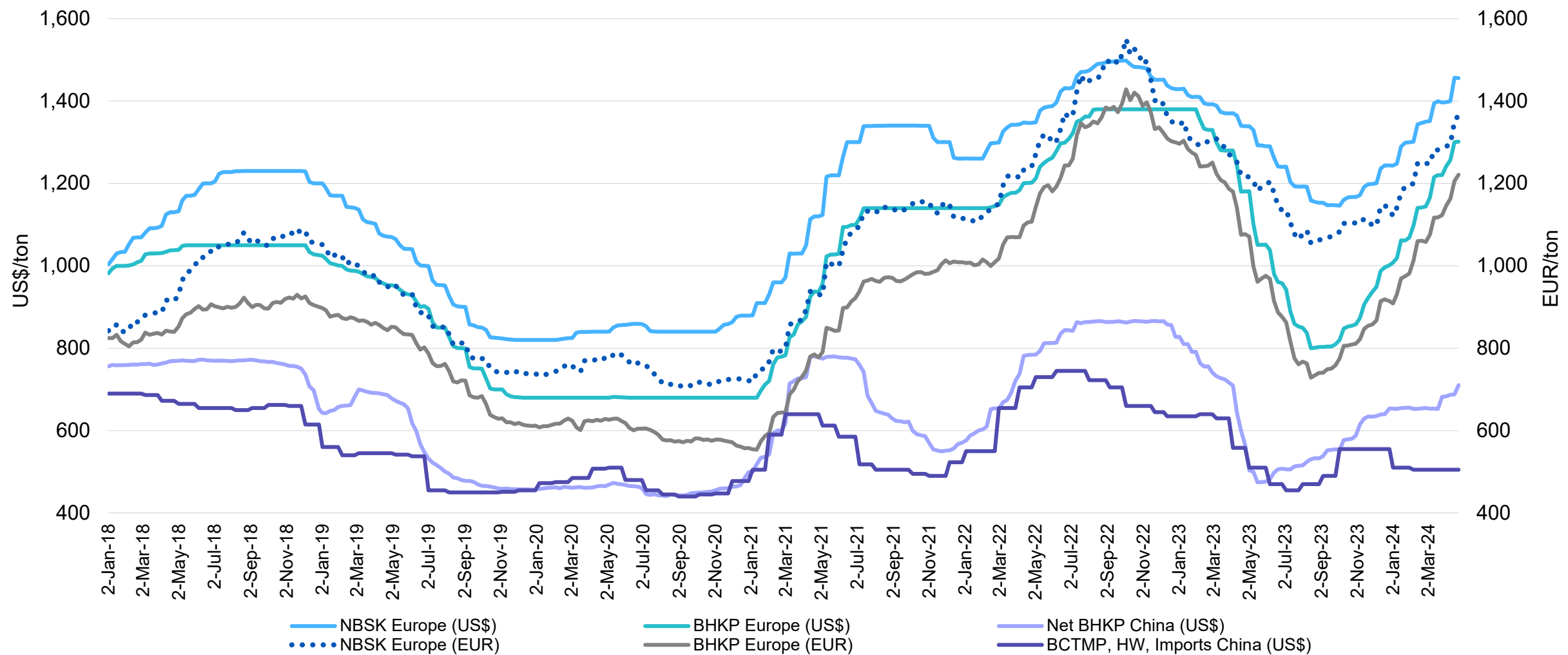
* Tons sold, sales and price per ton exclude forestry operations.

** Sales less operating profit excluding special items divided by tons sold.

*** EBITDA excluding special items. Refer to the supplementary information in this presentation for a reconciliation of EBITDA to reported operating profit and page 26 in our Q2 FY24 financial results booklet (available on www.sappi.com) for a definition of special items.

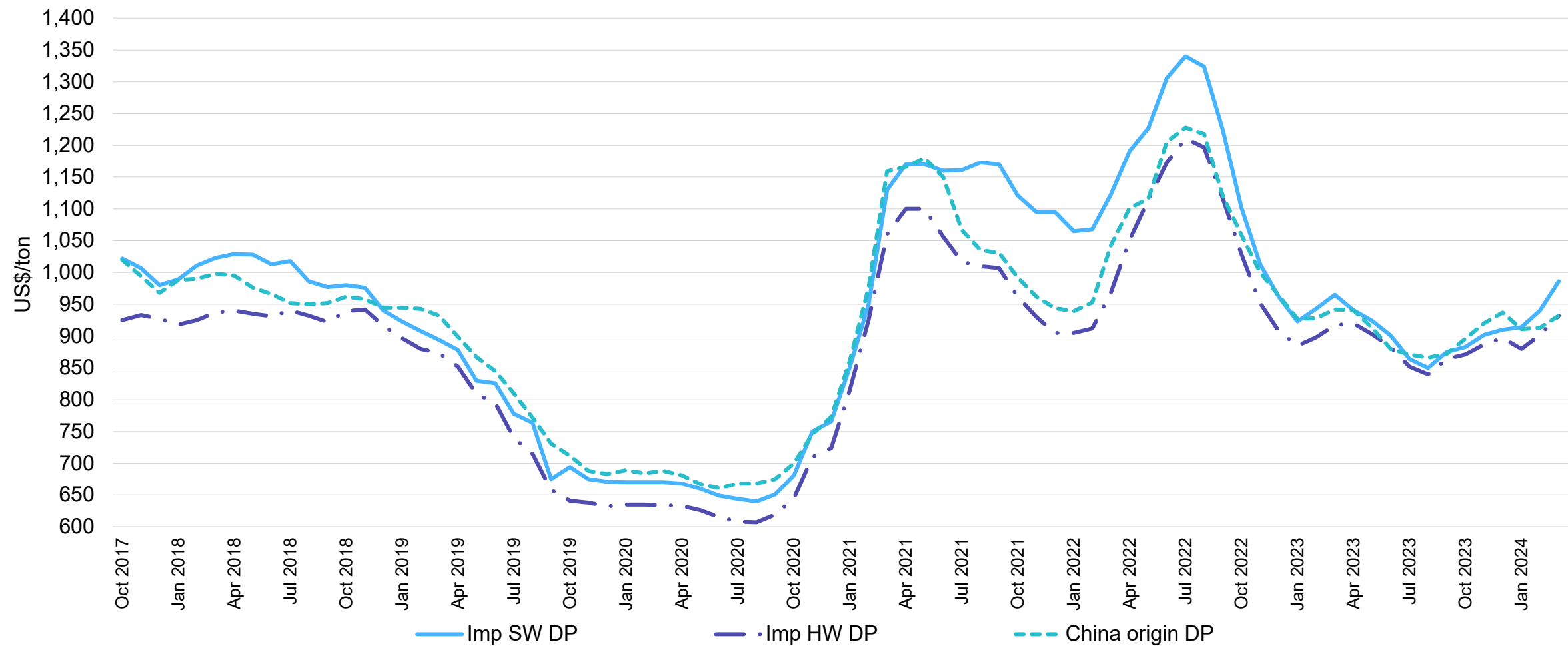
**** Operating profit and EBITDA excluding special items includes positive plantation price fair value adjustment of ZAR487 million for Q1 FY24 and ZAR56 million for Q2 FY24.

Paper pulp Prices

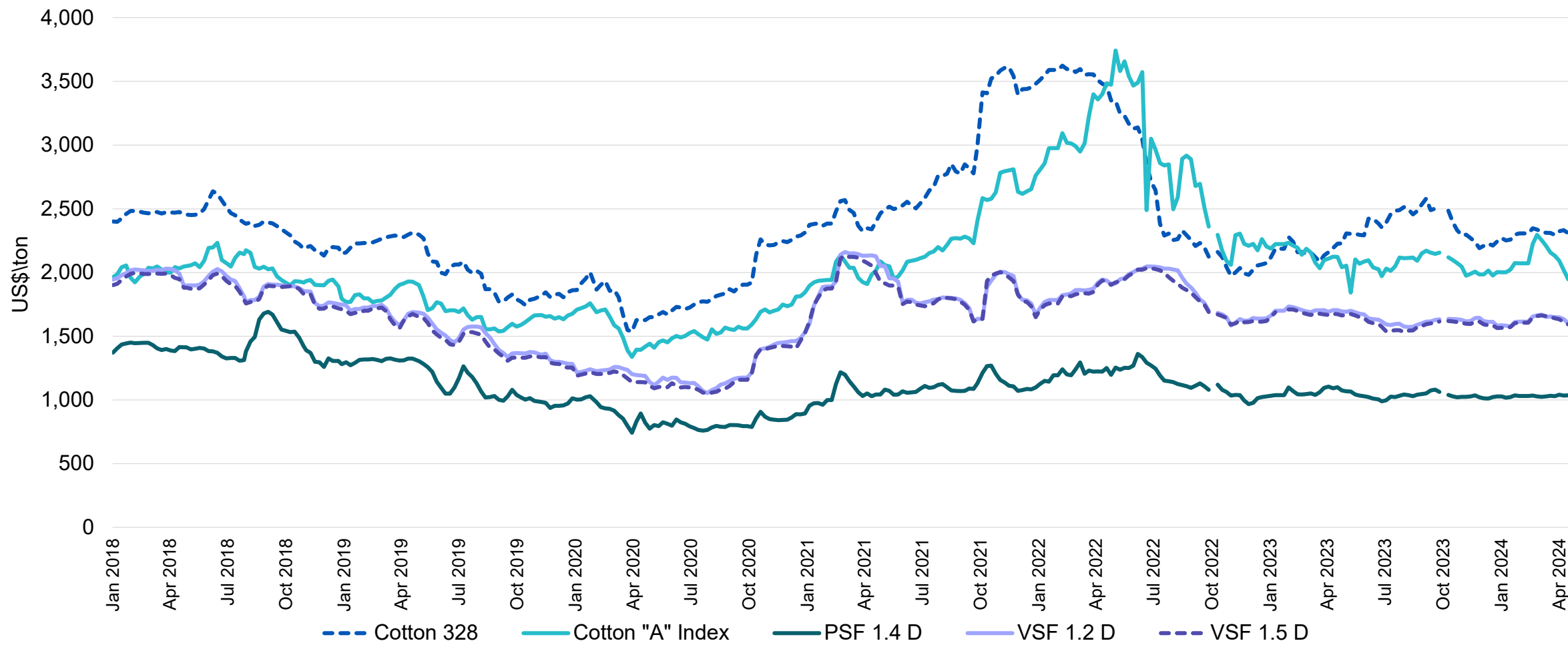


Source: FOEX, CCF group, RISI.

Dissolving pulp Prices



Source: CCF Group.



US\$m	Q2 FY24	Q1 FY24	Q2 FY23
Cash generated from operations	128	121	148
Movement in working capital	(45)	(43)	99
Closure and restructuring costs paid	(133)	(43)	-
Finance costs paid	(25)	(13)	(26)
Finance income received	7	9	8
Taxation (paid) refund	(17)	(10)	(11)
Dividend paid	(84)	-	(85)
Cash generated from operating activities	(169)	21	133
Cash utilised in investing activities	(65)	(90)	(95)
Capital expenditure	(65)	(75)	(83)
Proceeds on disposal of assets	1	1	1
Other non-current asset movements	(1)	(16)	(13)
Net cash generated (utilised)	(234)	(69)	38

EBITDA and operating profit

Excluding special items* reconciliation to reported operating profit

US\$m	Q2 FY24**	Q1 FY24**	Q2 FY23
EBITDA excluding special items*	183	156	167
Depreciation and amortisation	(67)	(70)	(66)
Operating profit excluding special items*	116	86	101
Special items* – gains (losses)	(46)	(179)	7
Plantation price fair value adjustment	-	-	12
Net restructuring provisions	(5)	(136)	-
Profit (loss) on disposal and written off assets	-	1	-
Asset impairments	(3)	(2)	-
Insurance recoveries	(2)	4	(4)
Fire, flood, storm and other events	(36)	(46)	(1)
Operating profit	70	(93)	108

* EBITDA excluding special items. Refer to page 26 in our Q2 FY24 results booklet (available on www.sappi.com) for a definition of special items.

** EBITDA and operating profit excluding special items includes positive plantation price fair value adjustment of US\$26 million for Q1 FY24 and US\$3 million for Q2 FY24.

Who we are

Sustainability is at the core of our business and work culture.

Every solution we create supports our goal to make everyday products more sustainable.

We know that the long-term sustainability of our business will only be ensured by delivering sustained value for our stakeholders.

We will be a sustainable business with an exciting future in woodfibre that provides relevant solutions, delivers enhanced value and is a trusted partner to all our stakeholders.



Our approved science-based targets

sappi

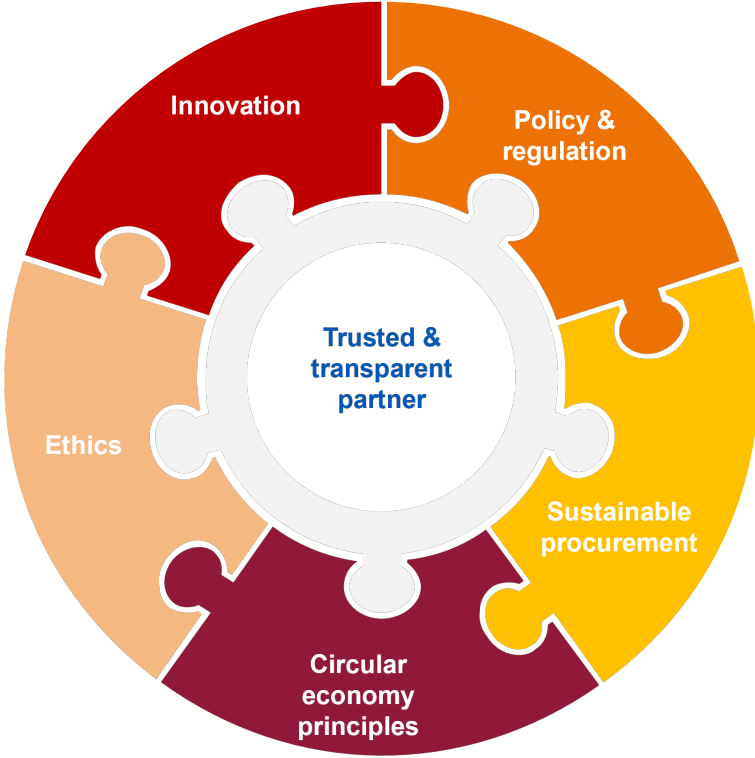
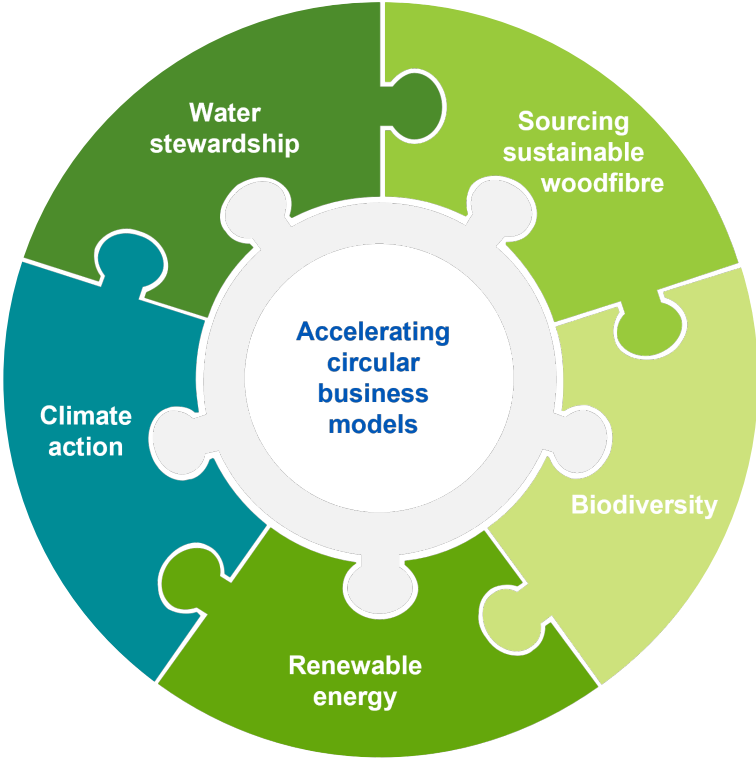
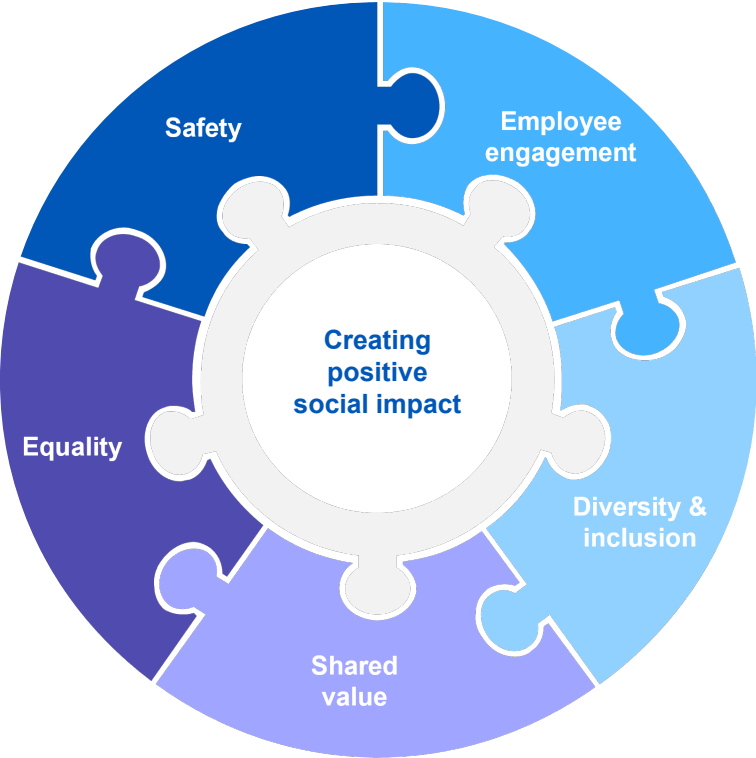
Our commitment

- Reduce Scope 1 and Scope 2 GHG emissions by 41.5% per ton of product by 2030 from a 2019 base year.*
- 44% of our suppliers by spend will have science-based targets by 2026.

* The target boundary includes biogenic emissions and removals from bioenergy feedstocks.



Our Thrive sustainability commitments









**SUSTAINABLE
DEVELOPMENT
GOALS**



2025 Sustainability targets are aligned with United Nation's Sustainable Development Goals (SDGs)







What we need to achieve in Sappi Europe between 2021–2025*:

7 AFFORDABLE AND CLEAN ENERGY 	11%	Pts increase share of renewable and clean energy	5%	Improvement in specific total energy (GJ/adt)	
8 DECENT WORK AND ECONOMIC GROWTH 	10%	year-on-year improvement Safety: Achieve zero harm in the workplace (LTIFR)	80%	Declared compliance with Sappi Supplier Code of Conduct	5.8% Pts increase in the proportion of women in management roles
8 DECENT WORK AND ECONOMIC GROWTH 	WACC+2%	Return on net operating assets (RONOA)	>85%	Participation in employee engagement survey	>75% Employees engaged with the business
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	15	Products launched with defined sustainability benefits	5%	Reduction in solid waste to landfill (ton/adt)	
13 CLIMATE ACTION 	25%	Reduction in GHG emissions (ton CO ₂ eq/adt) (Scope 1+2 combined)			
15 LIFE ON LAND 	>78%	Certified fibre input			

* Our baseline year is FY19.

2025 Sustainability targets are aligned with United Nation's Sustainable Development Goals (SDGs)









What we need to achieve in Sappi North America between 2021–2025*:

7 AFFORDABLE AND CLEAN ENERGY 	Within 5% of baseline or higher	Share of renewable and clean energy Baseline = 79.1%	5%	Improvement in specific total energy (GJ/adt)	
8 DECENT WORK AND ECONOMIC GROWTH 	10%	year-on-year improvement Safety: Achieve zero harm in the workplace (LTIFR)	80%	Declared compliance with Sappi Supplier Code of Conduct	4% Pts increase in the proportion of women in management roles
8 DECENT WORK AND ECONOMIC GROWTH 	WACC+2%	Return on net operating assets (RONOA)	>85%	Participation in employee engagement survey	>75% Employees engaged with the business
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	5	Products launched with defined sustainability benefits	10%	Reduction in solid waste to landfill (ton/adt)	
13 CLIMATE ACTION 	5%	Reduction in GHG emissions (ton CO ₂ eq/adt) (Scope 1+2 combined)			
15 LIFE ON LAND 	>55%	Certified fibre input			

* Our baseline year is FY19.

2025 Sustainability targets are aligned with United Nation's Sustainable Development Goals (SDGs)

What we need to achieve in Sappi Southern Africa between 2021–2025*:

	7%	Pts increase share of renewable and clean energy	9%	Improvement in specific total energy (GJ/adt)	
	10%	year-on-year improvement Safety: Achieve zero harm in the workplace (LTIFR)	80%	Declared compliance with Sappi Supplier Code of Conduct	3.1% Pts increase in the proportion of women in management roles
	WACC+2%	Return on net operating assets (RONOA)	>85%	Participation in employee engagement survey	>75% Employees engaged with the business
	5	Products launched with defined sustainability benefits	24%	Reduction in solid waste to landfill (ton/adt)	
	20%	Reduction in GHG emissions (ton CO ₂ eq/adt) (Scope 1+2 combined)	21%	Reduction in specific purchased fossil energy	
	>82%	Certified fibre input	10%	Biodiversity improvement on our own forestry landholdings	>4 Mt Sustainable annual growth in our plantations
	23%	Reduction in specific water use		Level 1 BBBEE contributor status	

* Our baseline year is FY19.

Innovative R&D focus

Unlocking the full potential of each tree

Graphic papers
Packaging and speciality papers
Commercial print and publishing
Product packaging
Technical papers



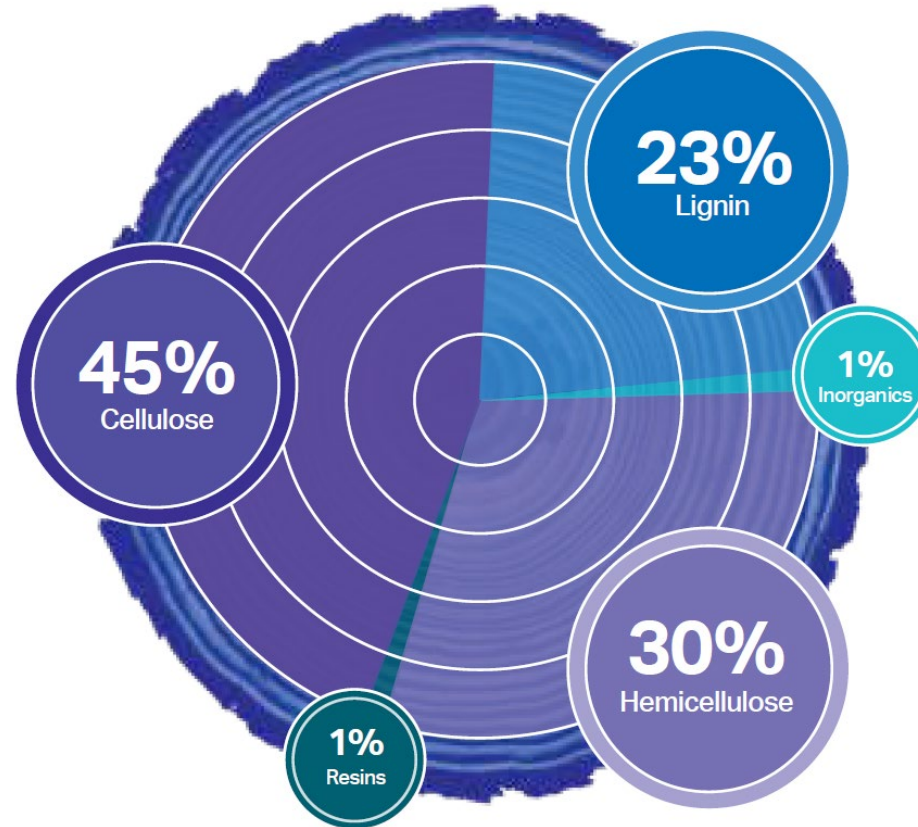
Dissolving pulp
Textiles
Pharmaceuticals
Foodstuffs



Nanocellulose
Reinforcing agent
Control release agent
Viscosity modifier



Casting and release papers
Textures for materials
Functional films
Automotive wraps



Chemicals from lignin
Binding agent
Dispersion agent
Emulsion stabiliser



Extraction and beneficiation of C5 sugars
Xylose
Xylitol
Furfural

Thank you

