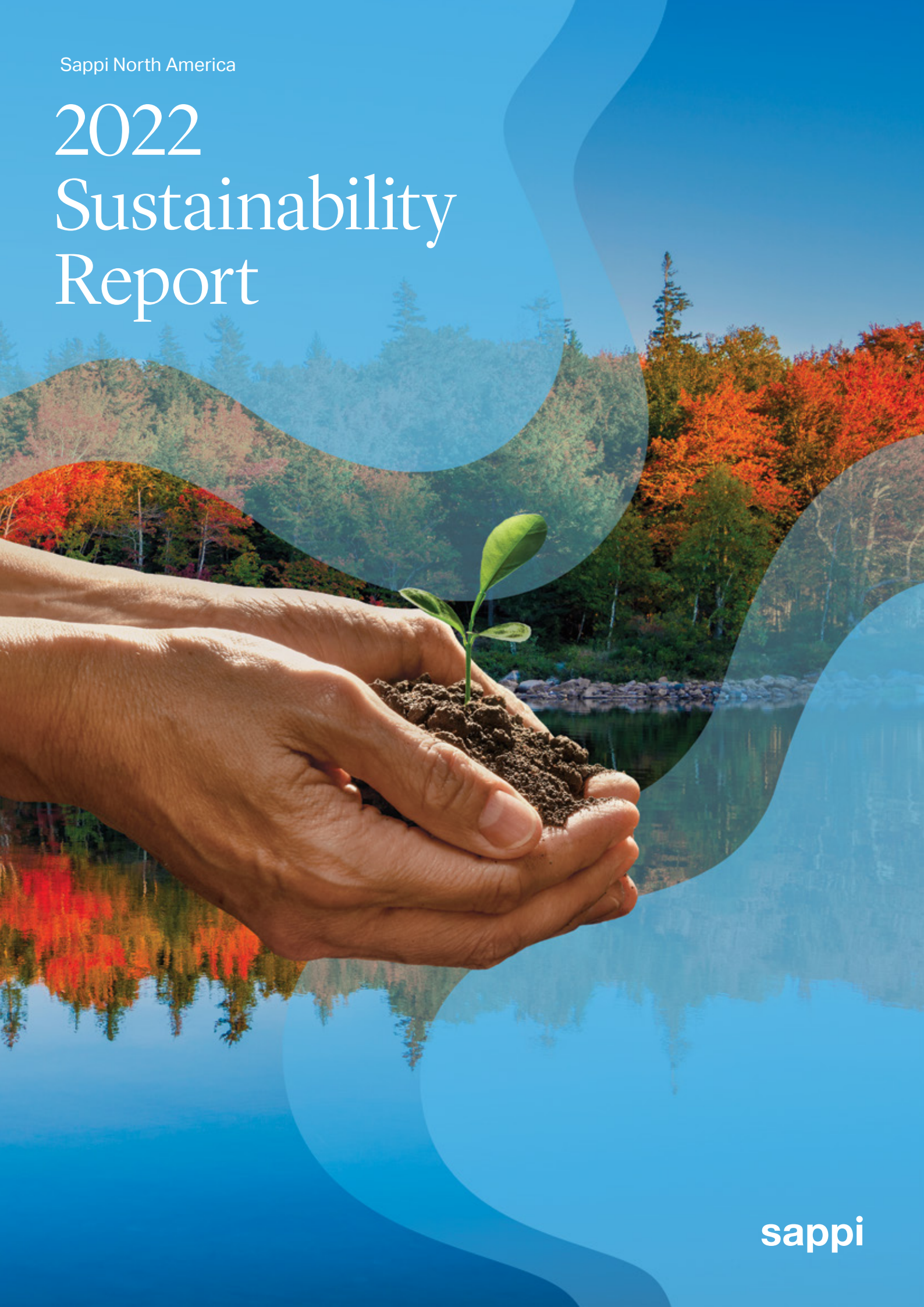


Sappi North America

2022 Sustainability Report



sappi

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ABOUT THIS REPORT

Sappi North America, Inc. (SNA) has publicly reported its progress on sustainability initiatives since 2008 as part of Sappi Limited's annual global sustainability report. This is the 12th consecutive year that SNA has issued its own sustainability report, which supplements the consolidated global sustainability performance included in the annual report to shareholders. Sappi Limited will continue to publish a separate online report in conformance with the Global Reporting Initiative's G4 framework that discloses compliance with the United Nations Global Compact (UNGC), to which we are a signatory.

Covering fiscal 2022 from September 27, 2021, through October 02, 2022, this year's report focuses on performance against goals and provides an update on key performance

indicators. The baseline for these goals is 2019 unless noted differently. The report includes environmental performance data for SNA's North American manufacturing operations in Skowhegan, Maine; Westbrook, Maine; Cloquet, Minnesota; and Matane, Quebec. Intensity metrics reflect the impact per metric ton of saleable product, including market pulp. The social responsibility and prosperity goals are reported for the full region, including our four mills, corporate facilities, sales offices and sheeting facility. Copies of reports produced by Sappi Limited can be accessed at sappi.com/investors. Online access to Sappi's group sustainability report can be found at sappi.com/sustainability-and-impact.

A letter from Steve Binnie

Sappi set many records in 2022, and I am pleased to report that these impressive achievements advanced our purpose of building a thriving world across all three of our company pillars: people, planet and prosperity.



First and foremost, we saw significant improvements in safety. We reached record levels of safety performance across all three regions. Our people are our most important asset, and keeping them safe is our highest priority. In terms of prosperity, we achieved record EBITDA, almost 30% higher than the previous record set in 2000. Not only is this a remarkable set of results, but each region set new records for prosperity. All our product segments generated strong results, and we realized a major part of our Thrive25 strategy by reducing our debt by \$1.1 billion. I am particularly proud when all regions contribute to our success, especially in a year when we were still faced with inflation, rising energy costs and significant challenges in the supply chain.

In addition to sustaining our financial health and the health and safety of our employees, we continued our dedication to the planet with improved efforts on sustainability. Sustainability forms the foundation of our Thrive25 strategy as we strive to be a trusted, transparent and innovative partner in building a biobased circular economy. The alignment of our Thrive25 sustainability targets with the United Nations Sustainable Development Goals demonstrates our commitment to protecting the planet and ensuring that all people enjoy peace and prosperity.

Using renewable and sustainable woodfiber to produce biobased products for a circular economy can have a sustainable impact on society and our environment, and our mission is to use these renewable resources for the benefit of people, communities and the planet. I'm very excited that our goals for decarbonization were validated by the Science Based Targets initiative, and our effort to meet or exceed these targets is expected to grow in prominence in the coming years. In North America, we announced the conversion of Paper Machine 2 at Somerset Mill to produce more packaging materials that are a woodfiber-based alternative to plastic.

We also implemented the framework for the Task Force on Climate-related Financial Disclosures to improve and increase reporting of climate-related financial information, we expanded our supplier code of conduct to manage risk in our supply chains, and we sustained and improved our employee engagement. I am proud that we again achieved a Platinum rating from EcoVadis, placing us in the top 1% of all companies rated for sustainability.

I congratulate all of our Sappi employees for their part in our record-breaking year, and I am confident we will have another safe and prosperous year in 2023.

A handwritten signature in white ink that reads "S. Binnie".

Steve Binnie
CHIEF EXECUTIVE OFFICER
SAPPI LIMITED

A letter from Mike Haws

While 2021 marked our successful emergence from the pandemic, we took a big leap forward in 2022 with a year of record-breaking performances. Although we faced many challenges over the past year, we never lost our focus on what we do best: creating world-class products while making safety a top priority.



I am proud that Sappi North America contributed significantly to enhancing our company's commitment to people, prosperity and the planet. We reached important milestones in employee safety, financial performance and sustainability across our business and our environment.

The hard work by all of our employees at SNA not only exceeded our expectations for safety and prosperity, but also resulted in one of our company's most successful years. We posted record highs in EBITDA, margin and cash flow, and we kept ahead of inflationary pressures with our input costs. This success allowed us to reduce debt, continue investing in our facilities, and provide resources for the research and development of innovative new processes and products.

We also announced a major investment in both capital and sustainability at the Somerset Mill, converting Paper Machine No. 2 to increase the mill's capacity to produce solid bleached sulfate (SBS) board products. Demand for packaging and speciality papers in North America is particularly robust, especially because SBS is a more environmentally sustainable alternative to plastic packaging. This move also complements our long-term Thrive25 strategy, which focuses on growing our portfolio in packaging and speciality papers, pulp, and biomaterials.



In 2022, we further demonstrated our dedication to sustainability by committing to science-based targets through the Science Based Targets initiative (SBTi), and we secured an EcoVadis Platinum sustainability rating for the third year in a row, keeping Sappi at the top 1% of pulp and paper companies assessed.

I am also very proud of our commitment to our people. SNA's record for safety in 2022 was unmatched. Somerset has surpassed 750 days without a lost-time injury and is expected to exceed 3.5 million work hours in the second quarter. Additionally, Matane has been LTI-free for over 5.5 years, Allentown for over 6.5 years and our Technical Center for over 16.5 years. We achieved a record low for LTI frequency rate, with zero lost-time injuries at three of SNA's five manufacturing

sites. Our team's commitment to improving safety has been exceptional, and the results show it.

We also enhanced our focus on employee engagement across all sites and departments, creating a newsletter distributed to all employees; posting frequently on social media to recognize them and their achievements; and producing videos that showcase our employees, their expertise and their dedication to their occupations.

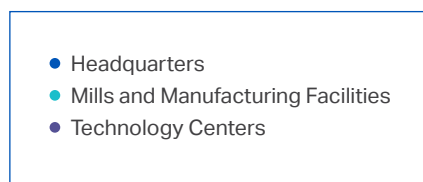
I am very proud of the entire North American team for delivering these record-breaking results. We are sure to face some headwinds in the coming year, but we have proven that we are capable of navigating and overcoming many business challenges. I look forward to continuing our success in 2023.

A handwritten signature in blue ink that reads "Mike Haws". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Mike Haws
PRESIDENT AND
CHIEF EXECUTIVE OFFICER
SAPPI NORTH AMERICA

Summary of Sappi Limited

At Sappi Limited, we're unlocking the power of renewable resources to meet the needs of the planet while seeding prosperity for all. Sappi North America is a subsidiary of Sappi Limited (JSE: SAP)—a global company headquartered in Johannesburg, South Africa. Across the globe, Sappi Limited has more than 12,400 employees with manufacturing operations on three continents: 10 mills in Europe, four mills in North America and five mills in South Africa. We're focused on providing high-yield pulp, dissolving pulp (DP), packaging, speciality papers, graphic papers, casting and release papers, biomaterials and biochemicals to our customer base in more than 150 countries. Each year, we produce approximately 5.5 million metric tons of paper, 2.6 million metric tons of pulp for paper and packaging, and 1.5 million metric tons of DP.

- 
- A map of North America, including the United States and Canada, is shown in a light blue color. Several colored dots are placed on the map to indicate Sappi's locations. A legend box in the bottom left corner explains the colors: a dark blue dot for Headquarters, a teal dot for Mills and Manufacturing Facilities, and a purple dot for Technology Centers. One specific location in the Northeast United States is highlighted with a line pointing to the text 'BOSTON, MASSACHUSETTS'.
- Headquarters
 - Mills and Manufacturing Facilities
 - Technology Centers

BOSTON,
MASSACHUSETTS

Sappi North America
Boston, Massachusetts

4 production facilities
2 corporate offices
4 sales offices
3 regional distribution centers
1 sheeting facility
1 technology center

Sappi Europe
Gratkorn, Austria

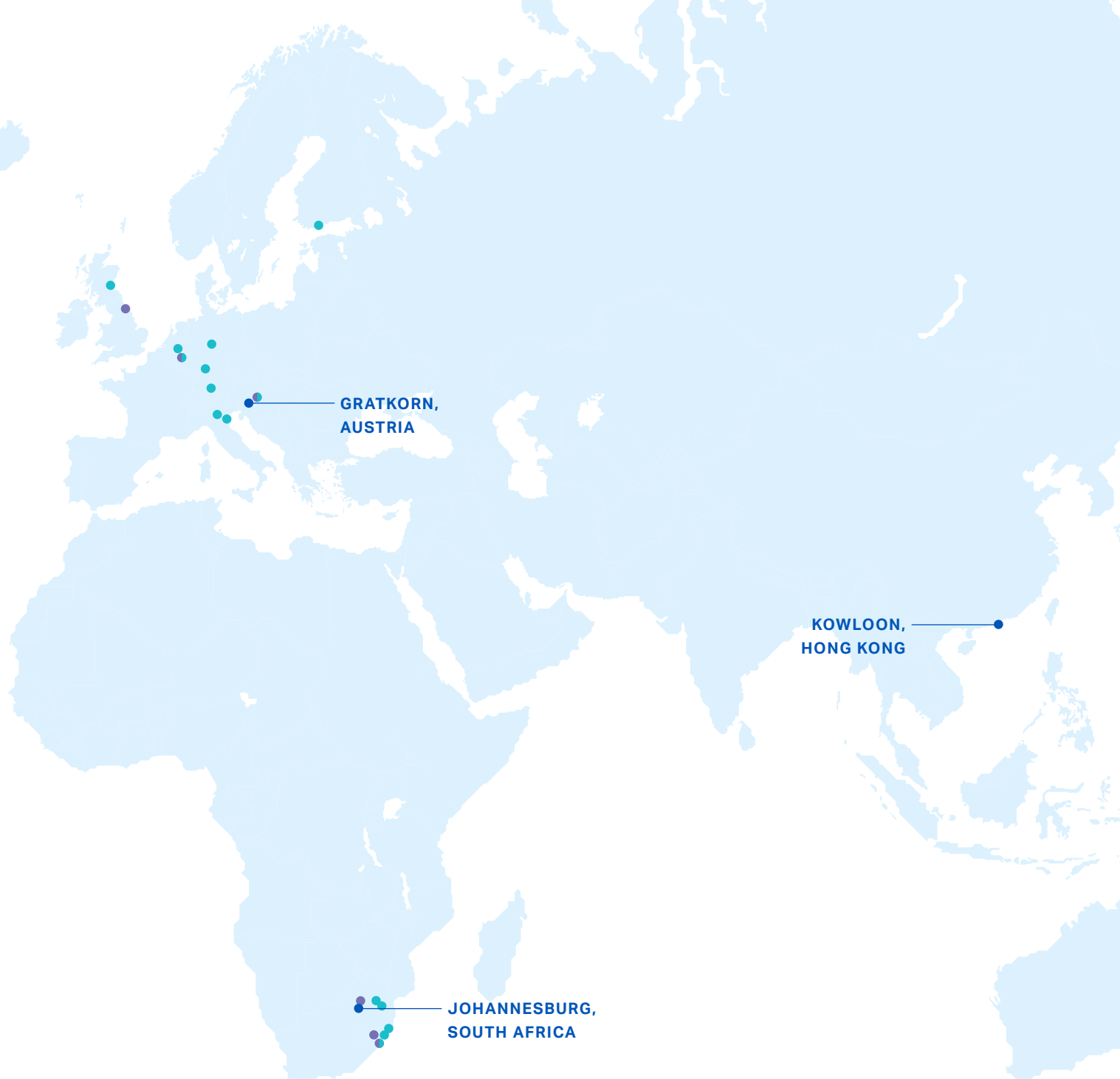
10 production facilities
10 sales offices
5 regional distribution centers
3 technology centers

Sappi Southern Africa
Johannesburg, South Africa

5 production facilities
6 sales offices
3 regional distribution centers
3 technology centers

Sappi Trading
Kowloon, Hong Kong

1 logistics office
8 sales offices



Overview of Sappi North America

Sappi North America (SNA) is helping build a thriving, sustainable world through approximately 2,100 valuable employees in the United States and Canada. We are a subsidiary of Sappi Limited with corporate offices in Boston, Massachusetts, and South Portland, Maine. Our four North American mills have the capacity to produce 1.33 million metric tons of paper and packaging, and 1.18 million metric tons of kraft, high-yield and dissolving pulp. The success of our diversified businesses is driven by collaborative customer relationships, world-class assets, and outstanding products and services, all strengthened by solid technical, operational and market expertise.



Pulp

Sappi's pulp segment predominantly comprises dissolving pulp (DP) and high-yield pulp (HYP). Occasionally, excess kraft pulp is produced at the Somerset Mill and sold externally. Sappi's global Verve brand is a significant player in the DP market, encompassing almost 17% of the global market share. The majority of our share is consumed in the textile industry, where pulp is converted through the value chain to yarn and ultimately textiles, providing soft, breathable fabrics in addition to a myriad of household, industrial and pharmaceutical applications, including tablets, acetates, washing sponges and nonwovens. Our Matane Mill produces high-yield hardwood pulp, with superior bulk qualities ideal for packaging and graphic papers.



Graphic papers

Our brilliant, high-performing range of graphic papers creates impactful brand experiences through direct mail, fashion magazines, catalogs, brochures, art books and beyond. Sappi offers a broad selection of fine printing papers in a variety of brightness levels, finishes and weights for sheetfed, web offset and digital printing processes. Our innovative brands are McCoy®, Spectro®, Opus®, Somerset®, Flo®, Galerie and EuroArt Plus.

SUSTAINABILITY STEERING COMMITTEE

Mike Haws

Chair, President and
Chief Executive Officer

Anne Ayer

Vice President,
Pulp Business
and Supply Chain

Beth Cormier

Vice President,
Research, Development
and Sustainability

Deece Hannigan

Vice President,
Paper Business

Annette Luchene

Vice President
and Chief Financial Officer

Sarah Manchester

Vice President,
Human Resources
and General Counsel

Mike Schultz

Vice President,
Manufacturing

SUSTAINABILITY COUNCIL

Frederic Gagnon

Technical Superintendent,
Matane Mill

Rebecca Barnard

Manager, Forestry
Certification, Corporate

Scott Castonguay

Group Manager,
Sustainable Packaging,
Technology Center

Patti Groh

Director, Communications,
Corporate

Melissa Johnson

Manager, Compensation
and Employment, Corporate

Lynne Palmer

Manager, Packaging Product
Stewardship, Corporate

Chuck Qualey

Senior Engineer, Energy,
Somerset Mill

Rob Schilling

Manager, Pulp Technical
and Environmental,
Cloquet Mill

Claudia Sides

Logistics Engineer,
Corporate

Brian Woods

Utilities Manager,
Westbrook Mill



Packaging papers

Sappi packaging papers provide sustainable solutions as alternatives to fossil-fuel-based, nonrenewable materials. Our paperboard brands—Spectro®, Proto® and Proto Litho®—are suited for use in packaging applications that require functionality and superior graphics across a range of market segments, including health and beauty, confectionery, premium beverages and food packaging. Our LusterBag® brand offers a product designed for use in a wide variety of bag applications, such as those for coffee, cookies, confectionery bags, animal feed and seed packets.



Speciality papers

Our speciality papers include labels, liners, and casting and release papers. Sappi is the world's leading supplier of casting and release papers for the fashion, decorative laminate, automotive and engineered films industries. Our release papers, including the globally recognized Ultracast® brand, provide the surface aesthetics for synthetic fabrics used in footwear, clothing, upholstery and accessories, as well as the textures for decorative laminates found in kitchens, baths, worktops, flooring and other decorative surfaces. Our LusterCote® brand is used for labeling cans, jars and corrugated boxes, as well as other converting applications, such as point-of-purchase displays, envelopes and much more.

World-class assets



Cloquet Mill

Cloquet, Minnesota

ESTABLISHED

Pulp mill: built 1915, replaced 1999, conversion to include dissolving pulp 2013, expansion 2019

PM4: built 1931, rebuilt 1993

PM12: built 1989, 2005 (precoater), 2017 (headbox) and 2022 (reel)

ANNUAL PRODUCTION CAPACITY

340,000 mt/yr of coated freesheet

PULP CAPACITY

370,000 mt/yr of dissolving pulp or

470,000 mt/yr of bleached kraft pulp

PRODUCTS

McCoy, Opus, Somerset, Flo,

LusterCote and Verve

End uses: annual reports, advertising brochures, fine art books, direct mail, labels, point-of-purchase displays and textiles

EQUIPMENT

Pulp mill: 10 batch digesters

Paper mill: 2 paper machines,

1 off-machine coater, 2 off-machine calender stacks

EMPLOYEES

Approximately 700

WATER SOURCE

Lake Superior, St. Louis River



Matane Mill

Quebec, Canada

ESTABLISHED

Pulp mill: built 1990

ANNUAL PRODUCTION CAPACITY

285,000 mt/yr

PRODUCTS

High-yield bleached chemi-thermo

mechanical pulp (BCTMP): aspen and maple

Pulp end uses: graphic papers, paperboard, linerboard and speciality papers

EQUIPMENT

2 production lines

EMPLOYEES

Approximately 150

WATER SOURCE

Matane River



Somerset Mill

Skowhegan, Maine

ESTABLISHED

Pulp mill: built 1976, expansion 1995, recovery cycle upgrade 2010
PM1: built 1982, rebuilt 2007 and 2018
PM2: built 1986, rebuilt 2002
PM3: built 1990, rebuilt 2003 and 2012
Wood room: rebuilt 2018

ANNUAL PRODUCTION CAPACITY

970,000 mt/yr of coated freesheet and packaging paper

BLEACHED KRAFT PULP

525,000 mt/yr

PRODUCTS

Opus, Somerset, Flo Web, Spectro, Proto, Proto Litho, LusterCote and LusterBag
End uses: direct mail, magazines, catalogs, brochures, art books, luxury packaging, folding cartons and labels

EQUIPMENT

Pulp mill: continuous digester
Paper mill: 3 paper machines

EMPLOYEES

Approximately 750

WATER SOURCE

Kennebec River

SHEETING FACILITY

Allentown, Pennsylvania



Westbrook Mill

Westbrook, Maine

ESTABLISHED

Paper mill: built 1730
PM9: built 1905, retired September 2020
Coaters installed: 1976, 1981, 1986, 1989, 1998 and 2000

ANNUAL PRODUCTION CAPACITY

23,000 mt/yr of coated speciality paper, casting and release paper

PRODUCTS

Casting and release papers, including Ultracast, Classics and PolyEx
End uses: casting surfaces for coated textiles and laminates

EQUIPMENT

4 off-machine coaters, 5 off-line embossers, 5 finish winders

EMPLOYEES

Approximately 200

WATER SOURCE

Portland Water District (public)

Sappi North America hires new Director of Sustainability

Sappi North America is pleased to announce that Bakul Wadgaonkar has joined our team as Director of Sustainability. Bakul comes to Sappi with many years of experience in environmental health and safety, sustainability, manufacturing and quality management at Apple, Bose Corporation and DSM Coating Resins.



She holds a master's degree in mechanical/materials science and engineering from the University of Mississippi and a bachelor's degree in polymer science engineering from Savitribai Phule Pune University in Maharashtra, India. A resident of the Boston area, Bakul first worked for DSM, a company that made powder coating and polyurethane coating, both types of polymeric coatings. At DSM, Bakul got involved in sustainability initiatives at the company, which is ranked No. 1 in the chemical sector on the Dow Jones Sustainability Index.

She then worked at Bose as Environmental Compliance Engineer III, where she was part of the team that banned phthalates, halogenated flame retardants and PVC from Bose products. At Apple, Bakul served in the Environment and Supply Chain Innovation Group, where she worked with global suppliers to assist with their sustainability-related initiatives, driving a more sustainable supply chain.

With Bakul joining the Sappi team, we sat down recently to get her perspective on sustainability.

What attracted you to Sappi?

Sappi's direct dependence on renewable materials was an initial attraction. It seemed clear that if Sappi does not engage in sustainable practices, Sappi would cease to exist. That's really what attracted me—sustainability is a core value for Sappi. I feel like that's where I can apply what I've learned. The right next step for me is to work in an environment where sustainability as a value is part of the core business of the company.

How might you leverage your past experience here at Sappi?

At my prior companies, it was very global and diverse, very dynamic, and that's where I learned the importance of not only doing sustainability yourself,

but also empowering the supply chain to take on those same things. It's been really interesting because the number of problems you come across in a global supply chain like that really teaches you a lot about sustainability and gives you a global perspective.

Another responsibility of directing sustainability efforts is to educate people and help them understand the long-term strategy. What I do is help people see your vision and get a buy-in so they collectively share that vision and work towards it. That is certainly the biggest skill a sustainability professional needs, other than the whole technical aspect of gathering the data, making sure that data is accurate—it's reliable, it's reproducible—and making sure that data is driving our decisions, that our decisions are grounded in reality. I think I can build relationships and bring those relationships and knowledge from other people back into our sustainability initiatives.

What do you see as some of the largest consumer and societal sustainability challenges?

One challenge we face not only as a society, but also as consumers, is balancing our resources and being responsible about how we consume them. The world population is growing, we need more and more energy to power our lives. People are spending more money and acquiring more things in their households. That has an impact on the environment, because everything that is created for use has to go somewhere at the end of its life. So when you think about that cycle, that cycle has to change.

As a result, society must find a balance, but the challenge is how to accomplish that. How do we educate people on being responsible on their intake and even more responsible about their output? I feel strongly about a zero-waste philosophy. I really think that is one of the answers to some of our sustainability challenges, and everybody can contribute to that. People can make small changes.

One of my New Year's resolutions is to make a small change by using compostable trash bags. I just thought about my environmental footprint when it comes to simple plastic trash bags, which are going to stay in landfill forever, versus using a compostable trash bag.

I really think that's the type of thinking we need to prepare our next generations to have a better future.

Another challenge is to find a balance in consuming resources while growing the businesses. How do we do it responsibly in a way that we are not only thinking in terms of our intake, but also what happens to products at the end of the life? How are we responsible about consuming these resources and making sure that end-to-end lifecycle pieces are sustainably managed?

What do you see as some of Sappi's challenges as we continue to execute on our Thrive25 strategy?

As Sappi focuses on sustainability, the company must also keep an eye on the bottom line. I believe sustainability cannot exist without financial wellbeing, and it's a very important pillar. We always talk about people, planet and prosperity, and "planet" is sort of overtaking the people piece and the profit piece. However, it's only when the three are in perfect harmony that you will truly achieve sustainable growth. As a sustainability professional, I believe equal attention needs to be paid to the financial wellbeing of the company.

Some companies first resisted sustainability efforts and balked at the cost for such initiatives; companies must look to the future. If you're making short-term decisions, you are going to have short-term gains, but you're not in it for the long term. They could see all the benefits of not doing sustainability because, hey, it costs more money. Why would you put new insulation in your factory when you could be buying new machines that will give you more product? So it's very easy to see the short-term gains and gravitate towards that.

But the whole point of sustainability is to create a long-term strategy for the future of the company. Do you want to exist 50 years from now or not? That's really what sustainability is about. So for me, growth and sustainability are synonyms because I cannot imagine growth without being sustainable, without being conscious of your footprint on Earth. Things that you are doing today are going to have consequences five or 10 or 15 years from now.

Sappi's global innovation network

Sappi's global research and development network features seven technology centers functioning as OneSappi and partnering to bring value-added renewable solutions to market. At Sappi we believe a key to profitable, sustainable development is customer-focused innovation.

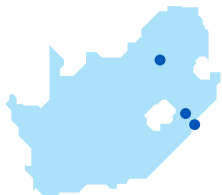
In North America, we have a technology center in Westbrook, Maine, that focuses on developments to advance our diverse businesses of graphic papers, packaging and specialties. Core competencies in coating and calendering technology, barrier chemistries for packaging, and release chemistries for our texturing business are employed to enhance customer value. Our scientists in this facility are supported by two high-speed coaters aiding in rapid prototyping for our customers.

As a renewable resource company, we believe our strong competency in tree biotechnology and forestry is vital. The Sappi Shaw Research Centre in Tweedie, South Africa, is dedicated to tree breeding, seed technology, propagation techniques and silviculture. The scientists at this center help Sappi—and the forest products industry at large—understand climate factors and build better protocols for healthy forests. A second Sappi technology center in South Africa sits in Pretoria, the nation's capital city. This center is an innovation

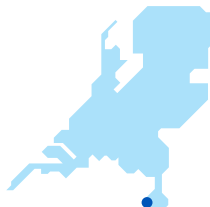
hub for Sappi's South African operations and focuses on pulping technology, fiber processing, and paper and packaging science, as well as environmental sciences. In support of our dissolving pulp business, Sappi houses a technology center at Umkomaas, South Africa, which is the center of excellence for dissolving pulp technology, processing and customer quality assurance.

Within the Sappi Europe system, the central technology center is in Maastricht, Netherlands, where advancements in the areas of papermaking, packaging and barrier chemistry development are explored. In this same area sits the nanocellulose competency center, including a pilot plant that produces our branded Valida products. A second Sappi technology center in Europe exists in Graz, Austria, where technical expertise in fiber processing and coating technology is developed. In support of our Sappi Biotech division, we operate Wilton Centre in Redcar, UK, which is our biorefining center of excellence that is focused on extracting added value from trees through bioderived chemicals and supporting our lignosulphonate business. This global network of Sappi technology centers is working to unlock the power of trees to make every day more sustainable for our customers and communities.

SOUTH AFRICA



NETHERLANDS



AUSTRIA



UNITED KINGDOM



UNITED STATES



Sustainability goals

Sappi North America is dedicated to making every aspect of our business more sustainable. Our goals to keep our employees safe and engaged, as well as to reduce our environmental footprint, are aligned with the United Nations' Sustainable Development Goals.

Left to right: Seth Powers, Paper Machine #3 Operator, Somerset Mill, and Jason Henry, Paper Machine #1 Crew Member, Somerset Mill



Our sustainability impact

We've made the United Nations Sustainable Development Goals (SDGs) an integral part of our business. The goals define 17 global priorities that challenge us all at Sappi to lean in and apply our creativity and innovation to contribute solutions to challenges—from climate change to responsible consumption and production.

The SDGs were a natural starting point to develop Sappi's new sustainability framework and 2025 targets. They enabled us to establish focused, ambitious and measurable targets that will deliver on Sappi's business strategy and also address broader global concerns. Aligning with SDGs also creates the right context for our employees and serves as a common language for our stakeholders and customers.

Focus teams across Sappi worked intensively to evaluate the 17 SDG themes and identify the seven goals in which we could be most impactful, making these our global priority areas for goal setting.

Sappi is joining the call to step up—using our global impact and working with governments, civil society, businesses and society—to achieve ambitious action for sustainable development. Recognizing the impact of these SDGs across our value chain is critical. Outlined on the following pages are our North American 2025 goals and 2022 performance. If you're interested in our regional targets for Europe, North America and South Africa, please visit sappi.com/sustainability-and-impact.



UNSDG 17

Build and foster mutual partnerships for sustainable development across the value chain.



RAW MATERIALS



Forest carbon footprint



Increase share of certified fiber

Support biodiversity



COMMUNITY AND PRODUCT END OF LIFE



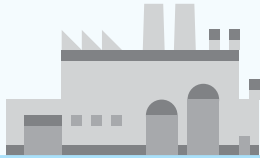
Achieve zero injuries

Increase employee engagement



Launch products with defined sustainability benefits

Recyclable and renewable products



SUPPLIERS



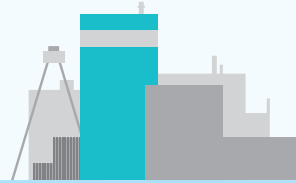
Supplier code of conduct



Responsibly sourced materials



Scope 3 emissions



SAPPI MANUFACTURING



Sustainably managed water use and discharge*



Achieve zero injuries
Increase employee engagement

Increase proportion of women in management roles

Increase return on net operating assets (RONOA)



Renewable and clean energy

Decrease specific total energy



Launch products with defined sustainability benefits

Reduce specific landfilled solid waste



Decrease specific greenhouse gas (Scope 1 and 2) emissions



CUSTOMERS



Launch products with defined sustainability benefits

Recyclable and renewable products



Scope 3 emissions



DISTRIBUTION



Scope 3 emissions

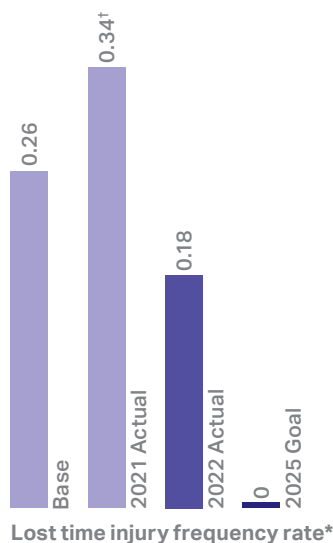
* This target applies to Sappi's mills in South Africa; Sappi's mills in North America and Europe are not located in water-stressed locations.

People

Achieve zero workplace injuries

UNSDG 8

Sappi North America equaled our best year ever for safety with a lost time injury frequency rate (LTIFR) of 0.16 for Sappi employees in 2022. In keeping with our core value to protect all who work on our sites, we are now tracking our safety targets as a combined total for Sappi employees and contractors. For this combined LTIFR, 2022 was our second-best year ever at 0.18. In addition, three of our manufacturing sites and our technology center worked the entire year without a lost-time injury. Our Somerset Mill recently surpassed 3.3 million work hours and counting without a lost-time injury, achieving something few integrated pulp and paper mills ever accomplish. In 2023, all sites plan to continue their emphasis on safety leadership training, leading indicators and contractor safety collaboration. Coupled with proactive, on-the-floor efforts to build on the successful results from 2022, this will move us another step toward zero workplace injuries.



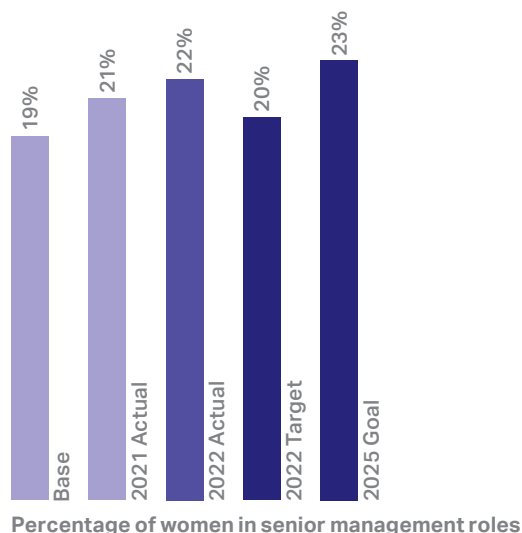
* All data adjusted to include SNA employees and contractors for LTIFR.

† 2021 actual adjusted from 0.33 to 0.34 to include additional contractor injury and working-hours data submitted after the fiscal year reporting ended.

Increase percentage of women in senior management roles

UNSDG 8

As part of a global objective to enhance the diversity of its workforce, Sappi created this goal in 2021, which also directly aligns with UNSDG 8, to promote economic growth and decent work. The 2022 goal for women in senior management positions is 20%, and at year end, we exceeded this goal with 22% of women in senior management positions. Despite unprecedented labor shortages, our focus remains to hire, develop and promote talented candidates with diverse experiences and backgrounds.



People

Promoting employee engagement

UNSDG 8

Every two years, the entire Sappi group undertakes an employee engagement survey, from which we have established two metrics: participation and sustainable engagement. Sappi conducted a new survey in fiscal 2021 with a goal of 74% employee participation and a sustainable engagement score of 80%. The 2021 employee engagement survey resulted in an overall participation rate of 65.5%, missing our fiscal 2021 goal of 74%.

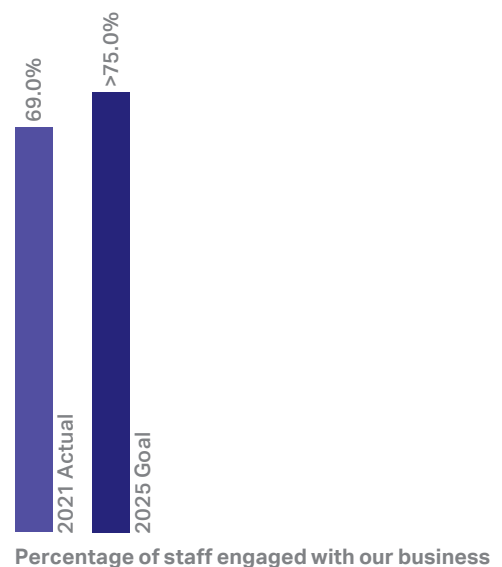
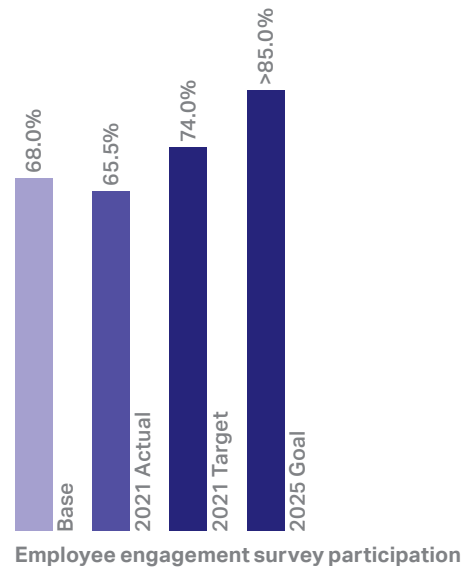
Against the business engagement goal of 75%, Sappi North America achieved a score of 69% in the most recent survey.

Since conducting the 2021 survey, every department and site has reviewed the survey results, conducted focus groups and developed comprehensive action plans to improve both survey participation and overall engagement in the business. To enhance communication, we relaunched the employee newsletter, implemented an employee spotlight feature on social media and upgraded our peer-to-peer employee recognition system—TOUTS 2.0.

To improve our employees' work-life balance, we recently enhanced our vacation and family leave policies. We also continually promote employee health and wellbeing through our employee assistance programs and Global Safety Awareness Week. In addition, we have created Safety Leadership Teams at our sites.

To further connect employees with business strategy and performance, we have also increased communications from lead team members to the employees through site visits and quarterly updates from global and regional leaders. We also have Sustainability Ambassadors at each site to promote and educate our employees on our sustainability efforts.

The next global employee engagement survey will be conducted in 2023.



Planet

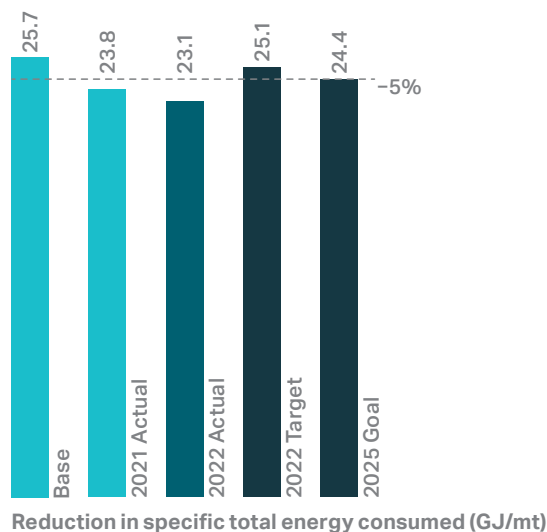
Decrease specific total energy

UNSDG 7

This remains an important metric that has been used for the past few years and is being continued into 2025. It aligns with UNSDG 7, which calls for improved efficiency and an increase in energy efficiency.

Energy intensity, commonly referred to as specific energy, is one of our most important mill metrics. It captures the efficiency of our operations in both the numerator (gigajoules [GJ] of energy consumed) and the denominator (metric tons [mt] of saleable product [pulp and paper] produced). Specific energy can be reduced in two different ways: by reducing total energy use through improved efficiency, e.g., capital investment or equipment optimization, or by producing finished product with less waste.

The 2025 goal is to decrease specific total energy (GJ/mt) by 5% from a 2019 baseline. Our fiscal 2022 results are significantly ahead of both the annual target (1% reduction) and the five-year target (5% reduction), as we achieved a decrease of 9.0%. The primary drivers of this decrease were improved operating rates and efficiencies compared with the 2019 baseline. Successful completion of numerous Lean Six Sigma projects focused on energy savings, which also contributed to overall performance.



Planet

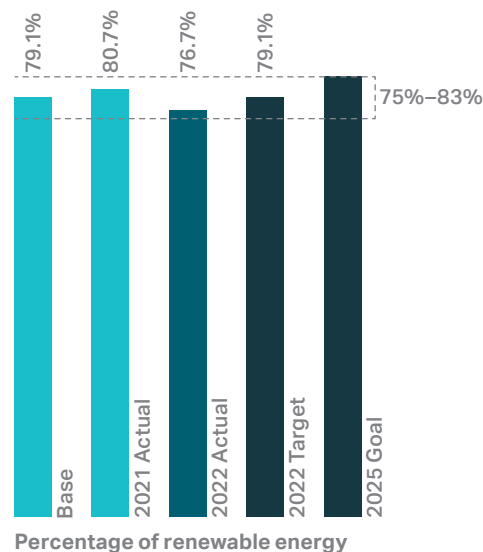
Renewable and clean energy

UNSDG 7

We selected this goal because of its direct alignment with UNSDG 7, which calls for an increase in renewable and clean energy.

Sappi North America already operates with a high percentage of renewable and clean energy. We seek to achieve an outcome within 5% of the 79.1% 2019 baseline. Data, including the baseline, is adjusted down for sales of renewable energy credits (RECs) and provides credit for the procurement of emissions-free energy certificates (EFECs).

Fiscal 2022 results are just below the baseline and therefore within the range set for the five-year goal (75%–83%). The shift down from 2021 is the result of less renewable biomass burning at Somerset Mill, driven primarily by turbine and boiler outages, and the changes resulting from a full year of utilities migration because biomass is no longer used as an energy source at Westbrook.

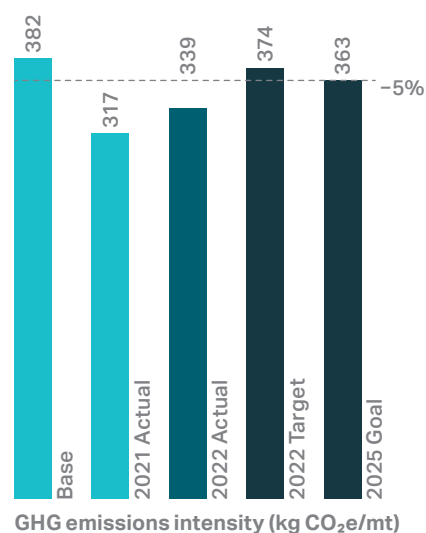


Decrease specific GHG (Scope 1 and 2) emissions

UNSDG 13

We selected this goal because of its alignment with UNSDG 13, which seeks to mitigate climate change by reducing emissions.

The year-end results are significantly ahead of both the annual target (1% reduction) and the five-year target (5% reduction). The strong performance is being driven by sustained operating efficiencies and EFEC purchases.

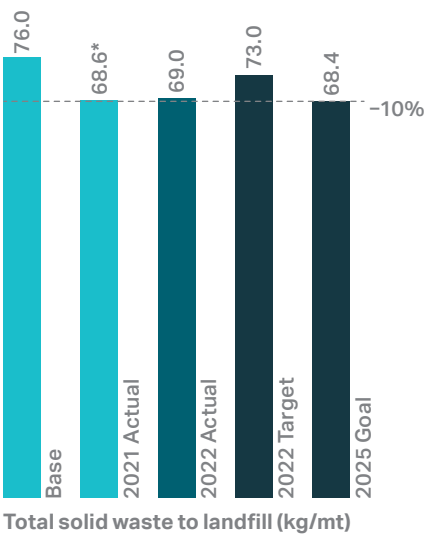


Reduce specific landfilled solid waste

UNSDG 12

We selected this goal because of its alignment with UNSDG 12, which promotes responsible consumption and production.

The year-end results are significantly ahead of the fiscal 2022 target (2% annual reduction from 2019 baseline) and approaching the five-year target of 68.4 kg/mt, representing a 10% reduction. Somerset and Westbrook have both achieved the five-year targets. Cloquet had a slight year-on-year increase in landfill rate, but it remains on track to achieve the five-year target. Matane landfill rates increased in fiscal 2022 due to an anaerobic reactor upset, but are expected to improve in fiscal 2023 and beyond.



* Updated 2021 actual from 68.5 to 68.6 for rounding correction.

Planet

Increase share of certified fiber

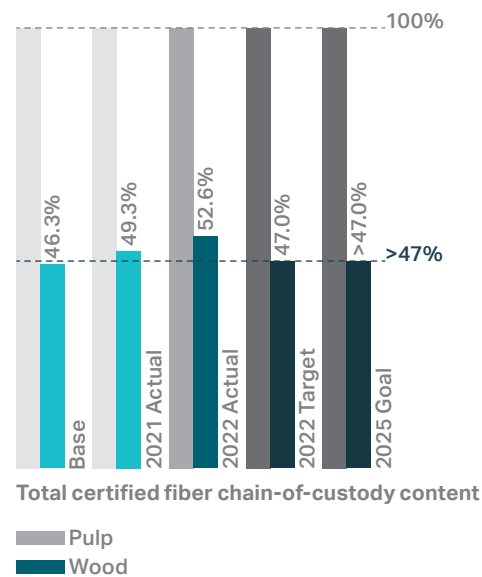
UNSDG 15

Sappi's certified fiber procurement goal aligns with UNSDG 15, which includes sustainably managed forests. This long-standing goal includes an updated five-year target to maintain third-party certification on more than 47% of our wood and chip purchases and 100% of kraft pulp purchases.

Separating wood and chip purchases from pulp purchases enables Sappi to more transparently track our performance and commitments across all woodfiber input types, independent of market fluctuations and decisions to consume pulp from our own facilities or externally purchased kraft.

All of SNA's US-based mills are triple-CoC certified under the Forest Stewardship Council® (FSC®-C014955), the Sustainable Forestry Initiative® (SFI®) program and the Programme for the Endorsement of Forest Certification (PEFC/29-31-10). Sappi's Matane Mill in Quebec is FSC (FSC-C151943) and PEFC (PEFC/26-31-135) CoC certified.

In 2022, 52.61% of our wood and chip purchases for our North American mills were third-party certified to SFI, FSC or PEFC. This is higher than SNA's 2021 performance and exceeds the 2022 target due to a continued emphasis on certified fiber, improvements in data tracking procedures, and good winter and summer harvesting conditions. As is standard business practice and policy, 100% of SNA's externally purchased kraft pulp was chain-of-custody certified.



Prosperity

Return on net operating assets

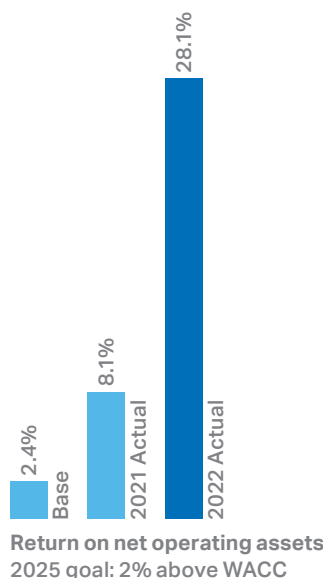
UNSDG 8

Sappi Limited's financial goal for measuring prosperity is return on net operating assets (RONOA), which is captured under UNSDG 8 and promotes sustainable economic growth, employment and decent work for all. RONOA is the ratio of operating income to average net operating assets. Earnings before interest, taxes, depreciation and amortization (EBITDA) remain a vital metric included in our key performance indicators.

RONOA, which measures both profits and the capital required to generate those profits, ensures the appropriate balance between growth and returns. Our goal is to achieve a RONOA 2% above our weighted average cost of capital (WACC), which today implies a goal of 16%, but will vary over time as our WACC changes. In fiscal 2022 Sappi North America's RONOA was 28.1%, well ahead of both our WACC and last year.

Other fiscal 2022 financial metrics were similarly strong. SNA's sales grew 30% from \$1.7 billion to \$2.2 billion, while operating income increased by over 350% to \$369 million—a new record. Margins expanded across all three of our business segments, driven by strong market demand, successful mix management, continued price realization and well-managed operational performance. Together, these positive factors helped offset increasing inflationary pressures in all areas.

Looking to 2023 and beyond, SNA is committed to delivering sustainable RONOA results by strategically managing our existing businesses and assets while simultaneously investing for the future in high-growth opportunities. For a comprehensive review of our financial results, refer to our 2022 Annual Integrated Report.



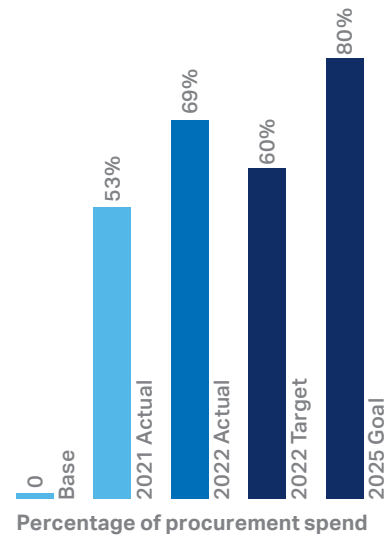
Prosperity

Share of procurement spend with declared compliance with supplier code of conduct

UNSDG 8

We selected this goal because of its alignment with UNSDG 8, which promotes economic growth and decent work for all.

Sappi recognizes our procurement choices can have an impact on important economic, environmental and social influences in the communities where we operate and beyond. We actively seek enhanced collaboration and partnerships with suppliers that also believe in our supplier code of conduct. Our goal is an 80% share of procurement spend by 2025 with suppliers that have declared compliance with our supplier code of conduct. Our suppliers in turn become key partners, playing a role in helping to realize Sappi's mission, values and principles. In 2022, our efforts to effectively communicate this message with our suppliers resulted in a 69% share of supplier spend that included declared compliance with our group supplier code of conduct, surpassing our target of 60%.



Prosperity

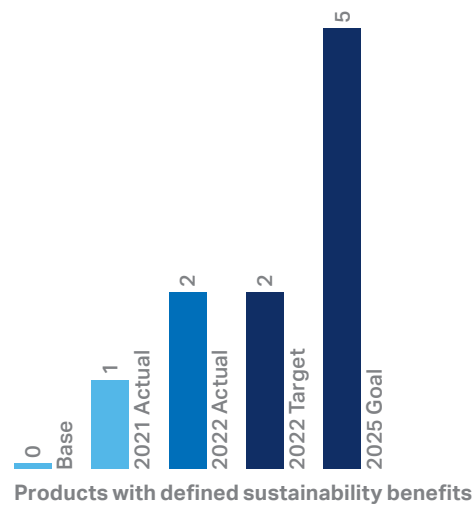
Launch of products with defined sustainability benefits

UNSDG 12

We selected this goal because of its alignment with UNSDG 12, which seeks to ensure responsible consumption and production. We are using the Sustainable Packaging Coalition's working definition for "sustainable benefit."

Our 2025 goal is to launch five new products with defined sustainability benefits. By the end of fiscal 2022, we launched Arrio™, a decorative laminate surface solution that delivers remarkable aesthetics, premium haptics, and scratch and fingerprint resistance for high-wear surfaces. With sustainability in mind, the durable surface extends product lifetime and does not require application or removal of protective film layers, thus reducing manufacturing costs and waste. Our product development pipeline has a launch scheduled in 2023 to keep us on track with our 2025 goal.

We were also excited to offer a new board packaging grade, Proto Blister, for use in point-of-purchase product blister packaging and display.



People

At Sappi, we're proud not only to invest in building a more renewable world, but also in the people who make that possible. More than ever, our employees are driving positive change in and beyond the workplace with new initiatives and projects for social good. It's important that the impact we have in our communities locally and across the globe moves us toward a more circular economy.

Ross Korpela, Senior Wood Procurement Manager, Cloquet Mill





Keith Halvorson, Pulp Dryer Superintendent, Cloquet Mill

A record-breaking year for safety at Sappi North America

UNSDG 8

After a year of tracking and responding to site-specific safety leading indicators, Sappi North America recorded one of its safest years ever. Through their diligent efforts, our employees and contractors collectively reduced the combined lost time injury frequency rate (LTIFR) from 0.34 in 2021 to 0.18 in 2022, equaling our best year ever for Sappi employees and our second-best year when including our contractors. In addition, our combined lost time injury severity rate came down from 11.5, to 7.3.

During the year, Sappi North America recorded its longest interval between lost time injuries—over 3.7 million work hours. Our Somerset Mill has surpassed 3.3 million hours, our Matane Mill has remained LTI-free since joining Sappi (over 1.5 million hours),

Allentown has gone over six years with no LTIs, and our Technology Center is at 16 years and counting with no LTIs.

Building on the momentum of last year, we are expanding our safety conversation training for employees, increasing safety-focused collaboration with our site-specific contractors and including safety incident tracking for this important group.

This year, we set the foundation toward our journey to zero injuries. While we have reason to celebrate these key performance indicators, we will remain relentless in focusing on the tasks and training to achieve our ultimate goal of zero workplace injuries.

A creative approach to employee recruitment, retention and pride

UNSDG 8

One of the most significant business challenges we face is hiring the next generation of workers and retaining our top talent. The manufacturing industry in the United States now relies on a mature workforce from the baby boomer generation, and a significant number of employees will be retiring in the next few years. During 2022, the loss of these skilled workers coincided with one of the tightest US job markets in decades.

Compounding the labor shortage was the “Great Resignation” that followed the onset of the COVID pandemic, together with fierce competition for a smaller pool of candidates. All these factors have made it increasingly difficult for employers in our industry to find and hire good workers. Sappi is therefore being more creative and aggressive in our efforts to recruit employees, elevate our brand awareness, increase our visibility on social media, and educate the public on the premium and sustainable products we create.

To improve our recruiting efforts, we have added a number of new recruiting tools to our toolbox, including hiring a dedicated internal recruiter from Gen Z who can speak the language of that younger age group.

We have also increased our participation in job fairs and enhanced our presence on recruiting sites such as LinkedIn, Glassdoor and Indeed. We have increased the financial incentives for employees to better identify successful candidates for open positions. Sappi employees across the company are recruiting at high schools, trade schools, colleges and universities, using newly printed collateral targeted to both the hourly and salaried workforce. We have significantly

expanded our presence on social media to showcase the Sappi culture and the benefits of working at Sappi, spotlighting employees and demonstrating the advantages of sustainability in our industry, including our ability to provide renewable, recyclable, woodfiber-based products that can replace plastics.

We have invested in radio and television ad campaigns, and we continue to advertise in the specials sections of daily papers that highlight the forest products industry and careers in engineering. To promote employee retention and pride, we have revamped our employee newsletter, which we will publish at least three times a year, distribute throughout our facilities and mail to every employee at their homes.

By far the most significant investment we have made is creating an extensive video campaign that highlights our people in various positions throughout the company. These videos showcase our world-class manufacturing and research-and-development facilities and demonstrate the impact of the sustainable and environmentally friendly work we do at Sappi. Our career-specific videos are used for recruiting in positions for research and development, forestry, sales and engineering.

This is a new world for recruiting. We are taking our message to potential employees wherever they are, whether it is online, in print, or on social media or TV and radio. As the labor market continues to shrink, these efforts will become even more vital.

Sappi Ambassadors educate, engage and drive sustainability initiatives

UNSDG 8 UNSDG 17

Our Sustainability Ambassadors are a network of 60 dedicated employees from various groups across all of Sappi's North American sites. They readily take on additional accountability to drive sustainability education and engagement through interactions with fellow employees and the communities in which we operate.

This year, our Lead Sustainability Ambassador clarified the mission and deliverables of the ambassador group, focusing on three areas: communication, training and community outreach. The ambassador leadership and site teams engage monthly to develop plans that meet our deliverables.

An important part of communication is access to information. To increase our employees' access to sustainability material, two internal SharePoint sites were launched. The sustainability site is available to all Sappi employees and contains collections of sustainability articles and videos published by Sappi and industry partners, training materials, Sappi news mentions and sustainability group contacts for the North American team. A second SharePoint site—a sales tools site—is accessible by the Sappi field sales team. It is a collaborative workspace for sharing customer-directed presentations that showcase Sappi's strong sustainability position in the marketplace, providing technical documents and product certifications, and offering additional training materials.

Training is an important focus for our employees, and Sustainability is no exception. The ambassador teams design several trainings throughout the year. Each team tailors training specific to their coworkers on a variety of topics, including progress toward Sappi's sustainability goals and familiarity with our KPIs. Engagement with the annual sustainability report is a key focus. Details of Sappi North America's goals, projects and people highlighted in the report are used to create game-show-style activities and emailed quizzes, and act as a springboard for group discussions with subject matter experts. In addition to Sappi-specific sustainability topics, the ambassador teams share information about important global trends, ways to reduce energy consumption at home and recycling tips.

Ambassadors also develop and coordinate volunteer opportunities in their local communities. Ambassador groups invite participation from all Sappi employees in these efforts. Highlights from 2022 include the ambassadors in Boston participating in an annual cleanup of the Charles River and the coordination of a crayon recycling drive for America Recycles Day to divert unwanted crayons from landfills. Southern Maine ambassadors, including participants from the South Portland office, the Westbrook Mill and the Technology Center, celebrated Earth Day with Girl Scouts at an event in which ambassadors shared Sappi's responsible forestry practices and detailed the use of renewable energy, as well as the variety of career paths available at Sappi.



Continuing to educate our youth about our industry and STEM careers.

Cloquet ambassadors coordinated recycling efforts for the Carlton County Fair and discussed the mill’s practices with community members. Funded by an Employee Ideas that Matter grant, the ambassadors at the Somerset Mill built a boardwalk at Camp CaPella to improve campers’ access to the lake. The field sales team conducted several collections for nonprofit organizations this year, including a variety of foods, treats and toys for small animals, cats and dogs for the Foothills Animal Shelter in Scottsdale, Arizona.

The work continues with an even greater focus in 2023 on the United Nations Sustainability Development Goals and Science Based Targets initiative training for our employees as well as the development of new communication channels, while continuing to participate in annual and new community outreach events. The Sustainability Ambassadors team is always looking for new volunteers to help create new ways to educate and drive community outreach.

SUSTAINABILITY AMBASSADORS—SITE LEADS

Rachel Kaul
Lead Ambassador,
Technology Center

Estefanie Franco
Boston

Eric Gendreau
Matane Mill

Dan Menor
Cloquet Mill

Laura Brosius
Sales

Mark Barnes
Somerset Mill

Alexandra “Ali” Bierman
South Portland

Audrei Steward
Allentown Operations

Brian Woods
Westbrook Mill

Ideas that Matter

The Sappi Ideas that Matter grants have been used by designers for over two decades to make a social and environmental impact; to encourage reforms in justice, education and healthcare; and to address diversity, equity and inclusion efforts. Grantees support the work of nonprofits around the globe, make direct local impact, deliver enhanced local options, and support specific populations, audiences and groups of individuals in need.

Designers think globally, make impact locally

UNSDG 17

This year, Ideas that Matter tracked how projects align with United Nations Sustainable Development Goals (SDGs), which Sappi has embraced globally as part of our sustainability initiatives. The winning projects addressed a wide range of SDG categories, including increasing access to quality education; ending poverty; encouraging good health and wellbeing; reducing inequalities; fostering gender equality; enhancing industry, innovation and infrastructure; building sustainable cities and communities; and supporting climate action.

More than 500 design projects and some of the leading social impact designers have received grants over the years. Here are a few highlights from this year.



MASS Design Group: Model maternity spaces

Grant awarded: \$49,500

UNSDG 6 UNSDG 8 UNSDG 12

Globally, there are 300,000 maternal and 2.4 million newborn deaths every year, most of which are preventable. MASS Design Group has partnered with the Institute for Healthcare Improvement to develop a human-centered design process to improve maternal-newborn facilities in traditionally underserved populations. MASS Design Group, which received Ideas that Matter grants in 2010 and 2015, won another grant this year to support the dissemination of design principles and tools through an integrated campaign that includes educational outreach to health providers and policymakers, a design toolkit, posters, physical models of facility designs, and a website to improve accessibility and access to this critical information.



Grace Han and Center for Urban Pedagogy: “Here to Stay!” poster and advertising campaign

Grant awarded: \$41,690

UNSDG 8 UNSDG 17

Many young immigrants come to the US fleeing violence or oppression, sometimes even from their own families. Navigating the immigration system can be especially difficult for these young people. Special Immigrant Juvenile Status (SIJS) is a form of immigration relief that protects these youth. For this poster and advertising campaign, a nonprofit organization, The Door, collaborated with the Center for Urban Pedagogy and designer Grace Han to create materials with comprehensive information that defines “SIJS,” lists the criteria to qualify for SIJS and eventually a green card, details the process young people need to work through with the support of a lawyer, and explains the long-term benefits of SIJS. The campaign also directs young people to free resources, such as the legal services offered by The Door and other providers.



Natacha Poggio: Yasuní: our rainforest, our life

Grant Awarded: \$47,905

UNSDG 15

Yasuní, a UNESCO Biosphere Reserve, is a tropical rainforest in Ecuador and one of the world’s most biologically diverse places on Earth. Located at the crossroads of the Andes, the Amazon and the equator, Yasuní is not only an area to be environmentally preserved, but also one that Indigenous communities call home. This integrated multimedia campaign will support La Poderosa Media Project’s ongoing conservation education activities and its vision of transforming communities one story at a time by engaging Waorani children to share their own narratives of environmental stewardship. Elements of the project include a traveling exhibition of posters illustrated by Ecuadorian artists, online content, short documentary videos, postcards, and an informational children’s book illustrating the stories of wildlife in Yasuní and its unique ecosystem created by design students at the University of Houston-Downtown.

2022 Employee Ideas that Matter make a difference in the lives of people in our communities

UNSDG 8 UNSDG 17

The 2022 Employee Ideas that Matter grant winners inspired all of us at Sappi North America with their enthusiasm and dedication to the people in our local communities.

Many of our employees took the time to apply for an EITM grant to support the nonprofit organizations about which they are passionate. The 23 grant recipients represent a wide range of causes and organizations from Maine, Minnesota, Massachusetts, Pennsylvania and Quebec. Congratulations to all the winners! We are proud that you have made a meaningful impact with your local organizations.



Chris Martland, supporting patient families

UNSDG 8 UNSDG 17

In fiscal 2022, Chris Martland, Senior Procurement Manager at the Cloquet Mill, received a grant for Log A Load For Kids to purchase gift cards to support families visiting their child at one of the regional Gillette Children's clinics in Northern Minnesota. Gillette's mission is treating children who have brain, bone and movement conditions, helping them to realize all they can achieve. This partnership helps Gillette provide comprehensive services, highly trained specialists, an integrated team approach, family-centered care and a lifetime of services to its patients. Chris has been the Board Chair of Minnesota Log A Load For Kids for the past 10 years. The organization began in 1988, when loggers and others in the forest products community donated the financial value of a load of logs to their local Children's Miracle Network Hospitals.

In 2021, Minnesota Log A Load For Kids contributed \$45,000, and since 1997 has contributed \$648,970 to Gillette Children's through Children's Miracle Network Hospitals.

2022 EMPLOYEE IDEAS THAT MATTER SELECTION COMMITTEE

Melissa Johnson

Manager, Compensation and Employment

Jamie Gagnon

Area Manager, IT Regional Applications

Radi Ivanova

Finance Manager

Colby Allen

Senior Manager, Manufacturing

Tom Radovich

Cloquet Managing Director

Blue Keim

Westbrook Managing Director

Sean Wallace

Somerset Managing Director

Eric Gendreau

Matane Managing Director

Claude Bourget

Matane HR Manager



Sakheni Francois: Boston Building Resources gives recycled and reused materials a second life in renovated homes

UNSDG 12

Sakheni Francois, a Fulbright scholar who holds an MBA, joined Sappi in 2020 as a Market Analyst. She has worked in corporate, nonprofit and rural development settings in Eswatini and the United States. She is also the producer of an animated documentary, *Liyana*, which has won over 35 awards at international festivals.

Sakheni used her 2022 Employee Ideas that Matter grant to help fund the renovations of the Boston Building Resources (BBR) Reuse Center, an organization that provides affordable building materials to low- and moderate-income homeowners and nonprofit organizations—materials that would otherwise be headed for the landfill.

“BBR is addressing homeownership issues and primarily targeting historically disadvantaged groups to equip them with tools and materials to rehab and renovate their homes,” Sakheni says.

The renovations allow more efficient use of the space, which had been limited by size and configuration, and is now designed to produce all the energy it consumes on an annual basis through 114 rooftop solar panels, a carbon-free renewable source.

“In the short term, BBR is reducing building-material waste that enters the waste stream, and homeowners can use the materials to renovate and maintain their homes,” Sakheni says. “The long-term impact is that homeowners are more likely to create generational homeownership and generational wealth. This stabilizes our communities and addresses one piece of social and economic justice issues.”

Since 1993, the Reuse Center at BBR has diverted reusable materials, such as cabinet sets, doors, windows, appliances and other donated materials from local landfills, giving them a second life and improving the homes of local neighborhoods.

“The EITM grant and BBR’s mission will have far-reaching impacts in historically disadvantaged communities, which makes me even more proud to work at Sappi,” Sakheni says.

Sappi bestows 2022 Employee Ideas that Matter grants

We're pleased to announce the 23 grant recipients of Sappi North America's 2022 Employee Ideas that Matter program. We provided grant funds to employees from Maine, Minnesota, Massachusetts, Pennsylvania and Quebec to help support the causes and organizations that are important to them and their local communities.

Alex Brownell, South Portland

Alex's grant will help Barbara Bush Children's Hospital at Maine Medical Center provide portable video players and games to hospital patients during medical treatment.

Alicia Irish, South Portland

Alicia's grant will assist Scarborough Youth Football Club in purchasing a video camera to film and stream games for families who are near and far.

Alison Sanborn, South Portland

Alison's grant will go to INCubatoredu at Westbrook Regional Vocational Center to support a student entrepreneurship program that addresses projects focused on local problems or needs.

Alissa LaValley, Cloquet Railroad

Alissa's grant will assist Civil Air Patrol, Duluth Composite Squadron, in purchasing service uniforms for the color guard to use when presenting the colors of the US flag during events.

Community Employee Relations Committee, Boston

Children Services of Roxbury will use the grant funds to support three Parent Cafe events that combine peer support and educational workshops for parents living in impoverished communities.

Chris Martland, Cloquet Railroad

Chris's grant will go to Log A Load for Kids to help purchase gift cards to support patient families during their visits to Gillette Children's Specialty Healthcare regional clinics in Northern Minnesota.

Courtney Smart, South Portland

Courtney's grant will assist the Westbrook High School Restorative Learning Program in increasing support for at-risk students who need academic, social and emotional support, food insecurity assistance, and transportation.

Erasmo Gonzalez, Somerset Mill

Erasmo will use his grant to help China Village Volunteer Fire Department purchase a thermal camera and cut-off saw for its volunteers to use during fires, accidents and other emergencies.

Javon Clark, Technology Center

Javon's grant will support Portland Recovery Center in building a community garden to honor those who lost their lives lost to opioid addiction.

Jerry Daveau, Cloquet Railroad

Jerry's grant will assist Carlton County Riders in purchasing PPE items for a kids' ATV safety education program.

Joshua Fogg, Somerset Mill

Joshua will use his grant to help local disadvantaged wrestlers compete at two national events organized by the USA Women's National Wrestling Team.

Katherine Gagnon, South Portland

Katherine's grant will go to Windham Primary School to help build a closet that will store clothing and other essential items for students in need.

Kevin Reed, Somerset Mill

Kevin will use his grant to assist Common Unity Place in building a personal care pantry that supports low-income families.

Lynne Palmer, Technology Center

Lynne's grant will go to My Place Teen Center to support the dinner meal program for families with food insecurity, as well as to support the teen store program that teaches kids financial literacy leadership and responsibility.

Marc Truchon, Matane Mill

Marc's grant will help Club de vélo éolien (Wind Bike Club) purchase equipment used for the maintenance and rehabilitation of bike trails.

Rae Quirion and Jessica Vigneault, Somerset Mill

Rae and Jessica's Maine Traditional Music Association, doing business as Maine Fiddle Camp, will use its grant to provide scholarships for students learning traditional New England and Quebecois music.

Robert Bellavance, Somerset Mill

Robert's grant will go to the Augusta Elks Lodge No. 964 to support the display of the GoldStars Tribute Wall in Maine, which is a traveling memorial to honor fallen military members who served during the Gulf, Iraq and Afghanistan wars.

Robert Forsberg, Sales

Robert's grant will assist Lifeworks, Inc., a special needs facility, to build and prep handicap-accessible flower and vegetable gardens for the residents to maintain and harvest.

Sakheni Francois, Boston

Sakheni's grant will go to Boston Building Resources to complete display and finishing work for the Reuse Center, where building materials are stored for future reuse.

Stephanie Angelides, South Portland

Stephanie's grant will help Auburn Suburban Baseball & Softball fund a baseball facility where special needs children can learn and play baseball.

Steve Binkowski, Cloquet Railroad

Steve's grant goes to Arrowhead Manufacturers and Fabricators Association to help fund its first career and technical education event, intended to close the gap between education and industry.

Wanda Zangl, Allentown

Wanda's grant will help Lehigh Country Humane Society aid families seeking medical care for their pets.

Planet

Our efforts to harness the renewable power of trees is showcased through our products, forestry certifications and technological innovations, among other initiatives. We recognize that it takes all of us to build a thriving world, which is why we strive to partner with companies that also make sustainability a key part of their business practice.



Sappi works with landowners to manage sustainable forests

UNSDG 15 UNSDG 17

Sappi North America's forest management programs in both Maine and the Upper Midwest offer a wide range of services to landowners to help them manage their forests sustainably. The Sappi Maine Forestry Program and the Sappi Lake States Private Forestry Program provide a team of experienced and licensed forest professionals to help landowners achieve their woodlot ownership objectives.

Private individuals and organizations own about 80% of the forestland in New England and 58% of the timberland in the Upper Midwest. Most of these private landowners have relatively small tracts of land, ranging from tens to hundreds of acres, that collectively form the extensive temperate northern forests that support abundant wildlife, sequester forest carbon, provide thousands of jobs and economic opportunity, and are popular for recreational activities, including hunting, fishing, hiking and snowmobiling.

"Our goal is to really establish a good rapport with them and understand what their wants and needs are for their property. Do they use it for recreation? Are they absentee landowners? What are their goals as far as end results after the timber harvest or timber sale? Do they want more aspen trees? Do they want more birch or oak or maple? We have to assess what trees are there already and how we can meld the landowner's wants, goals and needs with what we can do on the ground as far as actual timber management to achieve those goals," says Chris Martland, Senior Wood Procurement Forester for Wisconsin and Michigan at Sappi.

Most forest landowners care about the long-term health and aesthetics of their forest, and the benefits that a healthy forest brings to wildlife and water quality. They want any improvements done on their land today to result in a healthier forest in 10, 20 or 40 years. They recognize that responsible, active forest management is critical for maintaining a healthy balance of economic, social and ecological attributes from their forests to meet the needs of present and future generations. Sappi shares these goals.

"Forestry is an art and a science," says Chris. "The science portion I learned in school is where I learned about the different trees and how they react to different management techniques. The art portion is where I actually get to deploy those techniques on the ground to really impact how the timber stand is going to grow into the future."

The Sappi forest management programs give small landowners the resources they need to manage their lands and ensure that harvests are sustainable, meet best-management practices and provide the highest return on their timber sales.

"The sustainable forestry that we've done throughout the past 40 years has really allowed opportunities for some of our loggers to go back and cut the same piece that they cut with their dad when they were a kid," says Chris. "The forest comes back healthier, stronger and more resilient than what it was when it was harvested. We really want to keep that stand healthy. And the only way to do that is through active management."

The Sappi Maine Forestry Program and the Sappi Lake States Private Forestry Programs assist landowners with developing forest management plans, harvest plans and timber-stand improvement project plans with appropriate silvicultural techniques that ensure prompt regeneration after harvest. Sappi offers many forestry services at no charge to landowners. For example, Sappi will update or develop a Maine tree growth management plan free of charge for anyone who works with that program.

SNA stumpage foresters conduct inspections on all jobs to ensure compliance with laws, policies and best-management practices to conserve soil and water quantity/quality along with other values, such as biodiversity conservation, aesthetics management and cultural resource protection. Sappi procurement foresters ensure that program participants receive a fair price and timely payment for any wood harvested from their woodlot, and that someone keeps accurate track of all wood sent to a mill.



Eric Schram, Procurement Forester, Cloquet Mill

“A lot of people ask us if we plant trees after we harvest. And we tell them, no, because we don’t have to,” says Jeremy Stultz, Senior Procurement Forester with Sappi in Skowhegan, Maine. “We’re very blessed in the Northeast to have this natural regeneration that’s always filling in after us. If we manage at the right time on the right acres in the right way, then we can control what kind of trees are going to come back into a certain forest at a certain time.

Landowners trust us to develop a woodlot plan that meets their expectations. They know that Sappi is here for the long term, and appreciate the program’s reputation for fairness, honesty and trust.

“Certification is very important to Sappi, and it provides assurances to our customers and the people buying their products that the fiber we use comes from a forest that is thoughtfully managed,” says Jeremy. “Sappi is certified under three different global certification systems: the Sustainable Forestry Initiative® (SFI®), the Programme for Endorsement

of Forest Certification (PEFC) and the Forest Stewardship Council® (FSC®). These certification systems give us a set of principles to work from and a set of requirements that we have to meet in order to ensure responsibly managed forests.

“Guidelines include measures to protect and conserve water and soil quality/quantity, promote and maintain high-quality wildlife habitat, and ensure the use of adequately trained foresters and loggers. These guidelines encourage investments in research and specific emphasis on management techniques to conserve biodiversity and protect ecologically sensitive values.

“Sappi’s commitment to forest certification allows us to pass those assurances on to our customers. They know that the products they’re buying from Sappi come from responsibly managed forests and that the fiber is going to be there now and it’s going to be there for future generations.”

Sappi's packaging products can be used to replace or reduce plastic

UNSDG 12

The world has a single-use plastic problem: The majority of plastic does not get recycled, and much of it ends up in the ocean or landfills. Most consumers are in favor of reducing plastic.

In fact, 87% of customers* think retailers should curb the amount of plastic packaging they use. Global governing bodies are passing environmental recommendations and regulations to reduce plastic. The US Congress introduced the Break Free From Plastic Pollution Act in 2021, and in 2015, all member states of the United Nations adopted the 2030 Agenda for Sustainable Development, which relies on 17 Sustainable Development Goals for global peace and prosperity. Responsible production and consumption are key components of these UN goals, and Sappi uses them as a guideline for sustainability in both our operations and our products.

Major companies, such as Estée Lauder and Unilever, are responding to the pressure with sweeping declarations to reduce plastic. Few options to replace plastic are better than paperboard made from woodfiber. And at Sappi, we believe woodfiber is the material of the future.

Our paperboard products are used in premium packaging for cosmetics and perfume, health and beauty care, consumer electronics, confectionery, luxury drinks, food packaging and more. Our fiber-based products are also used for gift cards and hotel room cards, as well as in shopping bags, reducing or eliminating the amount of plastic in these items.

Our flexible packaging papers manufactured in Europe come with integrated barriers against oxygen, water vapor, grease, aromas and mineral oil, making them ideal for applications such as candy wrappers, granola bars, chip and pretzel bags, and even tea bag wrappers.

Unlike single-use plastics made from crude oil, woodfiber is renewable; the process of creating paperboard uses renewable energy, and the product can be recycled multiple times. Paper and paperboard also have the highest overall recycling rate of all materials in municipal solid waste. Fiber-based packaging has many advantages. It is:

- **Accessible:** Woodfiber is one of the most commonly found materials in nature, and with sustainably managed forests, woodfiber can be responsibly harvested without damage to the environment.
- **Biodegradable:** Cellulose fibers are naturally biodegradable.
- **Malleable:** Cellulose fiber properties lend themselves to alteration to meet human needs. From a durability standpoint, R&D efforts continue to focus on cellulose modifications to bring more barrier performance, depending on packaging need.
- **Recyclable:** Paperboard can be recycled multiple times, recapturing fibers for use in a range of other fiber-based products.

* Petsko, Emily, "Opting Out: Amazon shoppers would choose plastic-free packaging if they had a choice," *Oceana*, December 22, 2020, <https://oceana.org/blog/opting-out-amazon-shoppers-would-choose-plastic-free-packaging-if-they-had-choice/>.



Sappi is renowned for its investment in R&D and modernizing its manufacturing facilities to meet market demands for innovations in consumer products. Sappi's legacy includes ownership of the S. D. Warren Paper Mill in Westbrook, where coated paper was invented in the late 1800s. We work every day on forward-thinking, science-based innovations to replace plastic with woodfiber and cellulose solutions through our expertise in coating technology across our seven global research-and-development centers.

Woodfiber stands at the intersection of sustainability and quality—a combination that brands have been searching for to fulfill their environmental

pledges. With cellulose as a base for a wide variety of materials that vary in biodegradability, thickness, structure and product applications, we are confident it can be widely applied as a plastic substitute. The true challenge comes not from the manufacturing floor, but from adapting woodfiber as an alternative to long-standing business practices. Here at Sappi, we are committed to helping brands understand how woodfiber can efficiently replace plastic while keeping businesses on track to meet customer demands and global sustainability goals.

Sappi promotes and conserves biodiversity through certification to the Sustainable Forestry Initiative® Standard

Sappi North America supports forest biodiversity conservation, evidenced by our successful maintenance of chain-of-custody and fiber-sourcing certificates under the Sustainable Forestry Initiative® (SFI®) Standard.

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SFI is one of the world's leading independent nonprofit organizations responsible for developing sustainable forestry certification programs.* SFI standards provide practical, scalable solutions for markets and communities.†

In 2022, SFI enhanced its world-class standards with a focus on continuous improvement and the incorporation of the best-available science and emerging issues. Rebecca Barnard, Forest Certification Manager for SNA, chaired the SFI Fiber Sourcing Standards Revision Task Group, which enhanced requirements for biodiversity conservation, logger training, due diligence systems and cooperative efforts of SFI Implementation Committees (SICs).

Sappi's certification to the SFI Fiber Sourcing Standard includes proactive measures to promote and conserve biodiversity at regional and local levels. Regionally, Sappi initiated and helped lead the efforts in 2022 to complete new landscape-scale assessments of "forests with exceptional conservation value," defined as critically imperiled and imperiled species and ecological communities. Summaries of these assessments are available to wood producers and will be included in future logger training and landowner outreach efforts. At a specific forest-stand level, SFI has long required conservation of imperiled biodiversity values, landowner outreach, the use of trained loggers and resource professionals, investment in forest research, and adherence to best management practices during harvesting operations.††

* <https://www.sappi.com/forestry-in-north-america>

† 2021 SNA Sustainability Report, <https://www.sappi.com/files/2021-sappi-north-america-sustainability-report.pdf>

†† <https://www.sappi.com/biodiversity>



Peter Steele, Senior Corporate Communications Manager; Ross Korpela, Senior Wood Procurement Manager; Konrad Woelffer, Commercial Market Manager, Great West Sales; and Damon Polus, Procurement Forester, Cloquet Mill

SFI Implementation Committees play a vital role

SFI responds to local needs through a network of SICs across the US and Canada, which are an integral part of SFI and play a vital role in promoting logger training, landowner outreach, youth and adult education, community engagement, the integrity of the SFI program, and responsible forestry at local levels.[¶]

Since 1995, SFI-certified organizations, including Sappi, have contributed nearly \$75 million to support local programs through SICs. This includes logger and forester training to reach the thousands of independent contractors that are the key to the quality of forest harvesting operations.[¶]

“SICs’ roles have evolved,” says Patrick Sirois, Director of the Maine Sustainable Forestry Initiative. “In the early years, the primary responsibilities for

SICs were to establish logger training programs and conduct outreach efforts. The 2022 standard created opportunities for SICs to lead collaborative efforts on topics such as biodiversity conservation. Early feedback suggests such collaborations are proving successful.”

As an example, the Minnesota SIC hired Larissa Harris-Juip, a Native American educator, to adapt six Project Learning Tree lessons to better relate to Indigenous people and educate non-Indigenous people about Indigenous perspectives. Larissa relied on her close ties to Ojibwe and Dakota communities in northern Minnesota to write about how Ojibwe and Dakota people use and manage forests for homes, food, industry, recreation and spiritual purposes. The revised lessons reflect Indigenous cultures, languages, values and ways of learning, and they are available to all Minnesota teachers.[§]

[¶] <https://forests.org/sic/>

[§] <https://forests.org/minnesota-sfi-implementation-committee-wins-award-for-engaging-youth-on-indigenous-cultural-awareness-and-conservation/>

In another project, the Minnesota SIC responded to the plight of forest bats by providing predator-safe maternal roost boxes. White-nose syndrome is a disease caused by a newly discovered fungus that is believed to have killed more than 5.7 million bats in eastern North America.[#] The Minnesota SIC partnered with Bat Conservation International on box design, the Minnesota Department of Natural Resources on monitoring, Minnesota Power on placement sites and the Boy Scouts of America on box construction.

“Our hope is that these boxes will play a role in bat recovery by reducing predation on bat pups during the most vulnerable point in their lives,” says Rick Horton, the former Minnesota SIC Coordinator who is now Executive Vice President of Minnesota Forest Industries.

Recognizing their work

Each year, SFI selects one recipient for the SIC Achievement Award to recognize exceptional work. The Minnesota SIC received the 2021 SIC Achievement Award.

“The Minnesota SIC is being recognized for its commitment to broadening awareness of Indigenous cultural values and species at risk. In both cases, they also collaborated with partners, which is a hallmark of SFI’s work,” says Kathy Abusow, SFI President and CEO.

The SICs in the lake states, northern New England and Quebec, where Sappi’s North American mills obtain most of their feedstock, have had remarkable success. In the 23 times the award has been presented since 1999, Minnesota has been the sole recipient of the award four times, while Maine has won the award three times on its own. Maine, Minnesota and Georgia also shared the award in 2013. Michigan won the award once in 2014, and Quebec is the most recent recipient, in 2022.

The Quebec SIC received the 2022 award for its collaborative efforts in producing a series of four dynamic training videos that advance sustainable forestry, describing the role of SFI certification in Quebec, explaining SFI’s new climate-smart forestry objective and offering best practices for conserving biodiversity and protecting health and safety. The Maine SIC was selected for the award in 2017 for its education outreach efforts focused on water quality, a community partnership with Make-A-Wish Maine, which grants the wishes of children diagnosed with life-threatening illnesses, and the growth of the SFI program.

Sappi is proud to be a leader with SFI and the SICs. We are committed to collaborating with SICs and other partners on innovative research and conservation projects to conserve forest biodiversity.



2021 SFI SIC National Award

[#] <https://www.dnr.state.mn.us/wns/index.html>



Jack Kline and Eric Schram, Procurement Foresters from the Cloquet Mill

Forestry

UNSDG 15

One hundred percent of SNA's woodfiber inputs originate from controlled, noncontroversial sources from well-managed forests, in compliance with all applicable laws and due diligence system requirements in the FSC, PEFC and SFI standards. Our rigorous due diligence system involves data gathering, risk assessment and risk mitigation measures. Coupled with detailed tracing practices to confirm the origin of wood, SNA can confidently assure stakeholders that all woodfiber used in SNA's products is sourced from responsibly managed forests.

Within the US, our fiber is sourced from areas considered low risk across all five risk categories addressed in the FSC US Controlled Wood National Risk Assessment; therefore, no additional control measures are necessary.

In Canada, we source from areas with a mix of low and specified risk per FSC's Canada National Risk Assessment. Accordingly, control measures are in place to avoid and mitigate the risk of controversial sources during our operations and those of our suppliers.

The SFI Fiber Sourcing Standard* goes beyond avoidance of controversial sources and requires landowner outreach, use of qualified resource/logging professionals, investments in forest research, conservation of biodiversity and adherence to best management practices during harvesting operations. Sappi works in regions with well-developed legal frameworks and strongly ingrained conservation mindsets governing ethical natural resource management.

Sappi transparently and proactively provides customers and stakeholders with data pertaining to the tree species and countries of origin for the woodfiber used in our products. Sappi's fiber sourcing declarations also include statements of compliance with the US Lacey Act and avoidance of controversial sources, as well as information on Sappi's current chain-of-custody and responsible sourcing certificates. These are available on sappi.com/sustainability-certifications.

* The SFI Fiber Sourcing Standard applies only to the wood and chips that we procure for our US mills.

Lean Six Sigma drives sustainability at Cloquet Mill

UNSDG 13

By using our continuous improvement toolkit, a team at the Cloquet Mill was able to improve the efficiency in which the recovery boiler recovers chemicals. Improving reduction efficiency led to greater steam generation and a significant reduction in chemical requirements. In addition to cost savings, the improvements delivered over \$400,000 in financial benefit and allowed us to reduce the need for hydrocarbon energy sources.

Continuous improvement toolkit

The North American Continuous Improvement team has many paths for improving processes. These include industry standard Lean Six Sigma; the DMAIC for level shift and variation reduction for stable processes; Kepner-Tregoe to identify root causes for sudden abnormalities; and Rapid Lean Six Sigma to reach consensus for known root causes and drive action quickly. The next wave is advanced analytics, which uses machine-learning approaches to optimize processes using precise prescriptions or to proactively identify factors that could cause failure. Clearly, these approaches are used to enhance profitability, reduce costs and improve throughput. However, they are also used to improve safety and reduce impact to the environment.

DMAIC in practice

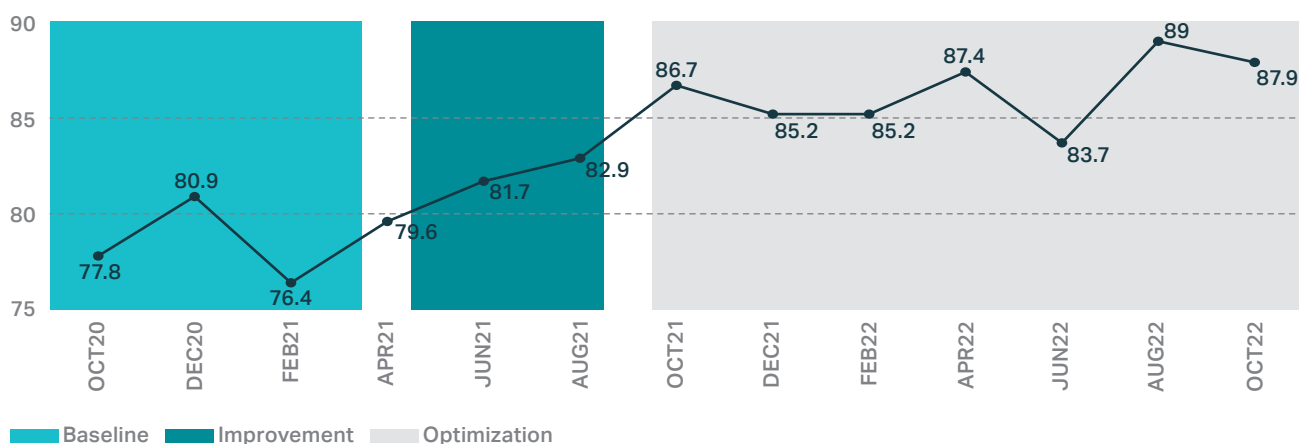
An LSS project at Cloquet, led by Joe Allen and Justin Finke, focused on improving the chemical recovery process. In a pulp mill, a recovery boiler serves two main purposes. The first is to recover chemicals needed during the pulp-making process. The recovery of these chemicals reduces the amount of raw materials we need to procure. The other purpose is to capture energy from the chemical recovery, which contributes to sustainable power needed to run the mill. The primary goal of the team was to improve the recovery boiler reduction efficiency to attain better fuel-to-energy conversion and reduce the consumption of the makeup chemicals.

Using the rigorous LSS DMAIC process, a cross-functional team of mill and R&D resources uncovered critical process variables linked to the desired process improvement. This work involved not only isolating primary impact variables, but also improving measurement of other key parameters.

Using our established Braincube dashboards digital twin, the teams created ideal operating parameters and integrated them into the mill operating structure.

The project resulted in a sustained increase in chemical recovery efficiency from a 77.9% baseline to 88% to 90%. This translated into a significant reduction in process chemical requirements while providing greater throughput. In addition, steam generation efficiency is up 5% to 10%, which allows for a reduction in hydrocarbon energy sources required to generate electricity. This project directly contributed to our Thrive25 energy reduction goal.

Recovery boiler chemical recovery efficiency



Sappi to partner with suppliers who are leaders in sustainability

UNSDG 17

Partnering with our supply network is key to creating a more circular economy. Science-based targets provide companies with a path to reduce emissions in line with the Paris Agreement goals for limiting global warming. In early 2022, the Science Based Targets initiative (SBTi) approved Sappi's global two-component goal of reducing greenhouse gas (GHG) emissions by 41.5% by 2030 and encouraging 44% of our suppliers, by spend, to set science-based targets by 2026.

In procurement, the target for Sappi North America is to direct 37% of our annual third-party spend to suppliers with science-based goals by 2026. SBTi requires targets to cover at least 67% of Scope 3 emissions, and this requirement helped guide our 2026 goals.

We started our journey in 2019 at 12% of our spend with SBTi-committed suppliers. SNA suppliers already aligned with SBTi include companies from our categories of pulp, chemicals, logistics, packaging and some original equipment manufacturers. Our pulp procurement team is leading our initial discussions with suppliers about their plans for SBTi.

Internally, we are planning how best to achieve our 2026 target by gathering input from suppliers who have already committed to SBTi and by talking to key suppliers that have not yet signed up.

In 2022, we distributed our second supplier GHG emissions survey. The goal is to obtain information that will allow Sappi to calculate and report our Scope 3 emissions from the manufacture of products that we purchase and the transportation of those products to Sappi facilities. At this point, not all of our suppliers calculate GHG emissions at the product level. We will continue to work with them to communicate the importance of this effort.

During 2022, Sappi salespeople collected data from existing and potential customers to learn what is important to them in the area of sustainability. The information includes whether those customers are signatories for SBTi. It is vital that we work together to understand our full value-chain impact on GHG emissions and, most importantly, to create options for improvement. Through this collaboration, we will be able to contribute efficiently and innovatively to a more circular economy.

Looking to the future, Sappi is developing a supplier sustainability awards program to recognize our partner suppliers who are leaders in various areas of sustainability. We are exploring other programs that recognize suppliers in areas such as philanthropy, carbon reduction, sustainable innovation and certifications, and we hope to elevate this work as part of our supplier engagement.



Jennifer Chase

Sr. Manager, Procurement,
Global Process Owner

A significant milestone on our journey to reduce emissions: Sappi's science-based targets approved

During 2020, Sappi Limited decided to join the Science Based Targets initiative (SBTi) and begin the work of setting and validating our specific targets to reduce emissions. This aligns with our Thrive25 strategy and public sustainability commitments, as well as the UN Sustainable Development Goals.



The Science Based Targets initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

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Working across all three manufacturing regions, we were pleased to announce in June 2022 that our targets had been officially accepted by the SBTi. We have committed to reducing our emission intensity globally by 41.5%. This means a reduction from 0.89 tons of carbon dioxide per ton of product in 2019 to 0.52 tons of carbon dioxide per ton of product by 2030. Sappi's target aligns with global efforts to limit the increase in global average temperature to well below 2°C.

In addition, our advocacy target for Scope 3 emissions was approved. This target commits us to engage with 44% of our suppliers based on spend (representing approximately two-thirds of our Scope 3 emissions) and to advocate that they set science-based emission reduction targets by 2026. We believe the full benefit to society can only occur if value chains collaborate and help one another.

Embedded in the Sappi Limited strategy are specific Sappi North America goals for emission reduction and supplier advocacy. Sappi North America commits to reduce our Scope 1 and 2 emission intensity by 36% and will advocate that 37% of our suppliers by spend commit to set science-based emission reduction targets by 2026. These targets represent a key step in our commitment to our decarbonization transition. This ambitious target is underpinned by detailed decarbonization plans in each region based on a combination of capital investments in our assets, process efficiency improvements, increased purchases of renewable energy and engagement with our suppliers.

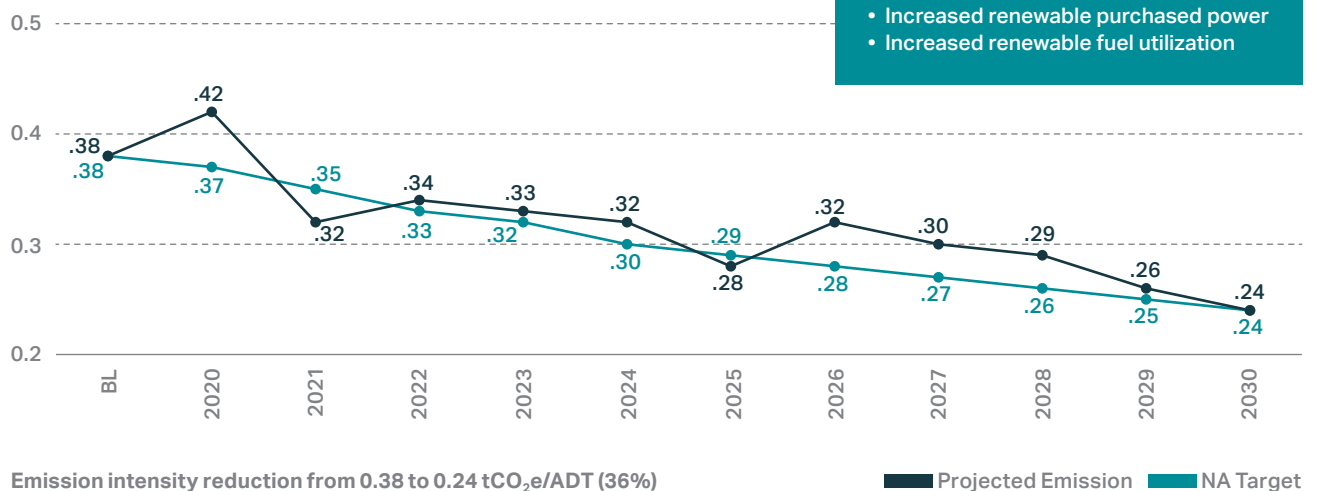


The journey begins to execute the plans that underpin our science-based targets. Many projects are already underway, but many more are in the planning phase. Our planned trajectory to decarbonize—which includes growth initiatives—is illustrated below. In addition to our employees, customer and value chain partners are also key collaborators in this journey. This significant commitment is a testament to

Sappi's drive to contribute to the circular economy and be a force for reducing climate impacts.

Our success will require everyone's commitment, as well as their ingenuity, to continue transforming our business so that it is fit for a low-carbon future. Thank you for being a part of this continued journey. To learn more about SBTi, visit sciencebasedtargets.org.

Sappi North America strategic SBTi plan



Paper Profile calculates environmental data for Sappi products

UNSDG 17

Sappi North America developed Paper Profiles for our graphics and packaging products as an additional information tool for our customers. The Paper Profile is a voluntary, product-level environmental declaration for pulp, paper and paperboard products.

The Paper Profile was developed in Europe in the 1990s in response to the wide variety of customer inquiries for environmental information. The initiative by major pulp and paper industry producers created the standardized declaration format that includes input from associations for paper distributors, printers and publishers. Member companies began providing Paper Profiles in the early 2000s, when final agreement on the format was achieved.

The one-page declaration, updated annually, provides information on specific environmental parameters, such as emissions to air and water, certifications for wood procurement and environmental management, a high-level composition profile, the quantity of purchased electricity and the amount of biogenic carbon contained in the product.

The Sappi Paper Profile is unique because it includes environmental data beyond the pulp produced at the Sappi mill of manufacture. While Sappi produces a significant percentage of pulp used in our products, the declaration also includes emissions from other pulp mills where Sappi purchases fiber.

The fossil carbon emissions reported in the declaration are Scope 1 emissions, calculated based on the quantity of fossil fuels used onsite for the generation of heat and power. These emissions are only one component of a cradle-to-gate carbon footprint that would include many other Scope 2 and 3 aspects.

Paper Profiles are available on Sappi NA- and EU-produced paper and paperboard. Contact your Sappi sales representative to receive a Paper Profile for products of interest. Our Paper Profile data and calculations are certified by DNV, an independent and internationally accredited classification society.

More information on the Paper Profile can be found at paperprofile.com/wp-content/uploads/2022/06/2022_PaperProfile_brochure_ENG_05-22.pdf.

The image shows two overlapping Sappi Paper Profile forms. The top form is for 'Product: 100% 6000' and the bottom form is for 'Product: 100% 600'. Both forms include sections for 'Environmental Management', 'Environmental Parameters', and 'Product Composition'. The bottom form also includes a 'More Information' section.

Environmental Management

Certified environmental management system at: ISO 14001 since 2012

Company's systems ensure traceability of the origin of wood: FSC®

Sappi North America, Inc. U.S. Sappi paper and packaging mills (Chicago, Solon and Wisconsin) are certified to the following Chain of Custody systems: FSC® C0144103, FSC® C0144104 and FSC® C0144105. Chicago and Solon mills are also certified to the ISO 14001:2015 Standard. Details of certifications are available at sappi.com.

Environmental Parameters

The figures are based on methods and procedures of measurement approved by the local (or national) environmental authorities at the production site. The figures include both paper and pulp production.

Parameter	Value	Unit	Reference
Water	15.04	kg/tonne	
CO ₂	0.03	kg/tonne	
NO _x	Not Available	kg/tonne	
PM ₁₀	Not Available	kg/tonne	
Air	0.45	kg/tonne	
NO _x	1.15	kg/tonne	
CO ₂ (Scope 1)	158.9	kg/tonne	

Solid waste recycled: 36.4 kg/tonne

Purchased electricity consumption / tonne of final product: 186 kWh

Product Composition

The product contains biomass carbon, equivalent to 1,079 kg of CO₂ per tonne of product.

More Information

Contact: Larra Peltola, Sappi North America
Address: 395 Warren Avenue
Westbrook, Maine, USA

Phone: 207 854 3508
e-mail: Larra.Peltola@sappi.com

Please visit our website for more information at: www.paperprofile.com

Prosperity

Our financial performance in 2022 has helped us progress as a diversified company. We have done this by investing in market segments with strong growth, by continuing our commitment to innovation and sustainability, and by adapting to market demand and customer needs. Our overarching aim is to leverage our strengths to provide more renewable solutions, pushing the envelope on woodfiber's capabilities, benefiting people and the planet.

Christina Madill, Sheeting Department, Cloquet Mill



SNA delivers exceptional financial performance in 2022

UNSDG 8

The Sappi group delivered historical financial performance in fiscal 2022. The group reported earnings before interest, taxes, depreciation and amortization (EBITDA) of \$1,339 million (18% of sales), up from \$532 million (10% of sales) last year, while SNA reported EBITDA of \$464 million (21% of sales), up from \$209 million (12% of sales). SNA's EBITDA improvement had a direct impact on return on net operating assets (RONOA), which increased from 8.1% to 28.1%. The RONOA growth demonstrates that we have successfully diversified and transformed our business by making strategically sound investments and then delivering returns on those investments.

SNA's exceptional financial performance reflected the additive impact of both favorable market conditions and execution excellence throughout the organization. Margins expanded across all three of our business segments, driven by strong demand, successful mix management, continued price realization and well-managed operational performance. Together, these positives helped offset increasing inflationary pressures in all areas and the impacts of global supply chain disruptions.

Our packaging and specialties business continued to grow in fiscal 2022, driven by increasing demand for our paperboard and LusterCote products. Our asset flexibility allowed us to shift more production capacity toward the packaging papers business to meet this demand. Despite the continued decline in the overall graphic papers market, we remain steadfastly committed to our graphic papers business and to our customers who value print, and graphic papers remained a key profit contributor. Our pulp business benefited from record high selling prices and was also a key profit contributor.

Looking ahead to 2023

As we look to 2023 and beyond, we are confident we are well positioned for future prosperity and that our strong financial performance will continue. We remain relentlessly focused on commercial and operational excellence, maximizing the returns on the strategic investments we have already made, while simultaneously investing for the future in high-growth opportunities.

"Our record financial performance reflects the culmination of our business transformation of the past few years combined with both favorable market conditions and strong organizational execution," says Annette Luchene, Vice President and Chief Financial Officer. "It's critical for SNA to maintain our strategic momentum and continue to execute our long-term plan while carefully managing rapidly changing business conditions. We remain always focused on delivering Sappi's Thrive25 strategy and goals."



Annette Luchene

Vice President and Chief
Financial Officer,
Sappi North America

Sappi's new Proto Blister

UNSDG 12

After Sappi completed the comprehensive rebuild of Paper Machine 1 at Somerset Mill in Skowhegan, Maine, in 2018, we launched a broad range of high-quality paperboard products to meet customer demand for renewable paper-based packaging. These products can reduce the amount of plastic used in packaging.

Our products Proto®, LusterFSB® and Spectro® are now established brands in the folding carton, foodservice and commercial print segments. To build on the success of these grades, Sappi recently introduced a specialized paperboard developed for blister packaging applications. Proto Blister is the newest offering from Sappi's expanding paperboard line.

"Blister pack" describes packaging that uses a translucent thermoformed pocket or cup that covers the product, which is then heat-sealed to an adhesive-coated paperboard card (blister board). The blister board is then expected to separate within the fiber layer, yielding fiber tear onto the heat-sealed "blister" cup when it is torn away from the substrate upon product removal. This fiber-tear performance gives the consumer confidence that the product has not been tampered with prior to purchase.

This packaging is often used in products that rely heavily on visual marketing, such as health and beauty products, personal care products, office products and others that are often showcased in an in-store rack.



Recent advancements in this packaging category paint a bright future for Proto Blister, as technology has been developed to use paperboard instead of plastic for the pocket. Blister packaging that uses only paperboard greatly facilitates recycling and reduces plastic use.

Proto Blister was developed to provide the same superior print surface as Proto, but with added functionality for demanding blister packaging applications. The product provides both reliable fiber tear and strong anchorage to the pocket to prevent product leakage during transport, storage and store display.

Proto Blister is the first of many products to launch as part of our next generation of paperboard as we look to expand our innovative paperboard offering with another capacity expansion at our Somerset Mill.



The women at Sappi unlocking the power of trees

UNSDG 8

While all of us at Sappi are working relentlessly to unlock the power of trees for a low-carbon economy, leading the charge is a trio of change-making women with a fierce determination to succeed.

For over 30 years, **Beth Cormier** has been unlocking the power of trees at Sappi, rising to Vice President of Research, Development and Sustainability in North America. She is the first woman to hold this position in Sappi's nearly 170-year history. "I believe that the solutions to some of our thorniest problems are discoverable in nature," Beth says. "And that by unlocking the power of trees, we can create a more sustainable every day—our purpose at Sappi—for people and the planet we all share."



Beth Cormier

Vice President, Research,
Development and Sustainability
Sappi North America



Tracy Wessels

Head of Sustainability
and Investor Relations
Sappi Limited



Sarah Price

Director, Sustainability
Sappi Europe

Beth has overseen all sorts of portfolios for Sappi, but none excite her more than this latest generation of circular products. “We’re showing what’s possible with our diversified portfolio of commercial printing papers, packaging paper—even moving wood-based fibers into spinning operations that go into textiles.”

When Beth and **Tracy Wessels** talk trees, sparks fly. With a Ph.D in organic chemistry, Tracy explains the science involved in unlocking the power of trees with clarity and contagious energy. As Group Head of Sustainability and Investor Relations, she defines and explains our global mission from her base in South Africa.

“Trees are truly nature’s gift to the world,” Tracy says. “They contain the three most abundant natural polymers on Earth: cellulose, lignin and hemicellulose. Sappi has become a global leader in unlocking these polymers to create a whole new generation of renewable, biobased products that can speed the transition from fossil-fuel-derived products.”

As Director of Sustainability in Europe and a Yale-trained forester, **Sarah Price** is the third powerful voice in the trio. Whether she is advising mill directors in Germany on their carbon targets or discussing forest policy with decision-makers in Brussels, Sarah’s message is consistent: responsible companies like Sappi are essential to grow, manage and expand the forests we need to fight climate change. For her, unlocking the power of trees must start in forests with responsible, sustainable practices. Ensuring Sappi delivers on this promise with relentless ambition is her focus.

These three women have been an instrumental part of building the Sappi we see today and will continue to play a role in shaping our future. As we strengthen our global impact, these are the leaders we’ll look to for support in meeting our goals.

Ultracast Viva wins Product of the Year Sustainability Award

UNSDG 12

Our casting and release paper, Ultracast Viva®, won Product of the Year in the Business Intelligence Group’s 2022 Sustainability Awards program. The Sustainability Awards honor the people, teams and organizations that have made sustainability an integral part of their business practice or overall mission.

Created with a commitment to forward-looking sustainability practices and environmentally friendly manufacturing, Viva is the innovative answer for more responsible solutions to reduce pollution.

“Our team is thrilled to receive the prestigious Business Intelligence Group Product of the Year award,” says Mark Hittie, Director of Release Business Strategy. “We designed Ultracast Viva to set a sustainability standard that all other casting and release papers aspire to, and this achievement is a testament to the success of that goal. We look forward to Ultracast Viva’s continued impact in the casting and release market.”

Ultracast Viva is a first-of-its-kind product that sets the standard for sustainable casting and release products. Amid a global movement to limit or eliminate the use of solvent-based casting systems, Ultracast Viva is a revolutionary development showing that products made for solvent-free systems can be



reliable and high functioning. Using a proprietary process, it brings to market performance improvements that are more compatible than ever with green chemistry systems, including benefits from its increased reusability and easier handling with expanded temperature limits.

“We are proud to reward and recognize Sappi North America for their sustainability efforts,” says Maria Jimenez, Chief Nominations Officer, Business Intelligence Group. “It was clear to our judges that their vision and strategy will continue to deliver results toward a cleaner, more sustainable world.”

Arrio offers a superior and sustainable laminate surface

UNSDG 12

With this year's launch of Arrio™, Sappi has created a decorative laminate surface solution that delivers remarkable aesthetics, premium haptics, and scratch and fingerprint resistance for high-wear surfaces. Sappi is the only company that provides high-fidelity, 100% replicated textured finished surfaces that are now available in a flat surface, but will ultimately expand to include a 3D texture library.

With its durable acrylic surface, Arrio provides extraordinarily detailed, realistic finished surfaces that will eventually support multiple textures and decor colors, gloss effects, varying depths and visible contrast. Sappi's high-precision manufacturing process generates the exact same surface finish over time without variation or loss of definition. Arrio, which offers a superior surface to conventional melamine in aesthetics and performance, is a perfect solution for decorative and functional surfaces on furniture, work surfaces, kitchen cabinetry and more.

"We are excited to introduce Arrio, which is not a mold that imparts texture, but is the actual finished surface," says Mark Hittie, Director of Release Business Strategy. "Arrio comes from Sappi's spirit and core competence: we make texture, we drive texture. It's another example of Sappi delivering a high-quality and innovative product that outperforms traditional options, reduces cost and opens up a range of possibilities for consumers. We're also proud that Sappi created Arrio with sustainability in mind. The durable acrylic surface extends product lifetime and does not require application or removal of protective film layers, thus reducing manufacturing costs and waste."

Sappi's forward-looking products and textures continue to leverage state-of-the-art technology from its Westbrook Mill in Maine. Sappi has been at the forefront of technological innovation and evolution in the release paper industry with nearly 80 years of experience creating textures.



Unlike surfaces produced with an excimer process, Arrio will offer a uniquely customizable surface texture, including various flat finishes and textures with multiple gloss levels, such as wood or stone designs. The manufacturing process provides 100% consistency, order to order, in texture, gloss, touch and function. Arrio provides a superior solution over existing concepts because of its endless potential for customization. It also provides superior haptics, including super matte, smooth touch and high-color-intensity surfaces, and it is suitable for single-radius wrapping applications.

Arrio also offers significantly lower investment costs for glued and pressed finished surfaces due to manufacturers' savings and efficiencies in the handling, shipping and layup processes. Offered initially in a super-matte, fingerprint-resistant and soft-touch texture called Matte Haven on black decor, the Arrio platform will continue to develop with the future addition of texture and decor color options.

Innovative textures you can't see

UNSDG 12

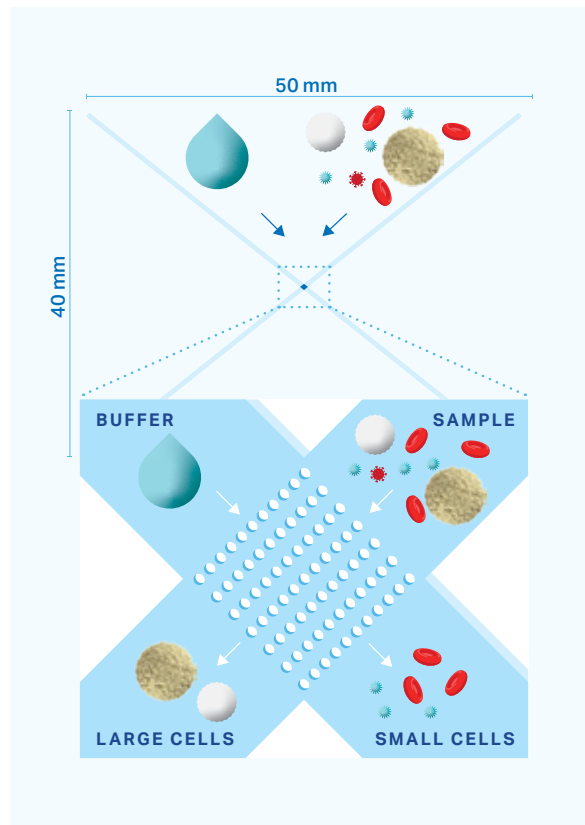
Sappi has a long history of texturing paper and film for use in the production of imitation leather goods and textured panels for interior counters, flooring and cabinet decor. As part of this technology platform, Sappi has produced textured surfaces with extremely small features using our proprietary Ultracast® process for years. These very precise, small features placed in paper or film and provided in roll-to-roll form are just the type of innovation that can benefit the industrial microfluidics markets.

Sappi, in collaboration with the University of Maine's Dr. Caitlin Howell and the Wyss Institute for Biologically Inspired Engineering at Harvard University, is studying the use of Sappi Ultracast texturing to build mass-manufactured, low-cost microfluidics that also have a low environmental impact.

The world of microfluidics is the science of repeatedly placing very small doses of fluids with precision into small, specific locations at precisely the right time. By texturing surfaces with small, accurate channel patterns, we can rapidly produce microfluid

devices in roll-to-roll form that provide a lower-cost option for testing patterns for commercial use. The National Science Foundation has funded some of this work in the past, and additional funding grants are being sought to help produce commercial devices for testing in medical devices, water purification and general microdroplet generators for drug delivery. One example is the use of these textured surfaces for water treatment to prevent *E. coli* outbreaks on agricultural sites.

In addition to the work with the University of Maine and the Wyss Institute, we at Sappi continue to innovate with pattern development for water-repellent surfaces for apparel, wearable electronics with light-channeling capability and low-cost sensor development. It is an exciting time to find new uses for our unique texturing capability for paper and film.



Example of a cell sorter design based on size displacement

Elevating the customer experience

This year, Sappi has further developed our portfolio of products to provide our customers with dynamic papers, packaging and textiles without a steep environmental cost. We pride ourselves on our ability to raise the bar with innovation. From biodegradable kitchen tools to high-quality brochures, we strive to forge new paths in a variety of industries. For Sappi, advancing our customer base helps make every day more sustainable.



Spectro® and Proto® shine in new samples

Sappi's Spectro is a paperboard that features enhanced optics and the most consistent side-to-side printing surface in its category. Proto is an SBS paperboard certified for direct food contact and offers the durability and superior convertibility customers can count on. A range of samples were created to showcase the printing versatility of these paperboards and the many verticals with which they are capable of engaging. This includes beauty, luxury foods and houseware packaging. These packaging samples were very well received at conferences such as Pack Expo International, and we are excited to continue venturing into new markets.

Holiday kit shows care with McCoy®, Spectro and LusterCote®

Each holiday kit we send out highlights Sappi's paper capabilities while serving as a reminder for customers that striking, memorable gift packaging can be sustainable. This kit featured cards, gift tags and gift boxes for any occasion printed on Spectro, and a sheet of metallic envelope seal stickers printed using McCoy, all packaged in a box lined with LusterCote C1S for recipients to enjoy with their loved ones. Each component featured embossed imagery, metallic accents and several box closures, demonstrating the durability and flexibility of our paper offerings.



Brochures for health and beauty verticals

Sappi North America took another step into the health and beauty industries with new marketing materials printed on Spectro C2S paper. These brochures offer information about our paperboard offerings, which can benefit brands looking to meet consumers' preferences for renewable solutions. As global innovators, we are uniquely positioned to detail the benefits of our products while showing their quality through tactile experiences.

Swedish dish towels make every day more sustainable

Our biodegradable dish towels are made using dissolving pulp to offer an alternative to paper towels, sponges and traditional, plastic-based dish cloths. Customers may be surprised to discover that, unlike disposable paper towels, there is a reusable product that is also made using the power of trees. This product further displays Sappi's versatility in various markets that service everything from large-scale operations to a spill in the kitchen.

A calendar that leaves a lasting impression

Printed on McCoy Silk and Spectro C1S, this calendar allows recipients to experience the Sappi difference firsthand. These foldable wall calendars were created to meet the needs of customers who have extensive work schedules and need to plan several months at a time. Our premium line of McCoy products touts unrivaled luminosity, allowing for bolder contrasts and vivid imagery. Each calendar demonstrates that it is possible to have beautifully designed paper products that are also mindful of the environment.

Spring/Summer 2023 Texture & Trend Kit

Our seasonal texture and trend forecast showcases Sappi's textile offerings in a variety of colors and finishes. It is geared toward development, design, sourcing and production teams eager to ensure that their upcoming product lines are on target for consumers and brands around the world. These swatch collections keep Sappi on the pulse of the fashion and textile industries, further positioning us as global leaders across verticals.



SNA improves delivery rate while driving down emissions

UNSDG 17

Although 2022 was a year of many successes, it was also a year like no other for supply-chain disruptions. Market dynamics were extremely volatile as inflationary pressures on providers sent prices soaring. Severe congestion at ports and along the rail network, coupled with truck driver shortages, extreme weather events and difficulties with labor, created challenges we had never before faced.

However, despite these challenges, Sappi North America shipped our products with an improved on-time delivery rate, from 90% in the first quarter to 96% in the fourth. We achieved a year of record-breaking shipments, of 2.05 million short tons, from our domestic mills. We accomplished this with no injuries for the 16th consecutive year and with the lowest number of transportation claims since 2013.

Also in 2022, Sappi North America celebrated its 14th consecutive year as an EPA SmartWay® Transport

Partner by using transport carriers that leverage technology to minimize our collective carbon footprint, and we were featured on the *Journal of Commerce's* annual list of the Top 100 Exporters.

To help reduce greenhouse gas emissions, the Sappi North America supply chain team worked closely with our transportation partner, Schneider, on a dashboard for tracking greenhouse gas emissions. We have reduced emissions by 2% during the year while also reducing costs by collaborating with our customers to change transport modes from truck to rail.

If we can achieve this kind of success in a year as difficult as 2022, then we are confident we can continue to leverage cost-saving opportunities and reduce emissions as we advance into 2023 and beyond.

Key performance indicators

At Sappi, we measure a number of environmental, social and financial metrics to better understand the areas in which we thrive and areas that need improvement. By closely monitoring these key indicators, we can continue to meet and exceed our goals.



Energy

UNSDG 7 UNSDG 12

Renewable energy is the dominant source of energy across our four SNA mills. Our total on-site renewable energy use is 67.50% with an additional 9.23% of renewable and nuclear energy as part of our purchased power for a total of 76.73%. This number is adjusted to remove the energy associated with renewable energy credit sales.

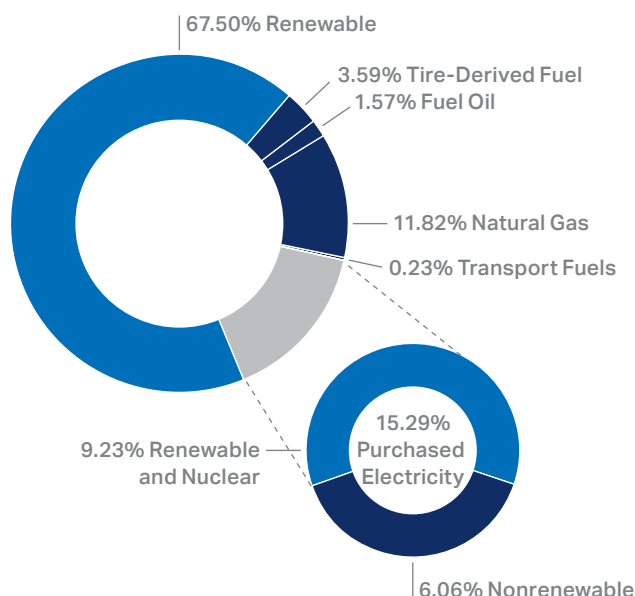
In 2022, our renewable energy use was composed of 69.0% black liquor, 28.8% biomass, 0.26% on-site hydro, 0.90% biogas and 1.01% wastewater treatment plant sludge.

Additionally, purchased renewable power was 9.23% of our total energy use. We will continue to benefit from the commitments of our regions to increase the amount of renewable energy in the market.

Other sources of energy we use are alternative and fossil fuels. Alternative fuels are waste that is repurposed instead of disposed of or landfilled, primarily consisting of tire-derived fuel. Fossil fuels predominantly include the use of natural gas and fuel oil. 2022 represents the first full year with Westbrook operating without on-site power generation.

The renewable energy bar chart on page 19 provides a historical perspective of the percentage used. The contribution has been relatively consistent the past three years.

2022 Sappi North America total energy



SNA SUSTAINABILITY COUNCIL MILL LEADS



Fred Gagnon

Technical Superintendent
Matane Mill



Brian Woods

Utilities Manager
Westbrook Mill



Rob Schilling

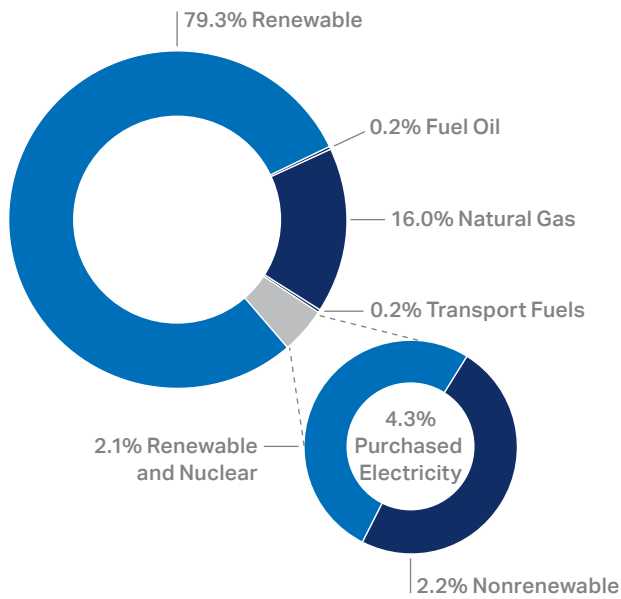
Manager, Pulp Technical
and Environmental
Cloquet Mill



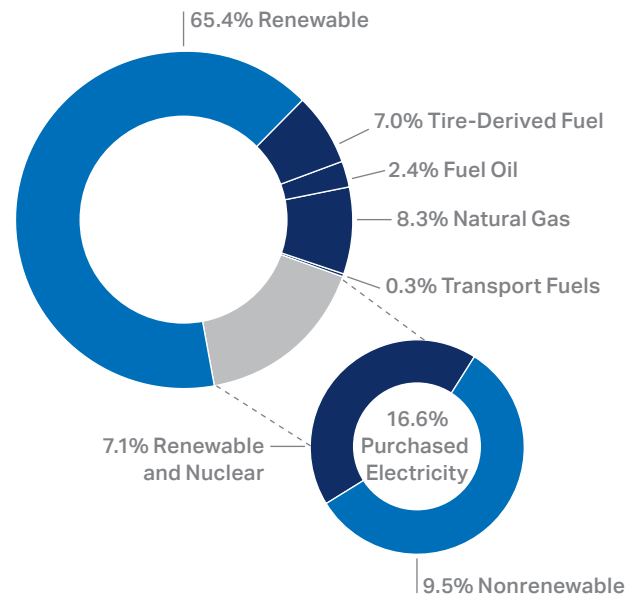
Chuck Qualey

Senior Engineer, Energy
Somerset Mill

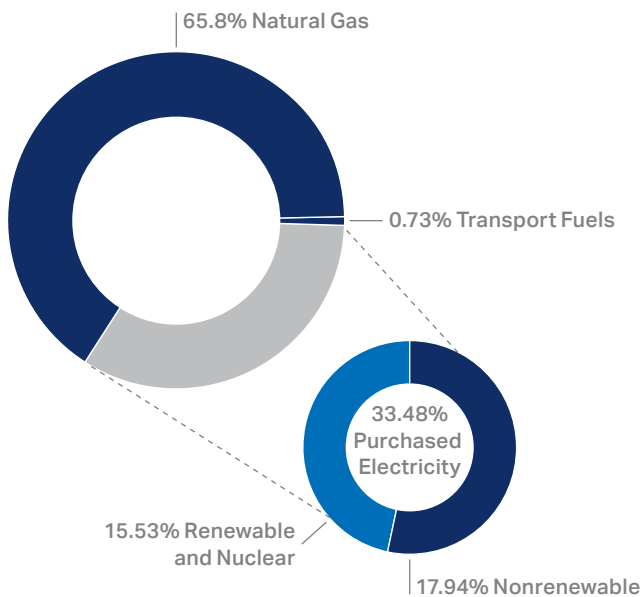
2022 Cloquet Mill total energy



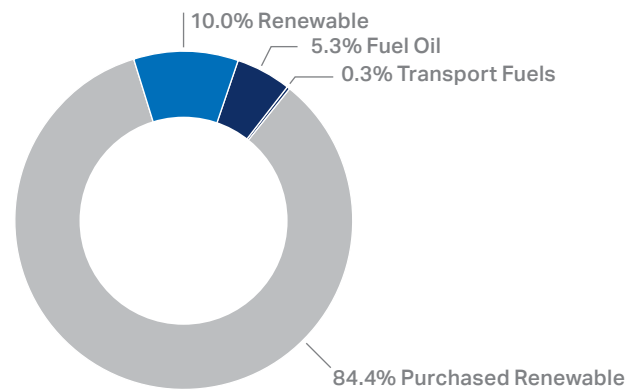
2022 Somerset Mill total energy



2022 Westbrook Mill total energy



2022 Matane Mill total energy



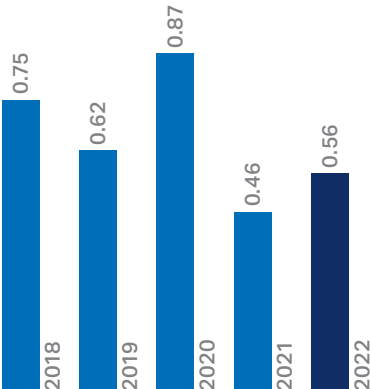
Emissions

UNSDG 12 UNSDG 13

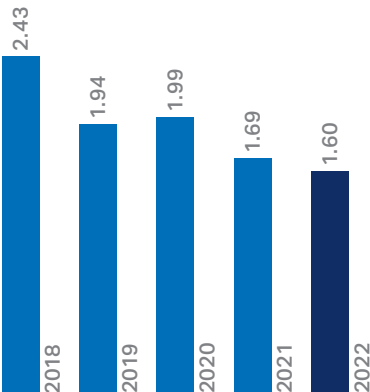
Most of the gains in specific sulfur dioxide emissions from 2021 were sustained in 2022, with the exception of an increase in emissions from turpentine burning. Specific nitrogen oxide emissions were positively influenced, much like GHG emissions, by improved operating efficiencies.

Specific particulate emissions were also positively influenced by improved operating efficiencies.

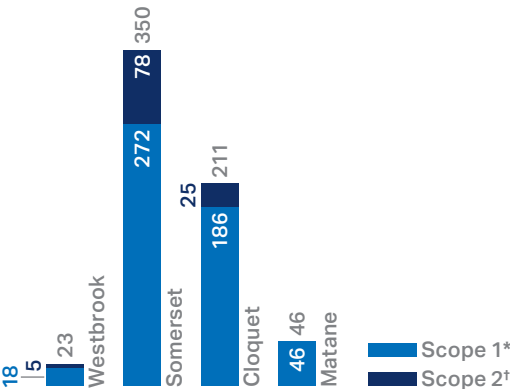
SO₂ emissions (kg/mt)



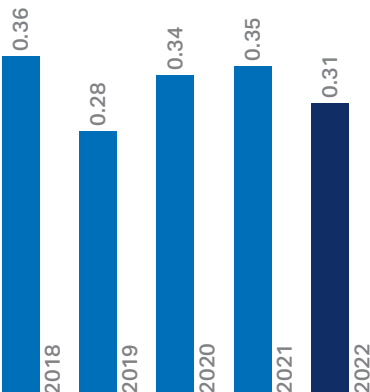
NO_x emissions (kg/mt)



2022 GHG emissions by mill (1k ton CO₂e)



Particulate emissions (kg/mt)



The results reflect the size of the operations, as well as the renewable mix noted in the donut charts on page 61.
 * Direct GHG emissions—emissions from sources that the company owns or controls
 † Indirect GHG emissions—emissions associated with the generation of purchased electricity, steam or heat

Sappi adds transparency and partnerships to GHG/Scope 3 tracking

UNSDG 13

Sappi follows the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, also referred to as the Scope 3 Standard. The GHG Protocol divides Scope 3 emissions into 15 categories, and it is the reporting entity's responsibility to determine which are significant for its operation.

These categories fall into two main streams: upstream (1–8) and downstream (9–15). In this case, “upstream” refers to emissions that occur before customers take ownership of Sappi's products, whereas “downstream” includes emissions resulting from customers processing Sappi products and the final end-of-life treatment of the goods that Sappi's customers produce.

In general, Scopes 1, 2 and upstream 3 are how our customers view and evaluate Sappi, whereas the combination of Scopes 1, 2 and 3—both upstream and downstream—is how the world evaluates the entire value chain.

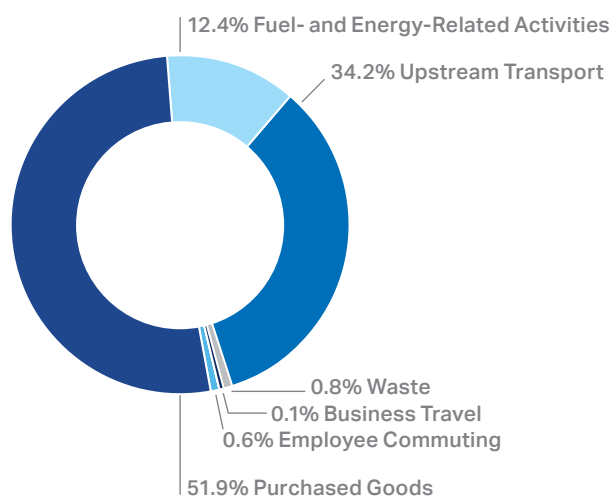
Based on our review, we have concluded that due to the lack of control and the nature of the emissions of category 10 (processing of sold products), category 11 (use of sold products) and category 12 (end-of-life treatment), we will not focus on tracking those emissions. In total, downstream emissions (categories 9–15) are much less relevant to our evaluation and will not be tracked.

Also noted last year, much of the Scope 3 data is based on standard secondary emissions factors from publicly available databases, primarily the UK Department for Environment, Food and Rural Affairs (DEFRA), the US Environmental Protection Agency and ecoinvent, a nonprofit association that provides process data for products. Primary emissions factors are always preferred, as they are more accurate.

We remain committed to obtaining the most accurate emissions factors whenever possible from our suppliers and customers. In 2022, Sappi North America circulated its second vendor GHG survey to upgrade emissions factors and verify information required for emissions calculations. We look for added transparency each year from our supply chain partners.

As shown in the donut chart, the three most significant categories for Sappi are purchased goods (category 1), fuel- and energy-related activities (category 3), and upstream transport (category 4). These comprise approximately 98.5% of Scope 3 upstream emissions, based on data collected for fiscal 2022.

GHG/Scope 3



UPSTREAM EMISSIONS

1. Purchased goods and services
2. Capital goods
3. Fuel- and energy-related activities
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting
8. Upstream leased assets

Water

UNSDG 6 UNSDG 12

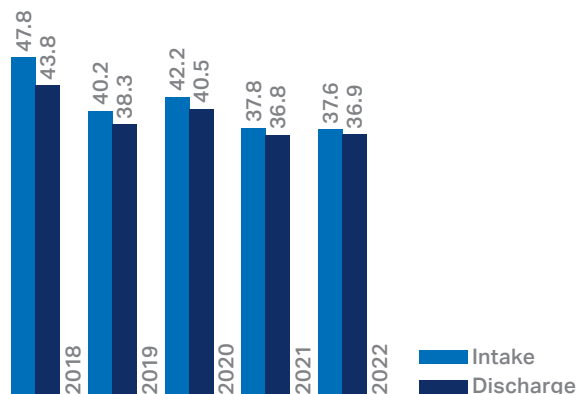
Our North American mills draw water from surface sources, such as rivers and lakes, and return treated water to the same primary sources. As we do with our emissions, we manage our use and discharge of water in accordance with comprehensive environmental permits.

Our specific process water intake and discharge was unchanged from last year and continues to trend downward over a five-year period.

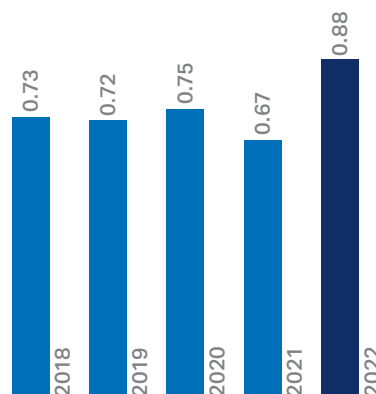
Specific biological oxygen demand (BOD) in our final effluents was up significantly from 2021, mostly attributed to operational issues: poor foul condensate stripper performance at Cloquet and pulp washing issues at Somerset. The operational issues were resolved by year end, and performance returned to normal in the fourth quarter.

Specific total suspended solids were significantly increased compared with the previous year. (See bar chart.) Each of the mills had upset conditions contributing to the increase, most significantly at Cloquet, which has since been resolved.

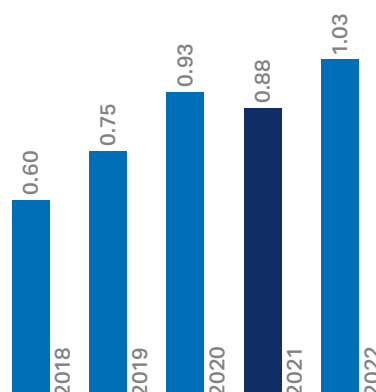
Water intake and discharge (m³/mt)



Biological oxygen demand (kg/mt)



Total suspended solids (kg/mt)



Solid waste

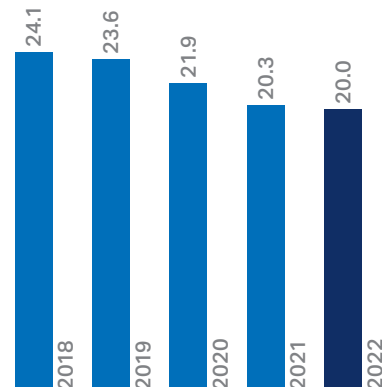
UNSDG 12

The efficient use of raw materials improves in-mill operating costs, reduces environmental impact and lowers costs associated with waste processing. Tracking raw material waste in our pulp and paper mills is a way to improve our use of raw materials.

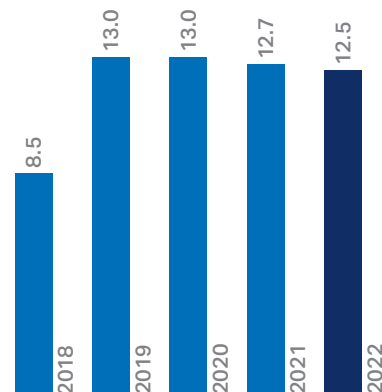
The 2019 acquisition of the Matane Mill increased our pulp mill waste levels.

Improvements continue in both our pulp and paper mill sewer losses due to increased operating efficiencies and a focus on reducing sewer losses through Lean Six Sigma projects.

Paper mills raw material waste (kg/mt)



Pulp mills raw material waste (kg/mt)



Social indicators

UNSDG 8

The following charts provide a snapshot of the makeup of our workforce. As many of our seasoned colleagues retire, we are committed to building a robust pipeline of talented employees who bring a rich mix of skills, experiences and backgrounds.

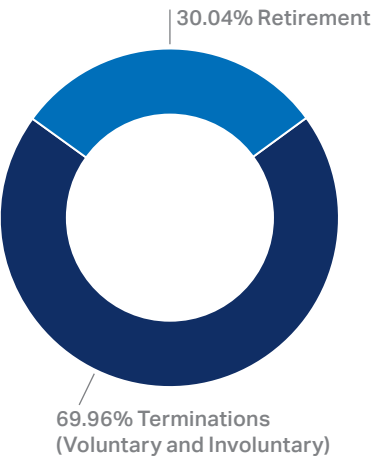


Melissa Johnson
Manager, Compensation
and Employment

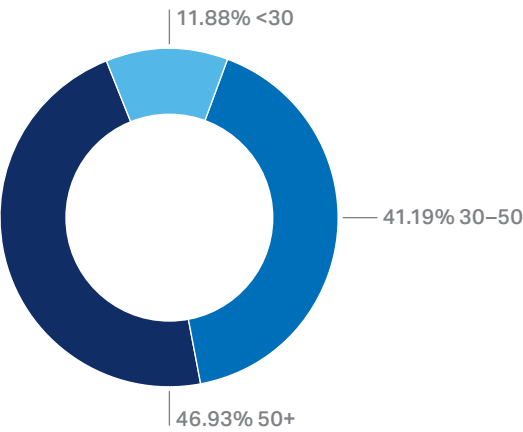
Average hours of training per year per employee by gender



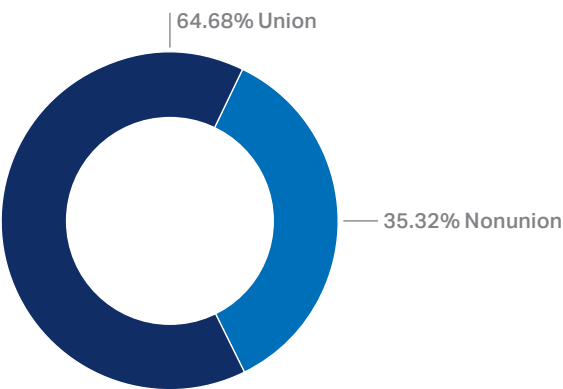
Percent of employee turnover by reason



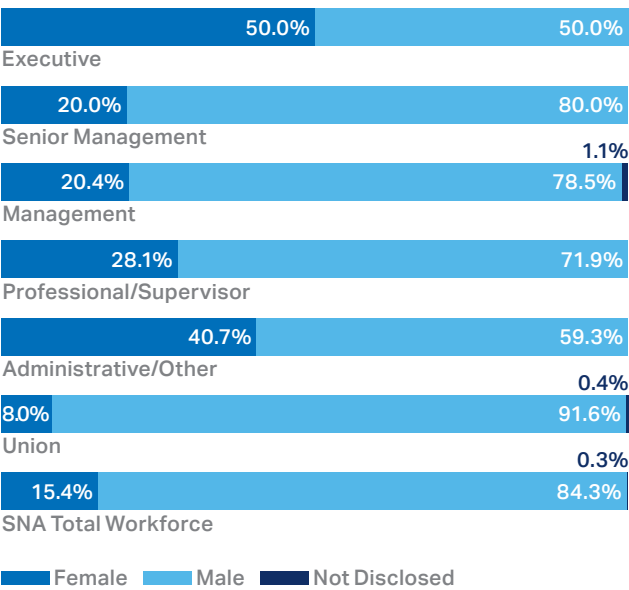
Sappi North America age demographic



Percentage of employees covered by collective bargaining agreements



Sappi North America workforce by gender



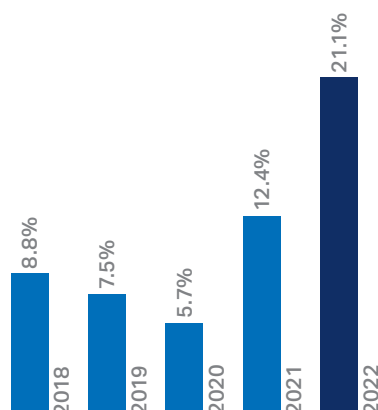
Finance

UNSDG 8

Earnings before interest, taxes, depreciation and amortization (EBITDA) is a standard measure of profitability and financial performance. Sappi North America uses EBITDA expressed as a percentage of sales as one of our key metrics to measure success.

In fiscal 2022, our EBITDA margin was 21.1%, a new record for SNA. Margins expanded across all three of our business segments, driven by strong market demand, successful mix management, continued price realization and well-managed operational performance, which together helped offset increasing inflationary pressures in all areas. Consistent with our Thrive25 strategy, our packaging and specialties business continued to grow as we shifted more production capacity away from the graphics business to meet this increased demand. Graphics remained a key profit contributor despite the continued decline in the overall graphics market. Selling prices in our pulp business reached record levels.

EBITDA as a percentage of sales



Development portfolio

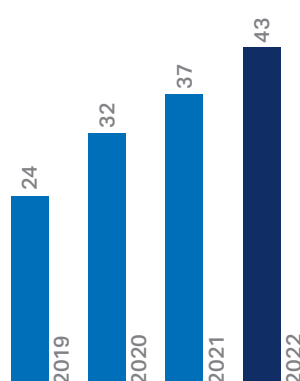
UNSDG 8

The chart to the right shows the trend in the number of active research-and-development and continuous improvement projects with defined sustainability benefits during the last four years. Focusing on projects with defined sustainable benefits will ensure we meet our new product launch goals and the demands of our customers.

To determine if a project meets this KPI, we used the Sustainable Packaging Coalition's definition of sustainability and derived the following list of sustainability attributes for the given product:

- Is beneficial, safe and healthy for individuals and communities throughout its lifecycle
- Meets market criteria for performance and cost
- Optimizes the use of renewable or recycled source materials and energy
- Is manufactured using clean production technologies and best practices
- Is effectively recovered and utilized in biological or industrial closed-loop cycles

Number of R&D and continuous improvement projects with defined sustainability benefits



A letter from Beth Cormier

As I reflect on the content of our 2022 sustainability report, I am reminded how central sustainability is to Sappi's business strategy, which outlines, among other things, our role in building a more circular economy.



Within these pages are strong signs of progress toward our Thrive25 sustainability goals, starting with our outstanding safety performance. We furthered our ambitions to reduce waste, decarbonize and improve our overall energy efficiency. These achievements, together with our high-quality products serving customer demand, allowed Sappi to meet or beat all of our 2022 sustainability goals. I am pleased with the many efforts focused on employee engagement, training, communication, and work-life balance spearheaded by HR and many leaders. Because, simply said, without dedicated employees collaborating and connecting with our communities, none of this is possible.

While recognizing these strong results, I am also reminded that we are on a journey—one that focuses on progress, not perfection. So what is next?

An important dimension to that question comes on pages 14 and 15, where we illustrate Sappi's connection to the UNSDGs and the importance of the full value chain in our work to help deliver more renewable products to our customers. We must think in a circular fashion and that the choices we make and the work we do impacts the full value chain. This commitment will help identify strategies that address the largest risks and open our eyes to opportunities across the value chain. In turn, this focus will discover the meaningful partnerships necessary to make next-level advances in sustainability.

This will prove particularly important with our commitment to SBTi. In 2022, we received full validation of our 2030 SBTi targets. This globally

coordinated work has set Sappi on an ambitious journey to further decarbonize by 41.5% off a 2019 baseline. We see this as a commitment to our customers and communities, and we now have a road map to help us reach this emission target. A second component to our emissions reduction pledge depends on our partnership with suppliers. Improving transparency of our Scope 3 emissions will be an important part of our work to further strengthen our supplier partnerships.

Another component of what's next is how we assess climate-related risks. We have begun adopting a TCFD (Task Force for Climate-related Financial Disclosures) framework. This will provide more visibility to some climate impacts that could affect vital forestland, our supply networks and our operating facilities. Preparedness with risk mitigation plans is a hallmark of a strong company and something our customers expect. We look to these frameworks to help identify early actions to protect our world-class investments and our overall sustainability.

In closing, I am very pleased to acknowledge that we will have a new sustainability director, Bakul Wadgaonkar, to help us accomplish our ambitious goals. Bakul will bring a unique industrial perspective as she joins Sappi and leverages her diverse experience against our circular economy challenges. We welcome her and have every confidence she will assist in our journey to live our company purpose: to build a thriving world by unlocking the power of renewable resources to benefit people, communities and the planet.

Beth A. Cormier
VICE PRESIDENT
RESEARCH, DEVELOPMENT AND SUSTAINABILITY
SAPPI NORTH AMERICA

Ratings



CDP

The Carbon Disclosure Project (CDP) runs the global environmental disclosure system. Each year CDP supports thousands of companies, cities, states, and regions in measuring and managing their risks and opportunities on climate change, water security and deforestation.



FTSE4Good

FTSE4Good Index

Sappi is a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices. The FTSE4Good indexes are used by a wide variety of market participants to create and assess responsible investment funds and other products.

In addition, Sappi has been classified as “Prime” by ISS-oekom, one of the world’s leading ESG research and rating agencies for sustainable investments.



EcoVadis

EcoVadis recognized SNA as a Platinum-rated* company, its highest level, putting SNA in the top 1% of pulp and paper companies assessed.

EcoVadis is the world’s largest and most trusted provider of business sustainability ratings. It evaluates how well companies have integrated the principles of sustainability and corporate social responsibility into their business and management systems.

* 2023 Platinum rating based on 2022 data



Higg Index

The Cloquet Mill produces dissolving pulp sold under the brand name Verve. The Higg FEM informs manufacturers, brands and retailers about the environmental performance of their individual facilities, empowering them to scale sustainability improvements.

The Higg FEM assesses the following: environmental management systems; energy use and greenhouse gas emissions; water use; wastewater emissions to air (if applicable); waste management; and chemical management. The Cloquet Mill is looking to improve on its past score of 84% in an upcoming verification audit.

“I hope you have enjoyed the details of our 2022 sustainability report. Each initiative supports Sappi North America’s purpose and exemplifies our ambitious business and sustainability goals. Most importantly, this report showcases the many accomplishments by our dedicated employees who demonstrate a daily commitment to our mission, strategy and desire to build a more sustainable future for our company and the communities in which we live and work.”

Mike Haws

President and
Chief Executive Officer
Sappi North America



Sappi North America certifications

MILL	FSC COC	PEFC COC	SFI COC	SFI CERTIFIED SOURCING	ISO 9001: 2015	ISO 14001: 2015	ISO 22000: 2018	ISO 45001: 2018
Cloquet	•	•	•	•	•	•		•
Matane	•	•						
Somerset	•	•	•	•	•	•	•	•
Westbrook	•	•	•		•	•		•
Allentown	•	•	•					

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For more information on our sustainable certifications, please visit:

www.fsc.org
www.pefc.org
www.forests.org



Sappi North America, Inc.

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