

Fighting Against Forced Labour in Supply Chains Act Report 2023

About This Report

This report constitutes Sappi North America's first report on forced labor and child labor in supply chains for the fiscal year ending on October 1, 2023, as required by Canada's new *Fighting Against Forced Labor and Child Labour in Supply Chains Act* (the "Act").

The Sappi group is committed to acting as responsible corporate citizens aligned with the United Nations Global Compact. This commitment includes specific compliance with all laws and regulations in the countries and jurisdictions where the Sappi group operates.

Our Business and Structure

Sappi North America, Inc., a Pennsylvania corporation, and its subsidiaries are domiciled in the United States of America and manufacture wood fiber products, including graphic papers, packaging, dissolving pulp, and specialties release papers. Sappi North America, Inc.'s chief executive offices are located at 255 State Street, Boston, Massachusetts 02109, and Sappi North America, Inc. has manufacturing facilities in Skowhegan, Maine, Westbrook, Maine, and Cloquet, Minnesota, as well as dedicated Technology Center, Shared Service Center and Sheeting facilities located in Maine and Pennsylvania. Sappi North America, Inc. also sells its products in Canada, and, together with its affiliate, Sappi Canada Enterprises Inc., a Quebec corporation with its registered office at 3000-1 Place Ville Marie, Montreal, Quebec H3B 4N8 and a manufacturing facility in Matane, Quebec, forms the North America division of the Sappi group. In this report, Sappi North America, Inc., its subsidiaries, and Sappi Canada Enterprises Inc. are sometimes referred to collectively as "Sappi North America." Sappi North America employs approximately 2,100 people in the United States and Canada.

Sappi North America, Inc. and Sappi Canada Enterprises Inc. are both indirect, wholly owned subsidiaries of Sappi Limited ("Sappi"), a South African corporation listed on the Johannesburg Stock Exchange with a registered office at 108 Oxford Road, Rosebank, Johannesburg 2196, South Africa. Sappi is a leading global provider of everyday materials made from woodfibre-based renewable resources.

Governance

Sappi North America primarily sources its raw materials from areas with low risk of forced and child labor, i.e., the United States and Canada, but may occasionally source raw materials from other geographic areas. Sappi North America requires all suppliers to contractually agree to comply with all applicable laws and to adhere to Sappi's *Supplier Code of Conduct* which includes provisions dealing with child and forced labor.

Sappi North America conducts internal assessments of risk of forced labor and/or child labor in its activities and supply chains, gathers information on worker recruitment, and maintains internal controls to ensure that all workers are recruited voluntarily. Sappi North America monitors suppliers, and, through the *Sappi Supplier Code of Conduct*, Sappi North America requires suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labor and/or child labor. Specifically, Sappi

North America requires that its suppliers: (1) refrain from using child labor by not employing persons younger than 15 years (except as provided for by ILO Convention No 138 on Minimum Age), unless local legislation stipulates a higher age limit; (2) protect workers under the age of 18 from any type of employment or work which by its nature or circumstances in which it is carried out is likely to harm their physical, mental or emotional development; and (3) prevent the use of forced, slave, bonded, indentured or involuntary prison labor.

Because the internal assessments described in this report for purposes of evaluating Sappi North America's risks have not identified any forced labor or child labor in its activities and supply chains, to date, Sappi North America has not taken any remediation measures.

Sappi North America provides periodic training to its employees with respect to compliance with applicable laws, including with respect to employment matters. Sappi North America promulgates and trains its employees on the Sappi *Code of Ethics*, including matters dealing with child and forced labor. Sappi North America also has whistle-blowing and non-retaliation policies and maintains a Sappi Ethics Hotline, which is available to employees and members of the community 24 hours a day, seven days a week on a confidential basis.

Sappi North America regularly reviews its policies and procedures related to forced labor and child labor in order to assess their effectiveness.

Sappi North America, Inc. is subject to California's *Transparency in Supply Chains Act*.

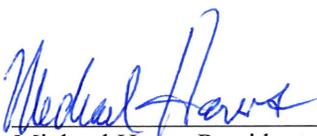
Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9, (the "Act"), and in particular section 11 thereof, this report was approved by the Board of Directors of Sappi North America, Inc. and the directors of Sappi Canada Enterprises Inc.

In accordance with the Act, I, the undersigned, attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

As duly elected and acting President and Chief Executive Officer of Sappi North America, Inc., as a member of its Board of Directors, and as a director and President of Sappi Canada Enterprises Inc., I have the authority to bind Sappi North America, Inc. and Sappi Canada Enterprises Inc.

Dated this 8th day of March, 2024.

By: 
Michael Haws, President, Chief
Executive Officer, and Director

