Remuneration Report continued

Section B: Key functions of the Human Resources and Compensation Committee

Human Resources and Compensation Committee

The purpose of the committee is to oversee remuneration matters for all controlled subsidiaries of Sappi Limited. Its key objectives are to:

- Make recommendations on remuneration policies and practices, including Sappi's employee share schemes
- Ensure effective executive succession planning
- Review compliance with all statutory and best practice requirements on labour and industrial relations management.

The committee consisted of five Independent Non-executive Directors

Mr LL von Zeuner – Chairman

Mr BR Beamish

Mr JM Lopez

Mr RJAM Renders

Dr B Mehlomakulu
(effective 01 September 2025)

Mr MA Fallon
(stepped down from 01 September 2025)

The Chairman of the company, Mr Nkululeko Sowazi, attends committee meetings *ex officio* while the Group CEO, Mr SR Binnie, together with Group Head Human Resources, Mr Fergus Marupen, attend meetings by invitation.

Mrs A Mahendranath, Company Secretary, attends the meeting as secretary to the committee.

The Human Resources and Compensation Committee met four times during the year and held one telephone conference.

Attendance at meetings by individual members is detailed on page 161.

None of the committee members has any significant personal financial interest, or conflict of interest, or any form of cross-directorship, or day-to-day involvement in the running of the business.

Executive Directors and managers are not present during committee discussions relating to their own compensation.

The Human Resources and Compensation Committee ensures that the policy governing compensation practices and structures within the group supports the group's strategy and performance goals. The policy also enables the attraction, retention and motivation of executives and employees.

Key decisions taken regarding directors' remuneration are summarised as follows:

Recommended and approved

- The allocation of 2025 performance share awards to Executive Directors and all other eligible participants
- Salary increases and bonus payments for Executive Directors and other key senior managers for 2025
- Fee levels for Non-executive Directors of the Sappi Limited board for consideration and recommendation to shareholders for approval
- The allocation model and the comparator peer group for the 2025 PSP
- Design of the 2025 Sappi Management Plan (Sappi Future Share)
- The CFRONA calculation
- The ordinary resolution for the implementation of the Sappi Management Plan (Sappi Future Share)
- Ordinary resolution to increase the minimum number of shares, which may be settled under the long-term incentive plan.

Reviewed

- The 2024 remuneration report, including the content of the company's compensation policy and practices, which was put to shareholders for a non-binding vote at the AGM in February 2025
- Development of the 2025 Remuneration Report for shareholder approval in February 2026
- The succession, retirement and development plans for key management positions
- The group's industrial relations policy and implementation
- The group's training and development policy and implementation
- The investor feedback on the 2024 Remuneration Report
- The status of all benefit funds
- The Sappi 2025 Employee Engagement Survey
- The Sappi variable pay plans
- The rules of the 2026 Management Incentive Scheme (MIS)
- The extension of the minimum shareholding requirement (MSR).

Section B continued: Key functions of the Human Resources and Compensation Committee continued

Independent advice

Management engaged the services of the following organisations to assist in compensation work during the year:

Consultancy	Engagement
Mercer	Recommendations in relation to the PSP with reference to: • Allocations and calculation of the TSR performance condition • Peer group additions.
KPMG	Verification and sign-off on the MIS measures, ie EBITDA and ROCE. Verification and auditing of the CFRONA performance condition of the PSPs.
PricewaterhouseCoopers Tax Services, South Africa	Tax advice to Non-executive Directors.

Areas of focus for 2026

Key activities for the committee in 2026 will be, *inter alia*, the approval of the remuneration and bonuses for Executive Directors and senior management. Review and approval of measures for both long- and short-term incentives.

Some other areas of focus will be:
- Gender representativity across all Sappi operations
- Implementation of the changes as recommended by the new Companies Act and King IV
- Succession in key positions across Sappi.

In addition to the annual work plan as approved by the committee, the Chairman of the committee and senior executives from Sappi will, if required, also visit key shareholders to discuss issues of mutual concern.