

Frequently Asked Questions

Triple Green Range of Products

Who is Sappi Fine Paper?

Sappi Fine Paper is the fine paper division of Sappi Limited and is responsible for the production, marketing and distribution of Sappi's fine paper products. It supplies 25% of all fine paper used in the western world and has a 15% global market share.

Who is Sappi Limited?

Sappi is the world's leading producer of coated fine paper used in the production of glossy magazines, calendars, annual reports and brochures. Whilst this business represents approximately two-thirds of Sappi's total sales, the company also has significant businesses in pulp, coated speciality paper, packaging grades and uncoated fine paper. Sappi Forest Products, the forests, pulp, packaging and newsprint business based in South Africa, is also the world's largest producer of chemical cellulose (dissolving pulp) used in the manufacture of viscose staple fibre and consumer and pharmaceutical products. Sappi is a global company with over 15,000 employees and production facilities in nine countries, on four continents and customers in over 100 countries. The group is headquartered in Johannesburg, South Africa. Sappi is listed on JSE Limited (SAP), the New York Stock Exchange (SPP) and the London Stock Exchange (SAZ).

What is Triple Green?

The term "Triple Green" refers to both the procurement and the manufacturing process at Sappi Stanger Mill in KwaZulu Natal and to the products produced by means of this unique process. The name derives from the fact the process is based on three environmental 'pillars', which make the paper produced at Sappi Stanger Mill one of the most environmentally-sound in the world.

What are the “three pillars” on which Triple Green is based?

These are the facts that:

- the primary source of pulp used in the production of paper products at Sappi Stanger Mill is sugar cane fibre, which is sourced from local suppliers
- the bleaching process is elemental chlorine-free
- the wood fibre used in the production process is obtained from sustainable and internationally-certified afforestation, using independently-audited chains of custody for incoming fibre (An electronic document will be made available to customers on request).

What is sugar cane fibre?

Sugar cane fibre is a by-product of sugar production, being the fibrous material remaining after raw sugar has been extracted from sugar cane. As such, it is not only an annually-renewable resource but, as a by-product of another production process, is also a recycled raw material.

Sappi Stanger Mill is one of only a few mills in the world that uses sugar cane as its primary source of fibre. On average, all products produced at the mill have a 60% sugar cane fibre content.

How is sugar cane fibre used in the manufacture of paper and paper products?

Together with wood fibre derived from sustainable and certified sources, sugar cane is used to create the pulp from which paper and paper products are made.

How many tons of sugar cane is required to produce one ton of Stanger Triple Green coated paper?

Approximately 17 tons.

What is the sustainability of the Sugar Cane Industry?

South African sugar production in 2005/06 is estimated at 2.7 million tons, manufactured from 21.5 million tons of cane. Domestic sugar sales are 1.6 million tons, with exports of approximately 1.3 million tons (Source: USDA Foreign Agricultural Service GAIN report (2005))

As sugar cane is an annually renewable resource, South Africa as a net exporter of sugar cane has a sustainable sugar cane industry in the short to medium term.

How is the wood fibre produced and procured?

Sappi tracks and verifies the sources of all incoming wood fibre to ensure that it has been produced in renewable tree plantations and has not been derived from ancient, rare, indigenous or rain forests.

All wood fibre used at Sappi Stanger Mill is certified by either the Forest Stewardship Council (FSC), the Programme for the Endorsement of Forest Certification (PEFC), the Sustainable Forestry Initiative (SFI) or Canadian Standards Association (CSA) International¹.

These are the world's foremost forestry certification programmes and are based on a comprehensive system of principles, objectives and performance measures that have been developed co-operatively by industry, environmental and social bodies. Their aim is to ensure that sustainable afforestation is practiced in synergy with the long-term preservation of the environment, the conservation of flora and fauna and the overall socio-economic welfare of the broader community.

How is incoming wood fibre certified?

In order to receive certification from any of these organisations, wood products must go through a rigorous "chain-of-custody" auditing process, confirming their origin.

Sappi is fundamentally committed to using only certified source fibre and to preserving indigenous forests and areas with a high conservation value. It does not use wood fibre from poorly-managed and/or non-certified plantations. An electronic copy of Stanger's pulp chain-of-custody document is available upon request.

What does 'chain of custody' mean?

A 'chain of custody' implies that the raw materials used to manufacture the final product can be traced back step by step to the source of the original raw materials. Certification of incoming raw material makes this possible.

¹ The FSC is an international network that promotes responsible management of the world's forests (see www.FSC.org).

PEFC promotes sustainable forest management through independent third party forest certification (see www.PEFC.org).

CSA International tests products in the USA, Canada and internationally for compliance with national and international environmental and legislative standards, and issues certification marks for qualifying products (see www.csa-international.org).

SFI is a sustainable forestry programme that ensures the protection of forests. The SFI programme was developed by the American Forest & Paper Association (AF&PA) in order to test and document compliance of its members and licensees with the highest levels of sustainable forestry practice see www.SFI.org.

What is “sustainable afforestation”?

The term “afforestation” refers to the planting of forests (also referred to as “tree plantations”), usually for commercial purposes. Wood fibre derived from these forests is used in the production of paper, tissue wadding and dissolving pulp.

The term “sustainable afforestation” refers to the fact that this form of forestry is renewable and sustainable, with more trees being planted than those being harvested. It also refers to forest practice that does not make use of trees from ancient, rare, indigenous or rain forests.

With South Africa being a water stressed country, do tree plantations not impact negatively on the environment?

Taken from the G:ENESIS Report (commissioned by the Department of Trade and Industry) – Part 1: The contribution, costs and development opportunities for the Forestry, Timber, Pulp and Paper industries in South Africa – Final report (29 June 2005):

“... The FTTP industries directly contribute R12bn to GDP [Gross Domestic Product] and provides 170 000 jobs.

“The components of the forestry value chain covered in this study contributed an estimated R12.2bn to GDP in 2003 and employed an estimated 170 000 permanent, contract and informal workers of which a large proportion is low-skilled and concentrated in rural areas with high unemployment. The contribution to GDP and employment amount to 1% of total RSA GDP and 1.4% of total formal employment, which is comparable with other large sectors. The textiles, clothing and leather goods sector contributed R10bn to GDP and employed 193 000 workers in 2003. Gold mining contributed R23bn and employed 191 000 people over the same period. The FTTP sector earned net foreign exchange of approximately R7bn [in] 2003.”

In addition, President Thabo Mbeki, in his State of the Nation Address delivered to Parliament on 3 February 2006 stated: “The Honourable Members and the country at large are aware that under the leadership of Deputy President Phumzile Mlambo-Ngcuka, the three spheres of government have been working together for some months to elaborate the specific interventions that will ensure that ASGISA, the Accelerated and Shared Growth Initiative in South Africa, succeeds in its purposes, which include the reduction of the unemployment levels.... ASGISA has also identified particular sectors of our economy for accelerated growth, building on the work already done within the context of our existing Micro-Economic Reform Programme. This includes: Business Process Outsourcing; Tourism; Chemicals; Bio-fuels; Metals and Metallurgy; *Wood, pulp and paper*; Agriculture; The creative industries; and Clothing and textiles.”

The wise allocation and use of water is essential for successful and sustainable development in South Africa. Timber plantations, because they are very visible, extensive and are located in the upper reaches of the wet catchments in South Africa have been under huge scrutiny from the perspective of water use. Overall, timber plantations in South Africa use about 3% of the total amount of water that is used in the country. Sappi does not plant its plantations in rivers or wetlands, that is, riparian zones. Tree plantations are simply a crop and from a biodiversity perspective, have the same characteristics as agriculture. To date, through the Water Act, timber plantations (in terms of legislation) have been given far more attention than any other agricultural activity in the country. In summary, the reality surrounding the forestry industry in South Africa is:

- as the only designated streamflow reduction activity, plantation forestry pays for the water it uses;
- forestry has implemented a number of processes to ensure trees have been removed from riparian zones and wetlands thereby decreasing the amount of water used;
- the quality of water emanating from afforested catchments is generally good (much better than most forms of agriculture)
- although difficult to calculate, the value added to the water forestry uses generally compares very favourably with most other forms of land use – especially because forestry economically utilises land that has very few other options for use;
- the impacts on grasslands and biodiversity are not as significant as many other forms of agriculture and when considering the plantation estate as a whole there are normally significant areas that are not planted that are well managed thereby conserving significant numbers of important species and habitats;
- timber plantations sequester significant amount of CO₂ every year thereby playing a small role in the amelioration of global climate change.

What is elemental chlorine-free bleaching?

The term “elemental chlorine-free” (ECF) refers to the fact that no chlorine is used in the bleaching processes at Sappi Stanger Mill.

What are the benefits of elemental chlorine-free bleaching?

ECF bleaching has the following benefits:

- the bleaching process is particularly benign to the environment and paper treated in this way is more easily recyclable

- the use of chlorine dioxide and hydrogen peroxide is internationally accepted as being environmentally friendly and complies with the stringent environmental regulations of USEPA (United States Environmental Protection Agency) and WHO (World Health Organisation)
- the use of the ECF process results in the strongest of paper fibres, ensuring that primary fibre sources are optimally utilised
- the ECF process also provides the highest yield of any bleaching process, also serving to ensure optimal use of raw materials

Why should fibre be bleached?

Natural fibres from wood and from sugar cane are brown in colour. White paper can only be produced from white fibres. Bleaching is the process that converts brown fibres into white fibres.

Are there any other benefits associated with Triple Green?

Triple Green significantly reduces the impact of papermaking on the environment and also ensures that sustainable forestry and procurement practices are maintained.

The cane fibre used at Sappi Stanger Mill is sourced from local suppliers, many of them previously-disadvantaged growers. This practice supports the development of entrepreneurial enterprise and contributes to the KwaZulu Natal region's socio-economic growth and stability.

Local buying also eliminates the need for long-distance road transport, reducing wear and tear on the country's roads, fuel consumption and the emission of greenhouse gases from haulage trucks. The resulting cost savings have a positive influence on pricing as well.

The use of cane fibre in papermaking consumes less energy than traditional methods, which is very important given increasing world-wide concerns about energy sustainability.

Which Sappi Fine Paper products are Triple Green?

Every product produced at Sappi Stanger Mill is manufactured according to the principles of Triple Green.

These products include the Avalon Supreme, Dukuza Plus, Crystal and Platinum Label coated fine paper ranges, as well as Stanger tissue wadding used in the production of

consumer products such as facial tissues, serviettes, industrial wipes, kitchen towel and toilet paper.

What is coated fine paper used for?

Coated fine paper is typically used in high-quality publications such as annual reports, catalogues, brochures, coffee table books, labels, leaflets and magazines.

What is tissue wadding?

Tissue wadding is tissue produced in various grades and grammages in reel form at Stanger mill. This is converted in a customer process to end user requirements, e.g. toilet rolls, hand wipe towel rolls, tissues, kitchen towel and serviettes.

Who will use Triple Green fine paper and tissue wadding?

Corporations and large companies, in particular, can now choose an environmentally-sound, locally-manufactured coated fine paper for their annual reports, brochures, information leaflets, catalogues, newsletters and similar printed communications. Sappi feels this will be especially important to the companies listed on the JSE's Social Responsibility Investment (SRI) Index, as well as to other companies pursuing or already implementing sustainable development principles.

Given the many environmental benefits of Triple Green, both the fine paper and tissue wadding produced at Sappi Stanger Mill are likely to be used by corporations, large companies, publishers, printers and consumers who support the use of recyclable, biodegradable and acid-free local paper that has been produced from certified and sustainable raw materials.

Triple Green is also targeted at designers and advertising agencies who may wish to specify environmentally-friendly paper for their clients.

Is there a price premium commanded for Triple Green?

No price premium is being attached to the Triple Green product range. However, depending upon prevailing exchange rates, we do apply pricing premiums over imports on all our products due to the purchasing convenience and after-sales service we provide as a local manufacturer.

How does Triple Green reflect Sappi's corporate strategy?

Sappi is committed to sustainability in all aspects of its business. It demonstrates this commitment by promoting sustainable procurement practices, environmentally-sound production processes, long-term socio-economic development, the preservation of the natural environment and the well-being of staff and the communities in which they live.

What else is Sappi doing to preserve the environment?

Through its Corporate Social Investment (CSI) and Corporate Environmental Investment (CEI) Programmes, Sappi supports many environmental initiatives. Those operating close to Sappi Stanger Mill include the Sappi / WWF TreeRoutes Partnership, the Ixopo Bee-Keeping Project, the Project Grow small timber growers scheme, the Sappi / Endangered Wildlife Trust Blue Swallow Working Group and the Sappi Stanger Mill Environmental Liaison Committee.

Does Sappi have a Charter on Sustainable Development?

Yes, Sappi's Charter on Sustainable Development was developed in line with globally recognised Sustainable Development trends. It is the company's guide to help make sustainability Sappi's 'way of life'. Sappi's stated approach to sustainability is to concentrate on the responsible execution of its core business activities. In keeping with 'Prosperity, People, Planet', the three key elements inherent in the concept of sustainable development, Sappi aims to create wealth while building human capability and striving for continuous improvement in the environmental field. A copy of this is available upon request. A copy of Sappi's Environmental Policy is also available upon request.

Does Sappi invest in communities as well as in the environment?

Sappi believes in promoting a balance between people and the environment. For this reason, it supports many educational and community projects as well. Group-supported educational projects in KwaZulu Natal include the KwaDukuza Resource Centre, several branches of PROTEC (Programme for Technological Careers), the NR Mandela Inanda Seminary and the Sappi Community Libraries Programme.

Sappi feels that investment in communities is as fundamental to long-term sustainability as good corporate governance and environmentally-sound production. The group's approach is to seek integrated solutions to the challenges facing its business, its staff, communities and the environment.

What is Sappi's response to global warming?

Sappi has a Charter on Sustainable Development and Environmental Policy that commits the company and its people to managing their activities and mitigating the impacts on the environment. Emissions and energy consumption which are two of the primary drivers of global warming are key focus areas that are targeted.

Sappi's European mills all fall within the National Allocation Plans of the European Emissions Trading Scheme and have CO₂ to meet in terms of the Kyoto Protocol.

Sappi has appointed a manager to head the Clean Development Mechanism (CDM) response to global warming in South Africa. A number of projects are being investigated, including some at the Stanger Mill. The first project to reach its targets is at Sappi's Tugela Mill, just north of Sappi Stanger and involves the replacement of fossil fuels with biomass.