



Glen Pearce
Chief Financial Officer

Sappi is a **global** diversified woodfibre company focused on providing dissolving wood pulp, packaging and speciality papers, graphic papers, as well as biomaterials and biochemicals to our direct and indirect customer base across more than **150 countries**.



Steve Binnie
Chief Executive Officer

FY2019 group sales US\$5,746 million



Our sales

19%
Dissolving wood pulp

22%
Packaging and speciality papers

58%
Graphic papers

1% Other sales

Through intentional evolution we will continue to grow **Sappi** into a profitable and cash generative diversified woodfibre group — focused on dissolving wood pulp, paper and products in adjacent fields.

Achieve cost advantages	Rationalise declining businesses	Maintain a healthy balance sheet	Accelerate growth in higher margin growth segments
Continuously improve cost position	Maximise production at low-cost mills	Maintain net debt/EBITDA ~2x	Grow DWP capacity, matching market demand
Continue to maximise global benefits	Continuously balance paper supply and demand in all regions	Continuously improve working capital	Continue to expand and grow packaging and speciality papers in all regions, targeting 25% of group EBITDA by 2020
Best-in-class production efficiencies	Continue to transition graphic papers capacity to higher margin and growing packaging and speciality papers	Continue to monitor bond market for opportunities	Commence commercialisation of biotech opportunities

Our values are underpinned by an unrelenting focus on and commitment to safety.

Dissolving wood pulp (DWP)

DWP is a highly purified form of cellulose extracted from sustainably grown trees using unique cellulose chemistry technology. Most DWP is used to make textiles. DWP can also be processed into products used in food and beverages, health and hygiene, wrapping and packaging, pharmaceuticals and many more applications. We can produce 1.4 million tons per annum. Verve, our DWP brand, is a significant participant with 16% market share.

Packaging and speciality papers

Paper is playing an increasingly important role in an increasingly environmentally conscious market that expects more biodegradable, recyclable and compostable packaging. We expect 3-6% global demand growth per annum in our packaging and speciality grades which include:

- Flexible packaging
- Label papers
- Functional papers (with barrier and sealing properties)
- Containerboard
- Paperboard
- Release liner
- Technical papers
- Casting and release papers
- Dye sublimation papers
- Digital imaging papers
- Tissue paper.

In FY19, our sales volumes increased 12% year-on-year.

Graphic papers

Although the digital age has impacted the use of paper, our graphic papers continue to meet the needs of consumers and marketers who rely on paper for the haptic and emotional experience no other communication medium can replicate to build brands. Demand for graphic papers has been in secular decline in mature markets for several years, while growing in developing economies. Global demand for graphic papers netted modest declines in 2019.

Biomaterials and biochemicals

We're further diversifying our business to derive additional value from wood, by extracting biorefinery products, including nanocellulose, lignosulphonate and biochemicals and producing energy from renewable resources.

Investors

Sappi has a primary listing on the JSE Limited and a Level 1 ADR programme that trades in the over-the-counter market in the United States. As at September 2019, market capitalisation was US\$1,300 million; 57.8% of our stock was held by fund managers and beneficial holders of more than 5% of our issued share capital. Our investors received US\$92 million in dividends.

Sappi Europe



- 10 Production facilities
- 14 Sales offices

Berry Wiersum
Chief Executive Officer



Sappi North America



- 4 Production facilities
- 6 Sales offices

Mike Haws
President and Chief Executive Officer



Sappi Southern Africa



- 5 Production facilities
- 6 Sales offices
- 529,000 ha Plantations

Alex Thiel
Chief Executive Officer



Sappi Trading

Products from all three regions are sold to customers in more than 150 countries.

Wayne Rau
Chief Executive Officer



Our alignment with the United Nations Sustainable Development Goals (SDGs)

We have identified seven global priority SDGs where we can make the biggest contribution.

We are active in one of the world's truly sustainable industries. Our sustainability philosophy, at the heart of everything we do, involves **Prosperity, People, and the Planet.**

Sappi Limited is a constituent of the FTSE4 Good Index Series.

We manufacture:



Our products are sold in more than **150** countries.

Globally, we **employ 12,821 people.**

US\$ **4.1m** invested in corporate social responsibility.*

Globally, **74.8%** of the fibre we use is **certified.** The balance is procured from known and controlled sources.*

Globally, **52.9%** of our energy use is derived from **renewable resources.**

Over five years, we have reduced our global energy intensity by **5%** to **22.84 GJ/adt.**

Globally, **95%** of our process water is **returned to the environment.**

135,000ha is set aside and maintained to conserve the natural habitat and biodiversity found there.