Glossary

General definitions

AF&PA – American Forest and Paper Association.

air dry tons (ADT) – Meaning dry solids content of 90% and moisture content of 10%.

biochemicals – Enzymes, hormones, pheromones etc, which either occur naturally or are manufactured to be identical to naturally occurring substances. Biochemicals have many environment-friendly applications, such as natural pesticides that work in non-lethal ways as repellents or by disrupting the mating patterns of the pests.

biofuels – Organic material such as wood, waste and alcohol fuels, as well as gaseous and liquid fuels produced from these feedstocks when they are burned to produce energy.

biomaterials – New developments in wood processing supports the move to a biobased economy that utilises materials that are renewable and biodegradable and that do not compete with food sources.

black liquor – The spent cooking liquor from the pulping process which arises when pulpwood is cooked in a digester thereby removing lignin, hemicellulose and other extractives from the wood to free the cellulose fibres. The resulting black liquor is an aqueous solution of lignin residues, hemicellulose, and the inorganic chemicals used in the pulping process. Black liquor contains slightly more than half of the energy content of the wood fed into the digester.

bleached pulp – Pulp that has been bleached by means of chemical additives to make it suitable for fine paper production.

casting and release paper – Embossed paper used to impart design in polyurethane or polyvinyl chloride plastic films for the production of synthetic leather and other textured surfaces.

CEPI – Confederation of European Paper Industries.

chemical oxygen demand (COD) – The amount of oxygen required to break down the organic compounds in effluent.

chemical pulp – A generic term for pulp made from woodfibre that has been produced in a chemical process.

CHP – Combined heat and power.

coated mechanical – Coated paper made from groundwood pulp which has been produced in a mechanical process, primarily used for magazines, catalogues and advertising material.

cast coated papers – Papers that contain a layer of coating material on one or both sides. The coating materials, consisting of pigments and binders, act as a filler to improve the printing surface of the paper.

coated woodfree – Coated paper made from chemical pulp which is made from woodfibre that has been produced in a chemical process, primarily used for high-end publications and advertising material.

corrugating medium – Paperboard made from chemical and semi-chemical pulp, or waste paper, that is to be converted to a corrugated board by passing it through corrugating cylinders. Corrugating medium between layers of linerboard form the board from which corrugated boxes are produced.

CSI and CSR – Corporate social investment and corporate social responsibility.

CSV – Corporate shared value involves developing profitable business strategies that deliver tangible social benefits.

dissolving pulp – Highly purified chemical pulp derived primarily from wood, but also from cotton linters intended primarily for conversion into chemical derivatives of cellulose and used mainly in the manufacture of viscose staple fibre, solvent spin fibre and filament.

dissolving wood pulp – Highly purified chemical pulp derived from wood intended primarily for conversion into chemical derivatives of cellulose and used mainly in the manufacture of viscose staple fibre, solvent spin fibre and filament.
energy – Is present in many forms such as solar, mechanical, thermal, electrical and chemical. Any source of energy can be tapped to perform work. In power plants, coal is burned and its chemical energy is converted into electrical energy. To generate steam, coal and other fossil fuels are burned, thus converting stored chemical energy into thermal energy.

fibre – Fibre is generally referred to as pulp in the paper industry. Wood is treated chemically or mechanically to separate the fibres during the pulping process.

fine paper – Paper usually produced from chemical pulp for printing and writing purposes and consisting of coated and uncoated paper.

fmcg – Fast-moving consumer goods. Examples include non-durable goods such as packaged foods, beverages, toiletries, over-the-counter medicines and many other consumables.

Forestry SA – Largest forestry organisation representing growers of timber in South Africa.

FSC® (Forest Stewardship Council®) – Is an independent, non-governmental, not for profit organisation established to promote the responsible management of the world’s forests. Over 190 million hectares of forest are FSC®-certified, in over 80 countries worldwide. https://ic.fsc.org/en

full-time equivalent employee – The number of total hours worked divided by the maximum number of compensable hours in a full-time schedule as defined by law.

greenhouse gases (GHG) – The GHGs included in the Kyoto Protocol are carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

ISO – Developed by the International Standardisation Organisation (ISO), ISO 9000 is a series of standards focused on quality management systems, while the ISO 14001 series is focused on environmental performance and management.

JSE Limited – The main securities exchange in South Africa.

kraft paper – Packaging paper (bleached or unbleached) made from kraft pulp.

kraft pulp – Chemical wood pulp produced by digesting wood by means of the sulphate pulping process.

Kyoto Protocol – A document signed by over 160 countries at Kyoto, Japan in December 1997 which commits signatories to reducing their emission of greenhouse gases relative to levels emitted in 1990.

lignosulphonate – Lignosulphonate is a highly soluble lignin derivative and a product of the sulphite pulping process.

linerboard – The grade of paperboard used for the exterior facings of corrugated board. Linerboard is combined with corrugating medium by converters to produce corrugated board used in boxes.

liquor – White liquor is the aqueous solution of sodium hydroxide and sodium sulphide used to extract lignin during kraft pulping. Black liquor is the resultant combination of lignin, water and chemicals.

Lost-Time Injury Frequency Rate (LTIFR) – Number of lost time injuries x 200,000 divided by man hours.

managed forest – Naturally occurring forests that are harvested commercially.

market pulp – Pulp produced for sale on the open market, as opposed to that produced for own consumption in an integrated mill.

mechanical pulp – Pulp produced by means of the mechanical grinding or refining of wood or woodchips.

nanocellulose – Cellulose is the main component of plant stems, leaves and roots. Traditionally, its main commercial use was in producing paper and textiles. Nanocellulose opens up opportunities for advanced, planet-friendly solutions in place of environmentally harmful products.

natural/indigenous forest – A forest of naturally regenerating native trees.

NBHK – Northern Bleached Hardwood Kraft pulp. One of the varieties of market pulp, produced from hardwood trees (ie birch or aspen) in Scandinavia, Canada and northern USA.
Glossary continued

NBSK – Northern Bleached Softwood Kraft pulp. One of the main varieties of market pulp, produced from coniferous trees (e.g. spruce, pine) in Scandinavia, Canada and northern USA. The price of NBSK is a benchmark widely used in the pulp and paper industry for comparative purposes.

newsprint – Paper produced for the printing of newspapers mainly from mechanical pulp and/or recycled waste paper.

NGO – Non-government organisation.

NPO – Non-profit organisation.

OHSAS – Is an international health and safety standard aimed at minimising occupational health and safety risks firstly, by conducting a variety of analyses and secondly, by setting standards.

OTC – Over-the-counter trading of shares.

packaging paper – Paper used for packaging purposes.

PAMSA – Paper Manufacturers’ Association of South Africa.

PEFC™ – The Programme for the Endorsement of Forest Certification (PEFC) is an international non-profit, non-governmental organisation dedicated to promoting Sustainable Forest Management (SFM) through independent third-party certification. PEFC™ is the world’s largest forest certification system with over 300 million hectares of forest area under PEFC™ standards. PEFC™ is represented in 49 countries through national organisations such as SFI in North America. https://www.pefc.org/

plantation – Large scale planted forests, intensively managed, highly productive and grown primarily for wood and fibre production.

PM – Paper machine.

power – The rate at which energy is used or produced.


release paper – Based paper used in the production of making release liners, the backing paper for self-adhesive labels.

sackkraft – Kraft paper used to produce multi-wall paper sacks.

Scope 1 and 2 GHG emissions – The Greenhouse Gas Protocol defines Scope 1 (direct) and Scope 2 (indirect) emissions as follows:

• Direct GHG emissions are emissions from sources that are owned or controlled by the reporting entity, and
• Indirect GHG emissions are emissions from purchased electricity, steam, heat or cooling.

SFI® (Sustainable Forestry Initiative) – Is a solutions-oriented sustainability organisation that collaborates on forest-based conservation and community initiatives. The SFI® forest management standard is the largest forestry certification standard within the PEFC programme with over a hundred million hectares under management. http://www.sfiprogram.org/

silviculture costs – Growing and tending costs of trees in forestry operations.

solid waste – Dry organic and inorganic waste materials.

specialised cellulose – The business within Sappi which oversees the production and marketing of dissolving wood pulp (DWP).

specialities – A generic term for a group of papers intended for commercial and industrial use such as flexible packaging, metallised base paper, coated bag paper, etc.

specific – When data is expressed in specific form, this means that the actual quantity consumed during the year indicated, whether energy, water, emissions or solid waste, is expressed in terms of a production parameter. For Sappi, as with other pulp and paper companies, this parameter is air dry tons of saleable product.

specific purchased energy – The term “specific” indicates that the actual quantity during the year indicated, is expressed in terms of a production parameter. For Sappi, as with other pulp and paper companies, the parameter is air dry tons of product.
Sustainable Forestry Initiative (SFI®) – The SFI® programme is a comprehensive system of objectives and performance measures which integrate the sustained growing and harvesting of trees and the protection of plants and animals.

thermo-mechanical pulp – Pulp produced by processing woodfibres using heat and mechanical grinding or refining wood or woodchips.

ton – Term used in this report to denote a metric ton of 1,000kg.

total suspended solids (TSS) – Refers to matter suspended or dissolved in effluent.

uncoated woodfree paper – Printing and writing paper made from bleached chemical pulp used for general printing, photocopying and stationery, etc. Referred to as uncoated as it does not contain a layer of pigment to give it a coated surface.

viscose staple fibre (VSF) – A natural fibre made from purified cellulose, primarily from dissolving wood pulp (DWP) that can be twisted to form yarn.

woodfree paper – Paper made from chemical pulp.

World Wildlife Fund (WWF) – The world’s largest conservation organisation, focused on supporting biological diversity.

General financial definitions

acquisition date – The date on which control in respect of subsidiaries, joint control in respect of joint arrangements and significant influence in associates commences.

associate – An entity over which the investor has significant influence.

basic earnings per share – Net profit for the year divided by the weighted average number of shares in issue during the year.

commissioning date – The date that an item of property, plant and equipment, whether acquired or constructed, is brought into use.

compound annual growth rate – Is the mean annual growth rate of an investment over a specified period of time longer than one year.

control – An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

diluted earnings per share – Is calculated by assuming conversion or exercise of all potentially dilutive shares, share options and share awards unless these are anti-dilutive.

discount rate – This is the pre-tax interest rate that reflects the current market assessment of the time value of money for the purposes of determining discounted cash flows. In determining the cash flows the risks specific to the asset or liability are taken into account in determining those cash flows and are not included in determining the discount rate.

disposal date – The date on which control in respect of subsidiaries, joint arrangements and significant influence in associates ceases.

fair value – The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

financial results – Comprise the financial position (assets, liabilities and equity), results of operations (revenue and expenses) and cash flows of an entity and of the group.

foreign operation – An entity whose activities are based or conducted in a country or currency other than that of the reporting entity.

functional currency – The currency of the primary economic environment in which the entity operates.

group – The group comprises Sappi Limited, its subsidiaries and its interest in joint ventures and associates.
**joint arrangement** – Is an arrangement of which two or more parties have joint control.

**joint venture** – Is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

**operation** – A component of the group:
- That represents a separate major line of business or geographical area of operation, or
- Is distinguished separately for financial and operating purposes.

**operating profit** – A profit from business operations before deduction of net finance costs and taxes.

**presentation currency** – The currency in which the financial results of an entity are presented.

**qualifying asset** – An asset that necessarily takes a substantial period (normally in excess of six months) to get ready for its intended use.

**recoverable amount** – The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In determining the value in use, expected future cash flows are discounted to their net present values using the discount rate.

**related party** – Parties are considered to be related if one party directly or indirectly has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or is a member of the key management of Sappi Limited.

**segment assets** – Total assets (excluding deferred taxation and cash) less current liabilities (excluding interest-bearing borrowings and overdraft).

**share-based payment** – A transaction in which Sappi Limited issues shares or share options to group employees as compensation for services rendered.

**significant influence** – Is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control of those policies.

**Non-GAAP financial definitions**
The group believes that it is useful to report certain non-GAAP measures for the following reasons:
- These measures are used by the group for internal performance analysis
- The presentation by the group’s reported business segments of these measures facilitates comparability with other companies in our industry, although the group’s measures may not be comparable with similarly titled profit measurements reported by other companies, and
- It is useful in connection with discussion with the investment analyst community and debt rating agencies. These non-GAAP measures should not be considered in isolation or construed as a substitute for GAAP measures in accordance with IFRS.

**asset turnover (times)** – Sales divided by total assets.

**average** – Averages are calculated as the sum of the opening and closing balances for the relevant period divided by two.

**Black Economic Empowerment (BEE) charge** – Represents the IFRS 2 non-cash charge associated with the BEE transaction implemented in 2010 in terms of BEE legislation in South Africa.

**capital employed** – Shareholders’ equity plus net debt.

**cash interest cover** – Cash generated by operations divided by finance costs less finance revenue.

**current asset ratio** – Current assets divided by current liabilities.

**dividend yield** – Dividends per share, which were declared after year-end, in US cents divided by the financial year-end closing prices on the JSE Limited converted to US cents using the closing financial year-end exchange rate.
**earnings yield** – Earnings per share divided by the financial year-end closing prices on the JSE Limited converted to US cents using the closing financial year-end exchange rate.

**EBITDA excluding special items** – Earnings before interest (net finance costs), taxation, depreciation, amortisation and special items.

**EPS excluding special items** – Earnings per share excluding special items and certain once-off finance and tax items.

**fellings** – The amount charged against the income statement representing the standing value of the plantations harvested.

**headline earnings** – As defined in Circular 2/2015, reissued by the South African Institute of Chartered Accountants in October 2015, which separates from earnings all separately identifiable remeasurements. It is not necessarily a measure of sustainable earnings. It is a Listings Requirement of the JSE Limited to disclose headline earnings per share.

**inventory turnover (times)** – Cost of sales divided by inventory on hand at balance sheet date.

**net assets** – Total assets less total liabilities.

**net asset value per share** – Net assets divided by the number of shares in issue at balance sheet date.

**net debt** – Current and non-current interest-bearing borrowings, and bank overdraft (net of cash, cash equivalents and short-term deposits).

**net debt to total capitalisation** – Net debt divided by capital employed.

**net operating assets** – Total assets (excluding deferred taxation and cash and cash equivalents) less current liabilities (excluding interest-bearing borrowings and overdraft).

**ordinary dividend cover** – Profit for the period divided by the ordinary dividend declared, multiplied by the actual number of shares in issue at year-end.

**ordinary shareholders’ interest per share** – Shareholders’ equity divided by the actual number of shares in issue at year-end.

**price/earnings ratio** – The financial year-end closing prices on the JSE Limited converted to US cents using the closing financial year-end exchange rate divided by earnings per share.

**ROCE** – Return on average capital employed. Operating profit excluding special items divided by average capital employed.

**ROE** – Return on average equity. Profit for the period divided by average shareholders’ equity.

**RONOA** – Return on average net operating assets. Operating profit excluding special items divided by average net operating assets.

**SG&A** – Selling, general and administrative expenses.

**special items** – Special items cover those items which management believe are material by nature or amount to the operating results and require separate disclosure. Such items would generally include profit or loss on disposal of property, investments and businesses, asset impairments, restructuring charges, non-recurring integration costs related to acquisitions, financial impacts of natural disasters, non-cash gains or losses on the price fair value adjustment of plantations and alternative fuel tax credits receivable in cash.

**total market capitalisation** – Ordinary number of shares in issue (excluding treasury shares held by the group) multiplied by the financial year-end closing prices on the JSE Limited converted to US cents using the closing financial year-end exchange rate.

**trade receivables days outstanding (including securitised balances)** – Gross trade receivables, including receivables securitised, divided by sales multiplied by the number of days in the year.
Notice of Annual General Meeting
This document is important and requires your immediate attention
If you are in any doubt as to what action you should take, please consult your stockbroker, banker, attorney, accountant or other professional advisor immediately.

Sappi Limited
(Registration number: 1936/008963/06)
(Sappi or the Company)
The eighty-first Annual General Meeting (AGM) of Sappi will be held at Sappi's registered office, in the Oxford Room, Ground Floor, 108 Oxford Road, Rosebank, Johannesburg (entrance in 9th Street) on Wednesday, 07 February 2018 at 14:00. The following business will be transacted and, if deemed fit, the following resolutions will be passed with or without modification.
The record date on which shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for the purposes of determining which shareholders are entitled to attend and vote at the AGM is Friday, 02 February 2018.

1. **Ordinary resolution number 1: Presentation of annual financial statements**
   Ordinary resolution number 1 is proposed to present the annual financial statements of the Company for the year ended September 2017, including the directors' report, the report of the auditors and the report of the Audit Committee.
   The complete Group Annual Financial Statements for the year ended September 2017 are available on the Sappi website: www.sappi.com.
   “Resolved that the Group Annual Financial Statements for the year ended September 2017 of the Company, including the directors' report, the report of the auditors and the report of the Audit Committee, be and are hereby received and accepted.”
   In order for this resolution to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

2. **Ordinary resolution number 2: Approval and confirmation of appointment of directors appointed subsequent to the last AGM and subsequent to the financial year-end**
   “Resolved that the appointment of Dr B Mehlomakulu with effect from 01 March 2017 is approved and confirmed as required in terms of Sappi’s Memorandum of Incorporation.”
   The board recommends and supports the approval and confirmation of her appointment. For Dr Mehlomakulu’s brief biographical details, refer to note 1 under ‘notes’ on page 128.
   In order for this resolution to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution, is required.

3. **Ordinary resolutions numbers 3.1 to 3.3: Re-election of the directors retiring by rotation in terms of Sappi’s Memorandum of Incorporation**
The board has evaluated the performances of each of the directors who are retiring by rotation, and recommends and supports the re-election of each of them.
   For brief biographical details of those directors, refer to note 2 under ‘notes’ on pages 128 and 129.
   It is intended that all the directors who retire by rotation will, if possible, attend the AGM, either in person or by means of video-conferencing.
   In order for these resolutions to be adopted, in each case the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required:
   **Ordinary resolution number 3.1**
   “Resolved that Sir Nigel Rudd is re-elected as a director of Sappi.”
   **Ordinary resolution number 3.2**
   “Resolved that Mr NP Mageza is re-elected as a director of Sappi.”
   **Ordinary resolution number 3.3**
   “Resolved that Mr MV Moosa is re-elected as a director of Sappi.”

4. **Ordinary resolution number 4: Election of Audit Committee members**
   Ordinary resolution number 4 is proposed to elect the members of the Audit Committee in terms of section 94(2) of the South African Companies Act 71 of 2008 (as amended) (the Companies Act) and the King IV Report on Corporate Governance for South Africa 2016 (King IV).
   Section 94 of the Companies Act requires that, at each AGM, shareholders of the Company must elect an Audit Committee comprising at least three members.
The Nomination and Governance Committee conducted an assessment of the performance and independence of each of the directors proposed to be members of the Audit Committee and the board considered and accepted the findings of the Nomination and Governance Committee. The board is satisfied that the proposed members meet the requirements of section 94(4) of the Companies Act, that they are independent according to King IV and that they possess the required qualifications and experience as prescribed in regulation 42 of the Companies Regulations, 2011, which requires that at least one-third of the members of a company’s Audit Committee at any particular time must have academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

In order for these resolutions to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

6. Ordinary resolutions numbers 6.1 and 6.2: The provision of Sappi Limited shares as required by the Sappi Limited Share Incentive Trust and the Sappi Limited Performance Share Incentive Trust

The passing of resolutions 6.1 and 6.2 will enable the directors to continue to meet the share requirements of the Sappi Limited Share Incentive Trust and the Sappi Limited Performance Share Incentive Trust (collectively the Schemes), both of which Schemes were approved by shareholders, are already in place and are subject to the Listings Requirements of the JSE Limited (JSE).

Ordinary resolution number 6.1

“Resolved as an ordinary resolution that all the ordinary shares required for the purpose of carrying out the terms of the Sappi Limited Performance Share Incentive Trust (“the Plan”), other than those which have specifically been appropriated for the Plan in terms of ordinary resolutions duly passed at previous general meetings of Sappi, be and are hereby specifically placed under the control of the directors who be and are hereby authorised to issue those shares in terms of the Plan.”

Ordinary resolution number 6.2

“Resolved as an ordinary resolution that any subsidiary of Sappi Limited be and is hereby authorised in terms of the Listings Requirements of the JSE to sell at the price at which the participant is allowed to acquire the Company’s shares and to transfer to the Sappi Limited Share Incentive Trust and/or the Sappi Limited Performance Share Incentive Trust (collectively “the Schemes”) those numbers of Sappi’s shares to be acquired by that subsidiary from time to time (but not...
Notice to shareholders continued

exceeding the maximum number of Sappi’s shares available to the Schemes) as may be required by the Schemes when a participant to whom Sappi’s shares will be allocated has been identified."

In order for these resolutions to be adopted, in each case the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

7. **Ordinary resolution number 7: Remuneration policy**

"Resolved as an ordinary resolution, that the Company’s Remuneration policy as contained in Section B of the Remuneration Report on pages 78 to 84 of the Annual Integrated Report, be and is hereby endorsed by way of a non binding advisory vote."

This non-binding advisory vote is being proposed in accordance with the recommendations of King IV.

In order for this resolution to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

8. **Ordinary resolution number 8: Implementation report**

"Resolved as an ordinary resolution, that the Company’s Implementation report as contained in Section C of the Remuneration Report on pages 84 to 88 of the Annual Integrated Report, be and is hereby endorsed by way of a non-binding advisory vote."

This further non-binding advisory vote is being proposed in accordance with the recommendations of King IV.

In order for this resolution to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

9. **Special resolution number 1: Non-executive directors’ fees**

"Resolved that, with effect from 01 October 2017 and until otherwise determined by Sappi in general meeting, the remuneration of the non-executive directors for their services shall be increased as follows:

<table>
<thead>
<tr>
<th>Position</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Sappi board fees</strong>&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chairperson</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If South African resident</td>
<td>ZAR2,689,110*</td>
<td>ZAR2,823,570*</td>
</tr>
<tr>
<td>If United Kingdom resident</td>
<td>£302,980*</td>
<td>£307,520*</td>
</tr>
<tr>
<td>If United States resident</td>
<td>US$453,330*</td>
<td>US$461,940*</td>
</tr>
<tr>
<td>If European resident</td>
<td>€407,440*</td>
<td>€413,550*</td>
</tr>
<tr>
<td>Lead independent director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If South African resident</td>
<td>ZAR587,080</td>
<td>ZAR616,430</td>
</tr>
<tr>
<td>If United Kingdom resident</td>
<td>£66,360</td>
<td>£67,350</td>
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<tr>
<td>If United States resident</td>
<td>US$99,240</td>
<td>US$101,120</td>
</tr>
<tr>
<td>If European resident</td>
<td>€89,240</td>
<td>€90,580</td>
</tr>
<tr>
<td>Other directors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If South African resident</td>
<td>ZAR392,360</td>
<td>ZAR411,980</td>
</tr>
<tr>
<td>If United Kingdom resident</td>
<td>£44,200</td>
<td>£44,860</td>
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<tr>
<td>If United States resident</td>
<td>US$66,140</td>
<td>US$67,400</td>
</tr>
<tr>
<td>If European resident</td>
<td>€59,450</td>
<td>€60,340</td>
</tr>
</tbody>
</table>

* Inclusive of all board committee fees.
<sup>(1)</sup> Fees per annum unless indicated otherwise.
### 2. Audit Committee fees\(^{(1)}\)

#### Board committee

**Chairperson**
- If South African resident: ZAR407,420 to ZAR427,790
- If United Kingdom resident: £44,880 to £45,550
- If United States resident: US$68,520 to US$69,820
- If European resident: €60,360 to €61,270

**Other members**
- If South African resident: ZAR203,710 to ZAR213,900
- If United Kingdom resident: £22,570 to £22,910
- If United States resident: US$33,420 to US$34,100
- If European resident: €30,350 to €30,800

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\(^{(1)}\) Fees per annum unless indicated otherwise.

### 3. Human Resources and Compensation Committee, Nomination and Governance Committee, Social, Ethics, Sustainability and Transformation Committee and any other committees\(^{(1)}\)

**Chairperson**
- If South African resident: ZAR244,950 to ZAR257,200
- If United Kingdom resident: £26,660 to £27,060
- If United States resident: US$39,150 to US$39,890
- If European resident: €35,850 to €36,390

**Other members**
- If South African resident: ZAR127,480 to ZAR133,850
- If United Kingdom resident: £18,690 to £18,970
- If United States resident: US$23,920 to US$24,370
- If European resident: €25,130 to €25,510

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\(^{(1)}\) Fees per annum unless indicated otherwise.

### 4. Additional meeting fees for board meetings in excess of five meetings per annum whether attended in person or by teleconference/video-conference

- If South African resident: ZAR39,330 per meeting to ZAR41,300 per meeting
- If United Kingdom resident: £4,380 per meeting to £4,450 per meeting
- If United States resident: US$6,610 per meeting to US$6,740 per meeting
- If European resident: €5,890 per meeting to €5,980 per meeting
5. Travel compensation

For more than 10 flight hours return

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$3,500</td>
<td>US$3,600</td>
</tr>
<tr>
<td>per meeting</td>
<td>per meeting</td>
</tr>
</tbody>
</table>

If South African resident

If United Kingdom resident

If United States resident

If European resident

Sappi’s practice, as recorded previously, is to review directors’ fees annually. Special resolution number 1 increases the remuneration currently paid to non-executive directors and board committee members by between approximately 1.5% and 5% per annum depending generally on the domicile of the directors and the currency in which they are paid, with effect from 01 October 2017. The fees were last increased with effect from 01 October 2016 and have been reviewed to ensure that Sappi’s fees remain generally comparable with those of its peer companies in the various countries in which its directors are domiciled.

The review also takes into account that the responsibility of non-executive directors continues to increase substantially flowing from legislative, regulatory and corporate governance developments and requirements in South Africa and elsewhere.

Non-executive directors’ fees are paid quarterly (in March, June, September and December each year) and the proposed increase, if approved, will be applicable to payments to be made in December 2017 onwards. Initially the December 2017 payment will be made on the basis of the existing fee structure, and following shareholder approval of the proposed increases, the shortfall in the December 2017 payment will be made up in the March 2018 payment.

The practice has been and will continue to be that directors’ fees and board committee fees are paid to non-executive directors only.

10. Special resolution number 2: Loans or other financial assistance to related or inter-related companies

The Companies Act provides, among other things, that, except to the extent that the Memorandum of Incorporation of a company provides otherwise, the board may authorise the Company to provide direct or indirect financial assistance (which includes lending money, guaranteeing a loan or other obligation and securing any debt or obligation) to a related or inter-related company or corporation, provided that such authorisation shall be made pursuant to a special resolution of the shareholders adopted within the previous two years, which approved such assistance either for the specific recipient or generally for a category of potential recipients and the specific recipient falls within that category.

“Resolved that the directors of the Company be and are hereby authorised, in accordance with the Companies Act, to authorise the Company to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the Company.”

In order for this resolution to be adopted, the support of at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

11. Ordinary resolution number 9: Signature of documents

“Resolved that any director of Sappi is authorised to sign all such documents and do all such things as may be necessary for or incidental to the implementation of the resolutions passed at the AGM held on 07 February 2018 or any adjournment thereof.”
In order for this resolution to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

12. To receive a report from the Social, Ethics, Transformation and Sustainability Committee
Shareholders are referred to the Social, Ethics, Transformation and Sustainability Committee Report on page 89.

Proxies
Shareholders are entitled to appoint one or more proxies to attend, speak and on a poll to vote in their stead. A proxy need not be a shareholder. For the convenience of shareholders, a form of proxy is enclosed.

The attached form of proxy is only to be completed by shareholders who hold Sappi shares in certificated form or have dematerialised their shares (i.e. have replaced the paper share certificates with electronic records of ownership under JSE’s electronic settlement system (“Strate Limited”) and are recorded in the sub-register in “own name” dematerialised form (i.e. shareholders who have specifically instructed their Central Securities Depositary Participant (“CSDP”) or broker to hold their shares in their “own name” on Sappi’s sub-register). Shareholders who have dematerialised their shares and who are not registered as ‘own name’ dematerialised shareholders and who wish to:
• attend the AGM must instruct their CSDP or brokers to provide them with a letter of representation to enable them to attend such meeting; or
• vote, but not to attend the AGM, must provide their CSDPs or brokers with their voting instructions in terms of the relevant custody agreement between them and their CSDPs or brokers.

Such a shareholder must not complete the attached form of proxy.

When authorised to do so, CSDPs or brokers recorded in Sappi’s sub-register or their nominees should vote either by appointing a duly authorised representative to attend and vote at the AGM to be held on 07 February 2018 or any adjournment thereof or by completing the attached form of proxy and returning it to one of the addresses indicated on the form of proxy in accordance with the instructions thereon.

Electronic participation by shareholders
Should any shareholder (or any proxy for a shareholder) wish to participate in the AGM by way of electronic participation, that shareholder should make application in writing (including details as to how the shareholder or the shareholder’s representative or proxy, can be contacted) to so participate to the transfer secretaries, at their address as reflected on page 130, to be received by the transfer secretaries at least five business days prior to the AGM in order for the transfer secretaries to arrange for the shareholder (or the shareholder’s representative or proxy) to provide reasonably satisfactory identification to the transfer secretaries for the purposes of section 63(1) of the Companies Act and for the transfer secretaries to provide the shareholder (or the shareholder’s representative or proxy) with details as to how to access any electronic participation to be provided. The Company reserves the right to elect not to provide for electronic participation at the AGM in the event that it determines that it is not practical to do so. The costs of accessing any means of electronic participation provided by the Company will be borne by the Company.

It should be noted, however, that voting will not be possible via the electronic facilities and for shareholders wishing to vote, their shares will need to be represented at the meeting either in person, by proxy or by letter of representation, as provided for in the notice of meeting.

Questions
The board encourages shareholders to attend and to ask questions at the AGM. In order to facilitate the answering of questions at the meeting, shareholders who wish to ask questions in advance are encouraged to submit their questions in writing to the Group Company Secretary by 17:00 on Friday, 02 February 2018 at:
108 Oxford Road
(Entrance in 9th Street)
Rosebank
Johannesburg
2198
or
PO Box 31560
Braamfontein
2017
or
By email to Amanda.Tregoning@sappi.com
Sappi Southern Africa Limited
Secretaries: per AJ Tregoning
108 Oxford Road
Rosebank, Johannesburg 2198
07 December 2017
Notice to shareholders continued

Notes

1. Approval and confirmation of appointment of directors appointed since the last AGM and subsequent to the year-end

Dr Bonakele Mehlomakulu (Boni) (45)
(Independent)

Qualifications: PhD (Chemical Engineering), MSc (Organic Chemistry)

Nationality: South African

Appointed: March 2017

Sappi board committee memberships:
• Social, Ethics, Transformation and Sustainability Committee

Other board and organisation memberships:
• Hulamin Limited
• Unisa Council
• Yokogawa South Africa

Skills, expertise and experience:
Dr Boni Mehlomakulu is the Chief Executive Officer of the South African Bureau of Standards (SABS). Under her leadership the institution has undergone a significant transformation, gearing itself towards service relevance within the 21st century. As a pioneer for continuous learning, she holds a BSc (Hons) (Chemistry and Applied Chemistry), MSc (Organic Chemistry) and a PhD (Chemical Engineering) from the University of Cape Town.

Dr Mehlomakulu’s career started at Sasol before joining the Department of Science and Technology in various management roles. In addition to her non-executive directorship at Sappi Limited, her external industry portfolios include being the deputy chair of Unisa Council, non-executive director of Hulamin Limited and Yokogawa South Africa, as well as a council member of the International Standards Organisation (ISO, Geneva). Past boards and directorships include PBMR Proprietary Limited, Nuclear Energy Corporation of South Africa (NECSA), Eskom Holdings SOC Limited and the Technology Innovation Agency (TIA).

2. Directors retiring by rotation who are seeking re-election

Sir Nigel Rudd (70)
(Independent Chairman)

Qualifications: DL, Chartered Accountant

Nationality: British

Appointed: April 2006

Sappi board committee memberships:
• Nomination and Governance Committee (Chairman)
• Attends Audit Committee, Human Resources and Compensation Committee and Social, Ethics, Transformation and Sustainability Committee meetings ex officio

Other board and organisation memberships:
BBA Aviation plc (Chairman)
Business Growth Fund (Chairman)
Meggitt plc (Chairman)

Skills, expertise and experience:
Sir Nigel Rudd has held various senior management and board positions in a career spanning more than 35 years. He founded Williams plc in 1982 and the company went on to become one of the largest industrial holding companies in the United Kingdom. He was knighted by the queen for services to the manufacturing industry in the UK in 1996 and holds honorary doctorates from Loughborough and Derby Universities. In 1995 he was awarded the Founding Societies Centenary Award by the Institute of Chartered Accountants. He is a Deputy Lieutenant of Derbyshire and a Freeman of the City of London.
Nkateko Peter Mageza (Peter) (63)
(Independent)

Qualifications: FCCA (UK)

Nationality: South African

Appointed: January 2010

Sappi board committee memberships:
- Audit Committee
- Human Resources and Compensation Committee

Other board and organisation memberships:
- Anglo American Platinum Limited
- Ethos Private Equity Proprietary Limited
- RCL Foods Limited (formerly Rainbow Chickens Limited)
- Remgro Limited
- MTN Group Limited

Skills, expertise and experience:
Mr Mageza joined the Sappi board after having held senior executive positions across a wide range of industries. He is a former group Chief Operating Officer and Executive Director of Absa Group Limited, Assistant General Manager at Nedcor Limited and Chief Executive Officer of Autonet, the Road Passenger and Freight Logistics division of Transnet Limited.

Mohammed Valli Moosa (Valli) (60)
(Non-independent)

Qualifications: BSc (Mathematics)

Nationality: South African

Appointed: August 2010

Sappi board committee memberships:
- Social, Ethics, Transformation and Sustainability Committee (Chairman)

Other board and organisation memberships:
- Anglo Platinum Limited (Chairman)
- Imperial Holdings Limited
- Sanlam Limited
- Sun International Limited (Chairman)
- WWF–SA (Chairman)

Skills, expertise and experience:
Mr Moosa has held numerous leadership positions across business, government, politics and civil society in South Africa. He was South African Minister of Constitutional Development, the President of the International Union for the Conservation of Nature, and Chairman of the UN Commission for Sustainable Development, and he served as a member of the National Executive Committee of the African National Congress until 2009.
Shareholders’ diary

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual General Meeting</td>
<td>07 February 2018</td>
</tr>
<tr>
<td>First quarter results released</td>
<td>February 2018</td>
</tr>
<tr>
<td>Second quarter and half-year results released</td>
<td>May 2018</td>
</tr>
<tr>
<td>Third quarter results released</td>
<td>August 2018</td>
</tr>
<tr>
<td>Financial year-end</td>
<td>September 2018</td>
</tr>
<tr>
<td>Preliminary fourth quarter and year results</td>
<td>November 2018</td>
</tr>
<tr>
<td>Annual Integrated Report posted to shareholders and posted on website</td>
<td>December 2018</td>
</tr>
</tbody>
</table>

Administration

Sappi Limited
Registration number 1936/008963/06
JSE code: SAP
ISIN code: ZAE 000006284

Group Company Secretary and Corporate Counsel
Amanda Tregoning

Secretaries
Sappi Southern Africa Limited
108 Oxford Road
Rosebank
Johannesburg 2198
South Africa
PO Box 31560
Braamfontein 2018
South Africa
Tel +27 (0)11 407 8174
Email Amanda.Tregoning@sappi.com
www.sappi.com

Transfer secretaries
South Africa
Computershare Investor Services Proprietary Limited
15 Biermann Avenue
Rosebank 2196
PO Box 61051
Marshalstown 2107
Fax +27 (0)11 688 5238
Email proxy@computershare.co.za
Tel +27 (0)11 370 5000
www.computershare.com

Corporate affairs
André Oberholzer – Group Head Corporate Affairs
Tel +27 (0)11 407 8044
Email Andre.Oberholzer@sappi.com

Investor relations
Graeme Wild – Group Head Investor Relations and Sustainability
Tel +27 (0)11 407 8391
Email Graeme.Wild@sappi.com

JSE Sponsor
UBS South Africa Proprietary Limited
64 Wierda Road East
Sandton, 2196
South Africa
Tel +27 (0)11 322 7617
Email Jacques.Botha@ubs.com

United States ADR Depositary
BNY Mellon Share Owner Services
PO Box 30170
College Station, TX 77842-3170
USA
Email shrrelations@cpushareownerservices.com
Tel (US only) 1 888 BNY ADRS
Tel (Outside the US) +1 201 680 6825
www.mybnymdr.com
Proxy form for the Annual General Meeting

**Sappi Limited**  
(Registration number: 1936/008963/06)  
(Incorporated in the Republic of South Africa)  
(“Sappi” or “the Company”)

Issuer code: SAP  
JSE code: SAP  
ISIN code: ZAE000006284

For use by shareholders who:
- hold shares in certificated form; or
- hold dematerialised shares (ie where the paper share certificates representing the shares have been replaced with electronic records of ownership under the electronic settlement and depositary system (Strate Limited of the JSE Limited) and are recorded in Sappi’s sub-register with “own name” registration) (ie shareholders who have specifically instructed their Central Securities Depository Participant (CSDP) to record the holding of their shares in their own name in Sappi’s sub-register.

If you are unable to attend the eighty-first Annual General Meeting of the members to be held at 14:00 on Wednesday, 07 February 2018 at Sappi in the Oxford Room, Ground Floor, 108 Oxford Road, Rosebank, Johannesburg, 2196, Republic of South Africa, you should complete and return the form of proxy as soon as possible, but in any event to be received by not later than 14:00 South African time on Monday, 05 February 2018, to Sappi’s transfer secretaries, Computershare Investor Services Proprietary Limited, by way of hand delivery to Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa or by way of postal delivery to PO Box 61051, Marshalltown, 2107, Republic of South Africa or handed to the Chairman of the Annual General Meeting before the appointed proxy exercises any of the relevant shareholder’s rights.

Shareholders who have dematerialised their shares and who do not have “own name” registration and wish to attend the Annual General Meeting, must instruct their CSDP or broker to provide them with the relevant letter of representation to enable them to attend such meeting, or, alternatively, should they wish to vote but not to attend the Annual General Meeting, they must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

**Such shareholders must not complete this form of proxy.**

I/We  
(of being a shareholder(s) of Sappi holding Sappi shares and entitled to vote at the abovementioned Annual General Meeting, appoint  

or failing him/her, the Chairman of the meeting as my/our proxy to attend and speak and, on a poll, to vote for me/us on the resolutions to be proposed (with or without modification) at the Annual General Meeting of Sappi to be held at 14:00 on Wednesday, 07 February 2018 or any adjournment thereof, as follows.

<table>
<thead>
<tr>
<th>Ordinary resolution number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Receipt and acceptance of 2017 annual financial statements, including directors’ report, auditors’ report and Audit Committee report</td>
<td></td>
</tr>
<tr>
<td>2 – Approval and confirmation of appointment of Dr B Mehlomakulu as a director of Sappi</td>
<td></td>
</tr>
<tr>
<td>3 – Re-election of directors retiring by rotation in terms of Sappi’s Memorandum of Incorporation*</td>
<td></td>
</tr>
<tr>
<td>3.1 – Re-election of Dr Nigel Auds as a director of Sappi</td>
<td></td>
</tr>
<tr>
<td>3.2 – Re-election of Mr NP Mageza as a director of Sappi</td>
<td></td>
</tr>
<tr>
<td>3.3 – Re-election of Mr NV Moosa as a director of Sappi</td>
<td></td>
</tr>
<tr>
<td>4 – Election of Audit Committee</td>
<td></td>
</tr>
<tr>
<td>4.1 – Election of Dr D Konar as chairman of the Audit Committee</td>
<td></td>
</tr>
<tr>
<td>4.2 – Election of Mr MA Fallon as a member of the Audit Committee</td>
<td></td>
</tr>
<tr>
<td>4.3 – Election of Mr NP Mageza as a member of the Audit Committee</td>
<td></td>
</tr>
<tr>
<td>4.4 – Election of Mrs KR Osar as a member of the Audit Committee</td>
<td></td>
</tr>
<tr>
<td>4.5 – Election of Mr RJAM Renders as a member of the Audit Committee</td>
<td></td>
</tr>
<tr>
<td>5 – Re-appointment of KPMG Inc. as auditors of Sappi for the year ending September 2018 and until the next Annual General Meeting of Sappi</td>
<td></td>
</tr>
<tr>
<td>6.1 – The placing of all ordinary shares required for the purpose of carrying out the terms of the Sappi Limited Performance Share Incentive Plan (“the Plan”) under the control of the directors to allot and issue in terms of the Plan</td>
<td></td>
</tr>
<tr>
<td>6.2 – The authority for any subsidiary of Sappi to sell and to transfer to the Sappi Limited Share Incentive Scheme and the Sappi Limited Performance Share Incentive Plan (collectively “the Schemes”) such shares as may be required for the purposes of the Schemes</td>
<td></td>
</tr>
<tr>
<td>7 – Non-binding endorsement of Remuneration policy</td>
<td></td>
</tr>
<tr>
<td>8 – Non-binding endorsement of Implementation report</td>
<td></td>
</tr>
<tr>
<td>9 – Authority for directors to sign all documents and do all such things necessary to implement the above resolutions</td>
<td></td>
</tr>
</tbody>
</table>

Insert X in the appropriate block if you wish to vote all your shares in the same manner. If not, insert the number of votes in the appropriate block. If no indication is given, the proxy will vote as he/she thinks fit.

Signed at on

Assisted by me (where applicable)

Each shareholder is entitled to appoint one or more proxies (who need not be shareholders of Sappi) to attend, speak, and on a poll, vote in place of that shareholder at the Annual General Meeting or any adjournment thereof.

* Refer notes to notice of meeting on page 122.
Notes to proxy

The form of proxy must only be used by certificated shareholders or shareholders who hold dematerialised shares with ‘own name’ registration. Other shareholders are reminded that the onus is on them to communicate with their CSDP or broker.

Instructions on signing and lodging the Annual General Meeting proxy form

1. A deletion of any printed matter (only where a shareholder is allowed to choose between more than one alternative option) and the completion of any blank spaces need not be signed or initialled. Any alteration must be signed, not initialled.

2. The Chairman shall be entitled to decline to accept the authority of the signatory:
   2.1 Under a power of attorney, or
   2.2 On behalf of a company, if the power of attorney or authority has not been lodged at the offices of the company’s transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa or posted to PO Box 61051, Marshalltown, 2107, Republic of South Africa.

3. The signatory may insert the name(s) of any person(s) whom the signatory wishes to appoint as his/her proxy in the blank spaces provided for that purpose.

4. When there are joint holders of shares and if more than one of such joint holders is present or represented, the person whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.

5. The completion and lodging of the form of proxy will not preclude the signatory from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such signatory wish to do so.

6. Forms of proxy must be lodged with, or posted to, the offices of Sappi’s transfer secretaries, Computershare Investor Services Proprietary Limited, at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa (for hand delivery) or PO Box 61051, Marshalltown, 2107, Republic of South Africa (for postal delivery), to be received by not later than 14:00 on Monday, 05 February 2018 or handed to the Chairman of the Annual General Meeting before the appointed proxy exercises any of the relevant shareholder’s rights.

7. If the signatory does not indicate in the appropriate place on the face hereof how he/she wishes to vote in respect of a particular resolution, his/her proxy shall be entitled to vote as he/she deems fit in respect of that resolution.

8. The Chairman of the Annual General Meeting may reject any proxy form which is completed other than in accordance with these instructions and may accept any proxy form when he is satisfied as to the manner in which a member wishes to vote.

Summary in terms of section 58(8)(b)(i) of the SA Companies Act, 2008, as amended

Section 58(8)(b)(i) provides that if a company supplies a form of instrument for appointing a proxy, the form of proxy supplied by the company for the purpose of appointing a proxy must bear a reasonably prominent summary of the rights established by section 58 of the Companies Act, 2008, as amended, which summary is set out below:

- A shareholder of a company may, at any time, appoint any individual, including an individual who is not a shareholder of that company, as a proxy, among other things, to participate in, and speak and vote at, a shareholders’ meeting on behalf of the shareholder
- A shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder
- A proxy may delegate the proxy’s authority to act on behalf of the shareholder to another person
- A proxy appointment must be in writing, dated and signed by the shareholder; and remains valid only until the end of the meeting at which it was intended to be used, unless the proxy appointment is revoked, in which case the proxy appointment will be cancelled with effect from such revocation
- A shareholder may revoke a proxy appointment in writing
- A proxy appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder, and
- A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction.
Forward-looking statements

Certain statements in this release that are neither reported financial results nor other historical information are forward-looking statements, including but not limited to statements that are predictions of or indicate future earnings, savings, synergies, events, trends, plans or objectives. The words ‘believe’, ‘anticipate’, ‘expect’, ‘intend’, ‘estimate’, ‘plan’, ‘assume’, ‘positioned’, ‘will’, ‘may’, ‘should’, ‘risk’ and other similar expressions, which are predictions of or indicate future events and future trends and which do not relate to historical matters, may be used to identify forward-looking statements. You should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are in some cases beyond our control and may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements (and from past results, performance or achievements).

Certain factors that may cause such differences include but are not limited to:

• The highly cyclical nature of the pulp and paper industry (and the factors that contribute to such cyclicity, such as levels of demand, production capacity, production, input costs including raw material, energy and employee costs, and pricing)
• The impact on our business of adverse changes in global economic conditions
• Unanticipated production disruptions (including as a result of planned or unexpected power outages)
• Changes in environmental, tax and other laws and regulations
• Adverse changes in the markets for our products
• The emergence of new technologies and changes in consumer trends including increased preferences for digital media
• Consequences of our leverage, including as a result of adverse changes in credit markets that affect our ability to raise capital when needed
• Adverse changes in the political situation and economy in the countries in which we operate or the effect of governmental efforts to address present or future economic or social problems
• The impact of restructurings, investments, acquisitions, dispositions and other strategic initiatives (including related financing), any delays, unexpected costs or other problems experienced in connection with dispositions or with integrating acquisitions or implementing restructuring and other strategic initiatives and achieving expected savings and synergies, and
• Currency fluctuations.

We undertake no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information or future events or circumstances or otherwise.