



Strong delivery, sustainable growth

Full year results for the year
ended 31 December 2020

25 February 2021



Mondi: Forward-looking statements disclaimer

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No assurance can be given that such future results will be achieved; various factors could cause actual future results, performance or events to differ materially from those described in these statements. Such factors include in particular but without any limitation: (1) operating factors, such as continued success of manufacturing activities and the achievement of efficiencies therein, continued success of product development plans and targets, changes in the degree of protection created by Mondi's patents and other intellectual property rights and the availability of capital on acceptable terms; (2) industry conditions, such as strength of product demand, intensity of competition, prevailing and future global market prices for Mondi's products and raw materials and the pricing pressures thereto, financial condition of the customers, suppliers and the competitors of Mondi and potential introduction of competing products and technologies by competitors; and (3) general economic conditions, such as rates of economic growth in Mondi's principal geographical markets or fluctuations of exchange rates and interest rates.

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unless required to do so by applicable law or any regulatory body applicable to Mondi, including the JSE Limited and the LSE.

AGENDA

Introduction and 2020 highlights

Financial review

Operational review

Delivering on our strategy

Summary and Q&A

Appendices



INTRODUCTION AND 2020 HIGHLIGHTS



Strong delivery, sustainable growth



- Enabling delivery of essentials
- Excellent cash generation
- Strong operational performance



- Leveraging key long-term trends – leading innovation
- Investing through-the-cycle
- Unique portfolio

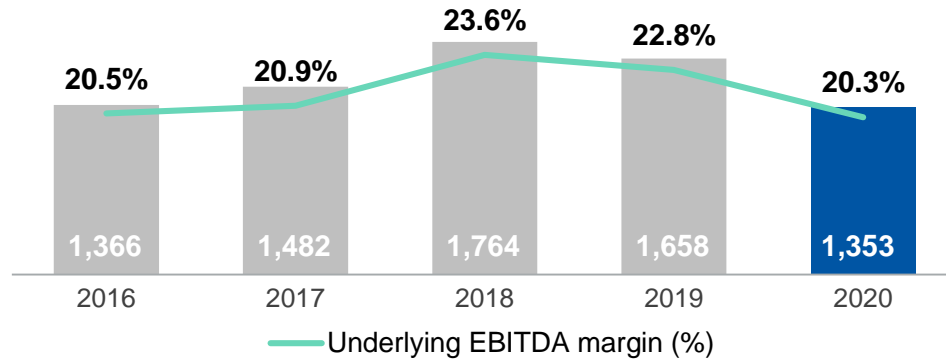


- Leader in sustainability – purpose, strategy, culture
- Prioritising safety and health

Delivering in an unprecedented year

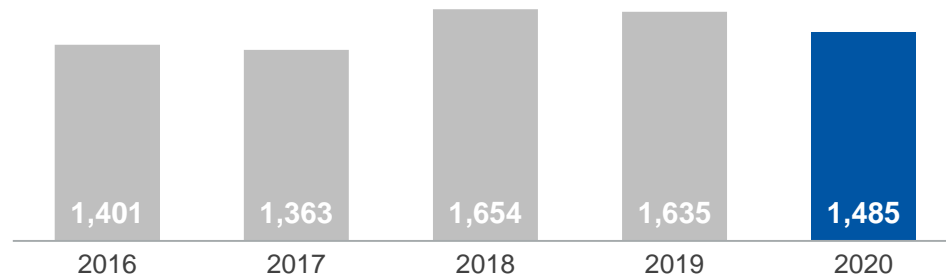
Underlying EBITDA and margin

€ million and %



Cash generated from operations

€ million



- Robust financial performance with excellent cash generation
- Decisive and effective COVID-19 response
- Investing through-the-cycle
- Delivered 2020 sustainability commitments and set Mondi Action Plan 2030 (MAP2030)
- Recommended full year dividend up 5%



FINANCIAL REVIEW

Robust financial performance

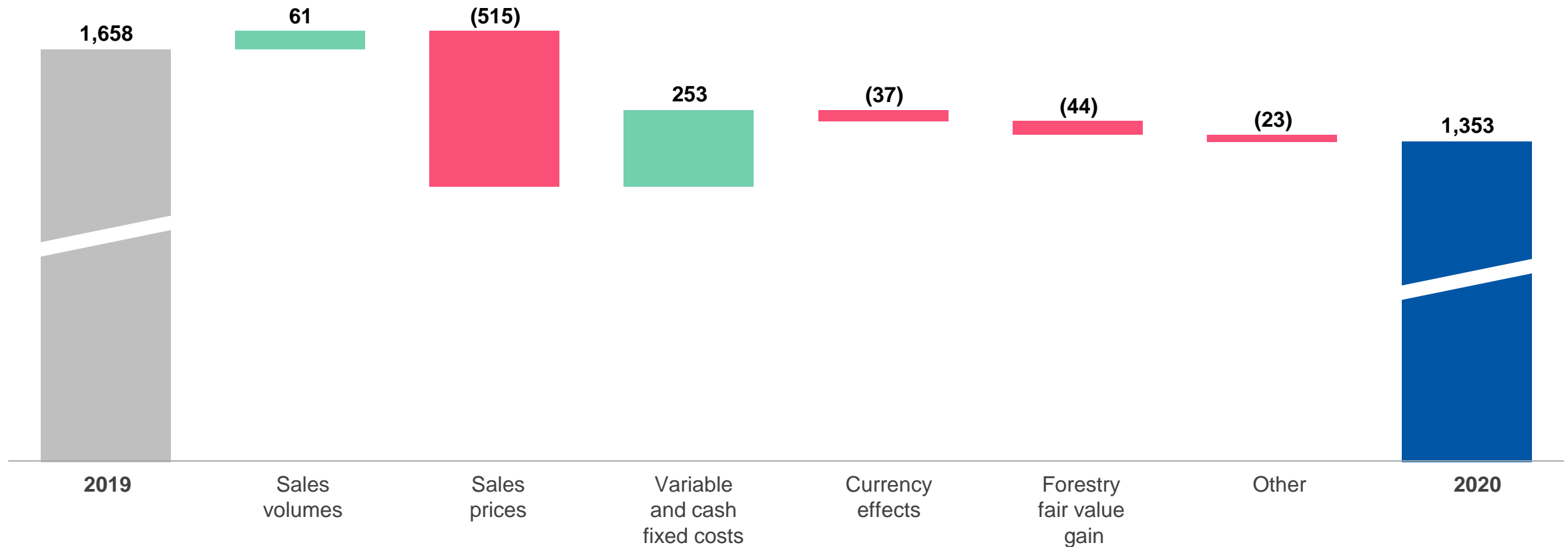
€ million	2020	2019	% change
Group revenue	6,663	7,268	(8%)
Underlying EBITDA	1,353	1,658	(18%)
% margin	20.3%	22.8%	
Underlying operating profit	925	1,223	(24%)
% margin	13.9%	16.8%	
Group ROCE	15.2%	19.8%	

...testament to our strong business model

Volume growth and strong cost control mitigating pricing pressure

Underlying EBITDA development

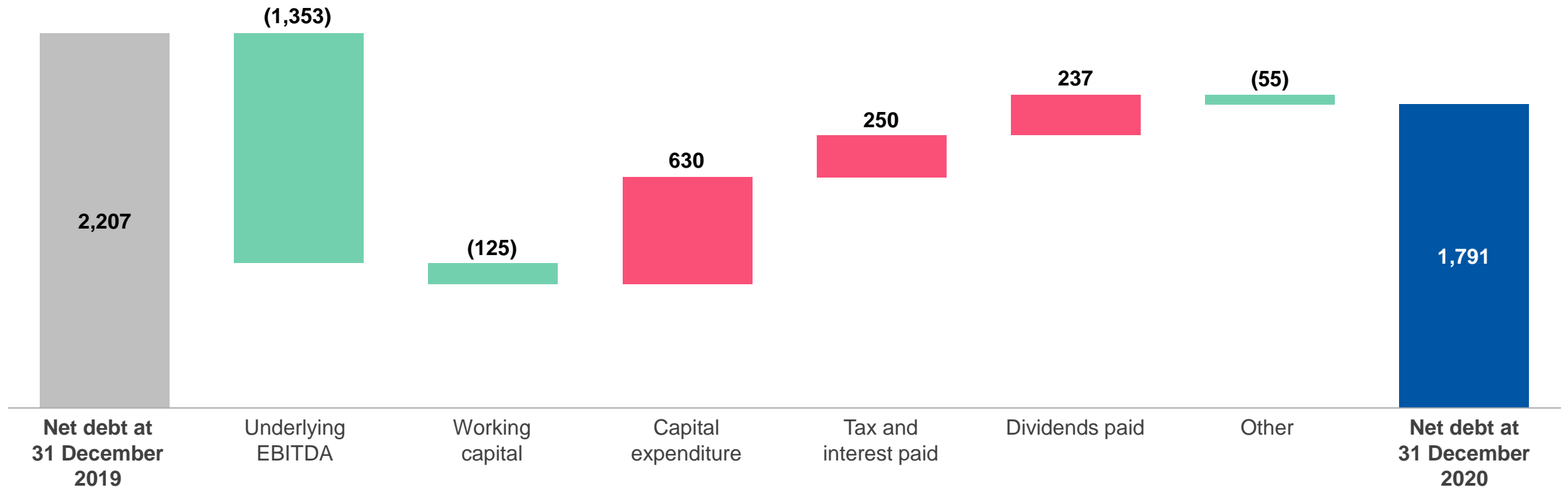
€ million



Excellent cash generation

Movement in net debt

€ million

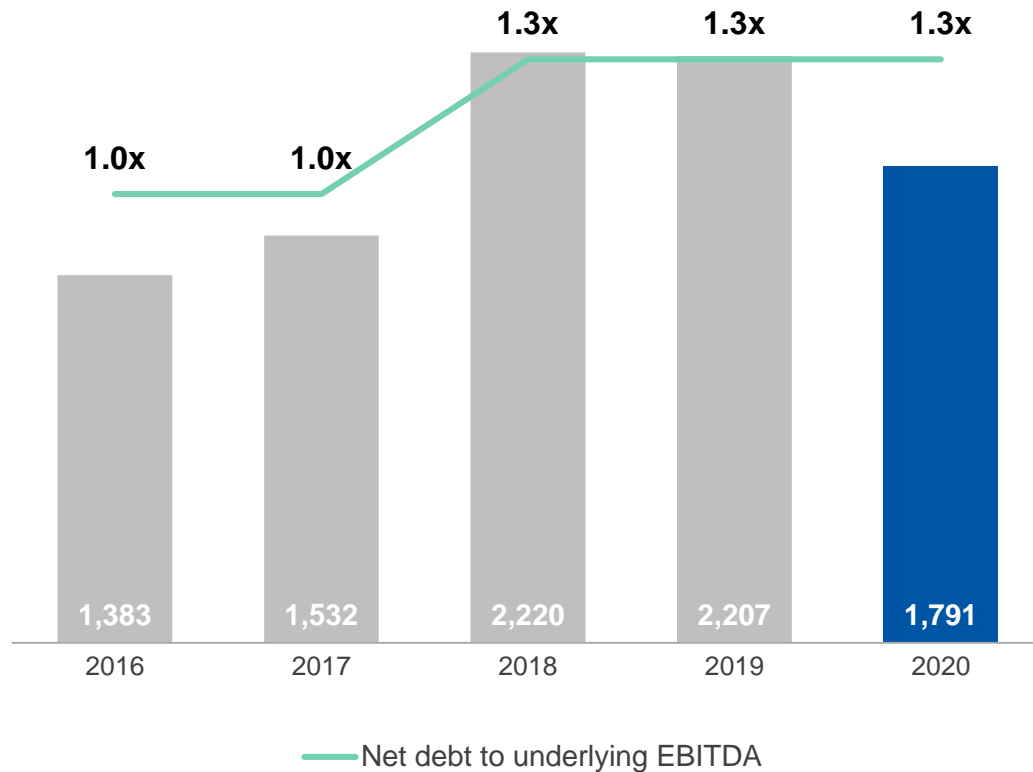


...supporting through-the-cycle investment and distributions to shareholders

Strong financial position providing strategic flexibility

Net debt

€ million (net debt) and ratio (net debt to underlying EBITDA)



- 1.3x net debt to underlying EBITDA
- Investment grade credit ratings reconfirmed (BBB+ / Baa1)
- Group's maturity profile extended
- Strong liquidity of around €1.2 billion

Our cash flow priorities remain unchanged

Free cash flow priorities



STRATEGIC FLEXIBILITY AND OPTIONS FOR GROWTH

Technical guidance

	2021 Guidance
Incremental underlying EBITDA contribution from major capital investments	~ €50 million
Capital expenditure	€600 – 700 million
Depreciation and amortisation	€400 – 450 million
Estimated impact of planned mill maintenance shuts	~ €140 million
Working capital as a % of revenue	12 – 14%
Effective tax rate	~ 22%



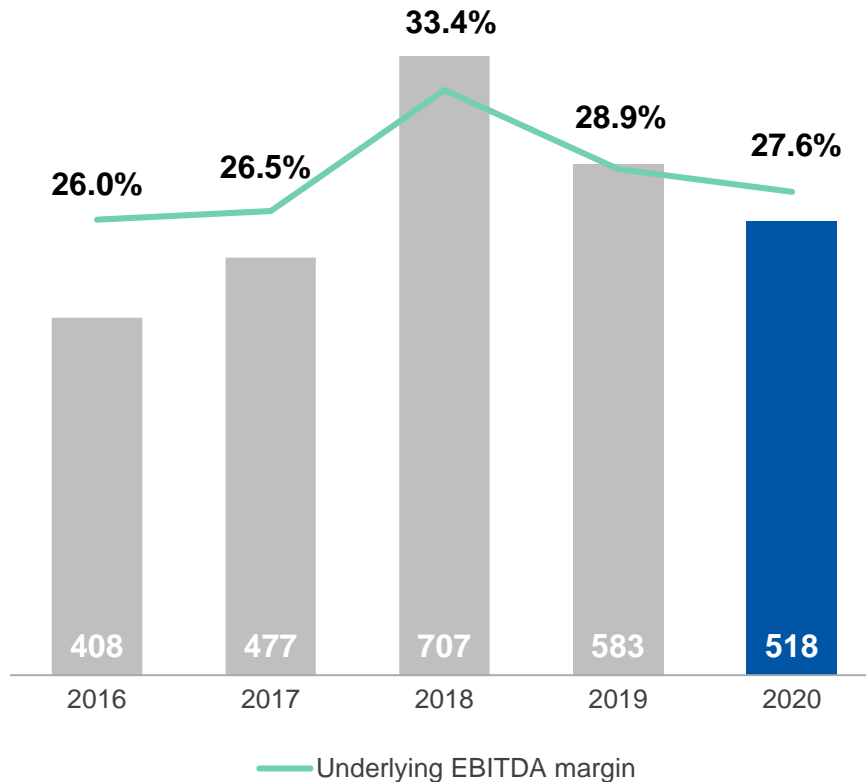
OPERATIONAL REVIEW

Industry leading margins and returns

Corrugated
Packaging

Underlying EBITDA and margin

€ million and %



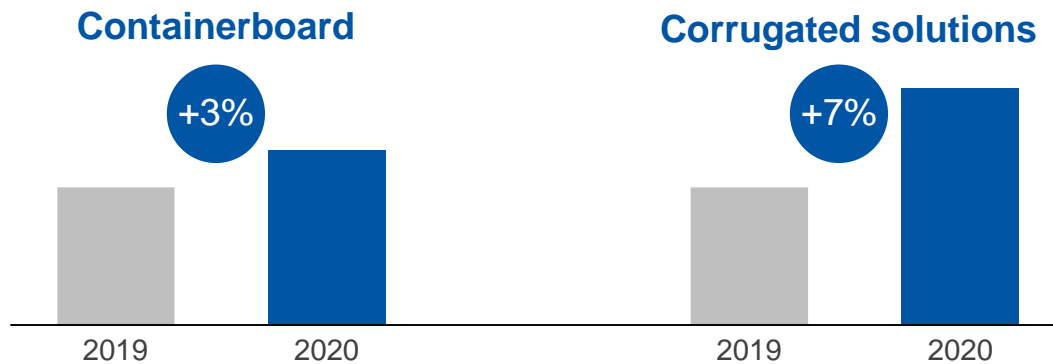
- Sales volumes up strongly
 - Containerboard supported by broad product portfolio and global distribution network
 - Corrugated Solutions benefiting from ongoing investment, innovation and strong customer offering
- Lower average pricing
 - Strong demand and tight market conditions supporting containerboard price increases into 2021

Leading in strongly growing markets

Corrugated
Packaging

Mondi sales volume growth

Indexed to 2019



- Structurally growing market supported by e-commerce and sustainability
- Leading market positions
 - European leader in virgin containerboard
 - Leading corrugated player in emerging Europe
- Strong innovation focus – 6 WorldStar Awards
- Cost-advantaged asset base
- Investing for growth
 - Starting up new kraft top white machine at Ružomberok
 - Investing in converting network to better serve customers
 - Agreed to acquire 90% in Olmuksan



SupremeBox

Size-adjustable e-commerce packaging providing more efficient box sizing and fulfilment



FloralBox

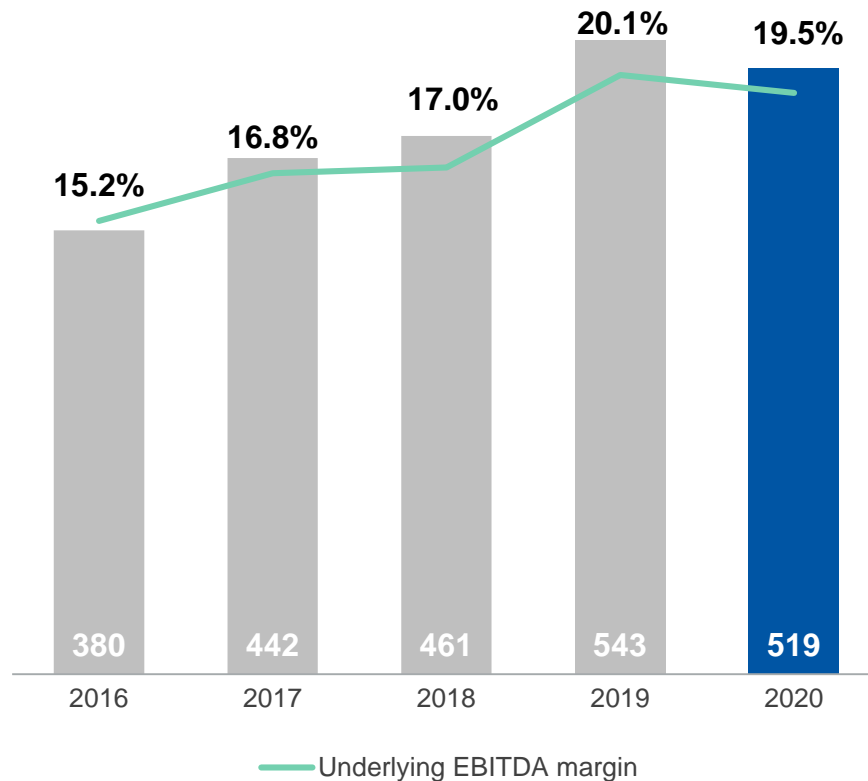
A modular e-commerce solution protecting plants during transportation

Resilient demand, strong delivery

Flexible
Packaging

Underlying EBITDA and margin

€ million and %



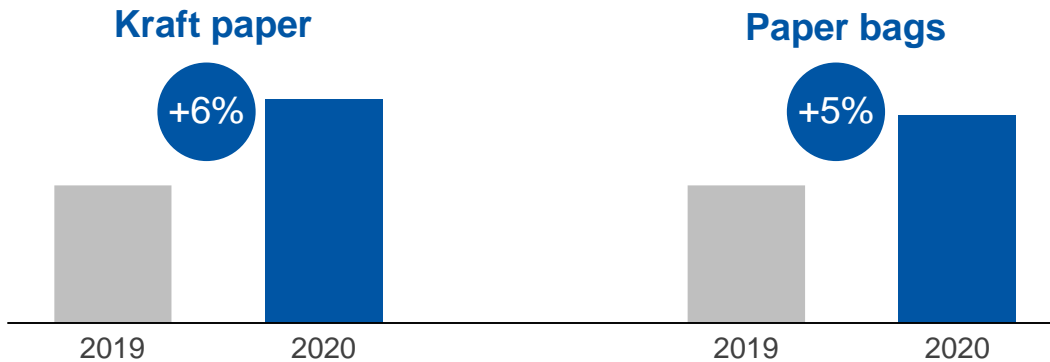
- Resilient demand with strong end to year
 - Kraft paper sales volumes up with improved mix
 - Higher paper bag volumes
- Lower pricing across the paper value chain in 2020
 - Price increases being implemented in 2021
- Strong consumer flexibles performance benefiting from increased demand in FMCG applications

Unique platform delivering strong growth

Flexible
Packaging

Mondi sales volume growth

Indexed to 2019



MailerBAG

100% renewable, recyclable
and highly protective
alternative to plastic mailers



EcoWicketBag

A sustainable paper-based
alternative to plastic hygiene
product packaging reducing
CO₂ footprint

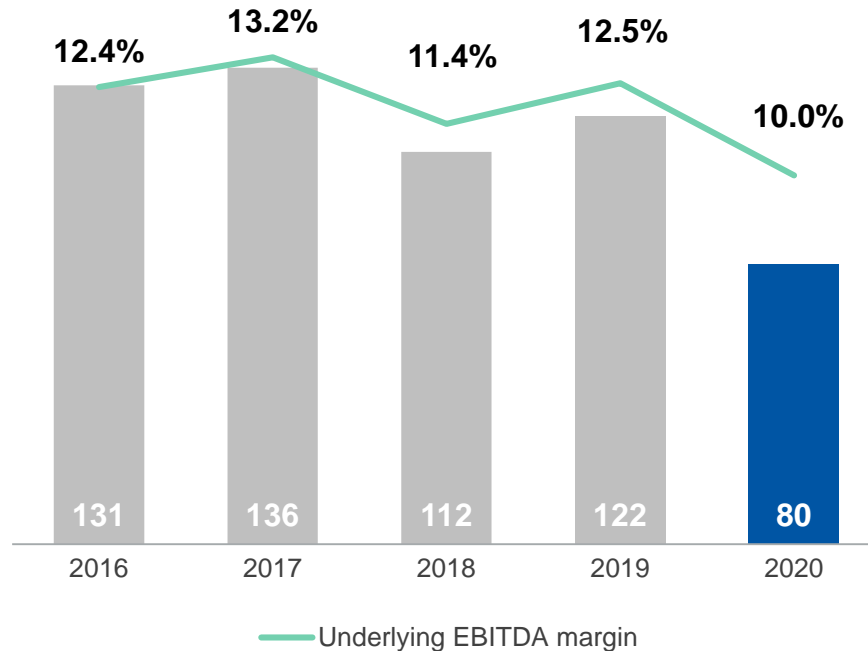
- Growth underpinned by demand for more sustainable packaging
 - Consumer, retail, e-commerce and other markets
 - Leveraging unique portfolio – *paper where possible, plastic when useful*
- Leading paper-based flexible packaging player
 - Integrated cost-advantaged asset base
 - Broad product portfolio
- Customer-driven product development pipeline
- Expansion of production footprint
 - Štětí machine conversion
 - Expanding paper bag footprint in Colombia and North Africa
 - Broadening product offering

Proactively realigning product portfolio

Engineered
Materials

Underlying EBITDA and margin

€ million and %



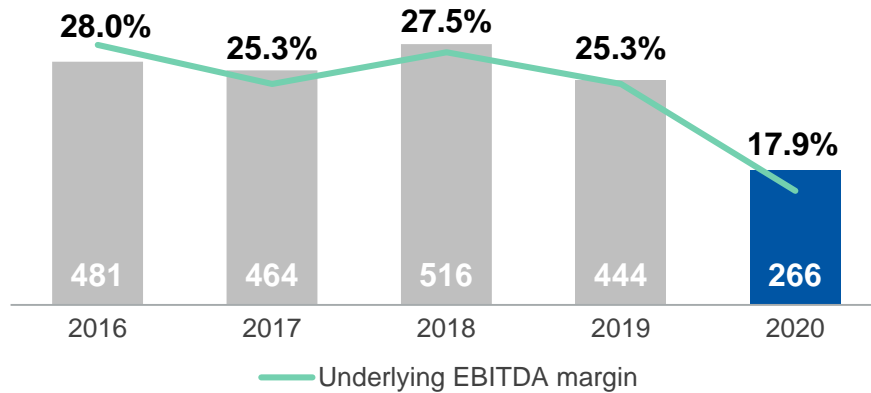
- Good demand in consumer end-uses
- Industrial and specialised end-use demand negatively impacted by pandemic
- Lower personal care components volumes – key product maturing and technology changes
- Expect to stabilise performance in 2021 and return to growth thereafter
 - Investing to realign product portfolio
 - Restructuring the cost base
- Exciting opportunities to leverage coating technologies to develop innovative sustainable packaging

Strategically advantaged in a challenging market

Uncoated
Fine Paper

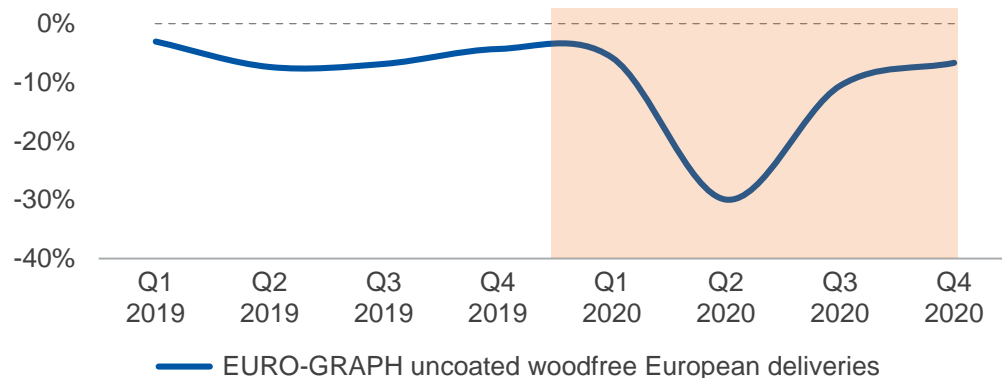
Underlying EBITDA and margin

€ million and %



European UFP deliveries

% growth (year-on-year)



- Lower uncoated fine paper volumes as lockdown measures heavily impacted demand
 - Improvement in order books in H2
- Strong market share gains across key markets
- Lower UFP prices and significantly lower pulp prices
- Forestry fair value gain down €44 million
- Strategically well positioned in the context of the current market challenges
- Recovering demand and increasing costs supporting UFP price increases from March 2021



DELIVERING ON
OUR STRATEGY

Delivering on our strategy

Driving value
accretive growth
SUSTAINABLY

- Delivering on our 2020 sustainability targets
- Setting our commitments to 2030

Leveraging key
long-term trends



Sustainability



E-commerce



Enhancing customer brand value

Investing
through-the-cycle

DELIVERING

organic
growth

ENHANCING

cost
advantages

IMPROVING

environmental
footprint

Strategic
flexibility

- Strong cash generation
- Unique platform with options for growth



Delivering on our 2020 sustainability commitments

Some key examples:



TRCR (per 200,000 hours worked)

23% reduction vs 2015

58% reduction vs 2005



tonne per tonne of saleable production

24% reduction vs 2014

45% reduction vs 2004



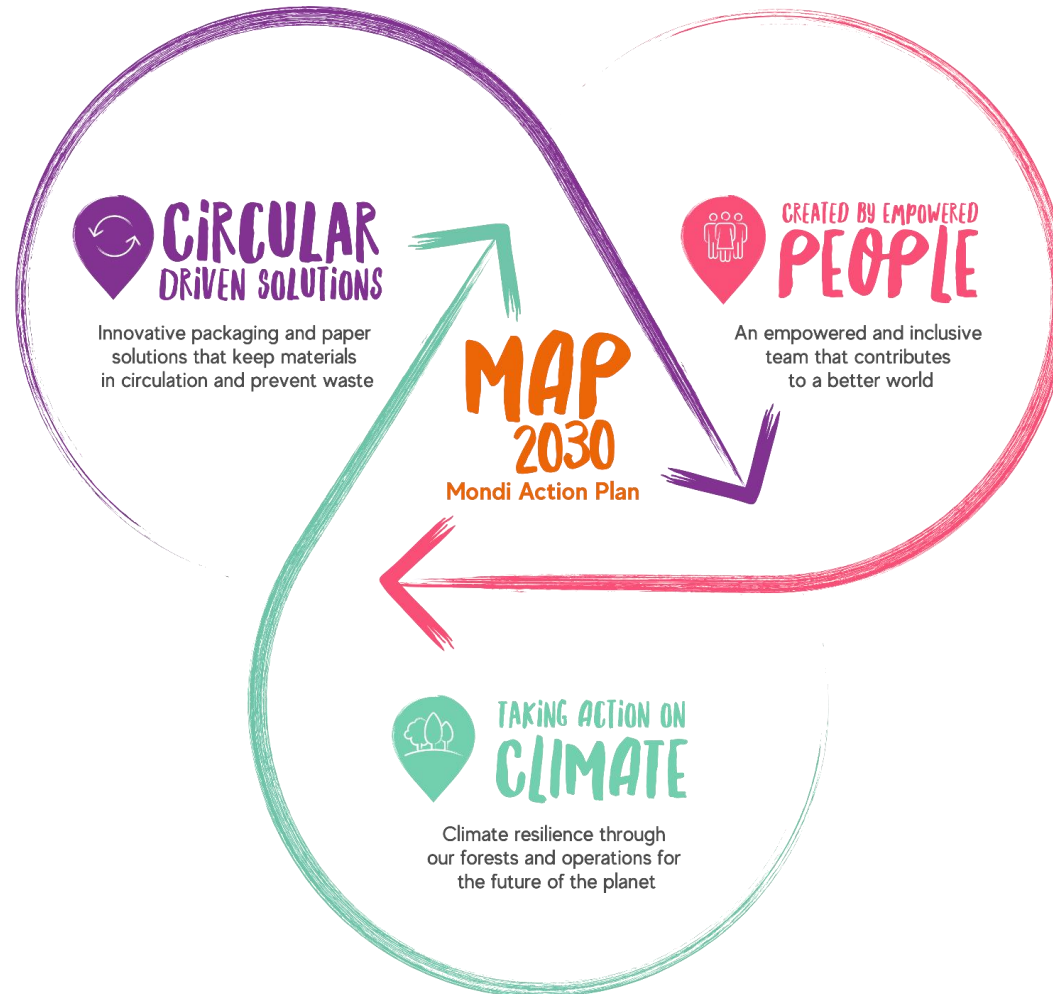
kg per tonne of saleable production

25% reduction vs 2015

63% reduction vs 2005

2004/2005 were the baseline years of Mondri's 1st set of sustainability commitments while 2014/2015 are the baseline years for the Group's 2020 commitments

Sustainability targets to 2030



Built on Responsible Business Practices

Business Ethics & Governance | Human Rights | Communities | Procurement | Environmental Impact

Mondi recognised as a leader in sustainability

A few external benchmark examples:



CLIMATE FORESTS WATER

One of only 10
companies globally with a
CDP Triple A rating



Top quartile
in the Paper & Forest
Products industry



Top 1%
in our sector for 5
consecutive years

Making a real contribution to the UN SDGs



Unique platform to deliver sustainable packaging solutions



Ecosolutions

Mondi's customer-centric approach to sustainable packaging



PAPER where possible...

...PLASTIC when useful

Replacing plastic with paper e-commerce and shopping bags



Machine conversion at Štětí

- Strong customer demand for paper-based solutions supported by legislation to eliminate plastic waste
- Sole European supplier offering full portfolio of paper for shopping bags
- Up to 130ktpa¹ integrated capacity at flagship mill – potential to replace up to 2 billion plastic bags per annum

TESCO



Closing the loop with Tesco
in central Europe with our
recycled paper-based
shopping bag offering

ALVARO  MORENO



Supporting fashion retailer
with a paper-based
e-commerce bag solution

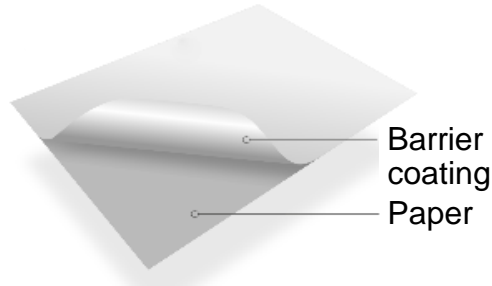
1. Net capacity increase of 45ktpa for the Group (+75ktpa of speciality kraft paper and -30ktpa of containerboard)

Unique offering unlocking opportunities

Recyclable functional barrier paper solutions



Base papers
(speciality kraft paper)



Barrier coatings
(functional paper and films¹)



Printing and converting
(paper bags and consumer flexibles)

Leveraging paper, coating and converting know-how
combined with blue chip customer relationships

1. Functional paper and films comprises release liner and extrusion solutions coating technology

Innovation supporting customers' sustainability goals



PerFORMing – alternative to plastic trays

Development of
formable paper-based
food tray



< 2019

1st customer supplied for
cheese packaging



2019

Launched removable film
solution and extended offering
to cold meats - 12 customers



2020

Growing our customer reach
14 customers at start of 2021 with an
additional 18 trials ongoing

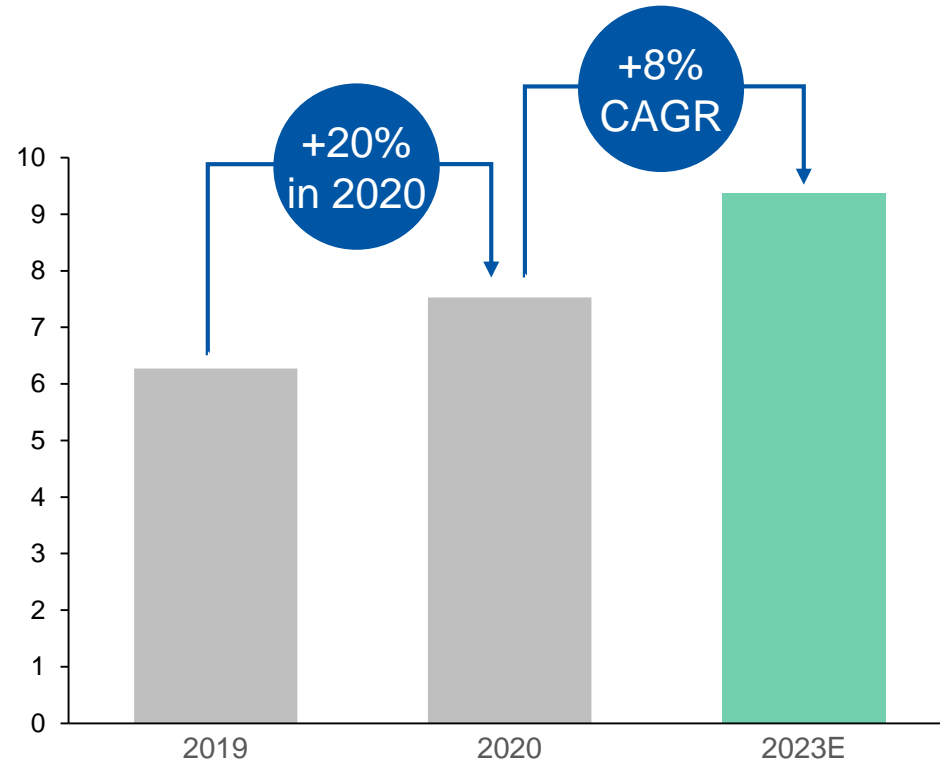


2021

Offering full range of sustainable e-commerce solutions

European market e-commerce packaging growth

€ billion



Source: Statista

Corrugated and flexible paper-based solutions



INNOVATION. SECURITY OF SUPPLY. SERVICE = PARTNERSHIP

Enhancing customer brand value and shelf-appeal

Ružomberok kraft top white machine

When bright meets SMART



White virgin top layer

- Excellent printability
- Fantastic strength

Brown recycled layer

- Cost advantages

Project details

- 300,000 tonne integrated kraft top white machine
- Started up end of January 2021



Excellent for shelf-ready packaging, POS displays, e-commerce, trays and other applications

Investing for growth through-the-cycle

Strong track record

- €1.4 billion spent on commissioned major projects since 2014
 - >20% average return¹
 - >600ktpa of cost-advantaged capacity added
- Key benefits:
 - Enhanced customer offering
 - Better cost / operational efficiency
 - Improved environmental footprint



Focused project pipeline

- Current projects increasing pulp and paper production by around 7%
- Expanding and upgrading converting business footprint:
 - E-commerce offering
 - Sustainable products
 - Better geographic footprint to serve customers
- Evaluating further projects leveraging strong asset base

DELIVERING VALUE
ACCRETIVE GROWTH



SUMMARY AND Q&A

Strong delivery, sustainable growth



- Enabling delivery of essentials
- Excellent cash generation
- Strong operational performance



- Leveraging key long-term trends – leading innovation
- Investing through-the-cycle
- Unique portfolio



- Leader in sustainability – purpose, strategy, culture
- Prioritising safety and health



APPENDICES

Mondi at a glance (2020)

Corrugated Packaging

Segment revenue¹

€1,879m
(27%)

Underlying EBITDA

€518 million

ROCE

22.5%

Products



End uses



Flexible Packaging

€2,667m
(39%)

€519 million

14.5%



Engineered Materials

€801m
(12%)

€80 million

7.5%



Uncoated Fine Paper

€1,485m
(22%)

€266 million

11.3%



1. Segment revenues and related percentages before elimination of inter-segment revenues

2. Includes consumer non-durables, e-commerce and other retail applications

- Building and construction
- Chemicals, industrial, agriculture and other

- Paper for home, office and professional printing
- Market pulp and other

Leading market positions



CORRUGATED PACKAGING

- #1 virgin containerboard producer in Europe
- #1 containerboard producer in emerging Europe
- #3 corrugated solutions producer in emerging Europe



FLEXIBLE PACKAGING

- #1 kraft paper producer globally
- #1 paper bag producer in Europe and a global leader
- #3 consumer flexible packaging producer in Europe



ENGINEERED MATERIALS

- #1 commercial release liner producer in Europe
- #2 extrusion coatings producer in Europe



UNCOATED FINE PAPER

- #1 uncoated fine paper supplier in Europe (including Russia)
- #1 uncoated fine paper producer in South Africa

Our growth focus – packaging



CORRUGATED
PACKAGING

GROW



FLEXIBLE
PACKAGING

GROW



ENGINEERED
MATERIALS

STRENGTHEN NICHE
POSITIONS



UNCOATED
FINE PAPER

MAINTAIN
COMPETITIVENESS

Our strategic framework



SUSTAINABILITY

continues to be at the centre of our strategy

2020 Highlights



Keeping our people safe

1 million masks

supplied to employees worldwide

23%

reduction in total recordable case rate since 2015

24-hour safety mindset

focused on the social psychology of safety at work and at home

21,000 employees

in 14 countries can now use the Employee Assistance Programme for counselling

Tackling climate change

Science-based targets

Made progress on science-based targets covering 95% of our Scope 1 and 2 targets

23.6%

reduction in our mills' total specific CO₂e emissions against the 2014 baseline



67%

mills' fuel consumption from renewable biomass-based sources

104%

electricity self-sufficiency in our mills



Supporting local communities

€11.5m

invested in community initiatives in 2020

100,000

medical grade face masks donated to protect frontline healthcare workers in South Africa from COVID-19

€3.3m

donated to clinics, hospitals and governments for COVID-19 relief efforts

Setting 2030 sustainability commitments



Taking strides towards greater diversity and inclusion

29%

women across our executive committee and its direct reports

25%

women on our Board

Diversity & Inclusion Policy updated and published

Developing sustainable solutions



76%

of our revenue is from products that are reusable, recyclable or compostable, supported by our EcoSolutions approach

8 WorldStar awards for our product innovations



WORLDSTAR WINNER 2021

Committed to transparency

One of 10 companies globally with a CDP 'Triple A' rating on climate change, forests and water security



CLIMATE FORESTS WATER

2020 performance
(compared with a 2015 baseline)

18.4%

reduction of specific COD emissions

1.6%

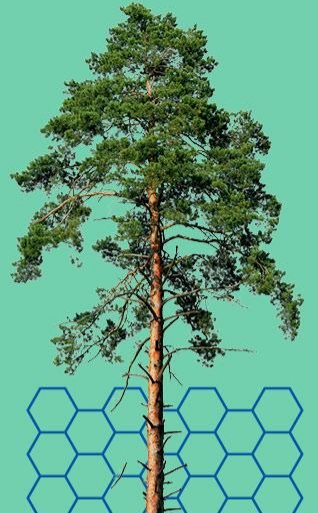
reduction of specific water consumption

25.4%

reduction of specific waste to landfill

13.7%

reduction of specific NOx emissions



Sourcing our fibre sustainably

100%

of our mills maintained Chain-of-Custody certifications

76%

of our sourced wood was FSC™- or PEFC™- certified

94%

of our sourced pulp was FSC™- or PEFC™- certified



Mondi Action Plan 2030 commitments



MAP2030
Mondi Action Plan

CIRCULAR DRIVEN SOLUTIONS...

Innovative packaging and paper solutions that keep materials in circulation and prevent waste

Commitments	Targets
Make our packaging and paper solutions reusable, recyclable or compostable	100% of our products are reusable, recyclable or compostable by 2025
Avoid waste by keeping materials in circulation	Eliminate waste to landfill from our manufacturing processes
Work with others to eliminate unsustainable packaging	Progress made through our partnerships and stakeholder engagement activities every year

Baseline 2020 for all commitments unless otherwise stated

CREATED BY EMPOWERED PEOPLE...

An empowered and inclusive team that contributes to a better world

Commitments	Targets
Build skills that support long-term employability	Enable our employees to participate in upskilling programmes
Provide purposeful employment for all our employees in a diverse and inclusive workplace	Achieve 90% Purpose Satisfaction score in our employee survey Achieve 90% Inclusiveness score in our employee survey Employ 30% women across Mondi
Create an environment that enables a positive work-life experience, valuing our safety, health and mental wellbeing	Zero fatalities and life-altering injuries 15% reduction of total recordable case rate Support our employees in pursuit of a work-life experience that enhances their wellbeing Operations to drive awareness of and take measures to improve health and mental wellbeing

TAKING ACTION ON CLIMATE...

Climate resilience through our forests and operations for the future of the planet

Commitments	Targets
Reduce our GHG emissions in line with science-based targets	Reduce our Scope 1 and 2 GHG emissions by 34% per tonne of saleable production by 2025 and 72% by 2050 from the 2014 base year Reduce Scope 2 GHG emissions by 39% per MWh by 2025 and by 86% by 2050 from the 2014 base year Set a science-based Scope 3 reduction target by 2025
Maintain zero deforestation in our wood supply, sourcing from healthy and resilient forests	Maintain 100% FSC certification in our own forestry landholdings 100% responsibly sourced fibre with 75% FSC- or PEFC-certified fibre procured by 2025 and the remainder meeting the FSC Controlled Wood standard Implement leading forestry measures to ensure productive, healthy and resilient forests
Safeguard biodiversity and water resources in our operations and beyond	Conduct water stewardship and biodiversity assessments at our mills and forestry operations by 2025, and implement required actions to address the findings by 2030

A unique platform to deliver



PAPER
where possible...

SUSTAINABLE SOLUTIONS

....**PLASTIC**
when useful

Ecosolutions – a few examples:

CORALTRAY



A fully corrugated alternative to plastic fruit punnets and plastic foil wrapping

ENVELOPEMAILER



A 100% renewable, recyclable and highly protective alternative to plastic mailers that use bubble foil protective padding

FULLY RECYCLABLE PAPER BAG FOR RICE



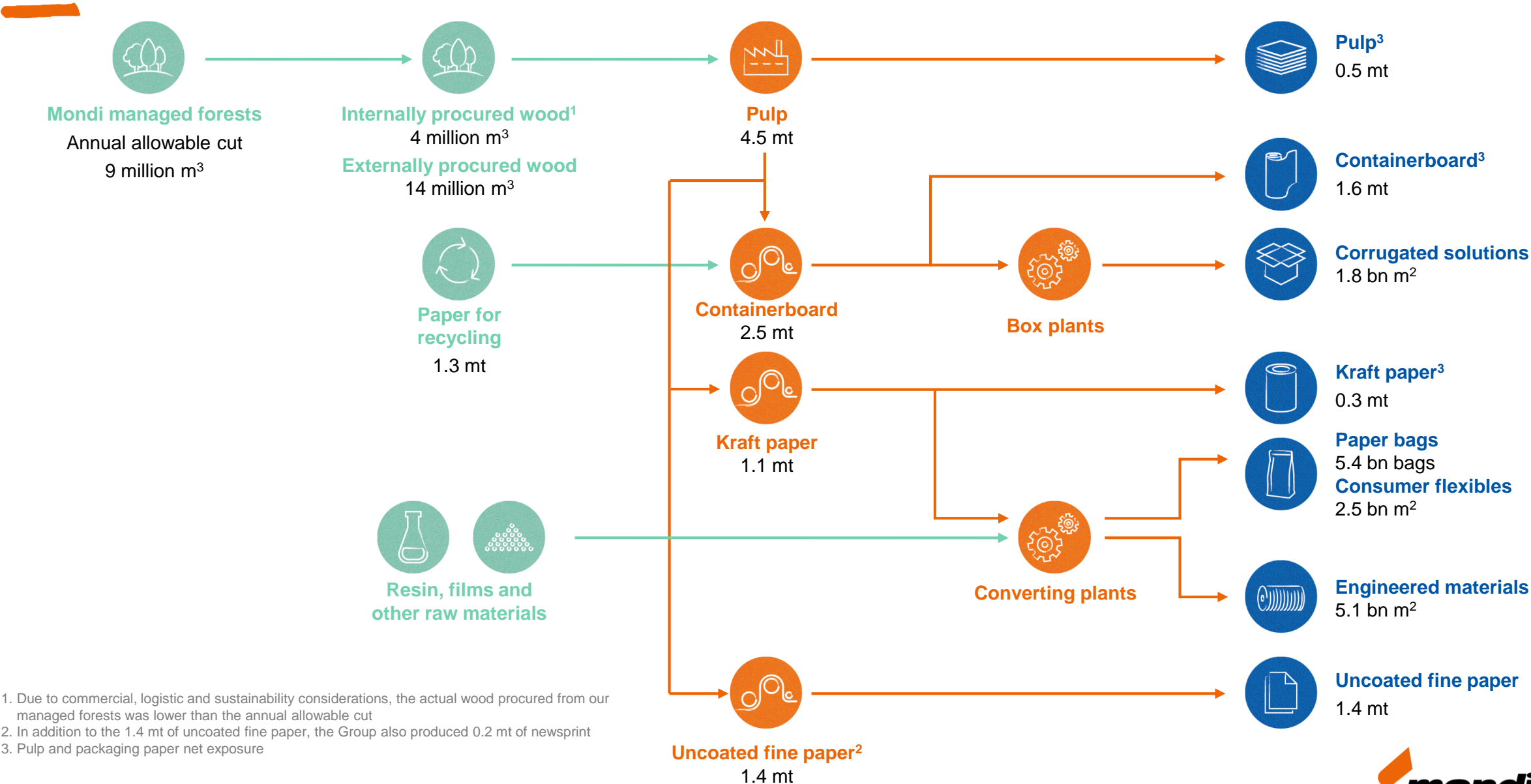
A 100% recyclable paper rice bag that replaces plastic while continuing to meet food shelf life preservation and industry regulations

RECYCLABLE MONO-MATERIAL PET FOOD SOLUTION



A fully recyclable, mono-material alternative – maintaining vital barrier properties and aesthetics

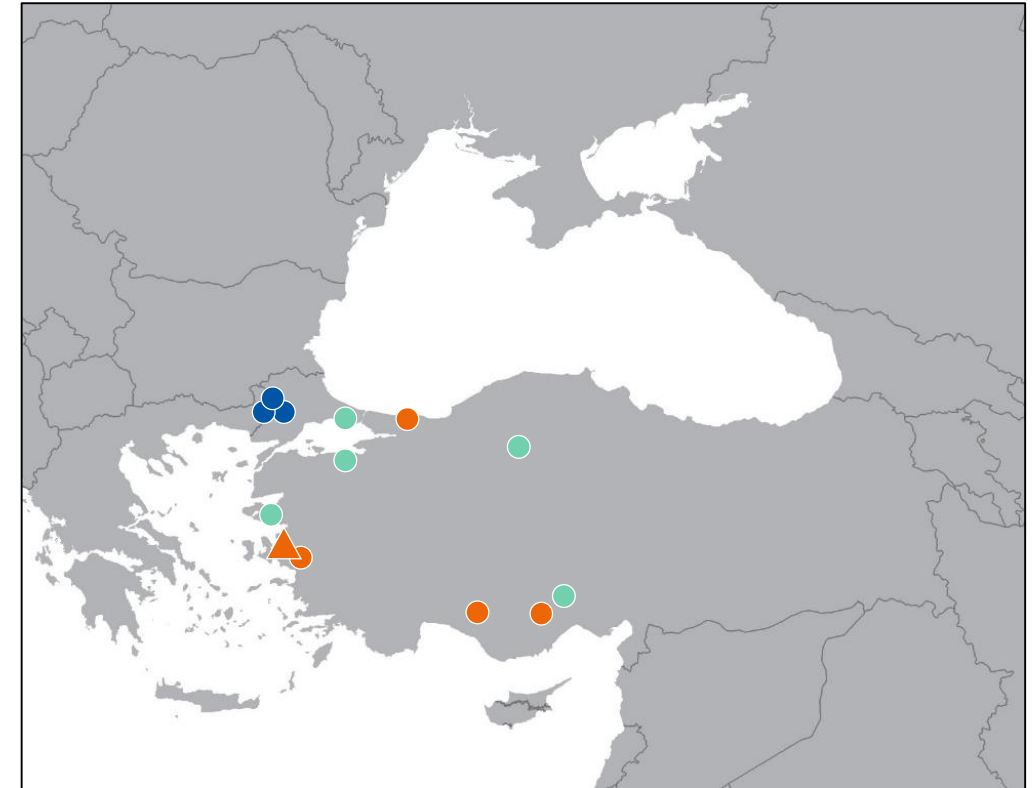
Integrated value chain (2020)



Capturing opportunities in fast-growing markets

Olmuksan acquisition

- Agreed to acquire 90% of shares in Olmuksan
 - Consideration of €66 million (€88 million implied EV on a 100% basis)
- Exciting opportunity to strengthen our position in the fast-growing Turkish corrugated market
 - Expanding offering to existing and new customers in the region
 - Diverse customer base – strong portfolio for consumer applications
- Significant operational improvements and paper integration benefits
 - Leveraging Mondi's expertise and experience together with our global containerboard portfolio
- Expected completion in H1 2021

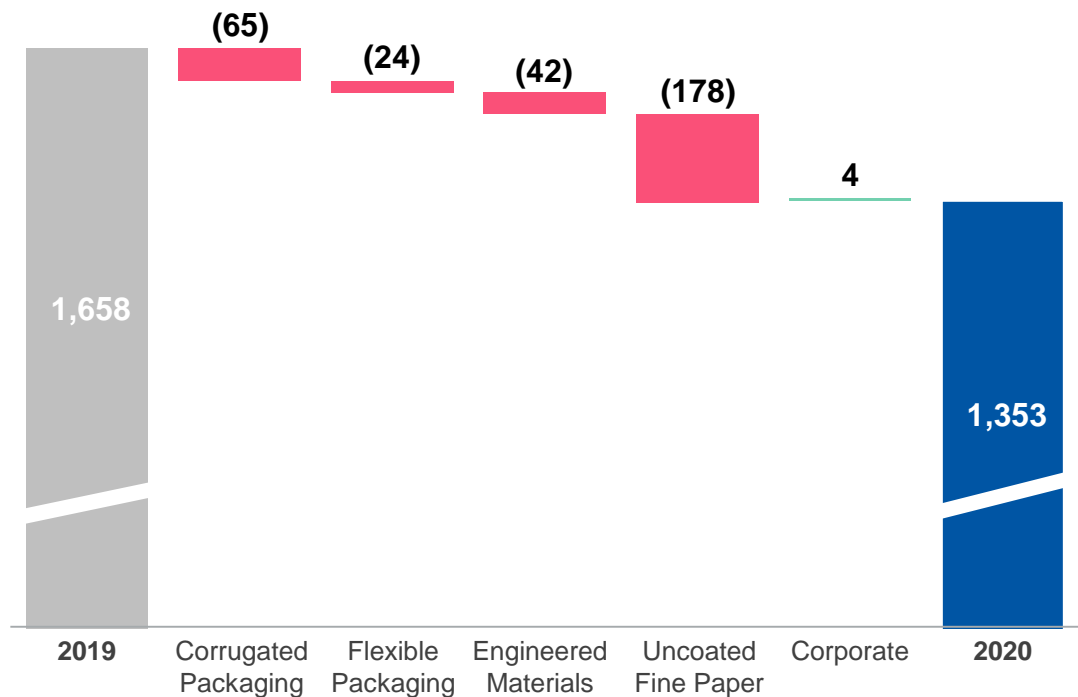


- Mondi's corrugated solutions plants
- ▲ Mondi Tire mill
- Mondi's flexible packaging plants
- Olmuksan corrugated solutions plants

Packaging businesses delivering strongly

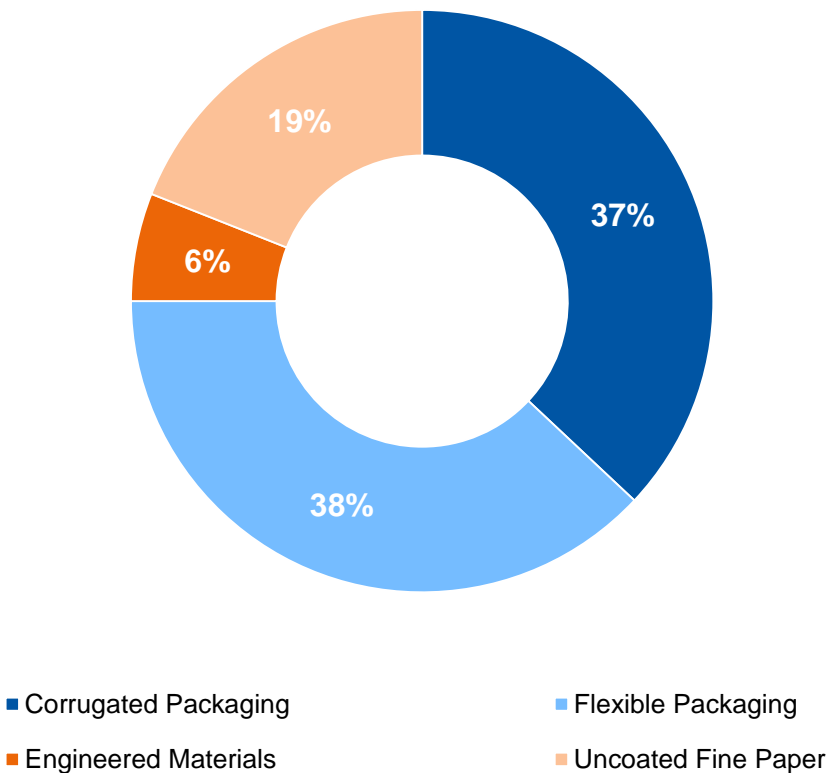
Business unit underlying EBITDA development

€ million



2020 underlying EBITDA by business unit¹

%

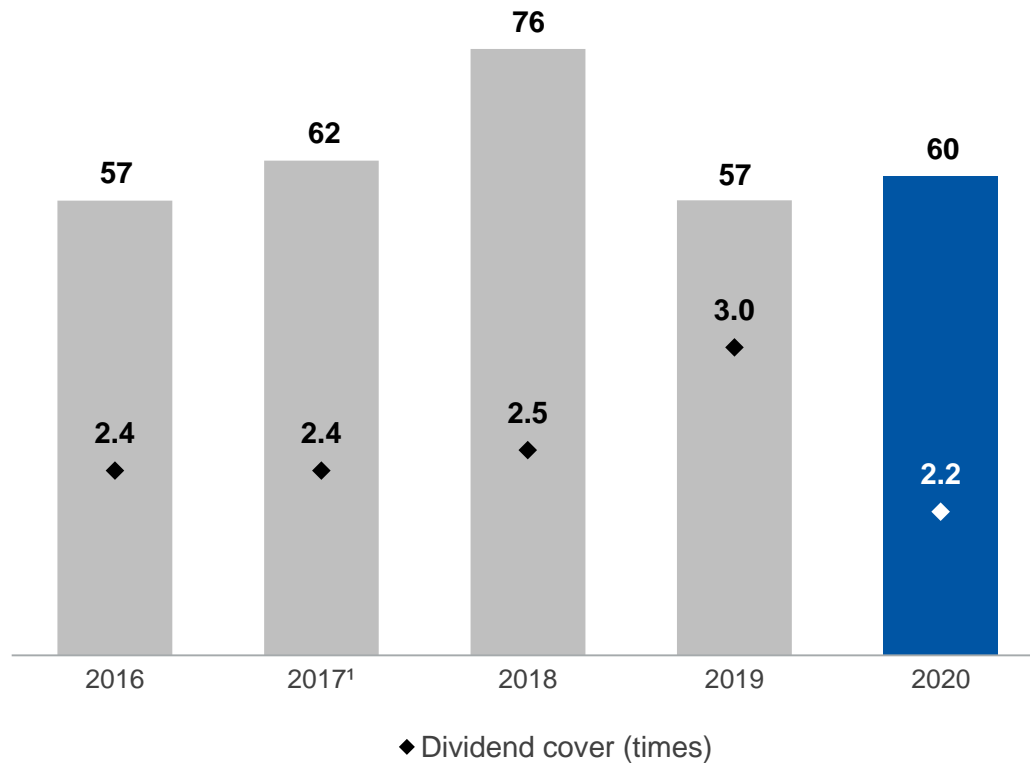


1. Breakdown excludes corporate costs

Dividends in line with our policy

Dividends declared and recommended

euro cents per share



1. Excludes the 2017 special dividend of 100 euro cents per share

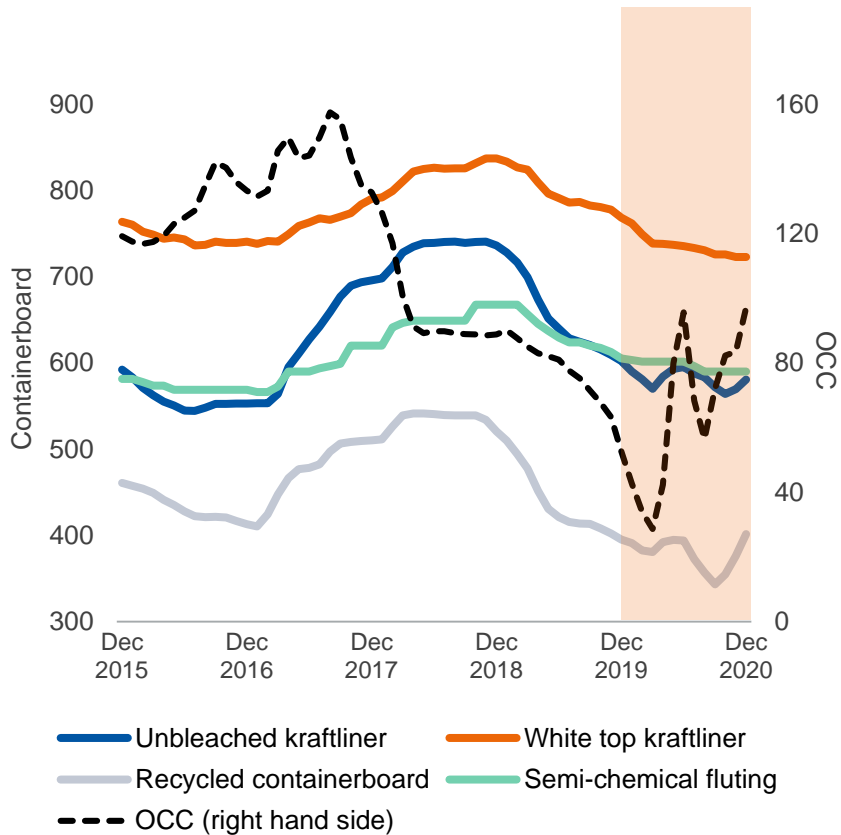
5% INCREASE IN
FULL YEAR
DIVIDEND

- Given strong financial position and confidence in the future of the business:
 - Recommended final dividend of 41.00 euro cents per share
- Dividend policy unchanged:
 - Targeted cover range of 2-3x on average over the cycle

Key paper and pulp European selling prices

Containerboard and OCC

€/tonne



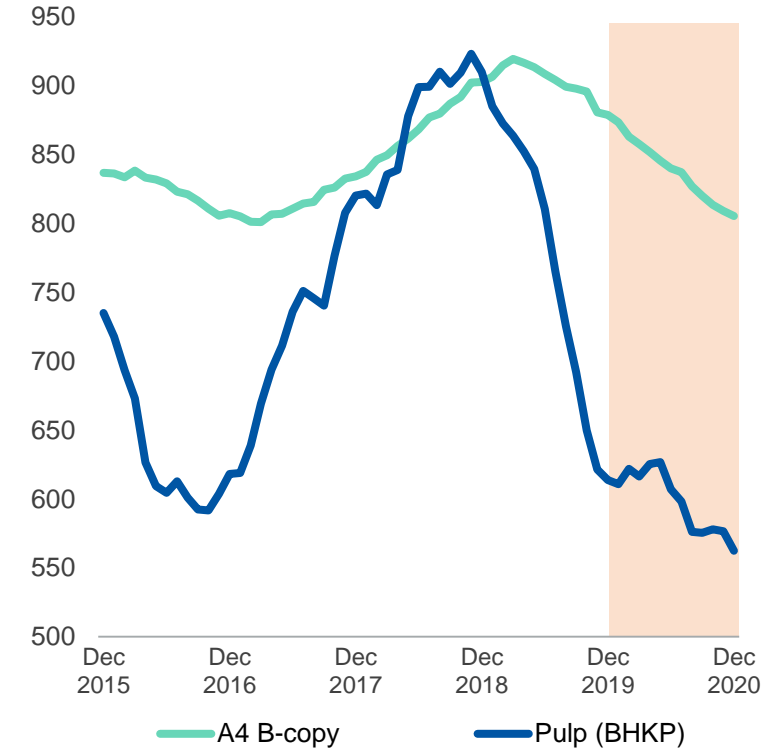
Sack kraft paper

Prices indexed to December 2015



Pulp and UFP

€/tonne

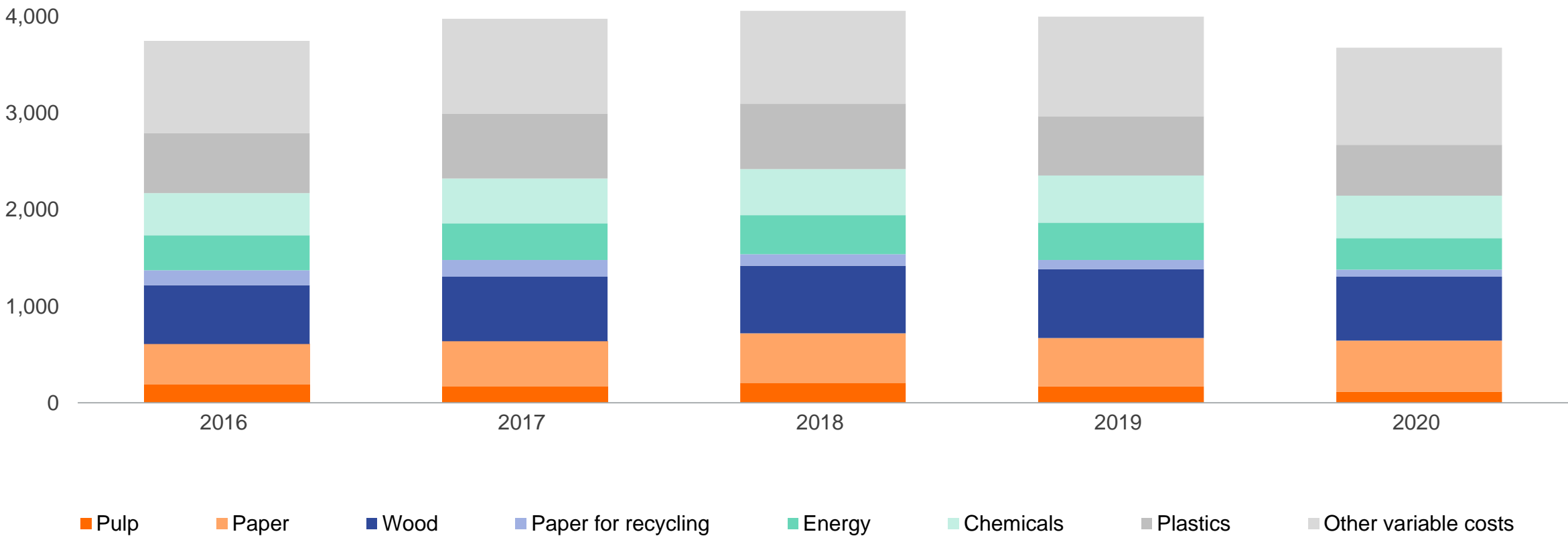


Source: Fastmarkets FOEX for Containerboard, OCC, Pulp and UFP. Fastmarkets RISI for semi-chemical fluting (average of France, Germany, Italy and Spain prices). Mondi for sack kraft paper.

Input costs

Variable costs

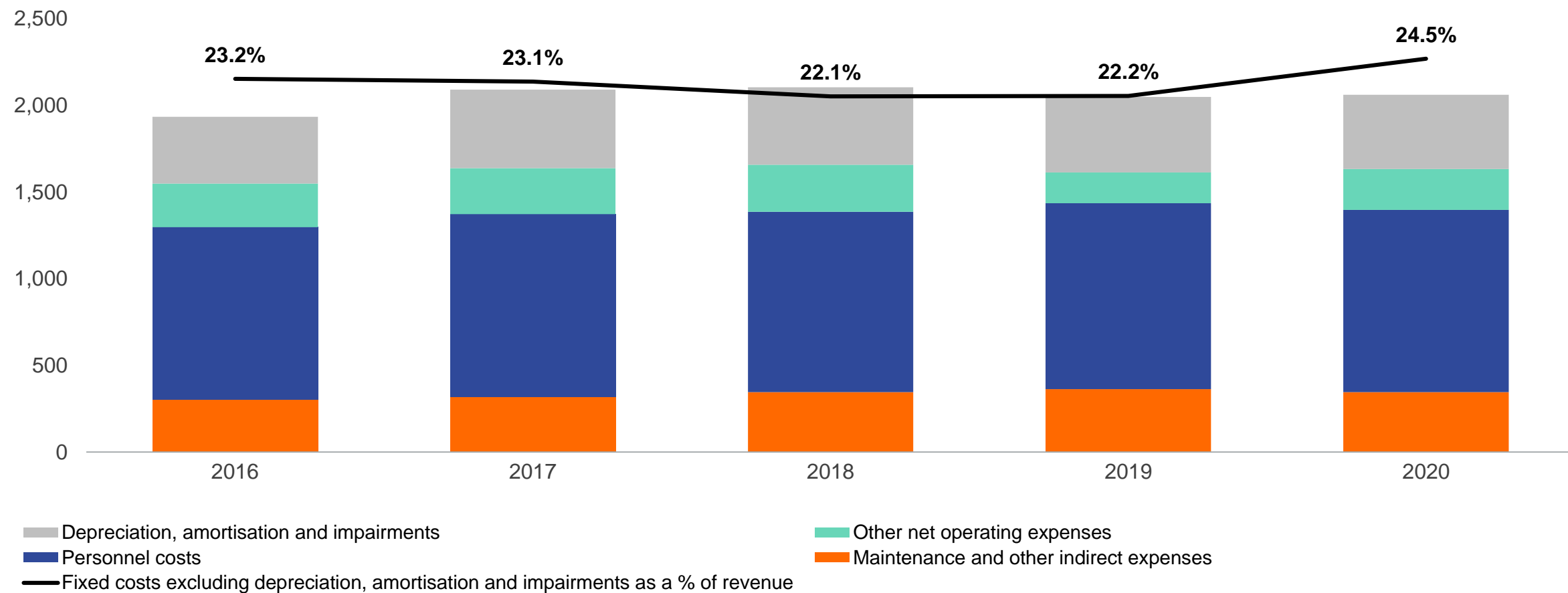
€ million



Fixed costs

Fixed costs (excluding special items)

€ million



Special items (2020)

€57 million net charge (before tax)

Flexible Packaging (€8 million)

- **Closure of two consumer flexibles plants in the UK** (*recognised as a special item in the prior year*)
 - €8 million restructuring and closure costs
 - €1 million reversal of impairment of assets
- **Settlement of a claim relating to 2012 Nordenia acquisition**
 - €1 million

Engineered Materials (€49 million)

- **Closure of a functional paper and films plant in the US**
 - €14 million (including €9 million non-cash impairment of assets)
- **Restructuring of a personal care components plant in Germany**
 - €35 million (including €18 million non-cash impairment of assets)

Production volumes

		2020	2019	% change
Containerboard	'000 tonnes	2,525	2,524	–
Kraft paper	'000 tonnes	1,145	1,162	(1%)
Uncoated fine paper	'000 tonnes	1,422	1,526	(7%)
Newsprint	'000 tonnes	169	201	(16%)
Pulp	'000 tonnes	4,484	4,387	2%
Internal consumption	'000 tonnes	3,767	3,883	(3%)
Market pulp	'000 tonnes	717	504	42%
Corrugated solutions	million m ²	1,771	1,653	7%
Paper bags	million units	5,435	5,228	4%
Consumer flexibles	million m ²	2,472	2,457	1%
Engineered materials	million m ²	5,068	5,506	(8%)

Exchange rates

	2020	2019	% change ¹
Closing rates against the euro			
South African rand	18.02	15.78	(14%)
Czech koruna	26.24	25.41	(3%)
Polish zloty	4.56	4.26	(7%)
Pound sterling	0.90	0.85	(6%)
Russian rouble	91.47	69.96	(31%)
Turkish lira	9.11	6.68	(36%)
US dollar	1.23	1.12	(10%)
Average rates against the euro			
South African rand	18.77	16.18	(16%)
Czech koruna	26.46	25.67	(3%)
Polish zloty	4.44	4.30	(3%)
Pound sterling	0.89	0.88	(1%)
Russian rouble	82.72	72.45	(14%)
Turkish lira	8.05	6.36	(27%)
US dollar	1.14	1.12	(2%)

1. (Weaker/devaluation of currency against euro) / Stronger currency against euro

Sources and definitions

Mondi region definitions

Europe – Europe including Russia and Turkey

Emerging Europe – Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Georgia, Hungary, Latvia, Lithuania, Macedonia, Malta, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey, Ukraine

Sources for market position estimates

Virgin containerboard (Europe) (including kraft top liner) based on capacity – Fastmarkets RISI and Mondi estimates

Containerboard (emerging Europe) based on capacity – Fastmarkets RISI and Mondi estimates

Kraft paper (Global) based on capacity – Fastmarkets RISI and Mondi estimates

Corrugated solutions (emerging Europe) based on production – Henry Poole Consulting and Mondi estimates

Paper bags (Global & Europe) based on sales volume – Eurosac, Freedonia and Mondi estimates

Consumer flexible packaging (Europe) based on sales – PCI Wood Mackenzie

Commercial release liner (Europe) based on sales volumes – Alexander Watson Associates and Mondi estimates

Extrusion coatings (Europe) based on Mondi estimates

Uncoated fine paper (Europe) based on sales volumes (Ilim JV considered separate from IP) – EURO-GRAPH, EMGE, Fastmarkets RISI, Pulp and Paper Products Council, Bumprom/SBO and Mondi estimates

Uncoated fine paper (South Africa) based on Mondi estimates



THANK YOU!