Half-yearly results for the six months ended 30 June 2019

1 August 2019
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b) any obligation or undertaking to review or confirm analysts’ expectations or estimates or to update any forward-looking statements to reflect any change in Mondi’s expectations or any events that occur or circumstances that arise after the date of making any forward-looking statements,

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

Underlying EBITDA and ROCE
€ million and %

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROCE</td>
<td>21.3%</td>
<td>23.6%</td>
<td>23.2%</td>
</tr>
<tr>
<td>€</td>
<td>852</td>
<td>912</td>
<td>894</td>
</tr>
</tbody>
</table>

Basic underlying earnings per share
euro cents per share

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>89.2</td>
<td>99.9</td>
<td>96.2</td>
</tr>
</tbody>
</table>

- Strong financial performance on all key metrics against a backdrop of increasingly challenging trading conditions
- Good contribution from capital investments and acquisitions completed in 2018
- Capital investment programme on track to deliver incremental growth
- Simplification of corporate structure completed end of July 2019
- Well positioned with innovative and sustainable packaging solutions portfolio

Strong financial performance and good progress on key strategic initiatives
## Key financial highlights

<table>
<thead>
<tr>
<th>€ million</th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
<th>% change vs H1 2018</th>
<th>% change vs H2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group revenue</td>
<td>3,727</td>
<td>3,754</td>
<td>3,771</td>
<td>1%</td>
<td>–</td>
</tr>
<tr>
<td>Underlying EBITDA</td>
<td>852</td>
<td>912</td>
<td>894</td>
<td>5%</td>
<td>(2%)</td>
</tr>
<tr>
<td>% margin</td>
<td>22.9%</td>
<td>24.3%</td>
<td>23.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underlying operating profit</td>
<td>630</td>
<td>688</td>
<td>679</td>
<td>8%</td>
<td>(1%)</td>
</tr>
<tr>
<td>% margin</td>
<td>16.9%</td>
<td>18.3%</td>
<td>18.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group ROCE</td>
<td>21.3%</td>
<td>23.6%</td>
<td>23.2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Strong performance on all key metrics
Underlying EBITDA development

H1 2018
Sales volumes: 852
Sales prices: 81
Variable costs: (50)
Cash fixed costs: (18)
Acquisitions and disposals: 33
Fair value gain on forestry assets: 39
Other: 8
Total: 894

H1 2019

Underlying EBITDA development
€ million

Underlying EBITDA up 5%
Strong contributions from Fibre Packaging and Uncoated Fine Paper

1 Breakdown excludes corporate costs
# Financial review

<table>
<thead>
<tr>
<th>€ million</th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
<th>% change vs H1 2018</th>
<th>% change vs H2 2018</th>
</tr>
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<tbody>
<tr>
<td><strong>Underlying EBITDA</strong></td>
<td>852</td>
<td>912</td>
<td>894</td>
<td>5%</td>
<td>(2%)</td>
</tr>
<tr>
<td><strong>Depreciation, amortisation and impairments</strong></td>
<td>(222)</td>
<td>(224)</td>
<td>(215)</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Underlying operating profit</strong></td>
<td>630</td>
<td>688</td>
<td>679</td>
<td>8%</td>
<td>(1%)</td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td>(40)</td>
<td>(48)</td>
<td>(45)</td>
<td>(13%)</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Underlying profit before tax</strong></td>
<td>590</td>
<td>641</td>
<td>634</td>
<td>7%</td>
<td>(1%)</td>
</tr>
<tr>
<td><strong>Underlying tax charge</strong></td>
<td>(132)</td>
<td>(141)</td>
<td>(146)</td>
<td>(11%)</td>
<td>(4%)</td>
</tr>
<tr>
<td><strong>Non-controlling interests</strong></td>
<td>(26)</td>
<td>(16)</td>
<td>(22)</td>
<td>15%</td>
<td>(38%)</td>
</tr>
<tr>
<td><strong>Underlying earnings</strong></td>
<td>432</td>
<td>484</td>
<td>466</td>
<td>8%</td>
<td>(4%)</td>
</tr>
<tr>
<td><strong>Special items (after tax)</strong></td>
<td>(81)</td>
<td>(11)</td>
<td>(2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Profit after tax and non-controlling interests</strong></td>
<td>351</td>
<td>473</td>
<td>464</td>
<td>32%</td>
<td>(2%)</td>
</tr>
<tr>
<td><strong>Basic earnings per share (euro cents)</strong></td>
<td>72.5</td>
<td>97.6</td>
<td>95.8</td>
<td>32%</td>
<td>(2%)</td>
</tr>
<tr>
<td><strong>Basic underlying earnings per share (euro cents)</strong></td>
<td>89.2</td>
<td>99.9</td>
<td>96.2</td>
<td>8%</td>
<td>(4%)</td>
</tr>
</tbody>
</table>

8% growth in basic underlying earnings per share
### Cash flow effects – movement in net debt

#### Movement in net debt

<table>
<thead>
<tr>
<th>Description</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt at 31 December 2018</td>
<td>2,220</td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>(737)</td>
</tr>
<tr>
<td>Capital expenditure and investment in forestry assets</td>
<td>362</td>
</tr>
<tr>
<td>Tax and interest paid</td>
<td>209</td>
</tr>
<tr>
<td>Ordinary dividends paid</td>
<td>266</td>
</tr>
<tr>
<td>Other</td>
<td>38</td>
</tr>
<tr>
<td>Net debt at 30 June 2019</td>
<td>2,358</td>
</tr>
</tbody>
</table>

Continued strong cash generation used for investing in the business and increasing distributions to shareholders

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1. To shareholders and non-controlling interests
Continued growth in shareholder returns

Dividends declared
eur cents per share

Total ordinary dividend
CAGR: 16%

Interim dividend of 27.28 euro cents per share declared

1 Excludes 2017 special dividend of 100 euro cents per share which was distributed in addition to the ordinary dividend
Technical guidance

<table>
<thead>
<tr>
<th></th>
<th>2019 guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital expenditure range per annum (in average for 2019 and 2020)</td>
<td>€700 – 800 million</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>€420 – 450 million</td>
</tr>
<tr>
<td>Estimated impact of planned mill maintenance shuts</td>
<td>± €150 million</td>
</tr>
<tr>
<td>Working capital as a % of turnover</td>
<td>12 – 14%</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>±23%</td>
</tr>
</tbody>
</table>
Highlights

Financial overview

Market and operational review

Key strategic developments

Outlook

Appendices
Underlying EBITDA and margin

€ million and %

- Underlying EBITDA up 4%
- Benefiting from:
  - higher average selling prices
  - contribution from acquisitions and capital investment projects
- Offsetting:
  - higher costs
  - mill maintenance shut effects
- Shut a 65ktpa recycled containerboard machine at our Tire Kutsan mill (Turkey)
- Agreed to sell a highly specialised extrusion coated products plant in Duffel (Belgium) in July 2019
Fibre Packaging

Containerboard selling prices
€/tonne

Containerboard
- Price pressure in H1 although the magnitude differed by grade
  - Stable pricing currently in unbleached kraftliner and recycled containerboard on the back of improved order books, following sharp falls in H1
  - Moderate price reductions in white top kraftliner and semi-chemical fluting in H1 which have continued in Q3

Corrugated Packaging
- Higher average selling prices
- Good volume growth in central and eastern Europe, partly offset by weaker volumes in Turkey and Russia
  - Good demand in e-commerce and consumer
- Continuous focus on reducing conversion costs and further enhancing innovative product offering, quality and service to customers

Source: Fastmarkets FOEX and Fastmarkets RISI for semi-chemical fluting (average of France, Germany, Italy and Spain prices)
Fibre Packaging

Sack kraft paper selling prices
Prices indexed to June 2014

Kraft Paper
- Prices in H1 up around 8%, on average, on 2018 pricing
- Weaker demand leading to price reductions in selected grades effective in the second half for volumes not fixed by annual contracts
- Good demand across our range of speciality kraft papers supported by consumer preferences and legislation

Industrial Bags
- Sales volumes down on a like-for-like basis, due to a combination of pricing discipline and weakness in Turkish, Middle Eastern and North American markets
- Price increases achieved in the early part of the year to compensate for higher paper input costs
- Strong cost management

Source: Mondi
Fibre Packaging

Key competitive advantages

- Cost advantaged asset base
- Diversified portfolio of packaging paper grades
- Speciality products with premium pricing and lower cyclicality
- Integrated business model
- Proven track record of operational excellence to be further enhanced by our digital projects
- Innovation leader
- Well positioned to benefit from sustainability trends.

Growth will depend on:
- Legislation
- Willingness of consumers to pay a premium
Underlying EBITDA flat on the comparable prior year period, and up 12% on H2 2018

Improved performance from consumer goods packaging:
- restructured plant network
- product innovation
- continuous improvement initiatives

Stabilisation of performance in personal care components, although continued pressure expected in the medium term

Overall performance held back by:
- one-off items
- negative currency effects

### Underlying EBITDA and margin

**Underlying EBITDA margin**

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying EBITDA margin</td>
<td>12.5%</td>
<td>11.5%</td>
<td>12.3%</td>
</tr>
<tr>
<td>€ million</td>
<td>103</td>
<td>91</td>
<td>102</td>
</tr>
</tbody>
</table>
● Underlying EBITDA up 10% on the comparable prior year period

● Benefiting from:
  ○ higher average uncoated fine paper selling prices
  ○ higher forestry fair value gain

● Offsetting:
  ○ impact of maintenance shuts
  ○ higher costs

● Lower uncoated fine paper sales volumes:
  ○ closure of a small machine at Merebank in Q3 2018
  ○ impact of maintenance shuts
Ongoing structural decline in market demand in mature markets

We continue to benefit from:
- superior cost positioning
- emerging market exposure

Higher average benchmark European uncoated fine paper selling prices

Average benchmark European bleached hardwood pulp prices flat compared with the prior year period but down 6% sequentially – accelerating rate of decline in Q2

Net long pulp position for the Group of around 300,000 tonnes per annum
## Key strategic developments

### Sustainable packaging
- Uniquely positioned as a leading paper and plastic based packaging producer
- Supporting our customers to achieve their sustainability goals with our EcoSolutions approach, by focusing on packaging that is sustainable by design – paper where possible, plastic when useful

### Capital investment programme
- Štětí mill modernisation making a positive contribution (started up in Q4 2018)
- Previously announced major capital investment projects on track
- Focus on investment in cost advantaged assets ensures strong through-the-cycle returns

### Simplification of corporate structure
- From DLC into single holding company structure under Mondi plc – simplifies cash and dividend flows, increases transparency, removes the complexity associated with the previous structure and enhances strategic flexibility
- Mondi Plc to maintain premium listing on LSE, with higher FTSE100 weighting, and to have secondary listing on JSE – eligible for inclusion in key JSE indices
Innovating with our customers

**e-shop DelightBox**
- Flat bottom, one piece e-commerce corrugated box solution
- Instant assembly, fast closure, open and reclose strips and tamper proof
- Replaces plastic bag alternatives in selected markets
- Lightweight product made of 100% recycled containerboard
- Economic, efficient, easy solution with excellent presentation

**Recyclable barrier film**
- Fully-recyclable barrier film for thermoforming applications that retains all the functionality of its previous counterpart
- Excellent optical properties
- Outstanding gas barrier providing longer shelf-life
- More than 20% reduction in carbon footprint compared to existing conventional solutions

**Pouch with recycled content**
- Mondi-led collaborative project
- Innovation to contribute to a circular economy
- Flexible plastic pouch prototype incorporating a minimum of 20% post-consumer plastic waste
- Fully-recyclable
- Planning to roll out as a commercially viable product for our multinational FMCG customers
Investor site visit to Štětí

- 5 and 6 November
- Includes:
  - tour of this world-class manufacturing site
  - update from CEO Peter Oswald
  - presentations from Fibre Packaging and Consumer Packaging businesses on the opportunity to leverage our unique position and build on our portfolio of sustainable packaging solutions
- Numbers limited – if you are interested please contact: Investor.Relations@mondigroup.com
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Outlook

Going into the second half of 2019, ongoing macro-economic uncertainties continue to impact on the trading environment. Demand is generally softer across the markets in which we operate, while prices for key paper grades are currently below those of the first half. Furthermore, we expect a significantly lower forestry fair value gain in the second half. Our relentless focus on continuous improvement is expected to lessen the impact of these pressures.

Underpinned by the Group's robust business model, centred around our high-quality, cost-advantaged asset base, our portfolio of sustainable packaging solutions, clear strategic focus and culture of continuous improvement, we remain confident of continuing to deliver a strong and industry-leading performance.
Summary
Mondi at a glance

<table>
<thead>
<tr>
<th>Products</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Segment revenue¹ as a % of total</strong></td>
<td></td>
</tr>
<tr>
<td>Fibre Packaging</td>
<td></td>
</tr>
<tr>
<td>Segment revenue</td>
<td>€4,108m 54%</td>
</tr>
<tr>
<td>Underlying EBITDA margin</td>
<td>26.4%</td>
</tr>
<tr>
<td>ROCE</td>
<td>26.8%</td>
</tr>
<tr>
<td>Consumer Packaging</td>
<td></td>
</tr>
<tr>
<td>Segment revenue</td>
<td>€1,611m 21%</td>
</tr>
<tr>
<td>Underlying EBITDA margin</td>
<td>12.0%</td>
</tr>
<tr>
<td>ROCE</td>
<td>9.0%</td>
</tr>
<tr>
<td>Uncoated Fine Paper</td>
<td></td>
</tr>
<tr>
<td>Segment revenue</td>
<td>€1,877m 25%</td>
</tr>
<tr>
<td>Underlying EBITDA margin</td>
<td>27.5%</td>
</tr>
<tr>
<td>ROCE</td>
<td>31.9%</td>
</tr>
</tbody>
</table>

¹ Segment revenues, before elimination of inter-segment revenues
## Leading market positions

### Global
- Kraft paper
- Industrial bags

### Europe
- Virgin containerboard
- Uncoated fine paper
- Commercial release liner
- Consumer flexible packaging

### Emerging Europe
- Containerboard
- Corrugated packaging

### South Africa
- Uncoated fine paper

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Please see sources and definitions at the end of this document.
Strong global presence

Revenue by location of customer
H1 2019 (%)

- Emerging Europe: 15%
- Western Europe: 38%
- Russia: 10%
- South Africa: 5%
- North America: 22%
- Other: 10%

Group revenue: €3,771 million

Revenue by location of production
H1 2019 (%)

- Emerging Europe: 35%
- Western Europe: 38%
- Russia: 12%
- South Africa: 7%
- North America: 6%
- Other: 2%

Group revenue: €3,771 million
EcoSolutions: our approach to sustainable packaging solutions

Increased collaboration between Consumer Packaging and Fibre Packaging business units to fast-track the development of EcoSolutions: Paper where possible, plastic when useful

**Replace**
replacing plastic packaging with renewable fibre-based paper packaging or bio-based polymers
- e.g. EcoVantage shopper bags, Advantage MF EcoComp food waste bags, Sustainex®, SPLASHBAG

**Reduce**
replacing rigid plastic packaging with flexible plastic packaging, typically reducing plastic consumption by 70%
- e.g. StripPouch

**Recycle**
optimising plastic packaging for recycling and increasing recycled content
- e.g. BarrierPack Recyclable 100% recyclable
Our cash flow priorities remain unchanged

- Maintain our strong and stable financial position and investment grade credit metrics
- Grow through selective capital investment opportunities
- Support payment of dividends to our shareholders
- Evaluate growth opportunities through M&A and/or increased shareholder distributions

As appropriate
Creating sustainable value through our strategic framework

We drive value accretive growth

- Drive performance along the value chain
- Invest in assets with cost advantage
- Inspire our people and grow responsibly
- Partner with customers for innovation
Pulp and paper integrated value chain (2018)

Mondi managed forests
AAC: 8 million m³

Internally procured wood¹
4 million m³

Externally procured wood
14 million m³

Mondi managed forests
AAC: 8 million m³

Internally procured wood¹
4 million m³

Externally procured wood
14 million m³

Paper for recycling
1.3 mt

Pulp mill
4.3 mt

Net exposure 1.7 mt

Virgin containerboard
2.0 mt

Consumption² 0.3 mt

Recycled containerboard
0.5 mt

Net exposure (0.1) mt

Kraft paper
1.1 mt

Consumption² 0.6 mt

Uncoated fine paper³
1.6 mt

Net exposure 0.3 mt

External sales 1.6 mt

Net exposure 0.2 mt

¹ Due to commercial, logistic and sustainability considerations, the actual wood procured from our managed forests was lower than the annual allowable cut (‘AAC’)
² Total consumption (aggregate of internal and externally procured packaging paper)
³ In addition to the 1.6mt of uncoated fine paper, the Group also produced 0.2mt of newsprint
Our cost advantaged operations

Mondi capacity by quartile of relevant industry cost curve¹,²,³

1 Includes unbleached kraftliner, white top kraftliner, nordic and semi-chemical fluting, testliner, recycled fluting, bleached & unbleached sack kraft paper, uncoated fine paper (including value added grades) and BHKP
2 Based on delivered cost to Frankfurt except BHKP (delivered to Rotterdam) and uncoated fine paper – Merebank (delivered to South Africa)
3 European capacity except white top kraftliner, nordic and semi-chemical fluting, bleached & unbleached sack kraft paper and BHKP (global capacity) and uncoated fine paper – Merebank (South Africa only)

Source: Fastmarkets RISI and Mondi estimates, Q1 2019

85% in the 1ˢᵗ or 2ⁿᵈ cost quartile
Capital investment projects on track and delivering growth

- Strong contribution:
  - €95 million in the past 3 years
  - €45 million expected in 2019
- Focused capital investment project pipeline securing future growth
- Key projects expected to increase current saleable pulp and paper production by around 10% when in full operation
Strong major capital expenditure project pipeline – key projects

**Štětí mill modernisation**
- Successfully started up in Q4 2018
- Replacement of recovery boiler, rebuild of fibre lines and debottlenecking of paper machines
- Benefits:
  - increased saleable production: 90ktpa softwood market pulp and 55ktpa packaging paper
  - reduced environmental footprint, increased electricity self-sufficiency, lower production costs

**Ružomberok mill**
- New 300,000 tonne kraft top white machine with expected start-up towards the end of 2020
- Debottlenecking pulp mill – increasing capacity by 100,000 tonnes per annum (to be mostly integrated into containerboard)
- Related pulp mill upgrade progressing with start-up expected in late 2019

**Štětí machine conversion**
- €67 million project to deliver further capacity in fast growing paper shopping bag market
- Conversion of a containerboard machine at Štětí to produce up to 130ktpa of speciality kraft paper
- Net capacity increase of 45ktpa of packaging paper
- Start-up expected by the end of 2020

**Syktyvkar**
- Investing to maintain competitiveness and increase saleable production by around 100,000 tonnes per annum in the medium term
Strong track record of acquisitions

- Świecie minorities (Containerboard)
- Nordenia (Consumer Packaging)
- 2 Duropack plants (Corrugated Packaging)
- KSP (Consumer Packaging)
- Ascania (Consumer Packaging)
- Excelsior Technologies (Consumer Packaging)
- Intercell (Industrial Bags)
- Graphic Packaging plants (Industrial Bags)
- Uralplastic (Consumer Packaging)
- Kalenobel (Consumer Packaging)
- SIMET (Corrugated Packaging)
- Lebedyan (Corrugated Packaging)
- Powerflute (Containerboard)
- NPP (Industrial Bags)
- Suez Bags (Industrial Bags)

Over €2.0 billion invested in acquisitions since 2012
Our Growing Responsibly model: An integrated approach to sustainable development

Public commitments to be achieved by 2020¹

Solutions that create value for our customers
- Encourage sustainable, responsibly produced products

Relationships with communities
- Enhance social value to our communities through effective stakeholder engagement and meaningful social investments

Supplier conduct and responsible procurement
- Encourage supply chain transparency and promote fair working conditions together with our key suppliers

Biodiversity and ecosystems
- Promote ecosystem stewardship in the landscapes where we operate through continued multi-stakeholder collaboration

Constrained resources and environmental impacts
- By 2020, reduce against 2015:
  ○ specific contact water consumption (5%)²
  ○ specific waste to landfill (7.5%)
  ○ specific NOx emissions (7.5%)²
  ○ specific effluent load (COD) (5%)

Employee and contractor safety and health
- Avoid work-related fatalities
- Prevent life-altering injuries
- Reduce TCR by 5% against 2015

A skilled and committed workforce
- Engage with our people to create a better workplace

Fairness and diversity in the workplace
- Promote fair working conditions in the workplace

Sustainable fibre
- Maintain FSC™ certification for 100% of our owned and leased forestlands and promote sustainable forest management
- Procure at least 70% of wood from FSC or PEFC™ certified sources with the balance meeting our company minimum wood standard

Climate change³
- By 2030, reduce specific CO₂e emissions by 15% against 2014²

¹ Climate change commitment to 2030
² From our pulp and paper mills
³ In addition, we have committed to reducing production-related, specific Scope 1 and 2 GHG emissions from our pulp and paper mills to 0.25 tonnes CO₂ per tonne of saleable production by 2050 against a 2014 baseline
2018 sustainable development highlights

Safety & Health
11% reduction in total recordable case rates since 2015
‘Think twice’ - Safety campaign brings safety home to our employees
1,315 people have completed first-line managers safety training since 2015

Climate change and energy
14.5% reduction in total specific CO₂e emissions in our mills against our 2014 baseline
64% fuel consumed in our mills from renewable biomass-based sources
100% electricity self-sufficiency in our mills

Diversity & Inclusion roadmap launched in 2018
27% women in our executive committee and its direct reports
25% women on our Boards

Collaborating with partners
Not everything goes to plan... but transparency is key
Our performance in some key indicators deteriorated due to unforeseen challenges
As a result, compared to our 2019 baseline:
1.3% Specific waste to landfill increased
6.1% Specific COD emissions increased
2.0% Specific contact water from our mills decreased

Socio-economic assessment toolbox (SEAT) at Frantschach
79% of our mills and forestry operations assessed to date

Training and development
30+ hours average training per employee in 2018

Contributing to a better world
Mondi Leadership Forum, Berlin 2018

FSC™ or PEFC™ certified wood
71%

WWE Climate Savers Programme membership in 2018
External sustainability recognition

**UN Global Compact**
Advanced Reporter

**FTSE4Good and FTSE/JSE Responsible Investment Index**
Member of the FTSE4Good Index Series
 Constituent of the FTSE/JSE Responsible Investment Top 30 Index

**The CEO Water Mandate**
Joined 2015

**CDP**
A- score for Climate Change
B scores for Forests and Water Security

**EcoAct**
Ranked sixth FTSE100 company

**ISS-oekom**
Prime status in the ISS-oekom Corporate Rating indices

**MSCI**
ESG Rating AAA

**Sustainalytics**
Low risk rating

**Ecovadis**
GOLD recognition level
Top 1% of all companies

**Ethibel Sustainability Index (ESI)**
Constituent of the ESI Excellence Europe

**ISS-oekom**
Prime status in the ISS-oekom Corporate Rating indices

**Euronext Vigeo Indices**
UK 20
Europe 120
World 120

**ECPI Indices**
Constituent of ECPI Indices
Fixed costs

Fixed costs composition (excluding special items)

€ million

- Depreciation, amortisation and impairments
- Personnel costs
- Other net operating expenses
- Maintenance and other indirect expenses

Fixed costs excluding depreciation, amortisation and impairments as a % of revenue
## Net debt and interest

<table>
<thead>
<tr>
<th>€ million</th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net debt</strong></td>
<td>2,450</td>
<td>2,220</td>
<td>2,358</td>
</tr>
<tr>
<td><strong>Average net debt</strong></td>
<td>1,708</td>
<td>2,316</td>
<td>2,231</td>
</tr>
<tr>
<td><strong>Net interest expense</strong></td>
<td>37</td>
<td>46</td>
<td>43</td>
</tr>
<tr>
<td><strong>Committed facilities</strong></td>
<td>2,532</td>
<td>2,487</td>
<td>2,477</td>
</tr>
<tr>
<td>Of which undrawn</td>
<td>429</td>
<td>616</td>
<td>523</td>
</tr>
<tr>
<td><strong>Net debt/12-month trailing underlying EBITDA (times)</strong></td>
<td>1.5</td>
<td>1.3</td>
<td>1.3</td>
</tr>
</tbody>
</table>

- Net debt up on 31 December 2018:
  - payment of final dividend to shareholders
  - capital expenditure
  - seasonal working capital increase
- Public credit ratings unchanged
  - Standard & Poor’s at BBB+ (stable outlook)
  - Moody’s Investors Service at Baa1 (stable outlook)

Robust financial position provides strategic flexibility
# Cash flow (reconciling to movement in net debt)

<table>
<thead>
<tr>
<th>€ million</th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
<th>% change vs H1 2018</th>
<th>% change vs H2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying EBITDA</td>
<td>852</td>
<td>912</td>
<td>894</td>
<td>5%</td>
<td>(2%)</td>
</tr>
<tr>
<td>Working capital movements</td>
<td>(148)</td>
<td>31</td>
<td>(104)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other operating cash flow items</td>
<td>18</td>
<td>(11)</td>
<td>(53)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>722</td>
<td>932</td>
<td>737</td>
<td>2%</td>
<td>(21%)</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(110)</td>
<td>(138)</td>
<td>(167)</td>
<td>(52%)</td>
<td>(21%)</td>
</tr>
<tr>
<td>Dividends received from other investments</td>
<td>–</td>
<td>1</td>
<td>–</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net cash generated from operating activities</strong></td>
<td>612</td>
<td>795</td>
<td>570</td>
<td>(7%)</td>
<td>(28%)</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(347)</td>
<td>(362)</td>
<td>(339)</td>
<td>2%</td>
<td>6%</td>
</tr>
<tr>
<td>Investment in forestry assets</td>
<td>(28)</td>
<td>(25)</td>
<td>(23)</td>
<td>18%</td>
<td>8%</td>
</tr>
<tr>
<td>Acquisitions (on a debt and cash-free basis)</td>
<td>(414)</td>
<td>(20)</td>
<td>(2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>(32)</td>
<td>(41)</td>
<td>(42)</td>
<td>(31%)</td>
<td>(2%)</td>
</tr>
<tr>
<td>Dividends paid to shareholders</td>
<td>(691)</td>
<td>(102)</td>
<td>(264)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends paid to non-controlling interests</td>
<td>(17)</td>
<td>(1)</td>
<td>(2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other investing and financing activities</td>
<td>(1)</td>
<td>(14)</td>
<td>(36)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net (increase)/decrease in net debt</strong></td>
<td>(918)</td>
<td>230</td>
<td>(138)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Statement of financial position

<table>
<thead>
<tr>
<th>€ million</th>
<th>30 June 2018</th>
<th>31 December 2018</th>
<th>30 June 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>4,187</td>
<td>4,340</td>
<td>4,520</td>
</tr>
<tr>
<td>Goodwill</td>
<td>932</td>
<td>942</td>
<td>946</td>
</tr>
<tr>
<td>Working capital</td>
<td>1,065</td>
<td>972</td>
<td>1,131</td>
</tr>
<tr>
<td>Other assets</td>
<td>506</td>
<td>540</td>
<td>598</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>(724)</td>
<td>(749)</td>
<td>(729)</td>
</tr>
<tr>
<td><strong>Net assets excluding net debt</strong></td>
<td><strong>5,966</strong></td>
<td><strong>6,045</strong></td>
<td><strong>6,466</strong></td>
</tr>
<tr>
<td>Equity</td>
<td>3,188</td>
<td>3,485</td>
<td>3,757</td>
</tr>
<tr>
<td>Non-controlling interests in equity</td>
<td>328</td>
<td>340</td>
<td>351</td>
</tr>
<tr>
<td>Net debt</td>
<td>2,450</td>
<td>2,220</td>
<td>2,358</td>
</tr>
<tr>
<td><strong>Capital employed</strong></td>
<td><strong>5,966</strong></td>
<td><strong>6,045</strong></td>
<td><strong>6,466</strong></td>
</tr>
</tbody>
</table>
## Production volumes

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
<th>% change vs H1 2018</th>
<th>% change vs H2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fibre Packaging</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Containerboard</td>
<td>'000 tonnes</td>
<td>1,189</td>
<td>1,341</td>
<td>1,234</td>
<td>4%</td>
</tr>
<tr>
<td>Kraft paper</td>
<td>'000 tonnes</td>
<td>605</td>
<td>513</td>
<td>622</td>
<td>3%</td>
</tr>
<tr>
<td>Softwood pulp</td>
<td>'000 tonnes</td>
<td>1,028</td>
<td>958</td>
<td>1,051</td>
<td>2%</td>
</tr>
<tr>
<td>Hardwood pulp</td>
<td>'000 tonnes</td>
<td>292</td>
<td>422</td>
<td>382</td>
<td>31%</td>
</tr>
<tr>
<td>Corrugated board and boxes</td>
<td>million m²</td>
<td>814</td>
<td>821</td>
<td>816</td>
<td>–</td>
</tr>
<tr>
<td>Industrial bags</td>
<td>million units</td>
<td>2,600</td>
<td>2,655</td>
<td>2,683</td>
<td>3%</td>
</tr>
<tr>
<td>Extrusion coatings</td>
<td>million m²</td>
<td>665</td>
<td>565</td>
<td>625</td>
<td>(6%)</td>
</tr>
<tr>
<td><strong>Consumer Packaging</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer packaging</td>
<td>million m²</td>
<td>3,819</td>
<td>3,459</td>
<td>3,505</td>
<td>(8%)</td>
</tr>
<tr>
<td><strong>Uncoated Fine Paper</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncoated fine paper</td>
<td>'000 tonnes</td>
<td>840</td>
<td>809</td>
<td>770</td>
<td>(8%)</td>
</tr>
<tr>
<td>Softwood pulp</td>
<td>'000 tonnes</td>
<td>174</td>
<td>212</td>
<td>181</td>
<td>4%</td>
</tr>
<tr>
<td>Hardwood pulp</td>
<td>'000 tonnes</td>
<td>587</td>
<td>657</td>
<td>568</td>
<td>(3%)</td>
</tr>
<tr>
<td>Newsprint</td>
<td>'000 tonnes</td>
<td>102</td>
<td>105</td>
<td>104</td>
<td>2%</td>
</tr>
</tbody>
</table>
## Exchange rates

### Closing rates against the euro

<table>
<thead>
<tr>
<th>Currency</th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
<th>% change&lt;sup&gt;1&lt;/sup&gt; vs H1 2018</th>
<th>% change&lt;sup&gt;1&lt;/sup&gt; vs H2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>South African rand</td>
<td>16.05</td>
<td>16.46</td>
<td>16.12</td>
<td>–</td>
<td>2%</td>
</tr>
<tr>
<td>Czech koruna</td>
<td>26.02</td>
<td>25.72</td>
<td>25.45</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Polish zloty</td>
<td>4.37</td>
<td>4.30</td>
<td>4.25</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Pounds sterling</td>
<td>0.89</td>
<td>0.89</td>
<td>0.90</td>
<td>(1%)</td>
<td>(1%)</td>
</tr>
<tr>
<td>Russian rouble</td>
<td>73.16</td>
<td>79.72</td>
<td>71.60</td>
<td>2%</td>
<td>10%</td>
</tr>
<tr>
<td>Turkish lira</td>
<td>5.34</td>
<td>6.06</td>
<td>6.57</td>
<td>(23%)</td>
<td>(8%)</td>
</tr>
<tr>
<td>US dollar</td>
<td>1.17</td>
<td>1.15</td>
<td>1.14</td>
<td>3%</td>
<td>1%</td>
</tr>
</tbody>
</table>

### Average rates for the period against the euro

<table>
<thead>
<tr>
<th>Currency</th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>H1 2019</th>
<th>% change&lt;sup&gt;1&lt;/sup&gt; vs H1 2018</th>
<th>% change&lt;sup&gt;1&lt;/sup&gt; vs H2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>South African rand</td>
<td>14.89</td>
<td>16.34</td>
<td>16.04</td>
<td>(8%)</td>
<td>2%</td>
</tr>
<tr>
<td>Czech koruna</td>
<td>25.50</td>
<td>25.79</td>
<td>25.68</td>
<td>(1%)</td>
<td>–</td>
</tr>
<tr>
<td>Polish zloty</td>
<td>4.22</td>
<td>4.30</td>
<td>4.29</td>
<td>(2%)</td>
<td>–</td>
</tr>
<tr>
<td>Pounds sterling</td>
<td>0.88</td>
<td>0.89</td>
<td>0.87</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Russian rouble</td>
<td>71.96</td>
<td>76.13</td>
<td>73.75</td>
<td>(2%)</td>
<td>3%</td>
</tr>
<tr>
<td>Turkish lira</td>
<td>4.96</td>
<td>6.44</td>
<td>6.35</td>
<td>(28%)</td>
<td>1%</td>
</tr>
<tr>
<td>US dollar</td>
<td>1.21</td>
<td>1.15</td>
<td>1.13</td>
<td>7%</td>
<td>2%</td>
</tr>
</tbody>
</table>

<sup>1</sup> (Weaker/devaluation of currency against euro) / Stronger currency against euro
Market position 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
North America – Canada, Mexico, USA

Sources for market position estimates

Virgin containerboard (Europe) and Containerboard (emerging Europe) based on capacity (including kraft top liner) – Source: Fastmarkets RISI European Paper Packaging Capacity Report and Mondi estimates
Kraft paper (Global) based on capacity – Source: Fastmarkets RISI European Paper Packaging Capacity Report, Fastmarkets RISI Mill Asset Database, Pöyry Smart Terminal Service and Mondi estimates
Corrugated packaging (emerging Europe) based on production – Source: Henry Poole Consulting and Mondi estimates
Industrial bags (Global) based on sales volume – Source: Eurosac, Freedonia World Industrial Bags 2016 study and Mondi estimates
Commercial release liner (Europe) based on sales volumes – Source: AWA European Release Linter Market Study and Mondi estimates
Uncoated fine paper (Europe) based on sales volumes (Ilm JV considered separate from IP) – Source: EURO-GRAPH delivery statistics, EMGE Woodfree Forecast, EMGE World Graphic Papers, Fastmarkets RISI Mill Asset Database, eastconsult and Mondi estimates
Uncoated fine paper (South Africa) based on Mondi estimates