

## **Mondi plc**

### **Nominations Committee**

#### **Terms of Reference**

In these Terms of Reference, references to:

“the Group” shall mean Mondi plc and its subsidiaries from time to time;

“the Board” shall mean the Board of Directors of Mondi plc;

“the Committee” shall mean the Nominations Committee of the Board;

“the Executive Committee” shall mean the Executive Committee of the Board;

“Executive Management” shall mean the members of the Executive Committee of the Board and the Company Secretary of Mondi plc;

“the Corporate Governance Code” shall mean the UK Corporate Governance Code, as amended from time to time.

#### **1 Membership**

- 1.1** The Committee shall be appointed annually by the Board and shall comprise at least three members, all of whom shall be Non-executive Directors and including the Chair of the Board. The majority of the members shall be independent Non-executive Directors.
- 1.2** The Chair of the Committee shall be the Chair of the Board or an independent Non-executive Director. If the Chair of the Committee is the Chair of the Board, when the Committee is dealing with the matter of succession to the Chairmanship of the Board the Committee shall instead be chaired by an independent Non-executive Director. In the absence of the Chair of the Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 1.3** If a member of the Committee is unable to act due to absence, illness or any other cause, the Chair of the Committee may appoint another independent Non-executive Director to cover as an alternate member.
- 1.4** Only members of the Committee shall have the right to attend Committee meetings. However, the Chief Executive Officer shall normally attend Committee meetings and other individuals and external advisers may be invited to attend for all or part of any meeting, as and when considered appropriate by the Committee.

#### **2 Secretary**

- 2.1** The Company Secretary of Mondi plc or their nominee shall act as the Secretary of the Committee.

#### **3 Quorum**

- 3.1** The quorum necessary for the transaction of business shall be two members, both of whom must be independent non-executive directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

#### **4 Frequency of Meetings**

- 4.1** The Committee shall meet as necessary, at such times as the Chair of the Committee shall require, but shall at a minimum meet at least twice each year.

## **5 Notice of Meetings**

- 5.1** Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chair of the Committee.
- 5.2** Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and any other person required to attend, normally no later than four working days before the date of the meeting. Supporting papers shall be sent to Committee members, and to other attendees as appropriate, at the same time.

## **6 Minutes of Meetings**

- 6.1** The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2** Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all other members of the Board, unless a conflict of interest exists.

## **7 Annual General Meeting**

- 7.1** The Chair of the Committee shall attend the Annual General Meeting of Mondi plc and be prepared to respond to any shareholder questions on the Committee's activities.

## **8 Duties**

- 8.1** The Committee shall:
- 8.1.1** regularly review the structure, size and composition (including the skills, knowledge, independence, experience and diversity, including gender and race) of the Board and make recommendations to the Board with regard to any changes that are appropriate;
  - 8.1.2** give full consideration to succession planning and management development for the Board and Executive Management in the course of its work, taking into account the challenges, opportunities, strategic issues and commercial changes affecting the Group and the skills, knowledge, independence, experience and diversity needed by the Group in the future;
  - 8.1.3** subject to Clause 8.2.7, be responsible, where vacancies arise, for identifying and nominating for the approval of the Board, candidates to fill Board and Executive Management positions, provided that the Remuneration Committee of the Board shall be responsible, in accordance with its terms of reference, for matters relating to the remuneration of such appointees;
  - 8.1.4** before making an appointment recommendation, evaluate the balance of skills, knowledge, independence, experience and diversity, including gender and race, on the Board and Executive Committee and, in the light of this evaluation, prepare a description of the role and capabilities required for the particular appointment;
  - 8.1.5** before making an appointment recommendation, obtain details of and review any interests the candidate may have which conflict or may conflict with the interests of the Group and consider whether, despite any such conflict, there are nevertheless grounds for recommending the candidate for appointment and for the Board to authorise the relevant conflict. In addition, as part of any proposal to the Board for appointment of the relevant candidate explain these grounds and make recommendations as to the terms and conditions on which any authorisation of the conflict should be given by the Board;

- 8.1.6 before making an appointment recommendation, ensure the disclosure of other significant commitments by proposed appointees to the Board and subsequently keep under review the number of external appointments and other significant commitments held by members of the Board;
- 8.1.7 conduct all selection processes in a thorough and objective manner designed to ensure that the best candidate is chosen, considering candidates from a range of backgrounds and with regard to the benefits of diversity;
- 8.1.8 keep under review the leadership needs of the Group, both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- 8.1.9 ensure that, on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
- 8.1.10 ensure that on appointment to the Board, directors receive a formal induction and that, during the term of their appointment each director receives relevant training and development as required;
- 8.1.11 review annually the time required from non-executive directors, taking into account the results of the performance evaluation to assess whether they are spending enough time to fulfil their duties;
- 8.1.12 be responsible for considering and, if appropriate, giving approval to requests from members of Executive Management for permission to accept non-executive directorships of other companies or to engage in other outside business activities;
- 8.1.13 consider annually the need for a board evaluation, recommending to the Board the process by which such an evaluation should be undertaken, ensuring that this is an externally facilitated process at least once every three years, and reviewing and reporting to the Board the results of the evaluation process; and
- 8.1.14 ensure there is a policy in place on the promotion of diversity and inclusion in relation to the Board and Executive Management.

**8.2** The Committee shall also make recommendations to the Board concerning:

- 8.2.1 plans for succession in respect of the Board and Executive Management;
- 8.2.2 suitable candidates for the role of Senior Independent Director;
- 8.2.3 membership of the Board Committees, in consultation with the Chairs of those Committees;
- 8.2.4 the re-appointment of any Non-executive Director at the conclusion of their specified term of office, having given due regard to their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required;
- 8.2.5 the re-election by shareholders of any Director under the re-election provisions of the Corporate Governance Code and the 'retirement by rotation' provisions in the Articles of Association of Mondi plc as appropriate, having due regard to their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required and the need for progressive refreshing of the Board;
- 8.2.6 any matters relating to the continuation in office of any Director at any time; and

**8.2.7** the appointment of any Director to executive or other office other than to the positions of Chair and Chief Executive Officer. Recommendations for the appointment of the Chair and Chief Executive Officer shall be considered by:

**8.2.7.1** all the Non-executive Directors in the case of the Chief Executive Officer; and

**8.2.7.2** all the Directors in the case of the Chair.

## **9 Reporting Responsibilities**

**9.1** The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

**9.2** The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

**9.3** The Committee shall produce a report to be included in the Group Integrated Report about its activities, the process used to make appointments (and explain if external advice or open advertising has not been used) and include a statement on the Group's policy on diversity.

## **10 Other**

**10.1** The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

**10.2** The Committee shall, at least once a year, review the effectiveness of the Board as a whole and report to the Board on its findings.

**10.3** The Committee shall give due consideration to laws and regulations, as appropriate, including the provisions of the Corporate Governance Code and the requirements of the Listings Requirements of the JSE Limited and the UK Listing Authority's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules.

## **11 Authority**

**11.1** The Committee is authorised to seek any information it requires from any employee of any company in the Group in order to perform its duties, in particular the services of the company secretary of Mondi plc.

**11.2** The Committee is authorised to obtain, at the Group's expense, any outside legal or other professional advice it shall reasonably require in connection with the performance of its duties.

**11.3** The Committee shall not be entitled to sub-delegate all or any of the duties and authority delegated to it.

## **12 Tenure**

**12.1** The Committee shall remain in existence until the Board determines otherwise.