



# Mondi plc

Notice of Annual General Meeting  
on Thursday 5 May 2011

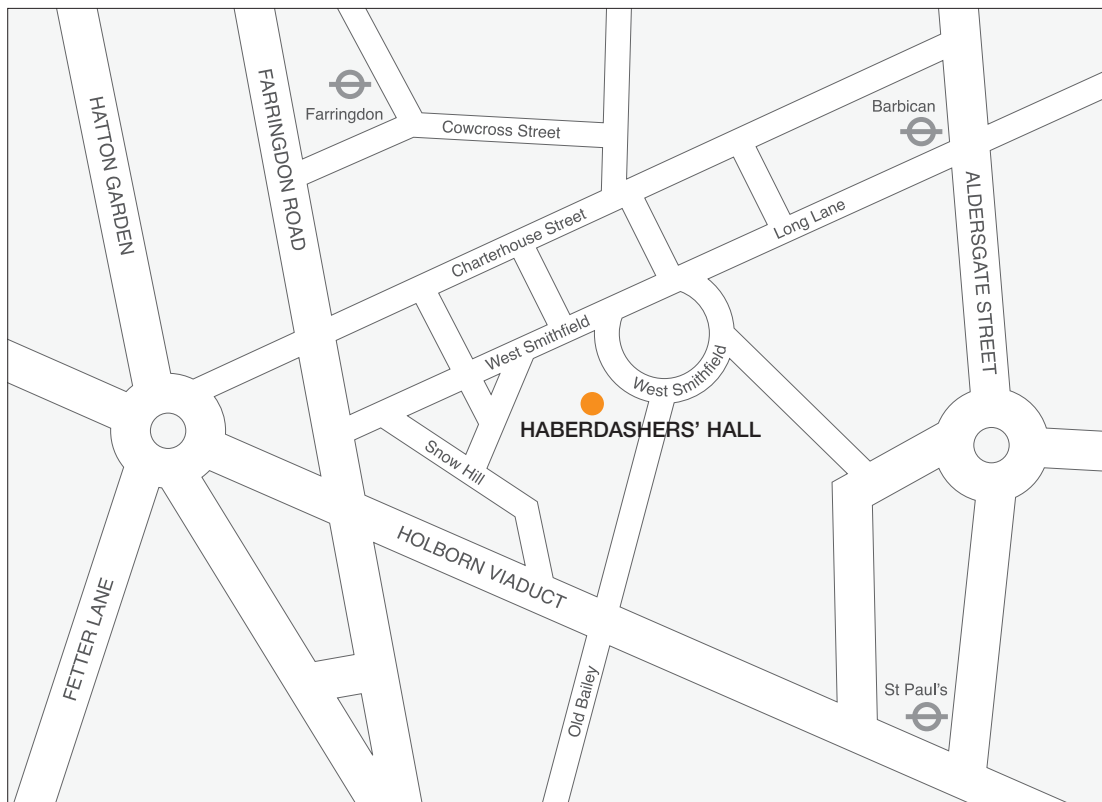
**This document is important and  
requires your immediate attention**

If you are in any doubt as to any aspects of the proposals referred to in this document or as to what action you should take, you are recommended to seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents at once to the purchaser or transferee, or the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

# Mondi plc

## Annual General Meeting



### Date

Thursday 5 May 2011

### Time

11:00 (UK time)

### Place

Haberdashers' Hall  
18 West Smithfield  
London EC1A 9HQ  
UK

### Key dates

3 May 2011

Submission of form of proxy

5 May 2011

Annual General Meeting

# Joint chairmen's letter

## To the holders of Mondi plc shares

Mondi plc  
Building 1, 1st Floor  
Aviator Park, Station Road  
Addlestone, Surrey KT15 2PG  
UK

Registered in England and Wales  
Registered No. 6209386

### Annual General Meeting 2011

We have pleasure in inviting you to the Annual General Meeting of Mondi plc which will be held at Haberdashers' Hall, 18 West Smithfield, London EC1A 9HQ, UK at 11:00 (UK time) on Thursday 5 May 2011.

The Notice of Annual General Meeting is set out on pages 2 to 4, followed on pages 5 to 13 by an explanation of each resolution proposed and notes about your rights as a shareholder and information regarding the appointment of proxies. All voting at the meeting will be conducted on a poll.

Enclosed with this Notice of Annual General Meeting is the Mondi Group annual report and accounts 2010 containing the audited combined and consolidated financial information for Mondi Limited and Mondi plc for the year ended 31 December 2010. In addition, to meet South African regulatory requirements, you have been sent a set of the statutory accounts of Mondi Limited for the year ended 31 December 2010.

### 5% cumulative preference shares buy back

A resolution is being proposed to authorise the re-purchase of the 50,000 5% cumulative preference shares of £1 each being all the shares of this class currently in issue and held by UBS AG.

At the time of its incorporation Mondi plc was required, under UK company law, to have a minimum of £50,000 allotted share capital. As the Group's ordinary share capital is denominated in euro the 5% cumulative preference shares were issued to meet the minimum sterling capital requirement. Subsequently the UK Companies Act 2006 has come into effect and a UK public limited company is now required to have an allotted share capital of not less than £50,000 or the euro equivalent. The directors are therefore proposing to buy back the 5% cumulative preference shares at par in full to simplify the administration of Mondi plc.

### Final dividend

Shareholders are being asked to give their consent for Mondi Limited and Mondi plc to pay final dividends of 161.32545 rand cents per ordinary share and 16.5 euro cents per ordinary share, respectively. If the recommended final dividends are approved, the dividends will be paid on Thursday 12 May 2011 to all ordinary shareholders on each register of members on Friday 15 April 2011.

### Director re-election

Colin Matthews has given notice that he wishes to retire at the conclusion of the Annual General Meeting and does not wish to stand for re-election.

On Wednesday 23 February 2011 we announced the appointment of Stephen Harris as an independent non-executive director with effect from Tuesday 1 March 2011. As Stephen has been appointed to the boards of Mondi Limited and Mondi plc by the directors since the last Annual General Meeting, in accordance with the Articles of Association, he will stand for election by shareholders at the Annual General Meeting. His biographical details are set out in the notes on page 5.

The new UK Corporate Governance Code provides that all directors of FTSE 350 companies should be subject to annual election by shareholders. In accordance with this new requirement, each of the other directors of Mondi Limited and Mondi plc will seek re-election at the Annual General Meeting on Thursday 5 May 2011.

### Action to be taken

Your involvement in the meeting is valued either in person or by proxy and is an important part of our dialogue with shareholders. If you are unable to attend the Annual General Meeting in person you can submit your voting instruction using the enclosed proxy form or alternatively electronically as explained in the notes to the Notice of Annual General Meeting on page 11. Please ensure that your proxy appointment reaches the registrar by no later than 11:00 (UK time) on Tuesday 3 May 2011. A proxy need not be a member of Mondi Limited or Mondi plc.

Submission of a proxy appointment will not prevent you from attending and voting in person should you wish to do so.

### Recommendation

The directors of Mondi plc believe that all the proposals to be considered at the Annual General Meeting of Mondi plc are in the best interests of Mondi plc and its members and are likely to promote the success of Mondi plc for the benefit of its members as a whole. The directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings.

Yours sincerely

**Cyril Ramaphosa**  
Joint chairman

**David Williams**  
Joint chairman

24 March 2011

# Notice of Annual General Meeting of Mondi plc

Mondi plc  
(Incorporated in England and Wales)  
(Registered No. 6209386)  
JSE share code: MNP ISIN: GB00B1CRLC47  
London Stock Exchange share code: MNDI

Notice is hereby given that the Annual General Meeting of Mondi plc will be held at 11:00 (UK time) on Thursday 5 May 2011 at Haberdashers' Hall, 18 West Smithfield, London EC1A 9HQ, UK to transact the following business:

## Common business: Mondi Limited and Mondi plc

To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolutions of Mondi Limited and Mondi plc:

1. To elect Stephen Harris as a director of Mondi Limited and Mondi plc in accordance with the provisions of the Articles of Association of Mondi Limited and Mondi plc.
2. To re-elect David Hathorn as a director of Mondi Limited and Mondi plc in accordance with the provisions of the Articles of Association of Mondi Limited and Mondi plc.
3. To re-elect Andrew King as a director of Mondi Limited and Mondi plc in accordance with the provisions of the Articles of Association of Mondi Limited and Mondi plc.
4. To re-elect Imogen Mkhize as a director of Mondi Limited and Mondi plc in accordance with the provisions of the Articles of Association of Mondi Limited and Mondi plc.
5. To re-elect John Nicholas as a director of Mondi Limited and Mondi plc in accordance with the provisions of the Articles of Association of Mondi Limited and Mondi plc.
6. To re-elect Peter Oswald as a director of Mondi Limited and Mondi plc in accordance with the Articles of Association of Mondi Limited and Mondi plc.
7. To re-elect Anne Quinn as a director of Mondi Limited and Mondi plc in accordance with the Articles of Association of Mondi Limited and Mondi plc.
8. To re-elect Cyril Ramaphosa as a director of Mondi Limited and Mondi plc in accordance with the Articles of Association of Mondi Limited and Mondi plc.
9. To re-elect David Williams as a director of Mondi Limited and Mondi plc in accordance with the provisions of the Articles of Association of Mondi Limited and Mondi plc.
10. To elect Stephen Harris as a member of the DLC audit committee of Mondi Limited and Mondi plc, to hold office until the conclusion of the Annual General Meetings of Mondi Limited and Mondi plc to be held in 2012.
11. To elect John Nicholas as a member of the DLC audit committee of Mondi Limited and Mondi plc, to hold office until the conclusion of the Annual General Meetings of Mondi Limited and Mondi plc to be held in 2012.
12. To elect Anne Quinn as a member of the DLC audit committee of Mondi Limited and Mondi plc, to hold office until the conclusion of the Annual General Meetings of Mondi Limited and Mondi plc to be held in 2012.

## Mondi Limited business

To consider and, if deemed fit, to pass, with or without modification, the following resolutions of Mondi Limited:

### Ordinary resolutions

13. To receive the audited financial statements of Mondi Limited for the year ended 31 December 2010, together with the DLC audit committee report and the reports of the directors and the auditors of Mondi Limited.
14. To approve the remuneration report of Mondi Limited for the year ended 31 December 2010.

### Special resolution number 1

15. That the remuneration of the non-executive directors as set out on page 62 of the Mondi Group annual report and accounts 2010 be ratified and confirmed.

### Special resolution number 2

16. That the remuneration of the non-executive directors be approved at the level of fees paid in the 2010 financial year escalated by 3%, with effect from the date of this meeting.

### Ordinary resolutions

17. Subject to the passing of resolution 26, to declare a final dividend of 161.32545 rand cents per ordinary share in Mondi Limited for the year ended 31 December 2010.
18. To reappoint Deloitte & Touche as auditors, and Bronwyn Kilpatrick as the registered auditor responsible for the audit, of Mondi Limited to hold office until the conclusion of the Annual General Meeting of Mondi Limited to be held in 2012.
19. To authorise the DLC audit committee of Mondi Limited to fix the remuneration of Deloitte & Touche.
20. That a number of shares equal to 5% of the issued ordinary shares of ZAR0.20 each in the share capital of Mondi Limited, be and are hereby placed under the control of the directors of Mondi Limited:
  - i. as a general authority in terms of section 221 of the South African Companies Act 61 of 1973, as amended, (the SA Act), if that Act is still in effect as at the date of this meeting; or
  - ii. if the South African Companies Act 71 of 2008 (the New SA Act) is in force as at the date of this meeting, in compliance with the Listings Requirements of the JSE Limited, and the directors be authorised to allot and issue the same at their discretion until the Annual General Meeting

of Mondi Limited to be held in 2012, subject to the provisions of the SA Act or the New SA Act, as the case may be, and the Listings Requirements of the JSE Limited.

21. Unless the South African Companies Act 71 of 2008 is effective as at the date of this meeting, that a number of shares equal to 5% of the issued special converting shares of ZAR0.20 each in the share capital of Mondi Limited, be and are hereby placed under the control of the directors of Mondi Limited as a general authority in terms of section 221 of the South African Companies Act 61 of 1973, as amended, (the SA Act), who are authorised to allot and issue the same at their discretion until the Annual General Meeting of Mondi Limited to be held in 2012, subject to the provisions of the SA Act and the Listings Requirements of the JSE Limited.
22. That, subject to the passing of resolution 20, in accordance with the South African Companies Act 61 of 1973, as amended, or the South African Companies Act 71 of 2008, as the case may be, and the Listings Requirements of the JSE Limited, the directors of Mondi Limited are authorised by way of a general authority to allot and issue up to 7,344,816 Mondi Limited ordinary shares for cash as and when suitable situations arise, subject to the specific limitations as required by the Listings Requirements of the JSE Limited.

### Special resolution number 3

23. That, in terms of Article 15 of the Articles of Association of Mondi Limited and with effect from 5 May 2011, Mondi Limited hereby approves as a general approval contemplated in sections 85 and 89 of the South African Companies Act 61 of 1973, as amended, (the SA Act), if that Act is still in effect as at the date of this meeting, the acquisition by Mondi Limited, or any of its subsidiaries from time to time, of the issued ordinary shares of Mondi Limited, upon such terms and conditions and in such amounts as the directors of Mondi Limited or any of its subsidiaries may from time to time decide, but subject to the provisions of the SA Act or the South African Companies Act 71 of 2008 as the case may be, and the Listings Requirements of the JSE Limited.

### Mondi plc business

To consider and, if deemed fit, to pass, with or without modification, the following resolutions of Mondi plc:

### Ordinary resolutions

24. To receive the audited financial statements of Mondi plc for the year ended 31 December 2010, together with the DLC audit committee report and the reports of the directors and the auditors of Mondi plc.
25. To approve the remuneration report of Mondi plc for the year ended 31 December 2010.
26. Subject to the passing of resolution 17, to declare a final dividend of 16.5 euro cents per ordinary share in Mondi plc for the year ended 31 December 2010.
27. To reappoint Deloitte LLP as auditors of Mondi plc to hold office until the conclusion of the Annual General Meeting of Mondi plc to be held in 2012.
28. To authorise the DLC audit committee of Mondi plc to fix the remuneration of Deloitte LLP.
29. That the directors of Mondi plc be generally and unconditionally authorised pursuant to and in accordance with section 551 of the UK Companies Act 2006 to exercise all the powers of Mondi plc to allot shares or grant rights to subscribe for or to convert any security into shares up to an aggregate nominal amount of €5,141,371.20. Such authority to apply in substitution for all previous authorities pursuant to section 551 of the UK Companies Act 2006 and to expire at the conclusion of the next Annual General Meeting of Mondi plc to be held in 2012 or, if earlier, 30 June 2012, but so that Mondi plc may make offers or enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any shares to be granted after the authority expires.

### Special resolution number 4

30. That, subject to the passing of resolution 29, the directors of Mondi plc be empowered to allot equity securities (as defined in section 560(1) of the UK Companies Act 2006) wholly for cash pursuant to the authority given in resolution 29 in connection with:
  - i. a Rights Issue to ordinary shareholders (excluding any holding of treasury shares) where the rights of each shareholder are, as nearly as practicable, proportionate to the number of shares held. The directors of Mondi plc may exclude certain shareholders, deal with fractions and generally manage the Rights Issue as they think fit; and
  - ii. the allotment of equity securities up to an aggregate nominal value of €3,672,408, as if section 561(1) of the UK Companies Act 2006, to the extent applicable, did not apply to any such allotment; such power to expire at the conclusion of the next Annual General Meeting of Mondi plc to be held in 2012 or, if

# Notice of Annual General Meeting of Mondi plc continued

earlier, 30 June 2012, but so that Mondi plc may make offers and enter into agreements which would, or might, require equity securities to be allotted after the power expires.

For the purposes of this resolution 30, 'Rights Issue' has the meaning given to the term in the Articles of Association of Mondi plc.

## Special resolution number 5

31. That Mondi plc is generally and unconditionally authorised for the purpose of section 701 of the UK Companies Act 2006 to make market purchases (as defined in section 693 of the UK Companies Act 2006) of its own ordinary shares of €0.20 each in the capital of Mondi plc provided that:

- i. the maximum number of ordinary shares which may be purchased is 18,362,040 (representing 5% of Mondi plc's issued ordinary share capital);
- ii. the minimum price which may be paid for any ordinary share is €0.20;
- iii. the maximum price which may be paid for any ordinary share is no more than 5% above the average of the middle market quotations of the ordinary shares of Mondi plc as derived from the London Stock Exchange Daily Official List for the five business days immediately before the day on which such share is contracted to be purchased; and
- iv. this authority will expire at the conclusion of the Annual General Meeting of Mondi plc to be held in 2012 or, if earlier, 30 June 2012 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which may be executed wholly or partly after such expiry).

## Special resolution number 6

32. That the terms of a proposed contract between (i) UBS AG and (ii) Mondi plc providing for the purchase by Mondi plc of 50,000 unlisted preference shares (a draft of which has been produced to this meeting) be and are hereby approved and authorised for the purposes of Section 694 of the UK Companies Act 2006 and otherwise but so that such approval and authority shall expire five years after the date on which this resolution is passed.

By order of the board

### Carol Hunt

Company secretary, Mondi plc

24 March 2011

Registered office:  
Building 1, 1st Floor  
Aviator Park, Station Road  
Addlestone  
Surrey KT15 2PG  
UK

Registered in England and Wales No. 6209386

# Explanation of resolutions

## Resolutions 1 to 9 – election of directors

In accordance with new governance best practice the Boards have decided that all directors will stand for re-election in 2011. The DLC nominations committee reviewed and recommended to the Boards the re-election of each of the directors. The independence of each of Imogen Mkhize, John Nicholas, Anne Quinn and David Williams as non-executive directors was reviewed and confirmed. The recent board evaluation also confirmed that each of the directors make an effective and valuable contribution to the Boards and demonstrate commitment to their respective roles.

Full biographical details of each director are set out in the Mondi Group annual report and accounts 2010 on pages 44 to 46.

Colin Matthews has given notice that he wishes to retire at the conclusion of the Annual General Meeting and does not wish to stand for re-election.

On 23 February 2011 Mondi announced that Stephen Harris had been appointed an independent non-executive director with effect from 1 March 2011. As Stephen was appointed by the directors since the last Annual General Meeting he will retire in accordance with the Articles of Association and seek reappointment by shareholders at the forthcoming Annual General Meeting. The timing of this change has meant that Stephen's full details could not be included in the Mondi Group annual report and accounts 2010. Details are therefore given below.

*Biography:* Stephen Harris, 52, is chief executive officer of Bodycote plc, a leading provider of thermal processing services. He was formerly executive director at Spectris plc from 2003 to 2008 and at Powell Duffyn plc from 1995 to 2003. Prior to this he held several senior positions in APV Inc in the United States from 1984 to 1995. He was also a non-executive director of Brixton plc between 2006 and 2009.

*Independence:* the independence of Stephen Harris was reviewed and confirmed by the Boards prior to his appointment as a director.

*Interests in shares and options:* Stephen Harris does not currently hold any ordinary shares in either Mondi Limited or Mondi plc.

*Committee memberships:* Stephen Harris is a member of each of the DLC audit, nominations, remuneration and sustainable development committees and will chair the sustainable development committee with effect from 5 May 2011 following the retirement of Colin Matthews.

*Remuneration:* the fees paid to Stephen Harris are in accordance with the details set out on page 62 of the Mondi Group annual report and accounts 2010 for non-executive directors.

*Service contract:* as a non-executive director Stephen Harris has received letters of appointment from both Mondi Limited and Mondi plc. The terms of his appointment provide for the appointment to be terminable on six months' notice.

## Resolutions 10 to 12 – election of DLC audit committee members

South African company law requires that, at each Annual General Meeting, the shareholders elect the members of an audit committee. The three members proposed, each an independent non-executive director of both Mondi Limited and Mondi plc, are Stephen Harris, John Nicholas and Anne Quinn. The DLC nominations committee reviewed the suitability and qualifications of each director as members of the DLC audit committee and considers that each of Stephen Harris, John Nicholas and Anne Quinn has adequate relevant financial knowledge and experience to fulfill their duties as members of the DLC audit committee.

Full biographical details of John Nicholas and Anne Quinn are set out in the Mondi Group annual report and accounts 2010 on pages 45 and 46. The biographical details of Stephen Harris are given above.

## Resolutions 13 and 24 – 2010 annual report and accounts

The directors of Mondi Limited and Mondi plc are required by company law to present the accounts, the DLC audit committee report and the reports of the directors' and the auditors' of the respective company to the meeting.

# Explanation of resolutions continued

## Resolutions 14 and 25 – directors' remuneration

Regulation in South Africa and the UK requires that the directors present a report on their remuneration during the period under review and details of the remuneration policy, for approval by shareholders. The report for the year ended 31 December 2010 is set out on pages 58 to 66 of the Mondi Group annual report and accounts 2010.

## Resolutions 15 and 16 – Special resolutions 1 and 2 – non-executive director fees

Regulation in South Africa requires that shareholders approve the fees paid to directors for their services as directors. Resolution 15 ratifies and confirms the level of fees for the non-executive directors as set out in the Mondi Group annual report and accounts 2010 on page 62 which has remained unchanged since Mondi demerged from Anglo American plc in July 2007. Resolution 16 is seeking approval to increase these fees for the non-executive directors by 3% with effect from the date of this meeting.

## Resolutions 17 and 26 – final dividend

Shareholder consent is required for Mondi Limited and Mondi plc to pay final dividends of 161.32545 rand cents per ordinary share and 16.5 euro cents per ordinary share, respectively. If approved, the dividends will be paid on Thursday 12 May 2011 to shareholders on each register on Friday 15 April 2011.

## Resolutions 18, 19, 27 and 28 – reappointment and remuneration of auditors

South African and UK company law requires that, at each general meeting at which accounts are laid, Mondi Limited and Mondi plc appoint auditors who will remain in office until the next general meeting at which accounts are laid. The boards of Mondi Limited and Mondi plc, having accepted the recommendation of the DLC audit committee, propose that Deloitte & Touche and Deloitte LLP be reappointed as Mondi Limited and Mondi plc's auditors, respectively. Resolutions 18 and 27 relate to the reappointment and resolutions 19 and 28 will authorise the DLC audit committee to agree the auditors' remuneration.

## Resolution 20 – placing ordinary shares under the control of the directors

This authority would, in accordance with South African company law and the Listings Requirements of the JSE Limited, place a number of shares equal to 5% of the issued ordinary shares of Mondi Limited under the control of the directors.

## Resolution 21 – placing special converting shares under the control of the directors

The special converting shares are very specific to the Mondi dual listed company (DLC) administration and can only be used upon termination of the DLC arrangements.

The special converting shares are shares issued by Mondi Limited that are held by a South African trust and which convert into ordinary shares upon termination of the DLC structure so as to ensure economic equalisation for shareholders. Mondi plc also has a number of special converting shares in issue to a UK trust. The two companies are required under the DLC agreements to ensure that the correct number of special converting shares is always in issue. Therefore, should the authority under resolution 29 (relating to the number of Mondi plc ordinary shares in issue) be used an equivalent authority is required in respect of the special converting shares of Mondi Limited in order to maintain the protection for shareholders. Equalisation on termination is achieved by ensuring that the shareholders of each company receive such shares in the other company as will ensure that they have the same proportionate holding in each of the companies as they previously had in the combined group. Prior to termination of the DLC structure the special converting shares have limited rights.

## Resolution 22 – allot shares for cash

If resolution 22 and resolution 30 are both passed, the directors will have authority to allot shares for cash other than by way of rights issue in respect of both Mondi Limited and Mondi plc up to the limits specified in those respective resolutions. In such circumstances, the directors confirm that, as and when they exercise such authorities, they intend to follow emerging best practice as regards its use as recommended by the Association of British Insurers.



The directors also confirm that the exercise of any such authority would be subject to the following specific limitations as required by the Listings Requirements of the JSE Limited:

- i. this authority shall not extend beyond the next Annual General Meeting of Mondi Limited;
- ii. the equity securities which are the subject of the issue for cash shall be of a class already in issue, or where this is not the case, shall be limited to such securities or rights that are convertible into a class already in issue;
- iii. a paid press announcement giving full details, including the impact on the net asset value and earnings per ordinary share, will be published at the time of an issue representing, on a cumulative basis within one financial year, 5% or more of the number of ordinary shares in issue prior to such issue;
- iv. the issue in the aggregate in any one financial year will not exceed 15% of the number of ordinary shares in issue (although it should be noted that the resolution limits the directors to a maximum of 5% of the ordinary shares in issue);
- v. in determining the price at which an allotment and issue of ordinary shares may be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of the ordinary shares in question as determined over the 30 days prior to the date the price of the issue is determined or agreed between Mondi Limited and the party subscribing for the securities; and
- vi. the equity securities/shares must be issued to public shareholders and not to related parties.

In terms of the Listings Requirements of the JSE Limited, the approval of 75% of the votes cast in favour of this resolution by all equity securities holders present or represented by proxy at the Annual General Meeting is required to approve this resolution.

### **Resolution 23 – Special resolution 3 – to purchase own shares**

The reason and effect of resolution 23 is to grant a renewable general authority to Mondi Limited, or a subsidiary of Mondi Limited, to acquire ordinary shares in itself which are in issue from time to time in terms of the South African Companies Act 61 of 1973, as amended, and the following Listings Requirements of the JSE Limited (JSE):

- i. any such acquisition of ordinary shares be effected

through the order book operated by the JSE trading system and done without any prior understanding or arrangement between Mondi Limited and the counter party;

- ii. this general authority shall be valid until Mondi Limited's next Annual General Meeting;
- iii. an announcement will be published as soon as Mondi Limited or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue prior to the acquisition pursuant to which the aforesaid 3% threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions;
- iv. acquisitions of ordinary shares in aggregate in any one financial year may not exceed 20% of Mondi Limited's issued ordinary share capital of that class as at the date of passing of this resolution (although it should be noted that the directors will limit any purchase to a maximum of 5% of the issued ordinary share capital);
- v. in determining the price at which ordinary shares issued by Mondi Limited are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% of the weighted average of the market value at which such ordinary shares are traded on the JSE as determined over the five business days immediately preceding the date of repurchase of such ordinary shares by Mondi Limited or any of its subsidiaries;
- vi. at any point in time, Mondi Limited or any of its subsidiaries may only appoint one agent to effect any repurchase on Mondi Limited's behalf; and
- vii. Mondi Limited or any of its subsidiaries may not repurchase any shares during a prohibited period as defined by the Listings Requirements of the JSE, unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed in an announcement over the JSE's Security Exchange News Service (SENS) prior to the commencement of the prohibited period.

The directors of Mondi Limited have no present intention of making any repurchases but believe that Mondi Limited should retain the flexibility to take action if future repurchases

# Explanation of resolutions continued

were considered desirable and in the best interests of shareholders. The directors of Mondi Limited are of the opinion that, after considering the effect of such acquisition of ordinary shares, if implemented and on the assumption that Mondi Limited acquires the maximum of 5% of the current issued ordinary share capital of Mondi Limited at the last practical date prior to the date of the Notice of Annual General Meeting of Mondi Limited convened for 5 May 2011 or during a period of 12 months after the date of the Notice of Annual General Meeting of Mondi Limited:

- Mondi Limited and its subsidiaries will be able, in the ordinary course of business, to pay its debts;
  - the consolidated assets of Mondi Limited and its subsidiaries, fairly valued in accordance with Generally Accepted Accounting Practice, will be in excess of the consolidated liabilities of Mondi Limited and its subsidiaries;
  - Mondi Limited and its subsidiaries will have adequate capital and reserves for ordinary business purposes; and
  - the working capital of Mondi Limited and its subsidiaries will be adequate for ordinary business purposes.
- Mondi Limited will ensure that its sponsor will provide the necessary letter on the adequacy of the working capital in terms of the Listings Requirements of the JSE Limited, prior to the commencement of any purchase of Mondi Limited's shares on the open market.

## Litigation statement

In terms of section 11.26 of the Listings Requirements of the JSE Limited, the directors, whose names appear on pages 44 to 46 of the Mondi Group annual report and accounts 2010 and Stephen Harris, are not aware of any legal or arbitration proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on Mondi Limited and its subsidiaries' financial position.

## Directors' responsibility statement

The directors, whose names appear on pages 44 to 46 of the Mondi Group annual report and accounts 2010 and Stephen Harris, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all

reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by law and the Listings Requirements of the JSE Limited.

## Material changes

Other than the facts and developments reported on in the Mondi Limited 2010 statutory accounts, there have been no material changes in the affairs or financial position of Mondi Limited and its subsidiaries since the date of signature of the audit report and up to the date of this Notice.

The following additional information, some of which may appear elsewhere in the Mondi Group annual report and accounts 2010, is provided in terms of the Listings Requirements of the JSE Limited for purposes of the general authority:

- directors and management – annual report pages 44 to 46 and Stephen Harris;
- major beneficial shareholders – annual report page 67;
- directors' interests in ordinary shares – annual report page 64; and
- share capital of Mondi Limited – annual report page 126.

## Resolution 29 – directors' authority to allot shares

The purpose of resolution 29 is to renew the directors of Mondi plc's power to allot shares. The authority will allow the directors of Mondi plc to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a maximum nominal amount of €5,141,371.20, as set out in the table below and exclusive of treasury shares, which is equivalent to approximately 5% of the issued capital:

	Number of shares	Par value	Relative part of section 551 amount
Ordinary shares	18,362,040	€0.20	€3,672,408.00
Special converting shares	7,344,816	€0.20	€1,468,963.20
<b>Total</b>			<b>€5,141,371.20</b>

This authority covers the issued ordinary share capital of Mondi plc, as would normally be the case for a UK company at its Annual General Meeting, but also the issued special

converting shares of Mondi plc. An authority is included for the special converting shares to enable the directors of Mondi plc to issue these as and when required in accordance with the agreements which constitute Mondi's dual listed company structure.

At 10 March 2011 (being the latest practicable date prior to the publication of this Notice), Mondi plc did not hold any shares in treasury.

There are no present plans to undertake a rights issue or to allot new shares. The directors of Mondi plc consider it desirable to have the flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

Although UK companies would generally seek an authority over 33.3% of issued capital, Mondi plc is aware that the investment community in South Africa prefers to see this authority restricted to no more than 5% of issued capital. In view of the dual listed company structure, Mondi plc has decided to limit the authority to 5%.

If the resolution is passed, the authority will expire at the end of the Annual General Meeting of Mondi plc to be held in 2012 or, if earlier, 30 June 2012.

### **Resolution 30 – Special resolution 4 – disapplication of pre-emption rights**

If the directors of Mondi plc wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), UK company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

The purpose of resolution 30 is to authorise the directors of Mondi plc to allot new shares pursuant to the authority given by resolution 29, or to sell treasury shares, for cash (i) in connection with a Rights Issue (as defined in the Articles) or (ii) otherwise up to a maximum aggregate nominal value of €3,672,408, which is equivalent to 5% of the issued ordinary share capital of Mondi plc as at 10 March 2011 (being the latest practicable date prior to publication of this Notice), in each case without the shares first being offered to existing shareholders in proportion to their existing holdings. The

authority will expire at the end of the next Annual General Meeting of Mondi plc to be held in 2012 or, if earlier, 30 June 2012.

If this resolution 30 and resolution 22 are both passed, the directors will have authority to allot shares for cash other than by way of Rights Issue in respect of both Mondi plc and Mondi Limited up to the limits specified in those respective resolutions. In such circumstances, the directors confirm that, as and when they exercise such authorities, they intend to follow emerging best practice as regards its use as recommended by the Association of British Insurers.

In accordance with the provisions of the Pre-emption Group's Statement of Principles, the directors do not intend to issue more than 7.5% of the total issued ordinary share capital of Mondi plc for cash on a non pre-emptive basis (other than pursuant to a Rights Issue or pre-emptive offer) in any rolling three year period without prior consultation with shareholders and the investment committees of the Association of British Insurers and the National Association of Pension Funds.

The directors also confirm that pursuant to the dual listed company structure, the exercise of any such authority would be subject to the following specific limitations as required by the Listings Requirements of the JSE Limited:

- i. this authority shall not extend beyond the next Annual General Meeting of Mondi plc;
- ii. a paid press announcement giving full details, including the impact on net asset value and earnings per ordinary share, will be published at the time of an issue representing, on a cumulative basis within one financial year, 5% or more of the number of ordinary shares in issue prior to such issue;
- iii. the issue in the aggregate in any one financial year will not exceed 15% of the number of ordinary shares in issue (although it should be noted that the resolution limits the directors to a maximum of 5% of the ordinary shares in issue);
- iv. in determining the price at which an allotment and issue of ordinary shares may be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of the ordinary shares in question as determined over the 30 days prior to the date that the price of the issue is determined or agreed by the directors of Mondi plc; and

# Explanation of resolutions continued

- v. the equity securities/shares must be issued to public shareholders and not to related parties.

The directors of Mondi plc consider the authority in resolution 30 to be appropriate in order to allow Mondi plc flexibility to finance business opportunities without the need to comply with the strict requirements of the statutory pre-emption provisions.

## **Resolution 31 – Special resolution 5 – purchase of own shares**

The directors of Mondi plc consider it may, in certain circumstances, be in the best interests of shareholders generally for Mondi plc to purchase its own ordinary shares. Accordingly, the effect of this resolution is to renew the general authority, subject to specified limits, granted to Mondi plc to purchase its own ordinary shares, until the Annual General Meeting in 2012 or, if earlier, 30 June 2012. You are asked to consent to the purchase by Mondi plc of up to a maximum of 18,362,040 ordinary shares of €0.20 each. This represents 5% of the ordinary shares in issue as at 10 March 2011 and Mondi plc's exercise of this authority is subject to the stated upper and lower limits on the price payable.

As of 10 March 2011 (the latest practicable date prior to publication of this Notice), there were options outstanding over 10,844,683 ordinary shares, representing 2.95% of Mondi plc's issued ordinary share capital at that date. If the authority to buy back shares was exercised in full, the total number of options to subscribe for ordinary shares would represent 3.11% of Mondi plc's reduced issued ordinary share capital.

The directors of Mondi plc have no present intention of making any purchases of its own ordinary shares, but believe that Mondi plc should retain the flexibility to take further action if future purchases were considered desirable and in the best interests of shareholders. Pursuant to the UK Companies Act 2006, Mondi plc can hold the shares which have been repurchased itself as treasury shares and either resell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. The directors of Mondi plc believe that it is desirable for Mondi plc to have this choice and therefore intend to hold any shares purchased under this authority as treasury shares. Holding the repurchased shares as treasury shares will give Mondi plc the ability to resell them or transfer them in the future, and so provide Mondi plc with

additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

## **Resolution 32 – Special resolution 6 – repurchase of 5% cumulative preference shares**

The directors propose the repurchase of the 50,000 5% cumulative preference shares of £1 each at their nominal value, being all the 5% cumulative preference shares in issue. At the time of its incorporation Mondi plc was required, under UK company law, to have a minimum of £50,000 allotted share capital. As the Group's ordinary share capital is denominated in euro the 5% cumulative preference shares were issued to meet the minimum sterling capital requirement. Subsequently the UK Companies Act 2006 has come into effect and a UK public limited company is now required to have an allotted share capital of not less than £50,000 or the euro equivalent. The directors are therefore proposing to buy back the 5% cumulative preference shares at par in full to simplify the administration of Mondi plc.

# Notes to the Notice of Annual General Meeting

## Joint Electorate Actions

1. All of the resolutions are Joint Electorate Actions under the Articles of Association of Mondi plc and, accordingly, both the holders of ordinary shares in Mondi plc and the holder of the special voting share in Mondi plc are entitled to vote. Voting will be on a poll which will remain open for sufficient time to allow the Mondi Limited Annual General Meeting to be held and for the votes of the holder of the Mondi plc special voting share to be ascertained on a poll.

On the poll:

- i. each fully paid ordinary share in Mondi plc (other than those subject to voting restrictions) will have one vote;
- ii. the holder of the Mondi plc special voting share will cast the same number of votes as were validly cast for and against the equivalent resolution by Mondi Limited shareholders on the poll at the Mondi Limited Annual General Meeting;
- iii. the holder of the Mondi plc special voting share will be obliged to cast these votes for and against the relevant resolution in accordance with the votes cast for and against the equivalent resolution by Mondi Limited shareholders on the poll at the Mondi Limited Annual General Meeting;
- iv. through this mechanism, the votes of the Mondi Limited shareholders at the Mondi Limited Annual General Meeting will be reflected at Mondi plc's Annual General Meeting in respect of each Joint Electorate Action; and
- v. the results of the Joint Electorate Actions will be announced after both polls have closed.

## Proxy appointment

2. Members are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of Mondi Limited or of Mondi plc. A proxy form which may be used to make such appointment and give proxy instructions accompanies this Notice.
3. To appoint a proxy the proxy form, and any power of attorney or authority under which it is executed (or a duly

certified copy of any such power or authority), must be either sent to Mondi plc's registrars Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU, UK by post or delivered by hand (during normal business hours only) in each case so as to be received no later than 11:00 (UK time) on Tuesday 3 May 2011.

4. Shareholders who prefer to register the appointment of their proxy via the Internet can do so through the Capita website at <https://www.capitashareportal.com> where full instructions are given. The Investor Code (IVC) and post code as printed on the proxy form or a recent dividend tax voucher will be required to use this electronic proxy appointment system. A proxy appointment made electronically will not be valid if sent to any electronic address other than that provided or if received after 11:00 (UK time) on Tuesday 3 May 2011. Please note that any electronic communication found to contain a computer virus will not be accepted.
5. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 11 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.

## Nominated persons

6. Any person to whom this notice is sent who is a person nominated under section 146 of the UK Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
7. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 2 to 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of Mondi plc.

## Entitlement to attend and vote

8. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by Mondi plc of the votes they may cast), shareholders must

# Notes to the Notice of Annual General Meeting continued

be registered in the register of members of Mondi plc at 18:00 (UK time) on Tuesday 3 May 2011 (or, in the event of any adjournment, at 18:00 (UK time) on the date which is two days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

## Total voting rights

9. Holders of ordinary shares are entitled to attend and vote at general meetings of Mondi plc. The total number of issued ordinary shares in Mondi plc on 10 March 2011, which is the latest practicable date before the publication of this Notice, is 367,240,805. The total number of votes attaching to the special voting share of Mondi plc issued to Mondi SCS (UK) Limited, to reflect the votes of Mondi Limited shareholders on Joint Electorate Actions, pursuant to the DLC structure is 146,896,322. Therefore the aggregate number of votes on any Joint Electorate Action is 514,137,127.

## Appointment of proxies through CREST

10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message ('a CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available at [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: RA10) by 11:00 (UK time) on Tuesday 3 May 2011. For this purpose, the time of receipt will be taken to be the time

(as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

12. CREST members and, where applicable, their CREST sponsors, or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. Mondi plc may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

## Corporate representatives

14. Any corporation which is a member of Mondi plc can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

## Auditors

15. Shareholders should note that it is possible that, pursuant to requests made by shareholders of Mondi plc meeting the threshold requirements set out in section 527 of the UK Companies Act 2006, Mondi plc may be required to publish on a website a statement setting out any matter relating to:  
(i) the audit of Mondi plc's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting for the financial year beginning 1 January 2010; or (ii) any circumstance connected with an

auditor of Mondi plc appointed for the financial year commencing 1 January 2010 ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the UK Companies Act 2006. Mondi plc may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the UK Companies Act 2006. Where Mondi plc is required to place a statement on a website under section 527 of the UK Companies Act 2006, it must forward the statement to its auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting for the relevant financial year includes any statement that Mondi plc has been required under section 527 of the UK Companies Act 2006 to publish on a website.

## Polls

16. Each of the resolutions to be put to the meeting will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the directors consider it a more democratic method of voting. It is also in line with recommendations made by the Shareholder Voting Working Group and Paul Myners in 2004.

## Right to ask questions

17. Any member attending the meeting has the right to ask questions. Mondi plc must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of Mondi plc or good order of the meeting that the question be answered.
18. A copy of this notice and other information required by section 311A of the UK Companies Act 2006 can be found on the Mondi Group website at:  
[www.mondigroup.com](http://www.mondigroup.com).

## Documents available for inspection

19. Copies of the executive directors' service contracts and the terms of appointment of the non-executive directors will be available at the registered offices of Mondi Limited and Mondi plc during normal business hours on any

business day (excluding public holidays) and also at the Annual General Meeting venues for at least 15 minutes prior to and during the meetings.

20. A copy of the contract between UBS AG and Mondi plc providing for the purchase by Mondi plc of 50,000 unlisted preference shares will be available for inspection at the registered offices of Mondi Limited and Mondi plc during normal business hours on any business day (excluding public holidays) from the date of this notice until the close of the Annual General Meetings and also at the Annual General Meeting venues for at least 15 minutes prior to and during the meetings.

## Communication with Mondi

Except as provided above, members who have general queries about the Annual General Meeting should use the following means of communication (no other methods of communication will be accepted):

- i. by calling +44 (0) 1932 826300; or
- ii. writing to the company secretary at Mondi, Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey KT15 2PG, UK; or
- iii. emailing: [ir@mondigroup.com](mailto:ir@mondigroup.com)

You may not use any electronic address provided either:

- i. in this Notice of Annual General Meeting; or
- ii. any related documents (including the form of proxy) to communicate with Mondi plc for any purpose other than those expressly stated.



**Mondi plc**

Building 1, 1st Floor  
Aviator Park, Station Road  
Addlestone, Surrey KT15 2PG  
UK

[www.mondigroup.com](http://www.mondigroup.com)