



# Mondi plc

## Notice of Annual General Meeting

on Thursday 6 May 2010

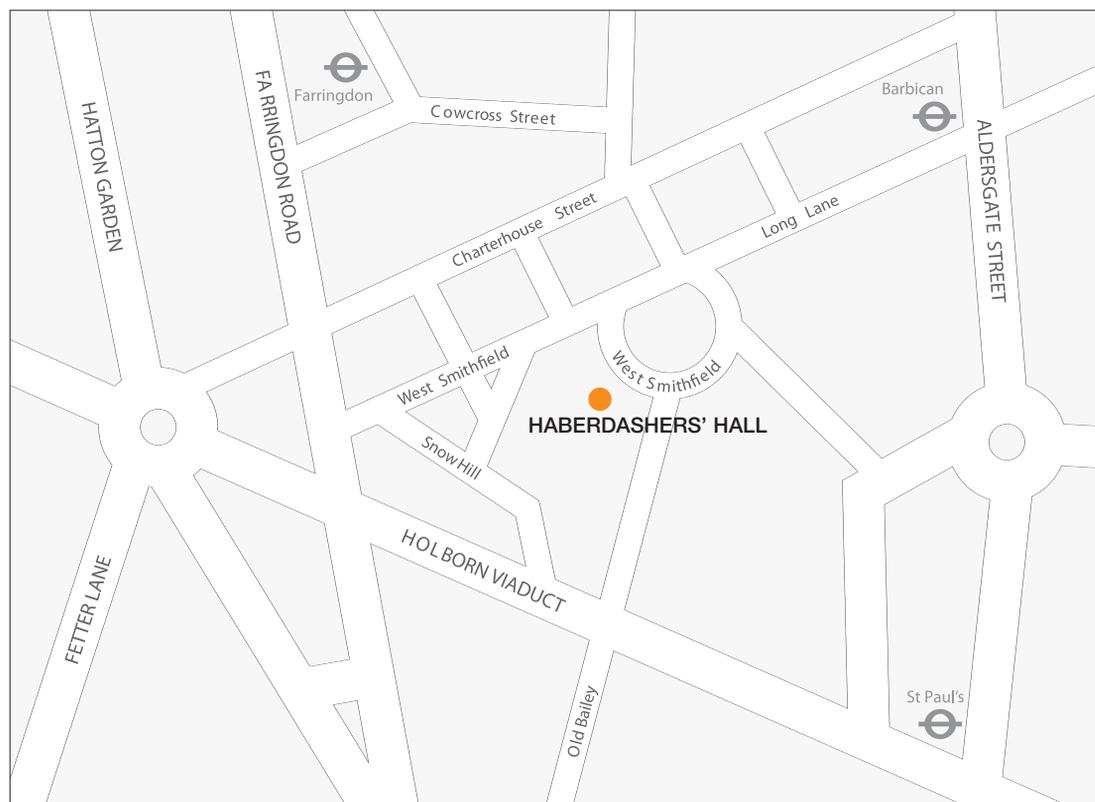
**This document is important and  
requires your immediate attention.**

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 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 6 May 2010**

### Time

**11:00 (UK time)**

### Place

**Haberdashers' Hall  
18 West Smithfield  
London EC1A 9HQ  
UK**

### Key dates

**4 May 2010**

Submission of form of proxy

**6 May 2010**

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 2010

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 6 May 2010. The Notice of Annual General Meeting is set out on pages 2 to 4 followed on pages 5 to 16 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 2009 containing the audited combined and consolidated financial information for Mondi Limited and Mondi plc for the year ended 31 December 2009. 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 2009.

### New Articles of Association

Whilst much of the business at the meeting will be ordinary business regularly proposed at annual general meetings we are, in addition, taking the opportunity to adopt new Articles of Association to reflect the implementation of the Shareholders Rights Directive in the UK in August 2009, the remaining provisions of the UK Companies Act 2006 in October 2009 and certain amendments to the Uncertificated Securities Regulations 2001.

An explanation of the main changes between the proposed and the existing

Articles of Association is set out on pages 10 to 12.

### Final dividend

Shareholders are being asked to give their consent for Mondi Limited and Mondi plc to pay final dividends of 73.54690 rand cents per ordinary share and 7.0 euro cents per ordinary share, respectively. If the recommended final dividends are approved, the dividends will be paid on Wednesday 19 May 2010 to shareholders on each register on Friday 23 April 2010.

### 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 13. Please ensure that your proxy appointment reaches the registrar by no later than 11:00 (UK time) on Tuesday 4 May 2010. 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 as a whole 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

25 March 2010

# 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 6 May 2010 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 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.
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 Colin Matthews 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 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.
5. To elect Colin Matthews 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 2011.
6. 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 2011.
7. 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 2011.

## Mondi Limited business

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

### Ordinary resolutions

8. To receive the audited financial statements of Mondi Limited for the year ended 31 December 2009 together with the reports of the directors and the auditors of Mondi Limited.
9. To approve the remuneration report of Mondi Limited for the year ended 31 December 2009.
10. Subject to the passing of resolution 20, to declare a final dividend of 73.54690 rand cents per ordinary share in Mondi Limited for the year ended 31 December 2009.
11. 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 2011.
12. To authorise the DLC audit committee of Mondi Limited to fix the remuneration of Deloitte & Touche.

### Special resolution number 1

13. That the amended Articles of Association of Mondi Limited produced to the meeting and initialled by the chairman of the meeting for the purposes of identification be adopted as the Articles of Association of Mondi Limited in substitution for, and to the

exclusion of, the existing Articles of Association of Mondi Limited, with effect from the end of this meeting.

## Ordinary resolutions

14. 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 as a general authority in terms of section 221 of the South African Companies Act, No.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 2011, subject to the provisions of the SA Act and the Listings Requirements of the JSE Limited.
15. 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, No.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 2011, subject to the provisions of the SA Act and the Listings Requirements of the JSE Limited.
16. That, subject to the passing of resolution 14, the South African Companies Act, No.61 of 1973, as amended, 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 2

17. That, in terms of Article 11 of the Articles of Association of Mondi Limited and with effect from 6 May 2010, Mondi Limited hereby approves as a general approval contemplated in sections 85 and 89 of the South African Companies Act, No.61 of 1973, as amended, (the SA Act), 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 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

18. To receive the audited financial statements of Mondi plc for the year ended 31 December 2009 together with the reports of the directors and the auditors of Mondi plc.
19. To approve the remuneration report of Mondi plc for the year ended 31 December 2009.
20. Subject to the passing of resolution 10, to declare a final dividend of 7.0 euro cents per ordinary share in Mondi plc for the year ended 31 December 2009.
21. 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 2011.

22. To authorise the DLC audit committee of Mondi plc to fix the remuneration of Deloitte LLP.

### Special resolution number 3

23. That:
- i. the Articles of Association of Mondi plc be amended by deleting all the provisions of the Mondi plc Memorandum of Association which, by virtue of section 28 of the UK Companies Act 2006, are to be treated as provisions of the Mondi plc Articles of Association; and
  - ii. the amended Articles of Association of Mondi plc produced to the meeting and initialled by the chairman of the meeting for the purposes of identification be adopted as the Articles of Association of Mondi plc in substitution for, and to the exclusion of, the existing Articles of Association of Mondi plc, with effect from the end of this meeting.

#### Ordinary resolution

24. 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 2011 or, if earlier,

6 August 2011, 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 after the authority expires.

### Special resolution number 4

25. That, subject to the passing of resolution 24, 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 24 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 2011 or, if earlier, 6 August 2011, 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 25, 'Rights Issue' has the meaning given to the term in the amended Articles of Association of Mondi plc.

# Notice of Annual General Meeting of Mondi plc continued

## Special resolution number 5

26. 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 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 2011 or, if earlier, 6 August 2011 (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).

By order of the board

### **Carol Hunt**

Company secretary, Mondi plc

25 March 2010

### **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 4 – election of directors**

The Articles of Association of Mondi Limited and Mondi plc require that any director who has been appointed since the previous Annual General Meeting must stand for election at the Annual General Meeting following his or her appointment. In accordance with this requirement John Nicholas is standing for election. He was appointed to the Boards in October 2009 as an independent non-executive director and as chairman of the DLC audit committee and has letters of appointment from Mondi Limited and Mondi plc. His letters provide for six months notice by either party.

In addition, the Articles require one-third of the directors to retire by rotation at each Annual General Meeting based on those who have been the longest serving since their election or last re-election. The decision for David Hathorn, Colin Matthews and David Williams to stand for re-election in 2010 was reached by mutual agreement of the directors. The DLC nominations committee has reviewed and recommended to the Boards the election or re-election of each of the directors referred to above. The Boards confirm that John Nicholas and Colin Matthews are considered to be independent and that David Williams, as joint chairman, was independent at the time of his appointment. The recent board evaluation also confirmed that each of the directors standing for election or re-election continue to 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 2009 on pages 44 to 47.

## **Resolutions 5 to 7 – 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 Colin Matthews, 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 Colin Matthews, John Nicholas and Anne Quinn has adequate relevant financial knowledge and experience to fulfill their duties as members of the DLC audit committee.

## **Resolutions 8 and 18 – 2009 annual report and accounts**

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

## **Resolutions 9 and 19 – directors' remuneration**

Regulation in South Africa and the UK requires that the directors present a report on their remuneration during the period under review for approval by shareholders. The report for the year ended 31 December 2009 is set out on pages 61 to 72 of the Mondi Group annual report and accounts 2009.

## **Resolutions 10 and 20 – final dividend**

Shareholder consent is required for Mondi Limited and Mondi plc to pay final dividends of 73.54690 rand cents per ordinary share and 7.0 euro cents per ordinary share, respectively. If approved, the dividends will

be paid on 19 May 2010 to shareholders on each register on 23 April 2010.

## **Resolutions 11, 12, 21 and 22 – 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 11 and 21 relate to the reappointment and resolutions 12 and 22 will authorise the DLC audit committee to agree the auditors' remuneration.

## **Resolutions 13 and 23 - Special resolutions 1 and 3 - adoption of new Articles of Association**

It is proposed in resolutions 13 and 23 to adopt new Articles of Association (the 'New Articles') in order to update the Mondi Limited and Mondi plc current Articles of Association (the 'Current Articles') primarily to take account of the coming into force of the UK Companies (Shareholders' Rights) Regulations 2009 (the 'Shareholders' Rights Regulations'), the implementation of the final parts of the UK Companies Act 2006 and amendments to the Uncertificated Securities Regulations 2001.

The principal changes introduced in the New Articles are summarised on pages 10 to 12. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the UK Companies Act 2006, the Shareholders'

# Explanation of resolutions **continued**

Rights Regulations or the Uncertificated Securities Regulations 2001 or conform the language of the New Articles with that used in the model articles for public companies produced by the UK Department for Business, Innovation and Skills (the 'Model Articles'), have not been noted in the explanation. The New Articles showing all the changes to the Current Articles are available for inspection, as noted on page 15.

## **Resolution 14 – 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 15 – placing special converting 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 special converting shares equal to 5% of the issued special converting shares of Mondi Limited under the control of the directors.

## **Resolution 16 – allot shares for cash**

If resolution 16 and resolution 25 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 comply with the relevant guidelines of 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 17 – Special resolution 2 – to purchase own shares**

The reason and effect of resolution 17 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, No.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 10% of Mondi Limited's issued ordinary share capital as at the date of passing of this resolution;
- 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;

vii. Mondi Limited must remain in compliance with the minimum shareholder spread requirements of the Listings Requirements of the JSE; and

viii. 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 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 10% 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 6 May 2010 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 47 of the Mondi Group annual report and accounts 2009, 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 47 of the Mondi Group annual report and accounts 2009, 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 2009 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 2009, 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 48;
- major beneficial shareholders – annual report page 73;
- directors' interests in ordinary shares – annual report page 68; and
- share capital of Mondi Limited – annual report page 140.

### Resolution 24 – directors' authority to allot shares

The purpose of resolution 24 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:

# Explanation of resolutions continued

	<b>Number of shares</b>	<b>Par value</b>	<b>Relative part of section 551 amount</b>
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 11 March 2010 (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 2011 or, if earlier, 6 August 2011.

## **Resolution 25 – 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 25 is to authorise the directors of Mondi plc to allot new shares pursuant to the authority given by resolution 24, or to sell treasury shares, for cash (i) in connection with a Rights Issue (as defined in the New 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 11 March 2010 (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 2011 or, if earlier, 6 August 2011.

If this resolution 25 and resolution 16 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

comply with the relevant guidelines of the Association of British Insurers.

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
- 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 25 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 26 – 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 2011 or, if earlier, 6 August 2011. 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 11 March 2010 and Mondi plc's exercise of this authority is subject to the stated upper and lower limits on the price payable.

As of 11 March 2010 (the latest practicable date prior to publication of this Notice), there were options outstanding over 10,232,900 ordinary shares, representing 2.79% 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 2.93% of Mondi plc's reduced issued ordinary share capital.

The directors of Mondi plc have no present intention of making any purchases, 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.

# Explanatory notes of principal changes to the Mondi Limited and Mondi plc Articles of Association

The Articles of Association of Mondi Limited and Mondi plc are broadly identical, the differences being due to variances in applicable law in South Africa and the UK. In the UK, the Companies Act 2006 had a phased implementation and the proposed changes to the Mondi plc Articles reflect the final provisions that are now in force. The proposed changes to the Mondi Limited Articles reflect, where permissible under South African law, the same changes to ensure that the Articles of both Mondi Limited and Mondi plc remain broadly identical. This simplifies the administration of the dual listed structure between the two companies.

## 1. Mondi plc's objects

The provisions regulating the operations of Mondi plc are currently set out in Mondi plc's memorandum and articles of association. Mondi plc's memorandum contains, among other things, the objects clause which sets out the scope of the activities Mondi plc is authorised to undertake. This is drafted to give a wide scope.

The UK Companies Act 2006 significantly reduces the constitutional significance of a company's memorandum. The UK Companies Act 2006 provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the UK Companies Act 2006 the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in the company's articles of

association but the company can remove these provisions by special resolution.

Further, the UK Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason Mondi plc is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the UK Companies Act 2006, are treated as forming part of Mondi plc's articles of association as of 1 October 2009. Resolution 23(i) confirms the removal of these provisions for Mondi plc. As the effect of this resolution will be to remove the statement currently in Mondi plc's memorandum of association regarding limited liability, the new articles of Mondi plc also contain an express statement regarding the limited liability of shareholders.

## 2. Articles which duplicate statutory provisions

Provisions in the Current Articles which replicate provisions contained in the UK Companies Act 2006 are in the main to be removed in the New Articles. This is in line with the approach advocated by the UK Government that statutory provisions should not be duplicated in a company's constitution.

## 3. Change of name

Under the UK Companies Act 1985, a company could only change its name by special resolution. Under the UK Companies Act 2006 a company will be able to change its name by other means provided for by its articles. To take advantage of this provision, the New

Articles enable the directors to pass a resolution to change Mondi plc's name.

## 4. Authorised share capital and unissued shares

The UK Companies Act 2006 abolishes the requirement for a company to have an authorised share capital and the New Articles of Mondi plc reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the UK Companies Act 2006, save in respect of employee share schemes.

## 5. Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital

Under the UK Companies Act 1985, a company required specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Current Articles include these enabling provisions. Under the UK Companies Act 2006 a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly the relevant enabling provisions have been removed in the New Articles.

## 6. Uncertificated shares

This new provision sets out the powers the directors have in relation to uncertificated shares and how they should be dealt with in accordance with the New Articles. It follows the language used in the Model Articles.

## 7. Use of seals

The New Articles provide an alternative option for execution of documents (other than share certificates). Under the New Articles, when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a director and the secretary or two directors or such other person or persons as the directors may approve.

## 8. Suspension of registration of share transfers

The Current Articles permit the directors to suspend the registration of transfers. Under the UK Companies Act 2006 share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

## 9. Vacation of office by directors

The Current Articles specify the circumstances in which a director must vacate office. The New Articles update these provisions to reflect the approach taken on mental and physical incapacity in the Model Articles.

## 10. Voting by proxies on a show of hands

The Shareholders' Rights Regulations have amended the UK Companies Act 2006 so that it now provides that each proxy appointed by a member has one

vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The Current Articles have been amended to reflect these changes.

## 11. Voting by corporate representatives

The Shareholders' Rights Regulations have amended the UK Companies Act 2006 in order to enable multiple representatives appointed by the same corporate member to vote in different ways on a show of hands and a poll. The New Articles remove provisions in the Current Articles dealing with voting by corporate representatives on the basis that these are dealt with in the UK Companies Act 2006.

## 12. Voting by guardian

This provision gave the directors discretion to allow a person appointed by the court to manage the affairs of someone suffering from a mental disorder to vote in place of that member. This provision used to appear in the UK Table A Articles but is not contained in the Model Articles. It has been removed to bring the Current Articles in line with the Model Articles.

In these circumstances the guardian or other appointed person should use their authority to appoint a proxy on behalf of the member (they could appoint themselves as proxy if they wish) and that proxy can vote.

## 13. Electronic conduct of meetings

Amendments made to the UK Companies Act 2006 by the Shareholders' Rights Regulations specifically provide for the holding and conducting of electronic meetings. The Current Articles have been amended to reflect more closely the relevant provisions.

## 14. Chairman's casting vote

The New Articles remove the provision giving the chairman a casting vote in the event of an equality of votes as this is no longer permitted under the UK Companies Act 2006.

## 15. Notice of general meetings

The Shareholders' Rights Regulations amend the UK Companies Act 2006 to require the company to give 21 clear days' notice of general meetings unless the company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. Annual general meetings must be held on 21 days' clear notice. The New Articles amend the provisions of the Current Articles to be consistent with the new requirements.

## 16. Adjournments for lack of quorum

Under the UK Companies Act 2006 as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The Current Articles have been changed to reflect this requirement.

# Explanatory notes of principal changes to the Mondi Limited and Mondi plc Articles of Association

continued

## 17. Adjournments by chairman

It is proposed to amend the Articles to clarify the circumstances in which the chairman has power to adjourn the meeting without the consent of the meeting. These changes will bring the Current Articles in line with the common law and with market practice as well as making them more consistent with the Model Articles. In particular they will confirm the power of the chairman to adjourn the meeting in order to restore order or protect the safety of the attendees.

## 18. Voting record date

Under the UK Companies Act 2006 as amended by the Shareholders' Rights Regulations the company must determine the right of members to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days which are not working days. The Current Articles have been amended to reflect this requirement.

## 19. Nomination of directors

It is proposed to remove the requirement in the Current Articles that a director cannot be elected at a general meeting unless a specified amount of notice is given before the meeting. This requirement used to appear in the UK Table A Articles but is not contained in the Model Articles and there is no requirement for such a notice to be given. Accordingly it is no longer considered necessary.

## 20. Reserves/ Business bought from a past date/ Liquidators' powers

Provisions of the Current Articles dealing with the creation of reserves, business bought from a past date and liquidators' powers have been deleted as they are obsolete and unnecessary in light of provisions of statute and applicable accounting standards.

## 21. General

Generally the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles with that used in the Model Articles for public companies produced by the UK Department for Business, Innovation and Skills.

# 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 Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DW, UK by post or delivered by hand (during normal business hours only) no later than 11:00 (UK time) on Tuesday 4 May 2010.
4. Shareholders who prefer to register the appointment of their proxy via the Internet can do so through the Equiniti website at [www.sharevote.co.uk](http://www.sharevote.co.uk) where full instructions are given. The voting ID, task ID and shareholder reference number printed on the proxy form will be required to use this electronic proxy appointment system. Alternatively, shareholders who have registered with

Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) and clicking on the link 'vote' under their holding details. A proxy appointment made electronically will not be valid if sent to any electronic address other than those provided or if received after 11:00 (UK time) on Tuesday 4 May 2010. 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

# Notes to the Notice of Annual General Meeting continued

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 be registered in the register of members of Mondi plc at 18:00 (UK time) on Tuesday 4 May 2010 (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 11 March 2010, 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: RA19) by 11:00 (UK time) on Tuesday 4 May 2010. 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 2009; or (ii) any circumstance connected with an auditor of Mondi plc appointed for the financial year commencing 1 January 2009 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. Copies of the existing Memorandum and Articles of Association and new Articles of Association of Mondi Limited and Mondi plc will be available for inspection at the registered offices of Mondi Limited and Mondi plc and at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, UK 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.

# Notes to the Notice of Annual General Meeting continued

## 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)