

Our 2020 commitments

Figures reported in 'specific' terms are normalised to saleable production. Specific CO₂e emissions are reported in tonnes per tonne of saleable production; specific contact water in m³ per tonne; and specific waste to landfill, specific COD and specific NOx all in kg per tonne.

Progress percentages are calculated based on excluding the performance of our Raubling mill (Germany) which was sold in 2015, from baseline data.

Progress percentages including Raubling are provided as a separate scenario in footnotes.

Action area	What we said	What we did in 2017	Performance in brief
Employee and contractor safety	Avoid work-related employee and contractor fatalities	We were deeply saddened to have had two fatalities in 2017, and one employee missing (presumed deceased) in our Syktyvkar operation (Russia) during preparation for riverbank cleaning activities. An investigation into these incidents was conducted to identify the causes and contributing factors in order to prevent similar incidents from happening again.	Two fatalities and one employee missing (presumed deceased)
	Prevent life-altering employee and contractor injuries	We also regret that we had three life-altering injuries during the year at our Ascania operation (Germany), at Syktyvkar mill (Russia), and at Frantschach mill (Austria). We continued to focus on the top risks at all our operations in 2017 to prevent serious injuries from happening again. We recognise that we need to place more importance on behavioural aspects of safety, so in 2017 we introduced the 24-hour safety mindset approach (see page 28).	Three life-altering injuries
	Reduce TRCR by 5% compared to 2015 baseline, including new acquisitions	Our TRCR was 0.60 in 2017, a 21% improvement against the 2015 baseline of 0.76 (which included acquisitions). Looking ahead, we will continue to address the top risks in all our operations in order to engineer them out of the business. We also need to continue to strengthen our risk assessment procedures and our cultural focus on the behavioural aspects of safety to make sure that not only our TRCR improves, but that fatalities and serious injuries are prevented.	0.60 TRCR
A skilled and committed workforce	Engage with our people to create a better workplace	Our last Group-wide employee survey, conducted in November 2015, was completed by 90% of employees. Detailed outcomes were reported in 2016 and resulting actions have included a best-practice sharing workshop involving managing directors, a newly developed leadership programme available in different languages, an internal collaboration framework and workshops. The next survey was launched in January 2018 and we will report on the results in our next report. Looking ahead, we will continue to use the survey actively to improve our understanding of how our employees perceive and experience our culture and working conditions (see page 33). We are working on developing specific metrics that can more clearly monitor, measure and track our commitment to engaging our employees to create a better workplace.	Progress made on 2015 survey actions, and next global employee survey launched in January 2018

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Fairness and diversity in the workplace	Promote fair working conditions and diversity in the workplace	<p>In 2017, we updated our Group-wide Diversity Policy to reflect our increasing focus on inclusion and equal opportunities for all our employees, taking into account evolving regulatory requirements and stakeholder expectations. Diversity initiatives across the Group support our approach. Talent management and development initiatives include training modules such as 'Intercultural Diversity & International Business Competence' through The Mondi Academy to enhance the understanding and appreciation of the benefits of diversity within the business; 'Success management training' with a focus on career strategies for higher management positions; and a training on career building for young female employees. Other initiatives include mentoring and development programmes, flexible working practices and membership of an LGBT+ network and consultancy in order to support diversity and employee integration across the business. A pilot initiative planned for 2018 targeted at disabled employees will help us understand and address their specific needs, and ensure their integration, engagement, and access to equal opportunities (see page 37-38).</p> <p>We are working on developing specific metrics that can more clearly monitor, measure and track our commitment to promoting fair working conditions in the workplace.</p>	<p>Updated our Diversity Policy, with various diversity, talent management and development initiatives in place to support our approach</p>

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Sustainable fibre	Maintain 100% Forest Stewardship Council™ (FSC™) certification of our owned and leased forestry operations and promote sustainable forest management	<p>In 2017, our forest management system in South Africa successfully passed a reassessment audit against the FSC standards. As a result, the new certificate was issued for the next five year period, covering all Mondi's land holdings in South Africa.</p> <p>Our forest management system in Russia also maintained certification in compliance with FSC and Programme for the Endorsement of Forest Certification (PEFC™) standards for all its forests, including new forest areas that were leased in 2016. In 2017, two more forest areas were added, together accounting for approximately 30,000 ha of forest. These will be included in the certification scope by the end of 2018.</p> <p>In addition to securing credibly certified wood and pulp for our operations, all of our mills, with the exception of Pine Bluff (US), are certified to FSC and/or PEFC Chain-of-Custody standards.</p>	100% of owned and leased forests certified
	Procure a minimum of 70% of our wood from FSC- or PEFC-certified sources with the balance meeting our company minimum wood standard that complies with FSC's requirements for Controlled Wood	71% of our total procured wood was certified to FSC or PEFC (2016: 67%). The increase in the certified fibre percentage was primarily due to higher volumes procured from credibly certified suppliers and from countries where forest certification is more developed. We continue to recognise the challenges involved in securing credibly certified fibre to meet our needs and the requirements of our customers, so we continue to work with relevant stakeholders across the wood value chain, on a risk-based approach to help increase the availability of credibly certified fibre in the market. This is critical to maintaining our commitment in the long term.	71% of wood certified
Climate change	Reduce specific CO₂e emissions from our pulp and paper mills by 15% by 2030 against a 2014 baseline	<p>In 2017, we met our 2030 target against a 2014 baseline¹. This reduction was mainly achieved through our investments in a newly installed biomass boiler and recovery boiler at our Świecie mill (Poland), and a new biomass boiler in Syktyvkar (Russia).</p> <p>We have now adopted a new science-based target to reduce our production-related specific Scope 1 and 2 CO₂ emissions to 0.25 tonnes of CO₂ per tonne of saleable production by 2050 against a 2014 baseline of 0.59.</p>	15% ² reduction in specific CO ₂ e emissions against 2014 baseline

1 Based on 0.717 (2017) and 0.844 (2014)

2 Progress including Raubling in the commitment's base year: 14 % reduction; 2014 figure: 0.83

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Constrained resources and environmental impacts	Reduce specific contact water consumption of our pulp and paper mills by 5% compared to a 2015 baseline	We achieved a reduction of 3.3% against the 2015 baseline, with our specific contact water consumption reduced to 32.8m ³ per tonne of saleable production. This was mainly due to a water saving programme at our Richards Bay mill (South Africa) based on process improvements, in response to the ongoing drought in South Africa.	3.3% ³ reduction in specific contact water consumption against 2015 baseline
	Reduce specific waste to landfill by 7.5% compared to a 2015 baseline	We sent 30.8kg of waste to landfill per tonne of saleable production. This 18.4% reduction against 2015 was mainly achieved through progress at our Świecie mill (Poland) in converting waste to energy instead of landfilling, and through lower ash generation due to reduced coal consumption at our Richards Bay mill (South Africa).	18.4% ⁴ reduction of specific waste to landfill against 2015 baseline
	Reduce specific NOx emissions from our pulp and paper mills by 7.5% compared to a 2015 baseline	Our specific NOx emissions amounted to 1.8kg per tonne of saleable production, down 13.4% against 2015 levels. The reduction was mainly achieved due to reduced coal consumption at our Richards Bay mill (South Africa) and due to process optimisation of our energy boilers and reduced energy sales at Syktyvkar mill (Russia).	13.4% ⁵ reduction of specific NOx emissions against 2015 baseline
	Reduce specific effluent load to the environment (measure COD) by 5% compared to a 2015 baseline	We released a total of 232 million m ³ of treated waste water back to the aquatic environment. Specific COD after waste water treatment was 6.9kg per tonne of saleable production, an 8.7% reduction against 2015. This was mainly achieved through the start-up of our new wastewater treatment plant at Świecie mill in Poland as well as the second phase in our modernisation of the wastewater treatment plant at our Syktyvkar mill (Russia).	8.7% ⁶ reduction of specific effluent load against 2015 baseline

3 Progress including Raubling in the commitment's base year: 1% reduction; 2015 figure: 33.15

4 Progress including Raubling in the commitment's base year: 15.7% reduction; 2015 figure: 36.52

5 Progress including Raubling in the commitment's base year: 10.5% reduction; 2015 figure: 1.98

6 Progress including Raubling in the commitment's base year: 6.3% reduction; 2015 figure: 7.31

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Biodiversity and ecosystems	Promote ecosystem stewardship in the landscapes where we operate through continued multi-stakeholder collaboration	<p>In our plantation forests in South Africa the WWF-Mondi Water Stewardship Partnership has focused on applying social learning and expanding awareness and best practice among stakeholders operating across whole catchments. The water stewardship work has gone beyond our own forest plantations to include engagement with the agriculture sector and other forest growers. In 2017, the focus was extended to include the uMhlatuze catchment where our Richards Bay mill is located and where forestry, sugar, citrus and communal landholdings are a prominent feature.</p> <p>In our boreal forests in the Komi Republic (Russia), we have worked with Silver Taiga Foundation and WWF Russia for 10 years to identify, map and secure official protection for high conservation value areas and some of the last intact forest landscapes (IFLs) within the framework of our sound landscape approach. In 2017, we signed a multilateral landscape agreement related to the protection of IFLs and consolidated our efforts aimed to secure official status to the IFLs cores.</p> <p>We remain committed to the New Generation Plantations (NGP) platform⁷ and to the Boreal Forest Platform (BFP)⁸ which bring stakeholders together across whole landscapes to develop a shared understanding of responsible forest management.</p> <p>In 2017, the NGP held three field seminars in China, UK and Chile celebrating its 10-year anniversary, and in the same year, the BFP held two international field seminars, one in Finland and the other in Canada.</p> <p>We continue to participate in the work of the Cambridge Institute for Sustainability Leadership's Natural Capital Impact Group and the WBCSD's Natural Capital and Ecosystems Cluster. In 2017, Mondi provided input and case studies for the development of the Natural Capital Protocol's (NCP) Forest Sector Guide.</p> <p>We are working on developing specific metrics to monitor, measure and track our commitment to promoting ecosystem stewardship in the landscapes where we operate.</p>	<p>Extended the work of the WWF-Mondi Partnership in South Africa and Russia</p> <p>Continued to actively support collaborations including the NGP, the BFP and the NCP</p>

⁷ <http://newgenerationplantations.org>

⁸ <http://borealforestplatform.org/en/>

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Supplier conduct and responsible procurement	Encourage supply chain transparency and promote fair working conditions together with our key suppliers	<p>In 2017, we launched a new project to complete a high-level risk assessment of a representative sample of suppliers so that we can better understand the geographies, product categories and suppliers that pose the highest risks to Mondi and its stakeholders along the value chain. The results of this risk assessment will inform the risk categories and evaluation criteria for supplier evaluation going forward, as well as the update of our Code of Conduct for Suppliers, and training and audit protocols. It is our aim for this process to be managed in SRM once it is fully rolled out and live. We anticipate that this project will run until 2020, ultimately covering all supplier categories across our global operations using a risk-based approach (see pages 69-70).</p> <p>We are working on developing specific metrics that can more clearly monitor, measure and track our commitment to encouraging supply chain transparency and promoting fair working conditions together with our key suppliers.</p>	Initiated a high-level risk assessment of our key suppliers
Relationships with communities	Enhance social value to our communities through effective stakeholder engagement and meaningful social investments	<p>While we believe that our existing mechanisms of community- and stakeholder engagement and impact assessments already support our goal, a more consistent monitoring and credible measurement methodology across our operations is needed to support us in making meaningful improvements to our response.</p> <p>This will involve credible measurement and consistent monitoring. Given our diverse geographic, socio-economic and business context, this continues to be a challenge, but we're working towards that common methodology, based on the Impact Pathway toolkit (see page 73). Importantly, we're looking to provide sufficient consistency across the Group, while allowing local flexibility – to review the impact of key community projects and develop action plans for each operation to address findings. We will continue to work on a metric and will report on our progress in our 2018 report.</p>	Progress made on an indicator-based toolkit to measure the social and business value of community investments
Solutions that create value for our customers	Encourage sustainable, responsibly produced products	<p>We continued to promote sustainable products: focusing on light-weighting; product safety, avoiding food waste and working towards flexible plastic-based packaging solutions that support the transition to a circular economy.</p> <p>Through membership of the World Business Council for Sustainable Development (WBCSD), we are investigating what the circular economy model means for our business and products (see page 80).</p> <p>Together with suppliers, customers and research institutes, we have defined four major areas where the packaging industry can reduce food loss (see page 79).</p> <p>Acknowledging the need for broad and systemic change to address the persistent challenges posed by plastic recovery, reuse and recycling, we are working with customers and other strategic partners who share our commitment to the circular economy. Our flexible packaging business actively pursues four innovation priorities to drive the transition towards a circular economy (see page 80).</p> <p>We are working on developing specific metrics that can more clearly monitor, measure and track our commitment to encouraging sustainable, responsibly produced products.</p>	Progress made on working with key stakeholders on developing sustainable, responsibly produced products