MONDI LIMITED AND MONDI plc – 2018 ANNUAL GENERAL MEETINGS

ADDRESS TO SHAREHOLDERS BY THE JOINT CHAIRMEN, CHAIRMAN OF THE SOCIAL & ETHICS COMMITTEE AND CHIEF EXECUTIVE OFFICER

Fred Phaswana, Joint Chairman, speaking from Johannesburg:

Good morning, ladies and gentlemen. On behalf of the boards of Mondi Limited and Mondi plc, we warmly welcome you to the Annual General Meetings of the Mondi Group. We are pleased to have you with us here in Johannesburg and over in London. Although we are not in the same room today, or indeed even in the same hemisphere, David Williams and I, and our fellow board directors, are delighted to talk to you this morning as one.

As your Joint Chairmen, we both value this opportunity to give you a short overview of Mondi's progress over the last year. Stephen Harris will also report on the social and ethics committee and then your Chief Executive, Peter Oswald, is looking forward to updating you on the Group's strategy and performance, including the trading update that we published earlier today.

Then it will be our pleasure, as a board, to take your questions.

As you know, David Hathorn stepped down as Mondi's Chief Executive Officer at the conclusion of last year's Annual General Meeting, handing the reins over to Peter Oswald whom he had worked with for over 25 years. Peter, thank you for your astute and passionate leadership in your first year as Group CEO. The Boards have every reason to be confident in the plans we are co-creating for Mondi's future.

We recently welcomed Stephen Young to the Boards as a non-executive director. He takes over from John Nicholas who served on Mondi's Boards for almost nine years. We sincerely appreciate the guidance John provided during his tenure and wish him all the best in his future endeavours.

So let me now introduce you to your directors.

To my immediate left is Stephen Harris, an independent non-executive director and chair of the DLC sustainable development and Mondi Limited social and ethics committees. Next to him is Andrew King, your Chief Financial Officer. On his left is Philip Laubscher, Company Secretary of Mondi Limited. And next to him is John Nicholas, our Senior Independent Director and chair of the DLC audit committee.

With David Williams in London, we have Tanya Fratto, chair of the DLC remuneration committee and beside her Jenny Hampshire, Company Secretary of Mondi plc.

To David's right, we have Peter Oswald, your Chief Executive Officer. Dominique Reiniche, an independent non-executive director and, finally, our new independent non-executive director Stephen Young.

For the benefit of our new shareholders I should point out that, although the dual listed company structure means that Mondi Limited in South Africa and Mondi plc in the UK are separate corporate entities, each with its own board and shareholders, Mondi operates as a single corporate group, managed as a single economic enterprise. The two companies have the same board members and the same management team. The DLC structure means that shareholders in each company fully share in the performance of the Group as a whole.

Mondi's robust strategy, talented and hard-working teams, portfolio of cost-advantaged assets, diverse product range, and integration of sustainability risks and opportunities, has resulted in a strong track record of performance for Mondi.

2017 proved to be another successful year for Mondi and Peter will give you further details shortly. Based on this strong financial performance we are pleased to continue to offer shareholders long-term dividend growth within the targeted dividend cover range of two to three times, on average, over the cycle. The Boards have recommended a final ordinary dividend of 42.90 euro cents per share. If approved, this dividend together with the interim dividend amounts to a total ordinary dividend for the year of 62.0 euro cents per share, an increase of 9% from 2016. Given our strong financial position and confidence in the Group's cash generating capacity, the Boards have also decided to recommend a special dividend of 100.0 euro cents per share in addition to the recommended final ordinary dividend.

Before I hand over to David, I would just like to highlight a few areas that are of particular importance to me.

At the end of 2017 Mondi employed around twenty six thousand people across more than thirty countries. Often, we are the single largest employer in the area and with this comes a great responsibility, which we take very seriously.

By treating people with respect, we will promote a culture that encourages our teams to be dynamic, entrepreneurial and empowered. This in turn helps Mondi to build constructive partnerships with stakeholders, including communities where our commitment is to enhance social value through effective stakeholder engagement and meaningful social investments.

In 2017 we invested 9.6 million euros, contributing to a range of socio-economic programmes and projects. We are developing our 'impact pathway' methodology to assess holistic outcomes, impacts and value created.

Here in South Africa, we continue to support the government's policy of broad-based black economic empowerment, which influences many of our employment and procurement practices. We are proud of our pioneering social initiatives including the Mkhondo development project and Jabulani agri-village, both public-private partnerships set up to improve the living conditions of people living in rural forestry areas, and to find sustainable solutions to alleviate poverty.

Our growing responsibly model continues to shape our long-term response to sustainability issues. Given the scale and nature of the challenges we face, it's only by working together that we will achieve the impact, innovation and scale necessary to bring about change. This motivates us to collaborate with others, building our shared understanding of sustainability issues – both the challenges and the opportunities – and developing the best solutions, together.

All of these developments are covered in detail in our integrated report and the sustainability section of our website, additional copies of our reports are available today – or via our website.

With that, I'd like to hand over to my co-chairman in London. David.

David Williams, Joint Chairman speaking from London:

Thank you Fred, and I echo your welcome to the Mondi Annual General Meetings.

I would also like to add my personal thanks to John Nicholas for his very valuable contribution to the Boards. Stephen, welcome and I have no doubt that the considerable expertise and experience you bring to the Boards will contribute to our ongoing ability to guide Mondi's success.

Fred has explained the board structure and you have our assurance that as directors we strongly support adherence to the highest standards of corporate governance with a focus on transparency, integrity and accountability. All your board members dedicate time to reviewing best-practice developments, assessing our performance and enhancing our approach to ensure we act in the best interests of you, our shareholders.

We steer Mondi's ongoing success by focusing on long-term shareholder value, managing risks appropriately, and making decisions that build on Mondi's inherent strengths. This enables the Group to take advantage of opportunities while mitigating the impact of risks. We hold management accountable for the successful execution of the strategy in line with the guidance we provide.

Mondi continues to make good progress on major capital projects and members of the Boards had the opportunity to visit Ružomberok in Slovakia and Štětí in the Czech Republic this year to understand more about how the investment plans are moving ahead at these key sites. We also completed the acquisition of Excelsior Technologies Limited in the UK early in the year, and in December we signed an agreement to acquire Powerflute in Finland.

The safety of our people remains an imperative for Mondi, and is a focus of every board meeting. We were deeply saddened by the two fatalities in 2017, one in our South African forests and the other at our Tire box plant in Turkey. We also recently learnt that the missing person at our Syktyvkar logging operation in Russia has unfortunately been confirmed as deceased by Russian courts. We also experienced a fatality in Syktyvkar last month following an incident during maintenance works at the woodyard. Our thoughts are with all the affected families and colleagues. Importantly our teams have worked hard to understand the events leading to these incidents and how similar situations can be prevented in the future. We are determined to ensure the adoption of a 24-hour safety mindset – where everyone works safely, and returns home safely to their families every day.

As Fred described, we believe that being part of the solution to global sustainability challenges will secure the long-term success of Mondi, and the wellbeing of our communities and other stakeholders. We have a strong track record of delivering on our sustainability commitments, and our growing responsibly model is built on these past achievements, but designed for our future success. With its 16 commitments embedded in 10 action areas, the model shapes our long-term response to the sustainability issues, and enables us to demonstrate, monitor and improve our sustainability performance.

We know that in order to be successful in the future, we need to unlock the full potential of our people and nurture their passion. On behalf of the Boards, we thank everyone who has given their time, energy and expertise to drive Mondi's success in 2017.

As required by South African regulation, Stephen Harris will now provide the report on the activities of the social and ethics committee. Stephen.

Stephen Harris, Mondi Limited social and ethics committee chairman speaking from Johannesburg:

Thank you, David.

During the past year the committee focused on monitoring Mondi Limited's compliance with the various obligations under the South African Companies Act.

This included the areas of corporate citizenship which cover community development and corporate social investment initiatives, employment equity and broad-based black economic empowerment, labour and employment matters, consumer relations, environment, health and public safety and anti- corruption.

I am pleased to report a high level of compliance with statutory requirements and good progress with the many community-focused initiatives undertaken during 2017.

I would now like to go through just a few of the 2017 highlights.

An independent assessment confirmed our level four contributor status under the new forestry sector broad-based black economic empowerment codes finalised towards the end of 2017.

Mondi Zimele, our small business development organisation, has been in existence for over ten years. In 2017 we coached and mentored over thirty contractors in the forestry contractor development programme and trained over 130 students in agricultural enterprises.

81.1% of our employees received training as part of a continued investment in skills development.

In the environmental area, we reviewed Mondi Limited's performance relating to carbon dioxide emissions, carbon based energy consumption, the use of renewable energy and electrical self-sufficiency.

Further details of Mondi's approach, progress made and our many positive initiatives are provided in the Group's integrated report and the printed and on-line sustainability reports.

I now hand you to your Chief Executive Peter Oswald, Peter.

Peter Oswald, Chief Executive Officer speaking from London:

Thank you, Stephen.

Good morning.

Our strong performance in 2017 builds on our track record of value accretive growth. Our consistent and focused strategy, robust business model, integrated approach to sustainability, firm commitment to drive performance and our disciplined approach to capital allocation all continue to contribute to our results.

Group revenue of €7,096 million was up 7% on the prior year. Underlying EBITDA was €1,444 million, up 6% on prior year. Our underlying EBITDA margin of 20.3% is industry leading. Underlying operating profit of €1,018 million was up 4% on the prior year. Return on capital employed was 19.7%.

So overall, Mondi delivered record profits in 2017. Packaging Paper and Fibre Packaging seen together as an integrated value chain achieved good growth and made strong progress in profitability. We made good progress in Consumer Packaging despite the difficult trading environment. Uncoated Fine Paper delivered strong results, even though below the prior year.

Most importantly, in 2017 and into the first part of 2018 we continued to build our platform for growth via acquisitions and major capital expenditure projects.

In terms of acquisitions:

- In February last year, we acquired Excelsior Technologies in the UK for €40 million.
- In December last year, we signed an agreement to acquire Powerflute, an integrated pulp and paper mill in Kuopio, Finland, for €365 million. We anticipate completion of this transaction in the first half of 2018.
- In April this year, we signed an agreement to acquire 100% of an industrial bags plant in Egypt for €24 million. Together with the previously announced agreement to acquire a control position in another plant near Cairo, this will drive our growth in one of the fastest growing regions in industral bags worldwide.

We are also well under way investing over €750 million of mainly expansionary capex at our production sites which enjoy distinctive competitive advantages. This includes:

- 145,000 tonnes of saleable products coming online from 2019 as part of the €335 million modernisation of our kraft paper facility at Štětí in the Czech Republic, which also includes energy cost reductions and stay-in-business capex.
- 100,000 tonnes of pulp will come on stream in 2019 from our expansion at Ružomberok in Slovakia, which is progressing well. It will become integrated with our containerboard expansion.
- This expansion will bring 300,000 tonnes of containerboard to the market in 2020 and is awaiting final permits.
- 100,000 tonnes of saleable production will be added in stages from 2018 to 2021 at our Syktyvkar mill in Russia.
- Our expansions in corrugated packaging in Poland, as well as consumer packaging in Germany, Austria and Hungary will support our growth in 2018 and 2019.

These acquisitions and our strong pipeline of expansionary capex projects form a solid platform for our future growth.

Cash generated from operations of €1,325 million including the impact of an increase in working capital, reflects the continued strong cash generating capability of the Group.

I would now like to summarise the main points from our trading update made earlier today.

Underlying operating profit for the first quarter of 2018 of €295 million was 15% above the restated comparable prior year period and 6% up on the restated fourth quarter of 2017.

Higher average selling prices and profit improvement initiatives across the Group more than offset higher operating costs, the impact of maintenance shuts and negative currency effects.

Like-for-like sales volumes were stable on the comparable prior year period, with growth in packaging paper offset by lower volumes in uncoated fine paper due to the extended maintenance shut at Richards Bay (South Africa).

Selling prices for the Group’s key paper grades were, on average, above both the comparable prior year period and the previous quarter as the upward pricing momentum witnessed during 2017 continued.

Variable costs, especially wood, energy and chemical costs were generally higher than the comparable prior year period and the previous quarter, mitigated by cost improvement initiatives.

The notable exception was paper for recycling costs, where average benchmark European prices were down 15% compared to the first quarter of 2017, and 16% lower sequentially, as the Chinese import ban continued to impact global trade.

Cash fixed costs were higher, largely as a result of the impact of maintenance shuts.

Currency movements had a net negative impact on operating profit versus the comparable prior year period, driven mainly by a weaker US dollar and Russian rouble relative to the euro, and a net negative impact when compared to the fourth quarter of 2017 mainly as a result of a stronger South African rand.

As explained earlier, we are making good progress on our previously announced major capital investment projects at Štětí, Ružomberok and Syktyvkar and the smaller expansionary projects at a number of our packaging operations. Technical challenges remain in the ramp-up of our rebuilt paper and inline coating machine at Štětí.

Our outlook for the business remains positive. We continue to experience a strong pricing environment in a number of our key product segments, supported by good demand growth, although we do continue to see inflationary cost pressures across the Group and currencies are currently a headwind. With our robust business model, clear customer focus and culture of driving performance, we remain confident of sustaining our track record of delivering value accretive growth.

Now I would like to hand you back to our Joint Chairman, David Williams. David