

## **Mondi DLC**

### **Schedule of Matters Reserved for the Board**

In this Schedule to:

“Constitutional Documents” shall mean both the Mondi Limited Memorandum of Incorporation and the Mondi plc Articles of Association

“the Group” shall mean both Mondi Limited and Mondi plc and their respective subsidiaries from time to time, operating under the DLC structure;

“Group Company” shall mean a member of the Group;

“the Board” shall mean the Board of Directors of both Mondi Limited and Mondi plc;

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

#### **1 Strategy and Management**

- 1.1** Responsibility for the overall leadership of the Group and setting the Group’s values and standards.
- 1.2** Responsibility for assessing and monitoring the culture of the Group, ensuring that the Group’s policies and practices are aligned with the Group’s culture and ensuring corrective action is taken where appropriate.
- 1.3** Approval of the overall business strategy of the Group and review of performance against the agreed strategy.
- 1.4** Approval of the Group’s Business Plan and Budget and review of performance against the agreed plan and budget.
- 1.5** Oversight of the Group’s operations ensuring competent and prudent management, planning, controls and adequate accounting and other records and compliance with statutory and regulatory obligations.
- 1.6** Oversight of engagement with the Group’s key stakeholders

#### **2 Structure and Capital**

- 2.1** Changes to the Group’s capital structure, including reduction of capital, share issues (except under employee share plans) and purchases of the Group’s shares.
- 2.2** Major changes to the Group’s corporate structure or management and control structure, including any significant tax planning structures.
- 2.3** Changes to the Group’s listings or the status of either Mondi Limited or Mondi plc as public limited companies.

#### **3 Financial Reporting and Controls**

- 3.1** Approval of preliminary announcements of interim and final results.
- 3.2** Approval of the integrated report and financial statements.
- 3.3** Approval of the dividend policy.
- 3.4** Declaration of the interim dividend and recommendation of the final dividend.
- 3.5** Approval of any significant changes in accounting policies or practices.

- 3.6 Approval of significant treasury policies and any material changes to them.
- 3.7 Oversight of the overall levels of insurance for the Group including directors' & officers' liability insurance.
- 3.8 The appointment or removal of the Group's external auditors following recommendation by the Audit Committee.

## **4 Commitments**

- 4.1 In each case where the total value of an individual project exceeds €25 million, approval of:
  - 4.1.1 capital expenditure by any Group Company;
  - 4.1.2 the acquisition or disposal of any interest in a company or business;
  - 4.1.3 the entering into of any contract or other legal commitment (not in the ordinary course of business).

## **5 Shareholder Matters**

- 5.1 Approval of resolutions and related documents to be put to the shareholders at a general meeting.
- 5.2 Approval of all circulars and listing particulars.

## **6 Board Membership and Other Appointments**

- 6.1 Appointments to the Board, both executive and non-executive, including the determination of structure, size, composition, independence and continuation in office, following recommendation by the Nominations Committee.
- 6.2 Appointment of the Chairmen and the Chief Executive Officer.
- 6.3 Appointment of the Senior Independent Director.
- 6.4 Any other appointment of a Director to any executive or other office.
- 6.5 Appointment of members of Executive Management.
- 6.6 Membership and Chairmanship of Board Committees.
- 6.7 Appointment or removal of either the Company Secretary of Mondi Limited or Mondi plc.
- 6.8 Appointment or removal of Brokers and Investment Brokers.

## **7 Remuneration and Share Schemes**

- 7.1 Approval of the policy for remuneration of the Board and Executive Management following recommendation by the Remuneration Committee.
- 7.2 Approval of the introduction of new executive and all-employee share plans and major changes to existing plans.

## **8 Delegation of Authority**

- 8.1 The creation of Board Committees and the approval of their terms of reference and the receiving of reports from such Committees on their activities.
- 8.2 Approval of the delegated levels of authority, including the Chief Executive Officer's authority limits.

**8.3** Approval of the statement of the roles of the Joint Chairmen and the Chief Executive Officer and the division of responsibilities between them.

## **9 Governance**

**9.1** Review of the Group's overall corporate governance arrangements.

**9.2** Responsibility for the governance of risk management and internal control systems, including approving the risk management policy and plan, and annually set risk tolerance levels.

**9.3** Responsibility for information technology (IT) governance.

**9.4** Responsibility for ensuring the adequacy and security of the Group's arrangements for its employees, contractors and others to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and for ensuring the proportionate and independent investigation of matters raised.

**9.5** Review compliance with applicable laws, rules, codes and standards.

## **10 Policies**

**10.1** Approval of the Group's:

**10.1.1** Code of Business Ethics;

**10.1.2** Share Dealing Code;

**10.1.3** Sustainable Development Policy;

**10.1.4** Risk Management Policy;

**10.1.5** Communications Guidelines;

**10.1.6** Business Integrity Policy; and

**10.1.7** Diversity Policy.

## **11 Other**

**11.1** Authorisation of the conflicts of interest of a director pursuant to the Constitutional Documents.

**11.2** The making of political donations.

**11.3** Subject to any material litigation matters being communicated to the Joint Chairmen without delay, the prosecution, defense or settlement of any litigation (including arbitration) with a claim value relating to Mondi of more than €10 million will be reported to the Board at its first meeting after Mondi has taken its first process steps in such litigation.

**11.4** The making of amendments to this Schedule of Matters Reserved to the Board.

**11.5** Undertaking a formal annual review of the Boards performance, that of its Committees and the individual directors.

## **12 Review**

The Board shall review this Schedule of Matters Reserved to the Board at least once each year and its performance against them.

Notes:

1. *This schedule covers only those matters reserved to the full Board. Matters delegated to Committees of the Board are set out in the Terms of Reference of those Committees.*
2. *In some cases the Board's decision may be subject to the approval of the Group's shareholders.*

5 December 2018