Mondi Group

Integrated report and financial statements 2024

SUSTAINABLE by DESIGN

Welcome

Integrated report 2024

Mondi's Integrated report and financial statements 2024 is our primary report to shareholders, providing an overview of the Group's performance for the year ended 31 December 2024.

Alternative Performance Measures
The Group presents certain measures of financial performance, position or cash flows in this report that are not defined or specified according to International Financial Reporting Standards (IFRS) and UK-adopted International Accounting Standards. Refer to pages 216-218 for further details.

SASB

We report against the Sustainability Accounting Standards Board (SASB): Containers & Packaging Industry Standard. Relevant disclosures are highlighted by the icon above with further disclosures made in our Sustainable Development report and GRI & SASB index as part of our 2024 suite of reports.

Strategic report

The Strategic report was approved by the Board on 19 February 2025 and is signed on its behalf by:

Andrew King
Group CEO

Mike Powell
Group CFO

Governance

Financial statements

Other information

Our reporting suite

Mondi's complete 2024 Integrated and Sustainable Development reporting suite will be made available on our website from publication date
www.mondigroup.com

Non-financial and sustainability information statement

In accordance with Sections 414CA and 414CB of the Companies Act 2006 (as amended by The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022), the required non-financial and sustainability information disclosures can be found integrated throughout the Strategic report. The table below sets out where our stakeholders can find more information on these key areas of disclosure. In addition, our policies, which are listed on page 108 of this report, can be found on our website (www.mondigroup.com/sustainability/approach/governance). Our MAP2030 section (found on pages 30-49) outlines our performance against our policies and sustainability targets.

Reporting requirement	Further information
Business model	Page 8-13
Climate-related disclosures	Page 41-45, 52-59
Information relating to environmental matters	Page 41-46, 48
Information relating to employees	Page 37-40
Information relating to social matters	Page 47, 49
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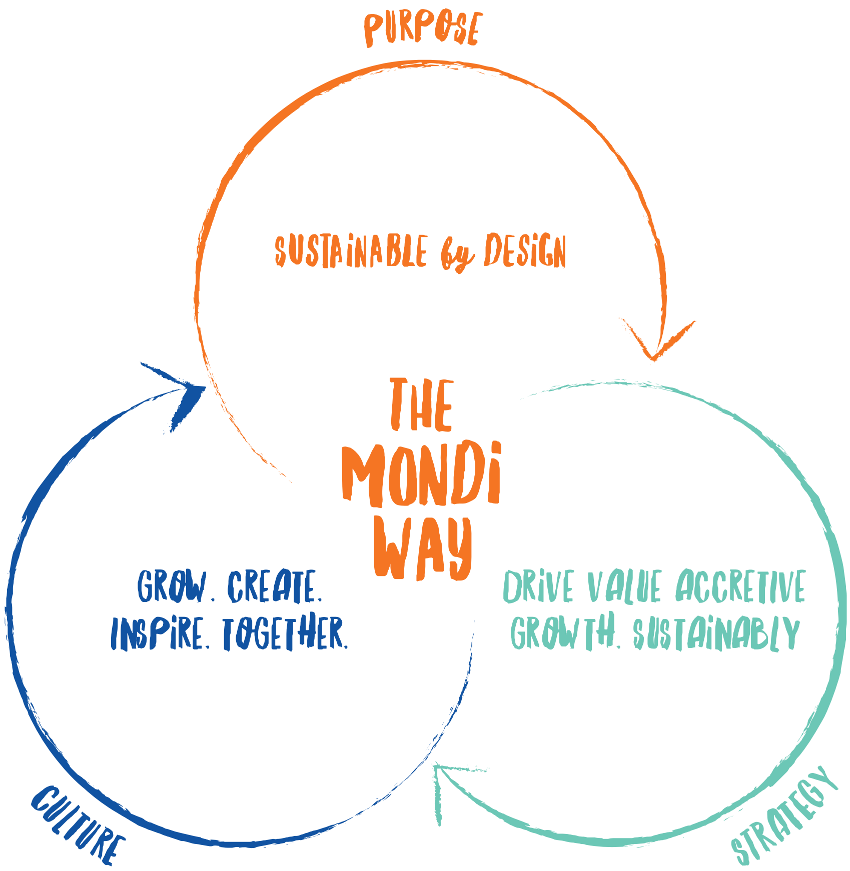
The Mondi Way

The Mondi Way connects our 22,000 people through a shared sense of purpose. We nurture an environment in which high performance, collaboration and innovation thrive, empowering our teams to drive progress against our strategic priorities.



Purpose

SUSTAINABLE by DESIGN

We contribute to a better world by making innovative, sustainable packaging and paper solutions

Strategy

DRIVE VALUE ACCRETIVE GROWTH. SUSTAINABLY

- Drive performance along the value chain
- Invest in quality assets
- Empower our people
- Partner with customers

Culture

GROW. CREATE. INSPIRE. TOGETHER.

Performance
We are passionate, entrepreneurial and empowered

Care
We are respectful and look out for each other

Integrity
We are honest, transparent and inclusive

Our strategy
Page 14-20

MAP2030
Page 30-49

Letter from the Chair

Delivering value accretive growth

> **Mondi demonstrated resilience throughout 2024 in difficult trading conditions – highlighting the strength of our cost-competitive, strategically located integrated assets and our great people.**

Philip Yea
Chair

Underlying EBITDA

€1,049 million

Cash generated from operations

€970 million

Ordinary dividend per share

70.0 euro cents

2024 was marked by stubbornly challenging economic conditions, unresolved political uncertainties and persistent geopolitical tensions. Against this background, Mondi has focused on its customers, people and communities, and has been able to perform resiliently despite the somewhat soft demand and challenging pricing environment. Underlying EBITDA at €1,049 million was 13% below last year.

Mondi remains committed to creating value for stakeholders through the production of high-quality packaging and paper solutions that are sustainable by design. Our strategy is unchanged, and supported by our strong balance sheet and low-cost position. The Group was able to substantially complete the more significant elements of our multi-year capital expenditure programme while continuing to support our customers on their journeys towards sustainable solutions. Maintaining our competitive cost position remains a key priority and in this and other areas we are grateful for the support of our people as we navigate these difficult conditions.

Investing in quality assets

At the heart of Mondi's disciplined approach to capital management are two key objectives. The first is to enable investment through cycle where we see the opportunity for attractive returns; the second is to be able to support sustainable dividends. In 2024, Mondi generated €970 million in cash from operations, maintaining a strong financial position, as demonstrated by a leverage ratio of 1.7 times net debt to underlying EBITDA. The Board has recommended a total ordinary dividend of 70.0 euro cents per share for 2024, reinforcing our confidence in the Group's future.

Mondi is nearing the end of its significant three-year expansion programme across both corrugated and flexible packaging mills and plants, where we are investing €1.2 billion in total to expand capacity, increase cost competitiveness and improve our environmental footprint. Five of these projects became operational in 2024, with Štětí (Czech Republic) commencing operations in December 2024. Duino (Italy) is on track to start up in the next few months as planned. We continue to see further opportunities for organic growth investment across our packaging portfolio.

A continuing objective within our Corrugated Packaging business has been to grow the geographical footprint of our converting operations to support our customers while delivering integration benefits with our mill operations. Early in 2024 we explored a combination with DS Smith which would have greatly accelerated this element of our strategy. However, value creation is vital and following a period of due diligence your Board decided that it would not be in our own shareholders' interests to pursue this opportunity.

Pleasingly, in October we reached an agreement to acquire the Western Europe Packaging Assets of Schumacher Packaging, for €634 million, adding substantial corrugated converting capacity and broadening our geographic coverage in Northern Europe, notably in Germany. This investment is expected to complete in the first half of 2025.

Leadership in sustainability

Mondi remains steadfast in its commitment to reducing its environmental impact while supporting customers and stakeholders to achieve their sustainability objectives. This element of our strategy, set out in our MAP2030 framework, has explicit targets across three core areas, being the delivery of circular driven solutions, created by empowered people and taking action on climate. Key elements of our progress are to be found elsewhere in this report.

People and culture

Our people are at the heart of Mondi's business success and fundamental to our growth plans. Our focus is on empowering leaders to attract, develop and retain talent to drive performance and foster innovation by creating an inspiring, inclusive and safe workplace.

Your Board attaches great importance to assessing the company's culture and wherever possible we meet with our leaders and their teams to assess progress. We were able to visit a number of Mondi operations in 2024 to listen to colleague feedback about safety and health, and their working environment.

Ensuring the safety of colleagues is always our top priority, and we are proud to be a leader in our industry. All our major expansion projects and maintenance shuts have been completed with no major incidents, which is a great accomplishment considering there can be thousands of colleagues and contractors on site each day, many doing non-routine tasks. I am however very sad to report that during the year one of our colleagues tragically lost his life at our Merebank mill in South Africa, a loss that has deeply affected the broader Mondi community. The Group is resolute in its commitment to investigating every incident thoroughly to ensure that everyone returns home safely at the end of each day.

Board developments

Effective boards are built on finding the right mix of skills, experience and judgement. In October, after a comprehensive search, Sucheta Govil was appointed to the Board as an independent non-executive director. Sucheta has extensive experience in commercial and operational leadership roles, including within multinational industrial businesses.

In September, Dominique Reiniche retired after completing her nine-year tenure on Mondi's Board. I would like to record our thanks to Dominique for her significant contribution, in particular as Chair of the Sustainable Development Committee and, more recently, as Senior Independent Director.

Looking ahead

As we move into 2025, geopolitical uncertainties remain, and there are no obvious signs of a significant improvement in economic conditions. Mondi's core strengths are our portfolio of sustainable packaging and paper products, our scale, our quality asset base and our people and culture. I am confident that these are key differentiators and will support the Group in delivering long-term growth, strong cash generation, attractive returns and sustainable value for shareholders.

Philip Yea
Chair

Sustainability performance at a glance

CIRCULAR DRIVEN SOLUTIONS

87%

of our packaging and paper revenue is from products that are reusable, recyclable or compostable

MAP2030
Page 30-49

CREATED BY EMPOWERED PEOPLE

0.68

Total Recordable Case Rate safety performance

TAKING ACTION ON CLIMATE

31%

reduction in Scope 1 and 2 GHG emissions compared with our 2019 baseline

Our businesses

Packaging and paper that is sustainable by design

Corrugated Packaging

Mondi is a leading producer of corrugated packaging with a cost-competitive asset base and strong customer offering focused on quality, reliability and service. We are the leading virgin containerboard producer in Europe and the largest containerboard producer in emerging Europe. Our virgin containerboard is a high-quality product with excellent properties for specialised end-use applications, ideal to meet our customers' needs around the globe.

We are also a leading corrugated solutions producer across central and emerging Europe. We leverage our integrated production network and partner with our customers to create fully recyclable corrugated boxes and packaging.

Leading positions

#1

virgin containerboard producer in Europe

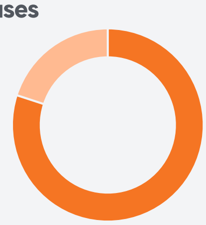
#1

containerboard producer in emerging Europe

#1

corrugated solutions producer in emerging Europe

End-uses



Consumer and retail
Industrial and agriculture

Corrugated Packaging
Page 11 and 24

Flexible Packaging

We are a global flexible packaging producer with a unique portfolio of solutions. We primarily produce kraft paper which is converted into paper bags or used for specialist consumer or industrial applications. As the global leader in kraft paper and paper bag production, and together with our high level of integration, our customers come to us for scale, security of supply and global reach.

We are also a leading producer of high-quality, flexible plastic-based packaging for consumer end-uses in Europe. Furthermore, we have broad coating capabilities which add barriers to create functional paper solutions that protect the goods inside while continuing to be recyclable in paper waste streams.

Leading positions

#1

kraft paper producer globally

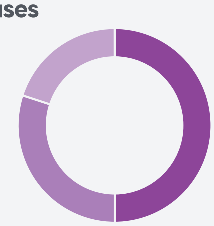
#1

paper bags producer globally

#3

consumer flexible packaging producer in Europe

End-uses



Consumer and retail
Building and construction
Industrial and agriculture

Flexible Packaging
Page 12 and 24

Uncoated Fine Paper

Our Uncoated Fine Paper business produces a wide range of home, office, converting and professional printing papers at our mills in central Europe and South Africa. We have strong customer relationships, leveraging our leading positions in these regions. We also produce and sell market pulp to customers around the world.

Leading positions

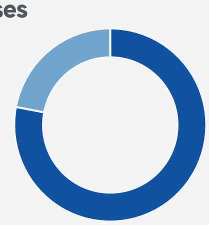
#2

uncoated fine paper producer in Europe

#1

uncoated fine paper producer in South Africa

End-uses



Uncoated fine paper
Market pulp

Uncoated Fine Paper
Page 13 and 25

Where we operate

A global network delivering for our customers

Mondi employs 22,000 people in more than 30 countries. We operate around 100 production sites, mostly located across Europe, North America and Africa.

Corrugated Packaging

6
mills

18
converting plants

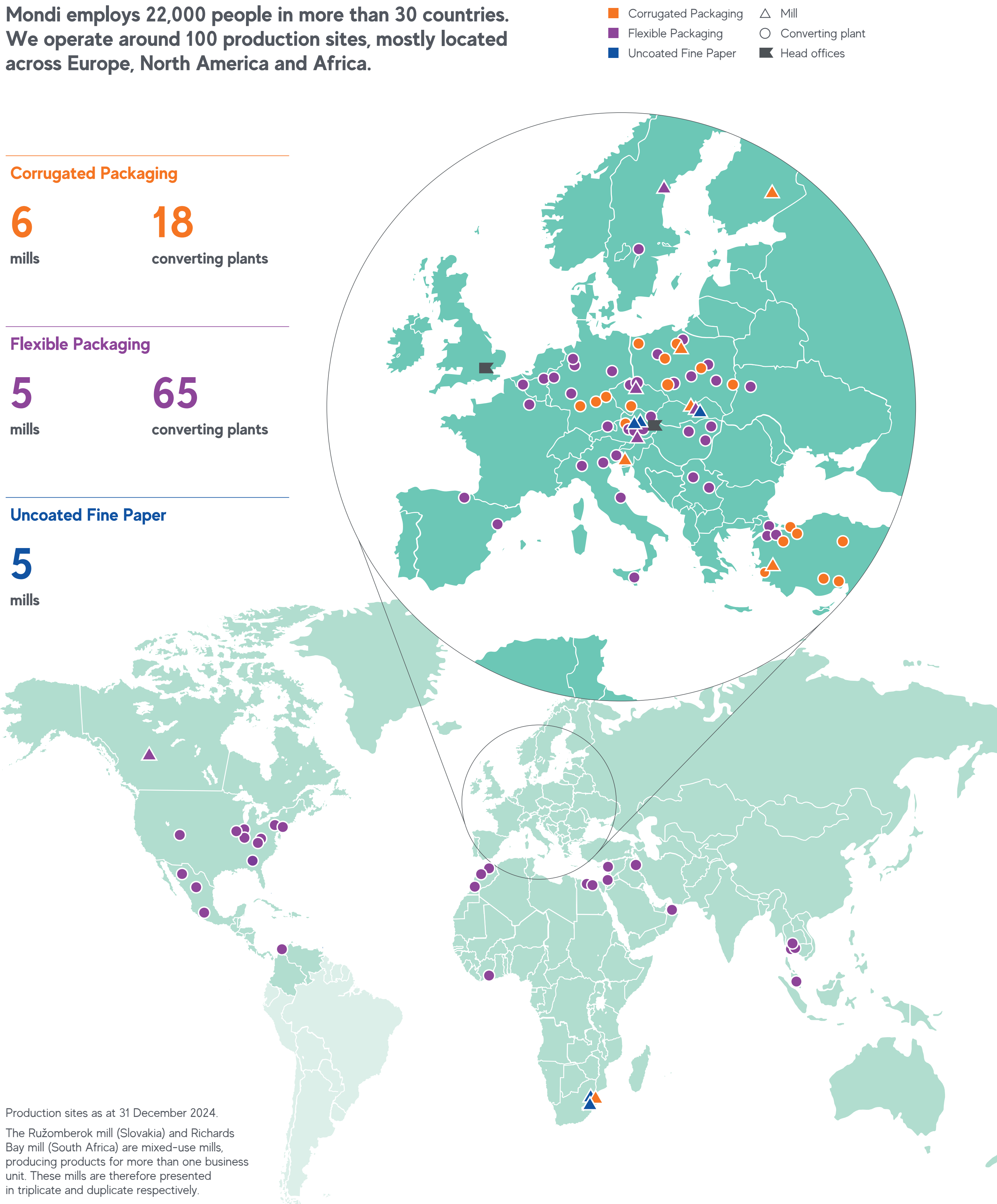
Flexible Packaging

5
mills

65
converting plants

Uncoated Fine Paper

5
mills



Production sites as at 31 December 2024.

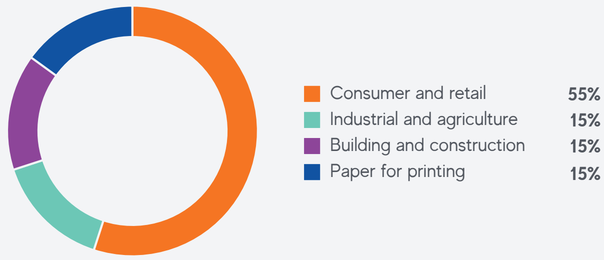
The Ružomberok mill (Slovakia) and Richards Bay mill (South Africa) are mixed-use mills, producing products for more than one business unit. These mills are therefore presented in triplicate and duplicate respectively.

Market context

Broad range of sustainable packaging and paper solutions

We offer our customers a unique and broad range of sustainable packaging and paper solutions across several end-markets.

Markets served based on Group revenue*



* Approximate.

Consumer and retail

Product examples
- Food and pet food packaging
- eCommerce packaging
- Paper for grocery and fashion bags

Relevant business units
- Corrugated Packaging
- Flexible Packaging

Industrial and agriculture

Product examples
- Dairy powder, feed and seed packaging
- Automotive logistics packaging
- Paper-based pallet wrapping

Relevant business units
- Corrugated Packaging
- Flexible Packaging

Building and construction

Product examples
- Cement bags
- Other paper-based building material bags

Relevant business units
- Flexible Packaging

Paper for printing

Product examples
- Office paper
- Professional printing paper

Relevant business units
- Uncoated Fine Paper

Structurally growing packaging markets

Around 85% of our revenue is derived from packaging markets, with the remaining 15% generated from our uncoated fine paper offering. Packaging growth is supported by the structural drivers of growing demand for sustainable solutions and eCommerce.

Demand for packaging is broadly linked to macroeconomic indicators such as GDP, consumption trends and industrial production growth. In the short term, demand may diverge from macroeconomic indicators, either positively or negatively, due to factors such as inventory level management (destocking or restocking) or consumers prioritising the purchase of goods over services (or services over goods). These factors can exacerbate cyclicality of demand.

In addition, market growth is supported by changing consumer and industry trends. These trends are providing our industry with opportunities including the growing demand for sustainable solutions and increasing online purchasing that is driving more demand for eCommerce packaging solutions, both of which are outlined in further detail under 'Packaging growth drivers'.

We anticipate packaging market growth in the region of 2-4% per annum through-cycle. Furthermore, we see opportunities to outperform these market growth rates by leveraging our leading market positions, innovation capabilities and broad product offering across the Group.

2-4%

average packaging market growth per annum (through-cycle)

Packaging growth drivers

Sustainable solutions

Overview

- Demand for renewable and recycled materials is increasing as consumers seek products and solutions with lower carbon emissions and which contribute to the circular economy.
- Sustainability regulation is rapidly evolving including both product-related regulation, such as the Packaging and Packaging Waste Regulation, and environmental regulation, such as the EU Regulation on Deforestation-free Products.
- There is a growing expectation among suppliers and customers to use responsibly sourced materials and carbon-efficient manufacturing across their value chains as the scrutiny of products' sustainability credentials intensifies.

Our opportunity

- Our extensive portfolio positions us strongly to meet the increasing demand for sustainable solutions, including fresh (virgin) and recycled fibre-based products, flexible plastic-based packaging or fibre-based products that include barrier coatings. The variety of products in our portfolio ensures we find the optimal solution for our customers, no matter the material used.
- We continue to monitor, engage and prepare for upcoming regulation ensuring we are optimally placed to benefit from the evolving regulatory landscape by focusing on delivering circular driven solutions.
- We have a long track record of reporting and delivering against our sustainability targets, including greenhouse gas emission reductions. This creates an opportunity to support our customers' sustainability credentials with evidence provided in our life cycle-based product assessments.

eCommerce

Overview

- eCommerce is increasing its penetration as digital access and product availability increase globally.
- Product protection, light-weighting and an increased use of recycled content is influencing packaging choices made by eCommerce customers.
- We see customers transitioning from plastic to paper-based eCommerce packaging providing opportunities for fibre-based producers with scale and in-depth experience to increase market share.

Our opportunity

- We are strongly positioned to service our eCommerce customers with our fully recyclable portfolio of multi-material solutions made of fresh fibre (virgin) or recycled paper.
- We partner with our customers to understand their packaging needs ensuring we provide fit-for-purpose solutions that are sustainable by design. Considerations include product properties such as durability, barrier protection, quality and convenience features which are incorporated into the product design.
- Our broad range of eCommerce solutions includes our corrugated boxes and mailers, paper bags and flexible paper-based mailer bags, and functional barrier paper solutions. This offering, together with our in-depth papermaking expertise and innovation capabilities, makes us the ideal supplier to our eCommerce customers.

Our business model

Creating value for all our stakeholders

We are a global leader in sustainable packaging and paper, operating an integrated business across the value chain, producing innovative solutions for consumer and industrial applications.

We support the circular economy at each stage of our integrated value chain…

Sustainable by design

Responsibly sourced raw materials

Efficient production

Sustainable packaging and paper solutions

Integrated value chain
Page 9-10

Building on the competitive advantages of our three businesses…

Corrugated Packaging

Flexible Packaging

Uncoated Fine Paper

Business unit value chains
Page 11-13

To deliver on our purpose and create sustainable value for our stakeholders.

Employees
We create an inspiring, inclusive and safe workplace while investing in the development of our people to foster innovation and make Mondi a great place to work.

Customers
We deliver a broad range of innovative sustainable packaging and paper solutions to our customers, with our continuous focus on customer centricity.

Suppliers and contractors
We are a reliable and financially stable business partner. We engage and collaborate with our suppliers to build stable relationships that result in consistent demand, opportunities for innovation and mutual growth.

Communities
Our local community initiatives support health, environmental protection, education, local enterprise and infrastructure development. We also generate energy and provide wastewater treatment for surrounding communities.

Investors
We aim to maximise long-term shareholder value through sustainable growth and a disciplined approach to capital allocation.

Partners and industry associations
Our initiatives find sustainable solutions to the collective challenges we face and bring about meaningful change at scale.

Stakeholder engagement
Page 50-51

Responsibly sourced raw materials

What we do

- We require materials such as wood, paper for recycling, chemicals and resins, access to natural resources (most notably water), and energy in our manufacturing processes.
- Wood is the primary raw material used in our fibre-based solutions, with more than 90% of our wood sourced in the countries where our mills are located. Our European mills procure wood regionally from responsible external sources while our South African mills primarily source wood from our own sustainably managed certified plantations.

100%

responsibly sourced wood

What makes us sustainable by design

- We support sustainable forestry management standards and have a due diligence system in place to ensure we source wood responsibly.
- We engage with suppliers to promote greater transparency, mitigate risk and improve our understanding of sustainability performance in our supply chain.
- Our water stewardship and biodiversity assessments provide insights on our impact and information for developing subsequent action plans.

90%

of water is returned to rivers or oceans after treatment to meet regulated quality standards

Efficient production

- Our pulp and paper mills produce pulp, containerboard, kraft paper and uncoated fine paper. Our key mills have integrated pulp and paper processes which provide efficient and cost-competitive production as well as energy generation.
- Our converting operations use containerboard or kraft paper together with other raw materials to produce a broad range of innovative corrugated and flexible packaging products by leveraging our product expertise and quality asset base.

79%

of energy from renewable sources

- We promote a diverse and inclusive work culture along with providing employee training and upskilling opportunities that drive productivity and efficiency gains.
- Our focus on safety, with our Social Psychology of Risk approach, supports continuous improvement in our safety performance.
- We engage and support surrounding communities to understand their concerns and partner with them to find solutions for our joint success.
- Our focus on operational excellence ensures we continue to reduce waste and air, water and greenhouse gas emissions in our production processes.

46%

reduction of specific waste to landfill from our manufacturing processes since 2020

Sustainable packaging and paper solutions

- We offer our customers a broad and unique range of packaging and paper solutions for consumer and industrial end-uses.
- Our converted corrugated solutions and flexible packaging products are predominantly delivered to customers regionally while our pulp, containerboard, kraft paper and uncoated fine paper is sold globally.

€7.4 billion

revenue generated

- We design products to have a sustainable end-of-life and ensure product quality and safety standards are maintained throughout the product's life cycle.
- We partner with our customers to understand their needs, providing an opportunity to innovate and develop fit-for-purpose solutions that contribute to a circular economy.
- Our involvement in cross-value chain initiatives provides opportunities to contribute towards developing industry-wide guidelines for recycling and design for circularity.

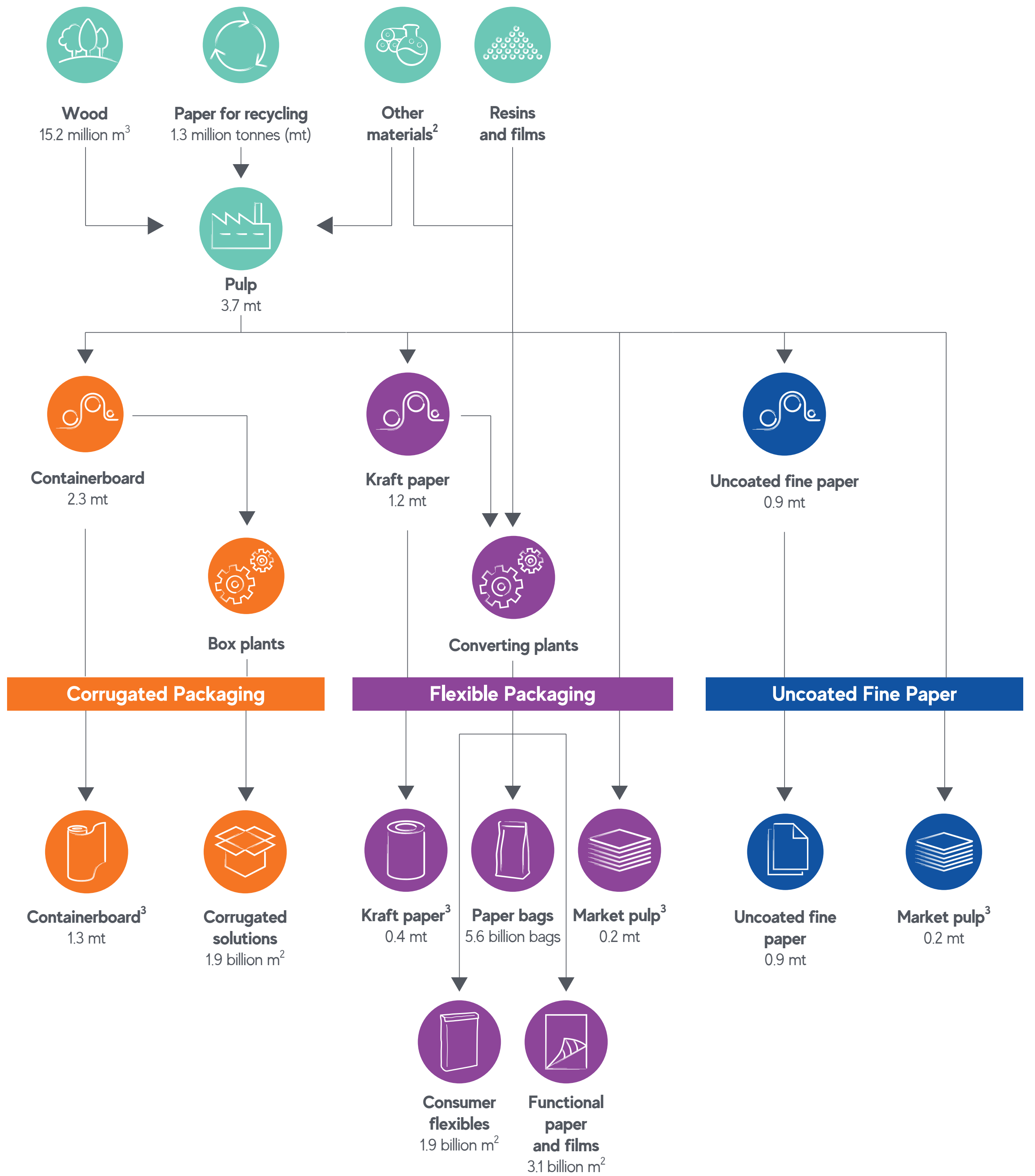
87%

of our packaging and paper revenue is reusable, recyclable or compostable

Our business model continued

Our three business units produce a unique range of sustainable products for our global customers, primarily focused in consumer and industrial markets. Innovating across our two packaging businesses provides the Group with further opportunities to combine both corrugated and flexible products to give our customers a broader choice of sustainable packaging solutions.

Integrated value chain[1]



1 Integrated value chain based on 2024 statistics.
2 The Group produces more pulp, containerboard and kraft paper than it consumes. We however procure some of these products externally due to commercial and logistic reasons.
3 Net exposure (calculated as the total volume produced that exceeds the total volume consumed).

Corrugated Packaging

We are a leading producer of corrugated packaging in Europe with an integrated and cost-competitive asset base. We offer our customers a broad range of solutions, focusing on quality, reliability and service.

Virgin containerboard

Virgin containerboard is made from fresh fibres and used for applications requiring strength, moisture resistance, hygiene and other unique properties. End-use applications include fresh fruit packaging as well as transport packaging for heavy and fragile goods. In Europe, only around 20% of containerboard market demand is for virgin grades.

Mondi is the leading virgin containerboard producer in Europe. Around 80% of our containerboard production is virgin with most of this produced at our cost competitive European mills.

We are able to offer our customers a wide range of high-quality virgin containerboard grades including unbleached kraftliner and niche grades such as white top kraftliner, kraft top white and semi-chemical fluting. This portfolio, together with our expertise across the value chain, supports our customers to choose the optimal containerboard solution to meet their needs.

The majority of our virgin containerboard is sold to, and converted into packaging solutions by our customers around the globe in the regions where they operate.

We produce virgin containerboard at our mills in Świecie (Poland), Kuopio (Finland), Richards Bay (South Africa) and Ružomberok (Slovakia).

Recycled containerboard

Around 20% of our containerboard production is recycled with most produced at our cost-competitive mill in Świecie (Poland).

The majority of our recycled containerboard is integrated, and used by our corrugated solutions plants securing supply for our customers.

The capital investment project at Duino (Italy), which is expected to start up in the first half of 2025, will increase our recycled containerboard production and further integrate our paper supply.

Corrugated solutions

We are the leading corrugated solutions producer in emerging Europe. Our network of box plants creates fully recyclable, paper-based corrugated boxes and packaging (made from virgin and recycled containerboard) for our customers' consumer, eCommerce, transit and industrial packaging needs in the region.

We focus on innovation and collaboration with our customers in order to deliver sustainable solutions that meet their needs, protect the product inside and provide added convenience features for the end consumer.

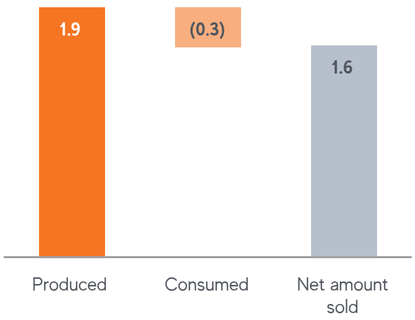
The acquisition of the Western Europe Packaging Assets of Schumacher Packaging is on track to complete in the first half of 2025. It will add substantial corrugated converting capacity and broaden our geographic coverage in Northern Europe, notably in Germany. Customers will benefit from an enhanced offering, including the most comprehensive product portfolio in the industry.

80%

of our containerboard production is virgin based

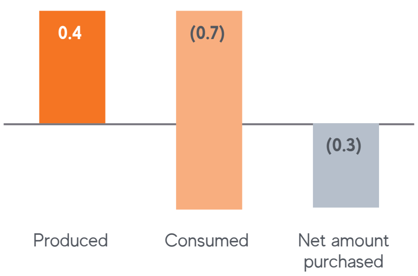
Virgin containerboard

(million tonnes) (2024)



Recycled containerboard

(million tonnes) (2024)



Corrugated Packaging trading review
Page 24

Our business model continued

Flexible Packaging

We primarily produce kraft paper which is converted into paper bags or used for specialist consumer or industrial applications and, in some instances, with the addition of a coating or a barrier.

Kraft paper, which comprises sack kraft and speciality kraft, is produced at our mills in Štětí (Czech Republic), Frantschach (Austria), Dynäs (Sweden) and Ružomberok (Slovakia).

Sack kraft paper and paper bags

We are the global leader in the production of sack kraft paper and paper bags. With our high level of integration, our customers come to us for scale, security of supply, in-depth paper making expertise, quality, reliability and global reach.

Our European mills produce kraft paper, of which around two-thirds is sack kraft paper, a niche and high-quality product made from fresh fibres that is strong and porous and has high elasticity and high tear resistance. These properties make it an ideal solution for packaging which demands strength and durability such as for cement and other building materials, as well as animal food, feed and seed.

Sack kraft paper is a globally traded product which is converted mostly by our own paper bag plants located in close proximity to our customers around the world. We have a global paper bag plant footprint, with leading positions in Europe, North America, the Middle East and North Africa.

Speciality kraft paper and functional paper solutions

We produce a broad range of speciality kraft paper that is versatile and strong, and used in a wide range of end-uses including paper-based consumer products, grocery and fashion bags, pallet wrapping and other industrial solutions.

The majority of our speciality kraft paper is converted by our customers across Europe into specialist packaging for food or industrial applications. For some of our paper, we leverage our extensive coating capabilities and add barriers to the paper ensuring it protects the goods inside while continuing to be recyclable in paper waste streams.

Consumer flexibles

We are a leading producer of high-quality, flexible plastic-based packaging for consumer end-uses. We have leading positions in food and pet food applications across Europe, and extensive customer relationships with large Fast Moving Consumer Good (FMCG) companies and major retailers.

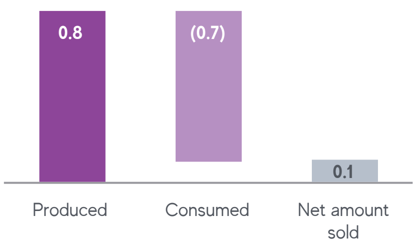
Market pulp

The majority of Flexible Packaging's market pulp is produced at the Hinton Pulp mill (Canada) and sold on the open market.

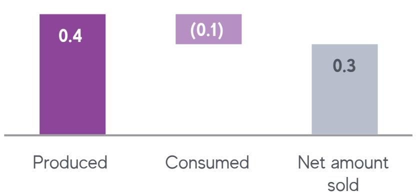
60%

of Flexible Packaging's revenue is from Kraft Paper and Paper Bags

Sack kraft paper
(million tonnes) (2024)



Speciality kraft paper
(million tonnes) (2024)



Flexible Packaging trading review
Page 24

Uncoated Fine Paper

We produce uncoated fine paper which is sold predominantly into Europe and Southern Africa. We also produce and sell market pulp to customers around the world. We own and manage forestry landholdings in South Africa, providing wood for our own pulp and paper production in that country.

Uncoated fine paper (Europe)

We are the second largest uncoated fine paper producer in Europe. The majority of our uncoated fine paper production in this region is from our integrated mill in Ružomberok (Slovakia). As an integrated producer, we benefit from a lower cost of production and higher energy self-generation, which provides cost competitiveness compared to non-integrated producers. We have a majority 51% ownership in the mill. We also produce uncoated fine paper focused on niche applications at our Neusiedler operations (Austria).

We remain well placed with our comprehensive customer offering, scale and reliability, supported by our extensive operational capabilities.

Uncoated fine paper (Southern Africa)

We are the leading uncoated fine paper producer in the region. We operate one uncoated fine paper machine at our Merebank mill (South Africa).

Forestry assets

We own and manage forestry landholdings in South Africa that produce sufficient wood to meet our own requirements for pulp production in the country, thereby ensuring security of supply. We recognise changes in the fair value of these assets in the consolidated income statement through the fair value gain or loss on forestry assets.

Market pulp

The majority of Uncoated Fine Paper's market pulp is produced at our Richards Bay mill (South Africa). In addition to providing pulp for packaging and paper production to our South African operations, this market pulp is sold into both domestic and export markets.

Uncoated Fine Paper trading review
Page 25

Our strategy

A global leader in sustainable packaging and paper

Our strategy

We drive value accretive growth, sustainably.

Our strategic value drivers

The Mondi Way
Page 1

Drive performance along the value chain

Drive performance along the value chain to optimise productivity, enhance efficiency and prevent waste.

Page 16

Invest in quality assets

Invest in quality assets to drive growth, improve competitiveness, and enhance sustainability, product quality and customer service.

Page 17-18

Empower our people

Create an inspiring, inclusive and safe workplace that empowers leaders to take accountability for attracting, developing, and retaining talent to foster innovation, growth and contribute to a better world.

Page 19

Partner with customers

Innovate in partnership with our customers to create a unique range of sustainable packaging and paper solutions that are fit for a circular economy.

Page 20

Strategic enablers

Market leadership positions

Our businesses
Page 4

Structurally growing markets

Market context
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Integrated business model

Business model
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Well-located, high-quality assets

Where we operate
Page 5

Robust financial position

Financial review
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Entrepreneurial culture

Created by Empowered People
Page 37-40

Our delivery frameworks

Disciplined capital allocation policy

Our strong financial position and investment grade rating enables us to invest through the cycle and take advantage of opportunities.

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Mondi Action Plan 2030

MAP2030 is our sustainability framework for circular driven solutions, created by empowered people, taking action on climate.

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Key performance indicators

Key performance indicators
Page 22-23

Remuneration report
Page 111-135

- Underlying EBITDA*
- Return on capital employed (ROCE)*
- Investment grade credit rating
- Total shareholder return (TSR)*

- Scope 1 and 2 GHG emissions*
- Waste to landfill*
- Reusable, recyclable or compostable products
- Total Recordable Case Rate (TRCR)*

* Links to remuneration. See the Remuneration report on pages 111-135.

Chief Executive Officer's strategic review

Strong platform for growth

The demand for sustainable products is providing many opportunities for Mondi and is a key driver of our growth. Our investments over the last few years, enhancing our unique packaging and paper platform and product offering for our customers, will support this growth.

Andrew King
Group CEO

Group performance review

Mondi demonstrated resilience during the year delivering an underlying EBITDA of €1,049 million, achieved against a backdrop of softness in demand and a challenging pricing environment. This performance highlights the strength of our cost-competitive, strategically located integrated assets and our great people. Furthermore, our ability to adapt with agility and flexibility to market uncertainties, combined with our unwavering focus on product quality, reliability and innovation in offering a diverse portfolio of sustainable packaging and paper solutions, has been central to delivering value to our stakeholders.

2024 started with some encouraging signs of recovery, with restocking and price increases across all our paper grades combined with lower input costs. As the year progressed the market recovery faltered with many of our markets experiencing a lacklustre demand environment resulting in prices first stabilising and then declining into the end of the year.

Underlying EBITDA of €1,049 million was 13% below last year primarily due to the significantly lower forestry fair value gain in 2024 of €7 million and a €32 million one-off currency loss recognised in the first half of 2024 from the devaluation of the Egyptian pound (2023: €1,201 million, forestry fair value gain of €128 million). Volume growth and lower wood, energy and chemical costs offset lower average prices and inflationary increases in operating costs.

Corrugated Packaging delivered an improved performance in the second half of the year when compared to the first half of the year. Margin expansion and an improvement in underlying EBITDA in the second half were driven by higher average selling prices which more than offset lower volumes as a result of a higher number of scheduled mill maintenance shuts compared to the first half. Excluding the one-off currency loss in the first half, Flexible Packaging's underlying EBITDA was down in the second half as higher average selling prices through the second half were offset by lower volumes and higher fixed costs from scheduled mill maintenance shuts. After a strong start to the year, Uncoated Fine Paper had a weaker second half of the year due to a forestry fair value loss, lower prices and scheduled mill maintenance shut impacts.

Basic underlying earnings per share were 82.7 euro cents (2023: 107.8 euro cents) reflecting lower profitability.

Special item pre-tax charges in the year were €150 million which included €110 million of closure costs at the Stambolijski kraft paper mill in Bulgaria.

Over the last three years Mondi has undertaken a meaningful capital expenditure programme across both corrugated and flexible packaging mills and converting plants investing €1.2 billion in total to expand capacity, increase cost competitiveness and improve our environmental footprint. By the end of 2024 80% of the investment had been completed – on time and within budget. Five of the major capacity expansion projects, including the new paper machine at Štětí (Czech Republic) which commenced operations in December 2024, are now operational. Duino (Italy) remains on track to complete in the first half of 2025. Our focus turns to executing our operational and commercial strategy ensuring all these projects ramp up capacity efficiently to maximise value from our investments and deliver mid-teen returns through cycle.

Return on capital employed was 9.6% (2023: 12.8%), reflecting the ongoing challenging trading conditions, the significantly lower forestry fair value gain and a one-off currency loss from the devaluation of the Egyptian pound.

Maintaining a strong and flexible balance sheet, reflected in an investment grade credit rating, coupled with strong cash generation, enables the Group to continue investing through the cycle alongside paying dividends to shareholders. Cash generated from operations was €970 million, a reduction on the prior year (2023: €1,312 million) due to working capital movements. Net debt to underlying EBITDA at 31 December 2024 was 1.7 times (31 December 2023: 0.3 times) as the business continued to invest in its meaningful capital expenditure programme. We are on track to complete the acquisition of the Western Europe Packaging Assets of Schumacher Packaging, for an enterprise value of €634 million, in the first half of 2025, which will increase leverage in the short term.

The Board has recommended paying a total ordinary dividend for 2024 in line with last year, at 70.0 euro cents per share, reflecting our continued confidence in the future of our business.

Chief Executive Officer's strategic review continued

Drive performance along the value chain

Drive performance along the value chain to optimise productivity, enhance efficiency and prevent waste.

Key achievements in 2024

- Delivered improvements across the value chain, including procurement synergies to reduce input costs, increase energy efficiency and further enhance product quality
- Decreased our waste to landfill per tonne of production by 4% which, when compared to the 2020 baseline, is a reduction of 46%

Relevant KPIs

- Underlying EBITDA
- Return on capital employed (ROCE)
- Total shareholder return (TSR)
- Waste to landfill

By implementing continuous improvement initiatives to optimise productivity, enhance our efficiency and eliminate waste across our operations, we gain considerable competitive advantage.

During 2024 we delivered improvements across the value chain to reduce input costs, largely from procurement initiatives, increase energy efficiency and further enhance product quality. The completion of a number of significant capital expenditure projects during the year will further improve productivity and efficiency.

Our focus on minimising the environmental impacts of our operations is demonstrated by our target to reduce waste to landfill per tonne of production by 30% by 2030, against a 2020 baseline. In 2024 we decreased our waste to landfill per tonne of production by 4% which, when compared to the 2020 baseline, is a reduction of 46%. We undertake projects to keep materials in circulation by recycling and reusing waste as secondary raw materials with this year's improvement mainly from our mills in Richards Bay (South Africa), Kuopio (Finland) and Dynäs (Sweden).

MAP2030
Page 30-49

Sustainable by design: Protective Mailer

Innovating with purpose

An innovative paper-padded envelope for eCommerce shipments, replacing plastic bubble wrap padding with a shock-absorbent, fully paper-based, protective padding that is designed for the circular economy and recyclable in all markets. Due to the lightweight lining, the package is lighter than equivalent-sized cardboard boxes and easy to fill without wasted space due to its flexibility.

Read more about our products
www.mondigroup.com/products-and-solutions/explore-solutions/

Invest in quality assets

Invest in quality assets to drive growth, improve competitiveness, and enhance sustainability, product quality and customer service.

Key achievements in 2024

- Completion of new kraft paper machine at Štětí (Czech Republic); major mill modernisations in Świecie (Poland) and Kuopio (Finland); expansions of box plants in Warsaw and Simet (both Poland)
- Reduced Scope 1 and 2 greenhouse gas emissions by 11%
- Agreement to acquire the Western Europe Packaging Assets of Schumacher Packaging

Relevant KPIs

- Underlying EBITDA
- Return on capital employed (ROCE)
- Investment grade credit rating
- Total shareholder return (TSR)
- Scope 1 and 2 GHG emissions

We invest in quality assets through the cycle. Our investments ensure we have capacity in structurally growing markets and a broad range of products to meet the increasing demand for sustainable packaging from our customers.

Over the last three years we have invested €1.2 billion to increase capacity in both Corrugated Packaging and Flexible Packaging. When fully ramped up, these projects will add more than 500,000 tonnes of additional virgin and recycled containerboard capacity (Świecie, Kuopio and Duino) and 210,000 tonnes of kraft paper capacity (Štětí). We also expanded our converting capacity, primarily through major box plant expansions at Warsaw and Simet (both Poland) and projects across Flexible Packaging. These include expanding our market-leading pet food packaging converting capability and a new extrusion line at Mondi Coating Štětí (Czech Republic) to support the growth of food and non-food contact packaging. With this investment and build phase largely complete, we are now focused on executing our operational and commercial strategy to ensure these capacity expansion projects ramp up efficiently to maximise value from our investments and deliver mid-teen returns through cycle.

We also invest in our mills and plants to drive operating efficiency, increase energy self-sufficiency, reduce environmental impacts and maintain a competitive advantage. In 2024 we continued to make progress towards reducing our greenhouse gas emissions. Compared to our target of a 46% reduction in Scope 1 and 2 emissions by 2030 against our 2019 baseline, we achieved an 11% reduction compared to 2023 which, when compared to our 2019 baseline, is a reduction of 31%. Contributing to this is our continued focus on switching fuel mix towards renewable energy, including using biomass-based energy in our mills. In 2024, 79% of our energy was from renewables (2023: 75%). Further reductions will follow at our Richards Bay mill (South Africa), where we are replacing the coal-fired boilers with a biomass boiler, removing our reliance on externally procured energy, and at our Dynäs mill (Sweden), where we are replacing our existing boiler with a new energy-efficient boiler. These energy investments reduce both costs and emissions, enabling us to offer our customers products with a lower carbon footprint, supporting their sustainability journey.

Sustainable by design: Snug&Strong

Replacing EPS in white goods packaging

Snug&Strong is a recyclable corrugated solution that can ease supply chain complexity and improve packaging processes. It is custom-fit, 100% paper-based industrial packaging to replace expanded polystyrene (EPS) for high protection white goods and electronic equipment. Snug&Strong is delivered flat, saving space and money for storage and transportation.

Read more about our products
www.mondigroup.com/products-and-solutions/explore-solutions/

Chief Executive Officer's strategic review continued

In February 2024 we completed the acquisition of the Hinton Pulp mill (Canada) and have made good progress developing team excellence and improving its productivity, sustainability performance and quality parameters for high-quality pulp suitable for kraft paper. Feasibility studies for a new sack kraft paper machine at the mill are ongoing in line with our intention to fully integrate our American paper bags business.

In October 2024 we reached an agreement to acquire the Western Europe Packaging Assets of Schumacher Packaging for an enterprise value of €634 million. The acquisition, due to complete in the first half of 2025, complements Mondi's Corrugated Packaging operations in Europe. It includes two state-of-the-art mega-box plants in Germany and secures significant capacity for Mondi to continue to meet growing demand for sustainable packaging, particularly in eCommerce markets.

We continue to look at further opportunities for organic and inorganic growth investment across our packaging portfolio and to improve operating efficiency across all our operations to ensure we are well positioned to benefit from structural growth in our markets and meet the demands of our customers for sustainable packaging and paper.

Returns focused capital allocation

Our disciplined capital allocation policy gives us the flexibility to invest through the economic cycle to drive long-term growth and to deliver attractive returns, while supporting the ordinary dividend. Cash generated from operations was €970 million in 2024 and we ended the year in a robust financial position demonstrated by a leverage ratio of 1.7 times net debt to underlying EBITDA.

While 2024 was another year of navigating challenging markets, the Board has recommended a full year ordinary dividend of 70.0 euro cents per share reflecting its continued confidence in the future of the business.

Following the sale of the Group's Russian assets at the end of 2023, and on obtaining shareholder approval, Mondi returned the net proceeds received of €769 million to shareholders as a €1.60 per share special dividend in February 2024. The special dividend was accompanied by a share consolidation, whereby shareholders received 10 new ordinary shares for every 11 existing ordinary shares held.

Mondi sees excellent growth and return opportunities from investing in its packaging verticals of Corrugated Packaging and Flexible Packaging through both organic growth and acquisitions, while continuing to optimise its well-located and competitive Uncoated Fine Paper operations. Geographically, the focus for growth in Corrugated Packaging is in leveraging our leading positions and vertical integration strengths in Europe and adjacent markets. In Flexible Packaging we will continue to seek opportunities to develop our leading global franchise in kraft paper and paper bags, while focusing our consumer flexibles business on serving the more developed markets of Europe and North America.

Empower our people

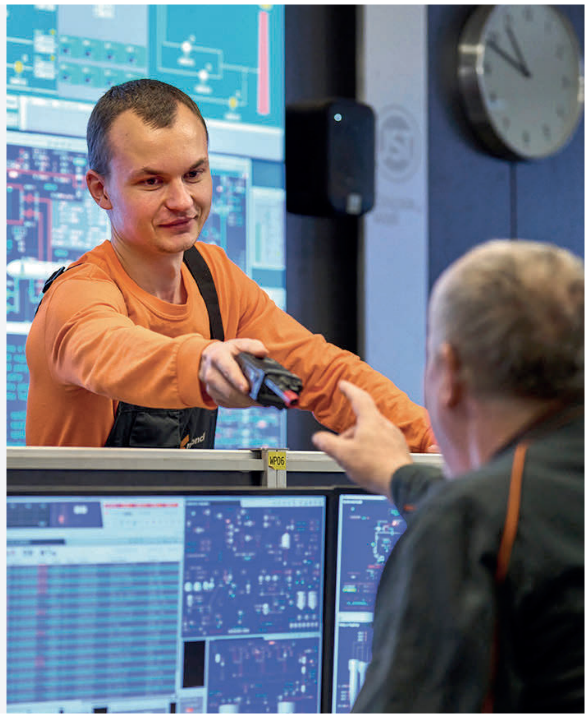
Create an inspiring, inclusive and safe workplace that empowers leaders to take accountability for attracting, developing, and retaining talent to foster innovation, growth and contribute to a better world.

Key achievements in 2024

- Maintained high levels of engagement with colleagues and took action based on their opinions and feedback
- Undertook a pulse survey on speaking up with 78% participation rate
- Continued to be recognised as a leader in safety in our industry with a TRCR of 0.68

Relevant KPIs

- Underlying EBITDA
- Total shareholder return (TSR)
- Total Recordable Case Rate (TRCR)



We are focused on creating an inspiring, inclusive and safe workplace that empowers our teams and enables leaders to take accountability for attracting, developing, and retaining talent to foster innovation and growth. We engage with colleagues throughout Mondi and take action based on their opinions and feedback. Over the past year, we implemented local actions across the Group to address points raised in the 2023 Employee Survey. On a Group level we have been looking at how we can promote psychological safety and reinforce a culture of listening and caring. As part of this, we conducted a pulse survey on speaking up in 2024, which had a 78% participation rate. This high level of engagement provides us with a representative sample and enables us to take meaningful action across the organisation.

We are committed to inspiring colleagues across Mondi to become lifelong learners, encouraging everyone to take accountability for their own development. We want to equip our colleagues with the knowledge, skills, behaviours and attitudes that will enable both business success and personal growth. To ensure we meet individual needs, we are intensifying our efforts to differentiate our learning offerings so that people attend the right course at the right time in their development journey.

Ensuring the safety of our colleagues remains our top priority and although we saw a slight increase in our Total Recordable Case Rate (TRCR) this year to 0.68 (2023: 0.64) we are still recognised as a leader in our industry. We did however regrettably experience a fatality of an employee at our Merebank mill (South Africa), and three people suffered serious finger injuries at our other operations. We are resolute in our commitment to investigating every incident thoroughly. Procedures and practices are rigorously revised to prevent any recurrence and ensure everyone returns home safely at the end of each day. In 2024, colleagues and contractors across Mondi completed 566,333 hours of training (2023: 502,916), of which 39% were dedicated to safety.

Created by Empowered People
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Sustainable by design: Paper bag without free film

Shaping a more sustainable construction industry

An innovative solution in industrial packaging, designed to protect filling goods like building materials, chemicals and feeds. It significantly reduces the plastic content by replacing the free film layer with a coated barrier paper. The bag is certified recyclable based on tests conducted in Mondi's recycling laboratory in Frantschach (Austria) according to Cepi's v.2 test method and 4evergreen's fibre-based packaging recyclability evaluation protocol and scored 19 out of 20 points in the certification of Interseroh.

Read more about our products
www.mondigroup.com/products-and-solutions/explore-solutions/

Chief Executive Officer's strategic review continued

Partner with customers

Innovate in partnership with our customers to create a unique range of sustainable packaging and paper solutions that are fit for a circular economy.

Key achievements in 2024

- Increased the proportion of our products that are reusable, recyclable or compostable to 87% of revenue
- 1,776 product impact assessments completed for our customers enabling them to manage their Scope 3 emissions
- Provided our customers with high-quality packaging and paper solutions that comply with all relevant health and safety requirements

Relevant KPIs

- Underlying EBITDA
- Return on capital employed (ROCE)
- Total shareholder return (TSR)
- Reusable, recyclable or compostable products

We believe that the global transition to sustainable packaging offers an important growth opportunity for Mondi. We innovate in partnership with our customers to create a unique range of fibre and high-end sustainable plastic packaging products that are fit for a future circular economy and support our customers' sustainability journeys.

Complementing our corrugated solutions 'Think Box' innovation hubs, we recently opened 'FlexStudios' at Steinfeld (Germany) to help us co-create with our customers a range of new flexible packaging solutions. Working in collaboration with Amazon, we launched a fully recyclable, paper-based padded mailer this year and, reflecting the strength of our innovative ideas and technologies, we received ten 2025 WorldStar Packaging Awards.

We are focused on providing our customers with sustainable low-carbon packaging solutions that support their climate targets and keep materials in circulation. In Europe, our growth plans are supported by legislation that is increasingly driving the move towards more sustainable packaging products, including the Packaging and Packaging Waste Regulation. We continue to improve our data collection and analytics capabilities to enable us to support our customers with product-related data to manage their Scope 3 emissions, as well as maintaining traceability of our fibre sources.

We have increased the proportion of Mondi revenue from reusable, recyclable or compostable products to 87% (2023: 85%). In 2021, as part of MAP2030, we set a target of 100% of packaging and paper revenue to be reusable, recyclable or compostable by 2025. Corrugated Packaging and Uncoated Fine Paper are fully recyclable so our focus is on Flexible Packaging where we are making good progress. In 2024, we had a sustainable alternative in place, or identified and in development, for 97% of our Flexible Packaging revenue. With customer adoption rates slower than expected due to a number of factors including the weak macroeconomic environment, we recognise that achieving 100% in the coming year is unlikely. As we reach the midpoint of MAP2030 and with the expansion of our global footprint, we will be reviewing, and where relevant, updating our MAP2030 targets.

Circular Driven Solutions
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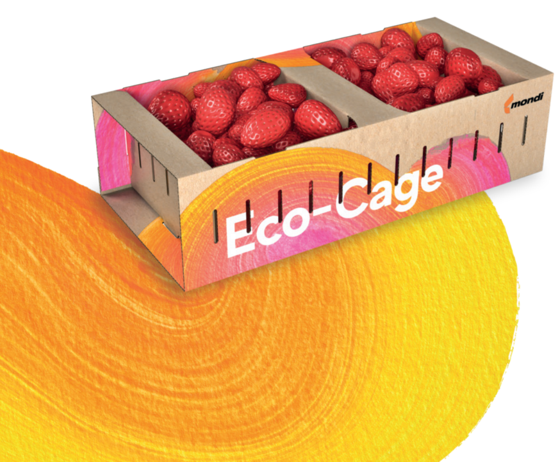


Sustainable by design: Eco-Cage

A fresh, sustainable way to package fruit

Eco-Cage is a basket made of corrugated packaging, designed to reduce plastic waste and enhance fruit freshness through ventilation holes. Its lightweight yet strong design ensures durability, making it an ideal choice for supermarkets, farmers' markets and homes. A significant advantage of Eco-Cage is its flat transport capability, allowing for over 2,000 baskets per pallet. The carrying handle is reinforced with tape to ensure sufficient load capacity.

Read more about our products
www.mondigroup.com/products-and-solutions/explore-solutions/

Mondi is a returns-focused, cash generative business delivering through-cycle value accretive growth

A market leader in sustainable packaging and paper

Mondi is a leading producer of corrugated packaging in Europe, a global leader in the production of kraft paper and paper bags and a regional leader in uncoated fine paper.

Robust financial position

We have strong cash generation through-cycle and a robust balance sheet with an investment grade credit rating that provide strategic flexibility.

Broad product range drives innovation and strengthens long-term customer relationships

We can offer our customers a choice including paper and high-quality plastic-based solutions and, in some instances, with the addition of a coating or a barrier.

Investment through-cycle for value accretive organic growth

Mondi invests to deliver value for all stakeholders whether through new capacity expansion projects or to improve productivity and operational excellence.

Structurally growing markets underpinned by increasing demand for sustainable packaging

Mondi is operationally focused in long-term structurally growing markets driven by consumption and industrial production growth, underpinned by increasing demand for eCommerce and sustainable packaging.

Disciplined capital allocation strategy focused on returns

The Group has a balanced strategy of investing in both organic and inorganic growth opportunities alongside returning capital to shareholders.

Competitive advantage and resilience from quality asset base and integrated business model

We operate high-quality, integrated assets which are well invested with close proximity to low-cost sustainable fibre which delivers significant cost advantages and reduced volatility.

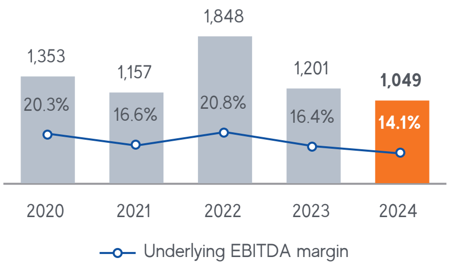
Sustainability at our core

Mondi is ‘Sustainable by Design’ and a recognised leader in sustainability. The MAP2030 framework is focused on contributing to a better world by making circular driven solutions, created by empowered people, taking action on climate supported by responsible business practices.

Key performance indicators
Tracking our performance

Our key performance indicators (KPIs) provide a broad measure of the Group's performance against our strategic objectives. We set individual targets for each of our business units in support of these Group KPIs.

Underlying EBITDA
(€ million)



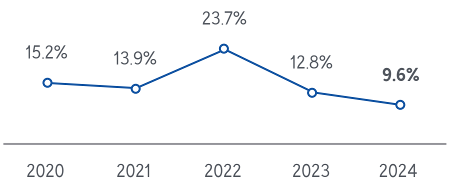
Why this is a KPI
Underlying EBITDA provides a measure of the cash-generating ability of the Group that is comparable from year to year.

Tracking our cash generation is one of the components we measure when we assess our value creation through the cycle.

2024 performance
Underlying EBITDA of €1,049 million was 13% below last year primarily due to the significantly lower forestry fair value gain in 2024 of €7 million and a €32 million one-off currency loss recognised in the first half of 2024 from the devaluation of the Egyptian pound (2023: €1,201 million, forestry fair value gain of €128 million).

Link to strategy

Return on capital employed (ROCE)
% (12-month trailing)

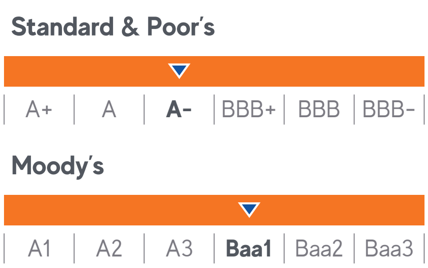


Why this is a KPI
ROCE provides a measure of the efficient and effective use of capital in our operations.

2024 performance
The Group ROCE of 9.6% reflected the ongoing difficult trading conditions, the significantly lower forestry fair value gain and the devaluation of the Egyptian pound.

Link to strategy

Investment grade credit rating
(at 31 December 2024)

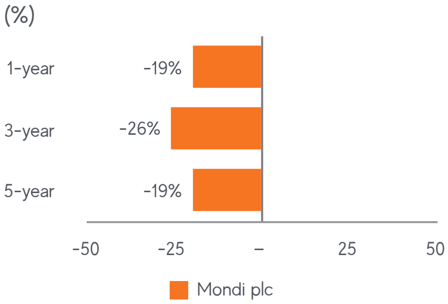


Why this is a KPI
We aim to maintain an investment grade credit rating to ensure we have access to funding for value accretive investment opportunities through the business cycle.

2024 performance
The Group maintains its investment grade credit rating and has an A- (stable outlook) credit rating from Standard & Poor's and a Baa1 (stable outlook) credit rating from Moody's.

Link to strategy

Total shareholder return (TSR)
(%)



Why this is a KPI
TSR provides a market-related measure of the Group's progress against our objective of delivering long-term value for our shareholders.

TSR measures the total return to Mondi's shareholders, including both share price movement and dividends paid.

2024 performance
Although the share price decreased during the year, the Group paid a €1.60 special dividend per share to shareholders in February 2024 and recommended a total ordinary dividend per share for the year of 70.0 euro cents, in line with last year.

Link to strategy

Aligning KPIs to remuneration

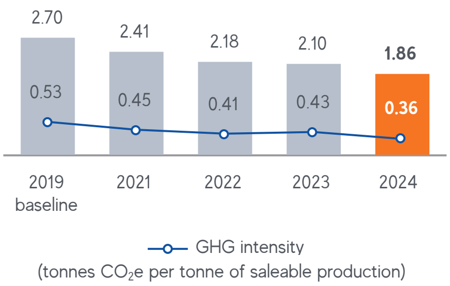
Our executive directors are assessed against specific performance targets. For the LTIP, these performance measures, assessed over a three-year period, are ROCE and TSR (and basic underlying earnings per share from the performance period ending in 2025).

For the Group annual bonus, in which more than 3,000 employees participate (including the Group CEO and Group CFO), performance is assessed against ROCE, underlying EBITDA, sustainability metrics (safety, GHG emissions and waste to landfill) and personal objectives.

Remuneration report
Page 111-135

Scope 1 and 2 GHG emissions

(million tonnes CO_2e)



Why this is a KPI

Our focus is to reduce our GHG emissions to address climate-related impacts and secure the long-term success of our business. We have a target to reduce our Scope 1 and 2 GHG emissions by 46% by 2030 from a 2019 baseline.

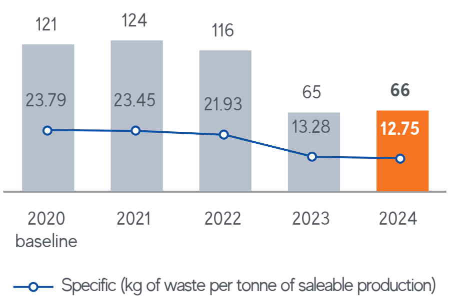
2024 performance

We have reduced our absolute Scope 1 and 2 GHG emissions by 31% compared to our 2019 baseline and remain on track to meet our targets. Our GHG emission intensity was also lower at 0.36 tonnes CO_2e per tonne of saleable production.

Link to strategy

Waste to landfill

(thousand tonnes)



Why this is a KPI

Our goal is to keep materials in circulation. We are focused on reducing our waste and reusing or recycling unavoidable waste generated in our production processes instead of disposing of it to landfill.
Our target is to reduce waste to landfill per tonne of production by 30% by 2030, against a 2020 baseline.

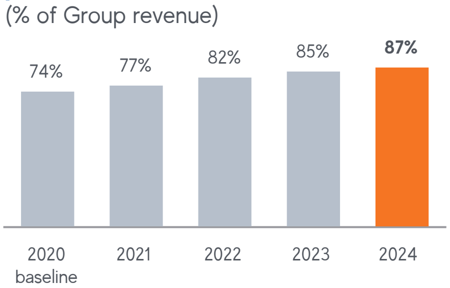
2024 performance

We continue to reduce our specific waste to landfill, delivering a 46% reduction compared to our 2020 baseline.

Link to strategy

Reusable, recyclable or compostable products

(% of Group revenue)



Why this is a KPI

The demand for sustainable packaging continues to rise, with brands and consumers looking for solutions to help meet their sustainability pledges and support the transition to a circular economy. We have a target to make 100% of our packaging and paper solutions reusable, recyclable or compostable by 2025.

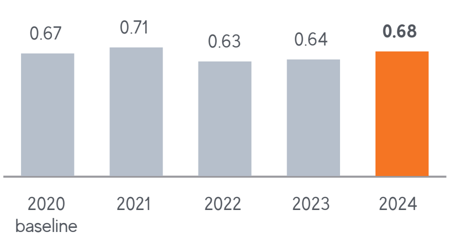
2024 performance

We continue to make progress on our ambitious target. In 2024, 87% of our revenue was from products that were reusable, recyclable or compostable, up from 74% in 2020, our baseline year for this target.

Link to strategy

Total Recordable Case Rate (TRCR)

(per 200,000 hours worked)



Why this is a KPI

Keeping people safe and healthy is a moral and business imperative that applies to all who work for and on behalf of Mondi. Our Social Psychology of Risk approach supports our goal of sending everybody home safely, every day. Our Total Recordable Case Rate target is a 15% reduction by 2030 against a 2020 baseline.

2024 performance

Our Total Recordable Case Rate performance of 0.68 is a 2% increase on our 2020 baseline. In addition, we deeply regret the fatality at our Merebank mill (South Africa) and three life-altering injuries at other operations in the year.

Link to strategy

Business unit trading review
2024 performance

Corrugated Packaging

Corrugated Packaging delivered an improved performance compared to 2023 with underlying EBITDA of €328 million and margin of 14.6% (2023: €310 million, 13.6%). The business exhibited good cost control, achieving a reduction in input costs which more than offset inflationary cost pressures. Performance in the second half of the year was stronger when compared to the first half mainly due to higher average selling prices.

In Containerboard, our sales volumes were broadly flat compared to the prior year as the business continued to deliver its broad range of high-quality paper grades to customers. We achieved selling price increases through the year before some modest reductions during the last quarter resulting in broadly similar average selling prices for the year compared to the prior year. We are currently implementing containerboard price increases.

In Corrugated Solutions, box volumes were broadly flat but improved over the year, with higher volumes in the second half compared to the first half supported by the growing demand for sustainable packaging solutions used in eCommerce and other consumer end-use applications.

The majority of our major capacity expansion projects have started up and are ramping up capacity. In Containerboard, this includes the €125 million modernisation investment at our Kuopio mill (Finland) which is increasing semi-chemical fluting capacity by 55,000 tonnes while enhancing efficiency and improving environmental performance at the mill. In addition, our €95 million debottlenecking project at Świecie mill (Poland) is increasing kraftliner capacity by 55,000 tonnes. In Corrugated Solutions, completed investments include our Warsaw and Simet plant expansions in Poland, transforming these sites into state-of-the-art corrugated packaging facilities tailored to serve the specialised needs of our customers in Poland and beyond.

We continue to make good progress with our €200 million investment at our Duino mill (Italy) to convert the existing paper machine into a high-quality, cost-competitive recycled containerboard machine with an annual capacity of 420,000 tonnes. Start-up of the machine is expected in the first half of 2025.

Flexible Packaging

Flexible Packaging's underlying EBITDA was €558 million for the year with margin of 14.1% (2023: €637 million, 16.5%) as higher sales volumes and reduced input costs were offset by lower average selling prices and inflationary cost pressures. A €32 million one-off currency loss from the devaluation of the Egyptian pound, as previously reported, was also recognised in the first half of the year. Excluding this one-off loss, Flexible Packaging's underlying EBITDA was down in the second half as higher average selling prices through the second half were offset by lower volumes and higher fixed costs from scheduled mill maintenance shuts.

In Kraft Paper, improvements in market demand, supported by the drive for more sustainable solutions, led to higher sales volumes compared to 2023. While kraft paper selling prices increased during the first half and into the second half of the year, average prices for the year remained below the prior year's averages. In 2025, kraft paper has seen some early signs of improving demand with order books tightening, supporting price increase announcements.

Paper Bags increased sales volumes by 3% compared to the prior year. This was supported by the growing demand for traditional building material and cement applications across our main emerging markets served, as well as increasing demand for eCommerce solutions as our customers transition from plastic mailers to our paper-based MailerBAGs. Input costs were lower compared to the prior year primarily due to lower average kraft paper prices. This mitigated the impact of lower paper bag selling prices.

Consumer Flexibles and Functional Paper and Films delivered resilient performances with good margins and higher sales volumes compared to 2023, continuing to provide customers with innovative and sustainable packaging solutions.

During the year, we made good progress on our major capacity expansion projects. Our €400 million investment in a new 210,000 tonne per annum kraft paper machine and pulp mill upgrade at our Štětí mill (Czech Republic) commenced operations in December 2024. We also have a number of investments across our converting plant network including expanding and upgrading the global reach of our paper bag network, starting up a new extrusion line at Štětí and investments to consolidate our leading position in European pet food packaging.

In February 2024 we completed the acquisition of the Hinton Pulp mill (Canada) and have made good progress developing team excellence and improving its productivity, sustainability performance and quality parameters for high-quality pulp suitable for kraft paper. Feasibility studies for a new sack kraft paper machine at the mill are ongoing in line with our intention to fully integrate our American paper bags business.

This section includes Alternative Performance Measures which are defined on pages 216-218.

Uncoated Fine Paper

In Uncoated Fine Paper, underlying EBITDA of €198 million and margin of 15.0% were below last year due to the significantly lower forestry fair value gain in 2024 of €7 million (2023: Underlying EBITDA of €289 million, margin of 22.4% and forestry fair value gain of €128 million). Excluding the impact of the significantly lower forestry fair value gain, the business delivered an improved performance when compared to the prior year driven by higher sales volumes and reduced input costs despite lower average selling prices.

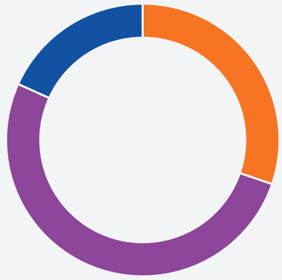
In Europe, sales volume increases were supported by a recovery in market demand during the year, market share gains and restocking effects in the first half of the year which abated in the second half. In South Africa, sales volumes were modestly down on the prior year due to weaker domestic demand.

Uncoated fine paper selling prices increased in the first half of the year however these largely reversed in the second half and ended the year below 2024 average prices.

Average market pulp prices were higher than the prior year. These increased sharply during the first half of the year before decreasing over the course of the second half, ending the year below average 2024 price levels.

The forestry fair value gain of €7 million in the year (2023: €128 million) comprised a €49 million gain in the first half which largely reversed in the second half (loss of €42 million) as a result of wood price decreases in South Africa.

Underlying EBITDA by business unit (€ million)

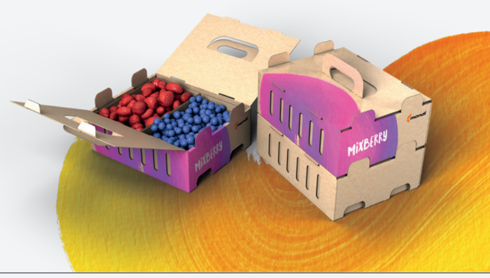


Product examples that are sustainable by design

Mix-Berry

Fully recyclable and paper based

Designed to safely transport groceries, especially berries, while extending shelf life. The packaging features a pick-up-and-go handle and can be transported flat to support stacking tabs and optimise logistics.



Re/cycle FunctionalBarrier Paper 95/5

Built for strength

Our range of barrier papers with the highest and strongest mechanical properties – the perfect packaging solution that offers high strength without compromising on sustainability.

PERGRAPHICA®

Sustainably produced paper

Full-spectrum premium printing papers for creative communications, design, publishing and luxury packaging.

Read more about our products
www.mondigroup.com/products-and-solutions/

Financial review
Disciplined capital allocation

Mike Powell
Group CFO

Financial performance

€ million, except where noted	2024	2023
Group revenue	**7,416**	**7,330**
Underlying EBITDA	**1,049**	**1,201**
Underlying EBITDA margin (%)	14.1%	16.4%
Depreciation, amortisation and impairments (underlying)	(443)	(411)
Underlying operating profit	**606**	**790**
Special items (pre-tax)	(150)	(27)
Operating profit	**456**	**763**
Underlying operating profit	**606**	**790**
Net loss from joint ventures	(3)	(5)
Impairment of investments in joint ventures	–	(5)
Net monetary (loss)/gain arising from hyperinflationary economies	(5)	2
Net finance costs	(70)	(73)
Underlying profit before tax	**528**	**709**
Underlying tax charge	(117)	(167)
Effective tax rate (%)	22.2%	23.6%
Non-controlling interests	(44)	(19)
Underlying earnings attributable to shareholders	**367**	**523**
Basic earnings per share (euro cents)	**49.1**	**103.5**
Basic underlying earnings per share (euro cents)	**82.7**	**107.8**
ROCE (%)	**9.6%**	**12.8%**

Financial position

€ million	2024	2023
Property, plant and equipment	5,160	4,619
Goodwill	767	765
Working capital	1,188	1,084
Other assets	657	673
Other liabilities	(690)	(626)
Net assets excluding net debt	**7,082**	**6,515**
Equity	4,857	5,655
Non-controlling interests in equity	493	441
Net debt	1,732	419
Capital employed	**7,082**	**6,515**

This section includes Alternative Performance Measures which are defined on pages 216-218.

In October 2024 we reached an agreement to acquire the Western Europe Packaging Assets of Schumacher Packaging with completion expected in the first half of 2025. All 2025 guidance provided in this section excludes this acquisition.

Group performance

Group revenue of €7,416 million was up on the prior year with higher sales volumes despite lower average selling prices (2023: €7,330 million). Underlying EBITDA was lower than the prior year at €1,049 million (2023: €1,201 million) due to the significantly lower forestry fair value gain and a one-off currency loss from the devaluation of the Egyptian pound recorded in the period. The Group's underlying EBITDA margin was 14.1% (2023: 16.4%).

In 2024, input costs were lower than the prior year following price declines across most input cost categories in 2023, with the largest benefits achieved from lower wood costs in central Europe as well as energy and chemical costs. Paper for recycling costs were higher due to price increases during the first half of 2024 which largely reversed over the second half of the year. As we enter 2025, input costs are broadly stable and similar to average 2024 levels.

Total maintenance costs were higher in the year mainly as a result of the inclusion of the Hinton Pulp mill (Canada) that was acquired in February 2024. In 2025, we expect a similar phasing of planned maintenance shuts as in 2024 with the majority to be undertaken in the second half of the year.

Personnel costs were also higher, driven by the inclusion of Hinton's employee costs following the acquisition and inflationary cost pressures most notably from the hyperinflationary environment in Türkiye. We remain focused on cost control, driving efficiency improvements and taking decisive restructuring actions where necessary. In regard to the latter, we closed three production sites in the year and transferred volumes to other sites to ensure continuity of supply to our customers. Other net operating expenses were negatively impacted by the significantly lower forestry fair value gain and one-off currency loss as outlined above, together with lower income received from green energy sales and disposal of emissions credits. Comparability was also impacted by income received in the prior year from an insurance claim.

Depreciation, amortisation and impairment underlying charges were higher at €443 million (2023: €411 million) as a result of starting up a number of capital investment projects in the year. These are expected to be €450-475 million in 2025.

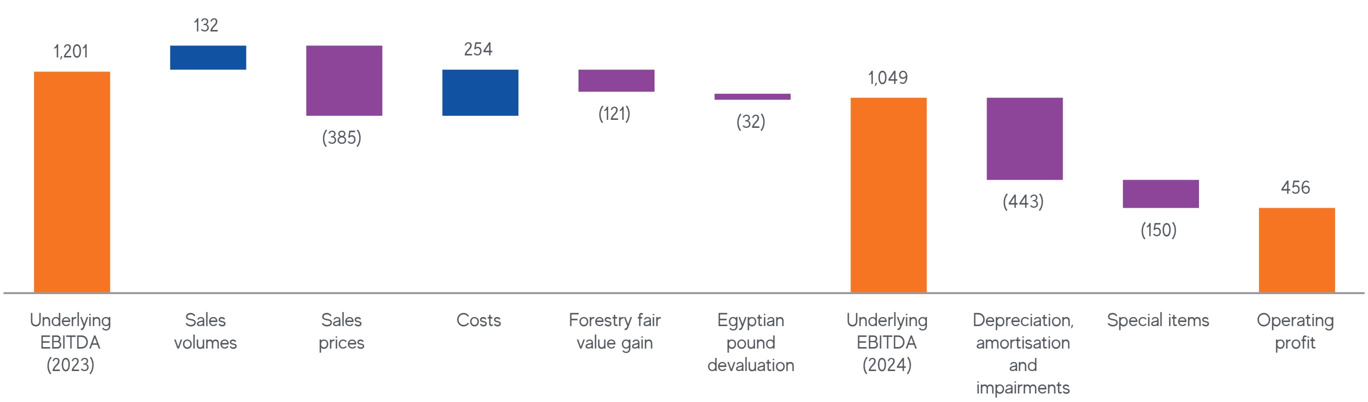
Net finance costs of €70 million were in line with the prior year (2023: €73 million). In 2025, we expect net finance costs of around €90 million due to a higher average net debt balance.

The underlying tax charge for the year was €117 million, giving an effective tax rate of 22.2% (2023: €167 million, 23.6%). In 2025, we expect our effective tax rate to be around 23%.

A special item pre-tax charge of €150 million was recognised in the year. This included, as previously reported, closure costs at the Stambolijski kraft paper mill in Bulgaria which totalled €110 million and primarily related to a non-cash asset impairment charge of €73 million. The remaining costs comprised €22 million from closing two paper bag plants during the year, as well as €18 million of transaction-related costs.

Basic underlying earnings per share were 82.7 euro cents (2023: 107.8 euro cents) reflecting the lower underlying earnings and the effect of the share consolidation that accompanied the special dividend paid in February 2024. After taking special items into account, basic earnings per share were 49.1 euro cents (2023: 103.5 euro cents, special item pre-tax charge of €27 million).

Underlying EBITDA development
(€ million)



Financial review continued

Cash flow

Cash generated from operations was €970 million, lower than the prior year (2023: €1,312 million) as a result of a working capital cash outflow in the year of €108 million compared to an inflow in 2023 of €229 million, impacted in part by an increase in inventory levels following the start-up of our major capacity expansion projects.

Capital expenditure cash payments were €933 million (2023: €830 million) as we continued to invest in our meaningful capital expenditure programme alongside investing to improve efficiency, reduce environmental impacts and increase energy self-sufficiency. In 2025 we expect capital expenditure to be €750-850 million which, in addition to regular stay in business capital expenditure, includes the final payments associated with our €1.2 billion capital expenditure programme, and the ongoing investments to replace the boilers in both Richards Bay (South Africa) and Dynäs (Sweden).

Tax paid was €120 million (2023: €178 million) and interest paid including derivative interest was €79 million (2023: €103 million).

The Group returned €1,081 million of dividends to shareholders during the year. This comprised a €1.60 per share special dividend payment in February 2024 totalling €769 million from the disposal of the Group´s Russian operations in 2023. In addition, ordinary dividends totalling 70.0 euro cents per share were paid to shareholders representing a distribution of €312 million.

Liquidity, treasury and borrowings

Net debt at 31 December 2024 was €1,732 million with net debt to underlying EBITDA at 1.7 times (31 December 2023: €419 million, 0.3 times), the increase in leverage reflecting the ongoing investment into the business and the special dividend payment to shareholders in February 2024.

In April 2024, the Group repaid a €500 million Eurobond on maturity and in May 2024, issued a 3.75% €500 million Eurobond with an 8-year tenor, thereby extending the Group's maturity profile. Mondi's available liquidity at 31 December 2024 was €1,028 million, comprising the undrawn Syndicated Revolving Credit Facility (RCF) of €750 million and cash and cash equivalents of €278 million. The weighted average maturity of our committed debt facilities at the end of the year was 3.9 years with no significant short-term debt maturities. Our financing agreements do not contain financial covenants.

In addition, and effective from January 2025, we increased the RCF by €250 million (to €1 billion) to further strengthen our liquidity position.

The Group maintains its investment grade credit rating and has an A- (stable outlook) credit rating from Standard & Poor's and a Baa1 (stable outlook) credit rating from Moody's.

Disciplined capital allocation

Strategic financial priorities

We believe that a strong and stable financial position, supported by an investment grade credit rating, increases our flexibility and provides access to capital markets through the business cycle. This in turn allows us to invest through the cycle and take advantage of strategic opportunities when they arise.

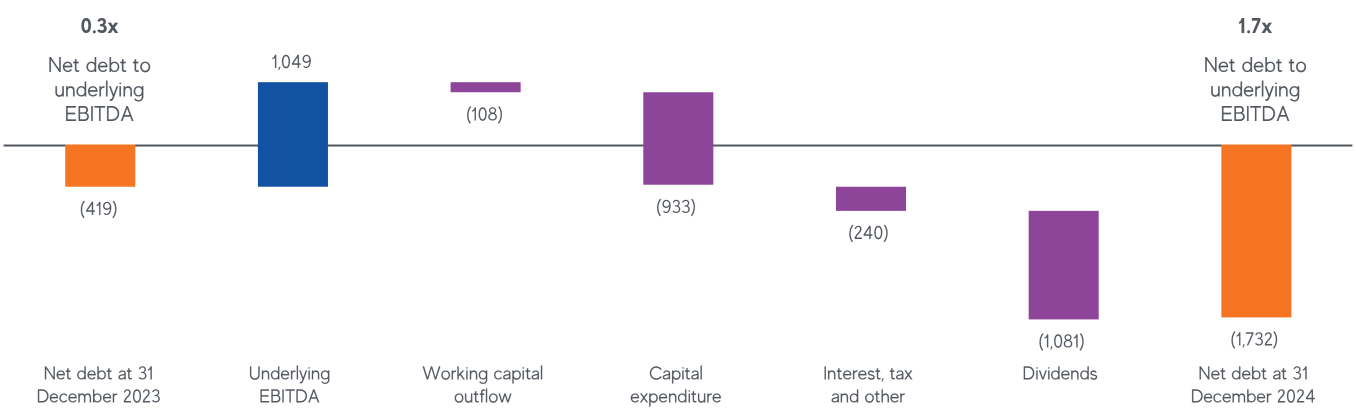
We are focused on undertaking selective organic capital investment opportunities in our packaging businesses and supporting the ordinary dividend. To the extent we have capacity beyond these requirements, we are able to consider acquisitions and/or additional shareholder distributions. We remain focused on allocating capital while maintaining solid investment grade credit metrics.

Ordinary dividend

The Board has recommended a final 2024 ordinary dividend of 46.67 euro cents per share. This final ordinary dividend, together with the interim ordinary dividend, amount to a total ordinary dividend for the year of 70.0 euro cents per share, in line with both 2022 and 2023.

The final dividend is subject to the approval of the shareholders of Mondi plc at the Annual General Meeting scheduled for Thursday 8 May 2025 and, if approved, will be paid on Friday 16 May 2025 to shareholders on the register at the close of business on Friday 4 April 2025.

Movement in net debt (€ million)



Managing our financial risks

Our capital structure

Capital employed is used to fund our business and is managed on a basis that enables the Group to continue trading as a going concern, while delivering attractive returns to shareholders.

We maintain an appropriate capital structure, with a balance between equity and net debt, in order to sustain our investment grade credit rating. We have diverse sources of funding with various debt maturities.

The primary sources of the Group's liquidity include our €3 billion Guaranteed Euro Medium Term Note Programme, our Syndicated Revolving Credit Facility that was increased to €1 billion effective from January 2025, and financing from various banks, thus providing us with access to diverse sources of debt financing with varying debt maturities.

Currencies

Our global presence results in exposure to foreign exchange risk in the ordinary course of business. Currency exposures arise from commercial transactions denominated in foreign currencies, financial assets and liabilities denominated in foreign currencies and translational exposure on our net investments in foreign operations.

Our policy is to fund subsidiaries in their local functional currency wherever practical. External funding is obtained primarily in euros and, where required, converted into the subsidiaries' functional currencies via foreign exchange swaps.

We hedge material net balance sheet exposures and committed capital expenditure. We do not hedge our exposures to projected future sales or purchases. We do not take speculative positions with derivative contracts.

Tax

We aim to manage our tax affairs in accordance with national legislative provisions and within the guidelines set down by the Organisation for Economic Co-operation and Development (OECD), including the OECD Pillar 2 model rules which came into effect as of 1 January 2024. Our objective is to structure our operations tax efficiently and take advantage of available incentives and exemptions provided by governments for eligible capital investments, R&D and similar expenditure. We do not enter into any artificial arrangements and tax decisions are made in response to business transactions and activities.

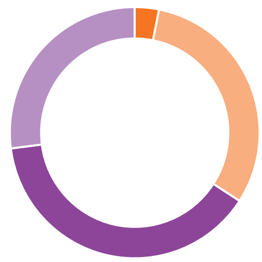
Our approach to tax is formalised in our publicly available tax strategy, which the Board reviews and approves each year.

While ultimate responsibility for the tax affairs of the Group rests with the Board, the Executive Committee ensures that the tax governance framework is aligned with the principles of financial management applied throughout the Group.

We have dedicated internal tax resources throughout the organisation. This includes a centralised Group Tax function, reporting to the Group CFO, which is responsible for providing operational guidelines aimed at ensuring a robust tax control environment, implementing risk management initiatives and supporting local management on tax matters. The Group Tax function partners with our businesses to ensure any commercial changes are aligned with tax laws and regulations. In addition, we seek regular professional advice to ensure that we remain up to date with changes in tax legislation, disclosure requirements and best practices.

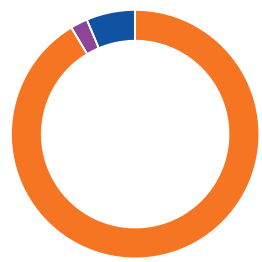
Tax risks are monitored on a continuous basis and are more formally reviewed by the Audit Committee twice yearly as part of our reporting process. The Board formally reviews tax management activities on an annual basis. As Mondi operates in a number of countries, each with a different tax system, the Group is regularly subject to routine tax audits and tax authority reviews which may take a considerable period of time to conclude. We maintain a constructive dialogue with tax authorities, working in a transparent manner to resolve disputes. Where necessary, provision is made for known issues and the expected outcomes of any negotiations or settlements.

Gross debt maturity profile
at 31 December 2024 (€ million)



Within 1 year	63
1-2 years	625
2-5 years	783
>5 years	544

Gross debt composition
at 31 December 2024 (€ million)



Bonds	1,842
Bank loans and overdrafts	45
Lease liabilities	128

Mondi Action Plan 2030
Our sustainability framework

The Mondi Action Plan 2030 (MAP2030) sets out our targets, actions and milestones to meet our ambitious 2030 sustainability commitments. MAP2030 is built on our purpose to contribute to a better world by making innovative packaging and paper solutions that are sustainable by design.

Our approach

Sustainability is at the core of our strategy. Our MAP2030 framework sets out the three action areas we focus on to enable us to deliver our strategy, create value for our stakeholders, grow our business and have the most positive impact. These three action areas are Circular Driven Solutions, Created by Empowered People, Taking Action on Climate.

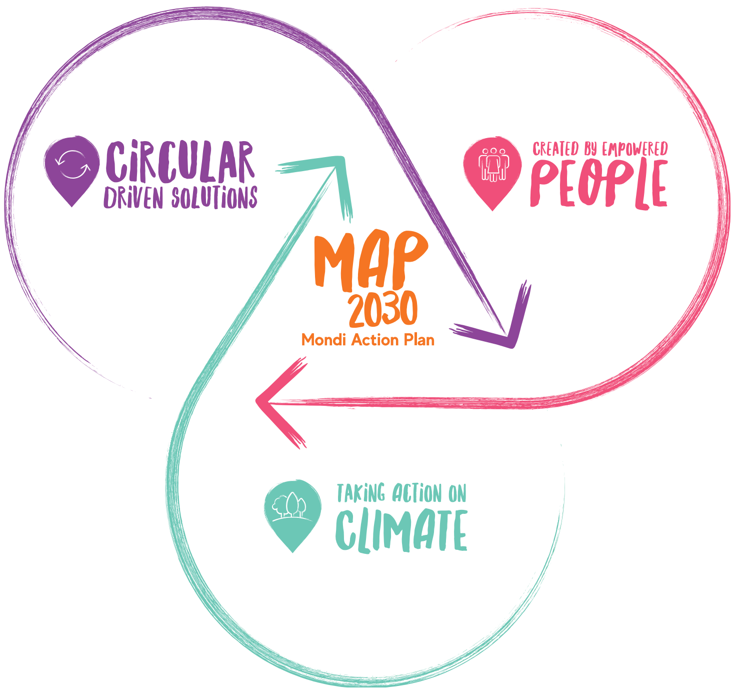
Our strategy
Page 14–20

Each MAP2030 action area has commitments that are underpinned by targets so we can monitor and communicate our progress. Our action areas are supported by responsible business practices covering human rights, communities, responsible procurement and environmental performance.

On the following pages, we report on our MAP2030 progress in 2024 and how it contributes to our strategy and continued success.

Sustainability KPIs covering key MAP2030 action areas represent 20% of the Group's annual bonus metrics.

Remuneration report
Page 111–135



Built on Responsible Business Practices
Human rights | Communities | Procurement | Environmental performance

We are recognised as a leader in sustainability by external corporate ratings and indices

CDP
A List, with double 'A' for climate change and forests and an 'A-' score for water

MSCI ESG Rating
Top 'AAA' score for strong resilience to environmental, social and governance risks

ISS ESG
'Prime' rating as the highest sector-specific score for ESG performance

Sustainalytics
Ranked first in Paper and Forestry industry out of 76 companies rated in the sector (January 2025)

FTSE4Good Index Series
Member of Index Series, demonstrating strong ESG practices

EcoVadis
Platinum status as one of the top 1% globally in EcoVadis Corporate Social Responsibility ratings

WBCSD's Reporting Matters
Included in 'Top performer' category since 2018 by WBCSD and Radley Yeldar

Transition Pathway Initiative
1 of 4 companies (out of 35) with a transition planning and implementation Level 5 rating

Carbon performance aligned with Paris Pledges

Our material sustainability topics

Our double materiality assessment

Under the EU Corporate Sustainability Reporting Directive (CSRD), double materiality considers impacts, risks and opportunities from financial and non-financial perspectives. Our double materiality assessment considers how our internal operations and due diligence systems monitor, assess and manage our impacts, risks and opportunities, as well as how our operations affect the environment and society.

In 2023, we conducted a double materiality assessment in line with the European Sustainability Reporting Standards (ESRS). We consider a sustainability topic as material when it meets the following (either or both):

- **Impact material:** our actual or potential, positive and negative impacts on people or the environment.
- **Financially material:** sustainability information, risks and opportunities which, if left out, misrepresented or hidden, could influence financial decisions.

Our comprehensive double materiality process included desk-based research, internal and external stakeholder engagement and a financial materiality assessment. The outcomes were approved by the Sustainable Development Committee (SD Committee).

Read more about our double materiality process in our 2023 Sustainable Development report
www.mondigroup.com/sd23

Outcomes

We have identified 10 material sustainability topics, which align with our MAP2030 commitments.

Climate change mitigation is the top priority for our stakeholders, with customers and investors paying close attention to our Net-Zero progress.

Circularity is the most important topic for our customers. They see Mondi as a trusted supplier of fibre-based products and rely on our policies for responsible sourcing and human rights practices.

Environmental topics are highlighted in our outward impacts, given our reliance on natural resources and energy consumption in manufacturing.

MAP2030 areas	Material topics
CIRCULAR DRIVEN SOLUTIONS	Circular economy
	Product quality and safety[1]
CREATED BY EMPOWERED PEOPLE	Diversity, equity and inclusion[1]
	Working conditions and human rights[1]
TAKING ACTION ON CLIMATE	Biodiversity and fibre sourcing
	Climate change adaptation[2]
	Climate change mitigation
	Energy
	Water
RESPONSIBLE BUSINESS PRACTICES	Business conduct[2]

1 Only material from an impact perspective.
2 Only financially material.

External assurance

ERM Certification and Verification Services Limited (ERM CVS) has provided third-party reasonable assurance on our Scope 1 and 2 GHG emissions and limited assurance on other selected sustainability information and KPIs, including whether our Sustainable Development report has been prepared in accordance with the GRI Universal Standards (2021) and the SASB: Containers & Packaging Industry Standard.

The signed ERM CVS Independent Assurance Report is in our 2024 Sustainable Development report.

Our Sustainable Development reporting suite

Visit our website to find our full suite of detailed sustainability insights, including our MAP2030 2024 progress:

- Sustainable Development report
- ESRS & Performance index
- GRI & SASB index
- GRI Biodiversity disclosures

Read more on our sustainability reports and publications
www.mondigroup.com/sustainability/reports-and-publications

Mondi Action Plan 2030 continued

Delivering on our MAP2030 commitments

Circular Driven Solutions

Innovative packaging and paper solutions that keep materials in circulation and prevent waste

	2024 performance
Make our packaging and paper solutions reusable, recyclable or compostable	
100% of our packaging and paper products are reusable, recyclable or compostable by 2025	(Behind target)
Avoid waste by keeping materials in circulation	
Eliminate waste to landfill from our manufacturing processes	(On track)
Work with others to eliminate unsustainable packaging	
Progress made through our partnerships and stakeholder engagement activities each year	(On track)

Circular Driven Solutions
Page 33-36

Created by Empowered People

An empowered and inclusive team that contributes to a better world

	2024 performance
Build skills that support long-term employability	
Enable our employees to participate in upskilling programmes	(On track)
Provide purposeful employment for all our employees in a diverse and inclusive workplace	
Achieve 90% Purpose Satisfaction score in our Employee Survey	(On track)
Achieve 90% Inclusiveness score in our Employee Survey	(On track)
Employ 30% women across Mondi	(Behind target)
Create an environment that enables a positive work-life experience, valuing our safety, health and mental wellbeing	
Zero fatalities	(Not on track)
Zero life-altering injuries	(Not on track)
15% reduction of Total Recordable Case Rate	(Behind target)
Support our employees in pursuit of a work-life experience that enhances their wellbeing	(On track)
Our operations drive awareness of and take measures to improve health and mental wellbeing	(On track)

Created by Empowered People
Page 37-40

Taking Action on Climate

Climate resilience through our forests and operations for the future of the planet

	2024 performance
Reduce our greenhouse gas emissions in line with science-based Net-Zero targets	
Reduce Scope 1 and 2 GHG emissions by 46.2% by 2030 from a 2019 baseline	(On track)
Reduce Scope 3 GHG emissions by 27.5% by 2030 from a 2019 baseline	(Behind target)
Reduce Scope 1, 2 and 3 GHG emissions by 90% by 2050 from a 2019 baseline	(On track)
Maintain zero deforestation in our wood supply, sourcing from resilient forests	
Maintain 100% FSC™ certification in our own forestry landholdings	(On track)
100% responsibly sourced fibre with 75% FSC™- or PEFC-certified fibre procured by 2025 and the remainder meeting the FSC Controlled Wood standard	(On track)
Implement leading forestry measures to ensure productive and resilient forests	(On track)
Safeguard biodiversity and water resources in our operations and beyond	
Conduct water stewardship assessments at our mills and forestry operations by 2025, and implement required actions to address the findings by 2030	(On track)
Conduct biodiversity assessments at our mills and forestry operations, introducing biodiversity action plans where necessary by 2025	(On track)

Taking Action on Climate
Page 41-45

2024 performance key Completed · On track · Behind target · Not on track

Read the SD report for more information on our performance key page 106

Circular Driven Solutions

CIRCULAR DRIVEN SOLUTIONS

Innovative packaging and paper solutions that keep materials in circulation and prevent waste

M Material topics

- Circular economy
- Product quality and safety

Our approach

Sustainable packaging has moved from being a preference to a necessity, driven by growing customer and consumer requirements and stricter regulations, such as the Packaging and Packaging Waste Regulation (PPWR). Global investment, collaboration and innovation in sustainable solutions are accelerating. As a leading packaging and paper producer, we aim to capture these opportunities.

We are committed to: making all our packaging and paper solutions reusable, recyclable, or compostable; avoiding waste by keeping materials in circulation; and working with partners to eliminate unsustainable packaging.

We collaborate along the value chain to produce innovative, sustainable packaging and paper solutions to position Mondi as the partner of choice for our customers, and drive our future growth. We focus on high product quality, which is one of our material topics, to meet customer expectations, as well as eliminating waste and using our resources wisely.

Circularity is at the core of our product development. We consider the sustainability performance of our products at each stage of the value chain: from how we source raw materials to ensuring material efficiency, product design and safety, as well as giving products a sustainable end-of-life. This is another material issue for our stakeholders.

Read more on our Sustainable Design Principles
www.mondigroup.com/sustainability/mondi-action-plan-2030/circular-driven-solutions/

Our leading innovation capabilities, strong market position and long-standing customer relationships allow Mondi to develop solutions that support the transition to a circular economy and create positive impact at scale.

Sustainability is a clear driver of our future business growth. For example, our 2024 eCommerce survey shows that around 80% of consumers are demanding sustainable or recyclable eCommerce packaging.

Read more in our eCommerce trend report
www.mondigroup.com/news-and-insight/

Sustainable by design: ProVantage SmartKraft Brown and White

An innovative blend of fresh and recycled fibres

ProVantage SmartKraft White and ProVantage SmartKraft Brown combine sustainability, strength and printability. Made with 100% fresh fibre on top and 100% recycled fibre underneath, they are fully recyclable and responsibly sourced. ProVantage SmartKraft White offers excellent printability, while ProVantage SmartKraft Brown excels in strength and runnability.

Read more about our products
www.mondigroup.com/products-and-solutions/explore-solutions/

Mondi Action Plan 2030 continued
Circular Driven Solutions continued

Commitment: Make our packaging and paper solutions reusable, recyclable or compostable

SASB

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
100% of our packaging and paper products are reusable, recyclable or compostable by 2025			In 2024, 87% of products were reusable, recyclable or compostable based on revenue (2023: 85%). With our entire Corrugated Packaging and Uncoated Fine Paper businesses compliant, we are working to close the gap in our Flexible Packaging business. We had a sustainable alternative in place, or identified and in development, for 97% of our Flexible Packaging products (2023: 94%).

As a market leader, we are driving the circular economy for packaging and transforming our portfolio to support a regenerative, low-carbon circular economy that eliminates waste and helps our customers to transition to sustainable packaging.

We take a science-based, material-agnostic approach to identify the optimal solution for each specific application. Over 2024, we have increased the proportion of our revenues from products that are reusable, recyclable or compostable to 87% (up from 85% in 2023).

With the portfolios of our Uncoated Fine Paper and Corrugated Packaging business units 100% recyclable or verified as compostable, we are focused on closing the gap in our Flexible Packaging business. To drive progress in 2024, we had a sustainable alternative in place, or identified and undergoing development, for 97% of our Flexible Packaging products, up from 94% in 2023 (based on revenue). Our aim is to have 100% circular alternatives in place by the end of 2025, with a clear focus on targeted product innovation initiatives, for example to meet high shelf life or burst resistance requirements with a recyclable or compostable solution.

Our Path to Circularity

To be deemed circular, Mondi products must be designed to achieve a sustainable end-of-life. To ensure we are sustainable by design throughout our packaging and paper portfolio, our seven Sustainable Design Principles (SDP) encompass different dimensions of sustainability. Our SDP guides our product development and innovation teams, and are integrated into our Path to Circularity Scorecard, which offers a clear definition for reusable, recyclable and compostable solutions and enables us to measure our progress towards our commitment.

Enhancing our assets and innovation capabilities

We are investing in our quality assets to drive growth, improve our cost competitiveness, and enhance sustainability, product quality and customer service. For example, our €400 million investment into a new kraft paper machine in our Štětí mill (Czech Republic) will help us grow the share of renewable and fully recyclable solutions for the market. We also continue to invest in R&D, with €31 million invested (2023: €30 million) to improve our product innovation capabilities, process technologies, energy and material efficiency and support close collaboration across the value chain.

FlexStudios, our new innovation hub for Flexible Packaging in Germany, enables our customers to participate in the innovation process and reduces time-to-market for new packaging and paper solutions. In our Corrugated Packaging business, we also have three 'ThinkBox' engagement centres to support innovation for customers in Europe.

Award-winning solutions

We are exploring ways to achieve sustainable packaging with more durability, safety, flexibility and effective barrier protection. We received ten 2025 WorldStar Packaging awards, the highest number of awards in a single year in our history.

Our new innovative Protective Mailer, developed with Amazon, and launched in 2024, was also recognised with multiple awards from EUROSAC and 4evergreen, among others. This new sustainable packaging provides protection equivalent to traditional bubblewrap plastic-padded envelopes, and addresses customer demand for easily recyclable packaging that delivers strong protection for damage-free delivery.

Focus on quality

Our high-quality packaging and paper solutions are subject to stringent regulation and comply with all relevant health, hygiene and quality requirements. Our Group-wide quality KPIs are part of Mondi's Quality Performance Measurement System, which aims to improve customer satisfaction and reduce customer complaints and customer net claim costs. Our first-time right approach to quality ensures on-time and in-full delivery of in-specification products and saves resources and waste while reducing associated costs.

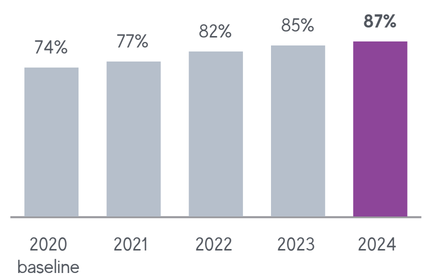
A life cycle-based approach

We continue to enhance our life cycle-based tools and assessments for customers, looking at both carbon and water scarcity with our in-house Product Impact Assessment tool. Demand continues to grow, with ever more requests by customers to support their decarbonisation efforts and achieve their own sustainability targets.

1,776

products assessed using our in-house life cycle-based tools

Reusable, recyclable or compostable products
(% of Group revenue)



Commitment: Avoid waste by keeping materials in circulation

SASB

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
Eliminate waste to landfill from our manufacturing processes	●	●	In 2024, specific waste to landfill decreased by 4% since last year, and decreased by 46% compared with our 2020 baseline, mainly due to projects in Richards Bay (South Africa), Kuopio (Finland) and Dynäs (Sweden).

Our approach to circular design considers the full product life cycle to avoid waste. We see waste to landfill as lost resources, and are committed to finding alternative uses for our waste streams.

In 2024, 73% of our manufacturing waste was recycled or repurposed. Less than 8% was landfilled. We recognise the opportunity to progress in our target to eliminate waste to landfill, reduce related costs and generate additional revenue streams by selling by-products from our processes.

In the long term, our ambition is to eliminate all waste to landfill from our manufacturing processes. In addition to this absolute reduction, we measure our waste to landfill as a proportion of the amount we produce (referred to as specific waste to landfill per tonne of saleable product). We have a target to reduce specific waste to landfill by 30% by 2030, against a 2020 baseline.

Responsible Business Practices
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Transforming waste to secondary raw materials

Through innovation and collaboration, we maximise resource efficiencies and turn production waste into valuable secondary raw materials, rather than landfilling and losing these resources. For example, we use ash from our bark boilers for brick production.

The use of biogenic fuels is another key lever to achieve sustainability goals in the pulp and paper industry. In 2024, we implemented a new conversion technology that turns biogenic residues, which are waste materials from natural resources, into process energy. This process enables us to replace fossil fuels with fuels from renewable sources, supporting a lower carbon footprint. As an example, tall oil is a by-product that can be extracted and used as an alternative fuel source in our lime kilns.[1] It has a heating value comparable to heavy fuel oils but with a lower sulphur content, which reduces emissions and contributes to a lower carbon footprint.

Partnering for waste solutions

We continue to partner with our customers to develop innovative solutions to reduce waste and re-use production materials.

Through strategic partnerships in 2024, two Mondi production sites are now able to repurpose 95% of their production waste, which was previously used for energy generation.

The elimination of green liquor dregs[2] remains an ongoing challenge for our mills. We have reduced green liquor dregs by developing calcium carbonate free filtration technologies, and continue to work on solutions to eliminate the need for landfilling green liquor dregs.

As part of the TU-Austria Innovation Marathon in 2024, we launched a scientific challenge on green liquor dregs and will develop the most promising concepts together with partners from academia and industry.

Our Richards Bay mill (South Africa) has significantly reduced waste to landfill in recent years by using effluent fibre as landfill cover. At our Dynäs mill (Sweden), we have reduced specific waste to landfill by reducing lime mud consumption in the green liquor dregs filtration process. Additionally, we are using the mill's bark boiler ash for road construction, and reduced green liquor sludge by optimising the chemical recovery processes. In Finland, ashes from our Kuopio mill are being used for sanding roads.

ESRS & Performance index
www.mondigroup.com/esrsperformance24

46%

reduction of specific waste to landfill from our manufacturing processes since 2020

Read more in Environmental performance
Page 46

1 A lime kiln uses heat, motion and air flow to convert lime mud (calcium carbonate) to lime (calcium oxide). Lime is used in several applications in pulp and paper mills, including the pulping process.

2 Green liquor dregs are residues formed during the kraft pulp process and typically contain sodium carbonate, calcium carbonate and sodium sulphide, as well as some other insoluble solids in small quantities.

Mondi Action Plan 2030 continued

Circular Driven Solutions continued

Commitment: Work with others to eliminate unsustainable packaging

	Performance against baseline		
Target	**2023**	**2024**	**This year at a glance**
Progress made through our partnerships and stakeholder engagement activities each year	●	●	We actively collaborated with cross-value chain initiatives and multiple industry associations, including 4evergreen, FEFCO, Cepi and CEFLEX on emerging legislation.

With the scale of our business and close collaboration with our customers and across our value chain, we can lead the way and drive the transition to sustainable packaging and paper solutions in the industry.

As well as tackling climate change, sustainable packaging has a vital role to play in product protection, particularly for food packaging where meeting shelf-life requirements and keeping contents safe for consumption help to eliminate food waste. There is ever increasing demand for innovative solutions that address different industry and customer needs, including low-carbon, fully recyclable and/or compostable solutions.

Driving progress across the packaging industry

In partnership with industry associations and by leveraging our long-standing relationships with our customers, we are innovating for a sustainable, circular economy.

We see an increasing number of organisations joining leading value chain initiatives and helping to develop design guidelines, from 4evergreen and CEFLEX, with the potential for adoption under the Packaging and Packaging Waste Regulation secondary legislation.

Sharing best practice

We share our expertise and innovations with leading research institutions and industry organisations. For example, together with our partners, we are piloting a new collection and recycling system for used industrial paper bags. Building on a pilot in Spain, the 'Paper Sacks Go Circular' initiative is now being scaled across Europe. Over 60 companies have joined the initiative, with more than 170 construction sites engaged in segregating waste materials, including paper bags.

Together with Biedronka, Poland's largest retail chain, we have formed a sustainable closed-loop programme to encompass the supply, collection, recycling and reproduction for Mondi Corrugated Packaging.

We are a signatory to the Ellen MacArthur Foundation's (EMF) Global Commitment to eliminate plastic pollution and create 100% reusable, recyclable or compostable plastic packaging by 2025. We report annually to EMF on our progress against these commitments and how we are designing our plastic solutions for recyclability.

Contributing to UNICEF's Project Play

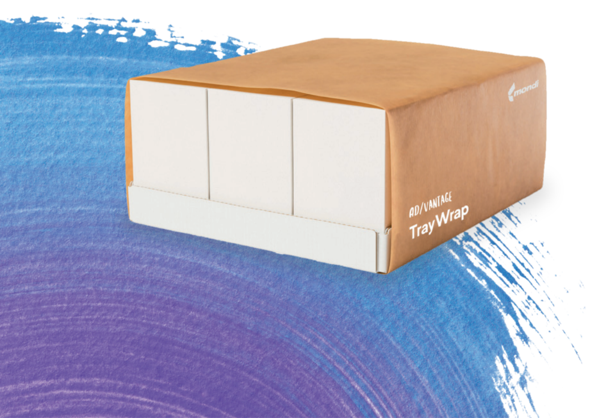
In 2024, we had the opportunity to contribute to UNICEF's Project Play, which aims to repurpose cardboard boxes and other packaging as fun, inclusive and appropriate toys to support Early Childhood Development interventions for malnourished children in nutrition programmes. Colleagues participated in an ideation workshop and helped to create guidelines for advancing inclusive play while supporting sustainability through repurposing of packaging.

Renewal of World Food Programme partnership

Building on the positive contributions made in our collaboration with the UN World Food Programme (WFP), we renewed our partnership agreement at the end of 2024. Over the next three years, we will provide our packaging expertise and R&D infrastructure to help WFP to continue to optimise its packaging, while minimising the environmental impacts of its life-saving operations.

What's next in Circular Driven Solutions?

- Accelerate the transition to circular solutions through continued close engagement with our customers.
- Continue to support our customers to achieve their decarbonisation targets through our product impact assessments.
- Continue to explore ways to eliminate waste from our production processes and repurpose waste as input for secondary raw materials.
- Maintain our engagement with our industry associations, the CEN standardisation committees and the European Commission on how to harmonise the assessment of packaging recyclability.



Sustainable by design: Ad/Vantage TrayWrap

The replacement for plastic shrink film

Ad/Vantage TrayWrap is a paper-based alternative for plastic tray wrapping. Made from our Ad/Vantage StretchWrap, it is used for bundling products such as coffee packs, liquid cartons and folding boxes during transport, and is removed at the point of sale.

Read more about our products
www.mondigroup.com/products-and-solutions/explore-solutions/

Created by Empowered People

An empowered and inclusive team that contributes to a better world

M Material topics

- Diversity, equity and inclusion
- Working conditions and human rights

Our approach

We aim to be an employer of choice by creating an inspiring, inclusive and safe workplace that empowers our people to perform at their best. By fostering an environment where employees feel supported and valued, we enable innovation, drive growth and secure the long-term success of our business. At Mondi, we believe that a committed and engaged workforce is integral to achieving our MAP2030 targets and fulfilling our purpose.

With 22,000 Mondi employees across more than 30 countries, our MAP2030 framework outlines clear commitments to empower our people. We are dedicated to building skills that enhance long-term employability, offering purposeful employment in a diverse and inclusive workplace, and creating an environment that values safety, health and mental wellbeing. This holistic approach reflects our belief that a thriving workforce underpins a thriving business.

Skill-building for long-term employability is central to our strategy. We aim to equip our people with the tools they need to adapt to a fast-changing industry, ensuring both their personal growth and Mondi's ongoing success. From technical upskilling to leadership development, we are committed to fostering a culture of continuous learning.

We aim to foster an inclusive and purpose-driven workplace, where every employee feels respected, treated fairly and empowered to excel. This commitment extends to people with disabilities aiming to provide them with equal career and learning opportunities at Mondi. Diversity is key to unlocking innovation and fostering collaboration, which is why we strive to build teams that reflect the diverse communities in which we operate.

Safety is a non-negotiable priority, particularly given the high-risk nature of some of our operations. Every employee and contractor should return home safely each day.

To achieve this, our safety approach is rooted in the Social Psychology of Risk, which emphasises three key dimensions:

- Workspace: focusing on the physical aspects and controls related to the working environment;
- Headspace: understanding why people make decisions, which influence safe or unsafe behaviour; and
- Groupspace: influencing the culture and promoting the need to take care of each other.

By focusing on proactive engagement, risk identification, appropriate controls, and regular evaluation of their effectiveness, we aim to foster a workplace where safety and health remain a high value.

Furthermore, we recognise the importance of supporting a positive work-life balance, and promote physical and mental wellbeing at our operations. Mondi continues to build a resilient and empowered workforce aligned with our MAP2030 targets, supporting the long-term prosperity of our people, business and the communities we serve.

Mondi Action Plan 2030 continued
Created by Empowered People continued

Commitment: Build skills that support long-term employability

Target	Performance against baseline 2023	2024	This year at a glance
Enable our employees to participate in upskilling programmes	●	●	Mondi colleagues participated in multiple people development initiatives, including Mondi Academy, talent and graduate programmes, and performance and development reviews.

Providing lifelong learning opportunities is part of our responsibility as a global employer and supports long-term employability.

We aim to attract, develop and retain the right people for each position and offer individual development opportunities that align with both individual aspirations and our business objectives.

We are committed to offering consistent and fair training, career development and promotions.

Developing potential at Mondi

Throughout their Mondi career, we provide our employees with continuous learning opportunities via the Mondi Academy, our Group-wide training hub, with local academies in Czech Republic, Poland, Slovakia, South Africa and the USA. We offer ongoing learning and coaching, including in relation to leadership skills and personal development. Our learning portfolio also includes business-sponsored expert academies, with well-established programmes and clear business outcomes.

Our comprehensive training offering demonstrates progress against our MAP2030 commitment to enable our people to participate in upskilling programmes.

Our mentoring programmes nurture talent and facilitate succession planning, and contribute to fostering diversity and inclusion at Mondi. By pairing individuals from different backgrounds, genders or cultures, mentorship can break down barriers and provide an opportunity for cross-cultural learning.

Early career development

We offer multiple early career development programmes to build a strong and diverse talent pipeline and encourage our employees from the early stages to pursue leadership or expert positions. Our International Graduate Programme provides graduates with the opportunity to gain experience in different Mondi locations and departments over 18 months. The programme supports Mondi's position as employer of choice, empowering a diverse base of talent in terms of gender, nationality and academic background.

We work to encourage more internal cross-business placements within Mondi, for example through our NEXGEN training programme for emerging leadership talents, which includes experience-based learning, regular exposure to senior management, networking opportunities, plant visits and competency building. After our first NEXGEN programme, 67% of participants transitioned to new roles.

Recognising outstanding employee performance

We carry out structured Performance and Development Reviews between employees and their managers to reflect on individual performance and set goals. We have a number of performance-related pay schemes that reward employees for the pursuit and achievement of business objectives, in which the majority of our employees participate.

Our global Mondi Diamond Awards recognise outstanding achievements and initiatives from employees across our operations. In 2024, eight teams won Mondi Diamond Awards for achievements in product innovation and customer collaboration, energy resilience, operational excellence, diversity and inclusion and safety.

566,333

training hours completed by employees and contractors in 2024

Our strategy – Empower our people
Page 19

Commitment: Provide purposeful employment for all our employees in a diverse and inclusive workplace

Target	Performance against baseline 2023	2024	This year at a glance
Achieve 90% Purpose Satisfaction score in our Employee Survey	● (green)	● (green)	Following up on our latest Employee Survey in 2023, where we achieved a 79% score in the Purposeful Workplace Index, we conducted a 'Safe to Speak Up' pulse survey in 2024 to address this area of improvement identified.
Achieve 90% Inclusiveness score in our Employee Survey	● (green)	● (green)	In our latest Employee Survey in 2023 we achieved a 77% Inclusiveness score. In 2024, we continued initiatives such as the Employee Resource Groups and Curious Community.
Employ 30% women across Mondi	● (yellow)	● (yellow)	23.4% women employed across Mondi, representing an improvement on last year (2023: 22.6%), but still behind target.

At Mondi, a diverse and inclusive workplace includes understanding, accepting and valuing differences between people. Fostering this positive culture is essential to our business success and driving real change.

We want all our employees to feel they belong at Mondi and enjoy working here, so they can thrive at work.

Engaging to listen and understand

We maintain high levels of engagement with our employees throughout the year on global and local levels to listen to what our employees are saying on key topics, capture their feedback and understand where we need to improve. We use formal and informal processes including our intranet, local engagement sessions, virtual events for all colleagues, management dialogues and employee surveys. In 2024, we introduced Viva Engage as a new social engagement channel that connects all Mondi employees, including production colleagues.

Encouraging new ideas

We believe 'safe to speak up' means that someone feels free and safe to ask for help, admit mistakes, raise concerns, suggest new ideas, challenge ways of working and question each other's ideas. We believe that it can lead to enhanced productivity, with our employees looking after the safety of others, as well as supporting each other.

Over the past year, we have implemented local actions across the Group to address issues raised in the 2023 Employee Survey. On a Group level we been looking at how we can promote psychological safety and reinforce a culture of listening and caring. As part of this, we conducted a pulse survey on speaking up in 2024, which had a 78% participation rate. This high level of engagement provides us with a representative sample and enables us to take meaningful action across the organisation as we work towards meeting our 2030 milestones of 90% Purpose Satisfaction and Inclusiveness scores.

Embedding inclusion at work

Through our nine Employee Resource Groups, we encourage employee engagement, foster inclusivity and gain access to a richer pool of ideas from diverse perspectives. These groups embody our commitment to a workplace that celebrates diversity, encourages dialogue and empowers every individual. In 2024, we hosted 36 ERG-related events.

Opportunities for women at Mondi

We aim to be an inclusive employer with inspiring female role models and attractive career opportunities for women. While attracting women to our manufacturing operations can be challenging, especially in remote locations, we are committed to increasing female hires through targeted initiatives and fostering a workplace where women can thrive.

There are multiple initiatives to increase the rate of female hires in Mondi and we recognise that we need to continue working on becoming an attractive employer for women. For example, we have invested in increasing our visibility at career events for attracting women to tech-related jobs and ran a series of engaging events across universities in Poland aimed at women. We created a clear information campaign on recruiting more women featuring evidence-based tips and case study examples from different locations to support sharing information and learning from our successes.

At the end of 2024, we had 23.4% female employees (2023: 22.6%), showing an improvement over last year but still behind target. In 2024, 32.3% of all new hires were women (2023: 28.4%), with significant variations between individual operations and functions. The female representation on our Executive Committee was 29% (2023: 17%). We had 40% female directors on the Mondi Board (2023: 40%).

Gender diversity 2024

	Male	%	Female	%	Other**	%
Directors	6	60.0%	4	40.0%	–	–%
Senior managers*	177	79.0%	47	21.0%	–	–%
Employees***	17,032	76.6%	5,207	23.4%	1	–%

* As at 31 December 2024. Senior managers as defined by Mondi and including directors of all subsidiaries in accordance with the definition set out in Section 414C of the UK Companies Act 2006.
** Not specified/prefer not to say.
*** Headcount of employees that are active or on leave as at 31 December 2024.

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Nominations Committee
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Mondi Action Plan 2030 continued
Created by Empowered People continued

Commitment: Create an environment that enables a positive work-life experience, valuing our safety, health and mental wellbeing

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
Zero fatalities	Red	Red	Regrettably, we had an employee fatality at our Merebank mill (South Africa) which occurred during a routine maintenance activity.
Zero life-altering injuries	Red	Red	We sadly had three life-altering injuries in 2024: in our Bupak plant (Czech Republic), Tire mill (Türkiye) and Wellsburg, West Virginia plant (USA).
15% reduction of Total Recordable Case Rate	Green	Amber	Our Total Recordable Case Rate (TRCR) of 0.68 in 2024 reflects a 2% increase compared with our 2020 baseline, and an increase of 7% since last year.
Support our employees in pursuit of a work-life experience that enhances their wellbeing	Green	Green	We have achieved a 77% score in our Wellbeing Index in our Employee Survey in 2023. In 2024, we promoted the Mental Health Awareness Month and local initiatives were launched, for example in Mondi Thailand and Mondi Jackson (USA).
Our operations drive awareness of and take measures to improve health and mental wellbeing	Green	Green	Professional counselling is accessible for 100% of our employees through our Employee Assistance Programme (EAP) and EAP-equivalent system for support and help (up from 94% in 2023).

We focus on our top safety and health risks at sites, aiming at preventing fatalities and life-altering injuries, improving occupational health and reducing injuries. We strive to ensure that everybody returns home safely every day and prioritise health and mental wellbeing.

Although we are one of the safety leaders in our industry, regrettably we had an employee fatality during a routine maintenance activity at our Merebank mill (South Africa) during the year. Unfortunately, we also experienced three life-altering injuries where three colleagues suffered serious injuries to their fingers.

All our incidents were investigated thoroughly to identify the root causes and contributing factors, and the necessary actions were taken to reduce our risks and prevent reoccurrences. Outcomes of investigations were shared among all our operations to ensure common learning.

If an employee suffers a life-altering injury at work, we facilitate medical treatment and rehabilitation, and support their continued employment by finding alternative equivalent jobs for them, where required.

Putting people at the centre

To drive continuous improvement in our culture and safety performance, our approach encompasses the Social Psychology of Risk (SPoR). As an evolution from traditional safety, this approach aims to balance workplace controls and psychological and cultural influences. Over the past three years, all safety and health professionals and around 400 leaders were trained in the fundamentals of SPoR and our Engagement Board tool, which facilitates open conversations within teams on safety and health topics.

Risk-based approach

Risk assessments are crucial and our operations are required to consider the top three risk controls – elimination, substitution and engineering – before considering administrative controls or issuing personal protective equipment. Our risk assessments are based on SPoR, and include behavioural, psychological, social, cultural and sub-cultural influences. We train and engage with our employees during risk assessment processes, and regularly revise assessments when necessary.

Projects and maintenance shuts

Annual maintenance shuts to maintain, replace or upgrade machinery and equipment, as well as other complex and large projects, involve non-routine work, with many employees and contractors working on-site at the same time.

Some of our highest-risk activities occur during these times and therefore the Group Safety and Health network focuses on pre-shut risk assessments with selected contractors. This process has led to the elimination of fatalities and life-altering injuries during our shuts and large projects in recent years.

We also support our contractors to manage safety and health risks and align with Mondi's requirements. This also includes driving awareness for our SPoR approach when working at our sites.

Caring about health and wellbeing

We promote occupational health programmes and support mental wellbeing initiatives tailored to local needs. In 2024, Mondi Jackson (USA) organised voluntary workshops on retirement savings for employees to address concerns expressed. As of 2024, all employees had access to the EAP or an EAP-equivalent offer, providing support for professional or personal matters as needed.

What's next in Created by Empowered People?

- Continue to foster belonging through Employee Resource Group activities.
- Operationalise our action plans from the 2024 'Safe to Speak Up' pulse survey to foster a culture of transparency and continuous learning.
- Advance efforts to ensure our hiring practices contain no bias and invest in our internal talent pipeline through accelerated development programmes for diverse talent.
- Address our high-risk activities, including working with moving and rotating equipment, as well as workplace transportation.
- Continue our focus on large projects and annual maintenance shuts and maintain our engagement with our contractors.

Taking Action on Climate

Climate resilience through our forests and operations for the future of the planet

M Material topics

- Biodiversity and fibre sourcing
- Climate change adaptation
- Climate change mitigation
- Energy
- Water

Our approach

The climate crisis is the most pressing global challenge of our time, requiring businesses to adopt proactive strategies that address both immediate and long-term risks. At Mondi, we recognise the need for bold action to contribute to the rapid and substantial reduction in greenhouse gas (GHG) emissions needed to limit global warming to 1.5°C.

Our climate action is designed to address the interconnected challenges of climate change, deforestation, water scarcity and biodiversity loss. These issues are deeply intertwined, and tackling them holistically is central to our MAP2030 commitments. We are focused on reducing GHG emissions, improving the resilience of forests, and managing our impacts on biodiversity and freshwater ecosystems.

As part of our commitments to climate action, we are driving the transition to a low-carbon economy. In 2022, we were one of the first companies in the packaging and paper industry with approved science-based Net-Zero targets.

These ambitious targets address GHG emissions across both our operations and supply chain and are aligned with the reductions required to limit the global temperature rise to 1.5°C.

Achieving these targets requires ongoing investment. We are prioritising energy and process efficiency improvements at our operations, as well as increasing the use of renewable energy sources. These efforts are critical to reduce our carbon footprint while ensuring our operations remain resilient and efficient.

As a business reliant on responsibly sourced wood fibre, maintaining zero deforestation across our forestry operations and supply chain is fundamental to our success. Forests contribute to mitigating climate change by storing carbon above and below ground, as well as enabling a low carbon bioeconomy. We are committed to maintaining responsible wood sourcing throughout our supply chain.

Water and biodiversity are equally important topics to our climate action. We are committed to managing our impacts and dependencies on water resources, promoting their efficient use and protecting biodiversity to maintain the resilience of ecosystems.

By taking a holistic approach to climate action, we strive to protect natural resources, while strengthening our operational resilience and enhancing long-term value for our stakeholders.

TCFD
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Mondi Action Plan 2030 continued
Taking Action on Climate continued

Commitment: Reduce our greenhouse gas emissions in line with science-based Net-Zero targets

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
Reduce our Scope 1 and 2 GHG emissions by 46.2% by 2030 from a 2019 baseline	● (green)	● (green)	Absolute Scope 1 and 2 emissions decreased by 31% compared with our 2019 baseline, and by 11% since last year, mainly due to projects in Richards Bay, Merebank (both South Africa), Štětí (Czech Republic) and the purchase of green electricity in several operations.
Reduce Scope 3 GHG emissions by 27.5% by 2030 from a 2019 baseline	● (green)	● (yellow)	Absolute Scope 3 emissions decreased 15% compared with our 2019 baseline, and increased by 8% since last year, primarily due to more purchased goods as a result of higher production volumes.
Reduce Scope 1, 2 and 3 emissions by 90% by 2050 from a 2019 baseline	● (green)	● (green)	Total Scope 1, 2 and 3 emissions decreased by 22% compared with our 2019 baseline and by 1% since last year.

Our science-based Net-Zero targets underline our long-term commitment to climate action. We are working to phase out fossil fuels and improve our operational performance, while reducing GHG emissions in our own operations and across the supply chain.

Our Net-Zero targets cover GHG emissions from our operations and supply chain across Scope 1, 2 and 3.

SASB

Reducing our own GHG emissions

Our Scope 1 GHG emissions occur mainly through the combustion of fuels to generate energy for our manufacturing processes. Our Scope 2 GHG emissions relate to purchased energy.

In 2024, we reduced our Scope 1 and 2 GHG emissions by 31% compared with our 2019 baseline. We remain committed to achieving our Net-Zero GHG emissions reduction targets, through energy efficiency projects and investment in high-quality modernisation projects throughout our sites. We anticipate that these measures will drive operational excellence, improve our cost competitiveness and enhance our carbon footprint as a Group.

31%

reduction of absolute Scope 1 and 2 GHG emissions compared with our 2019 baseline

Changing our energy mix and optimising our manufacturing

We combine strategic energy-related investments with good management practices and knowledge sharing across our operations. We also stay up to date on energy technology trends for fuel diversification and to keep our energy portfolio future-fit.

We invest in optimising energy and process efficiencies and replacing fossil fuel-based energy with renewable sources. In 2024, our share of renewable energy increased to 79% (2023: 75%). Energy self-sufficiency can reduce costs, increase energy security and reduce GHG emissions.

Since 2019 we have invested and approved around €500 million of energy and process efficiency projects, including a new recovery boiler and biomass boiler in Richards Bay (South Africa) and a modernisation project at Dynäs (Sweden).

79%

energy from renewable sources

Tackling supply chain GHG emissions

Most of our Scope 3 GHG emissions result from purchased goods and services, fuel and energy-related activities, as well as upstream and downstream transportation. We focus on raw materials and fuel suppliers to engage on GHG emissions reduction targets and Net-Zero transition plans. We also engage with logistics partners on replacing carbon-intensive practices and materials. We also aim to increase primary data on GHG emissions from our suppliers to improve the quality and accuracy of our Scope 3 GHG emissions reporting.

In 2024, we engaged on decarbonisation topics with strategic raw material suppliers, who significantly contribute to our Scope 3 category 'Purchased goods and services'.

Our Scope 3 GHG emissions were estimated to represent 59% of our total GHG emissions in 2024.

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SASB

Group GHG emissions[1]

million tonnes CO_2e	2024	2023	% change 2023 – 2024	2019 baseline	Milestones and target years: 2030	2050	% change 2019 – 2024
Scope 1	1.54	1.75	(12)%	2.02			(24)%
Scope 2	0.32	0.35	(9)%	0.68			(53)%
Total Scope 1 and Scope 2	**1.86**	**2.10**	**(11)%**	**2.70**	**(46.2)%**		**(31)%**
Scope 3	2.72	2.53	8%	3.19	(27.5)%		(15)%
Total GHG emissions	**4.58**	**4.63**	**(1)%**	**5.90**		**(90)%**	**(22)%**

1 The update of our baseline to include disposals and acquisitions is ongoing. With improved granularity of Scope 3 data, additional Scope 3 emissions have been quantified as part of this ongoing update. To enable comparability of our current and past year performance the updated Scope 1, 2 and 3 emissions will be disclosed once the new baseline figures have been validated by SBTi.

Note: We report our GHG emissions according to the Greenhouse Gas Protocol, published by the WBCSD and the WRI, and have reported our Scope 1 and 2 GHG data in compliance with ISO 14064:1-2006. ERM CVS has assured, to a reasonable level of assurance, our 2024 absolute Scope 1 and absolute Scope 2 GHG emissions data, in accordance with ISO 14064-3.

Group energy consumption and GHG emissions[2]

	2024		2023	
	Mondi Group	UK operations[3]	Mondi Group	UK operations[3]
Total energy use (billion kWh)	**27.97**	**–**	**27.15**	**–**
Energy purchased (billion kWh)	**1.47**	**–**	**1.58**	**–**
Scope 1 emissions (million tonnes CO_2e)	1.54	–	1.75	–
Scope 2 emissions (million tonnes CO_2e)	0.32	–	0.35	–
Scope 3 emissions (million tonnes CO_2e)	2.72	–	2.53	–
Total GHG emissions (million tonnes CO_2e)	**4.58**	**–**	**4.63**	**–**
Specific GHG emissions (tonnes CO_2e per tonne of saleable production)[4]	**0.36**	**–**	**0.43**	**–**

2 This table fulfils the Group's Streamlined Energy and Carbon Reporting (SECR) disclosure requirements.

3 The Group did not own or operate any production sites in the UK in 2023 and 2024.

4 Specific GHG emissions are calculated based on Group total Scope 1 and Scope 2 GHG emissions divided per tonne of saleable production of pulp and paper mills.

Note: In previous years, disclosed GHG emissions and energy consumption figures have been primarily based on the Group's pulp and paper mills. In this report, we disclose total figures for the Group. Therefore, 2023 and 2019 baseline figures have been restated and presented as Group figures.

Driving energy resilience and efficiency

Our operational excellence teams are key contributors to our Net-Zero pathway. A great example comes from Mondi Richards Bay (South Africa). Over the last four years, the local team adopted a new approach to energy savings and a broad range of initiatives were executed, resulting in a 7% improvement in energy efficiency.

The team has executed 14 energy efficiency projects over two years and integrated further energy efficiency improvements into its energy projects portfolio. It also participated in the Group's Energy Efficiency programme, conducted via the best practice ISO 50001 framework.

By the end of 2023, the mill achieved ISO 50001 certification in half the target time.

Read more on our website
www.mondigroup.com/news-and-insight/

Mondi Action Plan 2030 continued
Taking Action on Climate continued

Commitment: Maintain zero deforestation in our wood supply, sourcing from resilient forests

SASB

Target	Performance against baseline 2023	2024	This year at a glance
Maintain 100% FSC™ certification in our own forestry landholdings	●	●	We have maintained all certifications in our South African forestry landholdings.
Procure 100% responsibly sourced fibre with 75% FSC- or PEFC-certified fibre procured by 2025 and the remainder meeting the FSC Controlled Wood standard	●	●	100% of our fibre was responsibly sourced, with 76% of wood FSC or PEFC certified, and the remainder FSC Controlled Wood.
Implement leading forestry measures to ensure productive and resilient forests	●	●	Continued to implement best management practices in our plantation forests to support improved growth and minimise disturbances.

Forests play an essential role in a circular bioeconomy as a source of low-carbon, renewable, recyclable and compostable material.

Wood fibre is our most important raw material for producing our packaging and paper solutions. We take a science-based approach to active forest management. Increasing the use of wood-based products that are responsibly sourced can help to mitigate the climate crisis and secure long-term benefits for society.

The cost and availability of raw materials, including wood, is one of our Group's principal risks. There are several factors which may affect wood supply, such as increasing competition for wood, driven by demand for renewable raw materials and for renewable energy generation, as well as growing restrictions related to biodiversity conservation and climate change mitigation.

We promote a cascading use of wood approach, which promotes leveraging the full value of fibre, successively recycling fibre for products with shorter lifespans before it is finally burned for green energy generation.

Principal risks
Page 60-69

Secure wood fibre sourcing

Our total wood consumption in 2024 was 15.2 million m^3 (2023: 12.8 million m^3). Most of our mill operations are located in Europe, where we source wood fibre from external sources. More than 90% of our wood fibre is procured from the countries where our pulp and paper mills are located, offering multiple benefits including more resilience and transparency in our supply chain with lower risks and shorter transportation distances, which in turn offer cost advantages and lower GHG emissions.

In South Africa, where we manage forestry landholdings, we are developing best practice silviculture and other forestry management measures to promote tree growth and resilience.

Responsible forest management

We support the development of resilient forest landscapes by scaling forest certification development. International forest certification schemes, such as the Programme for the Endorsement of Forest Certification (PEFC) and Forest Stewardship Council (FSC),[1] play an important role in promoting responsible practices and increasing availability of sustainable fibre sources.

In 2024, 100% of our fibre was responsibly sourced, with 76% FSC- or PEFC-certified, and the remainder meeting the FSC Controlled Wood standard (2023: 75%). We also successfully integrated our new operations in Canada and our Hinton mill passed recertification audits against the PEFC and FSC Chain-of-Custody standards.

Supporting suppliers

Working in close collaboration with our suppliers and using regionally sourced wood fibre and biomass, we aim to ensure a steady supply chain.

Our most vulnerable suppliers are forestry smallholders, who require support to meet certification requirements and sell certified goods. We have made significant progress in our work with small timber growers in South Africa through our Group Scheme certification in recent years.

Impact of industry regulation

Our sector faces increasing regulatory requirements with the new EU Regulation on Deforestation-free Products (EUDR), which aims to reduce the EU's impact on global deforestation and forest degradation. We are committed and well-positioned to meet these requirements for compliance by the end of 2025. We are updating our existing due diligence processes and IT systems, as well as actively engaging with our suppliers and customers to ensure we will meet all regulatory requirements.

We actively engaged with industry associations, such as Cepi and FEFCO, on EUDR implementation. We also promote resilience in European forests through our TEAMING UP 4 FORESTS science-business partnership with the International Union of Forest Research Organizations (IUFRO). We believe scientific research is crucial to inform effective policies and forestry management best practice, considering the long-term planning horizons in forestry.

100%

wood fibre responsibly sourced, with 76% FSC- or PEFC-certified

ESRS & Performance index
www.mondigroup.com/esrsperformance24

Procurement
Page 47-49

1 The license number of Mondi Paper Sales GmbH – Fibre Packaging/Paper is FSC-C012179 and Mondi Paper Sales – Uncoated Fine Paper is FSC – C015522.

Commitment: Safeguard biodiversity and water resources in our operations and beyond

Target	Performance against baseline 2023	2024	This year at a glance
Conduct water stewardship assessments at our mills and forestry operations by 2025, and implement required actions to address the findings by 2030	●	●	We have completed assessments for 92% of our mills and forestry operations, up from 54% in 2023.
Conduct biodiversity assessments at our mills and forestry operations, introducing biodiversity action plans where necessary by 2025	●	●	We have developed action plans for 92% of our mills and forestry operations, up from 54% in 2023.

We focus on managing our impacts and dependencies on water resources and biodiversity to support ecosystem resilience and promote the sustainable and efficient use of natural resources.

Within our MAP2030 framework, we have a holistic approach to climate action and conserving natural resources. In our pulp and paper mills, the main impacts on nature and water relate to withdrawal from and discharge to freshwater ecosystems. In our plantation forests, the main nature- and water-related risks and impacts are biodiversity loss and reduced water quality and availability for our own forestry operations and other land users.

Managing our biodiversity impacts

We have conducted biodiversity status reviews for all our pulp and paper mills and forestry operations, evaluating our potential impacts on biodiversity. We have developed biodiversity action plans for 92% of our mills and forestry operations. The plans include strategic investments, collaboration with other businesses, scientific organisations and NGOs, as well as environmental community projects. We have also identified important biodiversity sites within a 5km buffer zone and evaluated the potential impacts on these. So far, no negative impacts have been identified.

GRI Biodiversity disclosure
www.mondigroup.com/gribio24

Our water stewardship approach

At our mills, we manage water cycles and maintain the resilience of freshwater ecosystems, with location-specific considerations in mind. Our Group Water Stewardship Standard, developed in collaboration with WWF and the Alliance for Water Stewardship, lists the requirements related to our water stewardship policy, plans and strategy and outlines the framework for our water stewardship assessments. In our South African forestry operations, we monitor the state of wetlands using a sample-based approach and conduct freshwater monitoring assessments in relevant river ecosystems.

Working in partnership for nature

Through our collaboration with NGOs and scientific institutions, we aim to improve our understanding of robust approaches to ecosystem stewardship, biodiversity and natural capital management. Our 2024 actions included:

- As a member of WBCSD's Forest Solutions Group, we contributed to the development of the Forest and Nature Metrics tool, which provides a set of prioritised metrics most relevant and practical for measuring and reporting on the impacts of sustainable forest management.
- WWF South Africa and Mondi South Africa extended their WWF-MWSP partnership for another three years. The partnership will continue to focus on water and explore other areas such as circular economy, land and biodiversity stewardship, and climate resilience in the wider Richards Bay area.
- As part of Mondi South Africa's three-year partnership with the Endangered Wildlife Trust, which aims to map biodiversity footprints in our South African forestry operations, we identified a list of relevant species and continued to explore accounting methods for biodiversity impacts.

ESRS & Performance index
www.mondigroup.com/esrsperformance24

What's next in Taking Action on Climate?

- Continue to improve operational performance and reduce our GHG emissions in line with our Net-Zero targets.
- Continue to engage with our key suppliers to reduce our Scope 3 GHG emissions, with a focus on purchased goods and services.
- Continue updating and pilot-testing our systems to comply with the EU Regulation on Deforestation-free Products.
- Review status of biodiversity and water stewardship assessments ahead of our 2025 milestone.

Mondi Action Plan 2030 continued
Responsible Business Practices

BUILT ON
RESPONSIBLE
BUSINESS PRACTICES

Underpinning our MAP2030 commitments

M Material topics

- Biodiversity and fibre sourcing
- Business conduct
- Circular economy
- Water
- Working conditions and human rights

Our responsible business practices encompass environmental performance, human rights, community and responsible procurement. Each area has its own commitments and targets to guide our actions.

Environmental performance

Commitment: We continually work on improving the environmental performance of our operations to minimise environmental impacts

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
Reduce specific contact water consumption by 10% by 2030 from a 2020 baseline	On track	On track	Specific contact water consumption reduced by 4% compared with our 2020 baseline and remained at the same level as last year.
Reduce specific effluent load (measure COD) by 15% by 2030 from a 2020 baseline	Behind target	On track	Specific COD emissions decreased by 12% compared with our 2020 baseline, and decreased by 13% since last year, due to efficiency improvement in wastewater treatment plants in Richards Bay (South Africa) and Dynäs (Sweden).
Reduce specific NOx emissions from our pulp and paper mills by 10% by 2030 from a 2020 baseline	On track	On track	Specific NOx emissions decreased by 14% compared with our 2020 baseline, and were 4% lower than last year. This is mainly due to projects in Ružomberok (Slovakia) and Štětí (Czech Republic).
Reduce specific waste to landfill by 30% by 2030 from a 2020 baseline	On track	On track	Specific waste to landfill decreased by 46% compared with our 2020 baseline and 4% since last year, mainly due to projects in Richards Bay (South Africa), Kuopio (Finland) and Dynäs (Sweden).
100% of our operations will be certified according to globally accepted environmental standards equivalent to ISO 14001 by 2025	On track	On track	100% of our pulp and paper mills and 78% of our converting operations are ISO 14001 certified. The Group certification figure increased from 79% in 2023 to 81% in 2024.

2024 performance key Completed · On track · Behind target · Not on track

Human rights

Commitment: Strengthen governance systems to prevent human rights violations and remedy any adverse impacts

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
Develop the due diligence and risk assessment methodology and guidance with the support of the Danish Institute for Human Rights (DIHR) by the end of 2021	✓	✓	We completed this target in 2021 and have initiated a review of the methodology against new legislative requirements on due diligence.
100% of operations with a completed Human Rights Due Diligence and risk assessment and action plan in place to address findings by 2025	●	●	We are on track with the implementation of our due diligence roadmap, which was developed based on the findings from our initial human rights risk assessment completed by all operations in 2023.
100% of operations to have addressed their human rights impacts (investigate, prevent future occurrences and remedy adverse impacts) by 2030	●	●	No adverse impacts were identified in our operations. To further mitigate our human rights risks, we will continue to work on the areas defined.

Communities

Commitment: Maintain social investments in our communities to support sustainable development aligned with local needs

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
Report on our total social investment annually	●	●	In 2024, we spent €6.7 million on social investments (2023: €7.3 million).

Procurement

Commitment: We mitigate risks and create greater transparency in our supply chains through our Responsible Procurement process

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
We will minimise the supplier risk ratio* year-on-year	●	●	In 2024, we have scaled up the number of supplier sites screened from 460 to 2,436. The supplier risk ratio remained at 1%, with 32 supplier sites classified as high risk at year end.

Commitment: Ensure that all our wood fibre (round wood, wood chips and market pulp) is sourced solely from credible wood sources

Target	Performance against baseline 2023	Performance against baseline 2024	This year at a glance
Maintain 100% of wood fibre compliant with credible standards (FSC, PEFC, or Controlled Wood)	●	●	Achieved in 2024. 100% of our fibre was responsibly sourced, with 76% FSC or PEFC certified, and the remainder meeting the FSC Controlled Wood standard.
For high risk countries, maintain 100% FSC-certified fibre sourcing or implement additional risk mitigation measures	●	●	This target was achieved in 2024, as no wood from high-risk countries was imported.
100% PEFC- or FSC-certified market pulp	●	●	94% of market pulp procured in 2024 was PEFC or FSC certified, with the remainder procured from low risk countries as FSC Controlled Wood, in line with our minimum standard. Changes in certification status of forests in our sourcing areas in Europe impacted the availability of FSC-certified pulp in 2024 and resulted in us not reaching 100% for the year.
100% PEFC or FSC Chain-of-Custody certification for our pulp and paper mills	●	●	Achieved in 2024 for all operating pulp and paper mills. Our paper mill in Duino (Italy), which is not yet operational and had no production in 2024, will be certified in early 2025.
We will continue to work with certification bodies to ensure credibility of the certification and controlled wood systems	●	●	In 2024, we engaged with PEFC and FSC at relevant forums, with a particular focus on implications of emerging EU regulations, including the EU Regulation on Deforestation-free Products (EUDR) and the EU Renewable Energy Directive (EU RED).

* Total number of residual high-risk suppliers divided by the total number of suppliers screened.

Mondi Action Plan 2030 continued

Responsible Business Practices continued

Environmental performance

We aim to use resources wisely and continuously improve the environmental performance of our operations to mitigate potential negative impacts on nature and local communities.

We work to improve our operational efficiencies, maintain quality standards, enhance our long-standing relationships with our suppliers and partners, increase operational excellence, and maintain our position as a recognised leader in sustainability.

We comply with applicable laws, regulations and permit requirements, but go beyond legal compliance through our ambitious MAP2030 environmental targets for water, air emissions and waste. We identify potential impacts and take mitigation measures to reduce the risk of negative impact on the environment.

Water

Water scarcity and decreasing groundwater levels are among the most serious risks facing society. Water is a vital resource for our production processes and supply chain; we aim to reduce water consumption and increase water recycling in our operations.

We focus on managing water resources in an efficient and sustainable way, and investing in our water infrastructure, in particular in regions with high water-related risks. Our approach includes:

- assessing and managing our water-related risks;
- reducing water consumption, e.g. by investing in water recycling in our mills;
- investing in best available techniques to treat our waste water and minimise emissions; and
- developing partnerships with other water users to manage water-related risks across entire catchments.

In 2024, we conducted water stewardship assessments at our pulp and paper mills in Austria, Finland and Sweden.

We used 218.4 million m^3 of water in our operations and discharged 90% back to the aquatic environment after treatment in 2024.

Each operation is responsible for taking action to reduce its water footprint and mitigating water-related risks. The operations regularly review flood prevention plans, collaborate with local governments and hydropower energy providers, and invest in flood protection solutions where necessary.

In our wastewater treatment facilities, we treat process water before returning it back to the aquatic environment. We regularly monitor the emissions of wastewater contamination, including chemical oxygen demand (COD) and adsorbable organic halogen compounds (AOX), as well as phosphorous and nitrogen compounds.

90%

water released back to the aquatic environment after treatment

Air emissions

Our main source of air emissions is the on-site energy generation in our recovery, bark and auxiliary boilers, as well as our lime kilns in our pulp and paper mills. By modernising our energy facilities, including up-to-date combustion modification technologies (such as low NOx burners), and implementing flue gas abatement techniques, we have reduced NOx emissions per unit of energy at our mills in Ružomberok (Slovakia) and Štětí (Czech Republic) in 2024.

The air emissions of our plants are strictly monitored in accordance with regulations. We regularly monitor SO_2, NOx, total reduced sulphur (TRS) and dust emissions, and we calculate our CO_2 emissions based on fuel consumption, the use of chemicals, the emissions of ozone depleting substances and the methane emissions from our landfills. We strictly adhere to permitted limits.

Waste

We aim to use resources efficiently , reduce our waste disposal and increase the circularity of material flows. If we are unable to turn production waste into valuable secondary raw materials, we focus on reducing waste to landfill by exploring other methods of treatment and/or disposal.

We mainly landfill non-hazardous, inorganic waste streams, such as ashes, green liquor dregs, and lime mud. Incorrect waste management may lead to environmental impacts and can incur treatment and disposal costs, regulatory penalties and damage to our reputation.

SASB

In 2024, we generated around 0.9 million tonnes of waste, of which 73% was brought back into value creation processes. 66,358 tonnes of waste were sent to landfill (2023: 65,213 tonnes). We sent 814 tonnes of hazardous waste to landfill in 2024, accounting for only 1% of our total landfill waste (2023: 1%).

ESRS & Performance index
www.mondigroup.com/esrsperformance24

Human rights

We respect and support internationally proclaimed human rights in our own operations and across our supply chain. Working conditions and human rights are material topics for Mondi. While we consider all human rights as important, we focus on the most significant topics for our operations: fair working conditions, freedom of association and collective bargaining, land rights and safeguarding our environment. We also pay specific attention to measures preventing modern slavery and child labour.

Our Human Rights Due Diligence is a continuous management process that enables us to identify and assess risks, define action plans and ensure appropriate management controls are in place.

Our commitment to human rights as part of our MAP2030 framework is to strengthen our governance systems to prevent human rights violations and remedy any adverse impacts. We have clear targets and are on track with the implementation of our human rights roadmap, developed based on the findings of our risk assessment. In 2024, we did not identify any significant changes in Mondi's risk areas, and no adverse human rights impacts or incidents were reported in our operations.

We have continued our human rights awareness raising campaign in 2024 with training sessions to develop a general understanding of our human rights focus areas and actions needed to address risks and potential impacts.

Our anonymous whistleblowing and grievance platform, SpeakOut, is available to the public and employees alike. In 2024, we had 120 reports (2023: 90), raising topics including work-related harassment, unfair treatment, labour rights, safety, health and environment matters and business integrity.

Communities

We engage with our local stakeholders through a variety of methods, which help us to understand the needs of our communities and how we impact them. We then use our findings and insights to take action.

We have a commitment and target as part of our MAP2030 framework to report on our social investment every year. Our social investments are guided by core principles of sustainable development, including the United Nations Sustainable Development Goals, national and local development priorities, MAP2030 and our own business objectives. Our total social investments in 2024 were €6.7 million (2023: €7.3 million), including monetary and in-kind contributions, as well as employees sharing their skills, time and networks. Our social investment areas include education, employment and enterprise support, environmental protection, health and wellbeing, as well as infrastructure and community development.

Local engagement plans are developed by our operations. In South Africa, Community Engagement Plans are a key part of our stakeholder engagement approach and are crucial to improving community relations and operational sustainability. In 2024, we focused on understanding progress on initiatives arising from concerns and inputs provided by stakeholders in previous Stakeholder Engagement Conversations. Our findings showed that local operations have implemented defined measures and are strengthening their engagement. We have gained valuable insights and the feedback is helping to improve our relationship with local stakeholders.

Procurement

An essential part of our responsible business practices is continuously improving transparency and sustainability in our supply chain through our responsible procurement. Working in collaboration with our suppliers, we aim to minimise supply chain risk and enhance our suppliers' own sustainability practices. We have clear responsible procurement commitments and targets as part of our MAP2030 framework.

In 2024, our global supply chain included around 11,000 suppliers in 72 countries. We procured €6.2 billion in goods and services from these suppliers (2023: €6.2 billion), with 58% sourced locally (2023: 57%).

We coordinate global fibre procurement through a dedicated fibre sourcing team, using our Due Diligence Management System to stipulate that we purchase all our wood fibre from responsible sources in line with our commitment to zero deforestation. In 2024, 100% of our wood fibre was compliant with credible standards (FSC, PEFC or controlled wood).

Our Central Procurement function manages the sourcing and leads our processes for all other materials and services. We identify sustainability risks and assess supplier performance through our Responsible Procurement process. In 2024, we have scaled up our Responsible Procurement process from 460 supplier sites screened in the 2023 pilot, to 2,436 supplier sites, focusing on the highest risk categories. From these screened supplier sites, we identified 250 suppliers with potential high sustainability risk and followed up with in-depth sustainability risk assessments. We were able to address concerns related to 129 of these suppliers based on their sustainability performance, and 89 suppliers were either in progress of conducting the assessment or have corrective action plans defined. Out of the 2,436 suppliers screened, 32 did not engage in our risk assessment or corrective actions and are therefore considered potential high risk (1%).

2,436

supplier sites screened for sustainability risks in 2024

Business conduct

As a global company, the way we conduct business and uphold our values impacts our stakeholders and our business success. Through our policies, procedures and regular training, we strive to meet legal requirements, maintain high business standards and provide clear guidance on the behaviour we expect from our employees when they interact with others.

Our Group Code of Business Ethics sets out five fundamental ethical principles (legal compliance; honesty and integrity; human rights; stakeholders; and sustainability), which are relevant for anyone performing services and/or acting on our behalf. The applications are detailed in Mondi's policies and procedures.

Read more on our policies and procedures
www.mondigroup.com

Prevention and detection of corruption and bribery

We have zero tolerance for corruption and bribery. Our Business Integrity Policy details our values and defines unacceptable business practices, including bribery and corruption. Suspected cases of corruption and bribery are monitored and reported through line management reporting, as well as through our anonymous whistleblowing and grievance platform, SpeakOut.

Employees that are regularly in contact with business counterparts must complete mandatory online business integrity training each year. The training covers topics including the definition of corruption and our policies and procedures helping to identify potential cases.

Read more in the Sustainable Development report 2024
www.mondigroup.com/sd24

Stakeholder engagement and Section 172

How stakeholder considerations shape decision-making

Effective stakeholder engagement helps us to understand our operational context better, including our actual and potential impacts on people and environment. We aim to act transparently and involve stakeholders across the value chain in planning, decision-making and project execution. We promote ongoing communication, listening and collaboration to manage expectations and address concerns.

Our employees

Key topics raised and our response

Key themes this year focused on feedback, an inclusive and safe workplace, recruiting more women and opportunities for focused development. We remained committed to attracting and developing talent through tailored programmes. In total 566,333 hours of training were completed by employees and contractors. We continued our efforts to foster an open and inclusive culture through the Curious Community and Employee Resource Groups. All employees have access to our Employee Assistance Programme or equivalent. We have been working on promoting psychological safety and reinforcing a culture of listening and caring. As part of this, we conducted a pulse survey on speaking up in 2024, which had a 78% participation rate. This high level of engagement provides us with a representative sample and enables us to take meaningful action across the organisation. Safety continued to be a cornerstone of our efforts. We continued our focus on Social Psychology of Risk and trained around 400 leaders.

Our customers

Key topics raised and our response

Our ongoing customer engagement covers a wide range of topics, from innovative solutions for recyclable or compostable products designed for a circular economy, to legislative developments, such as the Packaging and Packaging Waste Regulation or the EU Deforestation legislation, automation services and our annual Trend Report for eCommerce, product quality, closed loop sourcing, carbon emissions and life cycle-based assessments. In 2024, we assessed product impacts for 1,776 products and calculated 224 product carbon footprints. Together with Amazon, we developed an innovative padded mailer eCommerce solution, which received multiple awards. We hosted two customer events at Mondi Simet and Mondi Warsaw (Poland) focused on the need for innovative and sustainable packaging solutions. We continued our customer collaboration to develop solutions to meet customers' sustainability goals and maintained our ongoing collaborations with multi-stakeholder initiatives, such as 4evergreen, CEFLEX and the Ellen MacArthur Foundation.

Our suppliers and contractors

Key topics raised and our response

Responsible procurement, quality management and fair and transparent tender processes are key topics for our supplier engagement. We focus on the sustainability performance of suppliers and contractors and support them via continuous capacity building. In 2024, we scaled up our Responsible Procurement process and screened 2,436 supplier sites, focusing on the highest-risk categories. 250 suppliers with potential high sustainability risk were followed up with in-depth risk assessment. At year end, 32 supplier sites (1% of suppliers screened) were classified as high risk. We are working closely with local procurement teams to mitigate residual risk; potential actions include revisiting contractual agreements, document checks, audits and switching to alternative suppliers.
The safety of our contractors remained a priority, particularly during maintenance shuts. We continued to engage with our contractors and conducted pre-shut sessions with the most significant agreeing on safe methods of work for the high-risk tasks. No life-altering injuries happened during annual maintenance shuts in 2024.

Section 172 statement

Mondi's Board of Directors act to promote the long term success of the company in a way that considers relationships with our key stakeholders, their interests, the consequences of our decisions and the impact of our business on the wider world. Pages 50-51 of the strategic report identify these key stakeholder groups and, along with pages 82-85, provide examples of how we have engaged with customers, employees and investors during the year. This disclosure illustrates how the directors have fulfilled their duties under Section 172 of the Companies Act 2006.

Our communities

Key topics raised and our response

Mondi's investments are targeted to the needs of its local communities, supporting health, environmental protection, education, local enterprise and infrastructure. We use a variety of methods to have effective local stakeholder engagement. Examples include Stakeholder and Community Engagement Plans, Stakeholder Engagement Conversations and grievance mechanisms. In 2024, our social investments were €6.7 million. Examples comprise supporting five Caritas Lerncafés that are located close to our operations in Austria, where children receive free learning support.

In Ružomberok (Slovakia) the Guardian Angel project combines stopping unsafe behaviour with donations to local people in need. Mondi Świecie (Poland) supports many cultural events in its local region and Mondi Štětí (Czech Republic) celebrated its 75th anniversary with the community, planting trees and hosting an ecological programme for children as part of its EcoDays. Mondi Zimele in South Africa continues to support livelihoods by helping to develop local businesses through various programmes.

Our investors

Key topics raised and our response

Regular meetings were held with shareholders, debt and equity investors and analysts, with key topics raised relating to the Group's performance, strategy, capital allocation, expansionary capital investment projects, returns and approach to sustainability. Engagement was primarily through General Meetings, one-on-one meetings, investor roadshows and conferences. In January 2024, the Group held a General Meeting for shareholders to approve and authorise the payment of a €1.60 per share special dividend (totalling €769 million) and associated share consolidation from the net proceeds received in 2023 from the disposal of the Group's Russian operations. In May 2024 the Group hosted its Annual General Meeting, when, amongst other resolutions, shareholders approved the final ordinary dividend for 2023. This, together with the interim dividend, resulted in a total ordinary dividend for the year of 70.0 euro cents per share. We also engage with our banking syndicate and debt ratings agencies. We held a fixed income investor roadshow prior to the issuance of a €500 million Eurobond in May 2024.

Our partners and industry associations

Key topics raised and our response

Our partnerships aim to promote solutions for climate change, biodiversity and water stewardship, responsible sourcing and circular economy. We announced a new collaboration with traceless to develop bio-based coatings for paper products, replacing plastic coatings. We are also working together with EUROSAC and Cepi Eurokraft to scale the 'Paper Sacks Go Circular' initiative across Europe.

We renewed our partnership agreement with the World Food Programme for another three years. We completed the first phase of our TEAMING UP 4 FORESTS partnership with IUFRO and presented a joint study on future wood supply in Europe at COP29. Mondi South Africa and WWF South Africa extended their partnership agreement for another three years.

We engaged with our industry associations like FEFCO, CEFLEX, and Cepi on evolving legislation. As part of EUROPEN committees, we engaged on the harmonisation of EU rules and the Packaging and Packaging Waste Regulation. We remained an active 4evergreen member contributing to its deliverables and steering group.

Task Force on Climate-related Financial Disclosures (TCFD)

Our climate-related financial disclosures

We are committed to continuing to reduce carbon emissions across our operations.

Our TCFD journey

Our ambitious targets have steered our progress over a number of years and established a platform for our future investments. As we advance our transition to a circular economy, we remain committed to further reducing our emissions.

We recognise that the impact of climate change gives rise to physical and transition risks. We also recognise clear opportunities for our business to drive value accretive growth with sustainability at the centre of our strategy.

At Mondi, we are aiming to reduce our emissions in line with a 1.5°C scenario by committing to achieve Net-Zero greenhouse gas (GHG) emissions reduction targets by 2050. In 2022, the Science Based Targets initiative (SBTi) approved our near- and long-term Net-Zero GHG targets.

We report on our progress against these targets in line with guidance from the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD).

The Group's focus remains on risk management and mitigation of our climate change-related risks and maximising our opportunities.

Consistency statement
In line with the UK Listing Rules, we confirm that the disclosures included in the Integrated report and financial statements 2024 are consistent with the four TCFD recommendations and 11 recommended disclosures in the all-sector guidance. The table on this page contains the relevant disclosure locations.

TCFD recommendations and recommended disclosures	Disclosure location	Further information
Governance		
a) Describe the Board's oversight of climate-related risks and opportunities	Page 53	**Corporate governance report** Page 80-110
b) Describe management's role in assessing and managing climate-related risks and opportunities	Page 53	**Taking Action on Climate** Page 41-45
Strategy		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	Page 54-57	**Principal risks** Page 60-69
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Page 54-55	**Our strategy** Page 14 **Taking Action on Climate** Page 41-45
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Page 54-55	**Our strategy** Page 14 **Taking Action on Climate** Page 41-45
Risk management		
a) Describe the organisation's processes for identifying and assessing climate-related risks	Page 58	**Principal risks** Page 60-69
b) Describe the organisation's processes for managing climate-related risks	Page 58	**Principal risks** Page 60-69
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Page 58	**Principal risks** Page 60-69
Metrics and targets		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Page 59	**Key performance indicators** Page 22-23 **Taking Action on Climate** Page 41-45 **Environmental performance** Page 46
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks	Page 42	**Taking Action on Climate** Page 41-45
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Page 43	**Taking Action on Climate** Page 41-45 **Remuneration report** Page 111-135

Governance

The Board

While the Board as a whole has responsibility for overseeing our approach to sustainability, the Sustainable Development Committee (SD Committee), on behalf of the Board, oversees and monitors our sustainable development policies, practices and progress against our MAP2030 commitments and targets. It provides guidance in relation to sustainability matters, including climate change-related issues, and reviews updates of the Group's framework of sustainability policies and strategies, taking into account global best practice. The Board considers the impact of climate change-related matters as part of its decision-making, including in relation to major capital expenditure, acquisitions and disposals.

The relevant Board committees

The SD Committee met seven times during 2024, with climate change-related matters discussed by the committee at the majority of these meetings. Every Board member normally attends each meeting of the SD Committee, even if they are not a member of the committee, providing context for Board discussions.

The Chair of the SD Committee also reports back to the Board after every meeting. Read our Board members' biographies for more information on their skills and experience, including in respect of sustainability-related matters, on pages 76-77.

Progress against our sustainability commitments and targets, outlined in MAP2030, was an integral part of the SD Committee's agenda throughout the year, with each of the key action areas reviewed and focus given not only to the current status of each commitment, but also to the actions being taken towards achieving these commitments.

Further details of our performance in this regard can be found on pages 41-45.

Alongside this, the SD Committee also spent time considering the climate change-related risks and opportunities facing the Group in the context of the TCFD recommendations.

Each risk and opportunity was reviewed, considering in particular the potential impact. This is an iterative process, with the quantification of the financial impact and the methodologies applied being refined where required, and that these reviews support the development of the committee's understanding of these risks and opportunities and provide context not only for Mondi's plans for addressing climate change, but also for its wider decision-making.

Our Sustainability Governance Framework

Consisting of management frameworks, including the Sustainable Development Management System, the Corporate Governance Code and other management systems, policies and standards

Mondi Board

Relevant Board committees

Chaired by independent non-executive directors

	SD Committee	Audit Committee	Remuneration Committee	Executive Committee
				Chaired by the Group CEO
Purpose	Oversees the Group's sustainability approach, policies, performance and commitments	Oversees the Group's corporate financial reporting, the internal control system, risk management and the relationship with the external auditor	Responsible for recommending overall remuneration policy and setting executive and senior management remuneration	Management responsibility for sustainability performance within operations guided by the SD Committee
Responsibilities	Responsible for the governance of sustainability matters including those related to environment, **climate change**, labour, diversity and inclusion, human rights, biodiversity and product stewardship Ensures alignment with global best practice	Oversees the Group's corporate financial reporting and the risk assessment process, including sustainability risks which form part of the Group's principal risks Monitors the effectiveness of the internal control systems, including the SpeakOut platform	Responsible for remuneration being appropriately aligned to our MAP2030 commitments	Ensures that business unit line management holds primary responsibility and accountability for sustainability performance

Group functions and expert networks

Provide expert insights and support to business on topics such as sustainable development, legal, human resources, communications, procurement and internal audit

Expert networks: Safety and occupational health; Social sustainability; Energy; Fire safety; Environment; Product stewardship; Kraft recovery boiler; and Wood supply

Business unit and operational level responsibilities

Task Force on Climate-related Financial Disclosures (TCFD) continued
Our climate-related financial disclosures continued

Governance continued

During 2024, the SD Committee also addressed a number of other key matters including safety performance and serious incidents, product stewardship, people development and diversity, environmental performance and climate change, nature and responsible wood sourcing, responsible procurement, stakeholder relationships and sustainable development governance and risks. Further details on the key matters considered by the SD Committee during the year can be found on page 110. Additional governance oversight is provided by the Audit Committee and Remuneration Committee. The Audit Committee oversees the Group's corporate financial reporting, annual planning process, internal control framework and risk assessment process, which includes climate change risks. Details on the key matters considered by the Audit Committee during the year can be found on page 101. The Board is considering any changes required to our approach to internal controls as a result of the revisions to the UK Corporate Governance Code, particularly in respect of non-financial information. More information can be found on page 100. The Remuneration Committee is responsible for ensuring that our incentive arrangements drive the appropriate behaviours that deliver our strategy, including the alignment of remuneration to performance against our MAP2030 focus areas. Details on the key matters considered by the Remuneration Committee during the year can be found on page 111-113.

The Executive Committee

The Executive Committee, chaired by the Group CEO, and operational management teams consisting of senior executives from across the Group monitor our approach to sustainability. The Executive Committee regularly reviews progress against our sustainability commitments and targets. In addition, all papers and updates prepared for the SD Committee, including those relating to climate change, are reviewed and discussed by the Executive Committee, prior to submission to the SD Committee, allowing the Executive Committee to develop its understanding and awareness of sustainability matters and to provide relevant input.

The Group Technical & Sustainability Director and the Group Head of Sustainable Development are responsible for coordinating actions related to the Group's climate change-related risks and opportunities and providing reports to the Executive Committee to enable it to discharge its responsibility.

Strategy

Sustainability is at the core of Mondi's strategy and values and we have a long-standing focus on reducing greenhouse gas emissions, which has been achieved through targeted investments to reduce our reliance on fossil fuels and a focus on improving energy efficiency across our operations.

We believe that we have the right strategy, including our climate transition plan to Net-Zero by 2050, to address the challenges and opportunities arising from climate change.

We recognise that there are many uncertainties around the potential impacts of climate change and continue to enhance the quality of our scenario modelling to further understand these impacts. We consider that, based on our current understanding, our strategy is resilient.

The Group's climate change-related risks and opportunities are routinely considered in our strategic and financial planning, our capital allocation decisions and our operational management. Climate change risks have been identified as one of our strategic principal risks and are reflected in our accounting policies and financial reporting.

Climate change in our financial statements

The impact of climate change is considered in the estimates of future cash flows used in the impairment assessment of goodwill and property, plant and equipment, as detailed on pages 167, 169-170 and 199. Climate change is, as detailed on page 170, included as a factor that impacts the conversion factor used in the assumptions for valuation of the Group's forestry assets and as a factor incorporated into the risk premium applied to mature and immature timber. Climate change was considered in the assessment of the fair value of assets and liabilities acquired in business combinations, as detailed on page 184-185.

The Group accounting policies reflect the impact of climate change considerations in relation to the assessment of the residual values and estimated useful economic lives of property, plant and equipment, as detailed on pages 198-199, and in relation to the accounting policy applied for the valuation of forestry assets and the assessment of goodwill for impairment.

Sustainability-linked financing

The Group's €750 million revolving multi-currency credit facility agreement (RCF) was increased to €1 billion on 2 January 2025. The margin on the facility is linked to a number of the Group's key MAP2030 sustainability targets, classifying it as a Sustainability-Linked Loan. Linking our access to capital to our sustainability performance reflects our commitment to meeting our strategic sustainability targets.

Capital investments

Energy-related investments can drive decarbonisation and enhance our asset base. Since 2019, we have invested in and approved around €500 million of energy and process efficiency projects, including a new recovery boiler and biomass boiler at Richards Bay (South Africa), and a modernisation project at Dynäs (Sweden). Our investments aim to optimise energy and process efficiency and replace fossil fuel-based energy with renewable sources. Our current commitments, outlined in MAP2030, build on the progress we have achieved so far and set ambitious near- and long-term Net-Zero targets into the future.

Our risks and opportunities

We identified six climate change-related risks and two climate change-related opportunities as financially material to our business.

We evaluate and report on our short- (up to three years), medium- (three to seven years) and long-term (more than seven years) climate-related transition and physical risks and opportunities, and the financial implications.

Transition risks may occur when moving towards a less polluting, low-carbon economy. Some sectors of the economy might face big shifts in asset values or higher costs of doing business. Climate change means we may face more frequent or severe weather events like flooding, droughts and storms.

The TCFD recommends applying widely used reference scenarios that are publicly available and peer reviewed. Our assessment of the financial implications of our climate change-related risks and opportunities was prepared considering 1.5°C, 2°C and business-as-usual (BAU) scenarios[1, 2, 3].

Physical risks and opportunities are considered more severe under the BAU scenario, as under this scenario, physical climate change-related events are more frequent and severe with an increased likelihood of impact on our business.

Under the 1.5°C and 2°C scenarios we still observe some impacts of physical climate risks. Our mitigation measures are designed to reduce the impact of these risks under the three presented scenarios.

In contrast to physical risks, transition risks and opportunities increase in likelihood under the 2°C scenario compared with BAU, with earlier policy action and a more aggressive transition, and are further amplified under the 1.5°C scenario. This is driven by an increase in stricter regulations around carbon and energy as well as the increased scrutiny of target achievements through increased market and customer pressure.

Given the nature of transition risks, the likelihood of occurrence is lower under the BAU scenario, as there is limited change projected to current regulation and litigation pressures.

During the year, we assessed our climate change-related risks and opportunities and have specified the estimated financial impact, outlining a potential reduction in operating profit for risks and a potential increase in operating profit for opportunities, as disclosed in the tables below and on pages 56-57, taking into consideration mitigation measures implemented by the Group. These risks and opportunities only reflect our climate change-related risks and opportunities and reflect an update of the risks and opportunities presented in our 2023 Integrated report. For an overview of all our Group principal risks, please refer to page 63.

Key changes in the year

The climate change-related risks and opportunities are consistent with those reported in 2023. One risk, chronic changes in precipitation is removed from this year's report due to reassessment of water risk. One opportunity, sale of by-products, is removed from this year's report as it is no longer material, due to being partly realised.

The estimated financial impact for the below risks and opportunities is consistent with the prior year except for risks 1, 4 and 5, which have been revised lower, taking into account current expectations concerning wood and energy costs.

1 The IPCC's most optimistic scenario describes a world where global CO_2 emissions are cut to Net-Zero by around 2050. The scenario meets the Paris Agreement's goal of keeping global warming to around 1.5°C above pre-industrial temperatures, with warming hitting 1.5°C but then dipping back down and stabilising around 1.4°C by the end of the century.

2 The International Energy Agency's 2°C scenario is based on limiting global temperature rise to below 2°C above pre-industrial levels under an emissions trajectory that allows CO_2 emissions to be reduced by almost 60% by 2050 compared with 2013. Under this scenario emissions are projected to decline from 2020 and they continue their decline after 2050 to reach carbon neutrality.

3 The Representative Concentration Pathway's 8.5 (RCP8.5) scenario is a business-as-usual (BAU) scenario, which projects the global mean temperature to rise by 2.6°C to 4.8°C and the global mean sea level to rise by 0.45 metres to 0.82 metres by the late 21st century.

Climate change-related risks and opportunities

Climate change-related risks		Annual estimated financial impact (€m)	Timeframe: Short	Timeframe: Medium	Timeframe: Long	Scenario sensitivity: 1.5°C	Scenario sensitivity: 2°C	Scenario sensitivity: BAU
Physical risks	1. Higher wood procurement costs	75-140	—	—	—●	●●	●●●	●●●●
	2. Risk of flooding	15-85		—	—●	●	●●	●●●●
	3. South African plantation yield loss	15-20	—	—●	—	●	●●	●●●
Transition risks	4. Energy supply costs	60-110	—	—●	—	●●●●●	●●●●	●●
	5. GHG emissions regulatory changes (net impact)	40-80	—	—●		●●●●●	●●●●	●●●
	6. Asset impairment risk[1]	10-30		—	—●	●●●●	●●●	●
Total climate change-related risks		215-465						
Climate change-related opportunities								
1. Changing customer behaviour		120-240	—	—	—●	●●●●●	●●●●	●●
2. Reduced operating costs through energy efficiency		15-25	—	—●	—	●●●●●	●●●●	●●
Total climate change-related opportunities		135-265						

— Anticipated onset of risk or opportunity
● Estimated full impact of risk or opportunity

●●●●● High likelihood
●●●●
●●●
●●
● Low likelihood

1 The asset impairment risk is a one-off write-down and not annually recurring.

Task Force on Climate-related Financial Disclosures (TCFD) continued

Our climate-related financial disclosures continued

Climate change-related risks: Physical risks

Risk	Risk description	How we manage and mitigate this risk	Annual estimated financial impact (€m)
1. Higher wood procurement costs **Timeframe:** Long term	Temperature increase, changes in rainfall patterns and windstorms can result in large-scale forest damage. In Europe, at lower altitudes, fibre losses from pests (e.g. bark beetles) and diseases are expected to continue unless precipitation increases. A reduction in the cutting capacity of sawmills due to a lack of spruce saw logs could lead to a change in the mix of available pulpwood and sawmill chips. Increasing competition for wood is being driven by demand for renewable raw materials and timber for green energy generation to achieve EU GHG reduction and Net-Zero targets. At the same time, there is a call to increase forest areas set aside for conservation, which is reflected in the 2030 EU Forest Strategy.	In mountainous regions, we expect an increase in yearly forest growth due to rising temperatures. At lower altitudes, spruce will be mainly replaced with other softwood species. We are investigating alternatives to support flexibility in species mix for our future pulp production. We invest in research and development projects and strategic partnerships with forest owners and industries, NGOs and scientific institutions to foster sustainable forest management. This is supported by the sustainable working forest model and fit-for-purpose certification concepts, which we developed and promote with our partners. We also promote the cascading use of wood nationally and via Cepi on a European level.	75-140
2. Risk of flooding **Timeframe:** Long term	Our mills are often located close to rivers which provide the water needed for our operations. Climate change may increase the frequency and extent of flooding events through surface water flooding (e.g. after extreme rainfall or rapid snow melting) or flooding of low-lying coastal regions (due to sea level rise) which may cause damage to our operations. While taking into account the investments we have made at our operations to mitigate the potential impact of flooding, our risk quantification considers mill downtime due to wider local infrastructure damage in the event of a significant flooding event.	Our operations regularly review their flood prevention plans, collaborate with governments and hydropower energy providers in the regions where we operate and invest in flood protection solutions where necessary. Our current flooding assessments show that our mills are mostly on elevated ground in relation to flood sources. The measures implemented are generally sufficient to mitigate flood risk to an acceptable level. We have ongoing assessments of additional measures such as implementation of physical barriers, flood gates and elevating critical equipment where necessary. Our geographic diversification enables operational flexibility to meet customer orders if flooding were to occur at a mill.	15-85
3. South African plantation yield loss **Timeframe:** Medium term	Increased severity and frequency of extreme weather events may result in disruptions and decreased harvesting capacity of our managed plantation forests. Extreme weather conditions may impact plantations through sustained higher temperatures, which can lead to stronger winds and increased windfalls. Plantations may be vulnerable to changes in rainfall patterns and erosion. Higher temperatures may increase vulnerability of trees to pests and diseases. Fire remains a challenge for our South African plantations, exacerbated in years when drought conditions occur.	Our tree improvement programme aims to produce stronger, more robust trees that can resist disturbances such as drought, pests and diseases. We mitigate fire risks with naturally vegetated open corridors acting as firebreaks between forest plantations, management of biomass under the forest canopy and investment in a modern firefighting fleet and professional firefighters. We have improved pre- and post-burning assessments at harvesting sites. These aim to mitigate the risks of erosion and nutrient loss after prescribed burning to ensure healthy soils, which are critical for productive plantation forests.	15-20

Climate change-related risks: Transition risks

Risk	Risk description	How we manage and mitigate this risk	Annual estimated financial impact (€m)
4. Energy supply costs **Timeframe:** Medium term	Due to increasing regulation on fossil-based energy sources, increased demand for renewable energy and the shifting energy supply mix, the Group estimates that our total energy costs could increase in the medium term by up to 10-20%. In the medium to long term, the energy supply mix transition in Europe includes the closing of coal-fired power plants, selective closure of nuclear power capacity and increased reliance on renewable sources of energy. Wind and solar energy supply can be inconsistent due to weather patterns leading to reliance on fossil fuels during the energy transition period.	We continue to focus on energy efficiency and to deliver incremental improvements through operational enhancements and our ongoing capital investment programme. Biomass, which is sourced mainly from by-products of the pulp process, accounts for 66% of the fuels used to generate on-site energy at our operations. This has been made possible through significant investments over a number of years in making our facilities more energy efficient and increasing backward integration, primarily into biomass-based energy generation. Investment in improvements to our sourcing of energy and increased electricity self-sufficiency, including the use of renewable energy sources, strengthens the energy efficiency of our operations while reducing operating costs. Where we generate electricity surplus to our own requirements, we may sell such surplus.	60-110

Climate change-related risks: Transition risks continued

Risk	Risk description	How we manage and mitigate this risk	Annual estimated financial impact (€m)
5. GHG emissions regulatory changes (net impact) **Timeframe:** Short to medium term SASB	9 of Mondi's 13 pulp and paper mills fall under the EU Emissions Trading Scheme (EU ETS). Our mill in Bulgaria was closed during the year and is not included in the estimate. No converting operations are part of the EU ETS. Some of our mills have sufficient EU ETS allowances, while five may face a deficit in the short to medium term, resulting in a potential Group net deficit position. Our Swedish mill, Dynäs, will no longer participate in the EU ETS from 2026 due to investment in biomass-based energy generation, which takes it above the 95% maximum biomass-based energy emissions share threshold required for inclusion. Our quantification excludes the risk that additional mills are excluded from the EU ETS or allowances cease at our material operations. Our risk quantification considered an EU ETS carbon price range of €50 to €150 per tonne CO_2. There is a South African carbon tax on emissions from fossil fuel combustion at our Richards Bay and Merebank operations. The South African carbon tax is currently offset by our forestry-related sequestration allowance; however, a small cost is anticipated from 2026 onwards.	We collect detailed information on GHG emissions from our mills and consider the cost of carbon when making investment decisions. Our ongoing investments reduce our reliance on fossil fuels, improve energy efficiency and help to mitigate the risk of insufficient CO_2 allowances for our EU-based operations, and reduce CO_2 emissions for our South African operations.	40-80
6. Asset impairment risk **Timeframe:** Long term	Driven by evolving regulation, there is a risk that certain of the Group's assets may be susceptible to impairment if regulations require fossil-based energy plants to be decommissioned by a certain date. Our risk quantification considers the estimated carrying value of fossil fuel-based energy plants in our mills based within the EU at 2030 and their potential impairment. An impairment is a one-off write-down of an asset. The mill's remaining carrying value is excluded from our quantification as our medium- to long-term capital investment programme aims to replace fossil fuel-based energy with renewable sources.	We aim to keep abreast of new and evolving regulations and take actions to mitigate the impact of changes either in our own operations or through participation in cross-value chain partnerships. We also have the resources and capacity to accelerate low-carbon energy-related investments to achieve base load capacity in the instance of regulatory and/or other required changes.	10-30
Total annual estimated financial impact of climate change-related risks			**215-465**

Climate change-related opportunities

Opportunity	Opportunity description	How we realise this opportunity	Annual estimated financial impact (€m)
1. Changing customer behaviour **Timeframe:** Short to long term	The growing demand for sustainable packaging is driving investment, collaboration and innovation to meet evolving customer needs. Paper-based packaging is renewable and generally recyclable making it an ideal alternative to less sustainable solutions. Where certain barriers are required, flexible plastic packaging can be a better alternative when manufactured, used and disposed of appropriately. Leveraging our unique portfolio of paper-based, hybrid and flexible plastic solutions, we see an opportunity to meet the demand for more sustainable products, using our leading corrugated packaging and flexible packaging footprint and increasing the focus on recyclability and the amount of recycled content used within our solutions. Our estimated quantification is based on 1-2% per annum revenue growth in our packaging businesses in the long term, driven by growing demand for more sustainable packaging solutions.	As a leading packaging producer, Mondi is well positioned to leverage the Group's innovation capabilities, leading market positions and strong customer base. We actively collaborate with our customers to develop innovative solutions that are sustainable by design, taking industry-wide design for circularity guidelines into consideration. We are also investing in our asset base to increase our cost-advantaged packaging capacity to meet growing demand. We are leveraging strong partnerships to bring about positive change and drive the transition to a circular economy.	120-240
2. Reduced operating costs through energy efficiency **Timeframe:** Medium term	The production of pulp, paper and packaging is energy intensive and energy generation is the major source of our GHG emissions. By improving the efficiency of our energy plants and manufacturing operations, we have the opportunity to realise cost savings.	Our current capital investment programme continues to prioritise investments in energy efficiency measures and in increasing biomass-based energy in our mills. Further investment projects are planned to meet our science-based Net-Zero GHG emission reduction targets, which is also expected to reduce our specific energy costs and improve energy efficiency.	15-25
Total annual estimated financial impact of climate change-related opportunities			**135-265**

Task Force on Climate-related Financial Disclosures (TCFD) continued
Our climate-related financial disclosures continued

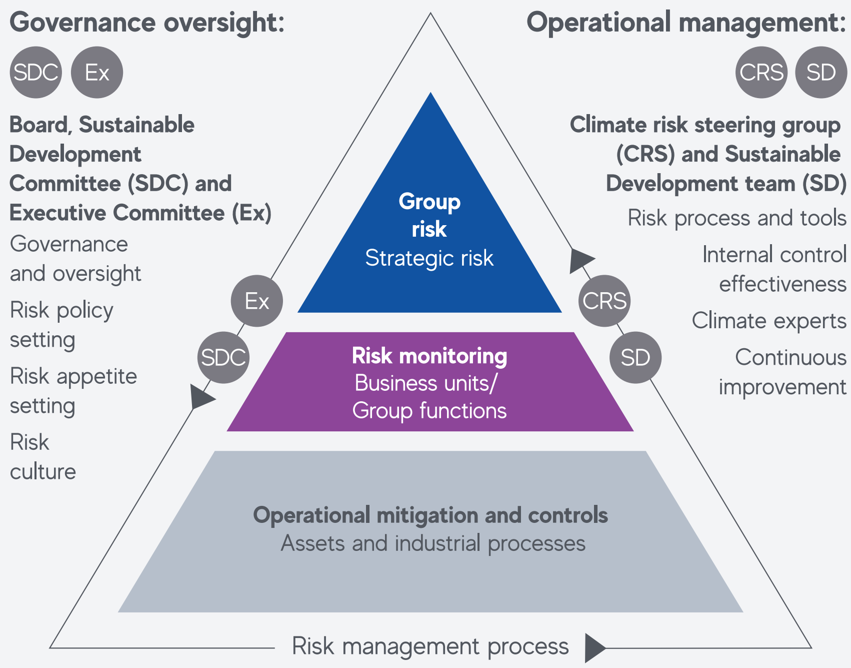
Risk management

Climate change is specifically identified as a standalone Group principal risk, as detailed on page 65. Climate change risks, and the related mitigating actions, are reviewed and updated annually by the SD Committee and the Audit Committee. Read about the Group's risk management framework on pages 60-61.

A cross-functional climate risk team identifies and assesses our material climate change-related risks and opportunities through an iterative process. The annual review considers the breadth of our business, across operating locations and our product portfolio, including consultations with internal and external technical subject experts and senior operational management. Our climate change-related risks and opportunities are reviewed and approved by the Executive Committee and the SD Committee annually.

Climate change-related risks and opportunities are managed and where possible mitigated by our operational management team and through our capital investment programme. The climate change-related risks and opportunities are considered in the preparation of, and integrated in, the Group's three-year 2025-2027 plan (budget period).

Climate-related risk integration into our risk management framework



Group risk
- Climate change is specifically identified as a standalone Group principal risk
- Detailed annual risk assessments performed across the Group
- Regular review of climate change-related matters by the SDC

Risk monitoring
- Monitor progress against our science-based Net-Zero targets for Scope 1, 2 and 3 emissions based on a 1.5°C global warming scenario
- Review of the impact of climate change-related risks and opportunities on budget planning

Operational mitigation and controls
- Invest to optimise energy and process efficiency and replace fossil fuel-based energy with renewable sources
- Risk mitigation tools such as detailed flood management plans

Risk management framework
Page 60-61

Metrics and targets

The Group uses a variety of metrics to measure the current and potential impact of our climate change-related risks and opportunities, such as GHG emissions.

The targets covering GHG emissions from Mondi's operations and value chain (Scope 1, 2 and 3) are consistent with a reduction required to keep global warming to 1.5°C by 2050 and prevent the most damaging effects of climate change according to the latest climate science.

Direct GHG emissions are from our energy plants through combustion of fuels to generate the energy required for our manufacturing (Scope 1). We also purchase energy from the grid (Scope 2) and have indirect GHG emissions throughout the value chain, mainly as a result of our purchase of raw materials, fuel and transportation, which together make up 97% of our total Scope 3 emissions. We are acting across all three Scopes and working closely with our partners to reduce GHG emissions for our business and our value chain.

Our science-based Net-Zero targets include both near- and long-term GHG emissions reduction targets and are approved by the SBTi. Due to changes in our company structure, we have initiated a recalculation of our emissions, in line with the SBTi guidelines.

We understand that forests have a key role in tackling climate change. We remain committed to zero deforestation in our wood fibre supply chains and to maintaining carbon sinks in forestry through implementation of best forest management and silviculture practices.

Taking Action on Climate
Page 41-45

We report our GHG emissions according to the Greenhouse Gas Protocol, published by the WBCSD and the WRI, and have reported our Scope 1, 2 and 3 GHG data in compliance with ISO 14064:1-2006. ERM CVS has assured, to a reasonable level of assurance, our 2024 absolute Scope 1 and absolute Scope 2 GHG emissions data, in accordance with ISO 14064-3, and to a limited level of assurance our Scope 3 GHG data.

Given the strategic importance of sustainability, a portion of the Group's executive directors' and the wider senior management's remuneration is linked to their contribution to the overall success of MAP2030, including our GHG reduction targets. 20% of the annual bonus awarded to members of the Executive Committee, which includes the Group CEO and the Group CFO, and more than 3,000 employees across the Group, is linked to sustainability objectives.

Remuneration report
Page 111-135

Metrics and targets used to assess and manage outcomes of climate-related risks and opportunities

Climate-related risk or opportunity	Metrics and targets	Further information
Risk		
1. Higher wood procurement costs	Trends in raw material market prices and availability are closely monitored through internal procurement reporting	Page 49
2. Risk of flooding	Insurance report prepared internally and by external specialists provide monitoring and preparedness assessments	Page 48
3. South African plantation yield loss	Climate-related impacts on plantation yields are measured and reflected as a component of the risk premium applied to immature and mature timber in the Group's forestry asset valuation, including factors for the anticipated impact of climate change on water scarcity and fire risks. Yield metrics for South African plantations are tracked	Page 44
4. Energy supply costs	**Metric:** Biomass sources, mainly from by-products of the pulp process **Unit of measure:** Percent of fuels used to generate on-site energy at our operations **2024:** 66% **2023:** 62%	Page 42
5. GHG emissions regulatory changes (net impact)	**Metric:** Total Scope 1 and Scope 2 emissions **Unit of measure:** million tonnes CO_2e **2024:** 1.86 **2023:** 2.10 **Related target:** Reduce our Scope 1 and 2 GHG emissions by 46.2% by 2030 from a 2019 baseline.	Page 42-43
6. Asset impairment risk	Annual impairment assessments are performed including considerations of climate-related risks	Page 57
Opportunity		
1. Changing customer behaviour	**Metric:** Reusable, recyclable or compostable products **Unit of measure:** Percent of Group revenue **2024:** 87% **2023:** 85% **Related target:** 100% of our packaging and paper products are reusable, recyclable or compostable by 2025	Page 34
2. Reduced operating costs through energy efficiency	**Metric:** Total share of renewable energy **Unit of measure:** Percent of Group energy from renewable sources **2024:** 79% **2023:** 75%	Page 42

Principal risks
Managing our risks

Our Group risk management framework and internal control environment are designed to protect shareholder value while managing risks and identifying opportunities.

Our risk management framework

The Board has overall responsibility for setting the Group's strategy and is responsible for monitoring and maintaining the effectiveness of the Group's risk management activities and internal control processes. The Board has put in place procedures for identifying, evaluating and managing the risks faced by the Group.

The Board has determined the Group's residual risk exposure and related risk appetite, using a risk rating matrix which takes into consideration both the likelihood of the risk event occurring and the magnitude of the impact in the event that the risk event occurs. The risk rating matrix is based on the residual risk that the Group faces after taking into consideration the internal control environment and related mitigating actions and controls. The Board has established specific appetite levels for each principal risk, ensuring that our risk exposure remains appropriate at all times. The Board considers changes to principal risks and risk appetite, and also reviews emerging risks during the year.

The Audit Committee performs an annual review of the Group's principal risks and related mitigation, including consideration of acceptable risk appetite levels for the Group. Each of the Group's principal risks, related risk appetite and emerging risks are reviewed in detail by either the Board, the Audit Committee or the Sustainable Development Committee through the course of the year, considering the detailed risk description, the controls and mitigating actions in place, the level of internal and external assurance obtained, and the resultant residual risk exposure.

Business units are required to conduct an annual, detailed review of their risks and maintain a risk register which is reviewed and approved by the business unit operating committees. The risk management process ensures that the various business unit operating committees review the principal and emerging risks in their respective businesses and identify the actions and controls to mitigate these risks. Risk management is embedded in all decision-making processes and captured in our policies, procedures and delegated authorities, with ongoing review by the Board and risk assessments forming part of all investment decisions.

In combination with the Audit Committee, the Board has conducted, over the course of the year, a robust assessment of the Group's principal and emerging risks and it is satisfied that the Group has effective systems and controls in place to manage these risks relative to the risk appetite levels established.

Our internal control environment

Our internal controls aim to provide reasonable assurance as to the accuracy, reliability and integrity of our financial information and non-financial disclosures and the Group's compliance with applicable laws, regulations and internal policies, as well as the effectiveness of internal processes.

Through our structured approach, the control environment is subject to regular monitoring and review to reduce the likelihood of any significant deficiencies arising. Control weaknesses are identified and addressed, and new or emerging risks are identified early and monitored regularly.

The Group's internal control systems have been in place for the year under review and up to the date of approval of the Integrated report and financial statements 2024 and are in accordance with the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting issued by the Financial Reporting Council.

No significant failings or weaknesses were identified in the internal control systems for the year under review.

The Board and its committees have approved the Group's financial, business conduct, operating and administrative policies, including those relating to delegation of signing authorities and information security. The policies provide a framework for the Group's internal control environment and prescribe required standards of behaviour. Business units are required to ensure that they adhere to approved Group policies and that they have implemented their own supporting policies where appropriate. In line with the approved delegation of authorities, specific matters are reserved for Executive Committee or Board approval, including the approval of major capital investments, acquisitions and disposals.

Management is responsible for regularly reviewing the Group's financial performance, and it is the responsibility of management at all operational levels to ensure that risks are appropriately managed and a proper internal control environment is in place to anticipate and respond to risks. The Group's financial reporting process includes the monthly results and management reports, the three-year 2025-2027 plan (budget period), and three updates to the first budget year during the course of that budget year. Detailed monthly management reports and variance analyses comparing actual with prior year results are prepared. In-depth reviews of business units and market developments are performed regularly, and are designed to ensure ongoing monitoring of financial and sustainability performance and early identification of potential issues and/or emerging risks. In addition, the Board reviews the Integrated report and financial statements to ensure it is fair, balanced and understandable, and the Audit Committee reviews and approves the accounting policies each financial year.

The Board is considering any changes required to our approach to internal controls as a result of the revisions to the UK Corporate Governance Code, particularly in respect of non-financial information. More information can be found on page 100.

Our risk management framework and internal control environment

External audit
External assurance is provided through external audit which is designed to detect material errors and material irregularities that impact the financial statements

Internal audit
The Group has a centrally coordinated Internal Audit function that reports directly to the Audit Committee and is mandated to perform Group-wide reviews of key processes, projects and systems, based on the Group's strategy and principal risks

Board
Overall responsibility for the Group's strategy and risk management

Determines risk appetite in line with Group strategy, and approves the Group's risk management framework

Approves the annual three-year plan

Sustainable Development Committee
Monitors and reviews material safety, health, environmental and other sustainable development risks, including climate change risks and opportunities

Audit Committee
Reviews and monitors the adequacy and effectiveness of the Group's internal control and risk management processes

Ongoing review of the principal risks through the course of the year

Approves the annual internal audit plan

Executive Committee
Formulates risk management policies in terms of the approved risk management framework to ensure risks are managed considering established risk appetite levels

Assesses and monitors risks on an ongoing basis

Business units
Hold the ownership, responsibility and accountability for assessing and mitigating risks as well as implementing risk management policies and procedures

Group functions
Responsible for oversight of adherence to the Group's policies, procedures and controls; facilitation of the implementation of risk management practices; and management of specific risk areas that benefit from central coordination (e.g. finance, information technology, legal, procurement, safety and health, sustainable development, tax and treasury)

Work closely with the business units to manage and monitor these risk areas

The three levels of assurance in our internal control environment

Operational management
- Key policies and procedures covering all main areas of business conduct are approved by the Board and each business unit and Group function is required to adhere to these overall Group policies.
- Management is responsible for regularly reviewing its entity's operating, financial and sustainability performance and for preparing and reviewing monthly management accounts and business reports as appropriate.
- Twice a year, all financial managers are required to complete an internal control assessment and provide written confirmation of compliance with Group policies and procedures. This formal confirmation highlights any control weaknesses or deficiencies identified.

Management review
- Management is responsible for regularly reviewing the Group's operating, financial and sustainability performance, including monthly management accounts, and the progress of significant capital investment projects.
- Management at Group level and, in more depth, at business unit level, is responsible for a detailed assessment of current market conditions.
- The Group functions (including finance, information technology, safety and health, sustainable development, tax and treasury) each have Board-approved policies in place against which conduct is regularly assessed.

Independent assurance
- Internal audit.
- Regular reviews and vetting by external regulatory and non-regulatory parties, as required and as part of our operational management, including ISO certification, Sustainable Development report assurance and information security programmes.
- The Group sustainable development key performance indicators are externally verified.

Sustainable Development report 2024
www.mondigroup.com/sd24

Continuous improvement
strengthens our processes in line with our risk management framework

Risk management process

Identify principal and emerging risks → **Assess** risk appetite, likelihood and impact → **Mitigate** through risk owners using detailed action plans → **Monitor** controls and risks environment

Review

Principal risks continued

Principal risks in 2024

Over the course of the past year, the Board and the Audit Committee have reviewed the Group's principal and emerging risks. In evaluating the Group's risk management and internal control processes, the Audit Committee has considered both internal and external audit reports and received confirmation from the finance directors of the business units that the Group's control frameworks have operated satisfactorily. The sustainable development risks considered throughout our business have been reviewed by the Sustainable Development Committee during the year. Sustainable development risks that are considered to be principal risks are reviewed by the Audit Committee as part of the annual review process.

A detailed risk assurance map is used to present our principal risks to the Board, Audit Committee and Sustainable Development Committee, facilitating comprehensive discussions on risk. The Group remains committed to the continuous improvement of risk assessment, risk management and risk reporting.

Key changes in the year

The Group's most significant risks are long term in nature. The assessment of the principal risks is updated annually to reflect the developments in our strategic priorities and Board discussions on principal and emerging risks.

The outcome of the review of the Group principal risks is that there are no changes to the risk ratings as presented on the Group risk map.

The Board considered decreasing the risk rating for cost and availability of raw materials due to a stabilised procurement environment; however, the risk rating was maintained due to longer-term structural changes in the pricing and availability of wood.

Emerging risks

The Board introduced a new emerging risk related to the integration of a major acquisition, prompted by the announced acquisition of the Western Europe Packaging Assets of Schumacher Packaging, which is scheduled to complete in the first half of 2025.

The risks noted relating to a major acquisition included the integration of a private company into a public company environment, the scale of the acquisition, the need to integrate IT systems and the combining of different corporate cultures.

The Board is confident that risks associated with the acquisition will be well mitigated, and that inclusion as an emerging risk and not as a principal risk is the correct assessment.

In 2023, the Group noted one emerging risk concerning the execution of major capital expenditure projects. This emerging risk was amended in 2024 to an emerging risk labelled start-up and commercial ramp-up of major capital projects. The amendment is due to the current phase of the Group's capital investment programme. The emerging risk is managed through mitigating activities, such that the residual risk exposure is not considered significant.

Asset start-up and commercial ramp-up are planned in detail and updated from initial project inception through to completion. Post-investment reviews are conducted on major capital investments to evaluate the project execution against the plan and identify lessons learnt. We will continue to monitor and mitigate potential risks relating to the start-up and commercial ramp-up of major capital projects in the year ahead.

Our principal risks

		Delegated risk owner	Link to strategy: Drive performance along the value chain	Invest in quality assets	Empower our people	Partner with customers
Strategic	1 Industry productive capacity	Executive Committee	●	●		
	2 Product substitution	Executive Committee		●		●
	3 Fluctuations and variability in selling prices or gross margins	Executive Committee	●	●		●
	4 Country risk	Executive Committee		●		
	5 Climate change risks	Group Head of Sustainable Development	●	●		●
Financial	6 Capital structure	Group CFO	●	●		
	7 Currency risk	Group Treasurer	●	●		
	8 Tax risk	Group Head of Tax	●	●		
Operational	9 Cost and availability of raw materials	Chief Procurement Officer	●			
	10 Energy security and related input costs	Group Head of Operations	●	●		
	11 Technical integrity of our operating assets	Group Head of Operations	●	●		
	12 Environmental impact	Group Head of Sustainable Development	●			
	13 Employment and contractor health and safety	Group Head of Safety & Health			●	
	14 Attraction and retention of key skills and talent	Chief People Officer			●	
	15 Cyber security risk	Chief Information Officer	●	●	●	●
Compliance	16 Reputational risk	Executive Committee		●	●	●

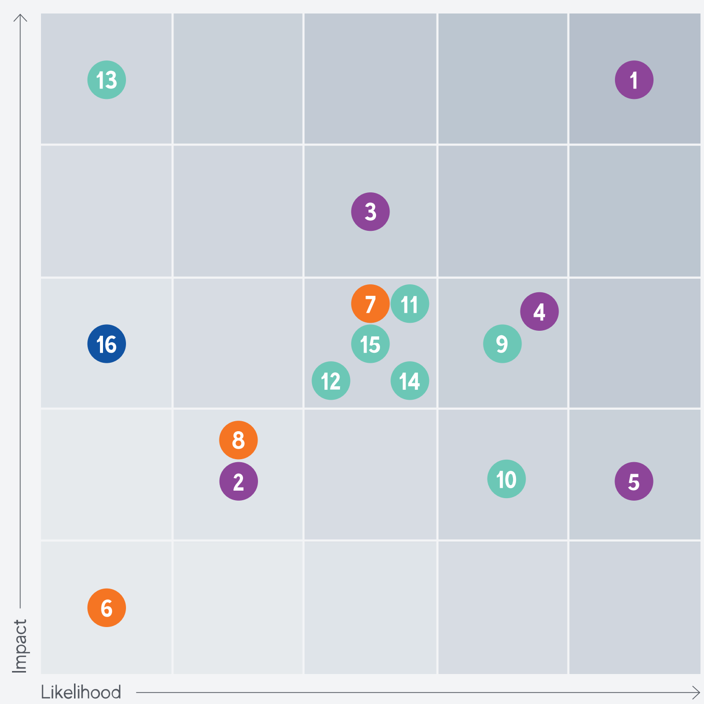
Link to strategy

Our principal risks, independently or in combination, may impact the Group's ability to deliver on its strategy. The above table indicates the components of our strategy that are most likely to be impacted as a result of each principal risk and are defined below:

- Drive performance along the value chain
- Invest in quality assets
- Empower our people
- Partner with customers

Group risk map

The risk map presents our principal risks based on a risk exposure score which assigns a higher weighting to the impact of a risk event than to the perceived likelihood. This emphasises the prioritisation and escalation of risks that could have the greatest impact to our business. The principal risks reflected on the risk map are updated annually. There were no changes to the risk positions since last year.



Principal risks continued

Strategy key

Drive performance along the value chain

Invest in quality assets

Empower our people

Partner with customers

Risk trend key

Increased

No change

Decreased

Strategic risks

1 Industry productive capacity

Description

- Market supply/demand balance is impacted by large incremental new capacity additions.
- Unless market growth exceeds capacity additions, excess capacity may lead to lower selling prices.
- Plant utilisation levels are the main driver of profitability in our production sites.

Key mitigation

- Monitor industry developments in terms of changes in capacity and utilisation levels both short and long term, as well as market trends and trade flows in our product markets, enabling us to establish target capacity utilisation levels in the short term and to evaluate capital investment projects in the long term.
- Strategic focus on owning cost-advantaged assets, with consistent investment to secure our competitiveness, coupled with increasing our exposure and focusing on developing solutions in structurally growing packaging markets.
- Maintaining strong relationships with machine suppliers to identify current market developments and technologies, coupled with a routine review of our asset portfolio and capacity utilisation levels to identify underperforming assets and take decisive action to drive performance.

Risk owner
Executive Committee (oversight CEO)

Risk trend

Link to strategy

2 Product substitution

Description

- Changes in consumer preferences and socio-economic and demographic trends can affect the demand for packaging and paper products in general, and demand for specific grades of our products in particular.
- Substitution can be to a different packaging or paper substrate or to a different solution meeting the same need.
- With increased public awareness of sustainability challenges and our customers' focus on sustainable packaging, on balance, our business faces more opportunities than risks, underpinned by the transition to more sustainable solutions, although there could be pressures on certain areas of our portfolio.
- Product substitution trends, many of which benefit Mondi, are, for example: replacing plastic-based with paper-based packaging; moving to mono-material recyclable plastic packaging solutions; lighter weighting of products; increasing the recycled content in packaging; demand for certified and responsibly produced materials; and the impact of digital media on uncoated fine paper demand.
- The EU's Packaging and Packaging Waste Regulation (PPWR) is expected to further influence product substitution.

Key mitigation

- A wide portfolio of paper-based and flexible plastic-based solutions provides protection from the effects of substitution.
- Engagement with customers and consumers to help understand and drive a more sustainable approach to their packaging requirements.
- Development of sustainable, competitive and cost-effective products.
- Continuous focus on products enjoying positive substitution dynamics and growing regional markets.
- Regular monitoring of trends and new developments in our product markets.
- Continued collaboration with stakeholders across the value chain such as the Ellen MacArthur Foundation and Cepi.
- Providing product impact and life cycle analysis insights to customers through our Product Impact Assessment tool, product carbon footprints and other expert analysis on trade-offs.

Risk owner
Executive Committee (oversight CEO)

Risk trend

Link to strategy

3 Fluctuations and variability in selling prices or gross margins

Description

- Price fluctuations in our key paper products can have material profit and cash flow implications.
- Selling prices are influenced by changes in capacity and demand for our products, which are, in turn, influenced by macroeconomic conditions, competitive behaviour, consumer spending preferences and inventory levels maintained by our customers.
- Changes in prices differ between products and geographic regions, and the timing and magnitude of such changes have varied significantly over time.
- Gross margins in our converting operations are impacted by fluctuations in key input costs, such as paper, which cannot be passed on to customers in all cases.

Key mitigation

- Strategic focus on higher growth markets and products where we enjoy a competitive advantage through innovation, proximity or production cost.
- Continued investment in our high-quality, cost-advantaged asset base, ensuring we maintain our competitive cost position while developing businesses in higher growth markets with better long-term fundamentals.
- Exposure to price volatility of key input costs is reduced by our high levels of vertical integration.
- Financial policies and contract structures take the inherent price volatility of the markets in which we operate into consideration.
- Ongoing monitoring of current market fundamentals, market demand trends and market prices, enabling evaluation of price expectations in the short term and increased understanding of long-term trends.
- Continuous monitoring of our order intake to identify changing trends and developments in our own product markets.
- Frequent review of gross margin development in order to monitor price pass-through to customers.

Risk owner
Executive Committee (oversight CEO)

Risk trend

Link to strategy

Strategic risks continued

4 Country risk

Description

- The Group operates in a number of countries with differing political, economic and legal systems. In some countries, such systems are less predictable than in countries with more developed institutional structures. Political or economic upheaval, changes in laws, nationalisation, or expropriation of assets may have a material effect on our operations in those countries.
- The current macroeconomic environment is impacted by a number of uncertainties, including the effects of increased protectionism, use of trade tariffs and economic sanctions.
- In South Africa, the Group is subject to land claims and could face adverse land claim rulings.
- Sustained higher inflation is evident in many economies. Türkiye is experiencing a hyperinflationary economic environment.

Key mitigation

- Our geographic diversification and decentralised management structure reduce our exposure to any specific jurisdiction. Our operational management teams have strong localised operational experience.
- Capital and debt are structured in each country based on assessed risks and exposures in order to mitigate the effect of country specific risks.
- Regular review of our sales strategies to ensure compliance with trade restrictions and sanctions and to mitigate export risk in countries with less predictable environments and, where possible, obtaining credit insurance.
- Country-specific risk premiums are approved by the Board to be added to the required returns on investment projects in those countries where risks are deemed to be higher; new investments are subject to rigorous strategic and commercial evaluation.
- Maintain a permanent internal audit presence and operate asset protection units in large operations in higher risk locations.
- In South Africa, the Group has settled a number of land claims structured as sale and leaseback arrangements, which provide a framework for settling future land claims.
- Regular formal and informal interaction with government officials, local communities and business partners helps us to remain abreast of changes and new developments.

Risk owner
Executive Committee (oversight CEO)

Risk trend

Link to strategy

5 Climate change risks

Description

- Climate change risks will likely impact our business in the future.
- Greenhouse gas (GHG) emissions are regulated in many countries and regions where we operate, with increasing regulation and climate change-related transition risks potentially impacting our costs. The energy we require to manufacture our products results in Scope 1 and Scope 2 GHG emissions. Our value chain emissions contribute to our Scope 3 emissions.
- Climate change is creating both physical and transition risks which impact forests, and which pose a threat to our access to sustainable fibre, the main raw material for our paper products.
- Customers and consumers are concerned about the consequences of climate change and are looking for solutions produced from renewable materials and reduced carbon footprints. Investors consider the climate impact of their portfolios.
- Our climate change risks include transition and physical risks. Transition risks include regulatory risks, for example GHG emission-related regulatory changes and energy supply cost volatility due to changes in future energy supply mix. Physical risks include the impact of changing precipitation patterns and increased costs driven by a shortage of wood supply in the long term due to physical impacts such as droughts, pests and diseases.

Key mitigation

- Reducing our GHG emissions through a combination of capital investment and ongoing efficiency programmes to improve our energy efficiency, increasing the use of biomass-based fuels and decreasing carbon-intensive energy sources.
- Our geographically diverse mill locations mean that the Group sources wood from diverse regions and forest types, mitigating the potential impacts of climate change on our wood fibre raw materials, particularly in Europe. In South Africa, we continue to investigate and select trees which require less water and are more resistant to pests and disease.
- Monitoring and measuring our impact on climate change, reporting and having our GHG emissions and energy usage independently assured.
- Committing to transition to Net-Zero in line with a 1.5°C scenario by 2050 and working on reducing our emissions in line with our approved SBTi targets across Scope 1, 2 and 3 emissions.
- Investigating and reporting on climate change risks and opportunities in adherence to internationally accepted recommendations, such as those published by the FSB's TCFD.

TCFD
Page 52-59

Risk owner
Group Head of Sustainable Development

Risk trend

Link to strategy

Principal risks continued

Financial risks

6 Capital structure

Description

- An inability to maintain a strong and stable financial position would limit the Group's strategic flexibility and ability to take advantage of opportunities.
- Our ability to raise debt and/or equity financing is significantly influenced by general economic conditions, developments in credit markets, equity market volatility and our credit rating.
- Failure to obtain financing at reasonable rates could prevent us from realising our strategy and have a negative impact on our competitive position.

Key mitigation

- Maintaining strong investment grade credit metrics provides access to global debt capital markets.
- Our central Treasury function operates under a Board-approved Treasury Policy, targeting investment grade credit ratings and with access to diverse sources of funding with varying maturities.
- Our financing agreements do not contain financial covenants.
- Regular reporting to the Board on our treasury management policies.
- Compliance with treasury policies is monitored and we engage external advisers to review the Treasury function at regular intervals.

Risk owner
Group CFO

Risk trend

Link to strategy

7 Currency risk

Description

- We are exposed to the effect of changes in foreign currency rates; the impact of currency fluctuations affects us because of mismatches between the currencies in which our operating costs are incurred and those in which revenues are received.
- Key operating cost currencies that are not fully offset by local currency denominated revenues include the South African rand, Polish zloty, Czech koruna and Swedish krona, while the fluctuations in the US dollar, pound sterling and Turkish lira can also have a material impact as our revenues in these currencies are greater than operating costs incurred.
- Appreciation of the euro compared with the currencies of the other key paper-producing regions or paper pricing currencies, notably the US dollar, reduces the competitiveness of Mondi products in Europe compared with imports, which can result in lower revenues and earnings.

Key mitigation

- Hedging is utilised for balance sheet exposures and material forecasted capital expenditures upon identification.
- Diversification of the Group's currency exposure creates natural hedges, and as such we do not hedge our exposure to projected future sales or operating costs and our businesses respond to adverse currency fluctuations by increasing selling prices or increasing exports where competitiveness improves as operating currencies weaken; entities also borrow in their local currencies to minimise translation risk.
- Continuous monitoring of exchange rate movements and sensitivities, and evaluation of the impact of exchange variances on our results.
- Regular review of our prices and monitoring of import and export trade flows.

Risk owner
Group Treasurer

Risk trend

Link to strategy

8 Tax risk

Description

- There is an increasing disclosure compliance burden in the international tax environment, requiring increasing transparency and reporting and in-depth scrutiny of the tax affairs of multinational companies. The introduction of the global minimum tax rules (Pillar 2 rules) increases compliance complexity for the Group.
- We make significant intra-group charges, the basis for which is subject to review during tax audits.

Key mitigation

- A Board-approved Group tax strategy is reviewed annually.
- Appropriate and attentive management of our affairs, with operations structured tax efficiently to benefit from available incentives and exemptions.
- Dedicated tax resources throughout the Group supported by a centralised Group tax team.
- Arm's length principles are applied in the pricing of all intra-group transactions in accordance with Organisation for Economic Co-operation and Development (OECD) guidelines.
- External advisory opinions are obtained where relevant, including major projects such as acquisitions and restructuring activities.
- Regular engagement with external advisers to stay up to date with changes in tax legislation and tax practice.

Risk owner
Group Head of Tax

Risk trend

Link to strategy

Operational risks

9 Cost and availability of raw materials

Description

- We use significant amounts of wood, pulp, paper for recycling, polymers and chemicals in our production processes, meaning access to these raw materials is essential to our operations.
- The prices for many raw material inputs fluctuate in correlation with global commodity cycles.
- Wood prices and availability may be adversely affected by reduced quantities of available suitable wood supply due to increased frequency of severe weather events, changes in rainfall, increased pest and disease outbreaks, increased use of wood as biofuel, alternative use of wood for heating and changes in demand for wood as a building material.
- Climate change will create long-term structural changes to the pricing and availability of wood, with temperature and precipitation changes resulting in a geographic shift of optimal forest growth areas, and an impact from forest-related legislative policies, particularly in the EU.
- Force majeure events can influence raw material supply and pricing, directly affecting the market production and supply balance.

Key mitigation

- We are committed to acquiring our raw materials from responsible sources and avoiding the use of any controversial or illegal supply. Our Responsible Procurement process helps us to assess and evaluate the performance of our suppliers and their adherence to our policies.
- Multi-stakeholder processes address challenges in meeting demand for sustainable fibre; we encourage legislation for the local collection of recycled materials.
- Our operations use multiple suppliers and a centralised procurement team works closely with our operations in actively pursuing longer-term agreements with strategic suppliers; in Europe, our geographically diverse mill locations mean that the Group sources wood from diverse regions and forest types to mitigate the potential supply impacts of unforeseen events. We source wood from our own managed forests in South Africa.
- Strong relationships with suppliers of critical raw materials enable higher volume allocation in times of shortages, and a safety stock programme facilitates exchange of raw materials within our plant network.
- Where relevant, indexation clauses in revenue contracts allow the pass-through of major raw material price movements.
- Wood and pulp suppliers are assessed as part of our Due Diligence Management System which addresses the main legal and sustainability risks.
- In South Africa, we have tree improvement programmes to produce stronger trees; fire prevention and firefighting capacity are integrated into a fire management system with local Fire Protection Associations and neighbouring operations.

Risk owner

Chief Procurement Officer

Risk trend

Link to strategy

10 Energy security and related input costs

Description

- Availability of sufficient and reliable energy supply is a key focus area; as the transition to cleaner energy sources accelerates, accompanied by increased regulation, the energy supply portfolio is undergoing long-term changes, such as an increase in demand for renewable energy and an increase in carbon taxes, which increases the risk of more volatile pricing as well as potential for severe energy interruptions.
- Security of supply of gas is subject to political pressures and could be intermittent, while renewable energy sources, such as wind and solar, are subject to unpredictable physical weather patterns. Competition for sources of renewable energy, such as biomass, causes cost and availability pressures.
- Rapid increases in fuel and energy costs represent higher direct costs to the Group as well as for our suppliers, which in turn may seek to increase prices which may be difficult to pass on to customers and could cause a contraction of gross margins.
- Income from the sale of renewable energy, either from sales of certificates, subsidies or sales of renewable energy to the grid, represents a source of income for various pulp and paper mills and is subject to both volatility in price and regulatory changes.
- Availability of sufficient and reliable electricity supply in South Africa remains a concern and above inflationary increases are virtually certain.

Key mitigation

- Investment in improvements to our energy profile and increased electricity self-sufficiency, including the use of renewable energy sources, strengthens the energy efficiency of our operations while reducing ongoing operating costs and carbon emission levels.
- Where we generate electricity surplus to our own requirements, we may sell such surplus externally; we also generate income from the sale of green energy credits in certain of our operations at prices determined in the open market.
- Optimised use of biomass-based fuels enables reduced use of fossil-based energy sources, such as carbon-intensive coal.
- Energy costs are closely monitored and benchmarked against external sources and we monitor our electricity usage, carbon emission levels and use of renewable energy; most of our larger operations have high levels of electricity self-sufficiency.
- Monitoring of renewable energy market fundamentals and changes in legislation supported by contact with local energy regulators.
- Detailed compliance assessments regarding Industry Emissions and Energy Efficiency Directives to determine future investment requirements.

Risk owner

Group Head of Operations

Risk trend

Link to strategy

Principal risks continued

Operational risks continued

11 Technical integrity of our operating assets

Description

- Our four major mills, Świecie (Poland), Štětí (Czech Republic), Ružomberok (Slovakia) and Richards Bay (South Africa), account for approximately 70% of our total pulp and paper production capacity. If operations at any of these key facilities are interrupted for any significant length of time, it could have a material effect on our financial position or performance. Our converting operations are spread over a considerably larger number of plants, providing risk diversification.
- Incidents such as fires, explosions, pollution events or large machinery breakdowns, or the inability of our assets to perform the required function effectively and efficiently while protecting our people, the business, the environment and stakeholders, could result in property damage, loss of production, reputational damage, and/or safety and environmental incidents.
- Regular maintenance and project-related shuts can experience delays in start-up and ramp-up due to reliance on external suppliers and contractors for engineering services and equipment supplies.

Key mitigation

- A capital investment programme supports the replacement of older equipment to improve both reliability and integrity, and our proactive repair and maintenance approach is designed to improve production reliability and minimise breakdown risks.
- Detailed risk assessments of high-priority equipment are conducted with specific processes and procedures in place for the ongoing management and maintenance of such equipment.
- Production optimisation throughout the organisation by learning from our best performing operations and identifying emerging issues early.
- All incidents are actively monitored with a formal reporting process which allows us to share lessons learnt across our operations, identify emerging issues, conduct benchmarking, and evaluate the effectiveness of our risk reduction activities.
- External experts perform technical integrity assessments at our major sites and enhance our engineering and loss prevention competencies and capabilities.
- A Fire Protection programme supported by external experts and independent loss prevention audits with property insurance cover for key risks.

Risk owner
Group Head of Operations

Risk trend

Link to strategy

12 Environmental impact

Description

- Our operations require water and energy and generate emissions to air, water and land. We are subject to a wide range of environmental laws and regulations, as well as the requirements of our customers and expectations of our broader stakeholders. Costs to meet compliance requirements, and increasing costs from the effects of emissions could have an adverse impact on our profitability.
- The availability of water in water scarce and stressed areas could pose a risk to continuing to operate our production facilities to their full potential.
- As we purchase significant amounts of wood and fibre on the market and manage plantation forestry landholdings in South Africa, a decline in ecosystem functions and loss of biodiversity could impact the natural resources that we rely on.

Key mitigation

- Compliance with all applicable environmental requirements where we operate and with our own policies and procedures, at or above local policy requirements, supported by externally accredited environmental management systems.
- A clean production philosophy to address the impact from emissions, discharge and waste.
- Conducting water stewardship assessments to address risks related to water scarcity, and promotion of equitable use of water resources among local stakeholders wherever we operate.
- Specialist internal networks share best practices and comprehensively report and investigate environmental incidents to avoid reoccurrence.
- Monitoring and reporting of our environmental performance indicators against our targets, with our Scope 1 and 2 GHG emissions independently assured to a reasonable assurance level and Scope 3 receiving limited assurance.
- Biodiversity assessments at our manufacturing and forestry operations to evaluate our impact on biodiversity and ecosystems, and action plans to manage impacts.

Risk owner
Group Head of Sustainable Development

Risk trend

Link to strategy

13 Employee and contractor health and safety

Description

- Accidents, incidents and exposure to occupational health hazards, such as noise and stress, may cause injury or harm to employees and contractors, property damage, lost production time, and/or harm to our reputation.
- Risks include fatalities, serious injuries, occupational diseases, substance abuse and instances of violent crime in some jurisdictions.

Key mitigation

- Continuous improvement of safety standards through monitoring incidents, major close calls and recordable case rates to transfer learnings across our operations with the goal of sending everybody home safely every day.
- Embedded safety management systems including, among others, risk assessments, safety procedures and controls.
- Continuous focus on improving our 24-hour safety mindset and developing the desired safety culture as well as focusing on the Social Psychology of Risk.
- An Employee Assistance Programme and wellness initiatives are offered across the countries in which the Group operates in order to help employees with general health and mental health concerns.
- Continuously engineer out the most significant risks in our operations, supported by robust controls and procedures for operating those assets and conducting related tasks.
- Our Permit to Work methodology across the Group supports us to achieve our safety targets.
- Extensive training to ensure that performance standards and practice notes are communicated and understood and our incentives are impacted by the non-achievement of safety milestones (lag indicators) as well as achievement of lead indicators.
- We apply externally accredited safety management systems, with continuous benchmarking against global safety standards, and conduct regular audits of our operations to ensure our facilities remain fit for purpose.

Risk owner
Group Head of Safety & Health

Risk trend

Link to strategy

Operational risks continued

14 Attraction and retention of key skills and talent

Description

- Operations in remote locations or highly competitive markets make attracting and retaining skilled employees challenging.
- Two-thirds of our employees are production workers largely engaged in shift work, making it challenging to attract individuals to work these schedules. Losing skills or failing to attract new talent to our business could impact our ability to drive performance and deliver on our strategic objectives.
- An ageing workforce presents challenges in the future. Socio-political issues in South Africa result in skilled workers looking to emigrate.

Key mitigation

- Clear employee KPIs with credible, measurable targets, each accompanied by an action plan to drive performance and embed in daily management.
- Strategically focus our employer branding initiatives on key markets, aligning them with the specific skill sets and talent pools most critical to our business priorities.
- Transparent and efficient recruitment practices.
- Competitive compensation levels maintained through benchmarking.
- Measures to monitor and manage succession planning for critical roles, enhance retention and accelerate development of key talent.
- Monitor relevant employee KPIs, such as staff turnover, number of training sessions, internal placements, diversity and inclusion, engagement data, and succession plans.
- Transparent performance reviews, including engagement sessions to encourage open dialogue and identify issues and opportunities.
- Regular employee surveys and targeted pulse surveys provide employee engagement and feedback.
- Through an anonymous whistleblowing and grievance platform, SpeakOut, employees and external stakeholders can raise concerns about conduct that may be contrary to our values.

Risk owner
Chief People Officer

Risk trend

Link to strategy

15 Cyber security risk

Description

- The Group could experience targeted and untargeted cyber-attacks as cybercrime continues to increase and attempts are increasingly sophisticated.
- More employees are working remotely, placing pressure and further reliance on our IT systems, increasing data processing requirements and providing new channels for cyber-attacks.
- The consequences of successful attacks include compromised data, financial fraud and system shutdowns.

Key mitigation

- A comprehensive IT Security Policy approved by the Board.
- Extensive training and awareness programmes are provided for all our users.
- IT infrastructure is regularly tested and our systems are based on well-proven products.
- Regular threat assessments utilising external providers.
- The Group's core IT services are ISO 27001 certified.
- Established incident response and business contingency plans are in place.

Risk owner
Chief Information Officer

Risk trend

Link to strategy

Compliance risk

16 Reputational risk

Description

- Non-compliance with the legal and governance requirements and globally established responsible business conduct in any of the jurisdictions in which we operate and within our supply chain could expose us to significant risk if not actively managed.
- Failure to successfully manage relationships with our stakeholders could disrupt our operations and adversely impact the Group's reputation.
- Fines imposed by authorities for non-compliance are severe and, in some cases, legislation can result in criminal sanction for entities and individuals found guilty.
- Areas of weaker governance present the challenge of addressing potential human rights issues in our operations and supply chain; human rights legislation further highlights the need to identify and address potential risks of child labour, forced or bonded labour, modern slavery, human trafficking and other human rights risks in our supply chain.

Key mitigation

- A comprehensive training and compliance programme, supported by self-certification and reporting, with personal sanction for failure to comply with Group policies.
- Engagement with local stakeholders through formal and informal processes.
- Screening of our suppliers for sustainability risk in accordance with our Code of Conduct for Suppliers to better align with our risk criteria.
- Ongoing assessment of our governance of human rights issues and any potential risks in our operations and supply chain.
- Compliance committees are established at a Group level to monitor the risk relating to trade controls, data protection, competition compliance and business integrity – chaired by the Group CFO with representatives from across the business. Our legal and governance compliance is supported by a centralised legal compliance team and is subject to regular internal audit review.
- We have an anonymous whistleblowing and grievance platform (SpeakOut), enabling employees, customers, suppliers, communities and other stakeholders to raise concerns about conduct that may be contrary to our values.

Risk owner
Executive Committee (oversight CEO)

Risk trend

Link to strategy

Viability statement

As part of the approval of this Integrated report, the Board has assessed the Group's prospects and viability.

Factors in assessing long-term prospects

The Group's business model and strategy are described in detail on pages 8-13 and 14 respectively. Our strategy is to deliver value accretive growth sustainably. We do this by driving performance along the value chain, investing in quality assets, empowering our people and partnering with customers. Our performance against our strategic objectives is discussed in more detail on pages 15-23.

Mondi's geographical footprint, with around 100 production sites; employees working in more than 30 countries, and broad product range help mitigate potential risks of customer or supplier liquidity issues. With our scale, quality asset base, integrated operations and excellent customer proposition, we create value for our stakeholders in line with the Mondi Way.

The Group's financial position, cash flows, liquidity position and borrowing facilities are described in the financial statements. At 31 December 2024, the Group had €750 million of undrawn, committed debt facilities. The weighted average maturity of the Group's committed debt facilities was 3.9 years. The principal loan arrangements are disclosed in note 21 of the financial statements. In addition, the Group had €278 million of cash and cash equivalents available.

Assessment of viability

The Board believes that the three years to December 2027 is an appropriate period over which a reasonable expectation of the Group's longer-term viability can be evaluated. In coming to this view, the Board has considered the inherent volatility in selling prices, input costs and exchange rates, the time taken for new capacity expansion investments to be introduced into the market, typical new product development cycles, and the Group's capital structure. Given our principal risks, the Board believes that the ability to assess the Group's longer-term viability beyond this period becomes increasingly reduced. For these reasons, three years also represents the period of the Group's formal planning horizon.

The Board has considered the Group's current financial position, strategy and plans for the next three years.

The Group's principal risks identified on pages 60-69 have been assessed for their potential impact on the Group's viability over the next three years as part of the risk assessment. Our structurally growing packaging markets are described in more detail on page 7.

The Group's three-year 2025-2027 plan (budget period) has been tested for severe but plausible downside scenarios. These are summarised in the table at the bottom of this page.

While linked to the Group's principal risks, the scenarios detailed in the table below are hypothetical and designed to test the ability of the Group to withstand such severe outcomes. In an event that a scenario partly or fully takes place, the Group has various options available to maintain liquidity and continue operations. The scenarios modelled are linked to those principal risks which are most likely to occur and have the most significant impact.

The sales volume compression scenario (Scenario 1) was calculated with assumed reductions of up to 7% depending on the relevant product compared with the assumptions in each year of the budget period.

The margin compression scenario (Scenario 2) was calculated with assumed reductions of up to 7% depending on the relevant product compared with the assumptions in each year of the budget period.

Both margin and volume sensitivities have been modelled considering current and potential future market developments.

Wood, gas and electricity prices in our major European operations have been tested in Scenario 3, based on internal management assumptions. The impact of the other input costs, which are usually passed on through higher sales prices in the converting operations, have been excluded from the downside sensitivities, similar to prior years.

Furthermore, in Scenario 4 the currency risk was tested as the wide geographic spread exposes the Group to the potential impact of exchange rate fluctuations. We have evaluated the impact of weaker US dollar and pound sterling exchange rates, and stronger other emerging market currencies including the South African rand, relative to the euro. These currencies were chosen as the Group has a significant exposure in them. A 10% weakening and a 10% strengthening of the respective currencies against the euro was applied, based on historical exchange rate developments.

While the assumptions we have applied in all four scenarios are possible, they do not represent our view of the likely outcome. Testing was performed for Scenarios 1 and 2 individually and in combination for a duration of three years, as these two scenarios are the ones we consider are most likely to happen in combination. The likelihood of other scenarios happening in combination is considered remote. We have assessed the impact of these assumptions on the Group's key financial metrics over the assessment period, including profitability, net debt, and net debt to underlying EBITDA.

Based on the results of these scenarios individually and in combination for Scenarios 1 and 2, the Board is satisfied that the Group would be able to respond to such circumstances through various means which could include a reduction and deferral of capital expenditure and further rationalisation and/or restructuring of operations, to ensure that the Group continues to meet its ongoing obligations.

Scenario testing

Scenario modelled		Link to principal risks	
Scenario 1	**Volume compression** Sales volume reduction across pulp and paper mills and converting operations	1	Industry productive capacity
		2	Product substitution
		11	Technical integrity of our operating assets
Scenario 2	**Margin compression** Sales prices reduction in pulp and paper mills and gross margin reduction in converting operations	3	Fluctuations and variability in selling prices or gross margins
Scenario 3	**Input costs inflation** Increase in materials, energy, consumables used and variable selling expenses	9	Costs and availability of raw materials
		10	Energy security and related input costs
Scenario 4	**Currency risk** Volatility in foreign exchange rates	7	Currency risk

The Group meets its funding requirements from a variety of sources, as more fully described in the financial statements in note 21. The Board is satisfied that the Group will have sufficient liquidity to meet its needs over the Group's formal planning horizon. Testing compliance with financial covenants is not needed as none of the Group's loan agreements have a financial covenant.

The Group announced on 9 October 2024 that it entered into an agreement to acquire the Western Europe Packaging Assets of Schumacher Packaging for an enterprise value of €634 million. The required financing for the transaction has been considered in all scenarios tested.

For the purposes of assessing viability over a longer period, the assessment was carried out against the Group's current committed debt facilities. The Board notes that the Group has a track record of successfully accessing both banking and debt capital markets for funding, and the Group's management is expecting to be able to refinance the facilities maturing during the viability assessment period. The Board believes that the strong and stable financial position of the Group, supported by a continued strong investment grade credit rating from both Moody's (Baa1, outlook stable) and Standard & Poor's (A-, outlook stable), ensures the Group has access to funding through the business cycle. For this reason, the assessment was carried out against the Group's committed debt facilities on the assumption that the Group's €600 million Eurobond maturing in April 2026 will be successfully refinanced.

Additionally, the Board has conducted a reverse stress test on the budget period to assess the extent of downturn required to result in no liquidity headroom. The analysis determined that a 39% decline in the planned underlying EBITDA, significantly exceeding the outcomes of the four scenarios tested, including the combined impact of Scenario 1 and 2, would need to persist through the budget period. Such a downturn is considered highly unlikely. This reverse stress test also does not incorporate mitigation actions like reductions and deferrals of capital and operational expenditure or cash preservation responses, which the Group would implement in the event of a severe and extended revenue decline.

Taking into account the Group's strategy, principal risks and the results of the downside scenario assessments, and on the assumption that over the extended viability assessment the Group will continue to be able to successfully refinance its debt as it has done historically, the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of the viability assessment.

Going concern

The directors have reviewed the Group's budget and considered the assumptions contained in the budget, including consideration of the principal risks which may impact the Group's performance in the 18 months following the balance sheet date and considerations of the period immediately thereafter.

The Group has a strong balance sheet. At 31 December 2024, the Group had a liquidity position of €1,028 million, comprising €750 million of undrawn committed debt facilities and cash and cash equivalents of €278 million available. As the Group's debt facilities and loan agreements contain no financial covenants, in performing its going concern assessment the directors have focused on liquidity.

The Group announced on 9 October 2024 that it entered into an agreement to acquire the Western Europe Packaging Assets of Schumacher Packaging for an enterprise value of €634 million. The required financing for the transaction has been considered in all scenarios tested. In order to provide increased liquidity headroom for the Group following the agreed Schumacher Packaging acquisition, the Group utilised the accordion increase in its €750 million RCF, to increase the available facility by €250 million to €1 billion, effective 2 January 2025. All of the banks agreed to the increase.

The Group has a track record of successfully accessing both bank and debt capital markets for funding, and the Group's management is expecting to be able to refinance any facility maturing during the going concern period. The Board believes that the strong and stable financial position of the Group, supported by a continued strong investment grade credit rating from both Moody's (Baa1, outlook stable) and Standard & Poor's (A-, outlook stable), ensures the Group has access to funding through the going concern period.

The current and possible future impact from the macroeconomic environment on the Group's activities and performance has been considered by the Board in preparing its going concern assessment. The base case forecasts for the Group, being those arising over the 18-month going concern assessment period as reflected in the Group's 2025-2027 plan, were sensitised to reflect a severe but plausible downside scenario on Group performance.

The scenario testing assumed severe but plausible volume and margin reductions happening in combination (consistent with the sensitivities described in Scenarios 1 and 2 in the viability statement) and was carried out against Mondi's current committed debt facilities, and on the assumption that the Group's €600 million Eurobond maturing in April 2026 will be successfully refinanced. Given the Group's track record of successfully accessing both the bank and debt capital markets for funding, the Board is confident that the Group will be able to refinance the bond. This testing does not incorporate any mitigation actions such as reductions and deferrals of capital and operational expenditure or cash preservation responses, which the Group would implement in the event of severe and extended revenue decline.

In the severe but plausible downside scenario, the Group has sufficient liquidity headroom throughout the entire period covered by the going concern assessment.

A further scenario has been modelled which, while considered highly unlikely, assumes that no refinancing takes place during the going concern period. In this scenario the Group would implement mitigating actions including reductions and deferrals of capital and operational expenditure and other cash preservation responses to maintain sufficient liquidity.

In addition to its modelled downside going concern scenario, the Board has reverse stress tested the model to determine the extent of downturn which would result in no liquidity headroom. The test was conducted based on the Group's current committed debt facilities, with the assumption that any facility maturing during the assessment period will be refinanced. A decline of 45% to the planned underlying EBITDA in the period until 30 June 2026, well in excess of that contemplated in the severe but plausible downside scenario, would need to persist throughout the observed period to result in no liquidity headroom, which is considered very unlikely. This reverse stress test also does not incorporate mitigating actions such as reductions and deferrals of capital and operational expenditure or cash preservation responses, which the Group would implement in the event of a severe and extended revenue decline.

Following its assessment, the directors have formed a judgement, at the time of approving the Integrated report and consolidated financial statements, that there are no material uncertainties that cast doubt on the Group's going concern status and that it is a reasonable expectation that the Group has adequate resources to continue in operational existence for the going concern period. For this reason, the Group continues to adopt the going concern basis in preparing the Integrated report and financial statements 2024.

Chair's introduction

How has our governance framework supported our progress in 2024?

Philip Yea
Chair

Governance

Dear fellow shareholder

On behalf of the Board, I am pleased to introduce our Governance report for 2024. This report provides you with a more detailed look at our approach to governance, how it supports our purpose and the creation of sustainable, long-term value for our stakeholders, and the Board's key focus areas during the year.

Good governance is critical to ensuring continued trust in the Board and its decision-making. Having a governance framework that supports the Board in leading with integrity and reflects our culture and values is fundamental, particularly in times of uncertainty.

I am confident that our robust governance processes and practices have continued to function effectively during the year, and that they will continue to evolve to reflect the expectations of our stakeholders, enabling the Board to operate to the highest standards.

Board composition

At the end of September 2024, Dominique Reiniche retired as an independent non-executive director after nine years in office. Dominique played an important role during this time, particularly as Chair of the Sustainable Development Committee, a role she held for more than six years, and more recently as Senior Independent Director. I would like to thank Dominique for her commitment and contribution to Mondi and wish her all the best for the future.

In preparation for Dominique's retirement, a recruitment process was undertaken, facilitated by an external search agency. I am pleased to confirm that, as a result, Sucheta Govil joined the Board as an independent non-executive director in October 2024. Sucheta brings extensive experience to the Board, and to the committees to which she has been appointed. I look forward to working with her over the coming years.

Alongside this, Sue Clark was appointed as Senior Independent Director and Chair of the Remuneration Committee, while Dame Angela Strank was appointed as Chair of the Sustainable Development Committee, bringing fresh perspectives to each of these key roles.

Good governance is critical to ensuring continued trust in the Board and its decision-making, and having a governance framework that supports the Board in leading with integrity and reflects our culture and values is fundamental.

Philip Yea
Chair

Our people

The safety and wellbeing of our workforce and promoting a culture that reflects our values and attracts people to join and stay with the Group are priorities for the Board.

Our approach to safety, how well it is embedded and any further measures we can take to keep our people safe are always top of the agenda. The Board promotes the extensive work that is undertaken across the Group in this respect. Despite these efforts, we were deeply saddened by the fatality at our Merebank mill (South Africa) during the year. We also experienced three life-altering injuries in our operations. Our thoughts have been with all those affected.

Such incidents have a devastating impact and our first priority as an organisation is to ensure that the necessary support is provided to those involved. The actions taken in this regard form a key part of the reports received by the Board when an incident occurs. Alongside this, there is a strong focus on understanding the circumstances of any incident, establishing root causes and identifying actions that can be taken to minimise the risk of a reoccurrence. The knowledge acquired from these investigations is shared across the Group, with the agreed actions also implemented at any other sites as appropriate.

The Board remained focused during the year on the approach to safety and how as an organisation we can drive further improvements. The continued evolution of Mondi's approach to encompass the Social Psychology of Risk remained central to these discussions, focusing on the psychological and cultural elements that can contribute to unsafe behaviour.

We were encouraged to hear that significant time has been dedicated to training not only our safety and health professionals but also leaders across the organisation. Sue Clark attended one of these training sessions on behalf of the Board and was extremely positive in her feedback on the commitment and buy-in of local management, which is critical if we are to further improve our safety performance. More information on our approach to safety can be found on page 40.

More broadly, we were pleased to have further opportunities during the year to engage with our people, both on a formal and informal basis. The insights we acquire from such engagements inform the Board's discussions in relation to a range of matters, from our culture and how well it is embedded, to our decisions on capital allocation. The Board benefits greatly from being exposed to the views of our colleagues across the Group. More information on the engagement undertaken during 2024 can be found on page 82-84.

Our wider stakeholders

As a Board, we also value the views of our wider stakeholders, which are critical to our decision-making. We spent time throughout the year developing our understanding of the views and interests of our key stakeholders, with insights gained directly or through our delegation framework, and in a variety of formats. Much of this insight comes from our colleagues on the ground who have regular contact with the stakeholders concerned and a deep understanding of what they expect from Mondi.

How we comply with the UK Corporate Governance Code

During the year ended 31 December 2024, Mondi aimed to comply with the principles and provisions of the July 2018 edition of the UK Corporate Governance Code (the Code) issued by the Financial Reporting Council (available at www.frc.org.uk).

It is the view of the Board that Mondi has applied the principles, and complied with the provisions, of the Code throughout the year, with one exception. The 2024 grant of Long-Term Incentive Plan awards was not wholly compliant with provision 36 of the Code as the total vesting and holding period for the executive directors' awards was slightly shorter than the standard five-year period. As explained on page 130, this was the result of the grant being unavoidably delayed from March to May 2024 owing to Mondi being in a closed period due to the potential offer for DS Smith. Given the exceptional circumstances of the delay, the Remuneration Committee determined that the awards should vest at the usual date in March 2027 to provide consistency for participants. Awards remained subject to the usual three-year performance period.

The Governance report is structured according to the sections of the 2018 edition of the Code in order to clearly demonstrate how we have applied the principles.

The Board notes that the 2024 edition of the Code came into effect on 1 January 2025. Consideration is being given to any changes required to our practices as a result of the revisions to the Code and Mondi will report against the 2024 edition of the Code in its Integrated report and financial statements for the year ending 31 December 2025.

Chair's introduction continued

SpeakOut

The Group has an anonymous whistleblowing and grievance platform called 'SpeakOut', operated by an independent third party.

SpeakOut, monitored by the Internal Audit function and overseen by the Board and Audit Committee, is a simple, accessible and confidential platform through which our employees, customers, suppliers and other stakeholders can raise concerns about any unethical practices or conduct contrary to Mondi's values.

The service is fundamental to ensuring the confidence of our employees and other stakeholders in our culture and values.

Any type of concern can be raised via SpeakOut. The Board and Audit Committee receive regular reports of SpeakOut messages received and ensure that appropriate investigation into each message has been undertaken and responses given, with actions taken where any allegation proves to have some foundation.

The reports allow the Board to identify any particular trends and common issues, with messages classified into categories including HR-related concerns, business integrity issues and environmental and safety topics, and to consider whether any changes to Mondi's risk management processes are required as a result.

The effectiveness of the SpeakOut platform is kept under regular review.

More information about Mondi's approach to anti-bribery and corruption in particular can be found on page 49.

This knowledge provides context for all of the Board's discussions but it was particularly relevant this year with regard to our deliberations as to whether to make an offer for DS Smith and our decision to acquire Schumacher Packaging's Western Europe Packaging Assets. The interests of a wide range of stakeholders, including our investors, customers and employees, were at the forefront in both cases.

We will continue to assess if we have the right mechanisms in place in this regard and to ensure that we continue to have full visibility of the likely impact of our decisions on our key stakeholders. More information on our key stakeholders and the engagement undertaken during the year can be found on pages 50-51 and 82-85.

Long-term sustainability

Operating in a sustainable manner, with a focus on managing the impact our organisation has on the environment in which we do business, remains central to Mondi's strategy, and our ability to deliver the strategy in such a way is regularly tested and challenged.

The primary role of the Sustainable Development Committee is to oversee and monitor, on behalf of the Board, our approach and performance across a broad range of sustainability matters, including safety, environmental performance, climate change-related risks and opportunities, people-related matters and relationships with many of our key stakeholders.

The Sustainable Development Committee's discussions in this respect provide context for many of the Board's decisions, as well as the Board's ongoing monitoring and review of Mondi's strategy and principal risks, and ensure that the long-term impacts of the decisions we make, and any potential trade-offs, are fully considered. More information on the work of the Sustainable Development Committee and its key focus areas during 2024 can be found on pages 108-110.

Looking forward

While we expect the current geopolitical and macroeconomic uncertainties to persist in 2025, our focus remains on achieving long-term sustainable value for our stakeholders. I am confident that our strong culture and values and robust governance framework ensure that we are well placed as an organisation not only to navigate the risks and challenges these uncertainties present, but also to take advantage of opportunities as they arise.

I would like to thank our colleagues across the organisation and all of our stakeholders for their commitment to Mondi during the year, and I look forward to continued engagement in 2025.

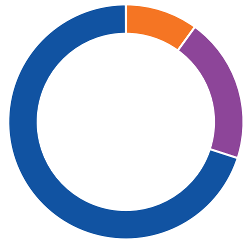
Philip Yea
Chair

Board of directors

The directors holding office at the date of this report, together with their biographical details and an explanation of the skills and experience they bring to the Board, are set out below.

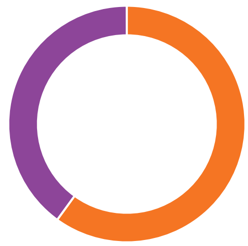
See biographies
Page 76

Composition of the Board



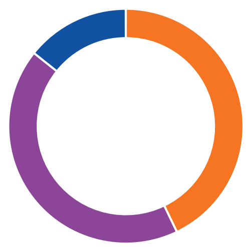
Chair	10%
Executive directors	20%
Independent non-executive directors	70%

Diversity of the Board



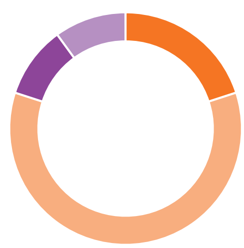
Male	60%
Female	40%

Independent non-executive director tenure



0–3 years	3
3–6 years	3
6–9 years	1

Nationalities represented on the Board



South African	2
British	6
German	1
Norwegian	1

Board of directors continued

1 Philip Yea
Chair

Appointed to the Board
April 2020 and as Chair in May 2020

Independent
Yes (on appointment)

Committee memberships
Nominations (Chair), Remuneration

Qualifications
Graduated with an MA in Modern Languages from Oxford University, Fellow of the Chartered Institute of Management Accountants (UK)

Skills and experience
Philip has extensive listed company experience, both as an executive and non-executive director, across a range of sectors. His broad industry background and knowledge of operating within large, international corporates, as well as his significant leadership experience, bring valuable insight to the Board and are relevant to the future growth and development of Mondi.

Philip's experience and knowledge of UK listed companies underpin the Board's commitment to delivering best practice corporate governance.

Philip started his career as a graduate trainee at Perkins Engines before holding a range of finance roles at companies including Mars Ltd and Guinness plc, becoming Group Finance Director of Diageo plc on its creation in 1997. He was a managing director at Investcorp from 1999 to 2004, leaving to become CEO of 3i Group plc, a role he held until 2009.

He has held a number of non-executive roles, including Chair at Equiniti Group plc, Greene King plc and bwin.party digital entertainment plc; Senior Independent Director at Vodafone Group plc, Manchester United plc and Computacenter plc; and non-executive director at Marshall of Cambridge (Holdings) Ltd, Aberdeen Standard Asia Focus plc, Rocket Internet SE and HBOS plc.

Current external appointments
None.

2 Andrew King
Group CEO

Appointed to the Board
October 2008 and as Group CEO in April 2020

Independent
No

Committee memberships
Executive (Chair), Sustainable Development

Qualifications
Graduated in Commerce from the University of Cape Town, Chartered Accountant (South Africa)

Skills and experience
Andrew has more than 22 years' experience with Mondi in various strategy, business development and leadership roles, giving him a detailed understanding of Mondi's strategy, capital allocation priorities and financial structure and the environment in which the Group operates. He has played a key role in defining the Group's strategic direction and re-shaping the capital structure since listing. Andrew's long and varied experience with Mondi brings extensive knowledge of the markets and conditions in which the Group operates, providing a key contribution in developing and executing Mondi's strategy to enhance competitiveness and deliver sustainably into the future.

Andrew completed articles with Deloitte & Touche in Johannesburg in 1994. In 1995 he joined Minorco, part of Anglo American, as a financial analyst, before assuming responsibility for the group's investment management activities, and transferring to its corporate finance department in 1998. He worked on a number of group M&A activities before being appointed a vice president of Anglo American Corporate Finance in 1999.

He was appointed Mondi's Vice President of Business Development in 2002 and Corporate Development Director in 2004. He served as CFO of Mondi from June 2005 to May 2006. He was then appointed as Group Strategy and Business Development Director before becoming the CFO of the Mondi Group in 2008.

Andrew was appointed CEO of the Mondi Group on 1 April 2020.

Current external appointments
None.

3 Mike Powell
Group CFO

Appointed to the Board
November 2020

Independent
No

Committee membership
Executive

Qualifications
Graduated in Computer Science & Accounting from the University of Manchester, member of the Chartered Institute of Management Accountants (UK)

Skills and experience
Mike has significant financial and strategic experience and extensive experience leading finance teams, having been chief financial officer and an executive director of a number of large international listed companies.

He brings a clear operational focus, strong leadership experience and knowledge of operating in large industrial groups across a variety of geographies. The strategic financial insight Mike brings drives Mondi's strong financial performance and culture of continuous improvement.

Mike started his career at Pilkington plc, spending 15 years in a variety of finance and operational roles. He went on to become Chief Financial Officer at Nippon Sheet Glass and then AZ Electronic Materials plc.

He was subsequently appointed Group Finance Director at BBA Aviation plc, before being appointed Group Chief Financial Officer at Ferguson plc, a multinational distributor of plumbing and heating products. Mike also served as a non-executive director of Low & Bonar from December 2016 to May 2020.

Mike joined Mondi as Group CFO in November 2020.

Current external appointments
None.

4 Sue Clark
Senior Independent Director

Appointed to the Board
April 2021

Independent
Yes

Committee memberships
Audit, Nominations, Remuneration (Chair)

Qualifications
BSc in Biological Sciences from the University of Manchester and an MBA from Heriot-Watt University

Skills and experience
Sue has a wealth of commercial and strategic experience gained across different industries and geographies, having worked with a broad range of stakeholders in both an executive and non-executive capacity. She understands the challenges of changing customer and consumer preferences and the need to build and protect the Group's reputation with all its stakeholders. Sue's experience enables her to bring knowledge and insight to her new roles as Senior Independent Director and Chair of the Remuneration Committee.

Starting her career with the Central Electricity Generating Board, Sue held communication roles at National Power plc, moving to Scottish Power plc, where she became Director of Corporate Affairs. In 2000, Sue joined Railtrack Group plc, before moving to SABMiller plc in 2003, where she was a member of the executive management team, Director of Corporate Affairs and then Managing Director, Europe, until the business was acquired in 2016.

Sue was a non-executive director of Bakkavor Group plc until 2020, Tulchan Communications LLP until 2023 and Britvic plc until March 2024, and a member of the Supervisory Board of AkzoNobel NV until April 2021.

Sue was the non-executive director responsible for engaging with employees until the end of September 2024, stepping down to become Senior Independent Director and Remuneration Committee Chair.

Current external appointments
Senior Independent Director and remuneration committee chair at Imperial Brands plc and easyJet plc.

5 Svein Richard Brandtzaeg
Non-executive director

Appointed to the Board
April 2021

Independent
Yes

Committee memberships
Audit, Nominations, Sustainable Development

Qualifications
PhD in Chemical Engineering from the Norwegian University of Science and Technology

Skills and experience
Svein Richard has a strong commercial and strategic background as a former chief executive of Norsk Hydro ASA and more recently as a non-executive director on a number of boards. His experience of leading a global industrial group brings valuable insight to the Board's strategic planning and driving growth in key geographies. His leadership experience in developing business synergies and harnessing sustainable opportunities is a valuable addition to Board discussions.

He started his career at Ardal og Sunndal Verk AS, the Norwegian state-owned aluminium business, before it merged with Norsk Hydro ASA. Svein Richard went on to hold a variety of management roles at Norsk Hydro ASA, leading a number of its businesses, before being appointed chief executive in 2009, a position he held until retiring in 2019. Svein Richard was also Chair of Veidekke ASA from 2019 until May 2022, Vice Chair of Den Norske Bank ASA until April 2023, Vice Chair of Swiss Steel Holding AG until October 2023 and a non-executive director of Eramet Norway until December 2024.

Current external appointments
Chair of dormakaba Holding AG and a non-executive director of Rotork plc.

6 Sucheta Govil

Non-executive director

Appointed to the Board
October 2024

Independent
Yes

Committee memberships
Nominations, Remuneration

Qualifications
Degree in Economics with Mathematics from Delhi University and an MBA from the Indian Institute of Management, Calcutta

Skills and experience
Sucheta has extensive commercial and operational leadership experience having held senior positions across a range of sectors. Her experience operating in multinational industrial businesses including in her current executive role brings knowledge and insight to the Board.

Sucheta started her career with GlaxoSmithKline plc, spending 17 years there in various management roles, before moving to PepsiCo, Inc. in 2003. In 2011, she was appointed Global Head of Marketing, Decorative Paints at AkzoNobel NV, a role she held until 2015. In 2015, Sucheta became Chief Marketing Officer of DSM NV, before moving in 2019 to her current role of Chief Commercial Officer and member of the board at Covestro AG, one of the world's leading manufacturers of high-quality polymer materials and their components.

Sucheta was previously a non-executive director of Eurocell plc between 2018 and 2022.

Current external appointments
Chief Commercial Officer and member of the board at Covestro AG.

7 Anke Groth

Non-executive director

Appointed to the Board
April 2023

Independent
Yes

Committee memberships
Audit, Nominations

Qualifications
Degree in Business Economics from the University of Dortmund

Skills and experience
Anke has a strong financial and commercial background and extensive leadership experience. Her experience operating in large international listed companies covering energy and industrial sectors, and her strategic and operationally focused knowledge bring valuable insight and perspective to the Board.

Anke began her career in the energy industry, initially in business development and mergers and acquisitions in two regional energy companies, before working for E.ON SE from 2001 to 2018. Her roles at E.ON SE included Vice President of Mergers & Acquisitions; Chief Financial Officer, Spain; Senior Vice President Investor Relations; and, from 2016 to 2018, Chief Financial Officer of E.ON UK plc. In 2018 Anke joined KION Group AG, active in the capital goods sector and publicly listed on the German stock exchange, as Group Chief Financial Officer & HR Director, a role she held until stepping down in 2022.

Anke was appointed as the non-executive director responsible for engaging with employees on behalf of the Board in October 2024.

Current external appointments
Member of the Supervisory Board at E.ON SE and the Administrative Board at DKV Mobility Group SE.

8 Saki Macozoma

Non-executive director

Appointed to the Board
May 2022

Independent
Yes

Committee memberships
Audit, Nominations

Qualifications
BA in Economics and Politics from the University of South Africa

Skills and experience
Saki has a strong track record as a chair and non-executive director across a number of listed and private entities and brings to the Board significant experience from a range of industries. He also brings extensive insight into the South African business environment, including into key regulatory and sustainability considerations for Mondi's operations in South Africa.

From 1993 to 1994, Saki worked for South African Breweries as Business Development Manager, before being elected a member of South African Parliament in 1994, a position he held until 1996. Saki went on to be appointed a managing director at Transnet Limited, the company responsible at that time for South Africa's rail network and harbours and South African Airways.

In 2001, he joined New African Investments Limited, a publicly listed investment company, as Chief Executive Officer, a role he held until 2004. He was also previously chair of MTN Group Limited and a non-executive director of Standard Bank Group Limited, Liberty Holdings and Murray and Roberts Holdings Limited.

Current external appointments
Chair of Vodacom Group Limited, Safika Holdings (Pty) Ltd, Tshipi é Ntle Manganese Mining (Pty) Ltd and Ntsimbintle Mining (Pty) Ltd.

9 Dame Angela Strank

Non-executive director

Appointed to the Board
April 2021

Independent
Yes

Committee memberships
Nominations, Remuneration, Sustainable Development (Chair)

Qualifications
BSc and PhD in Geology from the University of Manchester and a Chartered Engineer

Skills and experience
Angela has extensive experience of operating in large, international companies in both executive and non-executive roles, with expertise including operations, technology and sustainability. Her valuable knowledge of combining technology, sustainability and low-carbon energy brings key insight into innovation for circular driven solutions and business growth, and her experience of international executive leadership in the UK listed environment enables her to bring guidance and challenge to the Board.

Angela started her career with the Institute of Geological Sciences before joining BP plc in 1982, where she held various international senior leadership and strategic technology/engineering-focused roles, including Chief Scientist and Head of Downstream Technology, and was a member of the group executive committee from 2018 until her retirement in 2020. Angela was honoured with a Damehood (DBE) in 2017, and is a Fellow of the Royal Society, the Royal Academy of Engineers and the Institute of Chemical Engineers, as well as an honorary Fellow of the UK Energy Institute.

Angela was also a non-executive director of Severn Trent plc until March 2022. Angela was Chair of Mondi plc's Remuneration Committee from May 2022 until the end of September 2024 when she stepped down from the role to become Chair of the Sustainable Development Committee.

Current external appointments
Non-executive director of SSE plc and Rolls-Royce Holdings plc.

10 Stephen Young

Non-executive director

Appointed to the Board
May 2018

Independent
Yes

Committee memberships
Audit (Chair), Nominations, Sustainable Development

Qualifications
Graduated in Mathematics from Southampton University, member of the Chartered Institute of Management Accountants (UK)

Skills and experience
Stephen brings a strong financial and general management background to the Board with experience gained internationally across a variety of sectors, including industrial and engineering. Stephen's experience brings crucial insight to maintaining and developing Mondi's robust risk management system and allows him to act as an experienced sounding board for executive management.

He spent his early career in commercial accounting and finance roles at companies including Ford Motor Company, Mars, Inc. and Grand Metropolitan plc (now Diageo plc).

He was Group Finance Director of the Automobile Association until its acquisition by Centrica in 2000 before becoming Group Finance Director at Thistle Hotels plc.

In 2004 Stephen was appointed Group Finance Director at Meggitt plc, an international engineering business specialising in aerospace equipment. He held this role for nine years, before being appointed CEO in 2013. Stephen stepped down from the board of Meggitt plc on 31 December 2017.

He was also a non-executive director and audit committee chair of Derwent London plc from 2010 until May 2019 and of The Weir Group plc from January 2018 until July 2024.

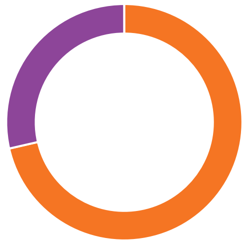
Current external appointments
None.

Executive Committee and Company Secretary

Andrew King biography
Page 76

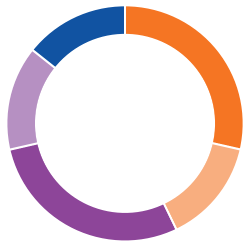
Mike Powell biography
Page 76

Diversity of the Executive Committee



Male	71%
Female	29%

Nationalities of Executive Committee members



South African	2
British	1
Austrian	2
German	1
Swiss	1

3 Marita Erler
Chief People Officer

Appointed to the Executive Committee
April 2024

Qualifications
Graduated in Business Administration from the University of Economics and Business in Vienna

Skills and experience
Marita has extensive experience in the HR field and a strong strategic and operational business focus, having held senior HR roles in a complex multinational environment for more than 20 years.

Marita started her career as a consultant focusing on change management and structural and process improvements across a range of industries. She went on to join Jenbacher AG in 2002 as Organisation and Talent Development Leader, before being appointed HR Integration Leader when Jenbacher AG was taken over by General Electric (GE) in 2003.

Since 2003, Marita has held various senior HR roles at GE, including Global HR Director for GE Jenbacher, which subsequently became GE Gas Engines, and Vice President HR Europe, GE Energy Management. In 2015, Marita was appointed Vice President HR, Steam Power Systems Rotating Equipment and Product Management, and then Executive Vice President HR, Steam Power in 2017, leading a global HR organisation with teams in Europe, the Middle East, India, China, Southeast Asia and the Americas. Marita held this role until joining Mondi as Chief People Officer in April 2024.

Current external appointments
None.

4 Markus Gärtner
CEO, Corrugated Packaging

Appointed to the Executive Committee
October 2018

Qualifications
Doctorate of Technical Sciences from ETH Zürich and a Master of Science in Electrical Engineering from Stanford University

Skills and experience
Markus has significant industrial and international business experience. He started his career at McKinsey & Company, working on numerous operational and strategic projects across a variety of industries.

Markus went on to join Novelis AG, a leading producer of rolled aluminium products, where he held various roles in strategy and sales with growing responsibility, until he eventually became the head of one of Novelis' three businesses as Vice President & General Manager Specialities.

In this capacity, he was responsible for a diverse range of applications, including consumer packaging solutions and industrial products.

Markus joined Mondi in September 2018 as CEO, Fibre Packaging/Paper and was appointed to the Executive Committee in October that year. He subsequently became CEO, Corrugated Packaging in October 2019.

Current external appointments
None.

5 Lars Mallasch
Group Technical & Sustainability Director

Appointed to the Executive Committee
September 2020

Qualifications
Graduated in Paper Technology from the University of Applied Science in Munich

Skills and experience
Lars has extensive experience in the pulp and paper industry, having worked in the industry for over 25 years.

Lars began his career with a paper making apprenticeship and then studied Paper Technology in Munich. He joined Voith, the global technology company, in 1997 as Commissioning Engineer for Capital Projects. Lars subsequently held a variety of management roles in Voith Paper's board and packaging division, gaining a wide range of experience and working internationally in a number of different countries.

After 14 years with Voith, Lars joined Mondi in 2011 as Group Head of Capital Expenditure, a role he held for six years.

Alongside this, he held the role of Technical Director Containerboard between 2012 and 2014 and Technical Director Packaging Paper from 2014 until 2018. He also held the role of Operations Director at Mondi's Štětí mill between 2017 and 2019.

In 2019, Lars was appointed as Mondi's Corrugated Packaging Technology and Capex Director and alongside this, was appointed as Director of Containerboard Operations at Mondi's Syktyvkar and Richards Bay mills in February 2020.

Lars was appointed to his current role, and as a member of the Executive Committee, in September 2020.

Current external appointments
None.

6 Vivien McMenamin
CEO, Uncoated Fine Paper & South Africa

Appointed to the Executive Committee
October 2017

Qualifications
MSc in Economics from the University of London and Advanced High Performance Leadership Certificate from IMD Switzerland

Skills and experience
Viv has more than 20 years' experience in the pulp and paper industry, having held executive responsibility in Mondi South Africa for marketing and sales, human resources, corporate affairs and transformation. Viv's roles have included Mondi Group Head of Sustainable Development and Director Land and Forestry, giving her significant sustainability experience and insight. In October 2017, she was appointed CEO of Mondi South Africa and in October 2023, she was appointed CEO, Uncoated Fine Paper.

Viv was instrumental in the establishment of Mondi Zimele, Mondi's small business development organisation, and crafting Mondi's innovative approach to land reform.

Prior to Mondi, Viv worked in government and the anti-apartheid movement in South Africa, serving Nelson Mandela as a member of the President's Task Force on Local Economic Development and as a member of President Thabo Mbeki's Economic Advisory Panel.

Viv previously served on the boards of SiyaQhubeka Forests, the South African Association for Marine Biological Research (SAAMBR) and Durban Girls College.

Current external appointments
Non-executive director of KAP Industrial Holdings Limited and of Business Leadership South Africa.

7 Thomas Ott
CEO, Flexible Packaging

Appointed to the Executive Committee
January 2022

Qualifications
Graduated in Business Administration from the WU-Vienna business school

Skills and experience
Thomas has extensive experience in the industrial bags and consumer packaging industries, having held a variety of roles with Mondi for more than 25 years, building Mondi's Industrial Bags business and shaping Mondi's portfolio in Europe.

Thomas started his career with Deloitte & Touche in 1992, before joining Mondi in 1995 as a financial controller. He went on to hold a number of leadership roles within Mondi before becoming COO, Industrial Bags in 2012, a role he held until 2019. During this time, he successfully restructured Western Europe and supported Mondi's growth in North America, the Middle East and Africa.

Thomas briefly moved to Amcor EMEA, focusing on consumer packaging as a member of the EMEA executive team in the role of VP Food, Snacks and Confectionery, before returning to Mondi in March 2021 as COO, Kraft Paper & Paper Bags.

In January 2022, he was appointed CEO of Mondi's Flexible Packaging business.

Current external appointments
None.

8 Jenny Hampshire
Company Secretary

Skills and experience
Jenny, a fellow of the Chartered Governance Institute, joined Mondi in May 2007 and has held various roles in the company secretariat, including five years as Assistant Company Secretary. She was appointed Company Secretary of Mondi plc in December 2016. Prior to joining Mondi, Jenny worked for The BOC Group plc in its company secretariat.

Corporate governance report

Board leadership and company purpose

Promoting long-term sustainable success

The role of businesses in society remained a subject of close public scrutiny in 2024, with continued focus on how companies impact the environments in which they operate. Having an effective board in place, consisting of directors with the necessary skills, knowledge and integrity, is key to understanding and managing these impacts, and ensuring that Mondi understands and fulfils its responsibility to society. The Board provides leadership to the Group, establishing its strategy with the aim of achieving long-term sustainable success for Mondi, our shareholders and our other stakeholders. The biographies for Mondi's Board members, setting out the competencies they bring to the Board and the skills and experience that allow them to contribute to the long-term success of Mondi, can be found on pages 76-77.

Mondi's purpose, strategy and culture define The Mondi Way and how we run our business. This is illustrated in our business model, set out on pages 8-13, which explains how we achieve our purpose and deliver value for stakeholders while ensuring sustainability is at the centre of everything we do. Strong, ethical leadership, supported by a robust corporate governance framework, is crucial to the achievement of our purpose and strategy in a way that balances the interests of our key stakeholders while creating long-term sustainable value.

Supported by its committees, the Board has responsibility for setting and overseeing the implementation of the Group's strategy, ensuring the implementation of an appropriate risk management framework and overseeing sustainable financial performance. Mondi's governance framework and our culture of transparency ensure that the Board has the information it needs to assess the risks and opportunities facing the Group and the sustainability of the business model.

The structure of the Board and its committees, the division of responsibilities and the policies and procedures in place to facilitate the effective operation of the Board are detailed on pages 86-87.

How the Board monitors culture

Mondi's culture defines our behaviour and the way we do business, across the Group, within our operations and in the boardroom. It is critical to fulfilling our purpose and achieving long-term sustainable success. The Mondi Way sets out the key values that form the foundation of our culture. It is reinforced by our Code of Business Ethics which comprises the principles governing the way we behave and conduct business – legal compliance, behaving with honesty and integrity, respect for human rights, consideration of stakeholders and sustainability. The Board's responsibility for assessing and monitoring the culture of the Group is embedded in the Matters Reserved for the Board.

There are a number of ways in which the Board monitors and assesses culture and how well it is embedded across the Group, with the insight acquired used as context for discussions and decision-making, including:

Site visits

The directors regularly take opportunities to visit Mondi's key assets and operations so that they can get a more in-depth understanding of the business. Such visits offer directors the opportunity to see for themselves how our safety and sustainability culture is working in practice, to talk to local management and employees and to see how Mondi's values are communicated at a local level. During 2024, in addition to visits to sites by individual directors, the Board visited Mondi's mill in Ružomberok (Slovakia), more details of which can be found on page 83.

Board leadership and company purpose
Page 82-85

SpeakOut

Mondi has an anonymous whistleblowing and grievance platform called 'SpeakOut' operated by an independent third party. Any type of concern can be raised via SpeakOut, and the Board and Audit Committee receive regular reports of the messages received. These reports provide insight into matters of concern to our employees and other stakeholders and draw out behaviour that is contrary to Mondi's values.

SpeakOut
Page 74

Board presentations

The Board has in place a rolling programme of presentations from members of the Executive Committee and other senior management. These presentations give the directors direct exposure to members of senior management beyond the executive directors, allowing directors the opportunity to ask questions and hear their views. The directors also gain valuable additional insight helpful to succession planning discussions. Presenters and members of local management are also invited to attend Board dinners, which offer a more informal setting for discussion.

Division of responsibilities
Page 86-90

Employee Survey results

The Board receives regular reports on the results of our Employee Surveys, the issues raised and the follow-up actions being taken, giving the Board an insight into how employees feel about the culture of the Group. Our global Employee Surveys also help us to measure progress towards our MAP2030 Created by Empowered People commitments. The results of the last Group-wide survey, undertaken in the first half of 2023, were used to calculate our Purposeful Workplace Index and Inclusiveness Index scores, which provide the Board with an objective way to assess employee views in relation to, among other things, respect, fairness, trust, recognition, the working environment and mental wellbeing.
These indices also give us a way of directly measuring and monitoring aspects of culture over time, with targets in respect of the Purposeful Workplace Index and Inclusiveness Index scores forming part of our MAP2030 Created by Empowered People commitments. In response to the survey findings, a global 'Safe to Speak Up' pulse survey was conducted in 2024 to draw further insights from employees on the factors they felt might deter them from speaking openly and honestly.

Created by Empowered People
Page 37-40

Safety reports and statistics

The Board reviews safety statistics and key safety focus areas at every meeting.
Caring for our employees is fundamental to Mondi's culture and this includes ensuring safe behaviour. Reviewing the safety reports highlights to the Board any concerns around the approach to safety specifically or indications of wider leadership or cultural issues at particular plants or mills. Safety is also a key focus during site visits, with behaviour on the ground an indicator as to how well Mondi's culture is embedded.

Created by Empowered People
Page 37-40

Review of key policies

The Board undertakes an annual review of Mondi's key policies. This gives the Board the opportunity to assess whether policies remain suitable for Mondi, reflect the Group's culture and values and support its long-term sustainable success. While there were no material changes to Mondi's policies as a result of this review during 2024, the opportunity was taken to update Mondi's Diversity & Inclusion Policy to align with current practice.

Feedback from non-executive director responsible for engaging with employees

During the year, Anke Groth was appointed as the independent non-executive director responsible for engaging with employees on behalf of the Board, replacing Sue Clark. This engagement with our employees provides the Board with valuable insight into how groups of our employees are feeling about Mondi and any matters of concern to them, giving the Board helpful information concerning how well the Group's culture is embedded across the organisation and any issues that might need greater attention. Information relating to the outcomes of this engagement during 2024 can be found on pages 82-83.

Board leadership and company purpose
Page 82-85

Corporate governance report continued

Board leadership and company purpose continued

Stakeholder engagement

Understanding the impact of our business on our key stakeholders, their long-term interests, and the environment in which we operate is central to the Board's decision-making. This is reflected in Mondi's Code of Business Ethics, recognising the fact that engagement and collaboration with our stakeholders is essential if we are to fulfil our purpose, deliver our strategy and create long-term, sustainable value in a manner that reflects our high standards of business conduct. Understanding what matters most to all our stakeholders allows us to make balanced judgements.

Our approach

Mondi categorises its stakeholders into six key groups, as set out on pages 50-51, and the Board reviews and agrees these annually. The Board's rolling agenda is designed to ensure that throughout the year, the directors are able to continually evolve their understanding of these stakeholders and the material issues relevant to them, with this knowledge ultimately feeding into their deliberations. This is supported by a detailed materiality assessment conducted at least every three years which helps us to identify the issues of greatest importance to our stakeholders. The results are driven by inputs from a range of sources, including surveys and interviews with internal and external stakeholders.

While the Board undertakes a level of direct engagement, engagement responsibilities are embedded throughout the organisation, ensuring that regular feedback is obtained from those colleagues with the strongest day-to-day relationships with stakeholders. Through our delegation framework, the output from this engagement is relayed to the Board, through the Executive and other committees of the Board and members of senior management.

Information enabling the Board to assess and understand the views and priorities of our key stakeholders comes from a number of different sources, including:

- presentations from the CEO of each business unit, and other members of senior management, highlighting those stakeholder issues that are of specific relevance to their business or area of responsibility. This included the views of our customers and how these influence product development and key sustainability considerations (see page 90 for more information);
- updates on the global initiatives Mondi participates in, primarily related to sustainability matters, and collaboration with external bodies;
- regular environmental performance reviews, including metrics on our greenhouse gas emissions, given at meetings of the Sustainable Development Committee, which all Board members usually attend;
- detailed review of the results of the latest customer satisfaction survey; and
- updates and briefings in relation to matters impacting the environment in which we operate, including regulatory changes and market developments, as well as legislative developments impacting our customers and suppliers.

During 2024, the Board also heard directly from one of Mondi's largest customers, providing valuable insight into its priorities, its biggest challenges from a packaging perspective and what it expects from its suppliers.

To assist the Board, in addition to the above, all papers requiring material decisions include clear explanation as to the expected impact on those stakeholders relevant to the decision, whether positive or negative. For capital expenditure decisions in particular, a more comprehensive review of the impact on our stakeholders is part of the established process we have for developing the necessary business case.

On the following pages, we focus more specifically on how we have engaged with employees and investors.

Impact on decision-making

The decision to acquire Schumacher Packaging's Western Europe Packaging Assets is just one example of how the Board has considered the interests of our key stakeholders, and its wider duties under Section 172 of the Companies Act. Of particular relevance for the Board were the potential benefits to customers, through the expansion of Mondi's corrugated footprint in Western Europe, the ability to broaden its product portfolio and the enhancement of its eCommerce offering. From an investor perspective, alignment with Mondi's strategy was considered, as well as the growth opportunities and expected financial contribution offered by the acquisition. As with all Board decisions, the interests of Mondi's employees, as well as those affected Schumacher Packaging employees, were also at the forefront. Alongside this, the likely impact of the transaction on Mondi's risk profile and relevant principal risks was considered, enhancing the Board's understanding of the likely consequences of the transaction in the long term.

How the Board engages with employees

Our employees are core to Mondi's long-term sustainable success, and as a global employer, employing around 22,000 people across more than 30 countries, we have a responsibility to provide a safe and healthy working environment, to operate with integrity and to instil a culture that supports our people in fulfilling their potential.

Our approach

Understanding the experiences and views of our employees, and the issues that matter most to them, is an area of focus for the Board, with this insight allowing the directors to assess the impact of their decisions on our workforce. We use a combination of different methods to engage with our employees. Some of our people are office based but many work in our production facilities and so no single method is suitable. By using a range of methods, we aim to reach as many people as we can, engaging with them in the manner most suitable for them.

In October 2024, Anke Groth, an independent non-executive director, was appointed as the director responsible for engaging with Mondi's employees on behalf of the Board. Anke replaced Sue Clark in this role following Sue's appointment as Senior Independent Director and Chair of the Remuneration Committee. Anke's leadership roles and exposure to a broad range of stakeholders during her executive career, including during her time as Chief Financial Officer and HR Director of KION Group AG, mean she is well positioned to take on this responsibility.

Key initiatives in 2024

During 2024, between them, Sue and Anke have undertaken a number of engagements with a broad range of employees, the format of which varies depending upon the location and audience to ensure the sessions are as productive and valuable as possible.

The subject matter is usually driven by the employees and can cover topics ranging from safety and strategy, to sustainability and remuneration. Feedback is provided to the Board after each event on the matters raised and the themes emerging during these engagements.

As an example, in May 2024, during a visit to Mondi's Kuopio mill (Finland), Sue, together with Philip Yea, undertook a number of engagement sessions with a cross-section of employees, including HR and local employee representatives, safety personnel and members of local management. The sessions consisted of open, two-way discussions in relation to a broad range of topics including safety, culture, diversity and inclusivity and the recent investment at the mill, including the mill's relevance to the Group's broader strategy. The results of the last Employee Survey were also discussed, with insight given into why employees might not feel sufficiently recognised for their efforts, a theme also identified from the broader survey results. These discussions provide insight into what matters to our employees on a local level and how specific local cultural elements can influence behaviour, providing an alternative to the Group-wide perspective that the Board usually sees.

Sue also joined a Social Psychology of Risk training session at the Štětí mill (Czech Republic) during the year. The interactive session was aimed at educating local management on the psychological and cultural elements that can result in unsafe behaviour. Sue's feedback from the session reinforced the Board's belief that there is a strong commitment to safety and clear leadership buy-in within the operations, and that the Group's safety culture is well embedded. However, there is a continued need to proactively focus on human behaviour when considering how to further improve safety performance.

Alongside this, Mondi has a European Works Council, a formally constituted body designed to facilitate communication with our employees. The meetings offer employee representatives an opportunity to hear about developments across the business, while also providing an open forum for employees to ask questions and to express their views directly to members of senior management.

Board site visits

The June 2024 Board programme was held at our Ružomberok mill (Slovakia). The two-day visit incorporated the scheduled Board and committee meetings but also included presentations from the local management team and a tour of the mill. The Board was given insight into the mill's product portfolio, safety and financial performance, local diversity and inclusion initiatives and progress against the MAP2030 commitments, before seeing the mill in action.

A dinner with representatives from the mill was also held, offering the opportunity for direct and more informal engagement with Board members.

Such visits are invaluable to the Board, with the programmes designed to facilitate broad engagement. They allow the directors to experience the culture and safety approach first hand and to engage directly with those on the ground in the operations.

In addition to Ružomberok, Philip Yea and Sue Clark visited Mondi's Kuopio mill (Finland) in May 2024, more details of which can be found opposite. Philip also visited Mondi's Izmit and Gebze plants (Türkiye) in September 2024.

In January 2024, the Board programme was held at our Group office in Vienna (Austria), facilitating in-person engagement between the Board and members of senior management based in Vienna. In particular, an invitation to attend a Board dinner was extended to a wide group of people, with attendees ranging from function heads to HR business partners and key members of operational management. Such events offer valuable insight for the purposes of succession planning and monitoring and assessment of the organisational culture.

The Board undertook a similar visit to the Vienna Group office in January 2025 and intends to undertake a further site visit later in the year.

The last meeting of the European Works Council was held in October 2024. The meeting was attended by representatives from across Mondi's European operations, as well as the Group CEO, the Chief People Officer and the Group Head of Safety & Health. Anke Groth also attended the meeting, further reinforcing the value of these meetings and providing employee representatives with a direct channel of communication to the non-executive members of the Board. The meeting consisted of presentations relating to matters including safety performance, financial performance, progress with major capex projects and the HR strategy, providing attendees with a wide range of information on the operation of the business. The formal presentations were followed by a question and answer session, allowing participants to openly engage and to raise questions and comments on a broad range of topics. Of particular focus for participants were the recently announced acquisition of Schumacher Packaging's Western Europe Packaging Assets, recent safety performance, the 2025 budget process in the context of the uncertain macroeconomic environment and actions in response to the recent 'Safe to Speak Up' pulse survey. Matters raised during these meetings are subject to subsequent follow-up where appropriate, with further information provided to participants where required.

A dinner was also held for participants, allowing further opportunity for more informal engagement outside of the meeting.

Corporate governance report continued
Board leadership and company purpose continued

Other mechanisms
The Board also uses the following mechanisms to ensure it has a broad view of the issues affecting our employees and their views on key matters:

- feedback from the CEO and other Executive Committee members, who are in regular contact with a wide spectrum of employees from across the Group;
- results of global and local Employee Surveys, providing insight into the issues that matter most to our employees and how they feel about working for Mondi, guiding decisions that might impact employees and allowing the Board to identify areas for future focus. A number of the questions are also designed to test the culture in the organisation and to allow the Board to judge how well the desired culture is embedded;
- leadership forums, incorporating the Mondi Diamond Awards, usually attended by the Chair of the Board and held approximately every two years, providing the opportunity for engagement with a wider range of senior employees from across all areas of the business;
- SpeakOut reports, which are presented to the Audit Committee and Board at meetings throughout the year. The reports provide details of the messages received via our whistleblowing and grievance platform, SpeakOut, giving the Board insight into specific issues affecting our employees and allowing the Board to identify any trends. Further details on SpeakOut can be found on page 74; and
- review of usage rates for Mondi's Employee Assistance Programme which offers an anonymous counselling service for employees.

The Board continues to believe that this combination of methods remains appropriate and effective, providing insight into the views of a broad range of employees from across Mondi's locations and allowing for two-way engagement, with employees having direct access to members of the Board and senior management.

How the Board engages with investors

Our approach
Understanding the views of our investors is fundamental to the way we run the business, the development of our strategy and how we shape our priorities. The engagement we have with investors, both directly and indirectly, allows the Board to determine which issues are of most importance to them and to understand what long-term, sustainable value means from their perspective. While recognising that every investor has their own rationale for investing in Mondi and that their investment goals vary, ongoing engagement allows the Board to take fully informed decisions, with an understanding of how different groups of investors may be impacted.

While the Chair is responsible for ensuring effective communication with shareholders, day-to-day management of this engagement is delegated to the Group CEO and Group CFO. They undertake active engagement with investors on a regular basis, meeting with Mondi's largest shareholders, analysts and other fund managers. Meetings with the Chair are offered on a regular basis and the Senior Independent Director is available to meet with shareholders as required, should any issues arise that are not resolved through the more regular channels. The committee chairs are also available for engagement with investors and other stakeholders where appropriate.

In addition, the executive directors and the Head of Investor Relations make themselves available to investors on an ongoing basis in order to maintain an open dialogue, resulting in a number of ad hoc meetings and calls taking place throughout the year.

We also maintain ongoing contact with our debt providers, and the Group CFO and Group Treasurer hold regular meetings with the credit rating agencies, relationship banks and debt investors.

The directors are kept informed of the views raised, with feedback from investors, particularly from the full- and half-year investor roadshows, presented and discussed at Board meetings. Analyst reports are also shared regularly with the Board and consideration given to any views, both positive and negative, regarding the Group's performance and future direction and the perceptions of the management team. These views provide context for, and feed into, the Board's discussions around strategy, capital allocation and succession planning.

Key initiatives in 2024

Details of the key investor events that took place during 2024 can be found opposite, with feedback from these events covering investor views on a range of topics, including on the Group's performance, strategy, capital allocation, the major capacity expansion project pipeline, returns and sustainability topics. One of Mondi's brokers also presented to the Board during the year, providing detailed insight into current market perceptions of Mondi, the key focus areas for Mondi's largest investors and areas of focus for potential new investors. This insight feeds into the development of Mondi's investor communication strategy.

Mondi's Annual General Meeting (AGM) also presents an opportunity for shareholders to question the directors about our activities, performance and prospects and continues to be a valuable opportunity for direct engagement between the Board and shareholders.

The AGM in 2024 was held as a fully hybrid meeting, in line with the approach taken in 2022 and 2023. Those shareholders joining virtually were able to hear the meeting, ask questions both verbally and in written form and vote live during the meeting. To maximise engagement, shareholders were also able to submit their questions in advance of the meeting, with written answers provided in advance of the proxy voting deadline wherever possible. All resolutions were passed, with approximately 76% of the total Group shares voted, indicating high levels of engagement.

However, given the cost involved with holding a fully hybrid meeting and the extremely low number of shareholders taking advantage of the hybrid facility, we have looked at ways in which we can simplify the arrangements while continuing to maximise levels of engagement. As a result, for the 2025 AGM we have decided not to hold a fully hybrid meeting. Instead, alongside the ability to attend in person, we will offer a webinar facility so that those shareholders who cannot attend in person are still able to listen to the meeting and ask questions. However, shareholders using the webinar facility will not be able to vote during the meeting. As always, shareholders will also be able to submit questions in advance of the meeting, either to be read out and answered during the AGM or, if preferred, for response prior to the proxy voting deadline. We hope that these arrangements continue to provide flexibility for our shareholders and encourage engagement, while at the same time minimising cost and complexity.

Full details of the arrangements for the 2025 AGM, and explanations of each resolution to be proposed at the AGM, can be found in the 2025 AGM notice, which is contained in a separate circular to be made available to all shareholders in advance of the meeting.

2024 investor events

January

General meeting to approve special dividend and share consolidation
Bank of America SMID Conference

February

Preliminary results announcement
Johannesburg and Cape Town full-year results roadshow

March

London full-year results roadshow
ESG engagement calls

April

Discussions with investors and advisory bodies prior to Annual General Meeting

May

Annual General Meeting and trading update
BNP Paribas Exane Future of Packaging Conference
Fixed income investor roadshow

August

Half-year results announcement
Johannesburg and Cape Town half-year results roadshow

September

London half-year results roadshow
Frankfurt investor roadshow
Morgan Stanley Big Five Conference
Jefferies fireside chat

October

Trading update
ESG engagement calls

November

UBS European Conference

December

Bank of America European Materials Conference

Corporate governance report continued
Division of responsibilities

Composition and independence of the Board

The directors holding office during the year ended 31 December 2024 are listed below, together with their attendance at Board meetings. Biographical details for those in office at the date of this report can be found on pages 76-77.

The size and composition of the Board and its committees are kept under review by the Nominations Committee. While we are of the view that collectively there is an appropriate balance of capabilities, business experience, independence and skills diversity on the Board to meet the Group's current business needs, we are constantly assessing the mix of competencies on the Board and its committees and considering succession planning requirements.

Meetings between the Chair and non-executive directors without management present are held prior to every Board meeting. Sue Clark as Senior Independent Director also met with the other directors without the Chair present to lead the review of the Chair's performance.

Board policies and procedures

There are a number of policies in place designed to ensure that the Board can function effectively. These include:

Professional advice

A policy is in place pursuant to which each director and each of the committees may obtain independent professional advice at Mondi's expense in the furtherance of their duties.

Directors' and officers' liability insurance

Throughout the year to 31 December 2024, in line with market practice, Mondi maintained directors' and officers' liability insurance.

Procedure for conflicts of interest

Company law and the articles of association of Mondi plc allow directors to manage potential conflicts. A formal procedure is in place requiring any potential conflicts to be reported to the Company Secretary so that the conflict can be discussed by the Board and authorised if appropriate. The Board may impose any restrictions on the authorisation that it thinks appropriate. Conflict authorisations are reviewed on an annual basis.

External directorships policy

To ensure that our directors are able to dedicate sufficient time to Mondi, Mondi has a policy setting out the parameters regarding external appointments. Executive directors must notify and obtain agreement from the Nominations Committee before accepting external positions. They are permitted to retain any fee paid to them in respect of directorships external to Mondi. Neither of Mondi's executive directors currently holds a directorship external to Mondi.

The policy also covers non-executive directors, who are required to notify the Chair of any proposed appointments, including the time commitment and any potential conflicts of interest, so that the Board can consider and, if appropriate, agree to the appointment. During the year, it was agreed that Svein Richard Brandtzaeg could join the board of Rotork plc as a non-executive director. After considering his other commitments, including his decision to step down from the board of Eramet Norway, and his attendance record to date, it was determined that he would continue to have the necessary time to dedicate to Mondi.

Division of responsibilities

The division of responsibilities between the Chair and the Group CEO has been clearly defined and approved by the Board. The functions and duties of the Senior Independent Director are also set out in a separate statement.

The primary role of the Board, led by the Chair, is to ensure the long-term sustainable success of the Group, taking into consideration the views and interests of our key stakeholders. Our governance processes and procedures provide a framework to support the Board in the fulfilment of this role.

There is a clearly defined Schedule of Matters Reserved for the Board, setting out those key matters that require Board approval. The Board meets at least seven times a year and an annual rolling agenda is agreed with the Board to ensure that all key matters reserved for its consideration are covered in the annual cycle of meetings. The Board is supported by a number of committees, each of which has its own terms of reference and annual work programme. The Matters Reserved for the Board and the terms of reference are reviewed at least annually and are available on the Group's website.

The Chair, with support from the Company Secretary, ensures the distribution of appropriate materials, with meeting packs being circulated electronically a week before each meeting.

Where appropriate, other senior executives and advisers are invited to attend and present at meetings, providing the non-executive directors with a broader perspective on matters under consideration and assisting the Board with monitoring performance and achieving its objectives (see page 90 for more information).

Board attendance[1]

Directors			
Philip Yea	10/10	Saki Macozoma	10/10
Svein Richard Brandtzaeg	10/10	Mike Powell	10/10
Sue Clark	10/10	Dominique Reiniche[3]	7/8
Sucheta Govil[2]	1/2	Dame Angela Strank	10/10
Anke Groth	10/10	Stephen Young[4]	9/10
Andrew King	10/10		

1 The maximum number of meetings held during the year that each director could attend is shown next to the number attended.

2 Sucheta Govil joined the Board on 1 October 2024. Sucheta was unable to attend one meeting following her appointment due to a pre-existing commitment.

3 Dominique Reiniche retired from the Board on 30 September 2024. Dominique was unable to attend one meeting prior to her retirement. The meeting was arranged at short notice and Dominique provided her views ahead of the meeting.

4 Stephen Young was unable to attend one meeting during the year. The meeting was arranged at short notice and Stephen provided his views ahead of the meeting.

Board leadership and governance

The Board

Chair Philip Yea

- Leads and manages the Board, setting the agenda, providing direction and focus and ensuring effectiveness and open and transparent debate
- Undertakes regular engagement with the Group CEO in between meetings
- Ensures there is a constructive relationship between the executive and non-executive directors
- Ensures high standards of corporate governance and ethical behaviour and oversees the culture of the Group
- Oversees the induction, training and development of directors and the consideration of succession
- Ensures effective communication with shareholders and other stakeholders
- Ensures the Board receives accurate, timely and clear information to support discussion and decision-making

Group CEO Andrew King

- Leads and manages the business with day-to-day responsibility for running the operations and, in particular, the execution of strategy within the delegated authority from the Board
- Ensures the communication of Mondi's values and goals throughout the organisation, leading by example
- Chairs the Executive Committee and leads and motivates the management team
- Ensures the Group has effective processes, controls and risk management systems
- Develops and implements Group policies, including with regard to safety and sustainability
- Together with the Group CFO, leads the relationship with institutional shareholders

Group CFO Mike Powell

- Manages the day-to-day operations of the Group, in this case within his remit as Group CFO, in accordance with authority delegated by the Board
- Together with the Group CEO, leads the relationship with institutional shareholders

Senior Independent Director Sue Clark

- Provides support to, and acts as a sounding board for, the Chair and the non-executive directors
- Acts as a point of contact for shareholders
- Available as a trusted intermediary for other directors, as necessary
- Manages Chair succession

Independent non-executive directors Svein Richard Brandtzaeg, Sucheta Govil, Anke Groth, Saki Macozoma, Dame Angela Strank, Stephen Young

- Provide independent oversight of the Group's activities
- Offer an external perspective to, and constructively challenge, management
- Provide to the Board a diversity of knowledge and experience
- Monitor management performance and the development of the organisational culture
- Review and agree strategic priorities and monitor the delivery of the Group's strategy
- Ensure the integrity of financial reporting and the effectiveness of internal controls and risk management
- Determine executive director remuneration

Board committees

Nominations Committee
Philip Yea, Svein Richard Brandtzaeg, Sue Clark, Sucheta Govil, Anke Groth, Saki Macozoma, Dame Angela Strank, Stephen Young

Oversees the composition of the Board and committees and considers succession planning and diversity, making recommendations to the Board

Nominations Committee report
Page 94

Audit Committee
Stephen Young, Svein Richard Brandtzaeg, Sue Clark, Anke Groth, Saki Macozoma

Oversees the Group's corporate financial reporting, the internal control system, risk management and the relationship with the external auditor

Audit Committee report
Page 99

Remuneration Committee
Sue Clark, Sucheta Govil, Dame Angela Strank, Philip Yea

Responsible for recommending overall remuneration policy and the setting of executive and senior management remuneration

Remuneration report
Page 111

Sustainable Development Committee
Dame Angela Strank, Svein Richard Brandtzaeg, Andrew King, Stephen Young

Oversees the Group's strategy, commitments, targets and performance relating to safety, the environment, climate-related matters and other sustainable development issues

Sustainable Development Committee report
Page 108

Executive Committee

Day-to-day management of the Group

Disclosure Committee

Responsible for classifying and overseeing the prompt disclosure of inside information and overseeing the creation of insider lists

Company Secretary Jenny Hampshire

- Supports the Chair in the delivery of accurate and timely information ahead of each meeting
- Ensures compliance with Board and committee procedures
- Acts as a key point of contact for the Chair and non-executive directors
- Provides support to the Board and committees, and advises on governance, statutory and regulatory requirements
- Provides advice on legal, governance and listing requirements, in particular relating to continuing obligations and directors' duties

Corporate governance report continued
Division of responsibilities continued

Board activity

The key matters considered by the Board during the year are set out below. While this is not an exhaustive list, it provides insight into the discussions of the Board and how it aims to promote the long-term success of the Group and achieve its key objectives. In addition to the matters set out, each meeting includes a report from the Group CEO providing a market and operational update; a report from the Group CFO on the Group's financial performance; an update on safety performance; an update on the status of major capex projects; and a report from the Company Secretary on recent governance and regulatory matters.

Strategy key

- Drive performance along the value chain
- Invest in quality assets
- Empower our people
- Partner with customers

Topic	Activity
Operational performance Link to strategy Stakeholders impacted – Investors – Employees – Customers – Suppliers and contractors	– Received regular updates from the Group CEO and detailed reports from the CEOs of the business units, enabling the Board to monitor operational performance and feeding into the annual strategy review. – Monitored the implementation of a number of large capital expenditure projects, including ongoing projects at our mills in Štětí (Czech Republic) and Duino (Italy), and at a number of our converting sites (see page 17 for more information). – Received presentations in relation to pulp and paper technology developments, and detailed insights into research and development activities, improving the Board's knowledge and providing context for capital investment decisions.
Strategy formulation and monitoring Link to strategy Stakeholders impacted – Investors – Customers – Communities – Employees	– Concluded a strategy review session resulting in continued support for Mondi's strategic direction and confidence that Mondi's strategy is sustainable in the long term (see page 89 for more information). – Considered the potential acquisition of Schumacher Packaging's Western Europe Packaging Assets, taking into consideration factors including the interests of key stakeholders (see page 82 for more information), Mondi's ability to finance the acquisition and the likely impact on Mondi's risk profile. The acquisition was ultimately approved for an enterprise value of €634 million. – Considered whether to make an offer for DS Smith, taking into consideration a broad range of internal and external factors, including the interests of our investors, customers and employees and other stakeholders, financing considerations, risks and opportunities from a sustainability perspective, the Group's broader risk profile and cultural and integration considerations. After detailed discussions, the Board ultimately decided not to proceed with an offer.
Financial performance, funding and capital Link to strategy Stakeholders impacted – Investors	– Reviewed and approved the full- and half-year results and trading updates. – Reviewed and approved the Mondi Group Integrated report and financial statements, ensuring it is fair, balanced and understandable (see page 105 for more information). – Considered dividend recommendations and declarations in light of the Group's stated dividend policy, trading performance and investor expectations. This resulted in the decisions to pay an interim ordinary dividend for 2024 in September 2024 and to recommend a final ordinary dividend for payment in May 2025 (see page 28 for more information). – Reviewed and approved the Group business plan for 2025–2027, including the budget for 2025, considering assumptions made and the reasonableness of the plan and focusing on the operational overviews, cash flow management and capital allocation. – Annual reviews of the Group Treasury and Group Tax functions and performance, including funding and liquidity, providing context for capital allocation decisions. The Board concluded that it remained comfortable with the approach in each of these areas and re-confirmed its support for the key treasury and tax policies in place.

Topic	Activity
Governance and stakeholders Link to strategy Stakeholders impacted – Investors – Employees – Partners and industry associations – Customers	– Reviewed the Group's corporate governance framework in light of governance and regulatory developments, concluding it remains appropriate. – Reviewed investor feedback following the full- and half-year results announcements, providing input relevant to future capital allocation decisions. – Received a presentation from a key Mondi customer, giving the Board first-hand insight into the requirements of our customers and where Mondi needs to prioritise its efforts. – Considered the results of the customer satisfaction survey undertaken during the year, identifying the key areas of focus and actions required. – Reviewed the output from the Board performance review and agreed an action plan (see page 93 for more information).
Safety and sustainability Link to strategy Stakeholders impacted – Employees – Suppliers and contractors – Customers – Communities	– Monitored safety performance across the Group, including the number, type and severity of incidents. There was particular focus on understanding the events that tragically resulted in a fatality at Mondi's Merebank mill (South Africa) and the life-altering injuries in our operations (see page 40 for more information). – Received updates on key sustainability regulatory and best practice developments from the Group Head of Sustainable Development through the Sustainable Development Committee, and via regular business unit reviews. – Monitored the work of the Sustainable Development Committee, focusing in particular on progress against Mondi's MAP2030 sustainability commitments, the Group's most material sustainability risks and opportunities and preparations for reporting in accordance with the EU Corporate Sustainability Reporting Directive. A detailed explanation of the work of the Sustainable Development Committee can be found on pages 108-110.

Strategy review

In 2024, the Board undertook its annual review of Mondi's strategy, examining the Group's current position, strategic priorities, opportunities for future growth, and detailed initiatives across the business units. This comprehensive review is designed to rigorously evaluate the strategy and the assumptions underpinning it, ensuring it remains capable of delivering long-term, sustainable value for stakeholders, aligns with Mondi's purpose and reflects the Group's values and way of doing business.

Rather than being a standalone exercise, the strategy review builds on the Board's ongoing discussions and committee work throughout the year. These prior deliberations provide vital context, culminating in this in-depth assessment of the Group's strategic direction.

The 2024 review specifically considered key demand drivers, such as evolving macroeconomic conditions, the growing importance of sustainable packaging and trends in eCommerce. It also factored in the ongoing geopolitical and macroeconomic uncertainties, alongside recent market consolidation, ensuring the strategy reflects current and emerging challenges.

The Group's principal risks were also considered during the Board's discussions, with particular attention given to whether changes in the risk landscape might require adjustments to Mondi's strategy.

After detailed discussion, the Board reaffirmed its confidence in the Group's strategic direction.

Our strategy
Page 14

Corporate governance report continued
Division of responsibilities continued

Topic	Activity
Risk management Link to strategy Stakeholders impacted – Employees – Customers – Investors	– Reviewed the Group's risk management processes, plan and risk appetite levels and internal controls, with consideration of risk monitoring, activities to ensure risk mitigation and independent assurance processes. While the Board concluded that no changes to the principal risks were required, the emerging risks were updated (see page 62 for more information). – Received half-yearly presentations on IT risks and cyber security (see page 100 for more information). – Reviewed the Group's insurances, ensuring an appropriate balance of risk between the Group and our external insurers.
People and culture Link to strategy Stakeholders impacted – Employees – Customers – Suppliers and contractors	– Received updates from the non-executive director responsible for engaging with employees, through the Sustainable Development Committee, providing insight into the culture and key employee issues (see pages 82-84 for more information). These insights help to identify areas of focus for the Board and feed into discussions with the Chief People Officer. – Reviewed reports received via Mondi's anonymous whistleblowing and grievance platform, SpeakOut (see page 74 for more information), with consideration given to common themes and emerging trends. – Reviewed and approved the Group's Human Trafficking and Modern Slavery Statement.
Leadership Link to strategy Stakeholders impacted – Employees – Investors	– In response to Dominique Reiniche's retirement from the Board, considered and approved, following recommendations from the Nominations Committee, the appointment of Sucheta Govil as an independent non-executive director (see page 96 for more information), as well as other associated changes, including changes to the chairs of the Sustainable Development and Remuneration Committees and the non-executive director responsible for engaging with employees. – Monitored the work of the Nominations Committee in relation to succession and talent management plans, particularly in relation to the Group CEO and CFO, as well as other senior management roles (see page 95 for more information).

Presentations from senior management

During the year, members of Mondi's senior management presented to the Board on a variety of topics. These presentations not only provide insight into the business and culture directly from those on the ground but also support the Board's focus on succession planning, allowing Board members to hear from, speak to and get to know potential future leaders.

Each of the business unit CEOs provided updates on their areas of responsibility within Mondi, focusing on safety performance, market position and dynamics, evolving customer demands, financial performance and people development, as well as performance against key sustainability metrics.

The specific impacts on each business of developing trends and key strategic drivers were also reviewed, including sustainability, eCommerce and digitalisation.

The other members of the Executive Committee also presented to the Board in relation to their areas of responsibility. These presentations included updates on technology developments in Mondi's core manufacturing processes, operational excellence and Mondi's strategy in respect of energy usage and security, as well as the approach to succession planning and the attraction and retention of talent within the organisation.

In addition, the Group Head of Fibre Sourcing presented Mondi's wood sourcing strategy, the Group Head of Digital Excellence provided an update on the Group's digitalisation journey, and the Group Communication Director provided insight into internal and external engagement priorities, focusing particularly on the drive to increase employee engagement through the introduction of new employee communication platforms.

The Group Heads of Tax and Treasury also updated the Board on their current focus areas.

These presentations provided insight into the priorities of a number of Mondi's key stakeholders and current risk areas, and formed the backdrop to other discussions, including the annual strategy review.

Composition, succession and evaluation

Induction, training and development

Training and development are important in ensuring the ongoing effectiveness of the Board and that we have the right combination of skills and knowledge.

This begins with an induction for all new directors. While there is an outline induction programme in place, this is discussed with each new director and is tailored to meet any specific requirements. The aim is to familiarise a new director with the nature of the Group's business and operations, highlighting the key challenges and opportunities as well as the regulatory environment in which the Group operates. The induction incorporates the key duties of the director, including in relation to Section 172 and stakeholder interests, and the culture and values of the Group.

All directors are given access to an online director handbook containing documents including key policies and the terms of reference for each committee. Details of the induction programme for Sucheta Govil, who joined the Board in October 2024, are provided below.

We also aim to ensure that existing directors receive ongoing training and development opportunities. We offer the directors the opportunity to keep up to date with regulatory, governance and economic changes as well as developments in the markets and environments in which we operate. We do this through Board presentations, both from internal and external presenters, site visits, updates aimed at providing wider context to the Group's activities and position in the market, and regular reports from the Company Secretary highlighting developing trends and future changes in governance and regulation.

In addition, we aim to hold at least one Board meeting a year at one of Mondi's sites, giving Board members the opportunity to refresh and develop their understanding of Mondi's operations. Further details can be found on page 83.

Each director can discuss any development needs with the Chair at any time, but the opportunity arises more formally during the annual review process, when discussions regarding individual performance are held. In addition, all directors are encouraged to strengthen and refresh their knowledge by attending any workshops, seminars and courses relevant to their respective roles, and details of the availability of these are provided regularly.

Director induction process

Sucheta Govil's induction

Following Sucheta's appointment to the Board in October 2024, a number of meetings and briefings were organised in order to provide her with a detailed overview of the Group, and to give her the insight and knowledge required to make as full and effective a contribution as possible.

Meetings were held with each of the Executive Committee members, allowing Sucheta the opportunity to gain an understanding of the Group's business units, culture, risk areas and priorities, and providing the context necessary for matters discussed at Board and committee meetings. Sucheta also met the Company Secretary early on in the induction process, with the session covering matters including directors' duties, share dealing procedures, Mondi's approach to managing conflicts of interest and key policies.

Given Sucheta's membership of the Remuneration Committee, she also had an in-depth briefing with the Group Head of Reward and Head of Executive Reward in relation to the Directors' Remuneration Policy and the key focus areas for the committee. The briefing provided context for the matters the committee was required to consider early in 2025 and the discussions the committee will be undertaking during the year in advance of the new policy being put to a shareholder vote in 2026.

Sucheta's induction is ongoing, with further meetings and briefings being arranged as appropriate. Site visits are also a crucial element of the induction process and so opportunities for Sucheta to undertake such visits and to see our operations first hand are being identified.

Corporate governance report continued

Composition, succession and evaluation continued

Board performance review process

Year 1 (2022) External review

- Independent external board performance review provider selected and appointed.
- Scope refined and agreed between the Chair and external provider.
- Questionnaires issued and one-to-one interviews undertaken by the reviewer with each director and the Company Secretary.
- One-to-one calls between the Chair and each director to discuss the results.
- Results and actions discussed by the Nominations Committee and action plan agreed by the Board.

Years 2 and 3 (2023 and 2024) Internal reviews

- Outcome from previous performance review and progress against each action assessed.
- Independent external provider previously used for the external performance review appointed to facilitate internal reviews, providing continuity.
- Questionnaires issued to directors, Company Secretary and other regular Board attendees.
- One-to-one calls between Chair and directors to discuss results.
- Results and actions discussed by the Nominations Committee and action plan agreed by the Board.

In 2023, we conducted an internal Board performance review. The process was facilitated by Lintstock, an independent governance advisory firm. Below are the key actions reported last year, and details of the progress we have made against those actions:

Action agreed from 2023 performance review	Progress achieved
To arrange for the Board to hear directly from major customers, to supplement the insight already provided to the Board in respect of customer requirements through presentations from management.	In July 2024, the Global Head of Procurement Packaging from one of Mondi's key customers presented to the Board, providing detailed insight into the factors influencing its packaging requirements and choices, the perceptions of its end consumers and the input and support required from its suppliers.
To further develop and enhance the Nominations Committee's approach to succession planning, particularly in respect of the executive directors, with support from the newly appointed Chief People Officer.	Following the appointment of the Chief People Officer in April 2024, a detailed succession planning session in respect of the Group CEO was undertaken. More details can be found on page 95. Similar sessions have also been held in respect of the Group CFO and other Executive Committee members.
To continue to identify opportunities for interaction between the Board and senior management on a less formal basis, with the aim of supporting succession planning discussions and giving Board members deeper insight into the organisation from both an operational and cultural perspective.	Throughout the year, the Board has continued to engage with senior management during Board meetings and site visits but has also taken the opportunity to invite management to a combination of formal and informal gatherings.

2024 Board performance review

In 2024, the Board took the decision to undertake a questionnaire-based performance review facilitated by Lintstock. Given Lintstock carried out Mondi's external review in 2022 and supported its internal review in 2023, it was agreed that the continuity, follow-up support and insight Lintstock could offer would be valuable. Lintstock has no other connection to Mondi beyond the provision of board performance reviews. Anonymity was ensured throughout the process to allow for the provision of candid and open feedback by participants. The review process was led by Philip Yea in conjunction with the Nominations Committee and is set out below. The review of the Chair was led by Sue Clark as Senior Independent Director.

Engagement

Decision to engage Lintstock to conduct the performance review

Questionnaires completed

Questionnaires relating to the Board, committees and individual performance completed by directors, the Company Secretary and other regular attendees at Board and committee meetings

Report issued

Detailed report from Lintstock setting out the questionnaire findings issued and reviewed with the Chair

One-to-one calls between Chair and directors

One-to-one calls undertaken by the Chair with each director to discuss findings and individual performance and findings related to individual committees reviewed and considered by committee chairs

Report considered

Report considered at a meeting of the Nominations Committee

Action plan recommended

Action plan recommended by the Nominations Committee and agreed by the Board

As a result of the process, the Board concluded that it continues to operate in an effective manner, benefitting from positive dynamics, strong engagement and relationships with senior management and a boardroom culture that allows for open and constructive challenge. Each director continues to contribute effectively to the Board.

There was consensus around the priorities for the forthcoming year, and the key actions agreed by the Board include:

- to maintain focus on value accretive growth opportunities in line with Mondi's strategy notwithstanding the prevailing trading environment;
- to review the format of the annual strategy review process, ensuring early input from the Board so that the agenda is tailored to focus on key topics identified by both management and the Board; and
- to review the structure and content of Board agendas to ensure that topics covered are appropriately spread across the year.

The Board considers that it continues to benefit from the annual review process, the results of which help guide the future focus of meeting agendas and behaviours.

Corporate governance report continued

Nominations Committee

Philip Yea
Chair of the Nominations Committee

A primary responsibility of the committee is to ensure that the composition of the Board and its committees is appropriate and relevant to the Group and that the Board continues to be in the best position to deliver the Group's strategy.

Composition and attendance[1]

Members throughout the year	Committee member since	Meeting attendance
Philip Yea, Chair	April 2020	5/5
Svein Richard Brandtzaeg	April 2021	5/5
Sue Clark	April 2021	5/5
Sucheta Govil[2]	October 2024	1/2
Anke Groth	April 2023	5/5
Saki Macozoma	May 2022	5/5
Dominique Reiniche[3]	October 2015	3/3
Dame Angela Strank	April 2021	5/5
Stephen Young	May 2018	5/5

1 The maximum number of meetings held during the year that each director could attend is shown next to the number attended.

2 Sucheta Govil joined the committee on 1 October 2024. Sucheta was unable to attend one meeting following her appointment due to a pre-existing commitment.

3 Dominique Reiniche retired from the Board and the committee on 30 September 2024. Dominique attended all meetings up to the date of her retirement.

Other regular attendees

- Group CEO

Dear Shareholder

I am pleased to present this report, which provides an overview of the areas of focus for the committee during the year, and those for the year ahead, as well as its key activities and the framework within which it operates.

Composition

To ensure the committee has access to as wide a range of knowledge and experience as possible, each non-executive director is a member. In line with this practice, Sucheta Govil joined the committee upon her appointment to the Board in October 2024.

Areas of focus

A primary responsibility of the committee is to ensure that the composition of the Board and its committees is appropriate and relevant to the Group and that the Board continues to be in the best position to deliver the Group's strategy, and to ensure that the business operates in line with Mondi's purpose, culture and values. This includes overseeing Board diversity and succession matters.

At the end of September 2024, we said goodbye to Dominique Reiniche, who retired after completing nine years on the Board. I am grateful to Dominique for the insight she provided to the committee's discussions during her time with Mondi. In preparation for Dominique's retirement, the committee spent time considering the skills and experience required by the Board and its committees in the coming years and how the committee memberships might need to evolve. These discussions resulted in a recruitment process being conducted through an external search agency and I am pleased to confirm that Sucheta Govil joined the Board, and the committee, as an independent non-executive director in October 2024.

Dominique's retirement and Sucheta's appointment also offered the opportunity to refresh some of the key roles on the Board. We were pleased to have the breadth and depth of experience among our existing Board members to be able to manage succession to a number of key roles effectively. In particular, Sue Clark succeeded Dominique as Senior Independent Director and was also appointed as Chair of the Remuneration Committee, while Dame Angela Strank succeeded Dominique as Chair of the Sustainable Development Committee. They each bring a wealth of experience to their respective roles and the committee is confident that these changes ensure the Board and its committees are well placed to take the Group forwards.

The committee's other primary focus is succession planning in relation to the Group CEO, the Group CFO and other senior management roles. While the committee routinely reviews succession plans in this regard, in light of the appointment of a new Chief People Officer during the year, the opportunity was taken to refresh its approach. In particular, while there is no current intention for Andrew King to step down from the role, the committee took the time to delve more deeply into the succession plans for the Group CEO role, focusing on the attributes required of a successor and the potential candidates, both internal and external. From an internal perspective, the committee was keen to understand the actions required in the short and medium term to develop and prepare potential candidates. From an external perspective, the committee spent time, with the support of an independent consultant, debating the key criteria for the role and exploring the universe of potential candidates, including those likely to be ready to take on the role in the longer term. The exercise enabled the committee to develop its thinking in this area and the output will drive future conversations in this respect.

Similarly, the plans for the Group CFO and other Executive Committee roles were refreshed and discussed in detail.

The committee's succession planning discussions take place in the context of the Group's commitment to increasing levels of diversity across the organisation. While it is clear that there is still a long way to go in this respect, and that the MAP2030 target of 30% women across the organisation by 2030 remains challenging, it is encouraging to see the significant work being undertaken in this regard through the presentations given to the Sustainable Development Committee. Diversity is a clear focus of executive management, in conjunction with local management, and every effort is being made to ensure that our succession plans reflect our commitments in this area. More information can be found on pages 96-98.

A more detailed overview of the key matters considered by the committee during the year can be found below.

Committee effectiveness

The committee's performance and effectiveness were reviewed as part of the Board performance review undertaken during the year, more details of which can be found on page 93. I am pleased to confirm that the committee is seen to be operating effectively and fulfilling the duties delegated to it by the Board.

Philip Yea
Chair, Nominations Committee

Nominations Committee activity

Set out below are some of the key matters addressed by the committee.

Board and committee composition

- Following the conclusion of a recruitment process facilitated by an external search agency, recommended to the Board the appointment of Sucheta Govil as an independent non-executive director.
- In response to Dominique Reiniche's retirement, recommended to the Board the appointment of Sue Clark as Senior Independent Director and Chair of the Remuneration Committee, Dame Angela Strank as Chair of the Sustainable Development Committee and Anke Groth as the director responsible for engaging with employees.
- Reviewed the continued independence of each non-executive director, including consideration of their term in office and any potential conflicts of interest, concluding that each non-executive director remained independent.
- Reviewed the time commitment required of each non-executive director, concluding that all non-executive directors continued to devote appropriate time to fulfil their duties to Mondi. Particular focus was given to Stephen Young, who reached his six-year term on the Board in May 2024, and Svein Richard Brandtzaeg, Sue Clark and Dame Angela Strank, who each reached their three-year term in April 2024.

Succession planning

- Considered the Board's succession plans, in relation to existing directors, the requirements of the Board and committees in the longer term and the skills and experience required to support the Group's future growth strategy.
- Reviewed the succession plans in place for members of the Executive Committee in the short and long term (see above for more detail).

Board performance review

- Monitored progress against the agreed action plan from the 2023 performance review process (see page 92 for more detail).
- Considered and agreed the process for the 2024 performance review of the Board, committees and individual directors, to be facilitated by Lintstock (see page 93 for more detail).

Corporate governance and other matters

- Considered, and recommended to the Board, the re-election of all directors at the AGM.
- Reviewed the committee's terms of reference, performance and work programme for 2025, agreeing minor changes to the terms of reference to align with the new UK Corporate Governance Code.
- Considered, and agreed to, the committee's report for inclusion in the Group's Integrated report and financial statements.

Corporate governance report continued
Nominations Committee continued

Board appointments

Mondi has a rigorous and transparent process in place for the recruitment and appointment of directors, led by the committee. This process was followed in relation to the appointment of Sucheta Govil as an independent non-executive director in 2024 and is set out below.

Key requirements agreed and candidate specification drawn up

taking into account succession planning requirements, gender, ethnic and other forms of diversity and the key skills and experience required to strengthen Board and committee capabilities and to ensure they have the competencies necessary to manage the impacts of the business

External independent search agent engaged

to assist with the selection process

Search conducted and longlist of potential candidates provided for consideration

which should include male and female candidates from a variety of backgrounds

Shortlist chosen from longlist

for interview by the Chair and at least one other appropriate director

Shortlist reduced to an agreed number of candidates

for interview by other executive and non-executive directors

Nominations Committee considers the preferred candidates

including ability to commit time to the role, confirmation that each individual would be deemed independent on appointment and the likely views of key stakeholders, including major shareholders and regulatory bodies and in relation to financial, sustainability, strategy and risk management experience. A recommendation is made to the Board

Board considers the recommendation

and whether to proceed with the appointment

Russell Reynolds Associates, an external search agency and signatory to the Voluntary Code of Conduct for Executive Search Firms, was engaged to assist with the recruitment of an independent non-executive director in preparation for the retirement of Dominique Reiniche. This led to the appointment of Sucheta Govil with effect from 1 October 2024.

Russell Reynolds Associates does not provide any services to the Mondi Group other than Board-level recruitment and has no current connections with any individual directors.

On appointment, each non-executive director receives a letter of appointment setting out, among other things, their term of appointment, the expected time commitment for their duties to Mondi and details of any committee memberships. Non-executive directors are initially appointed for a three-year term, subject to annual re-election by shareholders, after which a review is undertaken to consider renewal of the term for a further three years.

Diversity and inclusion

Mondi has a well-established commitment to encouraging and promoting diversity and inclusion (D&I). This is reflected in our behaviour and in our culture and values.

As a global organisation operating in more than 30 countries, D&I is integral to how we do business. We are committed to creating an inclusive working environment that is fair and non-discriminatory, from recruitment and people development to reward and our approach to talent management.

The Group's D&I Policy, which was approved by the Board, and updated in January 2024, is intended to help us meet these goals and support the development of a diverse workforce. It sets out guidelines for matters such as recruitment, the use of search firms, succession and annual reviews. You can read the full policy on our website.

Read more about the policy
www.mondigroup.com/en/sustainability/governance-of-sustainability

Key elements of the D&I policy include:

At Board and committee level:

- The Board supports the recommendations and targets outlined in the FTSE Women Leaders Review, and is committed to ensuring gender diversity on the Board and its committees, and among the Executive Committee and its direct reports.
- The Board supports the Parker Review principles in relation to ethnic diversity on boards and among senior management.
- For Board appointments, we will, where possible, engage executive search firms signed up to the Voluntary Code of Conduct for Executive Search Firms.
- Search firms will be asked to include a sufficient number of qualified female candidates and candidates from a variety of ethnic backgrounds.
- At least annually, the Nominations Committee will review succession plans for the Board, Executive Committee and other senior managers in light of Group D&I levels, skills, experience and diversity requirements.
- Mondi commits to the UN 'Women Empowerment Principles'.

At employee level:

- Recruitment activities are aligned with our D&I Policy and applicable legislation in jurisdictions in which we operate, including to promote diversity of all types and to ensure fair and non-discriminatory working practices.
- We aim to ensure that a pipeline of diverse candidates is considered during succession planning.
- We aim to ensure that the nationalities of candidates at long and shortlist stages are appropriately representative of our international footprint, subject to the availability of suitable candidates.
- We aim to ensure fair and equal training and development opportunities.
- We set targets where meaningful and report on them as appropriate.

While appointments at all levels will continue to be made based on skill and ability, it is clear that all forms of diversity are key to ensuring that we have access to a broad mix of backgrounds, knowledge and experience to meet our future business needs. D&I is central to our succession planning discussions and is critical to the long-term success of our business. The specific process followed for Board-level appointments can be found on page 96.

In 2024, we reported to the FTSE Women Leaders Review that as at 31 October 2024, we had 29% female representation on our Executive Committee and 31% in the direct reports to the Executive Committee, giving a combined total of 30%. As at 31 December 2024, our combined total was 29% (2023: 28%). While this represents an increase compared to 31 December 2023, indicating we have increased our gender diversity, we are not where we would like to be. We have a diverse pool of high-calibre employees who have been identified as having the potential to be appointed to Executive Committee roles in the future and every effort is being made to prepare these employees for progression within Mondi.

As at 31 December 2024, Mondi was in compliance with the diversity targets set out in Listing Rule 6.6.6(R)(9). There were four female directors, representing 40% of the composition of the Board, and two directors from an ethnic minority background. In October 2024, Sue Clark was appointed as Senior Independent Director, replacing Dominique Reiniche following her retirement from the Board, consistent with the requirement for one of the senior positions on the Board to be held by a woman. Mondi remained in compliance with the relevant targets at the date of this report.

More detailed information relating to the gender and ethnic diversity of Mondi's Board and executive management can be found in the tables on page 98. The data is provided in the form specified under Listing Rule 6.6.6(R)(10) and was collected directly from the individuals concerned. In line with the Listing Rule definition, 'executive management' in this case consists of Mondi's Executive Committee members and the Company Secretary.

During 2024, we also reported to the Parker Review that we were in compliance with the target of having at least one ethnic minority director on the Board. We are fully supportive of the objectives of the Parker Review and the ambition to improve the diversity of businesses. However, after careful consideration, for a number of practical reasons set out below, the Board has decided not to set a target in relation to the ethnic diversity of our senior management. We will instead continue to promote the recruitment and development of a diverse workforce through programmes suited to the locations where we operate.

Mondi is a global organisation, with only around 50 of our 22,000 people based in the UK. In light of this, setting a UK-specific target as requested by the Parker Review is inappropriate for Mondi. From a global perspective, the availability of reliable census data in relation to ethnicity varies significantly by country, with limited or no reliable data available in some of our largest jurisdictions. This means that setting a realistic global target reflecting the ethnic make-up of the populations from which we draw our employees is impractical. Legal restrictions around the collection of data relating to the ethnicity of our employees also exist in a number of the more significant countries in which we operate.

Corporate governance report continued
Nominations Committee continued

Diversity and inclusion continued

Instead, we continue to focus on promoting all forms of diversity, including ethnicity, and inclusiveness in order to build a diverse pipeline up to senior management and Board level. There are a number of ongoing initiatives in this respect, many of which are implemented at a local level to allow them to be tailored to specific circumstances and country requirements. Notably, in South Africa, we have taken active steps to meet the requirements of Broad-Based Black Economic Empowerment (BBBEE), including establishing transformation committees in our South African operations to allow our employees to discuss equity and training-related issues and ideas.

Read more about our current BBBEE certificate
www.mondigroup.com/investors/corporate-governance/regulatory-reports

More broadly, a governance framework around D&I has been established to focus our efforts. The Group Talent and D&I function, forming part of the Group HR function, plays a key role in advancing the D&I agenda across Mondi's operations. Mondi's approach to D&I is focused on embedding good D&I practices across all stages of the employee life cycle. Standards include diverse panels for recruitment and incorporating a diversity element into leadership training. Mondi also focuses on community development through our Curious Community and Employee Resource Groups, with the aim of creating cultures that are welcoming and foster belonging. These groups are sponsored by senior leaders to promote engagement. More details can be found on page 39.

In support of our commitment to D&I, a D&I target is included in the Mondi Action Plan 2030 (MAP2030), and we have committed to providing purposeful employment for all, in a diverse and inclusive workplace. Progress is measured by the Purposeful Workplace Index and Inclusiveness Index scores in our global Employee Survey (each to reach 90% by 2030) and by the overall percentage of women that we employ across Mondi (to reach a minimum of 30% women globally by 2030, against a 2020 baseline of 21%).

In many of the countries in which we operate, a cultural shift is required, with education and a change of mindset needed, as well as changes to underlying recruitment processes, to remove the barriers that discourage women from entering our workforce.

We therefore acknowledge that meeting the target of 30% women will be challenging. Read more about our MAP2030 commitments and our progress in this regard on page 39.

While it is recognised that there are many challenges and there is more work to do, management and the Board are fully committed to our diversity journey and we believe that our ambitious goals will be achieved by working across the business and engaging our stakeholders on our 2030 commitments, sharing good practice, and collaborating both internally and externally.

Gender identity/sex of members of the Board and executive management as at 31 December 2024[1]

	Board members	Percentage of the Board	Senior Board positions (CEO, CFO, SID and Chair)	Executive management	Percentage of executive management
Men	6	60%	3	5	63%
Women	4	40%	1	3	38%
Not specified/prefer not to say	–	–%	–	–	–%

Ethnic background of members of the Board and executive management as at 31 December 2024[1]

	Board members	Percentage of the Board	Senior Board positions (CEO, CFO, SID and Chair)	Executive management	Percentage of executive management
White British or other White (including minority White groups)	7	70%	4	8	100%
Mixed/multiple ethnic groups	–	–%	–	–	–%
Asian/Asian British	1	10%	–	–	–%
Black/African/Caribbean/ Black British	1	10%	–	–	–%
Other ethnic group	–	–%	–	–	–%
Not specified/prefer not to say	1	10%	–	–	–%

1 In line with the Listing Rule definition, 'executive management' consists of Mondi's Executive Committee members and the Company Secretary.

Audit Committee

Stephen Young
Chair of the Audit Committee

Following the recent evolution of the approach to developing and updating the Group's risk map, the committee remained comfortable that there are robust processes in place to identify, measure and manage the Group's risk exposure.

Composition and attendance[1]

Members throughout the year	Committee member since	Meeting attendance
Stephen Young, Chair[2]	May 2018	5/5
Svein Richard Brandtzaeg	April 2021	5/5
Sue Clark	April 2021	5/5
Anke Groth	April 2023	5/5
Saki Macozoma	May 2022	5/5

1 The maximum number of meetings held during the year that each director could attend is shown next to the number attended.
2 Stephen Young satisfies the requirement for the committee to have a member with recent and relevant financial experience given his previous role as Group Finance Director at Meggitt plc and the other commercial accounting and finance roles he has held during his career. Stephen is a member of the Chartered Institute of Management Accountants.

Other regular attendees

- Group CEO
- Group CFO
- Chair and non-executive directors who are not members of the committee
- Head of Group Finance
- Group Head of Internal Audit
- Representatives from PricewaterhouseCoopers LLP as external auditor

Dear Shareholder

I am pleased to present this report, which provides an overview of the areas of focus for the committee during the year, as well as its key activities and the framework within which it operates.

Composition

Following a number of changes in recent years, the composition of the committee remained stable in 2024, with the Board comfortable that the committee members have the appropriate knowledge, skills and experience to fulfil the duties delegated to the committee.

Each member of the committee has appropriate knowledge and understanding of financial matters and commercial expertise gained from industries with similar manufacturing, engineering and technology-focused international operations, to give the committee as a whole competence relevant to the sector in which the Group operates.

We continue to keep the composition of the committee under review to ensure that, in the long term, it continues to have the breadth of knowledge it requires.

Areas of focus

The committee's primary responsibilities are to oversee the Group's corporate financial reporting, including the relationship with the external auditor, to assist the Board with any judgements required and to monitor the effectiveness of the Group's risk management processes and internal control framework. These remained the key focus areas of the committee during the year.

In line with these responsibilities, the committee was required to consider a number of key accounting judgements and significant estimates during the year, including in respect of the valuation of forestry assets and defined benefit retirement obligations, the acquisition of the Hinton Pulp mill (Canada) in February 2024, the classification and treatment of special items, goodwill and asset impairment tests and the assumptions underlying the going concern assessment.

A more detailed explanation of the significant issues considered by the committee in respect of the financial statements can be found on pages 102-104.

Corporate governance report continued
Audit Committee continued

Areas of focus continued

Alongside this, the committee continued to monitor the approach to risk management and the identification, assessment and mitigation of the Group's principal risks. This included reviewing and agreeing the principal risks, considering management's assessment of the Group's risk appetite and actual risk exposure in each case and ensuring the annual review of each risk by the Board or relevant committee. Emerging risks and opportunities were also considered. Following the recent evolution of the approach to developing and updating the Group's risk map, the committee remained comfortable that there are robust processes in place to identify, measure and manage the Group's risk exposure. It did not recommend any changes to the Group's principal risks following its review. The committee recognised focus areas in the coming year, related to the start-up and commercial ramp-up phases of the Group's growth capital projects and the integration of Schumacher Packaging's Western Europe Packaging Assets upon completion of the announced acquisition. These focus areas represent opportunities for the Group where the associated risks are managed and well mitigated, such that the risks have been included as emerging risks and not as principal risks. Further details can be found on page 62.

Cyber security remained a notable focus for the committee during the year, given the increasing number and sophistication of the methods being employed by cyber attackers. The committee continued to receive half-yearly updates from the Chief Information Officer covering matters including measures taken in response to the evolving risk landscape, the findings of internal and external audits of Mondi's IT infrastructure, the ongoing strengthening and development of Mondi's cyber defences and Mondi's approach to the use of AI. The Group continues to undertake significant work in relation to cyber security and further increasing the resilience of the IT infrastructure and the committee was pleased to hear that external testing, which is undertaken regularly, indicated that the measures we have in place remain effective and robust in this developing landscape. More information on Mondi's approach to cyber security can be found on page 69.

The committee also spent time understanding the implications of the revisions to the UK Corporate Governance Code in respect of the internal control framework, due to come into effect in the coming years. While the committee is comfortable that Mondi already has a robust framework in place, with the committee reviewing the key elements of this framework on an ongoing basis, it is acknowledged that non-financial reporting requirements are increasing and that the internal control framework will need to develop to incorporate such reporting. The EU Corporate Sustainability Reporting Directive in particular will introduce extensive non-financial disclosure requirements. This has been identified, therefore, as an area of focus from an internal control perspective by both the committee and the Sustainable Development Committee. Work is already underway in this regard and will continue into 2025, although it is accepted that the approach will need to evolve over time.

A more detailed overview of the key matters considered by the committee during the year can be found on page 101.

In addition, the Committee noted that the FRC had carried out a review of Mondi's Integrated report and financial statements for the year ended 31 December 2023 as part of its review of compliance with relevant reporting requirements. While the review was based solely on the Integrated report and not on detailed knowledge of the business, and the FRC does not provide assurance, the Committee was pleased that no questions or queries were raised as a result of the review.

Minimum Standard for Audit Committees

This report aims to provide the disclosures, and report on the actions, where applicable, set out in the Audit Committees and the External Audit: Minimum Standard published by the Financial Reporting Council (FRC).

In particular, this report explains how the committee has had oversight of, and assessed, the relationship with the external auditor and the effectiveness and quality of the external audit process, and the approach to managing non-audit services (see pages 106-107 for more information).

The committee believes it has complied with the provisions of the Minimum Standard during 2024, with the exception of those relating to the tendering of the external audit, which were not applicable during the year. The committee intends to comply with these provisions when it does undertake a tender process.

Committee effectiveness

The committee's performance and effectiveness were reviewed as part of the Board performance review undertaken during the year, more details of which can be found on page 93. I am pleased to confirm that the committee is seen to be operating effectively and fulfilling the duties delegated to it by the Board.

Stephen Young
Chair, Audit Committee

Audit Committee activity

Set out below are some of the key matters addressed by this committee.

Financial reporting

- Reviewed the integrity of all financial announcements with input provided by the Group CFO, the Head of Group Finance and PwC as appropriate.
- Reviewed the Mondi Group Integrated report and financial statements for tone and consistency, agreed the application of critical accounting policies and key judgements, and considered whether the report as a whole was fair, balanced and understandable (see page 105 for more information).
- Considered the accounting implications of the acquisition of the Hinton Pulp mill (Canada) (see page 103 for more information).
- Reviewed and agreed the accounting policies to be applied for the year ending 31 December 2024.
- Reviewed new accounting pronouncements and any impact for the Group's financial reporting.
- Reviewed the going concern basis of accounting and the longer-term viability statement (see pages 70-71 for more information).

External audit matters

- Recommended to the Board that the appointment of PwC for the 2024 audit be put to shareholders at the Annual General Meeting.
- Reviewed the independence, objectivity and effectiveness of PwC and the quality of the audit process (see page 106 for more information).
- Reviewed and approved the external audit plan, taking account of the scope, materiality and audit risks and agreed the audit fees.
- Reviewed and agreed the engagement and representation letters.
- Held two meetings with PwC without management present; the committee Chair also engaged regularly with the lead audit partner.

Risk management and internal controls

- Undertook a detailed review of the Group's risk management policy and plan, risk appetite levels and principal risks, ultimately agreeing that no changes were required and recommending to the Board as such. Emerging risks and opportunities were also considered, with a new risk added and other appropriate adjustments made. Further information can be found on page 62.
- Undertook a more in-depth review of a number of the most significant Group risks, with presentations from relevant members of senior management, considering the level of risk and the monitoring and mitigation measures in place.
- Received half-yearly presentations on IT risk management and cyber security, focusing in particular on key measures taken to continuously strengthen Mondi's protection against IT risk and cyber-attacks and internal and external testing undertaken to assess the robustness of the IT infrastructure.
- Undertook a review of Mondi's internal control environment, concluding that it continues to operate effectively.

Internal audit matters

- Reviewed and agreed the internal audit plan, confirming the focus on key risk areas and adequate cover of all material operations.
- Received reports from the Group Head of Internal Audit (see page 107 for more information).
- Undertook a review of the effectiveness of the Internal Audit function (see page 107 for more information).
- Reviewed summaries of messages from SpeakOut, providing insight into the culture of the Group and issues of particular concern to stakeholders.
- Undertook the annual review of the Internal Audit Charter, which governs the Group Internal Audit function and confirms the function's intention to adhere to the standards set by the Institute of Internal Auditors. No changes to the Charter were proposed following the review.
- Held two meetings with the Group Head of Internal Audit without management present.

Governance and other

- Monitored the continued implementation of those elements of the Group's Code of Business Ethics reserved for review by the committee.
- Undertook the annual review of Mondi's Business Integrity Policy, which, among other things, outlines Mondi's zero tolerance approach to bribery and corruption.
- Reviewed the compliance risks faced by the Group, including in relation to competition compliance.
- Considered the implications of the changes to the UK Corporate Governance Code, particularly in respect of internal controls, leading to a focus by management on the controls relating to non-financial reporting.
- Reviewed the committee's terms of reference, performance and work programme, with changes made to the terms of reference to align with the new UK Corporate Governance Code.

Corporate governance report continued
Audit Committee continued

Internal control

The Group's internal control and risk management framework, embedded in all key operations, is designed to address all the significant strategic, financial, operational and compliance risks that could undermine our ability to achieve our business objectives in the future and is managed within risk tolerance levels defined by the Board. In accordance with the provisions of the UK Corporate Governance Code, the Group has established an internal control environment to protect the business from principal risks that have been identified.

Management is responsible for establishing and maintaining adequate internal controls over financial reporting, while the Board is responsible for ensuring the effectiveness of these controls. The Board monitors and reviews the effectiveness of the risk management and internal control framework at least annually, covering all material controls, including financial, operational, reporting and compliance controls. Full details of Mondi's internal control and risk management framework can be found in the Strategic report on pages 60-61.

The committee has reviewed the risk management process and the Group's system of internal controls. The committee considers that the system of internal controls operated effectively throughout the financial year and up to the date on which the financial statements were signed.

Significant issues related to the financial statements

The committee has considered each of the following items based on discussions with, and submissions by, management and satisfied itself as to the accounting treatment and presentation thereof. These significant items were discussed with the external auditors during the planning stage and on completion of the audit.

The key considerations in relation to the 2024 financial statements were:

Matter considered	Action
Special items are those financial items which the Group considers should be separately disclosed on the face of the consolidated income statement to assist in understanding the underlying financial performance achieved by the Group on a basis that is comparable from year to year. Special items are generally material, non-recurring items that exceed €10 million. Subsequent adjustments to items previously reported as special items continue to be reflected as special items in future periods even if they do not exceed the quantitative reporting threshold. The total special items before tax charge for the year was €150 million (2023: €27 million), consisting of closure costs for a kraft paper mill and two paper bags plants and transaction-related costs for planned acquisitions. Details of the special items are included in note 3 of the consolidated financial statements.	The committee has: – critically reviewed the items presented by management as being special to ensure that the items are in line with the Group's accounting policy; – considered both the quantification and presentation of the special item; – reviewed the adequacy of the description of the special item in the consolidated financial statements and the Strategic report; and – considered whether any significant transactions not treated as a special item were appropriately disclosed in the consolidated financial statements and the Strategic report.
The consolidated financial statements have been prepared on a going concern basis. The directors have made this assessment based on the Group's financial position at 31 December 2024. The directors have reviewed the Group's budget and considered the assumptions contained in the budget, including consideration of the principal risks which may impact the Group's performance in the 18 months following the balance sheet date and considerations of the period immediately thereafter. Details on the going concern assumption are discussed in the Strategic report within 'Viability statement' under the heading 'Going concern' on page 71.	The committee has: – evaluated the assessment of going concern (see page 71 for further information); – considered the Group's financial position, cash flows, liquidity position and borrowing facilities as described in the consolidated financial statements; – reviewed the Group's budget and challenged management's judgement and assumptions contained in the budget, including taking into account the Group's strategy and principal risks; – considered the results of the downside scenario assessments, including the appropriateness of the assumptions used in the severe but plausible downside scenarios; – satisfied itself that the Group's funding needs and the assumptions on the Group's ability to refinance facilities during the assessment period are considered appropriately; and – reviewed the going concern basis of accounting and the longer-term viability statement.

Matter considered	Action
On 5 February 2024, the Group announced the completion of the acquisition of Hinton Pulp mill in Alberta (Canada) from West Fraser Timber Co. Ltd for an agreed consideration of USD 5 million, before working capital adjustments. The purchase price allocation resulted in a net gain on purchase of €9 million, net of transaction-related costs, as the fair value of net assets acquired was in excess of the consideration paid. The gain on purchase is attributable to the mill's loss-making operations at the time of the transaction and the need for investment to improve productivity and sustainability performance. Details of the fair value of assets acquired and liabilities assumed as a result of the business combination are included in note 26 of the consolidated financial statements.	The committee has: – considered reports from management in relation to the acquisition; – evaluated management reports of the purchase price allocation which were completed with the support of independent specialists; and – satisfied itself that the fair value of assets acquired and liabilities assumed in the business combination, including the related gain on purchase, is initially measured and recognised appropriately in accordance with the Group's accounting policy.
At 31 December 2024, the Group recognised property, plant and equipment of €5,160 million, intangible assets of €70 million and goodwill of €767 million as non-current assets on the consolidated statement of financial position. As set out in the Group's accounting policies, the goodwill is tested for impairment annually and property, plant and equipment and intangible assets whenever there is any indication that those assets are impaired. Details of goodwill impairment tests and impairments of property, plant and equipment are included in notes 3, 11 and 13 of the consolidated financial statements.	The committee has: – considered a report from management describing potential impairment indicators for tangible and intangible assets and the outcomes of related impairment tests where performed; – considered a report from management on the outcomes of the annual goodwill impairment test; – reviewed and challenged management's underlying assumptions and compared them with the Group's three-year 2025-2027 plan (budget period) and the current macroeconomic environment; – considered the sensitivities underlying the primary assumptions to determine the consequences that reasonably possible changes in such assumptions may have on the recoverable amount of the underlying assets; and – satisfied itself that no impairments related to goodwill or intangible assets were required and impairments of property, plant and equipment were justified.
Significant estimation is required in determining the assumptions to be applied for the valuation of the Group's forestry assets and retirement benefit obligations. Such assumptions are based, as far as possible, on observable market data and, in the case of the retirement benefit obligations, on the input and advice of actuaries. Details are included in the consolidated financial statements (forestry assets in note 15 and retirement benefits in note 25).	The committee has: – considered reports from management; – reviewed and challenged management's assumptions applied in the valuation of the forestry assets and retirement benefits; – considered the basis on which these assumptions were determined, and evaluated the assumptions by comparing them with prior years and considering market developments during 2024; and – satisfied itself that the assumptions, and the changes to those assumptions when compared with the year ended 31 December 2023, were appropriate.

Corporate governance report continued
Audit Committee continued

Internal control continued

Matter considered	Action
The Group has operations in a number of countries, each with a different tax system. The Group is regularly subject to routine tax audits and provisions are made based on the tax laws in the relevant country and the expected outcomes of any negotiations or settlements. The Group's recognition of deferred tax assets, relating to future utilisation of accumulated tax losses, is dependent on the future profitability and performance of the underlying businesses.	The committee has: – received regular reports from management about new legislative developments that may impact the Group's tax positions; – considered reports from management outlining the Group's most significant tax exposures, including ongoing tax audits and litigation, and has reviewed the related tax provisions recognised by management, satisfying itself these are appropriate and the risk of new unexpected exposures arising is low; and – considered a report from management outlining the key assumptions relating to the recognition of deferred tax assets and satisfied itself that the assumptions made are reasonable and consistent from year to year.
Understanding of the Group's risks and implications related to climate change is continuously being enhanced. While the Group's assessments still reflect that these may not be severe in the short-term, it is believed that climate change risks are likely to have a medium- and long-term impact on the business. The financial statement disclosures consider the impact of climate change, notably in the estimates used to calculate the fair value of our forestry assets (see note 1 of the consolidated financial statements). The Group continues to assess accounting policies, judgements and estimates to consider the impact of climate change.	The committee has: – participated in overseeing the Group's approach to sustainability; – received regular reports from management about climate change and related legislative developments that may impact the Group's disclosure; – reviewed the Integrated report (including the TCFD section) and the consolidated financial statements for consistency with respect to climate change risks; – reviewed the assumptions applied in the valuation of the forestry assets; – considered accounting policies, judgements and estimates on the basis of expected climate change impacts; and – satisfied itself that the assumptions, and the changes to those assumptions when compared with the year ended 31 December 2023, were appropriate.

Fair, balanced and understandable

In line with the committee's responsibility for ensuring there are robust financial reporting procedures and internal controls in place, and the UK Corporate Governance Code requirement for the committee to advise the Board in relation to the annual report and accounts, in particular whether, taken as a whole, it is fair, balanced and understandable, the committee undertook an assessment of the Integrated report and financial statements 2024. This incorporated the work undertaken by the committee throughout the year to monitor financial reporting.

Oversight throughout the year

- Review of applicable accounting policies and pronouncements and their application
- Review of regular financial results and announcements
- Reports from the Group CFO, the Head of Group Finance and PwC
- Reports from the Group Head of Internal Audit

Review included

- Provision of an outline plan including content and structure, design concepts and timetable
- Consideration of regulatory and governance requirements for reporting
- Review of detailed reports from the Group CFO, the Head of Group Finance and PwC providing the opportunity for debate and challenge
- Summaries of areas where management judgements or significant accounting estimates had been made
- Consideration of going concern and longer-term viability
- Separate meetings with PwC without management present

Review confirmed

- Well-documented planning and procedures for the preparation of the report
- Collaborative approach between all parties required to contribute to the report
- Basis of preparation consistent with financial reporting throughout the year
- All significant issues had been considered
- Messaging was consistent, particularly the narrative reflecting the financials

Conclusion

- After completion of the detailed review, the committee was satisfied that:
  - taken as a whole, the Group's Integrated report and financial statements 2024 was fair, balanced and understandable;
  - the report accurately reflected the information shareholders would require in order to assess the Group's position and performance, business model and strategy; and
  - the use of Alternative Performance Measures contained in the report assists in presenting a fair review of the Group's business.

Recommendation

- The committee reported its findings to the Board, and recommended its conclusions to the Board for approval

Corporate governance report continued
Audit Committee continued

External audit

PricewaterhouseCoopers LLP (PwC) was first appointed as auditor by shareholders at the Annual General Meeting in May 2017 following a tender process. The 2024 audit was PwC's eighth for Mondi and Andrew Hammond's first as lead audit partner. Andrew replaced Simon Morley following completion of Simon's maximum tenure.

Following an assessment of the independence, objectivity and effectiveness of the external auditor, details of which can be found below, the committee has concluded that it remains satisfied with the effectiveness and quality of the audit work.

However, we are required to undertake a mandatory audit tender process after 10 years, so in respect of the 31 December 2027 year end at the latest.

After considering a number of factors, including the time required to transition non-audit services away from a new audit firm should one be appointed, the committee has agreed that a tender process will be undertaken during 2025.

The committee confirms its compliance for the financial year ended 31 December 2024 with the provisions of The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014.

External audit independence, objectivity and effectiveness

A formal framework for the assessment of the effectiveness and quality of the external audit process has been adopted by the committee, covering all aspects of the audit service provided by PwC. While part of the assessment is managed annually, it is treated as an ongoing review throughout the cycle.

Evaluation focus

- Robustness of audit process.
- Audit quality, including quality controls.
- Audit partners and team, including skills, character and knowledge.
- Independence and objectivity.
- Formal reporting.

Key inputs

Audit Committee:

- Monitored audit performance throughout the year.
- Reviewed and agreed the audit plan. The Committee was comfortable with the robustness of the plan and did not ask for any additional specific matters to be reviewed by the auditor.
- Reviewed the quality of reporting to the committee, the level of challenge and professional scepticism and the understanding demonstrated by PwC of the business of the Group.
- Reviewed the quality of the audit team, technical skills and experience and the allocation of resources during the audit.
- Considered the interaction with management and the level of challenge.
- Regular meetings held between the Chair of the committee and the audit engagement partner.
- Reviewed feedback from committee members.
- Considered the effectiveness of Mondi's policies and procedures for maintaining auditor independence.
- Met with PwC twice during the year without executive management present.

Management:

- Feedback from engagement with the Group CFO, Group finance team and Group Head of Internal Audit.
- Feedback from questionnaires issued at corporate and business unit levels to those personnel involved with the audit.

PwC:

- Provided the committee with confirmation that it operates in accordance with the ethical standards required of audit firms.
- Confirmed the policies and procedures it has in place to maintain its independence.

Regulators:

- The UK Financial Reporting Council's (FRC) 2023/24 report on Audit Quality Inspections included a review of audits carried out by PwC.

Key outputs

- The quality of the audit partners and team was confirmed, with no material issues raised in the feedback received.
- The audit had been well planned and delivered, with work completed on schedule and management comfortable that any key findings had been raised appropriately, as well as active engagement on misstatements and appropriate judgements on materiality.
- PwC demonstrated a strong commitment to audit quality and a good understanding of the Group and its internal control systems, and had identified and focused on the areas of greatest financial reporting risk.
- PwC's reporting to the committee was clear, open and thorough.
- It was confirmed that, through the review of management papers and analyses and the discussion of key matters with management and the auditor, there had been an appropriate level of challenge during the course of the audit. The external auditor and the Audit Committee challenged management's judgements and assumptions on matters including critical accounting judgements and key sources of estimation uncertainty; impairment of property, plant and equipment and goodwill; and assumptions underlying the going concern basis of accounting in preparing the financial statements and the viability statement. Ultimately, the external auditor and Audit Committee confirmed they were comfortable with these judgements and assumptions.

Conclusion

The committee, having considered all relevant matters, has concluded that it is satisfied that auditor independence, objectivity and effectiveness have been maintained.

Non-audit services

A policy is in place that governs the provision of non-audit services provided by PwC to Mondi, setting out those services that are permissible and the process to be followed to obtain approval for such services. All such services must be approved – there are no pre-approvals in place. Authority is delegated by the committee to the Chair of the committee to approve such services.

For all non-audit services, the business must submit a formal request setting out the objectives, scope of work, likely fee level and rationale for requiring the work to be carried out by the Group's external auditor.

The committee monitors compliance with the policy and the monetary cap on non-audit fees, receiving reports at each meeting detailing all approved non-audit services.

Total fees for non-audit services amounted to €0.8 million, representing 12.7% of the audit fee, with the vast majority of the non-audit fees incurred relating to the half-year review, services provided in relation to the aborted all-share combination with DS Smith and other audit-related assurance services.

Internal audit

Mondi's Internal Audit function forms an integral part of Mondi's governance and risk management and internal control frameworks. The primary purpose of the Internal Audit function is to help the Board and executive management to protect the assets, reputation and sustainability of the organisation and to manage and mitigate its risks effectively. This includes assessing whether all significant risks are identified and appropriately reported by management to the Board and executive management, and whether they are adequately controlled.

The Audit Committee has primary responsibility for monitoring and reviewing the scope and effectiveness of the Group's Internal Audit function. The Group Head of Internal Audit has direct access and responsibility to the committee, as well as regular access to Mondi's executive management. The Audit Committee meets with the Group Head of Internal Audit without management present at least twice each year.

An Internal Audit Charter, approved by the committee, is in place. The charter sets out the purpose, remit and authority of the Internal Audit function. Each year, the committee considers and approves the internal audit plan, which is designed to focus on the Group's key risks to ensure that they are managed effectively within the context of our business objectives and that appropriate internal controls are in place.

The committee ensures that all material operations and relevant business processes are covered and that there is an appropriate degree of financial and geographical coverage. Every Mondi operation is visited at least once every five years, with all major plants audited annually.

Reports are given at each committee meeting, providing an update on activities, resourcing levels, progress against plan, results from audits carried out and management's response to address any areas highlighted for improvement. The committee will consider deviations from plan as the need arises during the year, usually in response to a material acquisition or change in the Group's risk profile, highlighted through audit reports and through matters raised via the anonymous whistleblowing and grievance platform, SpeakOut.

The effectiveness of the Group's Internal Audit function is kept under close review by the committee, with a formal review undertaken annually. The last comprehensive, external review of the Internal Audit function was carried out in 2020 by Independent Audit (a consultancy firm specialising in board evaluations and effectiveness reviews). The overall conclusions in respect of the effectiveness of the Internal Audit function, its leadership and its relationship with the Audit Committee were positive, and all recommendations were addressed.

An internal review was undertaken in 2024. The committee has concluded following the review that the Internal Audit function remains effective in carrying out its remit.

Corporate governance report continued
Sustainable Development Committee

Dame Angela Strank
Chair of the Sustainable Development Committee

The committee continued to review progress against our MAP2030 commitments during the year, with each area reviewed in detail by the committee on a rotational basis.

Composition and attendance[1]

Members throughout the year	Committee member since	Meeting attendance
Dame Angela Strank, Chair[2]	April 2021	7/7
Svein Richard Brandtzaeg	April 2021	7/7
Andrew King	May 2020	7/7
Dominique Reiniche, Chair[3]	May 2017	5/5
Stephen Young	May 2018	7/7

1 The maximum number of scheduled meetings held during the year that each director could attend is shown next to the number attended.
2 Dame Angela Strank was appointed Chair of the committee on 1 October 2024 following Dominique Reiniche's retirement from the Board on 30 September 2024.
3 Dominique Reiniche retired from the Board and the committee on 30 September 2024. Dominique attended all meetings prior to her retirement.

Other regular attendees

- Group CFO
- Chair and non-executive directors who are not members of the committee
- Group Technical & Sustainability Director
- Group Head of Sustainable Development
- Group Head of Safety & Health

Dear Shareholder

I am pleased to present this, my first report as Chair of the Sustainable Development Committee (the committee). I succeeded Dominique Reiniche following her retirement from the Board at the end of September.

This report provides an overview of the areas of focus for the committee during the year, as well as its key activities and the framework within which it operates.

While the Board as a whole has responsibility for overseeing Mondi's approach to sustainability, the committee, on behalf of the Board, oversees and monitors Mondi's sustainable development policies and practices, and progress against our sustainability commitments and targets. It provides guidance in relation to sustainability matters, including climate change-related issues and reviewing and approving updates to the Group's framework of sustainability policies and strategies, ensuring they are aligned with global best practice.

Our sustainability policies include: Safety and Occupational Health; Labour and Human Rights; Sustainable Forestry; Energy and Climate Change; Environment; Supply Chain and Responsible Procurement; Product Stewardship; Communities; and Sustainable Development Governance.

A summary report from the directors on the Group's sustainability practices is set out on pages 30-59.

Areas of focus

The safety of our employees and contractors is a priority for the committee, and safety performance continues to be a focus at every meeting, ensuring that our high standards are maintained. Despite this, we were deeply saddened by the tragic fatality at our Merebank mill (South Africa) in August. Unfortunately we also experienced three life-altering injuries at our operations during the year. Full investigations were undertaken and the committee was kept informed throughout. We understand the significant impact that such incidents have on those involved and on their families, friends and colleagues, and every effort is made to understand the lessons that can be learnt and to minimise the risk of a reoccurrence. It was extremely important for the committee to spend time understanding these events in detail, and the underlying causes and actions taken in response. Further details of the actions being undertaken can be found on page 40.

We continue to work hard to embed proactively our safety culture across the Group, with a particular focus on the Social Psychology of Risk, addressing the psychological and cultural elements that can pose a risk to safety. A bespoke programme to train leaders and safety professionals was conducted during the year, reinforcing our belief that culture and mindset are critical to improving our safety record. Sue Clark, in her previous role as non-executive director responsible for engaging with employees, joined one of these sessions at our Štětí mill (Czech Republic) to gain further insight and learning. Her subsequent feedback to the committee confirmed our view that there is a strong commitment to safety from local management, and that our people have the confidence to intervene and stop work in the event of seeing an unsafe situation. More information on our approach to safety can be found on page 40. The safety of our people, both staff and contractors, will remain at the top of our agenda in 2025.

The committee continued to review progress against our MAP2030 commitments during the year, with each area reviewed in detail by the committee on a rotational basis. The committee was particularly focused on the actions that need to be taken now and in the coming years in order to achieve our commitments and targets, and to understand the key challenges. In particular, in considering the commitment to making 100% of Mondi's packaging and paper solutions reusable, recyclable or compostable by 2025, the focus was on the actions being taken in the Flexible Packaging business unit, given 100% of the Corrugated Packaging and Uncoated Fine Paper portfolios are already recyclable. While sustainable alternatives are in place, identified or undergoing development for most products, there remains continued complexity in managing the transition to a circular economy. More information can be found on pages 33-36.

The committee also paid particular attention to forthcoming capital investment projects and their important contribution towards achieving our targeted reduction in greenhouse gas (GHG) emissions. The committee was pleased to see the actions being taken and progress made during 2024 towards achieving Net-Zero but acknowledged the extent of the work still required, as well as the likely need to consider trade-offs during future investment decisions. More information can be found on pages 41-45.

The committee also reviewed sustainability risks and opportunities. Climate change mitigation remained a priority, and associated risks and opportunities were considered in detail. In particular, the committee spent time understanding how Mondi assesses and responds to water risk, including efforts to reduce water use. Further information, including Mondi's disclosures in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), can be found on pages 52-59.

Discussions in respect of people-related targets continued to form a key part of the committee's agenda in 2024, focusing on our progress in respect of diversity and inclusion, and in particular on the target of 30% women across the organisation by 2030. The committee acknowledged that meeting the target of 30% women will be challenging, and that local factors can play a role and impact the performance against our targets; however, there were examples of initiatives that resulted in material progress and the committee was pleased to see that learnings from these initiatives are being shared elsewhere in the Group. The focus from management on raising awareness, creating processes and opportunities, and developing the female talent pipeline is clear, but local ownership and leadership at all levels is critical to be successful. Further information on our diversity and inclusion initiatives can be found on pages 39 and 96-98.

After it was identified as a focus area in our 2023 Employee Survey, the committee held further discussions in relation to the psychological safety of our employees, including the actions taken in response. These actions included a pulse survey designed to draw further insights from employees on the factors they felt might deter them from speaking openly and honestly. More information can be found on page 39.

All these discussions took place against a backdrop of increasing regulation in the sustainability field, from the Packaging and Packaging Waste Regulation, and the EU Deforestation Regulation, to the EU Corporate Sustainability Reporting Directive. The committee was provided with regular updates on legislative developments throughout the year, with a focus on the impact for Mondi. These updates will continue into the coming year, with the committee undertaking deep dives into relevant topics as necessary.

A more detailed overview of the matters considered by the committee during the year can be found on page 110.

Committee effectiveness

The committee's performance and effectiveness were reviewed as part of the Board performance review undertaken during the year, more details of which can be found on page 93. I am pleased to confirm that the committee is seen to be operating effectively and fulfilling the duties delegated to it by the Board.

Dame Angela Strank
Chair, Sustainable Development Committee

Corporate governance report continued
Sustainable Development Committee continued

Sustainable Development Committee activity

Set out below are some of the key matters addressed by this committee.

Safety performance and serious incidents

- Received detailed reports on the fatality at the Merebank mill (South Africa) and the life-altering injuries, and follow-up reports on the outcomes of the investigations into these incidents.
- Received regular reports on safety performance at Group and business unit level, including individual mill performance, classification of incidents and peer comparisons, giving the committee insight into the safety culture, and into specific sites that required further focus. Annual maintenance shuts, involving thousands of contractors on site, remained a key focus.
- Received updates on the Social Psychology of Risk, with a continued focus on bringing the unconscious behaviours to the conscious, and the ways in which culture can be influenced to promote safe behaviour in the workplace.
- Considered and agreed the safety milestones and leading and lagging indicators for the next reporting period.

Product stewardship

- Received an update on the Group's approach to product stewardship practices in the context of the MAP2030 Circular Driven Solutions commitments, focusing on the tools to assess the impact of Mondi's products and the partnerships designed to support the achievement of Mondi's commitments. The committee spent time understanding the challenges and opportunities that we face, along with our customers and suppliers, to transition to a circular economy.
- Reviewed the developing regulatory landscape from a sustainability perspective, focusing on those regulations likely to have the greatest impact on Mondi and its stakeholders.

People development and diversity

- Received an update on the Group's approach to people management and diversity in the context of the MAP2030 Created by Empowered People commitments.
- Reviewed the performance against MAP2030 KPIs and diversity statistics and initiatives for the Group, discussing, in particular, actions to continue to make further progress against the target of employing 30% women by 2030.
- Following on from the 2023 Employee Survey, the committee reviewed actions and progress made against the areas highlighted as needing improvement, both on a global and local level.
- Received an overview of risk associated with the attraction and retention of key skills and talent, and the key areas of focus needed to build an effective succession plan.

Environmental performance and climate change

- Reviewed climate-related risks and opportunities and the potential impacts on the business in line with the TCFD recommendations (see pages 52-59 for more information).
- Reviewed performance against each of the environmental key performance indicators and commitments, including progress in reducing GHG emissions in line with science-based targets.
- Reviewed the Group's performance, progress and key contributing factors needed to meet the MAP2030 milestones.
- Discussed and agreed the sustainability KPIs for inclusion in the 2025 cash bonus (see page 116 for more details).

Nature and responsible wood sourcing

- Received an update on forestry-related sustainability topics, focusing in particular on the MAP2030 forestry and nature-related commitments and targets and progress to date.
- Reviewed focus areas and actions being taken to promote resilient forests in Europe and South Africa.

Responsible procurement

- Reviewed the development of Mondi's Responsible Procurement process, including the progress on rolling out and scaling up the supplier screening process designed to identify and manage high-risk suppliers.
- Received an overview of supplier engagement activities, particularly focused on the work being undertaken to increase awareness around GHG emissions and reduction plans, as well as the data Mondi requires in this respect to support progress on our Scope 3 GHG target.

Stakeholder relationships

- Reviewed the Group's relationships and engagement with key stakeholders, including governments and non-governmental organisations, focusing on the partnerships that will be required to support Mondi in achieving MAP2030 and the primary areas for engagement.
- Reviewed progress on actions arising from Stakeholder Engagement Conversations (following the transition from the previous Socio-Economic Assessment Toolbox (SEAT) process), which covered topics tailored to site-specific issues.
- Reviewed Mondi's ESG ratings in order to understand which ratings are most important to our stakeholders, how we perform and where there is potential for improvement.

Sustainable development governance and risks

- Reviewed the material sustainability issues, risks and opportunities and an update on the progress made to prepare for CSRD reporting following the double materiality assessment undertaken last year.
- Reviewed and approved the annual Sustainable Development report.
- Reviewed and approved the Group's Human Trafficking and Modern Slavery Statement, giving consideration to the actions being taken to minimise such risks in our organisation and supply chain.
- Received an update on the MAP2030 human rights commitment, which confirmed that no human rights adverse impacts or severe risks had been reported by the operations through the risk identification process. Areas for improvement were reviewed and action plans presented.
- Reviewed Group sustainable development policies and approved amendments to reflect best practice.
- Reviewed the committee's terms of reference and performance, agreeing that no changes to the terms of reference were required.
- Considered and agreed the committee's annual work programme.

Remuneration report

Statement from the Chair of the Remuneration Committee

Sue Clark
Chair of the Remuneration Committee

The remuneration strategy is intended to be simple, fair and transparent, leading to reward outcomes that are reflective of business performance and the wider stakeholder experience.

Composition and attendance

Members throughout the year	Committee member since	Meeting attendance[1]
Sue Clark, Chair[2]	April 2021	5/5
Sucheta Govil[3]	October 2024	0/1
Dominique Reiniche[4]	October 2015	4/4
Dame Angela Strank[2]	April 2021	5/5
Philip Yea	April 2020	5/5

1 The maximum number of meetings held during the year that each director could attend is shown next to the number attended.

2 Sue Clark was appointed as Chair of the committee, following Dame Angela Strank's appointment as Chair of the Sustainable Development Committee on 1 October 2024.

3 Sucheta Govil joined the committee on 1 October 2024. Sucheta was unable to attend the one meeting of the committee held following her appointment due to a commitment made prior to her appointment.

4 Dominique Reiniche retired from the Board and the committee on 30 September 2024. Dominique attended all meetings up to her retirement.

Other regular attendees

- Non-executive directors who are not members of the committee
- Group CEO
- Chief People Officer
- Group Head of Reward
- Head of Executive Reward
- External remuneration consultant

Dear Shareholder

I am pleased to present this Directors' remuneration report, my first as Chair of the Remuneration Committee (the committee). I succeeded Dame Angela Strank in October 2024 and would like to thank Angela for her leadership of the committee. I am sure she will continue to provide a valuable contribution as a committee member.

Compliance statement

This report has been prepared on behalf of, and has been approved by, the Board. It complies with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (the Regulations), the UK Corporate Governance Code and the UK Listing Rules, and takes into account the Directors' Remuneration Reporting Guidance and the relevant policies of shareholder representative bodies.

In accordance with the UK Companies Act, shareholders will be asked to vote on the following resolutions at the 2025 Annual General Meeting (AGM):

- an advisory vote on the Directors' remuneration report excluding the Directors' Remuneration Policy (DRP), which provides details of the remuneration earned by directors for performance in the year ended 31 December 2024, and how the DRP will be implemented for 2025; and
- binding votes to approve the rules of Mondi plc's Bonus Share Plan 2025 and Long-Term Incentive Plan 2025 in advance of the expiry of the current rules.

The committee continues to focus on performance driven reward that aligns the remuneration of our executives to the interests of our shareholders. We are confident that the DRP and our approach to its implementation will continue to support Mondi's success, incentivising the management team to deliver long-term sustainable shareholder value.

Remuneration report continued

Statement from the Chair of the Remuneration Committee continued

Performance in 2024

Context of remuneration

In assessing remuneration outcomes for 2024, the committee considered the ongoing investment in our business to deliver long-term sustainable growth in the context of ongoing difficult trading conditions, soft demand and a challenging pricing environment. Remuneration outcomes were also considered against the background of the wider stakeholder experience and the broader financial, operating and strategic performance.

Our remuneration structure is designed to incentivise our people through-cycle while underpinning our financial and sustainability KPIs including safety.

Reflecting the Board's confidence in Mondi's future, a final dividend of 46.67 euro cents per share has been recommended. The final dividend, together with the interim dividend, amount to a total ordinary dividend for the year of 70.00 euro cents per share. This is in addition to the special dividend that was paid in February 2024 in respect of the proceeds from the sale of the Russian operations.

Further details on performance in 2024 are set out on page 2.

Remuneration outcomes aligned to performance

Annual bonus

The majority (60%) of our annual bonus is assessed against key financial measures of EBITDA and ROCE. The remaining bonus performance is assessed against sustainability (20%) and personal (20%) targets, reflecting the importance of these to Mondi.

- Performance assessed against adjusted EBITDA resulted in 15.9% out of a maximum of 35%.
- Performance assessed against adjusted ROCE resulted in 10.8% out of a maximum of 25%.
- The reduction of specific Scope 1 and 2 greenhouse gas (GHG) emissions and reduction of specific waste to landfill targets (both progressing towards our MAP2030 milestones) within our sustainability scorecard were achieved in full, together contributing the maximum 10% to the annual bonus.
- The safety component of the sustainability scorecard accounts for 10% and is assessed against lag and forward-looking lead indicators. The formulaic outcome is 7 out of 10, relating to the safety lead indicator being achieved in full and the lag indicator being partially achieved. Regrettably we experienced a fatality at our Merebank mill (South Africa) during 2024. The committee gave careful consideration to the treatment of this fatality which was discussed over multiple meetings. Taking account of the fact pattern and actions resulting therefrom, the committee determined it was appropriate to apply a downward discretion of 50% to the formulaic outcome of the entire safety component. As a result, the safety component will contribute 3.5 out of a possible 10 percentage points to the annual bonus as opposed to the formulaic outcome of 7 out of 10.
- Performance against personal strategic and operational objectives of the bonus resulted in 16% out of a maximum of 20% for both the CEO and CFO. Delivery against these objectives has been achieved in a difficult trading environment.

EBITDA and ROCE performance was assessed against adjusted financial numbers to neutralise the impact of material factors outside of management's control. Further details are set out on page 127. Annual bonuses of 56.2% of maximum have been awarded in respect of performance in 2024 for Andrew King and Mike Powell. In accordance with the DRP, half of these annual bonus awards will be delivered in deferred shares which vest after three years.

LTIP

The performance period for the 2022 Long-Term Incentive Plan (LTIP) ended on 31 December 2024. Performance was assessed equally against average ROCE and relative Total Shareholder Return (TSR) performance over the three-year performance period.

- Performance assessed against adjusted ROCE targets resulted in 49.7% of the LTIP award vesting out of a maximum of 50%. A year ago, when the committee set the targets for the 2024 LTIP award, the upper end of the average ROCE target range was reduced from 18% to 16%, to reflect the lost contribution from Mondi's Russian assets following their divestment, which concluded in 2023. This year, the committee determined that a consistent adjustment should be applied to the ROCE targets for the inflight 2022 and 2023 awards, so that the approach for all the awards reflected the divestment of our Russian assets. The Russian assets had typically contributed an additional 300 basis points towards ROCE and, as such, this adjustment of 200 basis points to the stretch target does not fully reflect the lost contribution from our Russian operations. Therefore, in the committee's view the upper end of the target range is more stretching than when it was originally set.
- Performance for the TSR condition was below the median of the bespoke peer group. As a result, threshold performance for this element was not achieved and 0% of the award will vest out of a maximum of 50%.

As a result, 49.7% of the 2022 LTIP award will vest in February 2025. For our executive directors, their vested shares will be subject to a two-year post-vesting holding period until 2027.

Summary

The committee gave careful consideration to the use of downward discretion and the adjustments described above, and considers that the overall variable pay outturns are appropriate in the context of the wider business performance.

Further information about the levels of executive remuneration earned in 2024, including details of performance against the relevant targets for both bonus and LTIP, is given on pages 125-135.

Remuneration in 2025

Base salary

At Mondi, the overarching philosophy is that pay is fair and well positioned to the external market for all our workforce.

In determining the base salary for our executive directors, the pay and pay practices for both senior management and the wider workforce across all of Mondi's key markets were shared with the committee. Increases for Mondi plc's UK workforce were 3.5%. The base salaries for Andrew King and Mike Powell were increased by 3% to £1,133,348 and £722,661 respectively, effective from 1 January 2025, below the increases applied to Mondi plc's UK workforce.

The committee considers that the salaries for the executive directors are appropriate for a global organisation of Mondi's size and complexity.

Pension
Andrew King, Mike Powell and the majority of Mondi plc's UK workforce receive a pension allowance of 8% of base salary.

Variable pay
There are no proposed changes to the structure or quantum of the annual bonus and LTIP awards. For 2025, Andrew King will be eligible for a maximum bonus of 185% of base salary and an LTIP award of 230% of base salary. Mike Powell will be eligible for a maximum bonus of 170% of base salary and an LTIP award of 210% of base salary. Actual award levels for both the annual bonus and LTIP remain below the policy maxima.

Annual bonus
The annual bonus for 2025 will continue to be assessed against underlying EBITDA (35%) and ROCE (25%) as key financial performance indicators, our sustainability scorecard (20%) and personal objectives (20%).

The committee determined that from 2025 the approach to the assessment of safety would be revised. Under the current approach the lag and lead indicators each contribute up to 5% to the annual bonus, the achievement of each is mutually exclusive. The actions and activities under the lead indicators underpin our Social Psychology of Risk forward looking approach and reinforce our safety strategy. The lead indicators will therefore be retained as a gateway, however the achievement of these indicators will no longer directly contribute to bonus outturns. Successful achievement of the lead indicator will instead be the threshold for any outturns based on the assessment of TRCR performance under the lag indicator. If the lead indicator is not met, there will be no assessment of the TRCR performance and no outturn under the safety component. This is a higher hurdle than under the previous structure, with a heightened focus on output measures with quantifiable targets.

LTIP
For the 2025 LTIP grant, performance will continue to be assessed against ROCE (50%), relative TSR (25%) and cumulative EPS (25%).

The committee carefully considered the ROCE targets to apply for the 2025 LTIP. The threshold target has been set at 10% (previously 12%), retaining the maximum target level at 16% average ROCE. This is to reflect the ramp-up period following the start-up of a number of major capital expenditure projects in 2024 and early 2025, and the initially dilutive effect of the acquisition of the Western Europe Packaging Assets of Schumacher Packaging for an enterprise value of €634 million, which is expected to complete in the first half of 2025. Given the uncertain economic environment in the Group's core markets, the committee believes these targets are suitably stretching for this cycle.

Details of the annual bonus and LTIP performance measures and targets are on pages 116-130.

Executive director pay and the wider workforce
When setting the remuneration for executive directors, the committee considers the pay practices and incentives of the wider workforce. This includes a review of pay approaches across the global workforce in all geographies and business units. The committee is updated annually on the details of collectively bargained and discretionary pay increases being applied across the globe.

The majority of Mondi employees' pay is negotiated under local collective bargaining agreements, details of which are shared with the committee. The committee is well positioned when determining executive director pay, to take into account reward for the wider workforce and all other relevant information.

The key difference in the remuneration of executive directors and employees is the proportion of the remuneration package that is performance related and 'at-risk'. The variable pay, delivered under the short- and long-term incentive plans, is higher for executive directors and also realised over an extended time horizon.

Stakeholder engagement
The remit of the designated non-executive director responsible for engaging with employees covers a variety of subjects, including remuneration-related topics. The insights from this engagement and the views of the wider workforce are reported back to the Board.

For further details on wider employee engagement, see pages 82-84.

In 2025 we will review our DRP and I very much look forward to engaging with our shareholders in determining our new policy.

Conclusion
I hope that you will continue to provide constructive feedback and support the remuneration resolutions proposed at the 2025 AGM.

Sue Clark
Chair, Remuneration Committee

Remuneration report continued

Remuneration at a glance

Linking our reward and strategy

Our strategy: Drive value accretive growth, sustainably

- At or above maximum
- Between threshold and maximum
- Below threshold

Underpinned by our four strategic value drivers:

- Drive performance along the value chain
- Invest in quality assets
- Empower our people
- Partner with customers

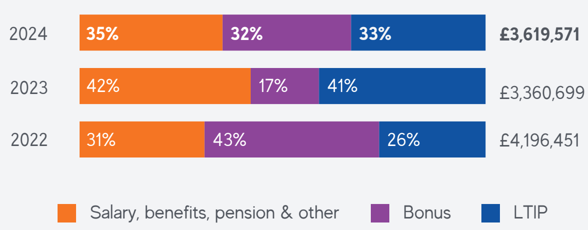
		Maximum	Outturn	Link to strategy
Annual bonus	Adjusted underlying EBITDA[1]	35%	15.9%	Drive performance along the value chain; Invest in quality assets; Empower our people; Partner with customers
	Adjusted ROCE[1]	25%	10.8%	Drive performance along the value chain; Invest in quality assets; Partner with customers
	Sustainability scorecard	20%	13.5%	Drive performance along the value chain; Invest in quality assets; Empower our people
	Personal – Andrew King	20%	16.0%	Drive performance along the value chain; Invest in quality assets; Empower our people; Partner with customers
	Personal – Mike Powell	20%	16.0%	Drive performance along the value chain; Invest in quality assets; Empower our people; Partner with customers
Total	**Andrew King**	**100%**	**56.2%**	
	Mike Powell	**100%**	**56.2%**	
2022 LTIP (vesting 2025)	TSR	50%	0.0%	Drive performance along the value chain; Invest in quality assets; Empower our people; Partner with customers
	ROCE[2]	50%	49.7%	Drive performance along the value chain; Invest in quality assets; Partner with customers
Total		**100%**	**49.7%**	

1 Further details are set out on page 127.
2 Adjusted for 2024, as set out on page 127.

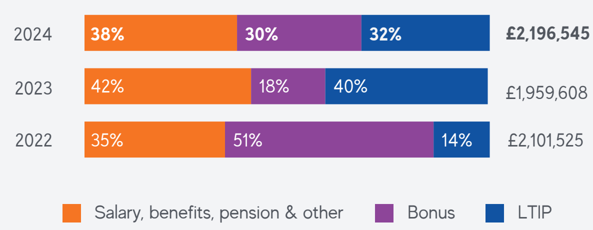
	Andrew King	Mike Powell
Base salary	£1,100,338	£701,613
Annual bonus (rounded)	£1,143,046	£669,750
2022 LTIP (vesting 2025, rounded)	£1,193,805	£695,031
Benefits, pension contributions and other	£182,382	£130,151
Total remuneration 2024 (rounded)	**£3,619,571**	**£2,196,545**

Fixed vs variable remuneration outcomes

Andrew King, Group CEO



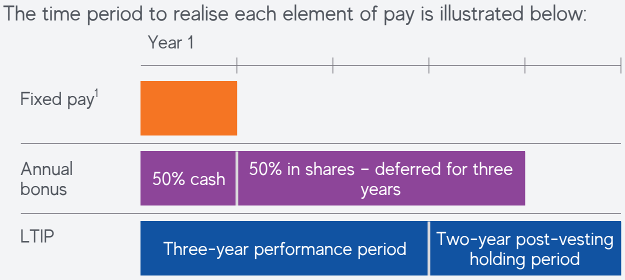
Mike Powell, Group CFO



Time horizons of realised pay

The structure of the remuneration is to underpin the focus on long-term performance that drives sustainable value for shareholders.

The time period to realise each element of pay is illustrated below:



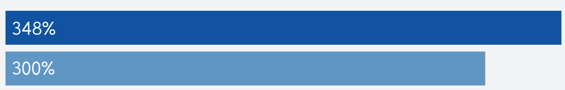
1 Including base salary, benefits and pension.

Executive directors are required to hold shares equivalent to 300% and 250% of salary respectively for the CEO and CFO. This requirement continues for two years post-employment.

Actual shareholding against Minimum Shareholding Requirement (MSR)

As at 31 December 2024, Andrew King exceeded the MSR. Mike Powell, who joined the Board in November 2020, has achieved 76% of his MSR, and is on track to meet the MSR within the timeframe permitted.

Andrew King, Group CEO



Mike Powell, Group CFO

Shareholding MSR

The shares that are included for the purposes of the MSR include deferred BSP shares, net of tax, and vested LTIP shares subject to a post-vesting holding requirement. Unvested LTIP awards do not count towards the MSR.

Remuneration report continued

Statement of implementation of Directors' Remuneration Policy in 2025

Base salary for 2025

Name	Base salary effective 1 Jan 2025	Previous base salary	% change
Andrew King	£1,133,348	£1,100,338	3.0%
Mike Powell	£722,661	£701,613	3.0%

Andrew King's and Mike Powell's base salaries were each increased by 3.0%, below Mondi plc's UK increases of 3.5%.

Bonus Share Plan (BSP) for 2025

The bonus structure for 2025 is shown below. Andrew King's and Mike Powell's maximum bonus opportunities will be 185% of base salary and 170% of base salary respectively.

Measure	Weighting (%)	Why chosen?	How targets are set
Underlying EBITDA	35%	Underlying EBITDA provides a measure of the cash-generating ability of the business that is comparable from year to year.	Targets and ranges are set each year by the committee taking account of required progress towards strategic goals, and the prevailing market conditions.
ROCE	25%	ROCE provides a measure of the efficient and effective use of capital in our operations.	
Sustainability scorecard		Reflects the strategic importance of progress towards our MAP2030 framework.	Both lead and lag targets are set each year by the committee, based on the specific priorities in our MAP2030 framework. The committee considers input from the Sustainable Development Committee, and sets appropriate standards and goals to reduce waste and GHG emissions.
Safety	10%	One of the key indicators of whether the business is meeting its sustainability goal of sending everybody home safely, every day.	
Greenhouse gas emissions	5%	One of our key Taking Action on Climate indicators in our MAP2030 framework.	
Waste to landfill	5%	One of our key Circular Driven Solutions indicators in our MAP2030 framework.	
Personal objectives	20%	An indicator of the contribution and impact that each executive director is making to the overall success of the management team.	Targets are set each year by the committee, based on the specific priorities, milestones and areas of responsibility of the role.

Targets for the annual bonus will be disclosed collectively in next year's report as the committee considers the financial targets to be commercially sensitive. Half of any bonus earned in respect of 2025 performance will be paid out in cash and the other half will be deferred into shares for three years as nil-cost options.

Long-Term Incentive Plan (LTIP) for 2025

LTIP awards that are to be made in 2025 will be assessed against three performance measures: ROCE, TSR and EPS, weighted 50%, 25% and 25% respectively and measured over the three-year performance period commencing on 1 January 2025. The awards will be subject to a two-year holding period from the date of vesting. The committee's intention is to grant at the level of 230% of base salary and 210% of base salary for Andrew King and Mike Powell respectively.

Measure	Weighting (%)	Why chosen?	How targets are set
Average 3-year ROCE	50%	A key indicator of the efficient and effective use of capital.	The committee sets threshold and stretch levels, aligned to the Group's strategic targets. ROCE targets for the LTIP are detailed on the next page.
TSR, relative to a peer group of competitors	25%	TSR measures the total returns to Mondi's shareholders, so provides close alignment with shareholder interests.	The committee sets the performance requirements for each grant. A bespoke peer group of packaging and paper sector companies is used. TSR targets with respect to the LTIP are detailed on the next page.
Basic underlying EPS, measured on a 3-year cumulative basis	25%	EPS was introduced as a performance metric for awards granted in/after 2023. A key growth measure that represents the bottom-line return and provides a balance to the ROCE and TSR metrics.	EPS targets are set in the context of the long-term financial plan, reflecting basic underlying EPS. The EPS figures for each year in the performance period are added together to form a cumulative 3-year target.

The targets for the three-year performance period for the 2025 LTIP awards are as follows:

Measure	Weighting (%)	Threshold (25% vesting)	Maximum (100% vesting)
ROCE (average)	50%	10%	16%
Mondi's TSR relative to bespoke peer group	25%	Median	Upper quartile
Cumulative EPS (euro cents per share)	25%	363	443

Between threshold and maximum, the LTIP awards will vest on a straight-line basis. The TSR peer group for the 2025 LTIP awards consists of the following companies. These are peers who are subject to broadly the same market forces and trading environment as Mondi.

BillerudKorsnäs	International Paper	Metsä Board	Smurfit WestRock	UPM
Holmen	Klabin	PCA	Stora Enso	
Huhtamaki	Mayr-Melnhof	Sappi	The Navigator Company	

The committee has discretion to amend variable pay vesting outturns should any formulaic output be inappropriate (e.g. unreflective of underlying performance). Where the provision is utilised, the committee will explain clearly the basis for this decision.

Non-executive directors' remuneration

Fee levels are reviewed annually and, if appropriate, increased. For 2025, the fee levels are as set out in the table below and are being held at 2024 levels.

Role	Fees from 1 January 2025	Fees from 1 January 2024
Board Chair fee	£484,313	£484,313
Non-executive base fee	£81,870	£81,870
Additional fees:		
Supplement for Senior Independent Director	£21,000	£21,000
Supplement for Audit Committee Chair	£22,000	£22,000
Supplement for Remuneration Committee Chair	£21,000	£21,000
Supplement for Sustainable Development Committee Chair	£21,000	£21,000
Supplement for the non-executive director responsible for engaging with employees	£11,000	£11,000
Attendance fee for meetings outside country of residence (per meeting)	£2,680	£2,680

Remuneration report continued

Directors' Remuneration Policy

This part of the Directors' remuneration report sets out the Directors' Remuneration Policy (DRP) for the Group and has been prepared in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). The DRP is not being put to shareholders for approval this year and is reproduced for information only.

Remuneration Policy principles

Mondi's approach is that remuneration should underpin the Group's strategy. The remuneration is intended to attract, incentivise and retain high-calibre individuals.

The committee considers the principles set out in Provision 40 of the UK Corporate Governance Code when determining the design, implementation and assessment of remuneration.

Simplicity	We operate a simple remuneration structure of fixed pay + short-term incentive + long-term incentive, avoiding undue complexity or the potential to deliver unintended outcomes.
Clarity	The committee is committed to transparency regarding the components of the remuneration structure, the potential outcome and the rationale for the quantum of awards made. The choice of metrics and the targets set for the assessment of performance under our variable pay plans underpin the overall strategy.
Risk	The remuneration structure and the variable pay plans reflect the risk appetite set by the Board. The performance measures, and the targets set, do not encourage inappropriate behaviours or excessive risk-taking. Holding periods are in place for the LTIP. Mitigation is provided through the application of market practice aligned recovery provisions (both malus and clawback). The committee also retains discretion to override formulaic vesting outcomes, where pay outcomes do not reflect the wider business performance. The post-employment Minimum Shareholding Requirement (MSR) has been extended such that 100% of the in-employment shareholding guideline must be held for two years post-employment, further promoting the delivery of sustainable share price performance.
Predictability	The committee is confident that the remuneration structure and its operation are well understood by participants, including potential outcomes driven by performance levels achieved.
Proportionality	The potential outcomes under the remuneration structure at threshold, target and maximum performance levels have been assessed and are understood. The committee carefully considers the targets set for the variable pay elements to ensure reward is appropriately linked to performance and to minimise the risk of excessive outturns. The annual bonus and LTIP outturns are at the discretion of the committee.
Alignment to culture	The committee considers that the remuneration strategy supports the wider strategy. The approach to pay positioning, pension contribution levels and variable pay participation is applied consistently and underpins the Mondi Group values.

Remuneration policy for executive directors compared to other employees

The remuneration policy for executive directors reflects the different levels of responsibility and market practices. The key difference to the remuneration of the wider workforce is the proportion of remuneration that is 'at-risk'. For senior roles, a higher proportion of the remuneration package is comprised of variable pay which drives an increased emphasis on pay for performance. Only a small number of the most senior colleagues participate in the LTIP and the BSP. Participation in these plans is focused on those individuals who have the greatest accountability for the performance of the Group.

Executive directors' remuneration policy table

The tables below set out the DRP (available on the Group website at www.mondigroup.com/investors/results-reports-and-presentations/?year=2022 in the Integrated report and financial statements 2022) for executive directors and non-executive directors approved by shareholders on 4 May 2023 at the 2023 AGM. Awards made prior to the approval of this policy remain subject to the prevailing approved policy at grant.

Base salary	
Purpose and link to strategy	To recruit and reward executives of a suitable calibre for the role and duties required.
Operation	Ordinarily reviewed annually by the committee, taking account of a number of factors including (but not limited to) Group and individual performance, the skills and experience of the individual and changes in role scope and responsibilities. The committee also takes into consideration the levels of increase for the broader employee population. Reference is also made to remuneration levels in companies of similar size and complexity to Mondi. The committee considers the impact of any base salary increase on the total remuneration package. Salaries (and other elements of the remuneration package) may be paid in different currencies as appropriate to reflect their geographic location.
Performance measures	While no formal performance conditions apply, an individual's performance in role is taken into account when determining any salary increase.
Maximum opportunity	There is no prescribed maximum base salary or annual increase. However, increases will normally not exceed the general level of increase awarded in the UK or the location in which the executive is based (in percentage of salary terms). On occasion a higher increase may be awarded in appropriate circumstances, for example: – on promotion or development in role or change in responsibilities of the individual; – where an individual has been appointed to the Board at lower than typical market salary to allow for growth in the role, in which case larger increases may be awarded to move salary positioning to a typical market level as the individual gains experience; – change in size and/or complexity of the Group; and/or – significant market movement.

Benefits	
Purpose and link to strategy	To provide market competitive benefits.
Operation	The Group typically provides: – car allowance or company car; – medical insurance; – death and disability insurance; – limited and specific personal taxation and financial advice; and – other ancillary benefits based on individual circumstances, including relocation and assistance with expatriate expenses. Other benefits may be introduced from time to time to ensure the benefits package is appropriately competitive and reflects the circumstances of the individual director.
Performance measures	Not applicable.
Maximum opportunity	While the committee has not set an absolute maximum on the level of benefits executive directors may receive, the value is set at a level which the committee considers to be appropriately positioned taking into account relevant market levels based on the nature and location of the role, and individual circumstances.

Pension	
Purpose and link to strategy	To provide market competitive pension contributions or allowances.
Operation	Defined contribution to pension, or cash allowance of equivalent value. Only base salary is pensionable.
Performance measure	Not applicable.
Maximum opportunity	Executive directors receive a company contribution and/or equivalent cash allowance not exceeding the contribution available to the majority of the workforce in the relevant country (currently 8% of salary for the UK workforce). Benefits under any non-UK pension arrangement may be provided in accordance with the terms of the applicable scheme.

Remuneration report continued
Directors' Remuneration Policy continued

Executive directors' remuneration policy table continued

Bonus Share Plan (BSP)	
Purpose and link to strategy	To provide incentive and reward for annual performance achievements. To also provide sustained alignment with shareholders through a deferred component.
Operation	Awards are based on annual performance against stretching financial and non-financial targets. Targets are reviewed annually and any pay-out is determined by the committee after the year end based on targets set for the financial period. For 2025, the table on page 116 provides details of performance metrics, weightings, the rationale and how targets are set. The policy gives the committee the authority to select suitable performance metrics, aligned to Mondi's strategy and shareholders' interests, and to assess the performance outcome. The committee has discretion to amend the pay-out should any formulaic output not reflect the committee's assessment of overall business performance, or if the committee considers the formulaic outturn is not appropriate in the context of other factors considered by the committee to be relevant. Ordinarily, half of the award is delivered in cash and half is deferred into a conditional share award or a nil (or nominal) cost option which normally vests following a three-year service period. Any dividend equivalents accruing on shares between the date when the award was granted and when it vests will be delivered in shares. Malus and clawback provisions apply (page 121).
Performance measures	Performance is normally assessed against a balanced scorecard of metrics as determined by the committee from time to time, such as underlying EBITDA, ROCE and sustainability. Individual performance may also be assessed against suitable objectives aligned to the delivery of Mondi's strategy. The majority of the bonus is assessed against quantifiable financial and science-based sustainability measures, with over 50% assessed against financial targets. The on-target bonus, as a percentage of maximum, has been reduced from 53% to 50% for non-financial targets, aligned to the approach for financial targets for performance awards made in, and after, 2023. Subject to the committee's discretion to override formulaic outturns, for financial measures and non-financial measures, no more than 25% of maximum is earned for threshold performance, 50% of maximum is earned for on-target performance and 100% of maximum is earned for maximum performance.
Maximum opportunity	The maximum annual bonus opportunity for executive directors is 200% of base salary. The committee retains discretion to set the actual maximum below the policy maximum.

Long-Term Incentive Plan (LTIP)	
Purpose and link to strategy	To provide incentive and reward for the delivery of the Group's strategic objectives, and provide further alignment with shareholders through the use of shares.
Operation	The committee may grant awards annually as conditional shares or as nil (or nominal) cost options. Awards will usually vest to the extent that performance conditions are met, typically measured over three years. A two-year post-vesting holding period normally applies to LTIP shares that vest (net of tax). The two-year holding requirement will normally continue if the director leaves employment during the holding period or is permitted to retain any part of the award as a good leaver. The shares held will count towards the executive director's normal shareholding requirement. For 2025, the tables on pages 116 to 117 provide details of performance metrics, weightings, the rationale and how targets are set. The committee has discretion to vary the formulaic vesting outturn if it considers that the outturn does not reflect the committee's assessment of performance or is not appropriate in the context of other factors considered by the committee to be relevant. Dividend equivalents will accrue to the first date shares can be acquired and will be delivered in shares, based on the proportion of the award that vests. Under the plan rules, in exceptional circumstances, the committee has the ability to cash-settle awards, if necessary. There is no current intention for awards for the executive directors to be delivered in this way. Malus and clawback provisions apply (page 121).
Performance measures	Performance measures and targets are set each year by the committee, before the grant. The committee annually reviews the performance measures, and in line with the rules of the LTIP, reserves the right to change the measures and/or set different targets for future grants to ensure they remain appropriately challenging in the prevailing economic environment. Performance measures under the LTIP will be based on financial measures (which may include, but not be limited to, total shareholder return, return on capital employed, and earnings per share) and may include non-financial measures (such as ESG measures). For awards granted in 2025, metrics comprise ROCE (50% weighting), relative TSR (25% weighting) and cumulative EPS (25% weighting). Subject to the committee's discretion to override formulaic outturns, no more than 25% of the awards will vest at threshold performance, increasing to 100% for maximum performance.
Maximum opportunity	The maximum award level under the LTIP in respect of any financial year is 250% of base salary.

Share ownership policy	
Purpose and link to strategy	To further align the interests of executive directors with those of shareholders.
Operation	The Minimum Shareholding Requirement (MSR) for the CEO is 300% of base salary and 250% for the CFO. On appointment, an executive director is normally required to meet the MSR within five years from the date of appointment. While the executive director is building to the required shareholding level, deferred bonus awards under the BSP, net of the expected tax liability, will count towards the requirement. Once the required shareholding has been met, such shares will not count unless the committee, at its sole discretion, determines that a number of deferred shares may count towards the holding requirement of a director. Unvested LTIP awards (i.e. those awards where performance targets and/or a service requirement must still be met for awards to vest) will not count towards the holding requirement. LTIP shares that have vested and on which tax has been paid and that are within the two-year post-vesting holding period will count towards the holding requirement. Previously compliant directors who do not meet the minimum requirement on annual assessment are normally expected to achieve compliance by 31 December of the same year. The executive directors are entitled to participate in the Company's all-employee share plans on the same basis as all other employees. **Post-employment MSR:** A post-employment shareholding requirement applies. Under the policy, executive directors will be expected to retain a shareholding for two years post-employment. For both years post-employment, the full in-employment MSR level applies. New executive directors who have not achieved the necessary in-employment MSR level at date of exit will be required to retain the actual level of shares held at date of exit. In order to allow the committee to deal with unexpected circumstances, the committee retains discretion on how to operate the policy and may make exceptions and allowances as it sees fit.

Recovery provisions (Malus and Clawback)

The committee may operate malus and clawback (i) for a period of three years from the payment of the BSP cash award or (ii) until the date of release for BSP share awards, and for a period of three years following the vesting date of LTIP awards.

The malus and clawback provisions for the BSP and LTIP are set out in the rules for each plan but, in summary, may be applied in the event of:

- misstatement of financial results;
- error or misstatement of performance;
- gross or serious misconduct;
- corporate failure;
- severe downturn in financial or operational performance; or
- severe reputational damage.

Committee discretion

The committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of the DRP. These include (but are not limited to) the following:

- who participates in the incentive plans;
- the timing of award grants and/or payments;
- the size of an award and/or a payment (within the limits set out in the DRP table on pages 119 to 121);
- the choice and weighting of performance metrics (in accordance with the statements made in the DRP table on pages 119 to 121);
- in exceptional circumstances, determining that any share-based award (or any dividend equivalent) shall be settled (in full or in part) in cash;
- discretion relating to the measurement of performance and pro-rating for time for LTIP awards in the event of a change of control or restructuring;
- determination of a good leaver (in addition to any specified categories) for incentive plan purposes based on the rules of each plan and the appropriate treatment in such circumstances;
- determining the extent of payment or vesting of an award based on the assessment of any performance conditions, including discretion as to the basis on which performance is to be measured if an award vests in advance of normal timetable (on cessation of employment as a good leaver or on the occurrence of a corporate event) and whether (and to what extent) pro-ration shall apply in such circumstances;
- whether (and to what extent) malus and/or clawback shall apply to any award;
- adjustments required in certain circumstances (e.g. rights issues, corporate restructuring, on a change of control and special dividends); and
- the ability to adjust existing performance conditions for exceptional events so that they can still fulfil their original purpose whilst being no less stretching.

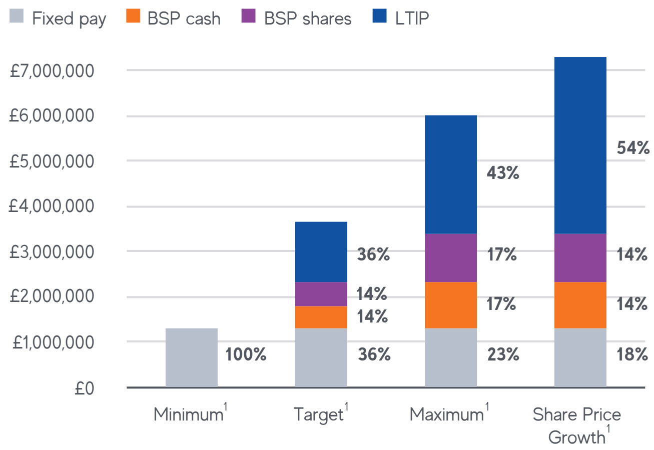
Remuneration report continued

Directors' Remuneration Policy continued

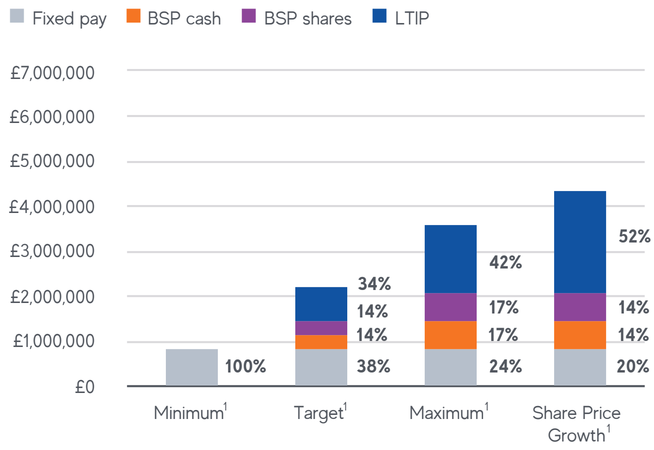
Executive directors' remuneration policy table continued

Remuneration scenarios at different performance levels

CEO – Andrew King



CFO – Mike Powell



The charts above illustrate the total potential remuneration for each executive director at three performance levels.

Assumptions[1]:
Minimum = fixed pay only (salary + benefits + pension), resulting in £1,316,571 and £852,696 respectively.
On-Target = 50% vesting of the annual bonus and LTIP awards, resulting in £3,668,268 and £2,225,752 respectively.
Maximum = 100% vesting of the annual bonus and LTIP awards, resulting in £6,019,965 and £3,598,808 respectively.
Share Price Growth = to reflect the impact of a share price increase between award and vesting, the LTIP value in the 'Maximum' column has been increased by 50%, resulting in £7,323,316 and £4,357,602 respectively.
Salary levels (on which other elements of the package are calculated) are based on those applying on 1 January 2025.

Remuneration policy for non-executive directors

Element	Non-executive Board Chair fee	Other non-executive fees
Purpose and link to strategy	To attract and retain a high-calibre Chair and non-executives, with the necessary experience and skills. To provide fees which take account of the time commitment and responsibilities of the role.	
Operation	The Chair receives an all-inclusive fee. The Chair's fee is reviewed periodically by the committee.	The non-executives are paid a basic fee. Attendance fees are also paid to reflect the requirement for non-executive directors to attend meetings in various international locations. Additional fees may be paid to reflect the extra responsibilities and time commitments, including but not limited to chairing main Board committees, and in respect of the role of non-executive director responsible for engaging with employees. Non-executive directors' fees are reviewed periodically by the Chair and executive directors.
	Non-executive directors are not eligible to participate in any of the Group's share schemes, incentive schemes or pension schemes. The Group may reimburse the reasonable expenses of Board directors that relate to their duties on behalf of Mondi (including tax thereon if applicable). The Group may also provide advice and assistance with Board directors' tax returns where these are impacted by the duties they undertake on behalf of Mondi.	
Maximum opportunity	While there is not a maximum fee level, fees are set by reference to market median data for companies of similar size and complexity to Mondi.	

Directors' contracts and notice periods

Executive directors

Andrew King's and Mike Powell's service contracts provide for termination on one year's notice by either party. The Group may elect to make a payment in lieu of notice and, if it does so, to apply mitigation. Payment in lieu of notice would comprise base salary, benefits and pension contributions for the notice period (or, if applicable, the balance of the notice period).

A director's service contract may be terminated without notice and without any further payment or compensation, except for sums accrued up to the date of termination, on the occurrence of certain events such as gross misconduct.

Non-executive directors

All non-executive directors have letters of appointment with Mondi plc for an initial period of three years. In accordance with best practice, non-executive directors are subject to annual re-election at the Annual General Meeting. Appointments may be terminated by either party with six months' notice. No compensation is payable on termination, other than accrued fees and expenses.

Service contracts for new appointments

Normally, for any new executive director appointments, the Group's policy is that the service contracts should provide for one year's notice by either party. The contract would provide that, in the event of termination by the company, other than for 'cause', the executive would be eligible for payment of the base salary, pension contribution and benefits in respect of the unexpired portion of the 12-month notice period.

The committee would take account of the remuneration and contract features that the executive may be forgoing or relinquishing in order to join Mondi, in comparison with the overall remuneration package that Mondi is able to offer.

The committee may consider compensating a newly appointed executive director for other relevant contractual rights forfeited when leaving their previous employer and/or remuneration forgone as a result of leaving their previous employer.

Approach to remuneration on recruitment

The appointment of high-calibre executives to the Board, whether by internal promotion or external recruitment, is important for the success of the Group. The remuneration package for a newly appointed executive director would be set in accordance with the prevailing approved Remuneration Policy at the time of appointment. Base salary would be set at an appropriate level taking into consideration the skills and experiences of the individual, the complexity of the role and the individual's current remuneration. The variable pay would be considered consistent with that of existing executive directors and would be subject to the maximum limits of the policy. Certain relocation expenses may be met, as appropriate.

For an internal appointment, any existing pay components awarded in respect of the prior role would be allowed to pay out in accordance with the terms of the award.

For external appointments, the committee may offer additional cash and/or share-based payments to replace any variable pay awards an individual may have forgone to join Mondi, if it considers these to be in the best interests of the Group and its shareholders. This includes awards made under Section 9.3.2 of the UK Listing Rules. Any such payments would take account of the remuneration forgone including the nature of the award, the time horizons and any performance conditions attached to the award. The key terms and an explanation of the rationale for such a component would be disclosed in the remuneration report for the relevant year.

Depending on the timing of the appointment, the committee may consider it appropriate to set different annual performance conditions for the first performance year of appointment. An LTIP award may be made shortly after appointment, or as soon as practical following a closed period.

Remuneration report continued

Directors' Remuneration Policy continued

Policy on loss of office

Notice periods will not normally exceed 12 months. The Group may elect to make a payment in lieu of notice as determined by the respective contract of employment, taking account of local employment law, and, if it does, to apply mitigation. The committee reserves the right to make any other payments in connection with an executive director's cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement of any claim arising in connection with the cessation of a director's office or employment. Any such payments may include but are not limited to paying any fees for outplacement assistance and/or the director's legal and/or professional advice fees in connection with their cessation of office or employment.

The Group would seek to apply the principles of mitigation to any payment in lieu of notice by, for example, making payments in instalments that can be reduced or ended if the former executive wishes to commence alternative employment during the payment period. An executive director's eligibility for bonus on cessation of employment will be determined by the committee in accordance with the relevant plan rules, taking into account the reason for their departure and prevailing local legislation. Where eligible, the departing director's bonus would typically be determined in the normal way after the relevant year end, i.e. based on the applicable performance conditions, pro-rated for the period worked in that year, save that no portion would be required to be deferred into a BSP award. However, the committee has the discretion to apply different treatment. Any share-based entitlements granted to an executive director under the Group's share plans will be determined based on the relevant plan rules. The default treatment is that any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, disability, retirement or other circumstances at the discretion of the committee (taking into account the individual's performance and the reasons for their departure) 'good leaver' status can be applied. For good leavers, vesting of BSP awards is accelerated to as soon as practical after employment termination (as they are not subject to performance conditions). Typically, LTIP awards remain subject to performance conditions (measured over the original time period) and are reduced pro-rata to reflect the proportion of the performance period actually served. The committee has the discretion to apply different treatment (including to disapply the application of performance conditions and/or time pro-rating) if it considers it appropriate to do so. However, it is envisaged that this would only be applied in exceptional circumstances. Post-vesting holding periods will normally continue to apply, notwithstanding any cessation of employment.

Statement of consideration of employment conditions elsewhere in the Group

The remuneration of the executive directors and other senior colleagues is set, taking into appropriate account the pay, pay practices and employment conditions of the wider workforce, on which the committee receives regular detailed updates. In determining the proposed salary increases for the executive directors and individuals within the remit of the committee, the committee is well positioned to consider the wider workforce increases as part of its decision-making.

Employees are encouraged to provide feedback, on remuneration and wider topics, across a number of channels. A purposeful workplace is a key theme of MAP2030 and understanding the views of our employees to address the things that matter to them is at the core.

During 2024, Anke Groth, our non-executive director responsible for engaging with employees, participated in Mondi's annual European Works Council meeting, alongside representatives from our European plant network. Anke and Sue Clark, who held the role until the end of September, also engaged with a cross-section of employees during other site visits during the year, more details of which can be found on page 83.

The Board receives feedback from these, and other activities, to better understand the experience of a Mondi employee and to support its decision-making.

Statement of consideration of shareholder views

The committee takes into account the views of shareholders in the formulation of the DRP and the implementation of the policy. Over the course of the year, the Chair, the Remuneration Committee Chair and executive directors engaged with shareholders on a number of matters including remuneration with feedback presented to the Board. Feedback received from shareholders at the Annual General Meeting is also considered. The Remuneration Committee Chair is anticipating engaging with shareholders over the course of the DRP review in 2025, in advance of a new policy being taken to shareholders for approval at the 2026 AGM.

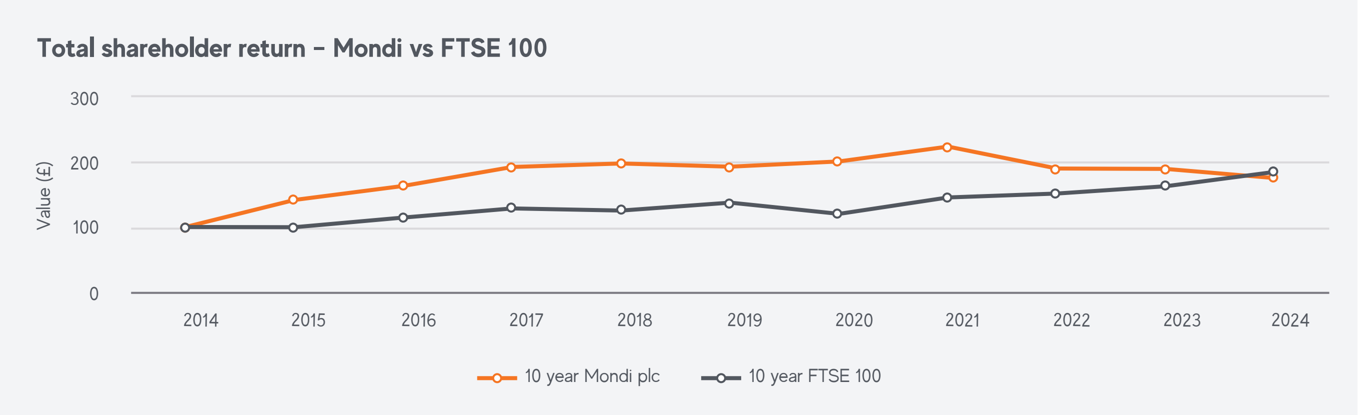
Legacy arrangements

For the avoidance of doubt, authority is given to the Group to honour any commitments entered into with current or former directors that have been disclosed to shareholders in previous remuneration reports. Details of any payments to former directors will be set out in the annual report on remuneration as they arise.

Annual report on remuneration

Mondi's TSR performance over the last 10 years

The following graph sets out the comparative TSR of Mondi plc relative to the FTSE 100 Index, for the period between 31 December 2014 and 31 December 2024. Mondi is a constituent of the FTSE 100, which is an appropriate index for this report. The value by 31 December 2024 of £100 invested in Mondi plc on 31 December 2014, compared with the value of £100 invested in the FTSE 100 Index on the same date, is shown. The TSR has been calculated on a three-month average basis. This includes a special dividend paid in February 2024 to return the net proceeds from the sale of the Group's Russian assets which was accompanied by a share consolidation.



Historical CEO remuneration

Year	CEO	Total remuneration	% of maximum bonus earned	% of LTI vested
2024	Andrew King	£3,619,571	56%	49.7%
2023[1]	Andrew King	£3,360,699	29%	61.3%
2022	Andrew King	£4,196,451	96%	50.0%
2021	Andrew King	£3,497,506	97%	45.6%
2020[2]	Andrew King / Peter Oswald	£3,559,580	42%	50.0%
2019	Peter Oswald	£3,322,216	44%	67.2%
2018	Peter Oswald	£3,906,849	88%	76.6%
2017[3]	Peter Oswald / David Hathorn	£3,354,544	63%	72.5%
2016	David Hathorn	£4,867,142	69%	92.5%
2015	David Hathorn	£5,255,561	90%	100.0%

1 The three-year performance cycle of the 2021 LTIP award ended on 31 December 2023. The award value shown in the 2023 remuneration report was calculated using the average share price, being £13.98. The actual share price on vesting was £15.50. The award value for 2023 has been restated on this basis.

2 Andrew King and Peter Oswald's 2020 total remuneration of £1,995,465 and £1,564,115 respectively is in respect of their tenure as Group CEO. Their salary and bonus have been subject to a pro-rata time reduction. The bonus earned and LTIP vested were based on their remuneration in the role as Group CEO. Peter's bonus earned was 41% of maximum bonus opportunity.

3 For 2017 the CEO remuneration reflects David Hathorn's total remuneration of £991,584 up to his retirement from the Boards (the simplification of Mondi's corporate structure into a single holding company structure under Mondi plc became effective in 2019) on 11 May 2017, including the pro-rata CEO annual bonus, and Peter Oswald's total remuneration of £2,362,960, including base salary, pension, benefits and pro-rata CEO annual bonus, as well as the 2015 LTIP vesting amount, with effect from 11 May 2017.

Remuneration report continued
Annual report on remuneration continued

2024 remuneration of directors (audited)

The Remuneration Policy operated as intended in 2024. The provisions of malus and clawback have not been applied in 2024. The table below sets out the total remuneration for each person who served as a director in the years ended 31 December 2024 and 31 December 2023. A full breakdown of fixed pay and pay for performance in 2024 is detailed below.

Executive directors

	Fixed pay				Pay for performance						
	Base salary	Benefits[1]	Pension contribution[2]	Total fixed remuneration	Annual bonus including grant value of BSP award[3]	Value of LTIP vesting in respect of the performance period ended in the year[4 5]	Value of LTIP vesting at date of grant	Share price gain on vesting LTIP award between grant and vest dates	Other[1]	Total variable remuneration	Total
2024											
Andrew King	£1,100,338	£92,555	£88,027	£1,280,920	£1,143,046	£1,193,805	£1,157,398	–	£1,800	£2,338,651	£3,619,571
Mike Powell	£701,613	£72,222	£56,129	£829,964	£669,750	£695,031	£673,835	–	£1,800	£1,366,581	£2,196,545
2023											
Andrew King	£1,073,500	£255,638	£85,880	£1,415,018	£575,934	£1,367,947	£1,391,855	–	£1,800	£1,945,681	£3,360,699
Mike Powell	£684,500	£72,978	£54,760	£812,238	£349,096	£796,474	£810,364	–	£1,800	£1,147,370	£1,959,608

1 Including accommodation costs, car allowance, life and health cover. For Andrew King, this figure includes a total of £12,778 for UK, South African and Austrian tax advice benefit, a total tax equalisation and other benefit gross-ups of £50,604 and a car allowance of £19,300. For Mike Powell, this figure includes UK and Austrian tax advice benefit of £5,597, a total tax equalisation and other benefit gross-ups of £39,915 and a car allowance of £19,300. The column 'Other' shows matching SIP shares.

2 Pension benefits of 8% of salary respectively are delivered as pension contribution of £10,000 and cash allowance of £78,027 to Andrew King and as cash allowance of £56,129 to Mike Powell.

3 This is the total annual bonus amount awarded in respect of the financial year 2024, and includes both the upfront cash element and the deferred share award (pages 127-129).

4 For 2024, the three-year performance cycle of the 2022 LTIP ended on 31 December 2024 and the awards will vest in February 2025 and be subject to a two-year post vesting holding period until 2027. The award value (including equivalent dividends on LTIP shares due to vest in February 2025 set out on page 129) shown is based on the average share price over the last three months of the financial year ended 31 December 2024 of £12.46. The 2022 LTIP awards were granted on 10 March 2022, when the share price was £13.67. This equated to a decrease in value of £1.21 per share. As a consequence a zero gain is shown. Andrew's and Mike's loss due to share price depreciation was £102,447 and £59,645 respectively (excluding dividend equivalents).

5 In the 2023 remuneration report, the value of the 2021 LTIP awards vesting for which the three-year performance cycle ended on 31 December 2023 was calculated using the average share price for the three months ended 31 December 2023, being £13.98 (including equivalent dividends on LTIP shares exercised in May 2024). The actual share price on vesting was £15.50. The award values for 2023 have been restated on this basis. The 2021 LTIP awards were granted on 12 March 2021, when the share price was £17.66. This equated to a decrease in value of £2.16 per share. As a consequence a zero gain is shown. Andrew's and Mike's loss due to share price depreciation was £169,966 and £98,958 respectively (excluding dividend equivalents).

Non-executive directors

	Year ended 31 December 2024			Year ended 31 December 2023		
	Fees	Other[1]	Total	Fees	Other[1]	Total
Philip Yea	£484,313	–	£484,313	£484,313	–	£484,313
Svein Richard Brandtzaeg	£100,630	£2,690	£103,320	£100,630	£8,214	£108,844
Sue Clark	£105,980	–	£105,980	£95,550	–	£95,550
Sucheta Govil[2]	£23,148	–	£23,148	–	–	–
Anke Groth	£103,380	£7,198	£110,578	£74,803	£2,200	£77,003
Saki Macozoma	£100,630	£3,230	£103,860	£95,270	£495	£95,765
Dominique Reiniche[3]	£103,623	£3,447	£107,070	£132,873	£4,521	£137,394
Dame Angela Strank	£108,230	–	£108,230	£105,550	–	£105,550
Stephen Young	£109,230	–	£109,230	£111,004	–	£111,004

1 Svein Richard Brandtzaeg, Anke Groth, Saki Macozoma and Dominique Reiniche received tax advice in the year, constituting taxable benefits to the gross values shown in this column.

2 Sucheta Govil was appointed as a non-executive director on 1 October 2024. The 2024 figures reflect her remuneration as a non-executive director from 1 October 2024 to 31 December 2024.

3 Dominique Reiniche retired from the Board on 30 September 2024. The 2024 figures reflect her remuneration as a non-executive director from 1 January 2024 to 30 September 2024.

4 None of the non-executive directors have entitlements to pension-related benefits.

Annual bonus

2024 bonus outcomes (audited)

The majority of the 2024 annual bonus was assessed against financial measures, underlying EBITDA and ROCE.

The safety element of the sustainability scorecard includes lead and lag indicators:

- Five percentage points relate to the achievement of lead indicators. This is reflective of Mondi's values and proactive approach to safety. This is a shared objective requiring individual involvement of all members of the Executive Committee. All the individual activities must be completed by the Executive Committee members to achieve the five points. If all the activities in their entirety are not achieved, then these five points lapse in full for all.
- Five percentage points relate to the lag indicator, assessed against an annually defined Total Recordable Case Rate.

In the event of any work-related fatality, the Remuneration Committee makes an assessment on a case-by-case basis and will utilise its discretion to adjust any pay-outs under the bonus, if appropriate.

Performance targets related to the reduction of specific Scope 1 and 2 GHG emissions and reduction of specific waste to landfill (both progressing towards our MAP2030 milestones) account for a further 10% of the sustainability scorecard.

The remaining 20 points of the annual bonus are assessed against personal objectives (page 128).

Performance measure	Weighting	Threshold	% of bonus payable for threshold performance	Maximum	Outcome[2]	% of bonus opportunity achieved
Underlying EBITDA[1]	35%	€1,012m	8.75%	€1,370m	€1,158m	15.9%
ROCE[1]	25%	10.1%	6.25%	13.7%	11.4%	10.8%
Sustainability scorecard						
Safety lead indicators (SLI)	5%		Binary	Binary	Achieved in full	3.5%[3]
Safety lag (TRCR)	5%	0.70	1%	0.63	0.68	
Greenhouse gas (GHG) emissions	5%		Binary	0.42 t/t	0.36 t/t	5.0%
Waste to landfill (WtL)	5%		Binary	16.47 kg/t	12.75 kg/t	5.0%
Personal objectives – CEO	20%		n/a	20	16	16.0%
Personal objectives – CFO	20%		n/a	20	16	16.0%

At or above maximum   Between threshold and maximum   Below threshold

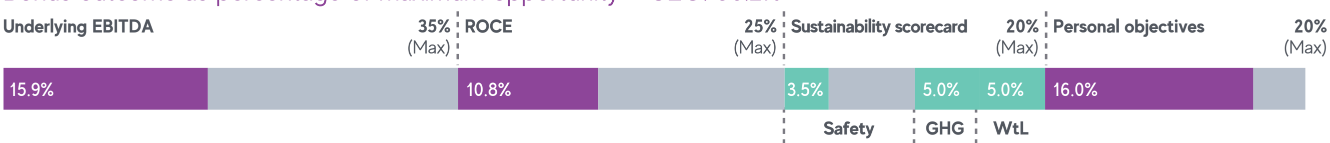
1 50% of the maximum bonus is payable for on-target performance against financial metrics. On-target EBITDA and on-target ROCE were €1,191m and 11.9% respectively.

2 Underlying EBITDA and ROCE were adjusted to neutralise the impact of the forestry fair value gain and the one-off loss recognised in the year from the devaluation of the Egyptian pound. These are both matters which could not be foreseen when the targets were set and are outside of management's control, both on the upside and downside. The committee determined the targets were no less stretching as a result of the adjustments.

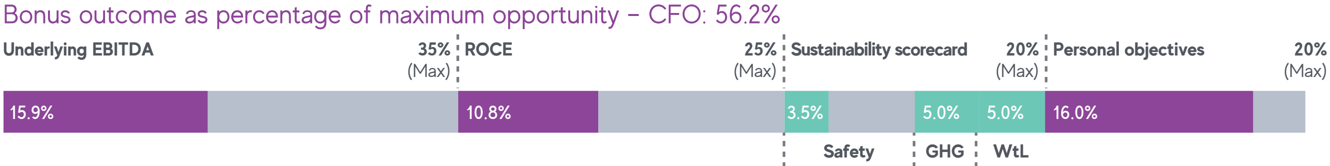
3 Representing the application of downward discretion of 50% to the formulaic outturn of the entire safety component.

There was a work-related fatality in 2024 at the Merebank mill (South Africa). The Remuneration Committee (the committee) and Sustainable Development Committee independently reviewed the detailed investigation report of the incident and agreed with the findings. After careful deliberation, the committee concluded that a discretionary downward adjustment of 50% of the formulaic outcome for the entire safety element was appropriate.

Bonus outcome as percentage of maximum opportunity – CEO: 56.2%



Bonus outcome as percentage of maximum opportunity – CFO: 56.2%



Performance measure achieved   Sustainability performance measure achieved   Performance measure not achieved

Remuneration report continued
Annual report on remuneration continued

Annual bonus continued

Achievement against personal objectives of executives for 2024 bonus (audited)

Key personal objectives and achievements

The executive directors share many key objectives and also have individual objectives that are specific to their roles. Key objectives, and achievements against these objectives during 2024, included:

Strategy development and execution

- Drive performance along the value chain
  - Continued focus on initiatives to optimise productivity, enhance efficiency and eliminate waste across our operations:
    - Delivered improvements across the value chain, including procurement synergies to reduce input costs, energy savings and further enhance product quality.
    - Decreased our waste to landfill per tonne of production by 4% which, when compared to the 2020 baseline, is a reduction of 46%.
- Invest in quality assets
  - Continued investment in our quality assets to drive growth, improve our cost competitiveness, and enhance sustainability, product quality and service to customers:
    - Invested €1.2 billion to increase capacity in both corrugated and flexible packaging.
    - Completion of new kraft paper machine at Štětí (Czech Republic); major mill modernisations in Świecie (Poland) and Kuopio (Finland); expansions of box plants in Warsaw and Simet (both Poland).
    - Recycled containerboard mill at Duino (Italy) remains on track to start up in the first half of 2025.
    - Completed the acquisition of the Hinton Pulp mill in Alberta (Canada), and successfully improved productivity and sustainability performance.
    - Further reduced our Scope 1 and 2 emissions by 11% with overall reduction of 31% when compared with our 2019 baseline, continuing to make progress towards our target of 46% reduction by 2030.
    - Announced the acquisition of the Western Europe Packaging Assets of Schumacher Packaging for an enterprise value of €634 million with completion expected in H1 2025.
- Empower our people
  - Create an inspiring, inclusive and safe workplace that empowers our teams and enables leaders to take accountability for attracting, developing and retaining talent to foster innovation and growth:
    - Maintained high levels of engagement with colleagues and took action based on their opinions and feedback.
    - Undertook a pulse survey on speaking up with 78% participation rate.
    - Continued to be recognised as a leader in safety in our industry with a TRCR of 0.68.
- Partner with customers
  - Innovate in partnership with our customers to create a unique range of sustainable packaging and paper solutions that are fit for a circular economy:
    - Increased the proportion of our products that are reusable, recyclable or compostable to 87% of revenue.
    - Provided our customers with high-quality packaging and paper solutions that comply with all relevant health and safety requirements.
    - 1,776 product impact assessments completed for our customers enabling them to manage their Scope 3 emissions.
    - Opened a new Flexible Packaging R&D and innovation centre in Steinfeld (Germany).
- Maintained strong financial position
  - Net debt at 31 December 2024 was €1,732 million, with net debt to underlying EBITDA at 1.7 times.
  - At 31 December 2024, Mondi's liquidity position was €1,028 million, comprising the undrawn Syndicated Revolving Credit Facility (RCF) of €750 million and cash and cash equivalents of €278 million.
  - Maintained investment grade credit ratings A: (stable outlook) credit rating from Standard & Poor's and a Baa1 (stable outlook) credit rating from Moody.
  - Issued €500 million of euro bonds and refinanced the revolving credit facility.

The overall personal ratings of the executive directors were:	– Andrew King 16/20 – Mike Powell 16/20

Detail of annual bonus awarded for the year (audited)

Name	Maximum bonus (% of salary)	Maximum bonus	% of maximum (shown to 1 dp)	Awarded in cash	Awarded in shares	Total
Andrew King	185% of salary	£2,035,625	56.2%	£571,523	£571,523	£1,143,046
Mike Powell	170% of salary	£1,192,742	56.2%	£334,875	£334,875	£669,750

Overall, the committee considers that annual bonus outturns for Andrew and Mike of 56.2% of maximum respectively are a fair and reasonable reflection of the performance of the business and their individual performance against personal objectives.

In accordance with our DRP, 50% of the bonuses earned are paid in cash and the remaining 50% is deferred into shares which are released after three years. No further conditions are attached to these shares, except for being in service at date of vesting.

Long-Term Incentive Plan (LTIP) (audited)

LTIP awards vesting for the performance period ending 31 December 2024 (2022 awards)

The LTIP awards that were granted in 2022, with a three-year performance period ending on 31 December 2024, will vest in February 2025 at 49.7% of maximum against the (equally weighted) relative TSR and ROCE performance conditions, as shown in the table below. The targets for the 2022 LTIP awards were approved by the committee prior to the conflict in the Ukraine. The financial results from 2022 onwards were based on our operations excluding our Russian assets. Following the divestment of the Russian assets, which had typically contributed approximately an additional 300 basis points towards ROCE, the committee has adjusted the stretch performance level of average ROCE p.a. to 16% (from 18%) while retaining the threshold target at 12%. This adjustment of 200 basis points to the stretch target does not fully reflect the lost contribution from the Russian assets. The committee therefore considers the target to be more stretching and the level of pay-out to be reflective of the performance of the Group. This aligns with the target range the committee set for the 2024 LTIP, which was revised, following the divestment of the Russian assets.

The committee has also determined to apply the same adjustment to the maximum target for the 2023 awards, to ensure alignment across all inflight awards. Whilst the committee has currently decided not to reduce the threshold target, it will keep the position under review and assess performance at the end of the performance period after considering all relevant facts.

Measure	Weighting (%)	Threshold (25% vesting)	Maximum (100% vesting)	Actual	Actual vesting (% of max. LTIP opportunity)
Mondi's TSR relative to bespoke peer group	50%	Median	Upper quartile	Below median	0.0%
ROCE (average)	50%	12% p.a.	16% p.a.	15.9% p.a.[1]	49.7%
				Total vesting (% of max)	49.7%

1 The three-year average ROCE that was achieved was 15.9% (23.7% in 2022, 12.8% in 2023 and 11.4% in 2024). Adjusted ROCE for 2024 as set out on page 127.

Mondi plc achieved a TSR of -23.9%, over the three-year performance period, ranking 9th in the TSR peer group, below median TSR performance, resulting in 0% vesting for this element.

Mondi plc achieved a three-year average ROCE of 15.9%. This resulted in vesting of 99.4% of this element. Therefore, 49.7% of the maximum 2022 LTIP award will vest as a result of the ROCE performance.

Taking into account both ROCE and TSR performance, in total, 49.7% of the maximum 2022 LTIP award will vest.

Details of LTIP vesting for the performance period ending 31 December 2024 (2022 awards)

Name	Number of awards granted	Vesting performance	Awards vesting	Dividend equivalents	Total number of awards vesting	Average share price	Total estimated value of award on vesting
Andrew King	170,389	49.7%	84,667	11,144	95,811	£12.46	£1,193,805
Mike Powell	99,201	49.7%	49,293	6,488	55,781	£12.46	£695,031

In accordance with the DRP, vested awards are subject to a two-year holding period whereby the executive (including those who have left employment) must retain the number of vested shares net of tax for a minimum of two years from the point of vesting. The award value shown is the three month average share price over the last quarter of the financial year ended 31 December 2024 of £12.46.

BSP awards granted in 2024 (audited)

On 3 May 2024 the committee made the following awards under the Group's BSP to the following executive directors in relation to the 2023 bonus outcome.

Name	Type of award	Relating to FY	Number of shares	Share price at grant[1]	Face value of shares
Andrew King	Nil-cost option	2023	20,395	£14.12	£287,977
Mike Powell	Nil-cost option	2023	12,362	£14.12	£174,551

1 Being a three-day average share price commencing on the day of announcement of financial results.

Remuneration report continued

Annual report on remuneration continued

LTIP awards granted in 2024 (audited)

LTIP and BSP awards are normally granted in early March of each year. In March 2024, Mondi was in a closed period due to discussions regarding a possible combination with DS Smith, prohibiting the grant of awards at the normal time. Following the Board's decision not to make an offer and publication of the Group's trading update, awards were granted on 3 May 2024. The committee determined that the awards would vest in line with the original vesting date (i.e. the date they would have vested had the grant date not been delayed), to provide consistency for participants. Similarly, the share price for determining the number of awards was calculated using the normal approach, being the three-day average commencing on the day of announcement of financial results.

On 3 May 2024, the committee made the following awards under the Group's LTIP to the following executive directors:

Name	Type of award	Basis of award	Number of shares	Share price at grant[1]	Face value of shares	Vesting at minimum performance	End of performance period
Andrew King	Nil-cost option	230% of salary	179,234	£14.12	£2,530,784	25%	31/12/26
Mike Powell	Nil-cost option	210% of salary	104,348	£14.12	£1,473,394	25%	31/12/26

1 Being a three-day average share price commencing on the day of announcement of financial results.

The performance conditions, as summarised in the table below, are based on three performance measures – ROCE (50%), TSR, relative to a peer group (25%) and cumulative EPS (25%) – measured over a three-year performance period ending on 31 December 2026. The TSR performance condition is based on the Group's TSR relative to a group of competitor companies. The following companies were selected: BillerudKorsnäs, Holmen, Huhtamaki, International Paper, Klabin, Mayr-Melnhof, Metsä Board, PCA, Sappi, Smurfit WestRock, Stora Enso, The Navigator Company and UPM. DS Smith was acquired by International Paper on 31 January 2025 and was removed from the peer group for all inflight awards. Smurfit Kappa and WestRock were separate members of the comparator group prior to their merger in July 2024 and performance will be measured with reference to the combined entity going forward.

This combination of metrics provides an appropriate means of aligning the operation of the LTIP with shareholders' interests and the Group's strategy.

Measure	Weighting (%)	Threshold (25% vesting)	Maximum (100% vesting)
ROCE (average)	50%	12%	16%
Mondi's TSR relative to bespoke peer group	25%	Median	Upper quartile
Cumulative EPS (euro cents per share)	25%	365	446

Between threshold and maximum the LTIP awards will vest on a straight-line basis. The committee has discretion to amend the vesting outturn should the formulaic assessment not be reflective of the underlying business performance. Where the provision is utilised the committee will seek to explain clearly the basis for this decision.

Payments to past directors (audited)

There were no payments made to past directors during the period.

Payments for loss of office (audited)

There were no payments for loss of office made to directors or past directors during the period.

CEO pay ratio

Mondi is not required to report the CEO pay ratio, employing fewer than the threshold 250 people in the UK. However, in line with our commitment to transparency, a voluntary disclosure is being made.

The Option A methodology was selected as being the most accurate means of identifying the respective percentiles. The full-time equivalent total remuneration for all permanent Mondi plc UK employees, received in the financial year, has been used to identify the employees whose remuneration positions them at the 25th percentile, median and 75th percentile. No element of pay was excluded. The snapshot day is 31 December in any year.

Mondi employs approximately 22,000 individuals globally. On 31 December 2024, 29 people were employed by Mondi plc in the UK, representing less than 1% of Mondi's workforce.

A significant proportion of the CEO's total remuneration is delivered as performance-related pay. Performance outcomes and share price for equity-settled awards may fluctuate significantly year on year, impacting the CEO pay ratio.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024	Option A	38:1	24:1	13:1
2023	Option A	43:1	23:1	14:1
2022	Option A	51:1	35:1	20:1
2021	Option A	50:1	36:1	24:1
2020	Option A	48:1	34:1	27:1
2019	Option A	126:1	97:1	67:1

2024	CEO	25th percentile	Median	75th percentile
Salary	£1,100,338	£69,344	£120,367	£215,250
Total remuneration	£3,619,571	£94,796	£153,189	£269,987

The median pay ratio is consistent with the pay, reward and progression policies for the UK workforce.

Relative importance of spend on pay

The table below shows the total remuneration paid across the Group together with the total ordinary dividends paid in 2024 and 2023. A special dividend was paid in February 2024 to return the net proceeds from the sale of the Group's Russian assets which is not included in the 2024 figure. This was accompanied by a share consolidation. There have been no share buybacks during 2024 and 2023.

€ million	2024	2023	% change
Overall remuneration expenditure[1]	1,228	1,087	13.0%
Ordinary dividends paid to shareholders	312	345	-9.6%

1 Remuneration expenditure for all Mondi Group employees, reported as personnel costs in the consolidated income statement.

Remuneration report continued
Annual report on remuneration continued

Percentage change in directors' remuneration

The table below shows the percentage change in each director's salary/fees, benefits and bonus between the year ended 31 December 2024 and the four preceding years, and the average percentage change in the same remuneration over the same period in respect of the employees of the listed parent entity and the Group on a full-time equivalent basis. Data for joiners and leavers has been excluded in the relevant year. To provide a meaningful base year for comparison, the remuneration is annualised in the year of joining for the purposes of the subsequent year's calculation. Changes in Board appointments and attendance of Board meetings outside of country of residence may have a marked effect on the year-on-year comparison shown for the non-executive directors. Non-UK tax resident non-executive directors receive tax return support. Differences in the amount of tax support required between years can also have a marked effect on the comparison.

For 2024 relative to 2023, there have been no increases to the fee structure for the Chair or non-executive directors and the salary increases for the executive directors were 2.5% respectively. Significant percentage changes in the taxable benefits for the non-executive directors figures are driven by small absolute tax advice fees as detailed on page 126.

		Average employee Mondi plc[1]	Average employee Mondi Group	Andrew King	Mike Powell	Philip Yea	Svein Richard Brandtzaeg	Sue Clark	Anke Groth	Saki Macozoma	Dame Angela Strank	Stephen Young
Salary/fees	2024	5.5%	6.6%	2.5%	2.5%	0.0%	0.0%	10.9%	4.1%	5.6%	2.5%	-1.6%
	2023	7.8%	9.2%	6.0%	6.0%	5.0%	5.0%	15.0%	–	1.9%	9.6%	-10.5%
	2022	-1.3%	4.5%	2.5%	2.5%	2.5%	20.3%	9.2%	–	–	26.6%	12.6%
	2021	14.5%	3.6%	1.9%	0.0%	12.8%	–	–	–	–	–	23.6%
	2020	-11.2%	0.6%	0.0%	–	–	–	–	–	–	–	-6.2%
Taxable benefits[2]	2024	-2.0%	N/A	-63.8%	-1.0%	0.0%	-67.3%	–	146.5%	554.3%	–	–
	2023	-7.5%	N/A	23.0%	86.5%	–	137.7%	–	–	-91.1%	–	–
	2022	1.2%	N/A	55.3%	59.7%	–	11.3%	–	–	–	–	–
	2021	3.2%	N/A	-26.4%	-78.7%	–	–	–	–	–	–	–
	2020	-0.6%	N/A	238.3%	–	–	–	–	–	–	–	–
Annual bonus[3]	2024	-62.2%	13.8%	98.5%	91.9%	–	–	–	–	–	–	–
	2023	-9.1%	-18.8%	-68.0%	-67.2%	–	–	–	–	–	–	–
	2022	82.9%	22.3%	1.4%	3.6%	–	–	–	–	–	–	–
	2021	-28.9%	18.1%	164.6%	138.1%	–	–	–	–	–	–	–
	2020	-58.1%	5.2%	-5.5%	–	–	–	–	–	–	–	–

1 The number of employees of the listed parent company is substantially less than 1% of the Group and as a consequence any changes to the remuneration of an Executive Committee member or a particular single individual, or a change in the profile of the employee group, e.g. leavers or new hires, can have a marked effect on the year-on-year comparison. Consequently, the percentage changes may be highly variable.

2 Taxable benefits for Mondi plc employees include healthcare, car allowance and SIP matching shares. The majority of employees in the Group receive no taxable benefits beyond those provided through the local social security regime. Additional benefits represent less than 5% of the total remuneration.

3 The percentage change in the annual bonus for the executive directors is not a like for like comparison to the employees. The calculation for the executive directors is based on the bonus earned for the respective financial year. For employees, it is the bonus paid in the year.

Statement of directors' shareholdings and share interests (audited)

The CEO and CFO are required to build and maintain a Minimum Shareholding Requirement (MSR) equivalent to 300% and 250% of base salary respectively. New appointees are required to meet the relevant requirement within five years from appointment. Therefore, Andrew King and Mike Powell have until 31 March 2025 and 31 October 2025 to meet their respective shareholding requirements. Deferred bonus awards under the BSP (net of tax) and vested LTIP shares that are subject to the two-year post-vesting holding period will count towards the holding requirement. As at 31 December 2024, Andrew King exceeded the MSR. Mike Powell, who joined Mondi in November 2020, has achieved 76% of his MSR and is on track to meet this in the timeframe required.

Directors' shareholdings were impacted by the share consolidation implemented in early 2024 when the net proceeds from the sale of the Group's Russian assets were returned to shareholders, as disclosed in the 2023 Integrated report and in note 28 to the financial statements. The beneficial and non-beneficial share interests of the directors and their connected persons as at 1 January 2024 and as at 31 December 2024 were as follows:

Executive directors (audited)

	Shares held outright at 1 Jan 2024	Shares held outright at 31 Dec 2024	Deferred BSP shares net of tax at 31 Dec 2024[2]	Total shareholding attributed to MSR	MSR	Achievement	Deferred LTIP shares outstanding at 31 Dec 2024[3]	Deferred LTIP shares as multiple of base salary[1] (%)
Andrew King	203,327	241,745	81,963	323,708	300%	348%	524,733	565%
Mike Powell	39,510	64,357	48,252	112,609	250%	190%	305,496	515%

1 The one-month volume weighted average share price of £11.84 as at 31 December 2024 was used in calculating the percentage figures shown above divided by the executive's respective salary as at 31 December 2024. Total shareholding as a multiple of base salary includes BSP shares net of estimated tax of 45%.

2 BSP shares subject to service condition, net of estimated tax of 45%. All shares shown in this column were awarded as nil-cost options.

3 LTIP shares subject to service and performance conditions. All shares shown in this column were awarded as nil-cost options.

Non-executive directors (audited)

	Philip Yea	Svein Richard Brandtzaeg	Sue Clark	Sucheta Govil[1]	Anke Groth	Saki Macozoma	Dominique Reiniche[2]	Dame Angela Strank	Stephen Young
Shareholding at 1 Jan 2024 (or, if later, on appointment)	27,500	1,250	4,229	–	–	441	1,000	899	2,026
Shareholding at 31 Dec 2024 (or date of resignation, if earlier)	40,000	1,130	3,845	–	500	400	909	817	1,841

1 Appointed to the Board on 1 October 2024.

2 Stepped down from the Board on 30 September 2024.

The shareholdings were impacted by the share consolidation implemented in early 2024 when the net proceeds from the sale of the Group's Russian assets were returned to shareholders, as disclosed in the 2023 Integrated report and in note 28 to the financial statements.

There has been no change in the interests of the directors and their connected persons between 31 December 2024 and the date of this report other than the amounts shown in the footnote to the 'SIP' table on page 134.

Remuneration report continued

Annual report on remuneration continued

Share awards granted to executive directors (audited)

The following tables set out the share awards granted as nil-cost options to the executive directors. All share awards are determined by the three-day average share price commencing the day Mondi announces its results, unless stated otherwise.

Awards under BSP and LTIP

Andrew King

Type of award	Awards held at beginning of year	Awards granted during year	Shares lapsed	Awards exercised during year	Dividend equivalents	Share price at the date of exercise	Date of award	Awards held as at 31 December 2024	Release date	Status
BSP	18,970	–	–	18,970	2,270	£15.50	Mar 2021	0	Feb 2024	**Vested and exercised**
BSP	64,849	–	–	–	–	–	Mar 2022	64,849	Feb 2025	**Unvested**
BSP	63,779	–	–	–	–	–	Mar 2023	63,779	Mar 2026	**Unvested**
BSP	–	20,395	–	–	–	–	May 2024	20,395	Mar 2027	**Unvested**
LTIP[1]	128,675	–	49,861	78,814	9,421	£15.50	Mar 2021	0	Feb 2024	**Vested and exercised**
LTIP[2]	170,389	–	–	–	–	–	Mar 2022	170,389	Feb 2025	**Unvested**
LTIP[3]	175,110	–	–	–	–	–	Mar 2023	175,110	Mar 2026	**Unvested**
LTIP[4]	–	179,234	–	–	–	–	May 2024	179,234	Mar 2027	**Unvested**

Mike Powell

Type of award	Awards held at beginning of year	Awards granted during year	Shares lapsed	Awards exercised during year	Dividend equivalents	Share price at the date of exercise	Date of award	Awards held as at 31 December 2024	Release date	Status
BSP	2,038	–	–	2,038	247	£15.50	Mar 2021	0	Feb 2024	**Vested and exercised**
BSP	37,607	–	–	–	–	–	Mar 2022	37,607	Feb 2025	**Unvested**
BSP	37,761	–	–	–	–	–	Mar 2023	37,761	Mar 2026	**Unvested**
BSP	–	12,362	–	–	–	–	May 2024	12,362	Mar 2027	**Unvested**
LTIP[1]	74,916	–	29,029	45,887	5,487	£15.50	Mar 2021	0	Feb 2024	**Vested and exercised**
LTIP[2]	99,201	–	–	–	–	–	Mar 2022	99,201	Feb 2025	**Unvested**
LTIP[3]	101,947	–	–	–	–	–	Mar 2023	101,947	Mar 2026	**Unvested**
LTIP[4]	–	104,348	–	–	–	–	May 2024	104,348	Mar 2027	**Unvested**

1 The performance conditions applying to the 2021 LTIP are set out on page 144 of the 2023 Integrated report.

2 The performance conditions applying to the 2022 LTIP are set out on page 129.

3 The performance conditions applying to the 2023 LTIP are set out on pages 144-145 of the 2023 Integrated report.

4 The performance conditions applying to the 2024 LTIP are set out on page 130.

All-employee share plans (audited)

The Group currently operates one HM Revenue & Customs approved all-employee share plan in the UK (the SIP).

Share Incentive Plan (SIP)

Employees resident in the UK are eligible to participate in the SIP. Contributions of up to £150 per month are taken from participants' gross salary and used to purchase ordinary shares in Mondi plc each month (partnership shares). Participants receive one matching Mondi plc ordinary share free of charge for each share purchased (matching shares). The shares are placed in trust and the matching shares are forfeited if participants resign from the Group's employment within three years. If the shares remain in the trust for at least five years, they can be removed free of UK income tax and National Insurance contributions. Directors' shareholdings were impacted by the share consolidation implemented in January 2024 when the net proceeds from the sale of the Group's Russian assets were returned to shareholders, as disclosed in the 2023 Integrated report and in note 28 to the financial statements. Shareholders received 10 New Ordinary Shares for every 11 Existing Ordinary Shares that they held.

	Shares held at beginning of year (pre share consolidation)	Partnership shares acquired during the year	Matching shares awarded during the year	Shares released during the year	Total shares held as at 31 December 2024
Andrew King[1]	6,900	127	127	–	6,524
Mike Powell[1]	612	127	127	–	808

1 Since 1 January 2025 and up to the date of this report Andrew King acquired 25 partnership shares and was awarded 25 matching shares and Mike Powell acquired 25 partnership shares and was awarded 25 matching shares.

Statement of voting at Annual General Meeting

The Annual General Meeting was held on 3 May 2024. All resolutions were passed. The voting result in respect of the Remuneration report is given below. Overall in excess of 75% of the total Group shares were voted.

Resolution	Votes for	%	Votes against	%	Votes total	% of ISC voted	Votes withheld
To approve the Remuneration report (other than the DRP)	321,686,048	97.05	9,763,499	2.95	331,449,547	75.09%	4,181,383

The DRP was last approved at the AGM held on 4 May 2023, with 87.71% of the votes for the resolution and 12.29% against, with 896,082 withheld.

Remuneration Committee governance

The Remuneration Committee

The Remuneration Committee is a formal committee of the Board (composition of the Remuneration Committee on page 111). Its remit is set out in terms of reference adopted by the Board. A copy of the terms of reference is available on the Group's website at www.mondigroup.com. The committee's performance against these terms of reference is reviewed on an annual basis and the committee is satisfied that it has acted in accordance with its terms of reference during the year.

The primary purposes of the committee are set out on page 87.

No director or other attendee takes part in any discussion regarding his or her personal remuneration.

The committee is authorised to seek information from any director and employee of the Group and to obtain external advice. The committee is solely responsible for the appointment of external remuneration advisers and for the approval of their fees and other terms.

Deloitte was appointed by the Remuneration Committee as its independent remuneration consultant with effect from 29 September 2020, following a competitive tender process. Total fees paid to Deloitte for providing remuneration advice to the committee were determined based on time and materials and amounted to £93,950 for the year ended 31 December 2024 (£87,225 for 2023). Deloitte also provided other tax, payroll and due diligence services to the Mondi Group during the year. All advice to the Remuneration Committee, received from Deloitte, was objective and independent. Deloitte is a founder member of the Remuneration Consultants Group and, as such, voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK.

The committee reviews the appointment of its advisers annually and is satisfied that the advice it receives is objective and independent.

Sums paid to third parties in respect of a director's services

No consideration was paid or became receivable by third parties for making available the services of any person as a director of Mondi plc ('the Company'), or while a director of the Company, as a director of any of the Company's subsidiary undertakings, or as a director of any other undertaking of which he/she was (while a director of the Company) a director by virtue of the Company's nomination, or otherwise in connection with the management of the Company or any undertaking during the year to 31 December 2024.

Sue Clark
Chair, Remuneration Committee

Other statutory information

For the purposes of the Companies Act 2006, the disclosures below, including those incorporated by reference, together with the Corporate governance report set out on pages 72-110, form the Directors' report.

In addition, disclosures relating to the following items, which also form part of the Directors' report, have been included in the Strategic report which starts on the inside front cover of this Integrated report and finishes on page 71:

- Dividends, page 28
- Financial risk management objectives and policies, page 29
- Principal risks, pages 60-69
- Likely future developments in the business, page 7
- Research and development activities, pages 9, 20, 34, 50
- Greenhouse gas (GHG) emissions and energy consumption, pages 42-43
- Employees, pages 37-40

Information required to be disclosed under UK Listing Rule 6.6

The UK Listing Authority Listing Rules require the disclosure of certain specified information in the annual financial report of Mondi plc.

The information required under rule 6.6 (1) in relation to interest capitalised and related tax relief can be found on page 162. The information required under rules 6.6 (11) and (12) in relation to dividend waivers can be found on page 177. This information is incorporated by reference into this Directors' report.

Besides the above, the information required to be disclosed under rule 6.6 is not applicable to Mondi plc, and therefore no disclosures have been made in this regard.

Employee and stakeholder engagement

Information relating to engagement with employees and other stakeholders, including customers and suppliers, can be found in the Strategic report on pages 50-51 and in the Corporate governance report on pages 82-85.

Share capital

Full details of Mondi's share capital can be found in note 23 to the financial statements.

Substantial interests

As at 31 December 2024, Mondi plc had received notifications from the following parties in the voting rights of Mondi plc. The number of voting rights and percentage interests shown are as disclosed at the date on which the holding was notified.

Shareholder	Number of voting rights	%[1]
Public Investment Corporation Soc Limited	43,892,394	9.94
BlackRock Inc	34,388,089	7.06
Coronation Fund Managers	31,008,392	7.02
Allan Gray Proprietary Limited	26,512,115	6.01
Ninety One UK Ltd	21,635,121	4.90
AXA S.A.	17,210,471	4.69
Standard Life Investments Limited	16,476,021	4.49
Old Mutual plc	11,978,984	3.26
Sanlam Investment Management Proprietary Limited	10,936,128	3.00

1 Percentage provided was correct at the date of notification. No further notifications have been received under DTR 5 as at the date of this report, except as detailed below.

The following changes in interests have been notified between 1 January 2025 and the date of this report.

Date	Shareholder	Number of voting rights	%
8 January 2025	Coronation Fund Managers	30,819,311	6.98
5 February 2025	Coronation Fund Managers	30,904,741	7.00
17 February 2025	Coronation Fund Managers	30,533,396	6.92

Additional information for shareholders

The information for shareholders required pursuant to the Companies Act 2006 can be found on pages 219-220 of this report.

Political donations

No political donations were made during 2024 or the prior year, and it is Mondi's policy not to make such donations.

Auditor

Each of the directors of Mondi plc at the date when this report was approved confirms that:

- so far as each of the directors is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

PricewaterhouseCoopers LLP (PwC) has indicated its willingness to continue as auditor of Mondi plc. The Board has decided that a resolution to reappoint PwC will be proposed at the Annual General Meeting scheduled to be held on 8 May 2025.

The reappointment of PwC has the support of the Audit Committee, which will be responsible for determining its audit fee on behalf of the directors (see page 101 for more information).

Note 4 to the financial statements sets out the auditor's fees, both for audit and non-audit work.

Events occurring after 31 December 2024

Aside from the final ordinary dividend proposed for 2024 (see note 10), there have been no material reportable events since 31 December 2024.

Annual General Meeting

The Annual General Meeting will be held at 10:30 (UK time) on Thursday 8 May 2025 at Mercedes-Benz World, Brooklands Drive, Weybridge KT13 0SL, UK. The notice convening the meeting, which is sent separately to shareholders, provides further details including the business to be considered and explanatory notes for each resolution. The notice is available on the Mondi Group website at: www.mondigroup.com.

This Directors' report was approved by the Board on 19 February 2025 and is signed on its behalf.

Jenny Hampshire
Company Secretary
Mondi plc
Ground Floor, Building 5
The Heights
Brooklands
Weybridge
Surrey
KT13 0NY
Registered No. 6209386

19 February 2025

Financial statements introduction

Financial statements

Directors' responsibility statement

The directors are responsible for preparing the Integrated report and financial statements 2024 in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group's consolidated financial statements in accordance with UK-adopted International Accounting Standards and the Mondi plc parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101, 'Reduced Disclosure Framework', and applicable law). In preparing the Group's consolidated financial statements, the directors have also elected to comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards and IFRS Accounting Standards have been followed for the Group's consolidated financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the parent company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and parent company will continue in business.

The directors are also responsible for safeguarding the assets of the Group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent company and enable them to ensure that the financial statements and the Remuneration report comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The directors consider that the Integrated report and financial statements 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and parent company's position and performance, business model and strategy.

Each of the directors, whose names and functions are listed in the Governance section of the Integrated report confirm that, to the best of their knowledge:

- the Group's consolidated financial statements, which have been prepared in accordance with UK-adopted International Accounting Standards and IFRS Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the parent company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Mondi plc parent company; and
- the Strategic report includes a fair review of the development and performance of the business and the position of the Group and parent company, together with a description of the principal risks and uncertainties that they face.

The Directors' responsibility statement was approved by the Board on 19 February 2025 and is signed on its behalf by:

Andrew King
Director

Mike Powell
Director

Independent auditors' report to the members of Mondi plc

Report on the audit of the financial statements

Opinion

In our opinion:

- Mondi plc's group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's profit and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Integrated report and financial statements 2024 (the "Annual Report"), which comprise: the consolidated statement of financial position and the Mondi plc parent company balance sheet as at 31 December 2024; the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated and Mondi plc parent company statements of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 4, we have provided no non-audit services to the parent company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- We identified twenty nine components (2023: twenty eight) requiring an audit of their complete financial information, where a full scope audit was performed by the component teams for the purpose of the group audit. These twenty nine components include the components that are identified as significant due to size and significant due to risk. Group level work was performed at two (2023: two) of these components, which include treasury operations. An audit of specific financial statement line items was performed at a further eight components (2023: ten) and group level procedures on selected transactions or balances were performed at three components (2023: four).
- In aggregate, the locations subject to audit procedures represented approximately 77% (2023: 77%) of the group's revenue.

Key audit matters

- Audit of the fair value of forestry assets (group)
- Valuation of property, plant and equipment (group)
- Impairment indicator assessment of the parent company investment in subsidiaries (parent)

Materiality

- Overall group materiality: €42 million (2023: €35 million) based on approximately 5% of a three-year rolling-average of profit before tax ("PBT") adjusted for special items (2023: based on approximately 5% of PBT from continuing operations adjusted for special items).
- Overall parent company materiality: €48 million (2023: €47 million) based on approximately 1% of total assets.
- Performance materiality: €31 million (2023: €26 million) (group) and €36 million (2023: €35 million) (parent company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Divestment of Russian operations (group), and application of hyperinflation accounting related to subsidiaries in Türkiye (group), which were key audit matters last year, are no longer included because of the following reasons:

- The completion of the disposal transaction of the group's Russian operations in the prior year resulted in a decreased audit risk in the current year; and.
- The audit risk relating to the calculation of hyperinflation adjustments has been reduced as IAS 29 accounting has been applied by the group for the third year, with no further changes in the associated accounting process in the current year, following the successful automation of certain areas in the prior year.

Independent auditors' report to the members of Mondi plc continued

Key audit matter	How our audit addressed the key audit matter
Audit of the fair value of forestry assets (group)	
The group's forestry assets are held at fair value and are material, amounting to €503 million as at 31 December 2024 (2023: €519 million). The determination of the fair value is dependent upon various assumptions that are subject to significant estimation. The most significant assumptions included in the valuation model relate to the determination of the estimated net selling prices to be applied to the forestry assets, the conversion factor used to convert hectares of land under afforestation to tonnes of standing timber and the risk premium applied to immature and mature timber, alongside any manual adjustments that are made outside the underlying model – leading to a fair value gain or loss that could also be material. The fair value gain in the year ended 31 December 2024, which is recorded in the consolidated income statement, is €7 million (2023: €128 million). Given the estimation inherent in the determination of fair value and sensitivity of the fair value gain to fluctuations in the inputs, resulting in volatility of the fair value year-on-year, this was determined to be a key audit matter. Refer to notes 15 and 35, and the Audit Committee's views set out on page 103.	We evaluated the group's valuation model used for calculating the fair value of the forestry assets against the criteria in IAS 41, 'Agriculture' and IFRS 13, 'Fair Value Measurement'. In assessing the valuation of the forestry assets, our procedures primarily consisted of substantive tests of detail, where we assessed the appropriateness of the inputs and the assumptions used in the valuation model taking into account supporting evidence (where available), and analytical procedures. We compared the inputs and assumptions in the 31 December 2023 valuation with the 31 December 2024 valuation to identify, and subsequently investigate, any unexpected variances. Our analytical procedures also focused on comparisons of the assumptions and inputs with industry averages. In addition, we performed procedures over the mathematical accuracy of the valuation model. We compared the estimated net selling prices used in the model with third party evidence and the inputs used in the conversion factor to convert hectares of land under afforestation to tonnes of standing timber with historical evidence, as well as benchmarking the conversion factor against industry data. Forestry assets were physically verified on a sample basis including using satellite imaging. We also assessed the risk premium applied in the valuation model to immature and mature timber by comparing the factors taken into account in the risk adjustment with historical experience, industry data and other evidence. We evaluated whether the climate change risks relevant to the valuation of the forestry assets were appropriately included within the model, by comparison with historical data and the climate risk assessments performed by group management. Adjustments outside the underlying model have been tested through challenging assumptions made by management, independently reperforming the calculations and obtaining supporting evidence, on a sample basis. We evaluated the director's assessment of the sensitivity of the valuation to reasonably possible changes in assumptions and we considered the appropriateness of the related disclosures in note 15 and note 35 to the financial statements. Based on the procedures performed, we considered the fair value of forestry assets reported to be reasonable.

Key audit matter	How our audit addressed the key audit matter
Valuation of property, plant and equipment (group)	
The group has property, plant and equipment ("PPE") of €5,160 million (2023: €4,619 million). Management has assessed whether indicators of impairment or impairment reversal existed in relation to PPE as at 31 December 2024, performed at the cash generating unit ("CGU") level, being the lowest level at which largely independent cash inflows are generated. There is judgement involved in the determination of appropriate CGUs, the assessment of whether an indicator of impairment or impairment reversal exists for a specific CGU and the estimation of the recoverable amount of the relevant CGU in order to assess whether an impairment exists. The determination of recoverable amount, being the higher of value in use ("VIU") and fair value less costs to dispose ("FVLCD") reflects management's consideration of key internal inputs and external market conditions, such as future paper prices, customer demand and forecast growth rates, which all impact future cash flows, and the determination of the most appropriate discount rate. Given the inherent judgement required and the quantum of the PPE balances for certain CGUs with impairment indicators, we considered it to be a key audit matter. Refer to notes 11 and 35 of the group financial statements, and the Audit Committee's views set out on page 103.	We satisfied ourselves as to the appropriateness of the judgement related to the level at which impairment of these assets is assessed, being the lowest level at which largely independent cash inflows can be identified (the "CGU"). We evaluated management's assessment of impairment and impairment reversal indicators by comparing actual performance with the budget and considering other internal and external factors, including those set out in IAS 36 'Impairment of Assets'. In relation to the CGUs where impairment indicators were identified, we challenged the basis for management's estimates of future cash flows with reference to historical trading performance, working capital assumptions, market expectations and future climate change considerations. We also checked the mathematical accuracy of management's valuation models and agreed them to the Board approved budgets. We compared the prior year budget and actual figures and challenged management on any significant variation to assess their historical forecasting accuracy. We used our internal valuation experts to independently recalculate the discount rates and evaluate the long-term growth assumptions applied by management and where relevant, we engaged our local internal valuation experts to obtain insights into the local market for a number of the key inputs when assessing the reasonableness of management's discount rates and growth rates. Where management had obtained independent, third party valuations to determine the fair value less costs to dispose of individual assets of specific CGUs, we assessed the external valuation reports and the competence, capabilities and objectivity of these experts. We considered the appropriateness of the disclosures in note 11 to the financial statements. Based on the procedures performed, we considered the valuation of PPE reported to be reasonable.
Impairment indicator assessment of the parent company investment in subsidiaries (parent)	
The investment in Mondi South Africa (Pty) Limited held by Mondi plc at 31 December 2024 amounts to €666 million (2023: €666 million), with an accumulated impairment of €117 million. No further impairment charges have been recorded in the year as there was no impairment trigger identified. The assessment of whether there is an indicator of impairment or of an impairment reversal requires judgement in relation to the internal and external factors considered. No indicator of impairment or impairment reversal was identified based on consideration of the qualitative and quantitative factors outlined in IAS 36 'Impairment of Assets'. Given the inherent judgement required and the quantum of the balances in the parent company's balance sheet, this matter was determined to be a key audit matter. Refer to notes 1 and 6 of the parent company financial statements.	We considered the adequacy and completeness of management's impairment and impairment reversal indicator analysis as at 31 December 2024 by assessing it against the requirements of IAS 36 'Impairment of Assets'. We also validated the accuracy of the data supporting the trigger assessment. We considered the appropriateness of the disclosures in the parent company financial statements. Based on the procedures performed, we considered the carrying value of the investment in subsidiaries to be reasonable.

Independent auditors' report to the members of Mondi plc continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the parent company, the accounting processes and controls, and the industry in which they operate.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed at components by us, as the group engagement team, or component auditors operating under our instruction.

Our audit included full scope audits of twenty nine components (2023: twenty eight). Out of these, we identified two components as significant due to size and four components as significant due to risk. We obtained full scope audit reporting for these twenty nine components. Together, these components were in ten countries (2023: ten), representing the group's principal businesses, and accounted for 64% (2023: 62%) of the group's revenue from continuing operations. The group engagement team performed work at two of these components, with component auditors operating under our instruction performing the work on the other full scope components.

An audit of specific financial statement line items was performed at a further eight (2023: ten) components, with the component auditors operating under our instruction. In addition, the group engagement team performed specified procedures at three components (2023: four) related to transactions or balances. In aggregate, the locations subject to audit procedures represented approximately 77% (2023: 77%) of the group's revenue from continuing operations.

The components included within the scope of our audit were determined based on the individual component's contribution to the group's key financial statement line items (in particular revenue and profit before tax adjusted for special items) and relative contribution to risks identified at group level.

Where work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at components to be able to conclude on whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the group financial statements as a whole.

We issued formal written instructions to all component auditors setting out the audit work to be performed by each of them and maintained regular communication with them throughout the audit cycle. These interactions included attending certain component audit clearance meetings, in person or by video conferencing, as well as reviewing and assessing any matters reported. We also held an in-person and a virtual planning meeting with the component auditors ahead of the year-end audit to agree on effective working arrangements and key areas of audit focus.

Senior members of the group engagement team visited component teams in Austria, Poland, Slovakia, South Africa and Türkiye. These visits included meetings with local management and with the component auditors, and typically involved operating site tours. In addition to these on-site visits, we maintained regular virtual communication with the component teams, and as part of our oversight procedures, we reviewed selected audit working papers for these components.

For non-full scope components which were not considered inconsequential components, we performed targeted risk assessment procedures.

Audit procedures were performed centrally at the group level in relation to various balances and activities accounted for centrally, including consolidation adjustments, impairment of goodwill, impairment of property, plant and equipment, taxation, and non-recurring matters classified as special items. We also supported the work of certain component teams through centralised procedures over taxation matters, IT systems and impairment.

Our audit of the parent company financial statements was undertaken by the group audit team and included substantive audit procedures over all material balances and transactions.

The impact of climate risk on our audit

In planning our work, including identifying areas of audit risk and determining an appropriate response, we were mindful of the increased focus on the impact of climate change risk on companies and their financial reporting, and also that the group has identified climate change as a principal risk. Climate change risk is expected to have a significant impact on the group's business as the operations and strategy of the group evolve to address the potential physical and transition risks that could arise and the opportunities associated with climate change. Climate change initiatives and commitments impact the group in a variety of ways, as described within the Integrated Report.

The Board has made commitments to achieve Net-Zero GHG emissions reduction targets by 2050. As part of our audit we made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate change risk on the group's financial statements, including considering the Mondi Action Plan 2030 ("MAP2030") science-based targets as detailed within the Integrated Report.

We challenged the completeness of management's climate risk assessment by reading external reporting made by management, including the Sustainable Development Report and Carbon Disclosure Project ("CDP") submissions, and making management aware of any apparent internal inconsistencies there may be in its climate reporting by reviewing management's underlying workings and support.

We also considered the key financial statement line items and estimates that are most likely to be impacted by climate risks, as set out in note 1 of the group financial statements. Given that the impact of climate change on the group is likely, principally, to crystallise in the medium to long-term, we concluded that the risks of material misstatement in the financial statements associated with climate change related primarily to the valuation of forestry assets and estimates of future cash flows, which are used, for example, when testing assets for impairment. Management considers that the impact of climate change currently does not give rise to a material financial statement impact.

We also considered the consistency of the disclosures in relation to climate change (including the disclosures in relation to the Task Force on Climate-related Financial Disclosures ("TCFD") made in the other information within the Integrated Report with the financial statements and our knowledge from our audit. This included:

- Understanding which models management has used in the TCFD scenario analysis and considering whether the assumptions in the models are consistent with the assumptions used in the financial statements; and
- Challenging the consistency of the disclosures given in the narrative reporting within the other information with the impact disclosed within the financial statements.

Where applicable, our audit response to climate change risk is included in relevant key audit matters above. Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole, or our key audit matters for the year ended 31 December 2024.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – parent company
Overall materiality	€42 million (2023: €35 million).	€48 million (2023: €47 million).
How we determined it	approximately 5% of a three-year rolling-average of PBT adjusted for special items (2023: based on approximately 5% of PBT from continuing operations adjusted for special items)	approximately 1% of total assets
Rationale for benchmark applied	For overall group materiality, we chose an adjusted PBT from continuing operations based on a three-year rolling-average as the benchmark. The materiality benchmark has been changed from an annual measure in the prior year to a three-year rolling-average of adjusted profit before tax. This is to reflect the cyclical nature of the markets in which the group operates. The adjusted profit before tax measure removes the impact of significant items which do not recur from year to year or otherwise significantly affect the underlying trend of performance from continuing operations. This is the metric against which the performance of the group is most commonly assessed by management and reported to members. We chose 5% as this is consistent with the quantitative materiality threshold typically used for other profit-oriented companies.	For overall Mondi plc parent company materiality, we determined the materiality based on total assets, which is more appropriate than a performance-related measure as the parent company is an investment holding company for the Group. Using professional judgement, we have determined materiality for this year at €48 million (2023: €47 million), which equates to approximately 1% of the current year's total assets.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was €2 million to €33 million.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to €31 million (2023: €26 million) for the group financial statements and €36 million (2023: €35 million) for the parent company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the middle of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above €3.5 million (group audit) (2023: €3 million) and €3.5 million (parent company audit) (2023: €3 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Independent auditors' report to the members of Mondi plc continued

Conclusions relating to going concern
Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- We assessed management's going concern cash flow projections, agreeing them to the latest Board approved forecasts;
- We evaluated management's future cash flows with reference to historical forecasting accuracy, historical trading performance, market expectations from industry or economic reports and management's capital investment plans;
- We tested the available committed debt facilities, including checking that the key terms were applied appropriately in the going concern assessment in relation to the maturity dates of available committed debt facilities and we have satisfied ourselves that the refinancing of the maturing debt is appropriate to include in the base case scenario. We also checked that there are no financial covenants in these facilities;
- We considered the potential downside sensitivities that management had applied and considered their likelihood and further challenged management on the modelling of a more severe scenario and the associated impact on committed liquidity;
- We assessed management's reverse stress test and considered the likelihood of events arising that could erode liquidity within the forecast period;
- We assessed the performance of the group since year end and compared it with the Board approved cash flow forecast;
- We read the basis of preparation note to the financial statements and validated that it accurately described management's going concern considerations; and
- We reviewed management's draft disclosures to ensure the different scenarios modelled in the going concern assessment were appropriately and clearly described.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the parent company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information
The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Strategic report and the Corporate governance report is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and parent company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and parent company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the parent company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and parent company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and parent company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and parent company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the parent company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Independent auditors' report to the members of Mondi plc continued

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibility statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of environmental regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Listing Rules of the UK Financial Conduct Authority, the Companies Act 2006 and relevant tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and management bias in accounting estimates and judgements. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Made enquiries with management, Internal Audit and the group's internal legal counsel, including consideration of potential instances of non-compliance with laws and regulation and fraud;
- Assessing matters reported through the group's whistleblowing helpline and the results of management's investigation of such matters;
- Testing controls in relation to IT systems within the group, in part to identify whether opportunities exist to carry out fraud through inappropriate access to systems and data;
- Testing a sample of journal entries posted to revenue based on specific risk criteria; and
- Challenging assumptions and judgements made by management in its significant accounting estimates or judgements as a whole and assessing whether there has been any management bias in aggregate.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the parent company financial statements and the part of the Remuneration report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 11 May 2017 to audit the financial statements for the year ended 31 December 2017 and subsequent financial periods. The period of total uninterrupted engagement is eight years, covering the years ended 31 December 2017 to 31 December 2024.

Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Andrew Hammond
(Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

19 February 2025

Consolidated income statement
for the year ended 31 December 2024

		2024			2023		
€ million	**Notes**	**Underlying**	**Special items (note 3)**	**Total**	**Underlying**	**Special items (note 3)**	**Total**
From continuing operations							
Group revenue	2	**7,416**	**–**	**7,416**	**7,330**	**–**	**7,330**
Materials, energy and consumables used		(3,696)	–	(3,696)	(3,971)	–	(3,971)
Variable selling expenses		(645)	–	(645)	(618)	–	(618)
Gross margin		3,075	–	3,075	2,741	–	2,741
Maintenance and other indirect expenses		(425)	–	(425)	(374)	–	(374)
Personnel costs	5	(1,228)	(18)	(1,246)	(1,087)	(9)	(1,096)
Other net operating expenses		(373)	(58)	(431)	(79)	(14)	(93)
EBITDA	2	**1,049**	**(76)**	**973**	**1,201**	**(23)**	**1,178**
Depreciation, amortisation and impairments		(443)	(74)	(517)	(411)	(4)	(415)
Operating profit	2	**606**	**(150)**	**456**	**790**	**(27)**	**763**
Net loss from joint ventures	16	(3)	–	(3)	(5)	–	(5)
Impairment of investments in joint ventures	16	–	–	–	(5)	–	(5)
Net finance costs	6	(70)	–	(70)	(73)	–	(73)
Investment income	6	30	–	30	45	–	45
Foreign currency (losses)/gains	6	(3)	–	(3)	1	–	1
Finance costs	6	(97)	–	(97)	(119)	–	(119)
Net monetary (loss)/gain arising from hyperinflationary economies	7	(5)	–	(5)	2	–	2
Profit before tax		528	(150)	378	709	(27)	682
Tax (charge)/credit	8a	(117)	1	(116)	(167)	6	(161)
Profit from continuing operations		**411**	**(149)**	**262**	**542**	**(21)**	**521**
From discontinued operations							
Loss from discontinued operations	28			–			(655)
Profit/(loss) for the year				**262**			**(134)**
Attributable to:							
Non-controlling interests	33			**44**			**19**
Shareholders				**218**			**(153)**

Earnings per share (EPS) attributable to shareholders[1] **euro cents**		2024	2023
From continuing operations			
Basic EPS	9	**49.1**	**103.5**
Diluted EPS	9	**49.1**	**103.5**
Basic underlying EPS	9	**82.7**	**107.8**
Diluted underlying EPS	9	**82.6**	**107.8**
From continuing and discontinued operations			
Basic EPS	9	**49.1**	**(31.5)**
Diluted EPS	9	**49.1**	**(31.5)**

Note:
1 On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to its shareholders by way of a special dividend. In addition, in order to maintain the comparability, so far as possible, of Mondi plc's share price before and after the special dividend, the special dividend was accompanied by a share consolidation, which took effect on 29 January 2024, resulting in shareholders receiving 10 new ordinary shares for every 11 existing ordinary shares. Further details are provided in notes 9, 10 and 23.

Consolidated statement of comprehensive income
for the year ended 31 December 2024

€ million	2024 Before tax amount	2024 Tax credit	2024 Net of tax amount	2023 Before tax amount	2023 Tax credit	2023 Net of tax amount
Profit/(loss) for the year			**262**			**(134)**
Items that may subsequently be or have been reclassified to the consolidated income statement						
Fair value losses arising from cash flow hedges of continuing operations	(2)	1	(1)	–	–	–
Exchange differences on translation of continuing non-euro operations	75	–	75	(70)	–	(70)
Exchange differences on translation of discontinued non-euro operations (see note 28)	–	–	–	(227)	–	(227)
Reclassification of foreign currency translation reserve to the consolidated income statement on disposal of businesses of discontinued operations (see note 28)	–	–	–	633	–	633
Items that will not subsequently be reclassified to the consolidated income statement						
Remeasurements of retirement benefits plans of continuing operations:	(2)	–	(2)	(23)	7	(16)
Return on plan assets	(5)			(3)		
Actuarial gains arising from changes in demographic assumptions	–			1		
Actuarial gains/(losses) arising from changes in financial assumptions	7			(4)		
Actuarial losses arising from experience adjustments	(4)			(17)		
Other comprehensive income for the year	**71**	**1**	**72**	**313**	**7**	**320**
Other comprehensive income/(expense) attributable to:						
Non-controlling interests			**11**			**(3)**
Shareholders			**61**			**323**
Total comprehensive income attributable to:						
Non-controlling interests			**55**			**16**
Shareholders			**279**			**170**
Total comprehensive income/(expense) attributable to shareholders arises from:						
Continuing operations			**279**			**419**
Discontinued operations			**–**			**(249)**
Total comprehensive income for the year			**334**			**186**

Consolidated statement of financial position
as at 31 December 2024

€ million	Notes	2024	2023
Property, plant and equipment	11	5,160	4,619
Goodwill	13	767	765
Intangible assets	14	70	68
Forestry assets	15	503	519
Investments in joint ventures	16	5	8
Financial instruments		29	28
Deferred tax assets	8b	22	24
Net retirement benefits asset	25	3	5
Other non-current assets		3	5
Total non-current assets		**6,562**	**6,041**
Inventories	17	1,194	1,049
Trade and other receivables	18	1,275	1,254
Current tax assets		22	14
Financial instruments		10	14
Cash and cash equivalents	27b	278	1,592
Total current assets		**2,779**	**3,923**
Total assets		**9,341**	**9,964**
Short-term borrowings	22	(63)	(559)
Trade and other payables	19	(1,281)	(1,219)
Current tax liabilities		(67)	(78)
Provisions	20	(65)	(21)
Financial instruments		(9)	(4)
Total current liabilities		**(1,485)**	**(1,881)**
Medium- and long-term borrowings	22	(1,952)	(1,460)
Net retirement benefits liability	25	(161)	(159)
Deferred tax liabilities	8b	(342)	(322)
Provisions	20	(32)	(27)
Other non-current liabilities		(19)	(19)
Total non-current liabilities		**(2,506)**	**(1,987)**
Total liabilities		**(3,991)**	**(3,868)**
Net assets		**5,350**	**6,096**
Equity			
Share capital	23	97	97
Own shares	23	(20)	(17)
Retained earnings		4,582	5,434
Other reserves	23	198	141
Total attributable to shareholders		**4,857**	**5,655**
Non-controlling interests in equity	33	493	441
Total equity		**5,350**	**6,096**

The Group's consolidated financial statements on pages 150-202 were authorised for issue by the Board on 19 February 2025 and were signed on its behalf by:

Andrew King
Director

Mike Powell
Director

Mondi plc company registered number: 6209386

Consolidated statement of changes in equity
for the year ended 31 December 2024

€ million	Share capital	Own shares	Retained earnings	Other reserves	Equity attributable to shareholders	Non-controlling interests	Total equity
At 1 January 2023	97	(16)	5,895	(182)	**5,794**	460	**6,254**
Total comprehensive income/(expense) for the year:	–	–	(153)	323	**170**	16	**186**
(Loss)/profit for the year	–	–	(153)	–	**(153)**	19	**(134)**
Other comprehensive income/(expense)	–	–	–	323	**323**	(3)	**320**
Hyperinflation monetary adjustment	–	–	16	(2)	**14**	1	**15**
Transactions with shareholders in their capacity as shareholders							
Dividends	–	–	(345)	–	**(345)**	(7)	**(352)**
Purchases of own shares	–	(8)	–	–	**(8)**	–	**(8)**
Distribution of own shares	–	7	(7)	–	**–**	–	**–**
Mondi share schemes' charge	–	–	–	9	**9**	–	**9**
Issue of shares under employee share schemes	–	–	7	(7)	**–**	–	**–**
Non-controlling interests bought out	–	–	21	–	**21**	(29)	**(8)**
At 31 December 2023	**97**	**(17)**	**5,434**	**141**	**5,655**	**441**	**6,096**
Total comprehensive income for the year:	–	–	218	61	**279**	55	**334**
Profit for the year	–	–	218	–	**218**	44	**262**
Other comprehensive income	–	–	–	61	**61**	11	**72**
Hyperinflation monetary adjustment (see note 7)	–	–	11	(4)	**7**	–	**7**
Transactions with shareholders in their capacity as shareholders							
Dividends (see note 10)	–	–	(1,081)	–	**(1,081)**	(6)	**(1,087)**
Purchases of own shares	–	(12)	–	–	**(12)**	–	**(12)**
Distribution of own shares	–	9	(9)	–	**–**	–	**–**
Mondi share schemes' charge (see note 24)	–	–	–	9	**9**	–	**9**
Issue of shares under employee share schemes	–	–	9	(9)	**–**	–	**–**
Injection from non-controlling interests	–	–	–	–	**–**	3	**3**
At 31 December 2024	**97**	**(20)**	**4,582**	**198**	**4,857**	**493**	**5,350**

Consolidated statement of cash flows
for the year ended 31 December 2024

€ million	Notes	2024	2023
Cash flows from operating activities			
Cash generated from continuing operations	27a	970	1,312
Dividends received from other investments		1	2
Income tax paid		(120)	(178)
Net cash generated from operating activities of discontinued operations	28	–	223
Net cash generated from operating activities		**851**	**1,359**
Cash flows from investing activities			
Investment in property, plant and equipment	2	(933)	(830)
Investment in intangible assets	14	(13)	(16)
Investment in forestry assets	15	(48)	(48)
Proceeds from the disposal of property, plant and equipment		17	25
Proceeds from the disposal of financial asset investments		–	2
Acquisition of businesses, net of cash and cash equivalents	26	(6)	(37)
Loans advanced to related and external parties		–	(1)
Interest received		32	38
Other investing activities		15	17
Net cash generated from investing activities of discontinued operations	28	–	368
Net cash used in investing activities		**(936)**	**(482)**
Cash flows from financing activities			
Proceeds from issue of Eurobonds	27c	496	–
Repayment of Eurobonds	27c	(500)	–
Proceeds from medium- and long-term borrowings	27c	215	–
Repayment of medium- and long-term borrowings	27c	(215)	–
Proceeds from short-term borrowings	27c	9	16
Repayment of short-term borrowings	27c	(18)	(33)
Repayment of lease liabilities	27c	(26)	(22)
Interest paid	27c	(44)	(50)
Dividends paid to shareholders	10	(1,081)	(345)
Dividends paid to non-controlling interests		(6)	(7)
Purchases of own shares		(12)	(8)
Injection from non-controlling interests		3	–
Non-controlling interests bought out		–	(8)
Net cash outflow from debt-related derivative financial instruments	27c	(47)	(77)
Net cash used in financing activities of discontinued operations	28	–	(7)
Net cash used in financing activities		**(1,226)**	**(541)**
Net (decrease)/increase in cash and cash equivalents		**(1,311)**	**336**
Cash and cash equivalents at beginning of year		1,592	1,381
Cash movement in the year	27c	(1,311)	336
Effects of changes in foreign exchange rates	27c	(12)	(125)
Cash and cash equivalents at end of year	27b	**269**	**1,592**

Notes to the consolidated financial statements
for the year ended 31 December 2024

1 Basis of preparation

These consolidated financial statements as at and for the year ended 31 December 2024 comprise Mondi plc and its subsidiaries (referred to as 'the Group'), and the Group's share of the results and net assets of its associates and joint ventures.

The Group's consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The material accounting policies adopted are set out in note 35 and were applied consistently throughout the year and preceding year.

The Group also applies IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and there are no differences with applying IFRS Accounting Standards adopted for use in the UK which may significantly or materially affect the Group's accounting policies.

The consolidated financial statements have been prepared on a going concern basis. The directors have reviewed the Group's budget and considered the assumptions contained in the budget, including consideration of the principal risks which may impact the Group's performance in the 18 months following the balance sheet date and considerations of the period immediately thereafter. The Group has a strong balance sheet. At 31 December 2024, the Group had a liquidity position of €1,028 million, comprising €750 million of undrawn committed debt facilities and cash and cash equivalents of €278 million available. As the Group's debt facilities and loan agreements contain no financial covenants, in performing its going concern assessment the directors have focused on liquidity. The assessment of going concern is further described in the Strategic report under the heading Going concern on page 71, which is incorporated by reference into these financial statements. Based on this evaluation, the Board considered it appropriate to prepare the consolidated financial statements on the going concern basis.

The consolidated financial statements have been prepared under the historical cost basis of accounting, as modified by forestry assets, pension assets, certain financial assets and financial liabilities held at fair value through profit and loss, assets acquired and liabilities assumed in a business combination and accounting in hyperinflationary economies.

The Group presents certain measures of financial performance, position or cash flows that are not defined or specified according to IFRS Accounting Standards and UK-adopted International Accounting Standards. These measures, referred to as Alternative Performance Measures (APMs), are defined on pages 216-218.

Critical accounting judgements and significant accounting estimates

The preparation of the Group's consolidated financial statements requires the use of accounting estimates which, by definition, may differ from actual results. The estimates are based on management's best information available about current circumstances and future events. The critical accounting judgements and significant accounting estimates with a significant risk of a material change to the carrying value of assets and liabilities within the next year in terms of IAS 1, 'Presentation of Financial Statements', are:

Significant accounting estimates

- Fair value of forestry assets – refer to note 15
- Actuarial valuations of retirement benefit obligations – refer to note 25

Other areas of judgement and accounting estimates

The consolidated financial statements include other areas of judgement and accounting estimates. While these areas do not meet the definition under IAS 1 of significant accounting estimates or critical accounting judgements, the recognition and measurement of certain material assets and liabilities are based on assumptions and/or are subject to longer-term uncertainties. The other areas of judgement and accounting estimates include:

- Hyperinflation accounting – refer to notes 7 and 35
- Taxation – refer to notes 8 and 35
- Estimates of future cash flows used in the impairment assessment of goodwill and property, plant and equipment – refer to notes 11, 13 and 35
- Residual values and useful economic lives of property, plant and equipment – refer to notes 11 and 35
- Fair value of assets acquired and liabilities assumed in business combinations – refer to notes 26 and 35

Climate change

Management has considered the impact of climate change in preparing these consolidated financial statements, in particular in the context of the disclosures included in the Strategic report, including the Group's Net-Zero GHG emission reduction targets as detailed in the Mondi Action Plan 2030 (MAP2030) Taking Action on Climate section on pages 41-45. These considerations, which are integral to the Group's strategy, did not have a material impact on the accounting estimates and judgements, including the following areas:

- Fair value of forestry assets – refer to note 15
- Estimates of future cash flows used in the impairment assessment of goodwill and property, plant and equipment – refer to notes 11, 13 and 35
- Residual values and useful economic lives of property, plant and equipment – refer to note 35
- Fair value of assets acquired and liabilities assumed in business combinations – refer to note 26

While these considerations did not have a material impact on the estimates, this may change in future periods as management evolves its understanding of climate change-related impacts on the Group.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

2 Operating segments

The Group generates revenue from the sale of manufactured products across the packaging and paper value chain. Revenue is generally recognised at a point in time, typically when the goods have been delivered to a contractually agreed location in line with the shipment terms agreed with customers. Customer payment terms vary within the Group due to its global operations and do not contain significant financing components.

The Group provides transport services after control of certain goods has passed to the customer. The Group generated transport revenue of €63 million (2023: €91 million), which was recognised over time. The stage of completion is used to determine the amount of revenue recognised, which is based on the transportation days completed at the reporting date relative to the total expected delivery days.

The Group's operating segments are reported in a manner consistent with the internal reporting provided to the Executive Committee, the chief operating decision-making body. The operating segments are managed based on the nature of the underlying products produced by those businesses and, consistent with prior year, comprise three distinct segments.

The material product types from which the Group's operating segments derive their internal and external revenues are as follows:

Operating segments	Product types
Corrugated Packaging	Containerboard
	Corrugated solutions
Flexible Packaging	Kraft paper
	Paper bags
	Consumer flexibles
	Functional paper and films
	Pulp
Uncoated Fine Paper	Uncoated fine paper
	Pulp

Year ended 31 December 2024[1]

€ million, unless otherwise stated	Corrugated Packaging	Flexible Packaging	Uncoated Fine Paper	Corporate	Intersegment elimination	Total continuing operations
Segment revenue	2,251	3,964	1,317	–	(116)	**7,416**
Internal revenue	(22)	(37)	(57)	–	116	**–**
External revenue	2,229	3,927	1,260	–	–	**7,416**
Underlying EBITDA	328	558	198	(35)	–	**1,049**
Depreciation, amortisation and impairments[2]	(167)	(203)	(72)	(1)	–	**(443)**
Underlying operating profit/(loss)	161	355	126	(36)	–	**606**
Special items before tax	(5)	(132)	–	(13)	–	**(150)**
Capital employed	2,609	3,418	1,133	(78)	–	**7,082**
Trailing 12-month average capital employed	2,224	3,051	1,134	(126)	–	**6,283**
Additions to non-current non-financial assets	346	565	160	–	–	**1,071**
Capital expenditure cash payments	321	518	94	–	–	**933**
Underlying EBITDA margin (%)	14.6	14.1	15.0	–	–	**14.1**
Return on capital employed (%)	7.2	11.5	11.1	–	–	**9.6**
Average number of employees (thousands)[3]	6.4	12.0	2.7	0.1	–	**21.2**

Notes:
1 See pages 216-218 for definitions of APMs.
2 Includes only impairments not classified as special items.
3 Presented on a full-time employee equivalent basis.

Year ended 31 December 2023[1]

€ million, unless otherwise stated	Corrugated Packaging	Flexible Packaging	Uncoated Fine Paper	Corporate	Intersegment elimination	Total continuing operations
Segment revenue	2,280	3,866	1,292	–	(104)	**7,334**
Internal revenue[2]	(23)	(33)	(52)	–	104	**(4)**
External revenue	2,257	3,833	1,240	–	–	**7,330**
Underlying EBITDA	310	637	289	(35)	–	**1,201**
Depreciation, amortisation and impairments[3]	(151)	(191)	(68)	(1)	–	**(411)**
Underlying operating profit/(loss)	159	446	221	(36)	–	**790**
Special items before tax	–	–	(27)	–	–	**(27)**
Capital employed	2,318	3,167	1,095	(65)	–	**6,515**
Trailing 12-month average capital employed	2,057	3,068	1,075	(65)	–	**6,135**
Additions to non-current non-financial assets	379	427	129	–	–	**935**
Capital expenditure cash payments	326	425	79	–	–	**830**
Underlying EBITDA margin (%)	13.6	16.5	22.4	–	–	**16.4**
Return on capital employed (%)	7.7	14.4	20.6	–	–	**12.8**
Average number of employees (thousands)[4]	6.5	11.6	2.8	0.1	–	**21.0**

Notes:
1 See pages 216-218 for definitions of APMs.
2 Total continuing operations' internal revenue relates to transactions with discontinued operations.
3 Previously presented separately as 'depreciation and impairment' and 'amortisation' and includes only impairments not classified as special items.
4 Presented on a full-time employee equivalent basis.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

2 Operating segments continued

External revenue by location of contribution and by location of customer

	External revenue by location of contribution		External revenue by location of customer	
€ million	**2024**	**2023**	**2024**	**2023**
Western Europe				
Austria	1,175	1,301	166	159
Germany	555	579	932	954
UK	3	3	196	192
Rest of Western Europe	721	792	1,620	1,691
Western Europe total	2,454	2,675	2,914	2,996
Emerging Europe				
Czech Republic	705	657	264	252
Poland	1,347	1,275	729	722
Türkiye	490	426	533	486
Rest of emerging Europe	919	887	543	521
Emerging Europe total	3,461	3,245	2,069	1,981
Africa				
South Africa	667	656	489	495
Rest of Africa	80	95	366	395
Africa total	747	751	855	890
Russia	–	–	–	5
North America	648	561	850	825
South America	7	3	93	94
Asia and Australia	99	95	635	539
Total Group revenue from continuing operations	**7,416**	**7,330**	**7,416**	**7,330**

There were no external customers which account for more than 10% of the Group's total external revenue in either year.

There are no material contract assets or contract liabilities as at 31 December 2024 and 31 December 2023. No contract costs were capitalised in either year presented.

The Group does not disclose information about remaining performance obligations that have original expected durations of one year or less, as permitted under IFRS 15.

Net assets by location

€ million	2024 Non-current non-financial assets	2024 Segment assets	2024 Segment net assets	2023 Non-current non-financial assets	2023 Segment assets	2023 Segment net assets
Western Europe						
Austria	500	977	764	462	902	671
Germany	544	720	654	522	689	627
UK	31	34	32	31	37	34
Rest of Western Europe	1,026	1,248	1,140	782	1,015	922
Western Europe total	2,101	2,979	2,590	1,797	2,643	2,254
Emerging Europe						
Czech Republic	1,133	1,245	1,102	965	1,063	927
Poland	989	1,302	1,132	929	1,215	1,047
Türkiye	217	401	318	168	328	254
Rest of emerging Europe	757	925	760	857	1,014	853
Emerging Europe total	3,096	3,873	3,312	2,919	3,620	3,081
Africa						
South Africa	977	1,197	1,103	931	1,135	1,030
Rest of Africa	49	126	123	60	158	155
Africa total	1,026	1,323	1,226	991	1,293	1,185
North America	184	435	375	174	350	317
South America	16	24	24	17	27	27
Asia and Australia	80	166	151	78	159	147
Total	**6,503**	**8,800**	**7,678**	**5,976**	**8,092**	**7,011**

Reconciliation of operating segment assets

€ million	2024 Segment assets	2024 Segment net assets/(liabilities)	2023 Segment assets	2023 Segment net assets/(liabilities)
Group total	**8,800**	**7,678**	**8,092**	**7,011**
Unallocated				
Investments in joint ventures	5	5	8	8
Deferred tax assets/(liabilities)	22	(320)	24	(298)
Other non-operating assets/(liabilities)	226	(281)	236	(206)
Group capital employed	**9,053**	**7,082**	**8,360**	**6,515**
Financial instruments/(net debt)	288	(1,732)	1,604	(419)
Total assets/equity	**9,341**	**5,350**	**9,964**	**6,096**

Other non-operating assets/(liabilities) include non-current financial instruments and current tax assets/(liabilities) as presented in the consolidated statement of financial position, provisions for restructuring costs, employee-related and other provisions (see note 20), derivative financial instruments (see note 31d) and other non-operating receivables/(payables) of €165 million and €354 million, respectively, as at 31 December 2024 (2023: €181 million and €316 million).

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

2 Operating segments continued

Average number of employees by principal location of employment[1]

thousands	2024	2023
Western Europe	6.4	6.5
Emerging Europe	10.4	10.4
Africa	1.9	1.9
North America	1.9	1.6
Asia and Australia	0.6	0.6
Total average number of employees of continuing operations	**21.2**	**21.0**

Note:
1 Presented on a full-time employee equivalent basis.

3 Special items

The Group separately discloses special items, an APM as defined on page 216, on the face of the consolidated income statement to assist its stakeholders in understanding the underlying financial performance achieved by the Group on a basis that is comparable from year to year.

€ million	2024	2023
Operating special items		
Impairment of assets	(74)	(4)
Restructuring and closure costs:		
Personnel costs	(18)	(9)
Other restructuring and closure costs	(40)	(14)
Costs relating to the acquisition of Schumacher Packaging	(5)	–
Costs relating to the aborted all-share combination with DS Smith plc	(13)	–
Total special items before tax	**(150)**	**(27)**
Tax credit (see note 8)	1	6
Total special items	**(149)**	**(21)**

The operating special items resulted in a cash outflow from operating activities of €34 million for the year ended 31 December 2024 (2023: €10 million).

To 31 December 2024

The special items during the year ended 31 December 2024 comprised:

- Corrugated Packaging
  - On 9 October 2024, the Group announced that it has entered into an agreement to acquire the Western Europe Packaging Assets of Schumacher Packaging for an enterprise value of €634 million. The transaction, which is subject to certain customary regulatory approvals, is expected to close in the first half of 2025. In 2024, transaction costs of €5 million were recognised and additional costs will be incurred in 2025 with total costs expected to exceed €10 million.
- Flexible Packaging
  - Closure of a paper bags plant in Maastricht (Netherlands). Restructuring and closure costs of €13 million were recognised.
  - Closure of a paper bags plant in Pine Bluff (USA). Restructuring and closure costs of €8 million and related impairment of assets of €1 million were recognised. Additional costs will be incurred in 2025 with total costs expected to exceed €10 million.
  - Closure of Stambolijski paper mill (Bulgaria) following a fire in September 2024. Restructuring and closure costs of €37 million and related impairment of assets of €73 million were recognised.
- Corporate
  - €13 million of costs relating to the aborted all-share combination with DS Smith plc. On 19 April 2024, the Board announced it did not intend to make an offer for DS Smith plc following a period of due diligence and after carefully considering the value the all-share combination with DS Smith plc would deliver to Mondi's shareholders.

To 31 December 2023
The special items during the year ended 31 December 2023 comprised:

- Uncoated Fine Paper
  - Closure of a paper machine and streamlining the capacity of the finishing lines at the Neusiedler operations in Austria. Restructuring and closure costs of €23 million and related impairment of assets of €4 million were recognised.

4 Auditors' remuneration

€ million	2024	2023
Fees payable to the auditors for the audit of Mondi plc's annual financial statements	2.3	2.0
Fees payable to the auditors and their associates for the audit of Mondi plc's subsidiaries	4.0	4.1
Total audit fees	**6.3**	**6.1**
Audit-related services	0.5	0.6
Other services	0.3	–
Total non-audit fees	**0.8**	**0.6**
Total fees	**7.1**	**6.7**

5 Personnel costs

€ million, unless otherwise stated	2024	2023
Within underlying operating costs		
Wages and salaries	994	878
Social security costs	202	181
Defined contribution retirement plan contributions (see note 25)	14	14
Defined benefit retirement plan service costs net of loss from settlement (see note 25)	9	5
Share-based payments (see note 24)	9	9
Total within underlying operating costs	**1,228**	**1,087**
Within special items		
Personnel costs relating to restructuring (see note 3)	18	9
Within net finance costs		
Retirement benefit medical plan net interest costs	3	3
Retirement benefit pension plan net interest costs	6	5
Total within net finance costs (see note 6)	**9**	**8**
Total personnel costs	**1,255**	**1,104**
Continuing operations' average number of employees (thousands)[1]	**21.2**	**21.0**

Note:
1 Presented on a full-time employee equivalent basis.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

6 Net finance costs

€ million	2024	2023
Investment income		
Investment income	**30**	**45**
Foreign currency (losses)/gains		
Foreign currency (losses)/gains	**(3)**	**1**
Finance costs		
Interest expense		
Interest on bank overdrafts and loans	(100)	(115)
Interest on lease liabilities (see note 12)	(7)	(7)
Net interest expense on net retirement benefits liability (see note 25)	(9)	(8)
Total interest expense	**(116)**	**(130)**
Less: interest capitalised	19	11
Total finance costs	**(97)**	**(119)**
Net finance costs	**(70)**	**(73)**

The weighted average interest rate applicable to capitalised interest on general borrowings for the year ended 31 December 2024 was 4.2% (2023: 4.9%) and was mainly related to qualifying assets in Czech Republic and Poland (2023: Czech Republic).

7 Net monetary (loss)/gain arising from hyperinflationary economies

The Group applies IAS 29, 'Financial Reporting in Hyperinflationary Economies', for its subsidiaries in Türkiye and Lebanon. The consumer price index increased in Türkiye by 44% from 1,859 at 31 December 2023 to 2,685 at 31 December 2024 and in Lebanon by 18% from 5,978 at 31 December 2023 to 7,061 at 31 December 2024. For the year ended 31 December 2024 a net monetary loss of €5 million was recognised (2023: gain of €2 million). For the year ended 31 December 2024, the adjustments from hyperinflationary accounting have resulted in an increase in Group revenue of €78 million (2023: €116 million) and a decrease in underlying EBITDA of €16 million (2023: decrease of €16 million). As at 31 December 2024, the adjustments from hyperinflationary accounting have resulted in an accumulated increase in total assets of €166 million (2023: €115 million). Comparative amounts presented in euros were not restated for subsequent changes in the price level or exchange rates.

IAS 29 requires judgement to determine when to apply hyperinflationary accounting and which general price index to select and other approximations to be made in order to restate the financial statements of subsidiaries operating in a hyperinflationary economy.

8 Taxation

(a) Analysis of tax charge for the year

The Group's effective rate of tax before special items for the year ended 31 December 2024 was 22.2% (2023: 23.6%).

€ million	2024	2023
UK corporation tax at 25% (2023: 23.5%)	4	–
Overseas tax	105	135
Current tax in respect of the prior years	(4)	(13)
Current tax	**105**	**122**
Deferred tax in respect of the current year	10	62
Deferred tax in respect of the prior years	(5)	(24)
Deferred tax attributable to a change in the rate of domestic income tax	7	7
Tax charge before special items	**117**	**167**
Current tax on special items	–	(6)
Deferred tax on special items	(1)	–
Tax credit on special items (see note 3)	**(1)**	**(6)**
Tax charge for the year	**116**	**161**
Current tax charge	105	116
Deferred tax charge	11	45

On 24 May 2021, legislation was substantively enacted in the UK to increase the corporate tax rate from 19% to 25% with effect from 1 April 2023. In the year ended 31 December 2023, the 23.5% UK corporation tax rate referenced in the table above reflects the average tax rate that applied in that year.

As the Group operates in a number of countries, each with different tax systems, a degree of tax risk is inevitable, as tax laws are complex and subject to changes in legislation and to differing interpretations. Consequently, provision has been made for such tax risk exposures within current tax liabilities of €40 million (2023: €38 million), mainly in relation to transfer pricing risks arising from cross border transactions. There is not expected to be any material change to the tax risk exposures or associated provisions within the next 12 months.

The Group is within the scope of the OECD Pillar 2 model rules as of 1 January 2024. The effective tax rate (as calculated under the Pillar 2 transitional safe harbour rules) in the majority of countries in which the Group operates exceeds 15% for the year ended 31 December 2024. Additional Pillar 2 top-up tax of €3 million has been included within the current tax charge for the year ended 31 December 2024, mostly arising in a small number of jurisdictions benefitting from tax incentives on capital investments and tax holidays.

Factors affecting tax charge for the year

The Group's total tax charge for the year can be reconciled to the tax on the Group's profit before tax at the UK corporation tax rate of 25% (2023: 23.5%), as follows:

€ million	2024	2023
Profit before tax	**378**	**682**
Tax on profit before tax, calculated at the UK corporation tax rate of 25% (2023: 23.5%)	**95**	**160**
Tax effects of:		
Expenses not deductible for tax purposes	**7**	**2**
Special items not deductible	5	–
Other non-deductible expenses	2	2
Temporary difference adjustments	**26**	**(13)**
Balance sheet/fixed asset revaluation	(15)	(10)
Changes in local tax rates[1]	7	7
Current year tax losses and other temporary differences not recognised	39	14
Movements in unrecognised deferred tax	(10)	(24)
Prior year deferred tax adjustments	5	–
Other adjustments	**(12)**	**12**
Current tax prior year adjustments	(4)	(13)
Tax incentives[2]	(16)	(5)
Effect of difference between local rates and UK tax rate	(20)	(1)
Hyperinflation monetary adjustments (see note 7)	20	19
Other adjustments	5	12
Pillar 2 current tax	3	–
Tax charge for the year	**116**	**161**

Notes:
1 There has been a change in tax rate in Slovakia (2023: Czech Republic, Türkiye and Austria).
2 The tax incentives relate to a number of countries including Poland and Slovakia (2023: Poland and Serbia).

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

8 Taxation continued

(b) Deferred tax

	Deferred tax assets		Deferred tax liabilities	
€ million	2024	2023	2024	2023
At 1 January	24	34	(322)	(307)
Charged to the consolidated income statement	(2)	(10)	(9)	(35)
Credited to the consolidated statement of comprehensive income	–	3	1	4
Acquired through business combinations (see note 26)	–	–	(4)	–
Reclassification	–	(1)	–	1
Hyperinflation monetary adjustment (see note 7)	–	(1)	(2)	–
Currency movements	–	(1)	(6)	15
At 31 December	**22**	**24**	**(342)**	**(322)**

The amount of deferred tax (charged)/credited to the consolidated income statement comprises:

€ million	2024	2023
Fixed assets temporary differences	(37)	(27)
Fair value adjustments	7	(23)
Tax losses recognised	9	24
Other temporary differences	10	(19)
Total deferred tax charge	**(11)**	**(45)**

Deferred tax comprises:

	Deferred tax assets		Deferred tax liabilities	
€ million	2024	2023	2024	2023
Fixed assets temporary differences	(19)	(34)	(320)	(265)
Fair value adjustments	–	–	(134)	(135)
Tax losses	14	17	31	19
Other temporary differences	27	41	81	59
Total	**22**	**24**	**(342)**	**(322)**

The key items within other temporary differences include retirement benefit obligations, inventory write-downs, other provisions and accruals and elimination of intercompany profit in inventory.

Based on forecast data, the Group considers it probable that there will be sufficient future taxable profits available in the relevant jurisdictions to utilise the tax losses and other temporary differences presented in the table above.

Deferred tax balances have been shown after offset when they relate to income taxes levied by the same tax authority and it is intended to settle current assets and liabilities on a net basis.

The current expectation regarding the maturity of deferred tax balances is:

	Deferred tax assets		Deferred tax liabilities	
€ million	2024	2023	2024	2023
Recoverable within 12 months	10	13	–	–
Recoverable/(payable) after 12 months	12	11	(342)	(322)
Total	**22**	**24**	**(342)**	**(322)**

The Group has the following amounts in respect of which no deferred tax asset has been recognised, as it is not considered probable that there will be future profit streams or gains against which these could be utilised:

€ million	2024	2023
Tax losses - revenue	1,411	1,401
Tax losses - capital	16	16
Fixed asset temporary differences[1]	90	13
Other temporary differences[1]	69	43
Total	**1,586**	**1,473**

Note:
1 Other temporary differences as presented previously have been further analysed to separately show fixed asset temporary differences.

Of the total of €1,586 million (2023: €1,473 million), €1,245 million (2023: €1,248 million) relates to tax losses (with no expiry date) and other timing differences not recognised in the UK and Luxembourg due to lack of future profit streams.

There were no significant changes during the year in the expected future profit streams or gains.

Included in unrecognised tax losses are losses that will expire as follows:

€ million	2024	2023
Expiry date		
Within one year	7	7
One to five years	19	42
After five years	47	45
No expiry date	1,354	1,323
Total unrecognised tax losses	**1,427**	**1,417**

No deferred tax liability is recognised on gross temporary differences of €630 million (2023: €622 million) relating to the unremitted earnings of overseas subsidiaries, as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. UK tax legislation largely exempts, from UK tax, overseas dividends received. As a result, the gross temporary differences at 31 December 2024 represent only the unremitted earnings of those overseas subsidiaries where remittance to the UK of those earnings would still result in a tax liability, principally as a result of dividend withholding taxes levied by the overseas tax jurisdictions in which these subsidiaries operate and non-UK corporate taxes on dividends.

9 Earnings per share (EPS)

On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to its shareholders by way of a special dividend (see note 10). In addition, in order to maintain the comparability, so far as possible, of Mondi plc's share price before and after the special dividend, the special dividend was accompanied by a share consolidation, which took effect on 29 January 2024, resulting in shareholders receiving 10 new ordinary shares for every 11 existing ordinary shares (see note 23).

For calculating basic and diluted EPS measures, the Board concluded that the overall effect of the share consolidation and special dividend was a share repurchase at fair value. Therefore, the reduction in the number of shares as a result of the share consolidation was reflected in the denominator in the current year prospectively from the day the dividend was paid (i.e. 13 February 2024). The weighted average number of ordinary shares outstanding for 2023 was not restated.

	EPS attributable to shareholders	
euro cents	2024	2023
From continuing operations		
Basic EPS	49.1	103.5
Diluted EPS	49.1	103.5
Basic underlying EPS	82.7	107.8
Diluted underlying EPS	82.6	107.8
From continuing and discontinued operations		
Basic EPS	49.1	(31.5)
Diluted EPS	49.1	(31.5)
Basic headline EPS	60.8	145.3
Diluted headline EPS	60.8	145.3

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

9 Earnings per share (EPS) continued

The calculation of basic and diluted EPS, basic and diluted underlying EPS and basic and diluted headline EPS is based on the following data:

€ million	Earnings 2024	Earnings 2023
Profit/(loss) for the year attributable to shareholders	**218**	**(153)**
Arises from:		
Continuing operations	218	502
Discontinued operations (see note 28)	–	(655)
Special items attributable to shareholders (see note 3)	150	27
Related tax (see note 3)	(1)	(6)
Total earnings for the year (prior to special items)	**367**	**(132)**
Arises from:		
Continuing operations	367	523
Discontinued operations (see note 28)	–	(655)
Gain on disposal of property, plant and equipment	(12)	(13)
Insurance reimbursements for property damages (see note 11)	(3)	(27)
Restructuring and closure costs (see note 3)	(58)	(23)
Costs relating to the aborted all-share combination with DS Smith plc (see note 3)	(13)	–
Costs relating to the acquisition of Schumacher Packaging (see note 3)	(5)	–
Gain on purchase of business before transaction-related costs (see note 26)	(13)	–
Impairments not included in special items (see note 11)	–	3
Loss arising from sale and leaseback transaction	3	–
Loss on disposal of businesses from discontinued operations (see note 28)	–	756
Impairments included in loss from discontinued operations (see note 28)	–	113
Related tax	4	28
Headline earnings for the year	**270**	**705**

Underlying earnings, total earnings (prior to special items) and headline earnings represent APMs which are defined on pages 216-218.

million	Weighted average number of shares 2024	Weighted average number of shares 2023
Basic number of ordinary shares outstanding	**444.0**	**485.1**
Effect of dilutive potential ordinary shares	0.1	–
Diluted number of ordinary shares outstanding	**444.1**	**485.1**

10 Dividends

	2024		2023	
	euro cents per share	€ million	euro cents per share	€ million
Final ordinary dividend paid in respect of the prior year	46.67	209	48.33	231
Special dividend	160.00	769	–	–
Interim ordinary dividend paid in respect of the current year	23.33	103	23.33	114
Total ordinary and special dividends paid		**1,081**		**345**
Final ordinary dividend proposed to shareholders	**46.67**	**206**	**46.67**	**209**

The final ordinary dividend proposed in respect of the financial year ended 31 December 2024 has been recommended by the Board and is subject to the approval of the shareholders of Mondi plc at the Annual General Meeting scheduled for 8 May 2025.

On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to shareholders by way of a special dividend of €1.60 per existing ordinary share (see note 9). The final ordinary dividend for the year ended 31 December 2023 was declared after the accompanying share consolidation took effect and therefore was declared based on the number of new ordinary shares.

11 Property, plant and equipment

€ million	Land and buildings[1]	Plant and equipment	Assets under construction	Other	Total
Net carrying value					
At 1 January 2023	1,167	2,483	398	119	**4,167**
Additions	50	169	576	38	**833**
Disposal of assets	(7)	(4)	–	(7)	**(18)**
Acquired through business combinations	17	20	–	–	**37**
Depreciation charge for the year	(65)	(292)	–	(34)	**(391)**
Impairment losses recognised	(1)	(6)	–	–	**(7)**
Reclassification	51	168	(234)	13	**(2)**
Hyperinflation monetary adjustment	28	31	6	3	**68**
Currency movements	(22)	(41)	(2)	(3)	**(68)**
At 31 December 2023	**1,218**	**2,528**	**744**	**129**	**4,619**
Cost	2,139	7,216	761	409	**10,525**
Accumulated depreciation and impairments	(921)	(4,688)	(17)	(280)	**(5,906)**
Additions	123	316	529	38	**1,006**
Disposal of assets	(7)	(4)	–	(1)	**(12)**
Acquired through business combinations (see note 26)	3	1	–	–	**4**
Depreciation charge for the year	(70)	(319)	–	(38)	**(427)**
Impairment losses recognised (see note 3)	(3)	(49)	(21)	(1)	**(74)**
Reclassification	112	382	(511)	14	**(3)**
Hyperinflation monetary adjustment (see note 7)	27	30	4	2	**63**
Currency movements	(7)	(7)	(2)	–	**(16)**
At 31 December 2024	**1,396**	**2,878**	**743**	**143**	**5,160**
Cost	2,392	7,899	765	445	**11,501**
Accumulated depreciation and impairments	(996)	(5,021)	(22)	(302)	**(6,341)**

Note:
1 The land carrying value included in land and buildings is €255 million (2023: €227 million).

Included in the additions above is €19 million (2023: €11 million) of interest incurred on qualifying assets which has been capitalised during the year. The amount is deductible for tax purposes either when incurred or included in the amount permitted to be deducted for capital expenditure, depending on the jurisdiction in which they are capitalised.

The Group recognised income from insurance reimbursements relating to damages of property, plant and equipment of €3 million (2023: €27 million) in other net operating expenses in the consolidated income statement with reimbursements received in cash of €13 million (2023: €17 million) classified as other investing activities within the consolidated statement of cash flows.

The recoverable amount of property, plant and equipment is determined based on the use of the asset within the current business plans. Any change in future intentions could result in an impairment of varying magnitude, depending on the assets affected.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

12 Leases

The Group has entered into various lease agreements with the weighted average term of:

- land and buildings: 36 years (2023: 35 years);
- plant and equipment: 12 years (2023: 12 years); and
- other assets: 5 years (2023: 5 years).

The principal lease agreements in place include the following:

South African land lease

The Group entered into a land lease agreement on 1 January 2001 for a total term of 70 years. The lease commitment and annual escalation rate are renegotiated every five years. The lease does not contain any clauses with regard to contingent rent or an option to purchase the land at the end of the lease term, and does not impose any significant restrictions on the Group as a lessee.

Office building

The Group entered into an office building lease agreement in Vienna (Austria) for a total term of 20 years from October 2013. The lease may only be terminated by the Group, after six months' notice, in September 2023 (which did not occur) and again in September 2028. Rent escalates on an annual basis by the consumer price index of the local jurisdiction. The lease does not contain any option to purchase the building at the end of the lease term, and does not impose any significant restrictions on the Group as a lessee. Variable lease payments are included in the lease liability and calculated at the consumer price index. The Group does not intend to exercise the termination option in September 2028, and thus it was not considered in the calculation of the right-of-use asset.

Right-of-use assets

	Right-of-use assets		Depreciation charge	
€ million	**2024**	**2023**	**2024**	**2023**
Land and buildings	62	61	(12)	(10)
Plant and equipment	41	39	(11)	(9)
Other	15	16	(8)	(7)
Total	**118**	**116**	**(31)**	**(26)**

Additions to the right-of-use assets during 2024 were €32 million (2023: €34 million).

Lease liabilities

€ million	**2024**	**2023**
Maturity analysis - contractual undiscounted cash flows		
Less than one year	31	28
One to two years	25	24
Two to five years	46	49
More than five years	109	89
Total undiscounted cash flows	**211**	**190**
Total lease liabilities	**128**	**125**
Current	24	21
Non-current	104	104

Lease liabilities are effectively secured as the rights to the leased assets recognised in the consolidated financial statements revert to the lessor in the event of default. The total cash outflow for leases during 2024 was €36 million (2023: €31 million).

Amounts recognised in the consolidated income statement

€ million	**2024**	**2023**
Depreciation charge in respect of leases	(31)	(26)
Interest on lease liabilities	(7)	(7)
Expenses relating to short-term leases	(2)	(1)
Expenses relating to leases of low-value assets	(1)	(1)

13 Goodwill

(a) Reconciliation

€ million	2024	2023
Net carrying value		
At 1 January	765	769
Hyperinflation monetary adjustment (see note 7)	11	11
Currency movements	(9)	(15)
At 31 December	**767**	**765**

(b) Assumptions

Goodwill acquired through business combinations is allocated to the group of cash-generating units (CGUs) that are expected to benefit from the synergies of the combination and represents the lowest level at which goodwill is monitored for internal management purposes. Goodwill is assessed for impairment at least annually. In performing this impairment test, the recoverable amounts of these groups of CGUs are the higher of fair value less costs to dispose and value in use (see note 35 for further details).

Goodwill is allocated to three groups of CGUs, as follows:

	Weighted average pre-tax discount rate		Growth rate beyond year 3		Carrying value	
€ million, unless otherwise stated	2024	2023	2024	2023	2024	2023
Corrugated Packaging	10.3%	10.2%	3%	3%	327	328
Flexible Packaging	9.3%	9.2%	2%	2%	425	422
Uncoated Fine Paper	11.0%	11.1%	–%	–%	15	15
Total goodwill					**767**	**765**

Key assumptions for 2024

The key assumptions in the value-in-use calculations are as follows:

- Cash flow forecasts are derived from the budget most recently approved by the Board covering the three-year period to 31 December 2027.
- Sales volumes, sales prices and input cost assumptions in the budget period are derived from a combination of economic forecasts for the regions in which the Group operates, industry forecasts for individual product lines, internal management projections, historical performance and announced and expected industry capacity changes.
- The impact of climate change such as regulatory risks on carbon pricing, yield losses on plantations or the effects of droughts as well as climate-change related opportunities in the budget period are considered in the cash flow forecasts. The Group's climate change risks and opportunities identified according to the TCFD recommendations are disclosed on pages 52-59 of this report.
- Cash flow projections in year four are based on internal management projections taking into consideration industry forecasts and growth rates in the regions in which the Group operates. Growth rates are applied to the groups of CGUs for all years from year four onwards (as per the table above).
- Capital expenditure forecasts are based on historical experience and include expenditure necessary to maintain the assets in their current condition.

The pre-tax discount rate is derived from the Group's weighted average cost of capital. In determining the discount rate applicable to each group of CGUs, adjustments are made to reflect the impacts of country risk.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

13 Goodwill continued

Sensitivity analyses

Expected future cash flows are inherently uncertain and could change materially over time. They are affected by a number of factors, including market and production estimates, together with economic factors such as prices, discount rates, currency exchange rates, estimates of production costs and future capital expenditure. Risks associated with increased operating costs such as carbon pricing mechanisms have also been considered.

Sensitivity analyses of reasonably possible changes in the underlying assumptions for each group of CGUs included:

- 100 bps increase in discount rate;
- 0% growth rate assumed for cash flow projections beyond three years in the Corrugated Packaging and Flexible Packaging groups of CGUs;
- 3% decrease in sales prices of paper in all years in the Corrugated Packaging group of CGUs;
- 6% decrease in sales prices of paper in 2025 and 4% decrease in all other years in the Flexible Packaging group of CGUs; and
- 2% decrease in sales prices of paper in all years in the Uncoated Fine Paper group of CGUs.

None of these downside sensitivity analyses, in isolation, indicated the need for an impairment.

14 Intangible assets

€ million	2024	2023
Net carrying value		
At 1 January	68	64
Additions	13	16
Acquired through business combinations (see note 26)	–	1
Amortisation charge for the year	(16)	(17)
Reclassification	3	2
Hyperinflation monetary adjustment (see note 7)	2	4
Currency movements	–	(2)
At 31 December	**70**	**68**
Cost	246	251
Accumulated amortisation and impairments	(176)	(183)

The intangible assets comprise mainly software development costs.

R&D expenditure incurred by the Group and charged to the consolidated income statement during the year amounted to €31 million compared to €30 million in 2023 (as previously disclosed: €21 million), with the prior year figure presented on the same basis for consistent comparison.

15 Forestry assets

€ million	2024	2023
At 1 January	519	485
Investment in forestry assets	48	48
Fair value gains	7	128
Felling costs	(92)	(87)
Currency movements	21	(55)
At 31 December	**503**	**519**
Mature	371	359
Immature	132	160

The Group has 255,023 hectares (2023: 254,858 hectares) of owned and leased land available for forestry activities, all of which is in South Africa. 80,667 hectares (2023: 80,614 hectares) are set aside for conservation activities and infrastructure needs. 1,044 hectares (2023: 1,044 hectares) relate to non-core activities. The balance of 173,312 hectares (2023: 173,200 hectares) are under afforestation, which forms the basis of the valuation set out above.

Mature forestry assets are those plantations that are harvestable, while immature forestry assets have not yet reached that stage of growth. Timber is harvested according to a rotation plan, once trees reach maturity. The maturity period ranges from 6.5 to 14.5 years (2023: 6.5 to 14.5 years) depending on species, climate and location. The fair value of forestry assets is a level 3 measure in terms of the fair value measurement hierarchy, consistent with prior years.

The following assumptions have a significant impact on the valuation of the Group's forestry assets:

- The net selling price is defined as the selling price less the costs of transport, harvesting, extraction and loading, and all selling prices and costs are denominated in South African rand. The net selling price is based on third-party transactions and is influenced by the species, maturity profile and location of timber. In 2024, the net selling price used ranged from the South African rand equivalent of €15 per tonne to €58 per tonne (2023: €15 per tonne to €53 per tonne), with a weighted average of €32 per tonne (2023: €34 per tonne).
- The conversion factor, which is used to convert hectares of land under afforestation to tonnes of standing timber, is dependent on the species, the maturity profile of the timber, the geographic location and a variety of other environmental factors, such as the anticipated impact of climate change on water scarcity and fire risks. In 2024, the conversion factors ranged from 7.7 to 25.3 (2023: 7.6 to 25.0).
- The risk premium on immature timber of 12.6% (2023: 12.4%) is based on an assessment of the risks associated with forestry assets in South Africa and is applied for the years the immature timber has left to reach maturity. A risk premium on mature timber of 4.0% (2023: 4.0%) was applied. The risk premium applied to immature and mature timber includes factors for the anticipated impact of climate change on water scarcity and fire risks. An increase in the severity and frequency of extreme weather events, such as higher temperatures, changes in rainfall patterns and drought conditions, may result in higher timber losses in future years caused by stronger winds, erosion, fires, pests and diseases.

The valuation of the Group's forestry assets is determined in South African rand and converted to euro at the closing exchange rate on 31 December of each year.

Management has performed sensitivity analyses of reasonably possible changes in the significant assumptions and the EUR/ZAR exchange rate. The sensitivity table is based on historical experience; however, the estimates may vary by greater amounts. Therefore, the Board considers the forestry assets valuation to be a significant accounting estimate. The reported value of owned forestry assets would change as follows should there be a change in these underlying assumptions on the basis that all other factors remain unchanged:

€ million	2024	2023
Effect of €5/tonne increase in net selling price	80	79
Effect of 1% increase in conversion factor (hectares to tonnes)	5	6
Effect of 1% increase in risk premium	(7)	(8)
Effect of 10% increase in EUR/ZAR exchange rate	(46)	(47)

16 Investments in joint ventures

€ million	2024	2023
At 1 January	8	18
Net loss from joint ventures	(3)	(5)
Impairment losses recognised	–	(5)
At 31 December	**5**	**8**

The joint ventures of the Group as at 31 December 2024 are set out in note 11 of the Mondi plc parent company financial statements. All of these interests are accounted for using the equity method. None of the joint ventures are assessed as being individually material to the Group.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

17 Inventories

€ million	2024	2023[1]
Raw materials and consumables	594	525
Work in progress	112	91
Finished goods	488	433
Total inventories	**1,194**	**1,049**
Of which, held at net realisable value	167	141

Note:
1 Previously disclosed separately by first-in, first-out cost formula and weighted average cost formula.

Consolidated income statement

€ million	2024	2023
Within materials, energy and consumables used		
Cost of inventories recognised as an expense	(3,360)	(3,575)
Write-down of inventories to net realisable value	(69)	(77)
Aggregate reversal of previous write-downs of inventories	49	45
Within other net operating expenses		
Green energy sales and disposal of emissions credits	36	92

The reversal of previous write-downs of inventories relates to goods that had been written down to their estimated net realisable value and were subsequently sold above their carrying value.

18 Trade and other receivables

€ million	2024	2023
Trade receivables	1,062	995
Credit loss allowance	(21)	(25)
Net trade receivables	**1,041**	**970**
Other receivables	28	45
Tax and social security	149	148
Prepayments[1]	35	46
Prepayments for capital expenditure[1]	22	45
Total trade and other receivables	**1,275**	**1,254**

Note:
1 Prepayments as presented previously have been further analysed to separately show prepayments for capital expenditures.

Trade receivables: credit risk

The Group has a large number of unrelated customers and does not have significant credit risk exposure to any particular customer. The Group considers that there is no significant geographical or customer concentration of credit risk.

Each business segment manages its own exposure to credit risk according to the economic circumstances and characteristics of the relevant markets that it serves. The Group considers that management of credit risk on a decentralised basis enables it to assess and manage credit risk more effectively. However, broad principles of credit risk management are observed across all business segments, such as the use of credit rating agencies, credit guarantee insurance, where appropriate, and the maintenance of a credit control function.

€ million	2024	2023
Credit risk exposure		
Gross trade receivables	1,062	995
Credit insurance	(902)	(837)
Net exposure to credit risk	**160**	**158**

In addition, the Group is in possession of bank guarantees and letters of credit securing trade and other receivables to the value of €7 million (2023: €6 million). Credit periods offered to customers vary according to the credit risk profiles of participants and invoicing conventions established in the various markets in which the Group operates. Interest is charged at appropriate market rates on balances which are considered overdue in the relevant market.

To the extent that recoverable amounts are expected to be less than their associated carrying values, impairment charges have been recorded in the consolidated income statement and the carrying values have been written down to their expected recoverable amounts. The total gross carrying value of trade receivables that were subject to credit loss allowance during the year was €25 million (2023: €36 million).

Included within the Group's aggregate trade receivables balance are specific debtor balances with customers totalling €149 million (2023: €140 million) which are past due and where the Group considers that their credit quality remains intact.

The expected credit loss allowance for trade receivables was determined as follows:

		Past due by				
2024/€ million, unless otherwise stated	**Within terms**	**<1 month**	**1-2 months**	**2-3 months**	**>3 months**	**Total**
Expected loss rate %	–	2	4	14	50	
Trade receivables	896	108	25	7	26	**1,062**
Credit loss allowance	(4)	(2)	(1)	(1)	(13)	**(21)**

		Past due by				
2023/€ million, unless otherwise stated	**Within terms**	**<1 month**	**1-2 months**	**2-3 months**	**>3 months**	**Total**
Expected loss rate %	1	3	4	14	68	
Trade receivables	837	108	24	7	19	**995**
Credit loss allowance	(7)	(3)	(1)	(1)	(13)	**(25)**

Movement in the credit loss allowance

€ million	**2024**	**2023**
At 1 January	25	26
Increase in allowance recognised in consolidated income statement	5	7
Amounts written off or recovered	(8)	(6)
Currency movements	(1)	(2)
At 31 December	**21**	**25**

19 Trade and other payables

€ million	**2024**	**2023**
Trade payables	649	633
Capital expenditure payables	69	60
Tax and social security	65	59
Other payables	82	66
Accruals	404	387
Deferred income	12	14
Total trade and other payables	**1,281**	**1,219**

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

20 Provisions

€ million	Restructuring costs	Employee-related provisions	Environmental restoration	Other	Total
At 1 January 2024	7	26	4	11	48
Charged to consolidated income statement	43	9	14	13	79
Released to consolidated income statement	(1)	–	–	(2)	(3)
Amounts used	(17)	(7)	–	(6)	(30)
Unwinding of discount	–	1	–	–	1
Acquired through business combinations (see note 26)	–	–	2	–	2
At 31 December 2024	**32**	**29**	**20**	**16**	**97**
Current	32	7	11	15	65
Non-current	–	22	9	1	32

The provisions for restructuring costs are expected to be settled over the next year. Restructuring provisions include severance costs, when management has made a formal decision to eliminate certain positions and this has been communicated to the groups of employees affected, and other related costs that are typically expected to be incurred in the course of a restructuring programme.

Employee-related provisions comprise provisions for jubilee awards and other short-term benefits. Given the nature of jubilee provisions, the amounts are likely to be settled over many years.

The Group provides for the costs of environmental remediation that have been identified at the time of plant closure, as part of acquisition due diligence or in other circumstances where remediation by the Group is required and a probable outflow of economic resources is identified. Judgement and experience are used by management in determining the expected timing, closure and decommissioning methods, which can vary over time and between locations in response to the relevant legal requirements in each territory or the impact of applying new technologies. As of 31 December 2024, such provisions totalled €20 million (2023: €4 million).

The Group does not provide for any potential future environmental remediation or asset retirement obligations in respect of plants that the Group continues to own and operate into the foreseeable future based on the existing strategy of the Group, unless a legal or constructive obligation exists at the reporting date. €11 million (2023: €nil) of provision for environmental restoration was recognised in relation to the closure of Stambolijski paper mill (Bulgaria) this year (see note 3).

Provisions may be identified at a future date if a change in strategy results in planned plant closure or disposal and the Group identifies the need for future environmental remediation subject to the existence of a legal or constructive obligation.

Other provisions are mainly attributable to potential claims against the Group and onerous contracts, none of which are individually material to the Group. The Group expects to settle the majority of the provisions over the next year.

All non-current provisions are discounted using a discount rate relevant in the local countries, based on a pre-tax yield on long-term bonds.

21 Capital management

The Group defines its capital employed as equity, as presented in the consolidated statement of financial position, plus net debt.

€ million	2024	2023
Equity attributable to shareholders	4,857	5,655
Equity attributable to non-controlling interests	493	441
Total equity	**5,350**	**6,096**
Net debt (see note 27c)	**1,732**	**419**
Capital employed (see page 217)	**7,082**	**6,515**

Capital employed is managed on a basis that enables the Group to continue trading as a going concern, while delivering acceptable returns to shareholders. The Group is committed to managing its cost of capital by maintaining an appropriate capital structure, with a balance between equity and net debt.

The Group utilises its capital employed to fund its business.

The primary sources of the Group's liquidity include its €3 billion Guaranteed Euro Medium Term Note Programme, its €750 million Syndicated Revolving Credit Facility (RCF), which has been increased to €1 billion effective from 2 January 2025, and financing from various banks and other credit agencies, thus providing the Group with access to diverse sources of debt financing.

The principal loan arrangements in place are the following:

€ million	Maturity	Interest rate %	2024	2023
Financing facilities				
Syndicated Revolving Credit Facility[1]	June 2028	EURIBOR + margin	750	750
€500 million Eurobond	April 2024	1.500%	–	500
€600 million Eurobond	April 2026	1.625%	600	600
€750 million Eurobond	April 2028	2.375%	750	750
€500 million Eurobond	May 2032	3.750%	500	–
Long-Term Facility Agreement	December 2026	EURIBOR + margin	13	20
Other	Various	Various	–	4
Total committed facilities			**2,613**	**2,624**
Drawn			(1,863)	(1,870)
Total committed facilities available			**750**	**754**

Note:
1 In December 2024, the Group's Syndicated Revolving Credit Facility was increased from a €750 million facility to a €1 billion facility effective from 2 January 2025.

The Group's Eurobonds incur a fixed rate of interest. Swap agreements are utilised by the Group to raise non-euro-denominated currency to fund subsidiaries' liquidity needs, thereby exposing the Group to floating interest rates.

In April 2024, the Group repaid its €500 million Eurobond at maturity and, in May 2024, issued a new €500 million 8 year Eurobond maturing in May 2032 at a coupon of 3.750% per annum. The new Eurobond was issued under the Group's Guaranteed Euro Medium Term Note Programme and the proceeds were used for general corporate purposes.

The RCF incorporates key sustainability targets linked to MAP2030, classifying the facility as a Sustainability-Linked Loan. Under the terms of the agreement, the margin will be adjusted according to the Group's performance against specified sustainability targets.

Short-term liquidity needs are met by cash and the RCF. As at 31 December 2024, the Group had no financial covenants in any of its financing facilities.

The Group currently has investment grade credit ratings from both Moody's (Baa1, outlook stable) and Standard & Poor's (A-, outlook stable).

The Group reviews its capital employed on a regular basis and makes use of several indicative ratios which are appropriate to the nature of its operations and consistent with conventional industry measures. The principal ratios used include:

	2024	2023
Net debt to underlying EBITDA (times) (see page 218)	1.7	0.3
Return on capital employed (%) (see page 218)	9.6	12.8

In order to manage its cost of capital, maintain an appropriate capital structure and meet its ongoing cash flow needs, the Group may issue new debt instruments; adjust the level of dividends paid to shareholders; issue new shares to, or repurchase shares from, investors; or dispose of assets to reduce its net debt exposure.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

22 Borrowings

	2024			2023		
€ million	Current	Non-current	Total	Current	Non-current	Total
Secured						
Lease liabilities (see note 12)	24	104	128	21	104	125
Total secured	**24**	**104**	**128**	**21**	**104**	**125**
Unsecured						
Bonds	–	1,842	1,842	500	1,345	1,845
Bank loans and overdrafts	39	6	45	38	11	49
Total unsecured	**39**	**1,848**	**1,887**	**538**	**1,356**	**1,894**
Total borrowings	**63**	**1,952**	**2,015**	**559**	**1,460**	**2,019**
Committed facilities drawn			1,863			1,870
Uncommitted facilities drawn			152			149

The Group's borrowings as at 31 December are analysed by nature and underlying currency as follows:

2024/€ million	Floating rate borrowings	Fixed rate borrowings	Total carrying value	Fair value
Euro	15	1,908	1,923	1,918
South African rand	4	29	33	33
Turkish lira	5	18	23	23
US dollar	5	9	14	14
Other currencies	–	22	22	22
Carrying value	**29**	**1,986**	**2,015**	
Fair value	**29**	**1,981**		**2,010**

2023/€ million	Floating rate borrowings	Fixed rate borrowings	Total carrying value	Fair value
Euro	20	1,911	1,931	1,895
South African rand	–	23	23	23
Turkish lira	5	28	33	33
US dollar	–	12	12	12
Other currencies	–	20	20	20
Carrying value	**25**	**1,994**	**2,019**	
Fair value	**25**	**1,958**		**1,983**

In addition to the above, the Group swaps euro debt into other currencies through the foreign exchange market using foreign exchange contracts, as disclosed in note 31, which has the effect of exposing the Group to the floating interest rates of these currencies.

The fair values of the Eurobonds are estimated with reference to the last price quoted in the secondary market. All other financial liabilities are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The maturity analysis of the Group's borrowings, presented net of interest, is as follows:

2024/€ million	<1 year	1–2 years	2–5 years	>5 years	Total[1]
Bonds	–	599	747	496	**1,842**
Bank loans and overdrafts	39	6	–	–	**45**
Lease liabilities (see note 12)	24	20	36	48	**128**
Total borrowings	**63**	**625**	**783**	**544**	**2,015**
Effective interest on borrowings net of amortised costs and discounts	58	46	93	107	**304**
Total undiscounted cash flows	**121**	**671**	**876**	**651**	**2,319**

2023/€ million	<1 year	1–2 years	2–5 years	>5 years	Total[1]
Bonds	500	–	1,345	–	**1,845**
Bank loans and overdrafts	38	6	5	–	**49**
Lease liabilities	21	18	36	50	**125**
Total borrowings	**559**	**24**	**1,386**	**50**	**2,019**
Effective interest on borrowings net of amortised costs and discounts	45	33	62	40	**180**
Total undiscounted cash flows	**604**	**57**	**1,448**	**90**	**2,199**

Note:
1 It has been assumed that, where applicable, interest and foreign exchange rates prevailing at the reporting date will not vary over the time periods remaining for future cash outflows.

23 Share capital and other reserves

Mondi plc is not restricted in the number of shares that can be issued. Any issue of shares is subject to shareholder approval. Mondi plc ordinary shares issued on the London Stock Exchange and Johannesburg Stock Exchange have a nominal value of €0.22 (2023: €0.20). All ordinary shares are called up, allotted and fully paid.

On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to shareholders by way of a special dividend of €1.60 per existing ordinary share. In addition, in order to maintain the comparability, so far as possible, of Mondi plc's share price before and after the special dividend, the special dividend was accompanied by a share consolidation, which took effect on 29 January 2024, resulting in shareholders receiving 10 new ordinary shares with a nominal value of €0.22 each for every 11 existing ordinary shares with a nominal value of €0.20 each.

To effect the share consolidation, the Group issued 3 additional ordinary shares prior to the record date for the share consolidation, increasing the number of ordinary shares from 485,553,780 ordinary shares to 485,553,783 ordinary shares, so that the number of the existing ordinary shares in issue at the time of the consolidation was exactly divisible by 11, such that there was no remaining fraction of a share. Following the share consolidation, the total number of ordinary shares issued decreased by 44,141,253 ordinary shares from 485,553,783 ordinary shares to 441,412,530 ordinary shares, while the total nominal value of the share capital of the Group remained unchanged at €97 million.

	Number of shares	€ million
At 31 December 2023[1]	485,553,780	97
Shares issued	3	–
Effect of share consolidation	(44,141,253)	–
At 31 December 2024	**441,412,530**	**97**

Note:
1 There were no movements in the share capital of Mondi plc in 2023.

Own shares

Own shares represent the cost of shares in Mondi plc purchased in the market to satisfy share awards under the Group's employee share schemes (see note 24). These costs are reflected in the consolidated statement of changes in equity.

	Own shares held			
	2024		2023	
at 31 December	Number of shares held	Average price per share	Number of shares held	Average price per share
Mondi Incentive Schemes Trust	107,170	ZAR220.30	128,478	ZAR201.84
Mondi Employee Share Trust	768,520	GBP12.90	492,184	GBP14.10

Dividend waivers are in place in respect of the shares held by the Mondi Incentive Schemes Trust and the Mondi Employee Share Trust.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

23 Share capital and other reserves continued

Other reserves

€ million	Cumulative translation adjustment reserve	Post-retirement benefits reserve	Share-based payment reserve	Cash flow hedge reserve	Merger reserve	Other sundry reserves	Total
At 1 January 2023	(859)	(35)	17	1	667	27	**(182)**
Other comprehensive income/(expense) for the year	339	(16)	–	–	–	–	**323**
Hyperinflation monetary adjustment	–	(2)	–	–	–	–	**(2)**
Mondi share schemes' charge	–	–	9	–	–	–	**9**
Issue of shares under employee share schemes	–	–	(7)	–	–	–	**(7)**
At 31 December 2023	**(520)**	**(53)**	**19**	**1**	**667**	**27**	**141**
Other comprehensive income/(expense) for the year	64	(2)	–	(1)	–	–	**61**
Hyperinflation monetary adjustment (see note 7)	–	(4)	–	–	–	–	**(4)**
Mondi share schemes' charge (see note 24)	–	–	9	–	–	–	**9**
Issue of shares under employee share schemes	–	–	(9)	–	–	–	**(9)**
At 31 December 2024	**(456)**	**(59)**	**19**	**–**	**667**	**27**	**198**

A description of the nature and purpose of each reserve is provided below. The accounting policies applied to each reserve are further described in note 35.

Cumulative translation adjustment reserve

Exchange differences arising on the translation of the Group's non-euro operations into the presentation currency of the Group are recognised in other comprehensive income and accumulated in the cumulative translation adjustment reserve. The cumulative amount is reclassified to profit or loss only on disposal or partial disposal of the non-euro operation.

Post-retirement benefits reserve

Actuarial gains and losses and the return on plan assets arising from the Group's defined benefit pension and post-retirement medical plans are recognised in other comprehensive income and accumulated in the post-retirement benefits reserve. Remeasurements recorded in other comprehensive income are not recycled to the consolidated income statement, but those amounts recognised in other comprehensive income may be transferred to retained earnings within equity.

Share-based payment reserve

The share-based payment reserve is used to recognise the grant date fair value of options issued to employees but not exercised and the grant date fair value of shares awarded to employees but not yet vested.

Cash flow hedge reserve

The cash flow hedge reserve is used to recognise the effective portion of changes in the fair value of derivative financial instruments that are designated as hedges of future cash flows.

Merger reserve

The merger reserve was recognised in respect of the demerger from Anglo American plc in 2007 and the simplification of the dual-listed company structure in 2019.

Other sundry reserves

The other sundry reserves comprise various other reserves, which individually are not material and typically are not subject to material changes.

24 Share-based payments

Mondi share awards

The Group has established its own share-based payment arrangements to incentivise employees. Further details of the Group's share schemes are set out in the Remuneration report on page 120.

The fair values of the share awards granted under the Mondi schemes are calculated with reference to the facts and assumptions presented below:

	BSP 2024	BSP 2023	BSP 2022
Date of grant	3 May 2024	6 March 2023	10 March 2022
Vesting period (years)	3	3	3
Expected leavers p.a. (%)	5	5	5
Grant date fair value per instrument (GBP)	15.64	13.98	14.03
Grant date fair value per instrument (ZAR)	363.00	306.00	281.55
Number of shares conditionally awarded	299,272	596,448	541,730

	LTIP 2024	LTIP 2023	LTIP 2022
Date of grant	3 May 2024	6 March 2023	10 March 2022
Vesting period (years)	3	3	3
Expected leavers p.a. (%)	5	5	5
Grant date fair value per instrument (GBP)			
ROCE component	15.64	13.98	14.03
TSR component[1]	3.91	3.50	3.51
EPS component	15.64	13.98	–
Grant date fair value per instrument (ZAR)			
ROCE component	363.00	306.00	281.55
TSR component[1]	90.75	76.50	70.39
EPS component	363.00	306.00	–
Number of shares conditionally awarded	635,790	613,826	614,253

Note:
1 The base fair value has been adjusted for contractually determined market-based performance conditions.

Since the 2023 LTIP grant, performance has been assessed against ROCE, relative TSR and an additional EPS metric. The inclusion of this growth metric, together with ROCE and relative TSR, provides a more rounded assessment of performance.

All of these scheme awards will be settled at the end of the vesting cycle in either the award of ordinary shares in Mondi plc or the award of nil-cost options to ordinary shares in Mondi plc. The Group has no obligation to settle the awards made under these schemes in cash. An amount equal to the dividends that would have been paid on Bonus Share Plan (BSP) and Long-Term Incentive Plan (LTIP) share awards during the holding period is paid to participants upon vesting.

The total fair value charge in respect of all the Mondi share awards for the year ended 31 December is made up as follows:

€ million	2024	2023
Bonus Share Plan	7	6
Long-Term Incentive Plan	2	3
Total share-based payment expense	**9**	**9**

The weighted average share price of share awards that vested during the period is as follows:

	2024	2023
London Stock Exchange	GBP14.62	GBP14.00
Johannesburg Stock Exchange	ZAR352.85	ZAR308.52

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

24 Share-based payments continued

A reconciliation of share award movements for the Mondi share schemes is shown below:

number of shares	BSP	LTIP
At 1 January 2023	879,083	1,498,338
Shares conditionally awarded	596,448	613,826
Shares vested	(159,633)	(226,044)
Shares lapsed	(85,841)	(389,797)
At 31 December 2023	**1,230,057**	**1,496,323**
Shares conditionally awarded	299,272	635,790
Shares vested	(229,107)	(246,560)
Shares lapsed	(7,581)	(165,057)
At 31 December 2024	**1,292,641**	**1,720,496**

25 Retirement benefits

The Group operates post-retirement defined contribution, post-retirement defined benefit pension plans, and post-retirement medical plans.

Defined contribution plans

The assets of the defined contribution plans are held separately in independently administered funds. The charge in respect of these plans of €14 million (2023: €14 million) is calculated on the basis of the contribution payable by the Group in the financial year. There were no material outstanding or prepaid contributions recognised in relation to these plans as at the reporting dates presented. The expected contributions to be paid to defined contribution plans during 2025 are €15 million.

Defined benefit pension plans and post-retirement medical plans

The Group operates in excess of 100 defined benefit retirement plans across its global operations. A large proportion of the Group's defined benefit plans are closed to new members.

The majority of these plans are unfunded and provide pensions and severance benefits to members of those plans.

The most significant unfunded defined benefit plans are operated in Austria and Germany, and funded plans are operated primarily in Canada and the UK. These plans are established in accordance with applicable local labour legislation and/or collective agreements with participating employees.

The benefits are based on a variety of factors, the most significant of which are a combination of pensionable service and final salary. A number of these plans also provide additional benefits in the event of death in service, disability or ill-health retirement, which are derived from the final salary benefit formula.

The assets of the funded plans are held separately in independently administered funds, in accordance with statutory requirements or local practice where those funds are operated. The boards of trustees of these plans are required to act in the best interests of the plans and all relevant stakeholders of the plans (active employees, inactive employees, retirees and employers), and are responsible for the Investment policy with regard to the assets of the plans.

The post-retirement medical plans provide health benefits to retired employees and certain of their dependants. Eligibility for cover is dependent upon certain criteria. The South African plan is unfunded and has been closed to new participants since 1 January 1999.

Except for the actuarial risks set out below, the Group has not identified any additional specific risks in respect of these plans.

In June 2023, the UK High Court ruled that certain historical amendments for contracted out defined benefit schemes will be void unless the scheme actuary had confirmed, when the amendment was made, that the pension scheme would continue to satisfy the statutory standard for contracted-out schemes. Following a hearing in late June 2024, the UK Court of Appeal issued a judgement on 25 July 2024 upholding this ruling. The Trustees of the Group's two UK Pension Schemes have recently undertaken Section 37 Reviews through their lawyers and have confirmed that there is no material risk to either of the schemes resulting from historical deed amendments.

Defined benefit plans typically expose the Group to the following actuarial risks:

Investment risk (asset volatility)	The present value of the net retirement benefit liability/asset is calculated using a discount rate determined by reference to high-quality bond yields. If the return on plan assets is below this rate, it will create a plan deficit that needs to be funded/guaranteed by the employer.
Interest risk	A decrease in the bond interest rate will increase plan liabilities; however, this will be partially offset by an increase in the value of the plan's fixed rate debt instruments.
Longevity risk	The present value of the net retirement benefit liability/asset is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liabilities.
Salary risk	The present value of the net retirement benefit liability/asset is calculated by reference to the expected future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liabilities.
Medical cost inflation risk	The present value of the post-retirement medical plans is calculated by reference to expected future medical costs. An increase in medical cost inflation will increase the plan liabilities.

Independent qualified actuaries carry out full valuations every year using the projected unit credit method.

Actuarial assumptions

The weighted average principal assumptions used in the actuarial valuations are detailed below:

	2024			2023		
%	Europe	South Africa	Other regions[1]	Europe	South Africa	Other regions[1]
Discount rate	3.9	10.2	8.1	3.6	10.8	18.1
Rate of inflation	2.4	5.6	5.0	2.5	6.1	14.8
Rate of increase in salaries	2.8	6.5	6.8	2.7	7.1	15.9
Rate of increase of pensions in payment	2.6	–	2.0	2.7	–	–
Expected average increase of medical costs	–	7.0	–	–	8.7	–

Note:
1 The change in actuarial assumptions in other regions is mainly due to the pension plan related to the Hinton Pulp mill acquired in February 2024.

The assumption for the discount rate for plan liabilities is based on AA corporate bonds which are of a suitable duration and currency. In South Africa, the discount rate assumption has been based on the zero coupon government bond yield curve.

Mortality assumptions

The assumed remaining life expectancies on retirement at age 65 are:

	2024			2023		
years	Europe	South Africa	Other regions	Europe	South Africa	Other regions
Retiring today						
Males	13.6–25.0	16.3	15.3–22.0	13.6–23.3	16.3	15.3–20.7
Females	17.5–28.7	20.4	17.7–25.0	17.5–25.8	20.4	17.7–25.3
Retiring in 20 years						
Males	13.6–27.5	16.3	15.3–24.0	13.6–26.6	18.7	15.3–20.0
Females	17.5–31.1	20.4	17.7–26.0	17.5–28.8	23.0	17.7–25.3

The mortality assumptions have been based on published mortality tables in the relevant jurisdictions.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

25 Retirement benefits continued

The amounts recognised in the consolidated statement of financial position are determined as follows:

	2024				2023			
€ million	Europe	South Africa	Other regions	Total	Europe	South Africa	Other regions	Total
Present value of unfunded liabilities	(97)	(29)	(14)	**(140)**	(97)	(29)	(14)	**(140)**
Present value of funded liabilities	(78)	–	(43)	**(121)**	(84)	–	–	**(84)**
Present value of plan liabilities	**(175)**	**(29)**	**(57)**	**(261)**	**(181)**	**(29)**	**(14)**	**(224)**
Fair value of plan assets	63	–	40	**103**	70	–	–	**70**
Plan liabilities net of plan assets	**(112)**	**(29)**	**(17)**	**(158)**	**(111)**	**(29)**	**(14)**	**(154)**
Amounts reported in consolidated statement of financial position								
Defined benefit pension plans	3	–	–	**3**	5	–	–	**5**
Net retirement benefits asset	**3**	**–**	**–**	**3**	**5**	**–**	**–**	**5**
Defined benefit pension plans	(115)	–	(17)	**(132)**	(116)	–	(14)	**(130)**
Post-retirement medical plans	–	(29)	–	**(29)**	–	(29)	–	**(29)**
Net retirement benefits liability	**(115)**	**(29)**	**(17)**	**(161)**	**(116)**	**(29)**	**(14)**	**(159)**

The changes in the present value of defined benefit liabilities and fair value of plan assets are as follows:

	Defined benefit liabilities		Fair value of plan assets		Net liability	
€ million	2024	2023	2024	2023	2024	2023
At 1 January	(224)	(220)	70	73	(154)	(147)
Included in consolidated income statement						
Current service cost	(7)	(4)	–	–	(7)	(4)
Past service cost	(1)	–	–	–	(1)	–
Loss from settlement	–	(1)	(1)	–	(1)	(1)
Interest	(14)	(11)	5	3	(9)	(8)
Included in consolidated statement of comprehensive income						
Remeasurement gains/(losses)	3	(20)	–	–	3	(20)
Return on plan assets	–	–	(5)	(3)	(5)	(3)
Acquired through business combinations (see note 26)	(38)	(3)	38	–	–	(3)
Contributions paid by employer	–	–	2	2	2	2
Benefits paid	22	28	(7)	(6)	15	22
Currency movements	(2)	7	1	1	(1)	8
At 31 December	**(261)**	**(224)**	**103**	**70**	**(158)**	**(154)**

The expected maturity analysis of undiscounted retirement benefits is as follows:

	2024			2023		
€ million	Defined benefit pension plans	Post-retirement medical plans	Total	Defined benefit pension plans	Post-retirement medical plans	Total
Less than a year	12	3	**15**	10	3	**13**
Between one and two years	9	4	**13**	10	3	**13**
Between two to five years	27	11	**38**	29	11	**40**
After five years	225	138	**363**	148	135	**283**

The weighted average duration of the defined retirement benefits liability for South Africa is 7 years (2023: 7 years), Europe 10 years (2023: 10 years) and other regions 18 years (2023: 15 years).

It is expected that the Group's share of contributions will increase as the schemes' members age. The expected contributions to be paid to defined benefit pension plans and post-retirement medical plans during 2025 are €14 million.

The market values of the plan assets in these plans are detailed below:

	2024			2023		
€ million	Quoted	Unquoted	Total	Quoted	Unquoted	Total
External equity	–	15	**15**	–	–	**–**
Bonds	–	23	**23**	–	3	**3**
Insurance contracts	–	58	**58**	–	64	**64**
Cash	1	–	**1**	3	–	**3**
Other	–	6	**6**	–	–	**–**
Fair value of plan assets	**1**	**102**	**103**	**3**	**67**	**70**

The majority of the Group's plan assets are located in UK and Canada pension schemes.

The UK pension schemes are closed, have no active members and have undertaken 'buy-ins' in 2022 and 2023 by purchasing insured annuity contracts to fund their future liabilities. The next stage for the two UK pension schemes is to complete buy-outs by transferring their liabilities to third parties, followed by the closure of these schemes. The purchased insured annuity contracts exactly fund the future payment benefits of the scheme, eliminating the risks for future scheme deficits.

As part of the acquisition of Hinton Pulp mill in Alberta (Canada) from West Fraser Timber Co. Ltd the Group was required to establish a registered pension plan to replace the prior plan sponsored by West Fraser Mills Ltd. The plan has been established for all transferred employees who participated in the prior plan sponsored by West Fraser Mills Ltd for service from and after the closing date.

The fair values of plan assets are determined in accordance with IAS 19.

The actual return on plan assets in respect of defined benefit plans was €nil (2023: €nil).

The market value of assets is used to determine the funding level of the plans and is sufficient to cover 85% (2023: 83%) of the benefits which have accrued to members, after allowing for expected increases in future earnings and pensions. Companies within the Group are paying contributions at rates agreed with the plans' trustees and in accordance with local independent actuarial advice and statutory provisions.

In certain jurisdictions, Group plans are subject to minimum funding requirements. At 31 December 2024, these minimum funding requirements did not give rise to the recognition of any additional liabilities.

Sensitivity analyses

The sensitivity analyses below have been determined based on reasonably possible changes to the respective assumptions occurring at the end of the financial year, while holding all other assumptions constant.

The sensitivity analyses may not be representative of the actual changes in the net retirement benefits asset/(liability), as it is unlikely that the changes in assumptions would occur in isolation of one another and some of the assumptions may be inter-related. The projected unit credit method was used to calculate the sensitivity analyses below.

The sensitivity table is based on a 1% change by reference to the movement in actuarial assumptions in the tables above; however, the estimates may vary by greater amounts. Therefore, the Board considers the retirement benefit obligations a significant accounting estimate.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

25 Retirement benefits continued

€ million	1% increase	1% decrease
Discount rate		
(Decrease)/increase in current service cost	(1)	2
(Decrease)/increase in net retirement benefits liability	(26)	32
Rate of inflation		
Increase in current service cost	1	–
Increase/(decrease) in net retirement benefits liability	16	(12)
Rate of increase in salaries		
Increase in current service cost	1	–
Increase/(decrease) in net retirement benefits liability	9	(6)
Rate of increase of pensions in payment		
Decrease in current service cost	2	–
Increase/(decrease) in net retirement benefits liability	8	(6)
Medical cost trend rate		
Decrease in aggregate of the current service cost and interest cost	–	–
Increase/(decrease) in net retirement benefits liability	1	(1)
Mortality rates	**1-year increase**	
Decrease in current service cost	(1)	
Increase in net retirement benefits liability	(8)	

26 Business combinations

To 31 December 2024

On 5 February 2024, the Group announced the completion of the acquisition of Hinton Pulp mill in Alberta (Canada) from West Fraser Timber Co. Ltd (West Fraser) for an agreed consideration of USD 5 million, before working capital adjustments. The mill has the capacity to produce around 250,000 tonnes of pulp per annum and will provide the Group with access to local, high-quality fibre from a well-established wood basket as part of a long-term partnership with West Fraser. The Group intends to invest in the mill to improve productivity and sustainability performance and, subject to pre-engineering and permitting, expand the facility primarily with a new kraft paper machine which will integrate its paper bag operations in the Americas and support future growth.

Hinton's revenue for the year ended 31 December 2024 was €115 million with a loss after tax of €21 million. Since the date of acquisition, Hinton's revenue of €102 million and a loss after tax of €17 million have been included in the consolidated income statement.

Details of the net assets acquired, as adjusted from book to fair value, are as follows:

€ million	Fair value
Net assets acquired	
Property, plant and equipment	4
Inventories	15
Trade and other receivables	17
Total assets	**36**
Trade and other payables	(11)
Deferred tax liabilities	(4)
Other provisions	(2)
Total liabilities	**(17)**
Net assets acquired	**19**
Gain on purchase before transaction-related costs	(13)
Net cash paid per consolidated statement of cash flows	**6**

Transaction costs of €4 million were charged to other net operating expenses in the consolidated income statement.

The acquisition is a purchase of assets that constitutes a business accounted for under IFRS 3, 'Business Combinations'. The purchase price allocation resulted in a net gain on purchase of €9 million, net of transaction-related costs, as the fair value of net assets acquired was in excess of the consideration paid. The gain on purchase is attributable to the mill's loss-making operations at the time of the transaction and the need for investment to improve productivity and sustainability performance. The gain was recognised in other net operating expenses in the consolidated income statement.

The fair values of assets acquired and liabilities assumed in business combinations are level 3 measures in terms of the fair value measurement hierarchy. Property, plant and equipment has been measured at fair value using relevant valuation methods accepted under IFRS 13, 'Fair Value Measurement', with related deferred tax adjustments. Management has considered the impact of environmental and climate risks on the estimated fair values of Hinton's property, plant and equipment. These considerations did not have a material impact.

To 31 December 2023

On 12 January 2023, the Group completed the acquisition of the Duino mill near Trieste (Italy) from the Burgo Group. Details of this business combination were disclosed in note 25 of the Group's Integrated report and financial statements 2023.

27 Consolidated cash flow analysis

(a) Reconciliation of profit before tax to cash generated from operations

€ million	2024	2023
Profit before tax from continuing operations	**378**	**682**
Depreciation and amortisation	443	408
Impairment of property, plant and equipment (not included in special items)	–	3
Share-based payments	9	9
Net cash flow effect of current and prior year special items	116	17
Net finance costs	70	73
Net monetary loss/(gain) arising from hyperinflationary economies	5	(2)
Net loss from joint ventures	3	5
Impairment of investments in joint ventures	–	5
Increase/(decrease) in provisions	13	(17)
Decrease in net retirement benefits	(8)	(19)
Net movement in working capital	(108)	229
(Increase)/decrease in inventories	(70)	389
(Increase)/decrease in operating receivables	(140)	56
Increase/(decrease) in operating payables	102	(216)
Fair value gains on forestry assets	(7)	(128)
Felling costs	92	87
Net gain on disposal of property, plant and equipment	(12)	(13)
Insurance reimbursements for property damages	(13)	(17)
Other adjustments	(11)	(10)
Cash generated from continuing operations	**970**	**1,312**

(b) Cash and cash equivalents

€ million	2024	2023
Cash and cash equivalents per consolidated statement of financial position	278	1,592
Bank overdrafts included in short-term borrowings	(9)	–
Cash and cash equivalents per consolidated statement of cash flows	**269**	**1,592**

The cash and cash equivalents of €278 million (2023: €1,592 million) include money market funds of €50 million (2023: €840 million) valued at fair value through profit and loss, with the remaining balance carried at amortised cost with fair values approximate to the carrying values presented.

The Group operates in certain countries where the existence of exchange controls or access to hard currency may restrict the use of certain cash balances outside of those countries. These restrictions are not expected to have any material effect on the Group's ability to meet its ongoing obligations.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

27 Consolidated cash flow analysis continued

(c) Movement in net debt

The Group's net debt position is as follows:

€ million	Cash and cash equivalents	Current financial asset investments[1]	Subtotal	Debt due within 1 year[2]	Debt due after 1 year	Debt-related derivative financial instruments[1]	Subtotal	Total net debt
At 1 January 2023	1,061	1	**1,062**	(96)	(1,970)	(7)	**(2,073)**	**(1,011)**
Cash flow	336	–	**336**	40	–	77	**117**	**453**
Cash movement from continuing operations	(248)	–	**(248)**	–	–	–	**–**	**(248)**
Proceeds from borrowings	–	–	**–**	(16)	–	–	**(16)**	**(16)**
Repayment of borrowings	–	–	**–**	33	–	–	**33**	**33**
Repayment of lease liabilities	–	–	**–**	22	–	–	**22**	**22**
Net cash outflow from debt-related derivative financial instruments	–	–	**–**	–	–	77	**77**	**77**
Discontinued operations	584	–	**584**	1	–	–	**1**	**585**
Additions to lease liabilities	–	–	**–**	(14)	(18)	–	**(32)**	**(32)**
Disposal of lease liabilities	–	–	**–**	2	6	–	**8**	**8**
Movement in unamortised loan costs	–	–	**–**	(1)	(2)	–	**(3)**	**(3)**
Net movement in fair value of derivative financial instruments	–	–	**–**	–	–	(63)	**(63)**	**(63)**
Reclassification	–	–	**–**	(519)	519	–	**–**	**–**
Elimination of assets and liabilities previously classified as held for sale	320	–	**320**	(1)	(23)	–	**(24)**	**296**
Currency movements	(125)	–	**(125)**	30	28	–	**58**	**(67)**
At 31 December 2023	**1,592**	**1**	**1,593**	**(559)**	**(1,460)**	**7**	**(2,012)**	**(419)**
Cash flow	(1,311)	–	**(1,311)**	535	(496)	47	**86**	**(1,225)**
Cash movement from continuing operations	(1,311)	–	**(1,311)**	–	–	–	**–**	**(1,311)**
Proceeds from Eurobonds	–	–	**–**	–	(496)	–	**(496)**	**(496)**
Repayment of Eurobonds	–	–	**–**	500	–	–	**500**	**500**
Proceeds from borrowings	–	–	**–**	(9)	(215)	–	**(224)**	**(224)**
Repayment of borrowings	–	–	**–**	18	215	–	**233**	**233**
Repayment of lease liabilities	–	–	**–**	26	–	–	**26**	**26**
Net cash outflow from debt-related derivative financial instruments	–	–	**–**	–	–	47	**47**	**47**
Additions to lease liabilities	–	–	**–**	(11)	(19)	–	**(30)**	**(30)**
Disposal of lease liabilities	–	–	**–**	–	2	–	**2**	**2**
Movement in unamortised loan costs	–	–	**–**	–	(2)	–	**(2)**	**(2)**
Net movement in fair value of derivative financial instruments	–	–	**–**	–	–	(49)	**(49)**	**(49)**
Reclassification	–	–	**–**	(25)	25	–	**–**	**–**
Currency movements	(12)	(1)	**(13)**	6	(2)	–	**4**	**(9)**
At 31 December 2024	**269**	**–**	**269**	**(54)**	**(1,952)**	**5**	**(2,001)**	**(1,732)**

Notes:
1 Included in financial instruments in the consolidated statement of financial position.
2 Excludes bank overdrafts of €9 million (2023: €nil), which are included in cash and cash equivalents (see note 27b).

The Group incurred interest expense of €107 million (2023: €122 million) in relation to bank overdrafts, loans and lease liabilities. Included in this expense is €35 million (2023: €53 million) relating to forward exchange rates on derivative contracts and interest paid on borrowings of €44 million (2023: €50 million).

28 Russian operations (discontinued operations)

The Group has concluded its exit from Russia with the completion of the disposal of the packaging converting operations and the Syktyvkar mill on 30 June 2023 and 4 October 2023 respectively. The net proceeds from the sale of the Russian assets were distributed to shareholders on 13 February 2024 by way of a special dividend (see notes 9, 10, and 23 for further details).

Syktyvkar mill

On 17 September 2023, the Group announced that it had entered into an agreement to sell its Syktyvkar mill to Sezar Invest LLC (Sezar Invest) for a total cash consideration of RUB 80 billion. The disposal was completed and ownership of the Syktyvkar mill was transferred to Sezar Invest on 4 October 2023 after the Group had received RUB 57 billion (€547 million) into its London bank account and a letter of credit for the remaining RUB 23 billion. The final two instalments of the consideration for RUB 23 billion (€229 million) were received in November and December 2023 respectively, resulting in total proceeds received in cash of €776 million.

€ million	2023
Proceeds from the disposal of business, net of cash and cash equivalents	389
Cash and cash equivalents disposed	387
Consideration in cash	**776**
Carrying amount of net assets disposed	(875)
Loss on reclassification of foreign currency translation reserve	(599)
Related transaction costs	(12)
Loss on disposal of business, net of related transaction costs and tax	**(710)**

Packaging converting operations

On 30 June 2023, the Group completed the sale of its three Russian packaging converting operations to the Gotek Group for a consideration of RUB 1.6 billion resulting in proceeds of €30 million. The three packaging converting operations comprise a corrugated solutions plant, LLC Mondi Lebedyan, and two consumer flexibles plants, LLC Mondi Aramil and LLC Mondi Pereslavl.

€ million	2023
Proceeds from the disposal of business, net of cash and cash equivalents	12
Cash and cash equivalents disposed	18
Consideration in cash	**30**
Carrying amount of net assets disposed	(40)
Loss on reclassification of foreign currency translation reserve	(34)
Related transaction costs	(2)
Loss on disposal of business, net of related transaction costs and tax	**(46)**

Financial performance

The financial performance and cash flow information of the discontinued operations are set out in the tables below and cover the period until the respective dates of disposal in 2023:

€ million	2023
External revenue	709
Expenses	(561)
Profit before tax	**148**
Related tax charge	(47)
Profit for the year of discontinued operations	**101**
Loss on sale of business, net of related transaction costs and tax	(756)
Loss from discontinued operations attributable to shareholders	**(655)**
Exchange differences on translation of discontinued non-euro operations	(227)
Reclassification of foreign currency translation reserve to consolidated income statement on disposal of businesses of discontinued operations	633
Other comprehensive income from discontinued operations attributable to shareholders	**406**
Total comprehensive expense from discontinued operations attributable to shareholders	**(249)**

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

28 Russian operations (discontinued operations) continued

Earnings per share (EPS) from discontinued operations attributable to shareholders

euro cents	2023
Basic EPS	(135.0)
Diluted EPS	(135.0)

Cash flow statement

€ million	2023
Net cash generated from operating activities	223
Net cash generated from investing activities[1]	368
Net cash used in financing activities	(7)
Net increase in cash and cash equivalents of discontinued operations	**584**

Note:
1 Includes proceeds from the sale of the Russian operations of €806 million less cash disposed of €405 million.

29 Capital commitments

Capital expenditure contracted for at the end of the financial year but not recognised as liabilities is as follows:

€ million	2024	2023
Property, plant and equipment	371	632
Intangible assets	1	2
Total capital commitments	**372**	**634**

30 Contingent liabilities

The Group's contingent liabilities as at 31 December 2024 were €nil (2023: €3 million). No acquired contingent liabilities have been recorded in the Group's consolidated statement of financial position for either year presented.

31 Financial instruments

The Group's trading and financing activities expose it to various financial risks that, if left unmanaged, could adversely impact current or future earnings. Although not necessarily mutually exclusive, these financial risks are categorised separately according to their different generic risk characteristics and include market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group manages all of these financial risks in order to minimise their potential adverse impact on the Group's financial performance.

The principles, practices and procedures governing the Group-wide financial risk management process have been approved by the Board and are overseen by the Executive Committee. In turn, the Executive Committee delegates authority to a central Treasury function (Group Treasury) for the practical implementation of the financial risk management process across the Group and for ensuring that the Group's entities adhere to specified financial risk management policies. Group Treasury continually reassesses and reports on the financial risk environment, identifying, evaluating and hedging financial risks by entering into derivative contracts with counterparties where appropriate. The Group does not take speculative positions on derivative contracts.

(a) Financial instruments by category

2024/€ million	Fair value hierarchy[1]	At amortised cost	At fair value through profit or loss	Total
Financial assets				
Trade and other receivables[2]		1,069	–	**1,069**
Financial asset investments	Level 2	16	13	**29**
Derivative financial instruments	Level 2	–	10	**10**
Cash and cash equivalents	Level 1	228	50	**278**
Total		**1,313**	**73**	**1,386**

2023/€ million	Fair value hierarchy[1]	At amortised cost	At fair value through profit or loss	Total
Financial assets				
Trade and other receivables[2]		1,015	–	**1,015**
Financial asset investments	Level 2	16	13	**29**
Derivative financial instruments	Level 2	–	13	**13**
Cash and cash equivalents	Level 1	752	840	**1,592**
Total		**1,783**	**866**	**2,649**

Notes:
1 Fair value hierarchy level is disclosed for financial assets measured at fair value through profit or loss.
2 Excludes tax, social security and prepayments.

The fair values of financial assets investments represent the published prices of the securities concerned.

2024/€ million	Fair value hierarchy[1]	At amortised cost	At fair value through profit or loss	At fair value through OCI	Total
Financial liabilities					
Borrowings – bonds		(1,842)	–	–	**(1,842)**
Borrowings – loans and overdrafts		(45)	–	–	**(45)**
Borrowings – lease liabilities[2]		(128)	–	–	**(128)**
Trade and other payables[3]		(1,204)	–	–	**(1,204)**
Derivative financial instruments	Level 2	–	(8)	(1)	**(9)**
Total		**(3,219)**	**(8)**	**(1)**	**(3,228)**

2023/€ million	Fair value hierarchy[1]	At amortised cost	At fair value through profit or loss	At fair value through OCI	Total
Financial liabilities					
Borrowings – bonds		(1,845)	–	–	**(1,845)**
Borrowings – loans and overdrafts		(49)	–	–	**(49)**
Borrowings – lease liabilities[2]		(125)	–	–	**(125)**
Trade and other payables[3]		(1,146)	–	–	**(1,146)**
Derivative financial instruments	Level 2	–	(4)	–	**(4)**
Total		**(3,165)**	**(4)**	**–**	**(3,169)**

Notes:
1 Fair value hierarchy level is disclosed for financial liabilities measured at fair value through profit or loss.
2 Lease liabilities are financial instruments outside of scope of IFRS 9, 'Financial Instruments', and are accounted for under IFRS 16, 'Leases' (see note 35).
3 Excludes tax, social security and deferred income.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

31 Financial instruments continued

(b) Fair value measurement

There have been no transfers of assets or liabilities between levels of the fair value hierarchy during the year.

Except as detailed below, the carrying values of financial instruments at amortised cost as presented in the consolidated financial statements approximate their fair values.

	Carrying amount		Fair value	
€ million	2024	2023	2024	2023
Financial liabilities				
Borrowings	2,015	2,019	2,010	1,983

The fair values of the Eurobonds represent level 1 fair values and are estimated with reference to the last price quoted in the secondary market. The fair values of all other borrowings represent level 3 fair values and are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(c) Financial risk management

Market risk

The Group's activities expose it primarily to foreign exchange and interest rate risk. Both risks are actively monitored on a regular basis and managed through the use of foreign exchange contracts and interest rate swaps as appropriate. Although the Group's cash flows are exposed to movements in key input and output prices, such movements represent the commercial rather than financial risks inherent to the Group.

Foreign exchange risk

The Group operates globally and is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions denominated in foreign currencies, recognised financial assets and liabilities (monetary items) denominated in foreign currencies and translational exposure on net investments in non-euro operations.

Foreign exchange contracts

The Group's Treasury policy requires subsidiaries to actively manage foreign currency transactional exposures against their functional currencies by entering into foreign exchange contracts. For segmental reporting purposes, each subsidiary enters into, and accounts for, foreign exchange contracts with Group treasury or with counterparties that are external to the Group, whichever is more commercially appropriate.

Only material balance sheet exposures and highly probable forecast capital expenditure transactions are hedged.

Foreign currency sensitivity analysis

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures inherent in the Group's financial assets and financial liabilities at the reporting dates presented, net of related foreign exchange contracts. The sensitivity analysis provides an indication of the impact on the Group's reported earnings of reasonably possible changes in the currency exposures embedded within the functional currency environments that the Group operates in. In addition, an indication is provided of how reasonably possible changes in foreign exchange rates might impact on the Group's equity, as a result of fair value adjustments to foreign exchange contracts designated as cash flow hedges. Reasonably possible changes are based on an analysis of historical currency volatility, together with any relevant assumptions regarding near-term future volatility.

Net monetary foreign currency exposures by functional currency zone for continuing operations

	Net monetary foreign currency exposures – assets/(liabilities)[1]			
	2024		2023	
€ million	EUR	Other	EUR	Other
Functional currency zones[2]				
Euro	–	(34)	–	(17)
South African rand	–	(3)	1	(7)
Egyptian pound	(31)	1	(79)	1
Czech koruna	4	(1)	(3)	–
Polish zloty	(9)	7	(5)	2
Swedish krona	–	–	(11)	2
Turkish lira	2	1	6	1
Other	(5)	18	(42)	(2)

Notes:
1 Presented in euro, the presentation currency of the Group.
2 Net monetary exposures represent financial assets less financial liabilities denominated in currencies other than the applicable functional currency, adjusted for the effects of foreign exchange risk hedging, excluding cash flow hedging of non-monetary assets and liabilities.

Functional to foreign currency net monetary exposure sensitivity

Functional to foreign currency net monetary exposure sensitivity is €1 million or less for each major currency assuming a 5% appreciation and/or depreciation of functional currency, with the exception of euro which has an exposure sensitivity of €2 million (2023: €1 million) and Egyptian pound of €2 million (2023: €4 million).

Interest rate risk

The Group holds cash and cash equivalents, which earn interest at a variable rate, and has variable and fixed rate debt in issue. Consequently, the Group is exposed to interest rate risk. Although the Group has fixed rate debt in issue, the Group's accounting policy stipulates that all borrowings are held at amortised cost. As a result, the carrying value of fixed rate debt is not sensitive to changes in credit conditions in the relevant debt markets, and there is, therefore, no exposure to fair value interest rate risk.

Management of cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term highly liquid investments which have a maturity of three months or less from the date of acquisition. Centralised cash pooling arrangements are in place, which ensure that cash is utilised most efficiently for the ongoing working capital needs of the Group's operating units and, in addition, to ensure that the Group earns the most advantageous rates of interest available.

Management of variable rate debt

The Group has multiple variable rate debt facilities, of which the most significant is the Syndicated Revolving Credit Facility (see note 21).

The Group's cash and cash equivalents act as a natural hedge to movements in the relevant interbank lending rates on its variable rate debt, subject to any interest rate differentials that exist between the Group's corporate saving and lending rates.

Net variable rate debt sensitivity analysis

The net variable rate exposure represents variable rate debt less the future cash outflows swapped from variable to fixed via interest rate swap instruments and cash and cash equivalents. Reasonably possible changes in interest rates have been applied to the net variable rate exposure, denominated by currency, in order to provide an indication of the possible impact on the Group's consolidated income statement.

Interest rate risk sensitivities on variable rate debt

	Interest rate risk exposures					
	2024			2023		
€ million	EUR	Other	Total	EUR	Other	Total
Total borrowings	1,923	92	**2,015**	1,931	88	**2,019**
Less:						
Fixed rate borrowings	(1,841)	(17)	**(1,858)**	(1,844)	(25)	**(1,869)**
Lease liabilities	(67)	(61)	**(128)**	(67)	(58)	**(125)**
Cash and cash equivalents	(148)	(130)	**(278)**	(985)	(607)	**(1,592)**
Net variable rate debt and exposure	**(133)**	**(116)**	**(249)**	**(965)**	**(602)**	**(1,567)**

Included in other is net variable exposure to various currencies, the most significant of which is Turkish lira (2023: Turkish lira).

The potential impact on the Group's consolidated equity resulting from the application of a 50 basis point increase to the variable interest rate exposure would be a profit of €1 million and vice versa for a 50 basis point reduction.

In addition to the above, the Group swaps euro debt into other currencies through the foreign exchange market using foreign exchange contracts, which has the effect of exposing the Group to the interest rates of these currencies. The currencies swapped into/(out of) and the amounts as at 31 December were as follows:

€ million	2024	2023
Short-dated contracts with tenures of less than 12 months		
Czech koruna	681	514
Pound sterling	7	107
Polish zloty	515	552
South African rand	203	212
Swedish krona	179	61
Thai baht	74	70
US dollar	206	413
Other	171	160
Total swapped against the euro	**2,036**	**2,089**

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

31 Financial instruments continued

Credit risk

The Group's principal credit risk is the risk of customers defaulting on sales invoices raised. The Group's exposure to the credit risk inherent in its trade receivables and the associated risk management techniques that the Group deploys in order to mitigate this risk are discussed in note 18. Additionally, the Group has credit risk on the investment of cash and derivative transactions with certain financial institutions. The Group Treasury manages the risk on these investments within approved credit limits.

Several Group entities have also issued certain financial guarantees to external counterparties in order to achieve competitive funding rates for specific debt agreements entered into by other Group entities. None of these financial guarantees contractually obligates the Group to pay more than the recognised financial liabilities in the entities concerned. As a result, these financial guarantee contracts have no bearing on the credit risk profile of the Group as a whole.

Liquidity risk

Liquidity risk is the risk that the Group could experience difficulties in meeting its commitments to creditors as financial liabilities fall due for payment. The Group manages its liquidity risk by using reasonable and retrospectively assessed assumptions to forecast the future cash-generative capabilities and working capital requirements of the businesses it operates and by maintaining sufficient reserves, committed borrowing facilities and other credit lines as appropriate.

The following table shows the amounts available to draw down on the Group's committed loan facilities:

€ million	2024	2023
Expiry date		
Two to five years	750	750
Above five years	–	4
Total committed facilities available (see note 21)	**750**	**754**

Forecast liquidity represents the Group's expected cash inflows, generated principally from sales made to customers, less the Group's expected cash outflows, related principally to the payment of employees, supplier payments and the repayment of borrowings plus the payment of any interest accruing thereon. The matching of these cash inflows and outflows rests on the expected ageing profiles of the underlying assets and liabilities.

Short-term financial assets and financial liabilities are represented primarily by the Group's trade receivables and trade payables. The matching of the cash flows that result from trade receivables and trade payables typically takes place over a period of three to four months from recognition in the consolidated statement of financial position and is managed to ensure the ongoing operating liquidity of the Group.

Financing cash outflows may be longer term in nature. The Group does not hold long-term financial assets to match against these commitments, but is significantly invested in long-term non-financial assets which generate the sustainable future cash inflows, net of future capital expenditure requirements, needed to service and repay the Group's borrowings.

(d) Derivative financial instruments

At 31 December 2024, the Group recognised total derivative assets of €10 million (2023: €13 million) and derivative liabilities of €9 million (2023: €4 million). The net asset of €1 million (2023: €9 million) will mature within one year.

The notional amount of €2,719 million (2023: €2,678 million) is the aggregate face value of all derivatives outstanding at the reporting date. They do not indicate the contractual future cash flows of the derivative instruments held or their current fair value and, therefore, do not indicate the Group's exposure to credit or market risks. Of the €2,719 million (2023: €2,678 million) aggregate notional amount, €2,690 million (2023: €2,643 million) relates primarily to the economic hedging of foreign exchange exposures on short-term intercompany funding balances, which are fully eliminated on consolidation.

Derivative financial instruments are not offset in the consolidated statement of financial position; however, they are subject to International Swaps and Derivatives Association (ISDA) master netting agreements. The reduction in credit risk as a result of these enforceable master netting arrangement or similar agreements is €4 million (2023: €4 million).

Hedging

The Group designates certain derivative financial instruments as cash flow hedges. The fair value gains/(losses) are reclassified from the cash flow hedge reserve to the consolidated income statement in the period when the hedged transaction affects profit and loss. For non-current non-financial assets, these gains/(losses) are included in the carrying value of the asset and depreciated over the same useful life as the cost of the asset.

The Group designates both the spot and forward elements of forward foreign exchange contracts to hedge its currency risk and applies a hedge ratio of 1:1. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group's policy is for critical terms of the forward exchange contracts to align with the hedged items and uses the same method to determine hedge ineffectiveness.

Fair value gains of €1 million (2023: losses of €1 million) were reclassified from the cash flow hedge reserve to property, plant and equipment during the current year.

32 Related party transactions

The Group and its subsidiaries, in the ordinary course of business, enter into various sale, purchase and service transactions with associated undertakings in which the Group has a material interest. These related party transactions have been contracted on an arm's length basis.

Transactions between Mondi plc and its subsidiaries, which are related parties, and transactions between its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

	Joint ventures	
€ million	**2024**	**2023**
Sales to related parties	10	7
Purchases from related parties	587	663
Trade and other receivables from related parties	2	1
Trade and other payables due to related parties	72	86
Loans receivable from related parties	11	11

Compensation for the Board and key management

In accordance with IAS 24, 'Related Party Disclosures', key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, and includes directors (both executive and non-executive) of Mondi plc. The Board and those members of the Group Executive Committee who are not directors comprise the key management personnel of the Group. The remuneration of the directors is disclosed in the Remuneration report.

€ million	**2024**	**2023**
Salaries and short-term employee benefits	6.8	6.1
Non-executive director fees	1.5	1.4
Defined contribution plan payments	0.5	0.5
Social security costs	1.1	1.1
Share-based payments	3.5	3.6
Total	**13.4**	**12.7**

Details of the transactions between the Group and its pension and post-retirement medical plans are disclosed in note 25.

33 Group companies

Composition of the Group

The subsidiaries of the Group as at 31 December 2024 are set out in note 11 of the Mondi plc parent company financial statements. All of these interests are consolidated within the Group's financial statements.

Refer to Mondi's global footprint on page 5 of the overview to the Integrated report for more information on the places of operation.

A list of subsidiaries taking advantage of an exemption from audit under Section 479A of the Companies Act 2006 is disclosed in note 9 of the Mondi plc parent company financial statements.

Details of non-wholly owned subsidiaries

	Proportion of ownership interests and voting rights held by non-controlling interests (%)		Profit attributable to non-controlling interests		Equity attributable to non-controlling interests	
€ million, unless otherwise stated	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Mondi SCP, a.s. and its subsidiaries	49	49	39	3	366	328
Individually immaterial subsidiaries with non-controlling interests			5	16	127	113
Total			**44**	**19**	**493**	**441**

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

33 Group companies continued

Summarised financial information on the Group's material non-wholly owned subsidiaries is as follows:

Mondi SCP, a.s. and its subsidiaries

The summarised financial information represents amounts before elimination of intra-group transactions conducted in the ordinary course of business. The results of the subsidiary on the stand-alone basis may differ from those included in the Group. The subsidiary's registered office as disclosed in note 11 of the Mondi plc parent company financial statements is also its principal place of business.

Statement of financial position

€ million	2024	2023
Non-current assets	643	676
Current assets	355	230
Current liabilities	(153)	(150)
Non-current liabilities	(88)	(79)
Net assets	**757**	**677**
Equity attributable to non-controlling interests	366	328

Income statement and statement of comprehensive income

€ million	2024	2023
Revenue	753	735
Operating costs (including taxation)	(673)	(733)
Profit for the year	**80**	**2**
Attributable to non-controlling interests	39	3
Total comprehensive income for the year	**80**	**2**
Attributable to non-controlling interests	39	3

Statement of cash flows

€ million	2024	2023
Net cash inflow from operating activities	134	29
Net cash outflow from investing activities	(22)	(34)
Net cash outflow from financing activities	(11)	(31)
Net cash inflow/(outflow)	**101**	**(36)**

In prior year, Mondi AG acquired 100% of the shares in Mondi Neusiedler GmbH and Ybbstaler Zellstoff GmbH for a purchase price of €10 each from Mondi SCP, a.s. and Obaly SOLO, s.r.o. respectively on 27 February 2023, thereby increasing the Group's effective ownership from 51% to 100% with no changes in the Group's ownership of Mondi SCP, a.s. and Obaly SOLO, s.r.o.

34 Events occurring after 31 December 2024

Aside from the final ordinary dividend proposed for 2024 (see note 10), there have been no material reportable events since 31 December 2024.

35 Accounting policies

Basis of consolidation

The consolidated financial statements incorporate the revenues, expenses, assets, liabilities, equity and cash flows of Mondi plc and its subsidiaries (the Group), and the Group's share of associates and joint ventures drawn up to 31 December each year. All intra-group balances and transactions are eliminated.

A subsidiary is an entity over which the Group has control. Control is evident where the Group is exposed to, or has rights to, variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity.

The results of subsidiaries acquired or disposed of during the years presented are included in the consolidated income statement from the effective date of acquiring control or up to the effective date of disposal.

Non-controlling interests are measured, at initial recognition, as the non-controlling proportion of the fair values of the assets and liabilities recognised at acquisition.

After initial recognition, non-controlling interests are measured as the aggregate of the value at initial recognition and their subsequent proportionate share of profits and losses less any distributions made.

Changes in the Group's interests in subsidiaries that do not result in a change in control are accounted for as equity transactions. Any resulting difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration payable or receivable is recognised directly in equity and attributed to the shareholders.

Foreign currency transactions and translation

Foreign currency transactions

Foreign currency transactions are translated into the functional currency of the entity that has undertaken the transaction, using the exchange rates ruling on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the reporting date. Gains and losses arising on translation are included in the consolidated income statement and are classified as either operating or financing consistent with the nature of the monetary item giving rise to them.

Translation of non-euro operations

The Group's results are presented in euro, the currency in which most of its business is conducted. On consolidation, the assets and liabilities of the Group's non-euro operations are translated into the presentation currency of the Group at exchange rates prevailing on the reporting date. Income and expense items, except those which arise in countries with hyperinflationary economies (see note 7), are translated at the average exchange rates for the month in which they occur, where these approximate the rates on the dates of the underlying transactions. Exchange differences, if any, are recognised directly in other comprehensive income, and accumulated in the Group's currency translation adjustment reserve in equity. Such translation differences are reclassified to profit or loss only on disposal or partial disposal of the non-euro operation.

Hyperinflation accounting (note 7)

The Group has applied IAS 29, 'Financial Reporting in Hyperinflationary Economies', to its subsidiaries in Türkiye and Lebanon, whose functional currencies have experienced a cumulative inflation rate of more than 100% over the past three years. Assets, liabilities, the financial position and results of non-euro operations in hyperinflationary economies are translated to euro at the exchange rates prevailing on the reporting date. The exchange differences are recognised directly in other comprehensive income or expense, and accumulated in the Group's cumulative translation adjustment reserve in equity. Such translation differences are reclassified to profit or loss only on disposal or partial disposal of the non-euro operation.

Prior to translating the financial statements of the Turkish and Lebanese operations, the non-monetary assets and liabilities stated at historical cost are restated to account for changes in the general purchasing power of the local currencies based on the consumer price index (Turkish operations: TÜFE, 2003=100; Lebanese operations: CPI 2013=100) published by the Turkish Statistical Institute (TURKSTAT) and Central Administration of Statistics of the Lebanese Republic, respectively. Gains or losses resulting from the restatement of non-monetary assets and liabilities are recorded in the consolidated income statement as a net monetary gain or loss arising from hyperinflationary economies. Comparative amounts presented in euro are not restated for subsequent changes in the price level or exchange rates. The results of the Turkish and Lebanese operations are restated to the index level at the end of the period, with hyperinflationary gains and losses being reported in net monetary gain or loss arising from hyperinflationary economies.

Fair value measurement

Assets and liabilities that are measured at fair value, or where the fair value of financial instruments has been disclosed in notes to the consolidated financial statements, are based on the following fair value measurement hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

35 Accounting policies continued

The assets measured at fair value on level 3 of the fair value measurement hierarchy are the Group's forestry assets, as set out in note 15, and certain assets acquired and liabilities assumed in a business combination (see note 26).

The fair values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) require a degree of estimation and judgement and are determined using generally accepted valuation techniques. These valuation techniques maximise the use of observable market data and rely as little as possible on Group-specific estimates.

Specific valuation methodologies used to value financial instruments include the following:

- The fair values of foreign exchange contracts are calculated as the present value of expected future cash flows based on observable yield curves and exchange rates.
- The fair values of the Group's commodity price derivatives are calculated as the present value of expected future cash flows based on observable market data.
- Other techniques, including discounted cash flow analysis, are used to determine the fair values of other financial instruments.

Segmental reporting (note 2)

The Group's operating segments are reported in a manner consistent with the internal reporting provided to the Executive Committee, the chief operating decision-making body. The operating segments are managed based on the nature of the underlying products produced by those businesses and comprise three distinct segments. The number of reportable segments is the same as the number of identified operating segments.

Measurement of operating segment revenues, profit or loss, assets and non-current non-financial assets

Each of the operating segments derives its income from the sale of manufactured products.

The operating segment measures adhere to the recognition and measurement criteria presented in the Group's accounting policies and are presented on an underlying basis, excluding special items. The Group has presented certain non-IFRS measures (Alternative Performance Measures), as defined on pages 216-218, by segment to supplement the user's understanding. All intra-group transactions are conducted on an arm's length basis.

Revenue from contracts with customers (note 2)

Sale of goods

Revenue is recognised from the sale of goods and is measured at the amount of the transaction price received or receivable in exchange for transferring goods. The transaction price is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future, after deducting discounts, volume rebates, value added tax and other sales taxes. When the period of time between delivery of goods and subsequent payment by the customer is less than one year, no adjustment for a financing component is made.

Control of goods is passed when title and insurance risk have passed to the customer, which is typically when the goods have been delivered to a contractually agreed location.

The incremental costs of obtaining a contract are recognised as an expense when the period of amortisation over which the costs would have been recognised is one year or less. Otherwise, these costs are capitalised and amortised on a basis consistent with the transfer of goods to the customer to which the asset relates.

Transport revenue

Transport revenue is recognised as a distinct performance obligation when the Group provides transport services after the point in time after control of goods has passed to the customer. In these cases, the transport revenue is recognised over time.

Other income

Sale of green energy credits and emission allowances (note 17)

In certain countries the Group is subject to the European Union Trading Scheme and receives emission allowances (CO_2 certificates). Allowances are received annually and the Group is required to surrender rights equal to its actual emissions. The CO_2 certificates received from a government are recorded at a nominal amount that is usually nil. A liability is recognised when the actual emissions exceed the emission rights granted and still held. Where excess CO_2 certificates are sold to the third parties, the income is recognised within other net operating expenses in the consolidated income statement when ownership rights pass to the buyer.

Green energy credits (GECs) are earned through investments in green projects. GECs are accounted for as government grants and are measured at their fair value at initial recognition. GECs are recorded in inventory and are subject to an assessment of net realisable value at the end of each reporting period. When GECs are sold above or below their carrying value the gain or loss is recorded within other net operating expenses in the consolidated income statement when ownership rights pass to the buyer.

Insurance reimbursements (note 11)
Compensation for insurance reimbursements, including compensation for business interruptions and for the loss or impairment of property, plant and equipment, is recognised within other net operating expenses in the consolidated income statement when receipt is virtually certain.

Gain on purchase of a business (note 26)
Any gain on purchase of a business is recognised within other net operating expenses in the consolidated income statement.

Fair value gains/(losses) from forestry assets (note 15)
Changes in the fair value of forestry assets are recognised within other net operating expenses in the consolidated income statement.

Investment income (note 6)
Interest income, which is derived from cash and cash equivalents and other interest-bearing financial assets, is accrued on a time proportion basis, by reference to the principal outstanding and at the applicable effective interest rate.

Taxation (note 8)
The tax expense represents the sum of the current tax charge and the deferred tax charge.

Current tax
The current tax charge is based on taxable profit for the year. The Group's asset/liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date. The Group is regularly subject to routine tax audits. Provision is made based on the tax laws in the relevant country and the expected outcomes of any negotiations or settlements. Current tax is presented as a special item if the corresponding taxable income/expense is accounted for as a special item.

The Group is subject to corporate taxes in a number of jurisdictions and a degree of estimation and judgement is required in determining the appropriate tax provision for transactions where the tax treatment is uncertain. In these circumstances, the Group recognises provisions for taxes based on information available where the anticipated liability is both probable and estimable.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amount of assets and liabilities in the Group's consolidated financial statements and the corresponding tax bases used in the computation of taxable profits and is accounted for using the balance sheet liability method. Deferred tax is presented as a special item if the corresponding temporary difference arises from a special item.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition, other than in a business combination, of other assets and liabilities in a transaction that affects neither the tax profit nor accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date. In considering their recoverability, the Group assesses the likelihood of the assets being recoverable within a reasonably foreseeable timeframe. The carrying amount is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered. Similarly, it is increased to the extent that it becomes probable that sufficient taxable profit will be available in the future for all or part of the deferred tax asset to be recovered.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted and which are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited to the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Group applies the initial recognition exemption model to account for any investment tax credits. Deferred tax is not recognised for temporary differences relating to investment tax credits due to the availability of the initial recognition exemption.

Legislation in respect of the UK's adoption of OECD Pillar Two Multinational Top-up Tax was substantively enacted in 2023 and applies to the Group from 1 January 2024. Other countries in which the Group operates have brought in, or may bring in, their own domestic Pillar Two rules. The Group continues to monitor the potential impact of these rules. Currently the impact is expected to be immaterial on the Group's tax charge.

The Group applies the temporary exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12, 'Income Taxes' – International Tax Reform – Pillar Two Model Rules issued in May 2023.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

35 Accounting policies continued

Earnings per share (EPS) (note 9)

Basic EPS

The basic EPS is calculated by dividing net profit attributable to ordinary shareholders by the weighted average number of Mondi plc shares in issue during the year, net of own shares.

Diluted EPS

For diluted EPS, the weighted average number of Mondi plc ordinary shares in issue, net of own shares, is adjusted to assume conversion of all dilutive potential ordinary shares. At present these only include share awards granted to employees. Potential or contingent share issues are treated as dilutive when their conversion to shares would decrease EPS.

The weighted average number of ordinary shares in issue is the weighted number of shares in issue throughout the year and excludes own shares held by employee benefit trusts. A share consolidation combined with a special dividend reduces the weighted average number of ordinary shares in issue in the period when the transaction occurs from the date the special dividend is recognised.

EPS, if relevant, is presented separately for continuing operations and in total from continuing and discontinued operations on the face of the consolidated income statement.

Non-current non-financial assets excluding goodwill, deferred tax and net retirement benefit assets

Property, plant and equipment (note 11)

Property, plant and equipment principally comprise land and buildings, plant and equipment, assets under construction and other.

Property, plant and equipment is stated at cost less accumulated depreciation and impairment. Land and assets under construction are carried at cost less impairment. Cost includes site preparation, the purchase price of the equipment and directly attributable labour and installation costs. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Borrowing costs are capitalised on qualifying assets. The capitalisation of costs ceases when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management. Start-up and ongoing maintenance costs are recognised immediately as an expense.

Depreciation is charged to the consolidated income statement so as to write off the cost of assets, other than freehold land and assets under construction, over their estimated useful lives on a straight-line basis to their estimated residual values of nil or scrap value. Depreciation commences when the assets are ready for their intended use.

Residual values and useful lives are reviewed and adjusted, if appropriate, at least annually. An adjustment is made to the estimated useful lives of assets where climate change is anticipated to have a material impact. Estimated useful lives range from 3 years to 25 years for items of plant and equipment and other categories and up to a maximum of 40 years for buildings.

Insurance reimbursements for the loss or impairment of property, plant and equipment are recognised within other net operating expenses in the consolidated income statement when receipt is virtually certain.

Leases (note 12)

To the extent that a right of control exists over an identified asset subject to a lease, a right-of-use asset, representing the Group's right to use the underlying leased asset, is recognised within property, plant and equipment in the consolidated statement of financial position. A corresponding lease liability, representing the Group's obligation to make lease payments, is recognised, depending on the maturity of the underlying lease payments, within short-term borrowings or medium- and long-term borrowings in the consolidated statement of financial position at the commencement of the lease.

The right-of-use asset is measured initially at cost and includes the amount of initial measurement of the lease liability, any initial direct costs incurred, including advance lease payments, and an estimate of the dismantling, removal and restoration costs required in terms of the lease. Depreciation is charged to the consolidated income statement so as to depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease term shall include the period of an extension option where it is reasonably certain that the option will be exercised. Where the lease contains a purchase option, the asset is written off over the useful life of the asset when it is reasonably certain that the purchase option will be exercised.

The lease liability is measured at the present value of the future lease payments, including variable lease payments that depend on an index and the exercise price of purchase options where it is reasonably certain that the option will be exercised, discounted using the interest rate implicit in the lease, if readily determinable. If the implicit interest rate cannot be readily determined, the lessee's incremental borrowing rate is used. Finance charges are recognised within finance costs in the consolidated income statement over the period of the lease.

Lease expenses for leases with a duration of one year or less and low-value assets are not recognised in the consolidated statement of financial position, and are charged to the consolidated income statement when incurred. Low-value assets are determined based on quantitative criteria.

Intangible assets and R&D expenditure (note 14)
Intangible assets are measured initially at purchase consideration and are amortised on a straight-line basis over their estimated useful lives. Estimated useful lives vary between 3 years and 10 years and are reviewed at least annually.

Research expenditure is expensed in the year in which it is incurred. Development costs are capitalised when the completion of the asset is both commercially and technically feasible and are amortised on a systematic basis over the economic life of the related development. Development costs are recognised immediately as an expense if they do not qualify for capitalisation.

Impairment of property, plant and equipment and intangible assets
At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated. If the recoverable amount of an asset, or cash-generating unit (CGU) to which the asset relates, is less than its carrying amount, the carrying amount of the asset, or CGU, is reduced to its recoverable amount and an impairment recognised as an expense.

The recoverable amount of the asset, or CGU, is the higher of its fair value less costs to dispose and its value in use. In assessing value in use, the estimated future cash flows generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the smallest CGU to which the asset belongs.

Where the underlying circumstances change such that a previously recognised impairment subsequently reverses, the carrying amount of the asset, or CGU, is increased to the revised estimate of its recoverable amount. Such a reversal is limited to the carrying amount that would have been determined (taking into account depreciation or amortisation in the intervening period) had no impairment been recognised for the asset, or CGU, in prior years. A reversal of an impairment is recognised in the consolidated income statement.

Agriculture – owned forestry assets (note 15)
Owned forestry assets are biological assets measured at fair value less costs to sell, calculated by applying the expected selling price, less costs to harvest and deliver, to the estimated volume of timber on hand at each reporting date. The fair value less costs to sell is determined using a market-based approach. The estimated volume of timber on hand is determined based on the maturity profile of the area under afforestation, the species, the geographic location, the climate and other environmental considerations and excludes future growth. The product of these is then adjusted for risks associated with forestry assets.

Changes in fair value are recognised in the consolidated income statement within other net operating expenses. At point of harvest, the carrying value of forestry assets is transferred to inventory and recorded as a felling cost reduction to the fair value of forestry assets.

Directly attributable costs incurred during the year of biological growth and investments in standing timber are capitalised and presented within cash flows from investing activities.

Investments in joint ventures (note 16)
A joint venture is an entity in which the Group holds a long-term interest with contractually agreed sharing of control over the strategic, financial and operating decisions with one or more other venturers. Typically, the Group owns between 20% and 50% of the voting equity of its joint ventures. Investments in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

The Group's share of the profit or loss of joint ventures is recognised in net profit/(loss) from joint ventures. Any impairment is presented adjacent to the share of the joint venture's results in impairment of investments in joint ventures in the consolidated income statement.

Non-current assets held for sale and discontinued operations (note 28)
Non-current assets, and disposal groups, are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups), and its sale must be highly probable. Non-current assets, and disposal groups, classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell from the date on which these conditions are met. The deferred tax assets, assets arising from employee benefits and financial assets are specifically exempt from this requirement.

Any resulting impairment is reported through the consolidated income statement. From the time of classification as held for sale, the assets are no longer depreciated or amortised. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Comparative amounts in the consolidated statement of financial position are not adjusted.

Discontinued operations are either a separate major line of business or geographical area of operations that have been disposed of or are part of a single coordinated plan for disposal which satisfy the held for sale criteria. The discontinued operations' net profit or loss, other comprehensive income or expense and cash flows for current and comparative periods are presented separately in the consolidated income statement, the consolidated statement of comprehensive income and the consolidated statement of cash flows, including related notes to these statements. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the consolidated statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the consolidated statement of financial position.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

35 Accounting policies continued

Business combinations (note 26)

Identifiable net assets

The identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values on the acquisition date. If the initial accounting for assets and liabilities is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional fair values. The measurement period ends no later than 12 months from the acquisition date.

Cost of a business combination

The cost of a business combination includes the fair value of assets provided, liabilities incurred or assumed and any equity instruments issued by a Group entity, in exchange for control of an acquiree. The directly attributable costs associated with a business combination are expensed as incurred and recognised within other net operating expenses into the consolidated income statement.

Goodwill (note 13)

Any excess of the consideration of the acquisition over the fair values of the identifiable net assets acquired is attributed to goodwill. Goodwill is subsequently measured at cost less any impairment. Any gain on purchase is recognised within other net operating expenses in the consolidated income statement (see note 26).

Impairment of goodwill

Goodwill acquired through business combinations is allocated to the group of CGUs that is expected to benefit from the synergies of the combination and represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of the group of CGUs to which goodwill has been allocated is tested for impairment annually in the fourth quarter of each financial year and when events or changes in circumstances indicate that it may be impaired.

The recoverable amount of a group of CGUs is determined based on the higher of value in use or its fair value less costs of disposal. Value-in-use calculations use cash flow projections based on financial budgets covering a three-year period that are based on the latest forecasts for revenue and costs as approved by the Board. Projected revenues and costs are determined taking into consideration relevant industry forecasts for individual product lines, climate change, internal management projections, historical performance and announced industry capacity changes.

Cash flow projections beyond three years are based on internal management projections. Growth rates in the countries in which the Group operates are determined with reference to published gross domestic product information, and for specific product lines are determined with reference to published industry studies.

The discount rate is derived from the Group's weighted average cost of capital using published market data and published borrowing rates and adjusted for country risk and tax.

Any impairment is recognised in the consolidated income statement. Impairments of goodwill are not subsequently reversed.

Current non-financial assets

Inventories (note 17)

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is determined primarily on weighted average cost basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is defined as the selling price less any estimated costs to sell.

Equity instruments

Own shares (note 23)

The purchase by any Group entity of Mondi plc's equity instruments results in the recognition of own shares. The consideration paid or payable is deducted from equity. Where own shares are subsequently sold, reissued or otherwise disposed of, any consideration received or receivable is included in equity attributable to the shareholders of Mondi plc, net of any directly attributable incremental transaction costs and the related tax effects.

Dividend payments (note 10)

The dividend distributions to Mondi plc's ordinary shareholders are recognised as a liability when the dividends are declared and approved. Final dividends are accrued when approved by Mondi plc's ordinary shareholders at its Annual General Meeting and interim dividends are recognised when paid.

Share-based payments (note 24)

The Group operates a number of equity-settled, share-based compensation schemes. The fair value of the employee services received in exchange for the grant of share awards is recognised concurrently as an expense and an adjustment to equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the share awards granted, as adjusted for market performance conditions and non-market vesting conditions. Vesting conditions are included in assumptions about the number of awards that are expected to vest. At each reporting date, the Group revises its estimates of the number of share awards that are expected to vest as a result of changes in non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

Financial instruments (note 31)
Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated income statement.

Cash and cash equivalents (note 27b)
Cash and cash equivalents comprise cash on hand, money market funds, demand deposits and short-term, highly liquid investments of a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value. The money market funds are held at fair value through profit and loss, with the remaining balance of cash and cash equivalents carried at amortised cost. Bank overdrafts are shown within short-term borrowings in current liabilities in the consolidated statement of financial position. Cash and cash equivalents presented in the consolidated statement of cash flows are net of overdrafts.

Trade receivables (note 18)
Trade receivables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment.

Impairment of trade receivables (note 18)
A simplified lifetime expected credit loss (ECL) model is used to assess trade receivables for impairment. ECL is the present value of all cash shortfalls over the expected life of a trade receivable. Expected credit losses are based on historical loss experience on trade receivables, adjusted to reflect information about current economic conditions and reasonable and supportable forecasts of future economic conditions. At the date of initial recognition, the credit losses expected to arise over the lifetime of a trade receivable are recognised as an impairment.

Trade payables (note 19)
Trade payables are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest rate method.

Borrowings (note 22)
Interest-bearing loans and overdrafts are initially recognised at fair value, net of direct transaction costs. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the consolidated income statement over the term of the borrowings using the effective interest rate method.

Borrowing costs (note 6)
Interest on borrowings directly relating to the acquisition, construction or production of qualifying assets is capitalised until such time as the assets are substantially ready for their intended use. Where funds have been borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the construction period.

All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

Derivative financial instruments and hedge accounting (note 31d)
The Group enters into forward and swap contracts in order to hedge its exposure to foreign exchange, interest rate and commodity price risks.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and subsequently measured at fair value in the consolidated statement of financial position within financial instruments, and are classified as current or non-current depending on the maturity of the derivative.

Changes in the fair value of derivative financial instruments that are not formally designated in hedge relationships are recognised immediately in the consolidated income statement and are classified within operating profit or net finance costs, depending on the type of risk to which the derivative relates.

Notes to the consolidated financial statements
for the year ended 31 December 2024 continued

35 Accounting policies continued

Cash flow hedges

The effective portion of changes in the fair value of derivative financial instruments that are designated as hedges of future cash flows is recognised directly in other comprehensive income and accumulated in equity. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated income statement. If the cash flow hedge of a forecast transaction results in the recognition of a non-financial asset, then, at the time the asset is recognised, the associated gains or losses on the derivative that had previously been recognised in the Group's cash flow hedge reserve in equity are included in the initial measurement of the asset. For hedges that do not result in the recognition of a non-financial asset, amounts deferred in the Group's cash flow hedge reserve in equity are recognised in the consolidated income statement in the same period in which the hedged item affects profit or loss on a proportionate basis.

Hedge accounting is discontinued when the hedge relationship is revoked or the hedging instrument expires, is sold, terminated or exercised or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss deferred in equity remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial asset, it is included in the initial measurement of the non-financial asset or, for other cash flow hedges, it is classified to the consolidated income statement in the same period or periods as the forecast transaction is ultimately recognised. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss deferred in equity is included immediately in the consolidated income statement.

Retirement benefits (note 25)

The Group operates post-retirement defined contribution plans, post-retirement defined benefit pension plans and post-retirement medical plans for many of its employees.

Defined contribution plans

For defined contribution plans, the amount charged to the consolidated income statement is the contributions paid or payable during the financial year.

Defined benefit pension plans and post-retirement medical plans

For defined benefit pension and post-retirement medical plans, actuarial valuations are performed at each financial year end using the projected unit credit method. The average discount rate for the plans' liabilities is based on investment-grade-rated corporate bonds or similar government bonds of a suitable duration and currency. Plans' assets are measured using market values at the end of the financial year.

The net retirement benefits liability recognised in the consolidated statement of financial position represents the present value of the defined benefit liability as deducted by the fair value of any plan assets.

Any increase in the present value of plan liabilities expected to arise from employee service during the year is charged to personnel costs as service costs. Past service costs resulting from plan amendments or curtailments and gains or losses on settlements are charged to personnel costs. A net interest expense or net interest income is calculated by applying the discount rate, on a per plan basis, to the net defined benefit liability or asset and recognised in the consolidated income statement within finance costs.

Remeasurements comprising actuarial gains and losses and the return on plan assets (after recognising the net finance charge) are charged or credited to equity in other comprehensive income, net of deferred tax, in the financial year in which they occur. Remeasurements recorded in other comprehensive income are not recycled to the consolidated income statement, but those amounts recognised in other comprehensive income may be transferred within equity.

Provisions (note 20)

Provisions are recognised when the Group has a present obligation as a result of a past event, arising from a past event, and it is probable that the obligation will need to be settled. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date. When the effect of discounting is material, provisions are discounted to present value using country-specific discount rates for periods matching the duration of the underlying liability.

New accounting policies, early adoption and future requirements

Amendments to published standards effective during 2024

The following new amendments to standards have been adopted for the financial year beginning on 1 January 2024, and have had no material impact on the Group's results:

- Amendments to IAS 1 – Presentation of Financial Statements – Non-current Liabilities with Covenants
- Amendments to IAS 1 – Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
- Amendments to IFRS 16 – Leases – Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 and IFRS 7 – Statement of Cash Flows and Financial Instruments: Disclosures – Supplier Finance Arrangements

Amendments to published standards effective for the financial year beginning on 1 January 2025

The following amendment was adopted and will be effective for the financial year beginning on 1 January 2025. The amendment is not expected to have a material impact on the Group's results:

- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The Group is in the process of assessing the impact of IFRS 18, 'Presentation and Disclosure in Financial Statements', issued in April 2024, which will become effective and be adopted for the financial year beginning on 1 January 2027.

Mondi plc parent company balance sheet
as at 31 December 2024

€ million	Notes	2024	2023
Fixed assets			
Tangible assets	5	3	3
Shares in Group undertakings	6	3,604	3,604
Current assets			
Debtors: due within one year	7	1,214	1,138
Current liabilities			
Creditors: amounts falling due within one year		(13)	(10)
Provisions for liabilities		(1)	–
Net current assets		**1,200**	**1,128**
Total assets less current liabilities		**4,807**	**4,735**
Creditors: amounts falling due after more than one year		(3)	(3)
Provisions for liabilities		(1)	(2)
Net assets		**4,803**	**4,730**
Capital and reserves			
Called-up share capital	8	97	97
Profit and loss account		4,024	3,951
Merger reserve	8	637	637
Capital redemption reserve	8	29	29
Share-based payments reserve	8	16	16
Total shareholders' funds		**4,803**	**4,730**

Mondi plc reported a profit of €1,157 million (2023: €876 million) for the year ended 31 December 2024.

The financial statements of Mondi plc on pages 203-212 were authorised for issue by the Board on 19 February 2025 and were signed on its behalf by:

Andrew King
Director

Mike Powell
Director

Mondi plc company registered number: 6209386

Mondi plc parent company statement of changes in equity
for the year ended 31 December 2024

€ million	Called-up share capital	Profit and loss account	Merger reserve	Capital redemption reserve	Share-based payments reserve	Total equity
At 1 January 2023	97	3,421	637	29	14	**4,198**
Total comprehensive income for the year	–	876	–	–	–	**876**
Dividends	–	(345)	–	–	–	**(345)**
Mondi share schemes' charge	–	–	–	–	9	**9**
Issue of shares under employee share schemes	–	7	–	–	(7)	**–**
Purchases of own shares	–	(8)	–	–	–	**(8)**
At 31 December 2023	**97**	**3,951**	**637**	**29**	**16**	**4,730**
Total comprehensive income for the year	–	1,157	–	–	–	**1,157**
Dividends (see note 10 of the Group's consolidated financial statements)	–	(1,081)	–	–	–	**(1,081)**
Mondi share schemes' charge (see note 3)	–	–	–	–	9	**9**
Issue of shares under employee share schemes	–	9	–	–	(9)	**–**
Purchases of own shares	–	(12)	–	–	–	**(12)**
At 31 December 2024	**97**	**4,024**	**637**	**29**	**16**	**4,803**

Notes to the Mondi plc parent company financial statements
for the year ended 31 December 2024

1 Accounting policies

Basis of preparation

Mondi plc meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council. Accordingly, the financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101), as issued by the Financial Reporting Council and the Companies Act 2006.

As permitted by FRS 101, Mondi plc has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain items, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.

Where required, equivalent disclosures are given in the consolidated Group financial statements of Mondi plc, which are publicly available. The results, assets and liabilities of Mondi plc are included in the publicly available consolidated Group financial statements.

Mondi plc has made use of the exemption from presenting a profit and loss account, in accordance with Section 408 of the Companies Act 2006.

The financial statements have been prepared on a going concern basis. The assessment of going concern is disclosed in the Strategic report as part of the viability statement under the heading Going concern on page 71, which is incorporated by reference into these financial statements.

The financial statements are prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are described below. They have all been applied consistently throughout the year and the preceding year.

Material accounting policies

The material accounting policies applied by Mondi plc are the same as those presented in notes 1 and 35 to the Group's consolidated financial statements, to the extent that the Group's transactions and balances are applicable to the company financial statements. Principally, the accounting policies which are not directly relevant to the Mondi plc parent company financial statements are those relating to consolidation accounting, the recognition and subsequent measurement of goodwill and accounting in hyperinflationary economies.

The accounting policy, which is additional to those applied by the Group, is stated as follows:

Shares in Group undertakings

Shares in Group undertakings are stated at cost, less, where appropriate, provisions for impairment.

Impairment reviews are performed when there is an indicator that the carrying value of the shares in Group undertakings could exceed their recoverable amounts based on their value in use or fair value less costs to dispose. Value in use is calculated by discounting future expected cash flows. These calculations use cash flow projections based on Board-approved budgets and forecasts which reflect management's current experience and future expectations of the markets in which the Group undertaking operates.

Costs incremental and directly attributable to the acquisition of investments are capitalised.

Critical accounting judgements and significant accounting estimates

The preparation of the financial statements of Mondi plc includes the use of estimates and assumptions. Although the estimates used are based on management's best information about current circumstances and future events and actions, actual results may differ from those estimates. No critical accounting judgements or significant accounting estimates were identified.

2 Auditors' remuneration and employee information

Disclosure of the audit fees payable to the auditors for the audit of Mondi plc's financial statements is set out in note 4 of the Group's consolidated financial statements.

Mondi plc had 29 employees during the year (2023: 28).

Notes to the Mondi plc parent company financial statements
for the year ended 31 December 2024 continued

3 Share-based payments

The share schemes and the underlying assumptions used to estimate the associated fair value charge are set out in note 24 of the Group's consolidated financial statements.

4 Taxation

No deferred tax asset is recognised on gross temporary differences of €19 million (2023: €21 million) relating to share-based payment arrangements. Mondi plc has tax losses of €196 million (2023: €197 million) in respect of which no deferred tax asset has been recognised due to the low probability of future taxable profit streams or gains against which these could be utilised. Although Mondi plc receives dividend income from its subsidiaries, this dividend income is generally exempt from corporation tax.

Mondi plc is within the scope of the OECD Pillar 2 model rules as of 1 January 2024. Additional Pillar 2 top-up tax of €3 million has been included within the current tax charge for the year ended 31 December 2024, mostly arising in a small number of jurisdictions benefitting from tax incentives on capital investments and tax holidays.

5 Tangible assets

Mondi plc entered into an office building lease agreement for a total term of 10 years from 2 August 2021 and recognised a right-of-use asset of €3 million (2023: €3 million) accordingly. Corresponding lease liabilities are included in creditors and further split by maturity as presented in the balance sheet. The lease may only be terminated by Mondi plc after 5 years. Mondi plc does not intend to exercise the termination option, and thus it was not considered in the calculation of the right-of-use asset.

6 Shares in Group undertakings

€ million	2024	2023
Unlisted		
Shares at cost	3,721	3,721
Accumulated impairment	(117)	(117)
Total shares in Group undertakings	**3,604**	**3,604**

The shares in Group undertakings are in Mondi Investments Limited (incorporated in the UK), a wholly owned subsidiary which acts as an investment holding company, and Mondi South Africa (Pty) Limited (incorporated in South Africa), a wholly owned subsidiary which manages forestry operations and manufactures pulp, uncoated fine paper and containerboard.

7 Debtors: due within one year

Amounts held in a cash pool facility and on demand deposit with a subsidiary of €1,205 million (2023: €1,131 million) are included in debtors: due within one year. No provision on expected credit losses is recognised at 31 December 2024 (2023: €nil). The carrying amount of such deposits held at amortised cost approximated their fair value at 31 December 2024 and at 31 December 2023.

8 Capital and reserves

Full disclosure of the called-up share capital of Mondi plc is set out in note 23 of the Group's consolidated financial statements.

The merger reserve was recognised in respect of the simplification of the dual-listed company structure in 2019.

The capital redemption reserve is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of own shares out of distributable profits or, in certain circumstances, from the proceeds of a fresh issue of shares.

The share-based payment reserve is used to recognise the grant date fair value of options issued to employees but not exercised and the grant date fair value of shares awarded to employees but not yet vested.

On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to its shareholders by way of a special dividend. In addition, in order to maintain the comparability, so far as possible, of Mondi plc's share price before and after the special dividend, the special dividend was accompanied by a share consolidation, which took effect on 29 January 2024, resulting in shareholders receiving 10 new ordinary shares for every 11 existing ordinary shares. Further details are provided in notes 9, 10 and 23 of the Group's consolidated financial statements.

9 Financial guarantees

Mondi plc has issued financial guarantees in respect of the UK pension schemes of its subsidiaries, obligations incurred in the ordinary course of business and the borrowings of other Group undertakings. The likelihood of these financial guarantees being called is considered to be remote, and therefore the estimated financial effect of issuance is €nil (2023: €nil). The fair value of these issued financial guarantees is deemed to be immaterial.

€ million	2024	2023
Pension scheme guarantees	72	69
Guarantees of obligations of subsidiaries of Mondi plc		
Incurred in the ordinary course of business	7	4
In favour of banks and bondholders	3,095	3,061
Total exposure from financial guarantees	**3,174**	**3,134**

Mondi plc has issued unlimited guarantees in respect of obligations of various subsidiaries under a commercial card programme and in respect of Mondi Finance plc under ISDA Master Agreements. These guarantees are for obligations incurred in the ordinary course of business and the likelihood of these guarantees being called is considered to be remote, and therefore the estimated financial effect of issuance is €nil (2023: €nil). The fair value of these guarantees is deemed to be immaterial.

The following subsidiaries have taken advantage of an exemption from audit under Section 479A of the Companies Act 2006. As the ultimate parent, Mondi plc has provided a statutory guarantee for any outstanding liabilities of those subsidiaries. All subsidiary undertakings have been included in the consolidation of the Group.

- Mondi Consumer Goods Packaging UK Limited (registered number: 05188170)
- Mondi Packaging UK Holdings Limited (registered number: 03714255)
- Mondi Scunthorpe Limited (registered number: 01446927)

10 Events occurring after 31 December 2024

Aside from the final ordinary dividend proposed for 2024, included in note 10 of the Group's consolidated financial statements, there have been no material reportable events since 31 December 2024.

Notes to the Mondi plc parent company financial statements for the year ended 31 December 2024 continued

11 List of subsidiaries, associated undertakings and other significant holdings

The subsidiaries, associated undertakings and other significant holdings of Mondi plc at 31 December 2024 are set out below. Except where noted, all shares are held indirectly through a subsidiary or associated undertaking and the shares held are ordinary shares.

Company	Registered office	Principal activities	% of shares held by Group
Austria			
inno4wood GmbH[1]	Grazer Straße 11, 8600 Bruck an der Mur	Service, Flexible Packaging	22.79
Mondi AG	Marxergasse 4A, 1030 Vienna	Holding, Corporate	100.00
Mondi Coating Zeltweg GmbH	Bahnhofstrasse 3, 8740 Zeltweg	Production, Flexible Packaging	100.00
Mondi Consumer Packaging GmbH	Marxergasse 4A, 1030 Vienna	Holding, Flexible Packaging	100.00
Mondi Corrugated Services GmbH	Marxergasse 4A, 1030 Vienna	Service, Corrugated Packaging	100.00
Mondi Engineered Materials GmbH	Marxergasse 4A, 1030 Vienna	Holding, Flexible Packaging	100.00
Mondi Finance Europe GmbH	Marxergasse 4A, 1030 Vienna	Service, Corporate	100.00
Mondi FlexPack Trading GmbH	Marxergasse 4A, 1030 Vienna	Distribution, Flexible Packaging	100.00
Mondi Frantschach GmbH	Frantschach 5, 9413 St. Gertraud	Production, Flexible Packaging	100.00
Mondi Grünburg GmbH	Steyrtalstrasse 5, 4594 Grünburg	Production, Corrugated Packaging	100.00
Mondi Holdings Austria GmbH	Marxergasse 4A, 1030 Vienna	Holding, Corporate	100.00
Mondi Industrial Bags GmbH	Marxergasse 4A, 1030 Vienna	Holding, Flexible Packaging	100.00
Mondi Korneuburg GmbH	Erwin Schrödinger Strasse 2, 2100 Korneuburg	Production, Flexible Packaging	100.00
Mondi Neusiedler GmbH & Co KG	Theresienthalstrasse 50, 3363 Ulmerfeld-Hausmening	Production, Uncoated Fine Paper	100.00
Mondi Neusiedler Verwaltungs GmbH	Theresienthalstrasse 50, 3363 Ulmerfeld-Hausmening	Service, Uncoated Fine Paper	100.00
Mondi Oman Holding GmbH	Marxergasse 4A, 1030 Vienna	Holding, Flexible Packaging	70.00
Mondi Paper Sack Zeltweg GmbH	Bahnhofstrasse 3, 8740 Zeltweg	Distribution, Flexible Packaging	100.00
Mondi Paper Sales GmbH	Marxergasse 4A, 1030 Vienna	Distribution, Corrugated Packaging, Flexible Packaging, Uncoated Fine Paper	100.00
Mondi Release Liner Austria GmbH	Waidhofnerstrasse 11, 3331 Hilm	Production, Flexible Packaging	100.00
Mondi Styria GmbH	Bahnhofstrasse 3, 8740 Zeltweg	Production, Flexible Packaging	100.00
Mondi Uncoated Fine & Kraft Paper GmbH	Marxergasse 4A, 1030 Vienna	Holding, Corrugated Packaging, Flexible Packaging, Uncoated Fine Paper	100.00
Papierholz Austria GmbH	Frantschach 5, 9413 St. Gertraud	Service, Flexible Packaging	25.00
Belgium			
Mondi Poperinge N.V.	Nijverheidslaan 11, 8970 Poperinge	Production, Flexible Packaging	100.00
Bulgaria			
Mondi Stambolijski E.A.D	1 Zavodska Street, Stambolijski 4210, Plovdiv Region	Production, Flexible Packaging	100.00

Company	Registered office	Principal activities	% of shares held by Group
Canada			
Mondi Hinton Inc.	760 Switzer Drive, Hinton AB T7V 1V7	Production, Flexible Packaging	100.00
Colombia			
Mondi Cartagena SAS	CR 56 KM 9 14 BRR Mamonal, Cartagena, Bolivar	Production, Flexible Packaging	100.00
Côte d'Ivoire			
Mondi Abidjan S.A.	Zone Industrielle de Yopougon 01, Abidjan, BP 5676	Production, Flexible Packaging	50.00
Czech Republic			
EURO WASTE a.s.	Litoměřická 836, 41108 Štětí	Service, Flexible Packaging	100.00
Labe Wood s.r.o.[2]	Litoměřická 272, 41108 Štětí	Production, Flexible Packaging	24.99
Mondi Bags Štětí a.s.	Litoměřická 272, 41108 Štětí	Production, Flexible Packaging	100.00
Mondi Bupak s.r.o.	Papírenská 41, 37052 České Budějovice	Production, Corrugated Packaging	100.00
Mondi Coating Štětí a.s.	Litoměřická 272, 41108 Štětí	Production, Flexible Packaging	100.00
Mondi Štětí a.s.	Litoměřická 272, 41108 Štětí	Production, Flexible Packaging	100.00
Mondi Štětí White Paper s.r.o	Litoměřická 272, 41108 Štětí	Production, Flexible Packaging	100.00
Wood & Paper a.s.[2]	c.p. 138, 66491 Hlína	Service, Flexible Packaging	46.50
WBio a.s.[2]	c.p. 138, 66491 Hlína	Service, Flexible Packaging	46.50
Inno4wood Central and Eastern Europe s.r.o.[1, 3]	Vídeňská 186/118, Přízřenice, Brno, 619 00	Service, Flexible Packaging	22.79
Inno4wood Holding a.s.[1, 3]	Vídeňská 186/118, Přízřenice, Brno, 619 00	Service, Flexible Packaging	22.79
Egypt			
Mondi Cairo for Packaging Material S.A.E.	El-motawer El-turky (Polaris) Plots No. 7, 6th of October, Giza	Production, Flexible Packaging	100.00
Suez Bags Company (S.A.E.)	K30 Maadi, Ein Soukhna Road, 1002 Cairo	Production, Flexible Packaging	98.30
Finland			
Harvestia Oy	Selluntie 142, 70420 Kuopio	Service, Corrugated Packaging	100.00
Mondi Finland Services Oy	Selluntie 142, 70420 Kuopio	Holding, Corrugated Packaging	100.00
Mondi Powerflute Oy	P.O. Box 57, Kuopio, 70101, Finland	Production, Corrugated Packaging	100.00
France			
Mondi Gournay Sarl	22 Avenue Pierre 1er de Serbie, 75016 Paris	Service, Flexible Packaging	100.00
Mondi Lembacel SAS	11 rue de Reims, 51490 Bétheniville	Production, Flexible Packaging	100.00
Mondi Paper Sales France Sarl	22 Avenue Pierre 1er de Serbie, 75016 Paris	Distribution, Corrugated Packaging	100.00

Company	Registered office	Principal activities	% of shares held by Group
Germany			
Mondi Bad Rappenau GmbH	Wilhelm-Hauff-Strasse 41, 74906 Bad Rappenau	Production, Corrugated Packaging	100.00
Mondi Consumer Packaging International GmbH	Wielandstrasse 2, 33790 Halle	Holding, Flexible Packaging	100.00
Mondi Eschenbach GmbH	Am Stadtwald 14, 92676 Eschenbach	Production, Corrugated Packaging	100.00
Mondi Wellpappe Deutschland GmbH	Wielandstrasse 2, 33790 Halle	Dormant, Corrugated Packaging	100.00
Mondi Halle GmbH	Wielandstrasse 2, 33790 Halle	Production, Flexible Packaging	100.00
Mondi Hammelburg GmbH	Thüringenstrasse 1-3, 97762 Hammelburg	Production, Flexible Packaging	100.00
Mondi Holding Deutschland GmbH	Wielandstrasse 2, 33790 Halle	Holding, Corporate	100.00
Mondi Inncoat GmbH	Angererstrasse 25, 83064 Raubling	Production, Flexible Packaging	100.00
Mondi Jülich GmbH	Rathausstrasse 29, 52428 Jülich	Production, Flexible Packaging	100.00
Mondi Karton Deutschland GmbH[3]	Wielandstrasse 2, 33790 Halle	Dormant, Corrugated Packaging	100.00
Mondi Paper Sales Deutschland GmbH	Schauenburgerstraße 49, 20095 Hamburg	Flexible Packaging, Uncoated Fine Paper	100.00
Mondi Sendenhorst GmbH	Thüringenstrasse 1-3, 97762 Hammelburg	Distribution, Flexible Packaging	100.00
Mondi Trebsen GmbH	Erich-Hausmann-Strasse 1, 04687 Trebsen	Production, Flexible Packaging	100.00
Mondi Wellpappe Ansbach GmbH	Robert-Bosch-Strasse 3, 91522 Ansbach	Production, Corrugated Packaging	100.00
wood2M GmbH[2]	Hauptstrasse 16, 07366 Rosenthal am Rennsteig	Service, Corporate	50.00
Greece			
Mondi Thessaloniki A.E.	Sindos Industrial Zone – Block 18, 57022 Thessaloniki	Distribution, Flexible Packaging	100.00
Hungary			
Mondi Bags Hungária Kft.	Tünde u. 2, 4400 Nyíregyháza	Production, Flexible Packaging	100.00
Mondi Békéscsaba Kft.	Tevan Andor u. 2, 5600 Békéscsaba	Production, Flexible Packaging	100.00
Mondi Szada Kft.	Vasút u. 13, 2111 Szada	Production, Flexible Packaging	100.00
Iraq			
Al Inmaa Industrial Bags Ltd	Takya, Bazian, Sulaimaniyah	Production, Flexible Packaging	34.55
Italy			
Mondi Duino S.r.l.	S.Giovanni di Duino, 24/D, 34011, Duino Aurisina (TS)	Dormant, Corrugated Packaging	100.00
Mondi Gradisac S.r.l.	Via dell'Industria 11, 34072 Gradisca d'Isonzo, Gorizia	Production, Flexible Packaging	100.00
Mondi Italia S.r.l.	Via Balilla 32, 24058 Romano di Lombardia, Bergamo	Production, Flexible Packaging	100.00
Mondi Padova S.r.l.	Via Mazzini 21, 35010 San Pietro in Gu, Padua	Production, Flexible Packaging	100.00
Mondi Paper Sales Italia S.r.l.	Via A. Locatelli 2, 20124 Milano	Distribution, Corrugated Packaging, Flexible Packaging, Uncoated Fine Paper	100.00
Mondi Silicart S.r.l.	Via Mazzini 21, 35010 San Pietro in Gu, Padua	Service, Flexible Packaging	100.00
Mondi Tolentino S.r.l.	Via Giovanni Falcone 1, 62029 Tolentino, Macerata	Production, Flexible Packaging	100.00
NATRO TECH S.r.l.	Via Copernico snc, 24053 Brignano Gera d'Adda	Service, Flexible Packaging	100.00

Company	Registered office	Principal activities	% of shares held by Group
Japan			
Mondi Tokyo KK	7th floor 14-5, Akasaka 2-chrome, Minato-ku, Tokyo	Service, Flexible Packaging	100.00
Jordan			
Jordan Paper Sacks Co. Ltd.	Al Salt, Industrial Area, P.O. Box 119, 19374, Ain Al Basha	Production, Flexible Packaging	67.74
Republic of Korea			
Krauzen Co., Ltd.	29 floor, 521, Teheran-ro, Gangnam-gu, Seoul	Dormant, Flexible Packaging	100.00
Mondi KSP Co., Ltd.	#1903, 511 Yeongdong-daero, Gangnam-gu, Seoul	Distribution, Flexible Packaging	95.00
Lebanon			
Mondi Lebanon SAL	7th Floor, Bloc C, Kassis Building, Antelias Highway, Antelias	Production, Flexible Packaging	66.00
Luxembourg			
Mondi Packaging S.à r.l.	1, rue Hildegard von Bingen, 1282	Service, Corporate	100.00
Mondi S.à r.l.	1, rue Hildegard von Bingen, 1282	Holding, Corporate	100.00
Mondi Services S.à r.l.	1, rue Hildegard von Bingen, 1282	Holding, Corporate	100.00
Malaysia			
Mondi Kuala Lumpur Sdn. Bhd.	Lot Nos. PT 5034 & 5036, Jalan Teluk Datuk 28/40, 40000 Shah Alam, Selangor	Production, Flexible Packaging	100.00
Mexico			
Caja de Ahorro de Personal de Mondi Mexico Servicios A.C.	Av. San Nicolás No. 249, Colonia Cuauhtémoc, San Nicolás de los Garza, Nuevo Léon, 66450	Service, Flexible Packaging	100.00
Mondi Mexico S. de R.L. de C.V.	Av. San Nicolás No. 249, Colonia Cuauhtémoc, San Nicolás de los Garza, Nuevo Léon, 66450	Production, Flexible Packaging	100.00
Morocco			
Ensachage Moderne Sarl	Km 16, Route d'El Jadida, Casablanca	Dormant, Flexible Packaging	80.64
Mondi Tanger S.A.	Lot N 28 Zone D'exploitation de la Zone Franche, D.Exploitation de Tanger Automobile Cite Dite Tac 2, Tanger, Jouamaa Province Fahsanjra	Production, Flexible Packaging	100.00
Pap Sac Maghreb SA	Km 16, Route d'El Jadida, Casablanca	Production, Flexible Packaging	80.64

Notes to the Mondi plc parent company financial statements for the year ended 31 December 2024 continued

11 List of subsidiaries, associated undertakings and other significant holdings continued

Company	Registered office	Principal activities	% of shares held by Group
Netherlands			
Mondi Coating B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Flexible Packaging	100.00
Mondi Consumer Bags & Films B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Flexible Packaging	100.00
Mondi Consumer Bags & Films Benelux B.V.	Fort Willemweg 1, 6219 PA Maastricht	Distribution, Flexible Packaging	100.00
Mondi Corrugated B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Corrugated Packaging	100.00
Mondi Corrugated Poland B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Corrugated Packaging	100.00
Mondi Heerlen B.V.	Imstenraderweg 15, 6422 PM Heerlen	Production, Flexible Packaging	100.00
Mondi Industrial Bags B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Flexible Packaging	100.00
Mondi International Holdings B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Corrugated Packaging	100.00
Mondi Maastricht N.V.	Fort Willemweg 1, 6219 PA Maastricht	Distribution, Flexible Packaging	100.00
Mondi MENA B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Flexible Packaging	70.00
Mondi Packaging Paper B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Flexible Packaging	100.00
Mondi Paper Sales Netherlands B.V.	Bruynvisweg 14, 1531 AZ Wormer	Distribution, Corrugated Packaging, Flexible Packaging, Uncoated Fine Paper	100.00
Mondi SCP Holdings B.V.	Fort Willemweg 1, 6219 PA Maastricht	Holding, Uncoated Fine Paper	100.00
Norway			
Mondi Moss AS	Rådmann Sirasvei 1, 1712 Grålum	Distribution, Flexible Packaging	100.00
Oman			
Mondi Oman LLC	Rusayl Industrial Estate, Road 20, P.O. Box 20, 124, Muscat Governorate, Rusayl	Production, Flexible Packaging	49.00
Poland			
Agromasa Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	Service, Corrugated Packaging	100.00
Fredonia Investments Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	Service, Corrugated Packaging	100.00
Mondi Bags Mielec Sp. z o.o.	ul. Wojska Polskiego 12, 39-300 Mielec	Production, Flexible Packaging	100.00
Mondi Bags Świecie Sp. z o.o.	ul. Bydgoska 12, 86-100 Świecie	Production, Flexible Packaging	100.00
Mondi BZWP Sp. z o.o.	ul. Zamenhofa 36, 57-500 Bystrzyca Kłodzka	Production, Corrugated Packaging	100.00
Mondi Corrugated Świecie Sp. z o.o.	ul. Tucholska 9, 86-100 Świecie	Production, Corrugated Packaging	100.00
Mondi Dorohusk Sp. z o.o.	ul. Swierkowa 8, 22-174 Brzezno	Production, Corrugated Packaging	100.00
Mondi Krapkowice Sp. z o.o.	ul. Opolska 103, 47-300, Krapkowice	Production, Flexible Packaging	100.00
Mondi Poznań Sp. z o.o.	ul. Wyzwolenia 34/36, 62-070 Dopiewo	Production, Flexible Packaging	100.00
Mondi Recykling Polska Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	Service, Corrugated Packaging	100.00
Mondi Simet Sp. z o.o.	Grabonóg 77, 63-820 Piaski	Production, Corrugated Packaging	100.00
Mondi Solec Sp. z o.o.	Solec 143, 05-532 Baniocha	Production, Flexible Packaging	100.00
Mondi Świecie Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	Production, Corrugated Packaging	100.00
Mondi Szczecin Sp. z o.o.	ul. Sloneczna 20, 72-123 Kliniska Wielkie	Production, Corrugated Packaging	100.00
Mondi Warszawa Sp. z o.o.	ul. Tarczyńska 98, 96-320 Mszczonów	Production, Corrugated Packaging	100.00
Mondi Wierzbica Sp. z o.o.	Kolonia Rzecków 76, 26-680 Wierzbica	Production, Flexible Packaging	100.00
PLWD Sp. z o.o.[2]	ul. Bydgoska 1, 86-100 Świecie	Service, Corrugated Packaging	50.67
Świecie Rail Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	Service, Corrugated Packaging	100.00
Romania			
Mondi Bucharest S.R.L.	Olympia Tower, 25-29, Decebal Blvd, 3rd Floor (Level 4), 030971 Bucharest	Distribution, Flexible Packaging	100.00
Senegal			
Mondi Senegal S.A.	Zone Economique speciale integree. Commune de Diass. Thies – Senegal	Production, Flexible Packaging	70.00
Serbia			
Mondi Šabac d.o.o. Šabac	Severna 4 No.2, 15000 Šabac	Production, Flexible Packaging	100.00
Singapore			
Mondi Packaging Paper Sales Asia Pte. Ltd.	77 Robinson Road, #13-00, Robinson 77, Singapore, 068896	Distribution, Flexible Packaging	100.00
Slovakia			
East Paper, spol. s.r.o.[2]	Rastislavova 98, 04346 Kosice	Service, Corrugated Packaging	26.01
Mondi SCP, a.s.	Tatranská cesta 3, 03417 Ružomberok	Production, Corrugated Packaging, Flexible Packaging, Uncoated Fine Paper	51.00
Obaly SOLO, s.r.o	Tatranská cesta 3, 03417 Ružomberok	Holding, Uncoated Fine Paper	51.00
RECOPAP, s.r.o.[2]	Bratislavska 18, 90051 Zohor	Service, Corrugated Packaging	25.50
Slovpaper Collection s.r.o.	Tatranská cesta 3, 03417 Ružomberok	Service, Corrugated Packaging	51.00
Slovpaper Recycling s.r.o.	Tatranská cesta 3, 03417 Ružomberok	Service, Corrugated Packaging	51.00
SLOVWOOD Ružomberok a.s.	Tatranská cesta 3, 03417 Ružomberok	Service, Uncoated Fine Paper	33.66
STRÁŽNA SLUŽBA VLA-STA s.r.o.	Tatranská cesta 3, 03417 Ružomberok	Service, Uncoated Fine Paper	51.00

Company	Registered office	Principal activities	% of shares held by Group
South Africa			
Arctic Sun Trading 17 Proprietary Limited	380 Old Howick Road, Mondi House, Hilton, 3245	Distribution, Uncoated Fine Paper	66.67
Bongani Development Close Corporation	Devonshire House, 2 Devonshire Place, Durban	Dormant, Uncoated Fine Paper	100.00
Mondi Forests Partners Programme Proprietary Limited	380 Old Howick Road, Mondi House, Hilton, 3245	Service, Uncoated Fine Paper	100.00
Mondi Sacherie Moderne Holdings Proprietary Limited	Merebank Mill, Travencore Drive, Merebank, 4052	Holding, Uncoated Fine Paper	100.00
Mondi Sahel Holdings (Pty) Ltd	Merebank Mill, Travencore Drive, Merebank, 4052	Holding, Corporate	100.00
Mondi South Africa (Pty) Limited[4]	Merebank Mill, Travencore Drive, Merebank, 4052	Production, Corrugated Packaging, Uncoated Fine Paper	100.00
Mondi Timber (Wood Products) Proprietary Limited	Merebank Mill, Travencore Drive, Merebank, 4052	Holding, Uncoated Fine Paper	100.00
Mondi Zimele Job Funds Proprietary Limited	380 Old Howick Road, Mondi House, Hilton, 3245	Service, Uncoated Fine Paper	100.00
Mondi Zimele Proprietary Limited	380 Old Howick Road, Mondi House, Hilton, 3245	Service, Uncoated Fine Paper	100.00
Siyaqhubeka Forests Proprietary Limited	Merebank Mill, Travencore Drive, Merebank, 4052	Service, Uncoated Fine Paper	51.00
Spain			
Mondi Bags Ibérica S.L.U.	Autovía A-2, Km 582, 08630 Abrera	Production, Flexible Packaging	100.00
Mondi Ibersac S.L.U.	Calle La Perenal 4, 48840 Güeñes, Bizcaia	Production, Flexible Packaging	100.00
Mondi Sales Ibérica S.L.	Calle Blasco Garay nº94 5D, 28003 Madrid	Corrugated Packaging, Uncoated Fine Paper	100.00
Sweden			
Mondi Dynäs AB	87381 Väja	Production, Flexible Packaging	100.00
Mondi Örebro AB	Papersbruksallen 3A, Box 926, 70130 Örebro	Production, Flexible Packaging	100.00

Company	Registered office	Principal activities	% of shares held by Group
Switzerland			
Dipeco AG	Bruehlstrasse 5, 4800 Zofingen	Distribution, Flexible Packaging	100.00
Thailand			
Mondi Bangkok Company, Limited	789/10 Moo 9 Bang Pla Sub-District, Bang Phli District, Bangkok, Samut Prakan Province	Production, Flexible Packaging	100.00
Mondi Coating (Thailand) Co. Ltd.	Nr 888/100-101 Soi Yingcharoen Moo 19, Bangplee-Tamru Road, Bangpleeyai, Bangplee, Samutprakam 10540	Production, Flexible Packaging	100.00
Mondi TSP Company Limited	110, Moo 3, Nong Chumphon Nuea, Khao Yoi District, Petchaburi Province, 76140	Production, Flexible Packaging	97.55
Türkiye			
Doğal Kağıt Hammaddeleri Sanayi ve Ticaret Limited Şirketi	Zeytinli Mahallesi 94008, Sodak No:4, Seyhan/ Adana, 01355	Service, Corrugated Packaging	84.65
Mondi Istanbul Ambalaj Limited Şti.	No. 12A Türkgücü OSB Mah. Yilmaz Alpaslan Caddesi Corlu, Tekirdag, 59870	Production, Flexible Packaging	100.00
Mondi Kale Nobel Ambalaj Sanayi Ve Ticaret A.Ş.	Sevketiye Cobancesme Kavsagi, A2 Blok, No. 229/230 Yeşilköy, Bakirköy/Istanbul	Production, Flexible Packaging	100.00
Mondi Turkey Oluklu Mukavva Kağıt ve Ambalaj Sanayi Anonim Şirketi	Toki Mahallesi, Hasan Tahsin Caddesi, No. 28, Tire, Izmir 35900	Production, Corrugated Packaging	84.65
Ukraine			
Mondi Packaging Bags Ukraine LLC	Fabrychna Street 20, Zhydachiv, Lviv Region, 81700	Production, Flexible Packaging	100.00

Notes to the Mondi plc parent company financial statements
for the year ended 31 December 2024 continued

11 List of subsidiaries, associated undertakings and other significant holdings continued

Company	Registered office	Principal activities	% of shares held by Group
UK			
Frantschach Holdings UK Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Dormant, Flexible Packaging	100.00
Medway Packaging Pension Trustee Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Service, Flexible Packaging	100.00
Mondi Aberdeen Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Distribution, Flexible Packaging	100.00
Mondi Consumer Goods Packaging UK Ltd	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Dormant, Flexible Packaging	100.00
Mondi Finance plc	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Service, Corporate	100.00
Mondi Holcombe Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Dormant, Corrugated Packaging	100.00
Mondi Investments Limited[4]	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Holding, Corporate	100.00
Mondi Packaging (Delta) Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Dormant, Corrugated Packaging	100.00
Mondi Packaging UK Holdings Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Dormant, Corrugated Packaging	100.00
Mondi Pension Trustee Limited[4]	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Service, Corporate	100.00
Mondi Scunthorpe Limited[5]	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Dormant, Flexible Packaging	100.00
Mondi Services (UK) Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey KT13 0NY	Service, Corporate	100.00

Company	Registered office	Principal activities	% of shares held by Group
USA			
Mondi Bags USA, LLC	251 Little Falls Drive, Wilmington DE 19808	Production, Flexible Packaging	100.00
Mondi Jackson LLC	251 Little Falls Drive, Wilmington DE 19808	Production, Flexible Packaging	100.00
Mondi Minneapolis, Inc.	220 South Sixth Street, Suite 2200, Minneapolis 55402	Service, Flexible Packaging	100.00
Mondi Romeoville LLC	251 Little Falls Drive, Wilmington DE 19808	Production, Flexible Packaging	100.00
Mondi Tekkote LLC	251 Little Falls Drive, Wilmington DE 19808	Production, Flexible Packaging	100.00
Mondi U.S. Holdings LLC	251 Little Falls Drive, Wilmington DE 19808	Holding, Corporate	100.00

Notes:
1 Associate accounted for using the equity method.
2 Joint venture accounted for using the equity method.
3 % of shares held by the Group in 2023: nil.
4 These companies are held directly.
5 These companies have ordinary and preference shares.

Other information

Production statistics and exchange rates

Other information

Production statistics

		2024	2023
Continuing operations			
Containerboard	000 tonnes	2,345	2,312
Kraft paper	000 tonnes	1,233	1,085
Uncoated fine paper	000 tonnes	938	855
Pulp	000 tonnes	3,725	3,218
Internal consumption	000 tonnes	3,044	2,741
Market pulp	000 tonnes	681	477
Corrugated solutions	million m^2	1,899	1,880
Paper bags	million units	5,583	5,414
Consumer flexibles	million m^2	1,912	1,818
Functional paper and films	million m^2	3,067	2,667

Exchange rates

	Average		Closing	
versus euro	**2024**	**2023**	**2024**	**2023**
South African rand (ZAR)	19.83	19.96	19.62	20.35
Czech koruna (CZK)	25.12	24.00	25.19	24.72
Polish zloty (PLN)	4.31	4.54	4.28	4.34
Pound sterling (GBP)	0.85	0.87	0.83	0.87
Turkish lira (TRY)[1]	35.57	25.76	36.74	32.65
US dollar (USD)	1.08	1.08	1.04	1.11

Note:
1 The Group has applied hyperinflation accounting for its subsidiaries in Türkiye (see notes 7 and 35).

Other information continued
Group financial record

Financial performance 2015–2024

Income, expenses and cash flows for the years ended 2021 and thereafter are presented on a continuing basis and exclude the results from the divested Russian discontinued operations (see note 28). Profit and cash flow measures for the years ended 2015 to 2020 include the results from Russian discontinued operations.

Consolidated income statement

€ million, unless otherwise stated	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Group revenue	**7,416**	**7,330**	**8,902**	**6,974**	**6,663**	**7,268**	**7,481**	**7,096**	**6,662**	**6,819**
Underlying EBITDA	**1,049**	**1,201**	**1,848**	**1,157**	**1,353**	**1,658**	**1,764**	**1,482**	**1,366**	**1,325**
Corrugated Packaging	328	310	662	543	518	583	707	477	408	427
Flexible Packaging	558	637	797	567	557	589	495	480	419	400
Uncoated Fine Paper	198	289	427	55	266	444	516	464	481	448
Corporate	(35)	(35)	(39)	(34)	(30)	(34)	(32)	(37)	(34)	(34)
Personal Care Components (divested)	–	–	1	26	42	76	78	98	92	84
Underlying operating profit	**606**	**790**	**1,443**	**782**	**925**	**1,223**	**1,318**	**1,029**	**981**	**957**
Special items before tax	(150)	(27)	242	7	(57)	(16)	(126)	(61)	(38)	(57)
Net finance costs (excluding financing special item)	(70)	(73)	(143)	(83)	(95)	(104)	(88)	(85)	(101)	(105)
Underlying earnings	**367**	**523**	**949**	**534**	**627**	**829**	**916**	**721**	**667**	**647**
Basic earnings	218	502	1,186	543	582	812	824	668	638	600
Basic underlying EPS (euro cents)	**82.7**	**107.8**	**195.6**	**110.1**	**129.3**	**171.1**	**189.1**	**148.9**	**137.8**	**133.7**
Basic EPS (euro cents)	49.1	103.5	244.5	112.0	120.0	167.6	170.1	137.9	131.8	124.0
Total ordinary dividend per share paid and proposed (euro cents)[1]	**70.00**	**70.00**	**70.00**	**65.00**	**60.00**	**57.03**	**76.00**	**62.00**	**57.00**	**52.00**

Note:
1 A special dividend of €1.60 per existing ordinary share was paid on 13 February 2024 to return the net proceeds from the sale of the Russian assets to the Group's shareholders (see notes 9, 10 and 23 for further details).

Significant ratios

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Underlying EBITDA margin (%)	14.1	16.4	20.8	16.6	20.3	22.8	23.6	20.9	20.5	19.4
ROCE (%)	9.6	12.8	23.7	13.9	15.2	19.8	23.6	19.3	20.3	20.5
Net debt to underlying EBITDA (times)	1.7	0.3	0.5	1.5	1.3	1.3	1.3	1.0	1.0	1.1
Dividend cover (times)	1.2	1.5	2.8	2.4	2.2	3.0	2.5	2.4	2.4	2.6
PE ratio	17.4	16.4	8.1	14.1	14.8	12.2	9.6	14.6	14.2	13.5
LSE – share price at end of year (GBP pence per share)	1,192	1,538	1,410	1,826	1,720	1,773	1,634	1,931	1,666	1,334
JSE – share price at end of year (ZAR per share)	278	363	291	395	343	326	304	319	279	309
Market capitalisation (€ million)	6,339	8,590	7,738	10,555	9,342	10,165	8,901	10,523	9,457	8,803

Significant cash flows

€ million	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Cash generated from continuing operations	**970**	**1,312**	**1,292**	**1,001**	**1,485**	**1,635**	**1,654**	**1,363**	**1,401**	**1,279**
Working capital cash flows	(108)	229	(419)	(195)	125	35	(117)	(122)	68	9
Income tax paid	(120)	(178)	(196)	(138)	(168)	(248)	(248)	(151)	(173)	(160)
Capital expenditure cash payments	**(933)**	**(830)**	**(508)**	**(481)**	**(630)**	**(757)**	**(709)**	**(611)**	**(465)**	**(595)**
Interest paid	(44)	(50)	(60)	(67)	(82)	(96)	(73)	(97)	(82)	(93)
Ordinary dividends paid to shareholders[1]	**(312)**	**(345)**	**(321)**	**(298)**	**(237)**	**(396)**	**(309)**	**(273)**	**(274)**	**(209)**

Note:
1 A special dividend of €1.60 per existing ordinary share was paid on 13 February 2024 to return the net proceeds from the sale of the Russian assets to the Group's shareholders (see notes 9, 10 and 23 for further details).

Consolidated statement of financial position

€ million	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Property, plant and equipment	5,160	4,619	4,167	4,870	4,641	4,800	4,340	4,128	3,788	3,554
Goodwill	767	765	769	926	923	948	942	698	681	590
Working capital	1,188	1,084	1,282	988	739	952	972	899	799	794
Other assets	657	673	2,034	558	557	620	540	530	532	422
Other liabilities	(690)	(626)	(987)	(690)	(687)	(728)	(749)	(716)	(721)	(675)
Net assets excluding net debt	**7,082**	**6,515**	**7,265**	**6,652**	**6,173**	**6,592**	**6,045**	**5,539**	**5,079**	**4,685**
Equity	4,857	5,655	5,794	4,498	4,002	4,015	3,485	3,683	3,392	2,905
Non-controlling interests in equity	493	441	460	391	380	370	340	324	304	282
Net debt	1,732	419	1,011	1,763	1,791	2,207	2,220	1,532	1,383	1,498
Capital employed	**7,082**	**6,515**	**7,265**	**6,652**	**6,173**	**6,592**	**6,045**	**5,539**	**5,079**	**4,685**

Other information continued

Alternative Performance Measures

The Group presents certain measures of financial performance, position or cash flows in the consolidated financial statements that are not defined or specified according to IFRS Accounting Standards in order to provide additional performance-related measures to its stakeholders. These measures, referred to as Alternative Performance Measures (APMs), are prepared on a consistent basis for all periods presented in this report.

By their nature, the APMs used by the Group are not necessarily uniformly applied by peer companies and therefore may not be comparable with similarly defined measures and disclosures applied by other companies. Such measures should not be viewed in isolation or as a substitute to the equivalent IFRS Accounting Standards measure.

Internally, the Group and its operating segments apply the same APMs in a consistent manner in planning and reporting on performance to management, the Executive Committee and the Board. Two of the Group's APMs, underlying EBITDA and ROCE, link to the Group's strategy, as described on pages 22-23, and form part of the executive directors' and senior management's remuneration targets.

The most significant APMs used by the Group are described below, together with a reconciliation to the equivalent IFRS Accounting Standards measure. The reconciliations are based on Group figures and represent the continuing operations of the Group, unless otherwise stated. The reporting segment equivalent APMs are measured in a consistent manner.

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Special items		
Special items are generally material, non-recurring items from continuing operations that exceed €10 million. The Audit Committee regularly assesses the monetary threshold of €10 million on a net basis and considers the threshold in the context of both the Group as a whole and individual operating segment performance. The Group separately discloses special items on the face of the consolidated income statement to assist its stakeholders in understanding the underlying financial performance achieved by the Group on a basis that is comparable from year to year. Examples of special item charges or credits include, but are not limited to, significant restructuring programmes, impairment of assets or cash-generating units, costs associated with potential and achieved acquisitions, profits or losses from the disposal of businesses, and the settlement of significant litigation or claims. Subsequent adjustments to items previously recognised as special items, including any related credits received subsequently, continue to be reflected as special items in future periods even if they do not exceed the quantitative reporting threshold. Subsequent adjustments to items, or charges and credits on items that are closely related, which previously did not qualify for reporting as special items, continue to be reported in the underlying result even if the cumulative net charge/credit over the years exceeds the €10 million quantitative reporting threshold.	Note 3	None
Underlying EBITDA		
Operating profit before special items, depreciation, amortisation and impairments not recorded as special items provides a measure of the cash-generating ability of the Group's continuing operations that is comparable from year to year.	Consolidated income statement	Operating profit
Underlying EBITDA margin		
Underlying EBITDA expressed as a percentage of Group revenue (segment revenue for operating segments) provides a measure of the cash-generating ability of the Group's continuing operations relative to revenue.		None

APM calculation:

€ million, unless otherwise stated	2024	2023
Underlying EBITDA (see consolidated income statement)	1,049	1,201
Group revenue (see consolidated income statement)	7,416	7,330
Underlying EBITDA margin (%)	**14.1**	**16.4**

Underlying operating profit		
Operating profit before special items provides a measure of operating performance of the Group's continuing operations that is comparable from year to year.	Consolidated income statement	Operating profit
Underlying profit before tax		
Profit before tax and special items. Underlying profit before tax provides a measure of the Group's continuing operations' profitability before tax that is comparable from year to year.	Consolidated income statement	Profit before tax

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Effective tax rate		
Underlying tax charge expressed as a percentage of underlying profit before tax. A measure of the tax charge of the Group's continuing operations relative to its profit before tax expressed on an underlying basis.		None

APM calculation:

€ million, unless otherwise stated	2024	2023
Tax charge before special items (see note 8a)	117	167
Underlying profit before tax (see consolidated income statement)	528	709
Effective tax rate (%)	**22.2**	**23.6**

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Underlying earnings (and per share measure)		
Net profit after tax before special items arising from the Group's continuing operations that is attributable to shareholders. Underlying earnings (and the related per share measure based on the basic, weighted average number of ordinary shares outstanding) provides a measure of the Group's continuing operations' earnings.	Note 9	Profit for the period attributable to shareholders (and per share measure)
Total earnings (prior to special items)		
Net profit after tax before special items arising from the Group's continuing and discontinued operations that is attributable to shareholders. Total earnings provides a measure of the Group's earnings.	Note 9	Profit for the period attributable to shareholders
Headline earnings (and per share measure)		
The presentation of headline earnings (and the related per share measure based on the basic, weighted average number of ordinary shares outstanding) is mandated under the Listings Requirements of the JSE Limited and is calculated in accordance with Circular 1/2023, 'Headline Earnings', as issued by the South African Institute of Chartered Accountants.	Note 9	Profit for the period attributable to shareholders (and per share measure)
Dividend cover		
Basic underlying EPS from continuing operations divided by total ordinary dividend per share paid and proposed provides a measure of the Group's earnings relative to ordinary dividend payments.		None

APM calculation:

euro cents, unless otherwise stated	2024	2023
Basic underlying EPS (see note 9)	82.7	107.8
Total ordinary dividend per share (see note 10)	70.0	70.0
Dividend cover (times)	**1.2**	**1.5**

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Capital employed (and related trailing 12-month average capital employed)		
Capital employed comprises total equity and net debt. Trailing 12-month average capital employed is the average monthly capital employed over the last 12 months adjusted for spend on major capital expenditure projects which are not yet in production. These measures provide the level of invested capital in the business. Trailing 12-month average capital employed is used in the calculation of return on capital employed.	Note 21	Total equity

Other information continued
Alternative Performance Measures continued

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Return on capital employed (ROCE)		
Trailing 12-month underlying operating profit, including share of associates' and joint ventures' net profit/(loss), divided by trailing 12-month average capital employed. ROCE provides a measure of the efficient and effective use of capital in the business and is presented on the basis of the Group's continuing operations for comparability.		None

APM calculation:

€ million, unless otherwise stated	2024	2023
Underlying operating profit (see consolidated income statement)	606	790
Underlying net loss from joint ventures (see consolidated income statement)	(3)	(5)
Underlying profit from operations and joint ventures	603	785
Trailing 12-month average capital employed of continuing operations (see note 2)	6,283	6,135
ROCE (%)	**9.6**	**12.8**

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Net debt (and related trailing 12-month average net debt)		
A measure comprising short-, medium- and long-term interest-bearing borrowings and the fair value of debt-related derivatives less cash and cash equivalents, net of overdrafts, and current financial asset investments. Net debt provides a measure of the Group's net indebtedness or overall leverage. Trailing 12-month average net debt is the average monthly net debt over the last 12 months.	Note 27c	None
Net debt to underlying EBITDA		
Net debt divided by trailing 12-month underlying EBITDA. A measure of the Group's net indebtedness relative to its cash-generating ability.		None

APM calculation:

€ million, unless otherwise stated	2024	2023
Net debt (see note 27c)	1,732	419
Underlying EBITDA (see consolidated income statement)	1,049	1,201
Net debt to underlying EBITDA (times)	**1.7**	**0.3**

Additional information for shareholders

The disclosures below form part of the Directors' report on pages 136-137 of this report.

Introduction

Set out below is a summary of certain provisions of Mondi's articles of association (the Articles) and applicable English law concerning companies (the Companies Act 2006). This is a summary only, and the relevant provisions of the Articles and/or the Companies Act 2006 should be consulted (as applicable) if further information is required.

Share capital

Mondi's issued share capital as at 31 December 2024 comprised 441,412,530 ordinary shares of 22 euro cents each (the Ordinary Shares) representing 100% of the total share capital.

Purchase of own shares

Subject to the provisions of the Articles and the Companies Act 2006, Mondi may purchase, or may enter into a contract under which it will or may purchase, any of its own shares of any class, including any redeemable shares. At the Annual General Meeting held on 3 May 2024, authority was given for Mondi to purchase, in the market, up to 22,070,626 Ordinary Shares. This authority will expire at the conclusion of the Annual General Meeting to be held in 2025 and, in accordance with usual practice, a resolution to renew such authority for the next year will be proposed.

Ordinary Shares

Dividends and distributions

Subject to the provisions of the Companies Act 2006, Mondi may, by ordinary resolution, from time to time declare dividends not exceeding the amount recommended by the Board. The Board may pay interim dividends whenever the financial position of Mondi, in the opinion of the Board, justifies such payment.

The Board may withhold payment of all, or any part of any dividends or other monies payable in respect of Mondi's shares, from a person with a 0.25% interest or more in nominal value of the issued shares, if such a person has been served with a notice after failure to provide Mondi with information concerning interest in those shares required to be provided under the Companies Act 2006.

Voting rights and restrictions

Subject to the Articles generally and to any special rights or restrictions as to voting attached by or in accordance with the Articles to any class of shares, at a general meeting, every member present in person has, upon a show of hands, one vote. Every duly appointed proxy has, upon a show of hands, one vote unless the proxy is appointed by more than one member, in which case the proxy has one vote for and one vote against if (i) 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 or (ii) the proxy has been instructed by one or more members to vote either for or against the resolution and by one or more members to use their discretion as to how to vote. On a poll, every member who is present in person or by proxy has one vote for every fully paid share of which they are the holder.

In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the shares.

Under the Companies Act 2006, members are entitled to appoint a proxy, who need not be a member of Mondi, to exercise all or any of their rights to attend and to speak and vote on their behalf at a general meeting or class meeting.

A member may appoint more than one proxy in relation to a general meeting or class meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy is not entitled to delegate the proxy's authority to act on behalf of a member to another person. A member that is a corporation may appoint one or more individuals to act on its behalf at a general meeting or class meeting as a corporate representative. Where a shareholder appoints more than one corporate representative in respect of its shareholding, but in respect of different shares, those corporate representatives can act independently of each other, and validly vote in different ways.

No member shall be entitled to vote either in person or by proxy at any general meeting or class meeting, or to exercise any other right conferred by membership in relation to such meetings, in respect of any shares held by them, if any call or other sum then payable by them to Mondi in respect of that share remains unpaid. In addition, no member shall be entitled to vote if they have been served with a notice after failing to provide Mondi with information concerning interests in those shares required to be provided under the Companies Act 2006.

The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.

Variation of rights

Subject to the Companies Act 2006, the Articles specify that rights attached to any class of shares may be varied with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares. At every such separate general meeting, the quorum shall be two persons holding, or representing by proxy, at least one-third in nominal value of the issued shares of the class (calculated excluding any shares held as treasury shares).

Other information continued

Additional information for shareholders continued

Ordinary Shares continued

Variation of rights continued

The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking pari passu with them. Notwithstanding this, the relevant plan rules provide that any shares held by the trustee of the Mondi Share Incentive Plan from time to time will not be voted.

Transfer of shares

All transfers of shares which are in certificated form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the directors. The instrument of transfer shall be signed by, or on behalf of, the transferor and (except in the case of fully paid shares) by, or on behalf of, the transferee and shall specify the name of the transferor, the name of the transferee and the number of shares being transferred. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered into the register of members in respect of those shares. Transfers of shares which are in uncertificated form are effected by means of the CREST system.

The directors may refuse to register an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly. If the directors refuse to register an allotment or transfer they shall, within two months after the date on which the letter of allotment or transfer was lodged with Mondi, send to the allottee or transferee a notice of the refusal.

The directors may decline to register any instrument of transfer unless the instrument of the transfer: (i) is in respect of only one class of share; (ii) is lodged at the transfer office (duly stamped if required), accompanied by the relevant share certificate(s) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on their behalf, the authority of that person to do so); and (iii) is fully paid.

Subject to the Companies Act 2006 and regulations and applicable CREST rules, the directors may determine that any class of shares may be held in uncertificated form and that title to such shares may be transferred by means of the CREST system, or that shares of any class should cease to be so held and transferred.

A shareholder does not need to obtain the approval of Mondi, or of other shareholders of Mondi, for a transfer of shares to take place.

Notwithstanding the above, some of the Mondi employee share plans include restrictions on transfer of shares while the shares are subject to such plan.

Directors

Directors shall be no less than four and no more than 20 in number. A director is not required to hold any shares of Mondi by way of qualification. Mondi may by special resolution increase or reduce the maximum or minimum number of directors. Each director shall retire at the Annual General Meeting held in the third calendar year following the year in which the director was elected or last re-elected by Mondi, or at such earlier Annual General Meeting as the directors resolve. A retiring director shall be eligible for re-election.

The Board may appoint any person to be a director (so long as the total number of directors does not exceed the limit prescribed in the Articles). Any such director shall hold office only until the next Annual General Meeting (or if the notice of the next Annual General Meeting has already been sent at the time of such person's appointment, the Annual General Meeting following that one) and shall then be eligible for re-election.

Subject to the Articles, the Companies Act 2006 and any directions given by special resolution, the business of Mondi will be managed by the Board which may exercise all the powers of Mondi.

The Board may exercise all the powers of Mondi to borrow money and to mortgage or charge any of its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of Mondi or of any third party.

Indemnities

As at the date of this report, indemnities are in force under which Mondi has agreed to indemnify its directors, to the extent permitted by law and the Articles in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as directors of Mondi or any of its subsidiaries.

Significant agreements: change of control

All of Mondi's employee share plans contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions at that time and under certain plans, time pro-rating. The Group also has in place certain borrowing facilities and banking arrangements, some of which could be cancelled, become immediately payable or subject to acceleration upon a change of control of Mondi. Of these arrangements, only one facility agreement is considered to be significant to the Group. In addition, subsidiaries of the Company are parties to significant agreements (being supply agreements) entitling the counterparty to terminate such agreements in certain circumstances if there is a change of control of the Company following a takeover. There are no other significant agreements that would take effect, alter or terminate upon a change of control following a takeover bid.

Amendment of the Articles

Any amendments to the Articles may be made in accordance with the provisions of the Companies Act 2006 by way of special resolution.

Shareholder information

Mondi plc is a company registered in the UK. It is listed on the London Stock Exchange in the ESCC category, where the Group is a FTSE 100 constituent. It also has a secondary listing on the JSE Limited. Any shareholders still in possession of an old Mondi Limited share certificate should contact JSE Investor Services using the details below.

Financial calendar

May 2025	2025 Annual General Meeting
May 2025	Trading update
May 2025	Payment date for 2024 final dividend
July 2025	2025 half-year results announcement
September/October 2025	2025 interim dividend payment[1]
October 2025	Trading update

1 If one is declared.

Please go to www.mondigroup.com for the most up-to-date calendar.

Analysis of shareholders

As at 31 December 2024, Mondi plc had 441,412,530 ordinary shares in issue, of which 189,716,926 were held on the South African branch register.

By size of holding

Number of shareholders	% of shareholders	Size of shareholding	Number of shares	% of shares
1,638	53.16	1–500	312,711	0.07
310	10.06	501–1,000	221,015	0.05
426	13.83	1,001–5,000	1,004,631	0.23
400	12.98	5,001–50,000	7,280,583	1.65
260	8.44	50,001–1,000,000	60,748,179	13.76
47	1.53	1,000,001–highest	371,845,411	84.24
3,081	100.00		441,412,530	100.00

Managing your shares

Registrars

To manage your shares or if you have any queries, please contact the relevant Registrar:

	Shares held on the UK register	Shares held on the South African branch register
Registrar	Equiniti Limited	JSE Investor Services (Pty) Limited (JSE Investor Services)
Postal address	Equiniti Aspect House Spencer Road Lancing West Sussex BN99 6DA	PO Box 4844 Johannesburg, 2000 South Africa
Helpline number	+44 (0)371 384 2576 (lines are open 08.30 to 17.30 (UK time), Monday to Friday (excluding public holidays in England and Wales))	011 713 0800 (if calling from South Africa) +27 11 713 0800 (if calling from outside South Africa)
Email	customer@equiniti.com	info@jseinvestorservices.co.za
Online	www.shareview.co.uk	Not available

Sign up to email communications

Receiving shareholder information electronically is a faster way to stay informed and more environmentally friendly.

Shareholders on the UK register can sign up to email communications by contacting Equiniti or via its online portal, ShareView.

Shareholders on the South African branch register holding their shares in certificated form can sign up to email communications by contacting JSE Investor Services or by emailing ecomms@jseinvestorservices.co.za. Shareholders on the South African branch register with dematerialised shares should contact their Central Securities Depository Participant (CSDP) or broker.

Other information continued
Shareholder information continued

Managing your shares continued

You will be notified by email each time new financial reports, notices of shareholder meetings and other shareholder communications are published on our website at: www.mondigroup.com.

Manage your shares online

Shareholders on the UK register can sign up to ShareView, a free secure online site provided by Equiniti, where you can manage your shareholding quickly and easily. You can do the following:

- view your holding and get an indicative valuation;
- change your address;
- arrange to have dividends paid into your bank account;
- request to receive shareholder communications by email rather than post;
- view your dividend payment history;
- make dividend payment choices;
- buy and sell shares and access stock market news and information;
- register your proxy voting instruction; and
- download a Stock Transfer form.

To register for ShareView just visit www.shareview.co.uk. All you need is your shareholder reference number, which can be found on your latest dividend statement. Please note the shareholder reference number found on your share certificate may have been issued by the previous Registrar.

Shareholders on the South African branch register can sign up to ShareHub, the JSE's platform designed to enhance the shareholder experience. ShareHub allows you to access your dividend payment confirmations in real time and enables you to view, download or print the document from the ShareHub box at your convenience. You will have the option to opt out if you wish to continue receiving dividend payment confirmations via normal post. As electronic post boxes will be opened for all certificated shareholders on the ShareHub platform, we would encourage you to use these existing post boxes to receive all future shareholder communications, including financial statements and meeting notices. For more information and to sign up, contact JSE Investor Services at sharehubqueries@jseinvestorservices.co.za.

Dividends

A proposed final dividend for the year ended 31 December 2024 of 46.67 euro cents per ordinary share will be paid to shareholders in accordance with the below timetable.

Payment of the final dividend is subject to the approval of shareholders at the Annual General Meeting scheduled for 8 May 2025.

Last date to trade shares cum-dividend	
JSE Limited	Tuesday 1 April
London Stock Exchange	Wednesday 2 April
Shares commence trading ex-dividend	
JSE Limited	Wednesday 2 April
London Stock Exchange	Thursday 3 April
Record date	Friday 4 April
Last date for receipt of Dividend Reinvestment Plan (DRIP) elections by Central Securities Depository Participants	Thursday 10 April
Last date for DRIP elections to South African Transfer Secretaries by shareholders	Friday 11 April
Last date for DRIP elections to UK Registrar by shareholders	Tuesday 22 April
Annual General Meeting	Thursday 8 May
Payment date	Friday 16 May
DRIP purchase settlement dates (subject to the purchase of shares in the open market)	
UK Register	Tuesday 20 May
South African Register	Thursday 22 May
DRIP results announcement	Friday 30 May
Currency conversion dates	
ZAR/euro	Thursday 20 February
Euro/sterling	Thursday 24 April

Share certificates on Mondi plc's South African register may not be dematerialised or rematerialised between Wednesday 2 April 2025 and Friday 4 April 2025, both dates inclusive, nor may transfers between the UK and South African registers of Mondi plc take place between Wednesday 26 March 2025 and Friday 4 April 2025, both dates inclusive.

Dividend tax will be withheld from the amount of the gross final dividend paid to shareholders on the South African branch register at the rate of 20%, unless a shareholder qualifies for an exemption.

Your dividend currency

All dividends are declared in euro. Dividends are paid in euro with the following exceptions:

UK residents	pound sterling
South African residents	South African rand

Shareholders on the UK register resident in the UK may, however, elect to receive their dividends in euro, and shareholders on the UK register resident outside the UK may elect to receive their dividends in pound sterling.

Shareholders on the UK register wishing to elect to receive their dividends in an alternative currency should contact Equiniti using the details provided.

Payment of your dividends

Mondi encourages shareholders to have dividends paid directly into their bank accounts, meaning the payment will reach you more securely and on the payment date, without the inconvenience of depositing a cheque.

Shareholders on the UK register:

- Shareholders wishing to receive dividends in euro or sterling can elect to receive dividends directly into their bank account via ShareView or by contacting Equiniti.
- Shareholders wishing to receive another local currency may be able to take advantage of the Overseas Payment Service offered by Equiniti. Find out more via ShareView or by contacting Equiniti.

Shareholders on the South African branch register:

- The 2019 interim dividend was the last dividend to be paid by cheque. Shareholders who previously received cheques should contact JSE Investor Services, if they have not already done so, to provide their bank details and ensure they continue to receive their dividends.
- Shareholders without a South African bank account are encouraged to dematerialise their shares with a CSDP in South Africa, as a CSDP is often able to pay dividends into foreign bank accounts. Find out more by contacting JSE Investor Services or any CSDP.

Reinvest your dividends

The dividend reinvestment plans (DRIPs) provide an opportunity for shareholders to have their cash dividends reinvested in Mondi plc ordinary shares.

The plans are available to all ordinary shareholders (excluding those in certain restricted jurisdictions). Fees may apply.

If you wish to participate in the DRIPs, you can sign up via ShareView or by contacting either Equiniti in the UK or JSE Investor Services in South Africa as appropriate.

South African dematerialisation

Mondi encourages shareholders on the South African branch register to consider dematerialising their shares. By surrendering your share certificate, you will hold your shares electronically with a CSDP in South Africa, helping to prevent share fraud, theft and loss of share certificates.

Find out more by contacting JSE Investor Services or any CSDP.

Taxation

Mondi is unable to advise shareholders on taxation. Your tax obligations will vary depending on your jurisdiction and financial circumstances. With regard to your Mondi shareholding, we recommend all shareholders maintain records of dividend payments, share purchases and sales. A dividend confirmation will be sent with all dividend payments. For further assistance, please speak to an independent professional tax or financial adviser.

Other information continued

Shareholder information continued

Donating shares to charity

For shareholders on the UK register, if you have a small number of shares which would cost you more to sell than they are worth, there is the option to donate these unwanted shares to charity free of charge. These shares are then aggregated and sold and the proceeds distributed to various charities. To do so, please contact ShareGift by phone on +44 (0)207 9303737, by email at help@sharegift.org or visit its website, www.sharegift.org.

Fraud

Shareholders should be aware that they may be targeted by certain organisations offering unsolicited investment advice or the opportunity to buy or sell worthless or non-existent shares. Should you receive any unsolicited calls or documents to this effect, you are advised not to give out any personal details or to hand over any money without ensuring that the organisation is authorised by the UK Financial Conduct Authority (FCA) and doing further research.

If you are unsure or think you may have been targeted you should report the organisation to the FCA. For further information, please visit the FCA's website at www.fca.org.uk or call the FCA consumer helpline on 0800 111 6768 if calling from the UK or +44 20 7066 1000 if calling from outside the UK.

Shareholders can also contact Equiniti in the UK or JSE Investor Services in South Africa using the contact details found above, or Mondi's company secretarial department on +44 (0) 1932 826300.

Account amalgamations

If you receive more than one copy of any documents sent out by Mondi or for any other reason you believe you may have more than one Mondi plc account, please contact the relevant Registrar who will be able to confirm and, if necessary, arrange for the accounts to be amalgamated into one.

Alternative formats

If you would like to receive this report in an alternative format, such as in large print, Braille or audio format, please contact Mondi's company secretarial department on +44 (0) 1932 826300.

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About this report

The report is prepared in accordance with the requirements of the Disclosure Guidance and Transparency and Listing Rules of the United Kingdom Listing Authority and the Listings Requirements of the JSE Limited where applicable.

The report aims to provide a fair, balanced and understandable assessment of our business model, strategy, performance and prospects in relation to material financial, economic, social, environmental and governance issues.

Forward-looking statements

This document includes forward-looking statements. All statements other than statements of historical facts included herein, including, without limitation, those regarding Mondi's financial position, business strategy, market growth and developments, expectations of growth and profitability and plans and objectives of management for future operations, are forward-looking statements. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as 'believe', 'expects', 'may', 'will', 'could', 'should', 'shall', 'risk', 'intends', 'estimates', 'aims', 'plans', 'predicts', 'continues', 'assumes', 'positioned' or 'anticipates' or the negative thereof, other variations thereon or comparable terminology. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Mondi, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements and other statements contained in this document regarding matters that are not historical facts involve predictions and are based on numerous assumptions regarding Mondi's present and future business strategies and the environment in which Mondi will operate in the future. These forward-looking statements speak only as of the date on which they are made.

No assurance can be given that such future results will be achieved; various factors could cause actual future results, performance or events to differ materially from those described in these statements. Such factors include in particular but without any limitation: (1) operating factors, such as continued success of manufacturing activities and the achievement of efficiencies therein, continued success of product development plans and targets, changes in the degree of protection created by Mondi's patents and other intellectual property rights and the availability of capital on acceptable terms; (2) industry conditions, such as strength of product demand, intensity of competition, prevailing and future global market prices for Mondi's products and raw materials and the pricing pressures thereto, financial condition of the customers, suppliers and the competitors of Mondi and potential introduction of competing products and technologies by competitors; and (3) general economic conditions, such as rates of economic growth in Mondi's principal geographical markets or fluctuations of exchange rates and interest rates.

Mondi expressly disclaims a) any warranty or liability as to accuracy or completeness of the information provided herein; and b) any obligation or undertaking to review or confirm analysts' expectations or estimates or to update any forward-looking statements to reflect any change in Mondi's expectations or any events that occur or circumstances that arise after the date of making any forward-looking statements, unless required to do so by applicable law or any regulatory body applicable to Mondi, including the JSE Limited and the LSE.

This document includes market position estimates prepared by the Group based on industry publications and management estimates. Main industry publication sources are: Fastmarkets (RISI), Eurosac, Freedonia, Alexander Watson Associates, PCI Wood Mackenzie, EMGE and EURO-GRAPH.

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