SUSTAINABLE by DESIGN

mondi

Mondi Group
Sustainable Development report 2024

Table of contents and external recognitions

Introduction

Our Sustainability Approach

Our progress against MAP2030

Reporting Standards and Assurance

External recognition of our sustainability performance

Our leading performance in sustainability has been recognised by external corporate ratings and indices, including:

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

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

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

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

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

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

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

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

Our reporting approach

This Sustainable Development (SD) report provides a comprehensive overview of our approach to sustainable development and performance across our Mondi Action Plan 2030 (MAP2030) commitments and targets, covering the financial year 1 January to 31 December 2024.

This report has been prepared and independently assured in accordance with Global Reporting Initiative (GRI) Universal Standards and the SASB Sustainability Accounting Standard for the Containers & Packaging Industry.

We will transition our sustainability reporting in accordance with the European Sustainability Reporting Standards (ESRS), as required under the Corporate Sustainability Reporting Directive (CSRD) applicable for our next report. This report structure has been adapted to support our transition to ESRS, including the addition of a separate and new ESRS & Performance index. The disclosure is based on our current understanding of ESRS requirements. We acknowledge that gaps remain this year as we work towards ESRS consistent disclosures in 2025.

The MAP2030 section includes new content to reflect the ESRS disclosure requirements on our material topics. We have included a new chapter on 'Business conduct' to reflect ESRS G1 requirements.

In addition, we have introduced a detailed ESRS & Performance index to map our ESRS disclosures throughout this report. As part of our reporting changes, we have moved our glossary to our website.

→ **Find out more about the changes in reporting and our methodology** Page 104

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.

Gladys Naylor,
Mondi Group Head of Sustainable Development

"

Our focus is on driving impact and progress towards MAP2030, with high-quality reporting supporting us to demonstrate how integral sustainability is to Mondi's business model and for our commercial success. In this year's report we are embarking on our transition to the requirements of the EU CSRD with new content and an adapted structure. We hope you find our Sustainable Development report insightful and engaging.

Alongside this SD report, see our full suite of 2024 Mondi Group reporting documents

🔗 Integrated report and financial statements   🔗 ESRS & Performance index   🔗 GRI & SASB index   🔗 GRI Biodiversity disclosures

Our businesses

Leading positions   **End-uses**

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.
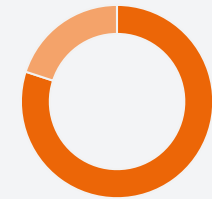
#1
virgin containerboard producer in Europe

#1
containerboard producer in emerging Europe

#1
corrugated solutions producer in emerging Europe

- Consumer and retail
- Industrial and agriculture

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.

#1
kraft paper producer globally

#1
paper bags producer globally

#3
consumer flexible packaging producer in Europe
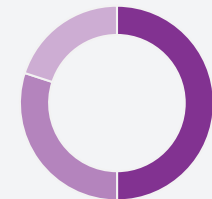
- Consumer and retail
- Building and construction
- Industrial and agriculture

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.

#2
uncoated fine paper producer in Europe

#1
uncoated fine paper producer in South Africa
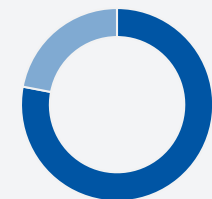
- Uncoated fine paper
- Market pulp

Our Group strategy

Our strategy
We drive value accretive growth, sustainably.

Our strategic value drivers

Drive performance along the value chain

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

Invest in quality assets

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

Our strategy is to drive value accretive growth, **SUSTAINABLY**

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.

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.

Mondi Action Plan 2030

The Mondi Action Plan 2030 (MAP2030) sets out the actions, targets and milestones we need to achieve to meet our ambitious 2030 sustainability commitments. It is a framework built on our purpose of contributing to a better world by making innovative packaging and paper solutions that are sustainable by design.
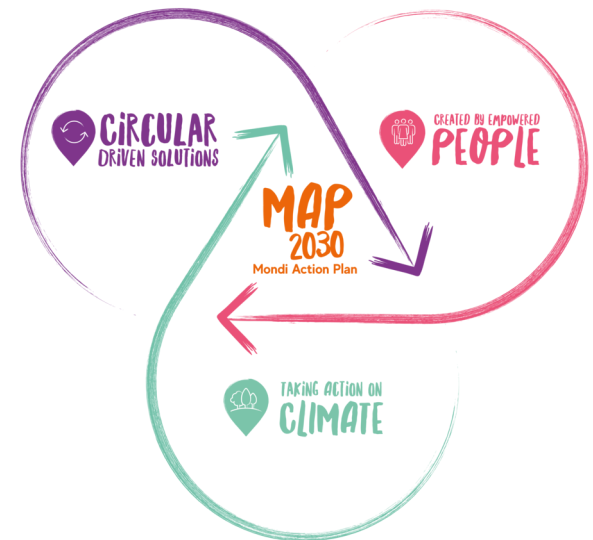
CIRCULAR DRIVEN SOLUTIONS

CREATED BY EMPOWERED PEOPLE

MAP 2030 Mondi Action Plan

TAKING ACTION ON CLIMATE

Built on Responsible Business Practices
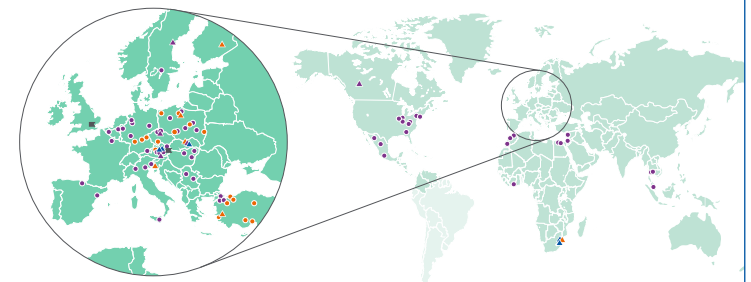
Leadership insights

Interview with...

Dame Angela Strank,
Chair of Mondi's Sustainable Development Committee

Andrew King,
Mondi Group CEO

MAP2030

Angela, tell us about the work of the Sustainable Development Committee, which you recently took on as Chair?

Angela: I'm excited to have taken on the role of Chair of the Sustainable Development Committee (SD Committee) at Mondi, which promotes accountability, integrity and transparency by overseeing Mondi's sustainability approach and monitoring progress against our MAP2030 commitments. We look to see that initiatives are aligned with our strategy to create value-accretive growth sustainably.

The SD Committee met seven times this year and discussed updates on progress against the various MAP2030 targets. 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.

I also attended an excellent 'Social Psychology of Risk' workshop this year, where I gained insights into the essential work and impact of Mondi's safety team. It was encouraging to see how leaders at all levels are connecting with their teams to foster a safe and engaging working environment. Clearly, Mondi is a pioneering force in this approach to safety.

Dame Angela Strank,
Chair of Mondi's Sustainable Development Committee

❝

The Mondi SD Committee promotes accountability, integrity and transparency as it monitors progress against our MAP2030 commitments.

Products

How can Mondi progress against its ambitious circularity targets, while remaining agile in responding to customer needs?

Andrew: We're working diligently towards our target of 100% reusable, recyclable or compostable product solutions, although challenges remain for our non-fibre-based solutions. In our Corrugated Packaging and Uncoated Fine Paper businesses our portfolios are already fully recyclable or compostable. We're focused on developing circular alternatives for our Flexible Packaging products that are not yet recyclable or compostable. While we've made progress it's clear that the speed of transition to these new solutions has fallen short of our 2025 target due to a number of factors, including the weak macroeconomic environment.

We completed a number of impressive initiatives this year, such as, in collaboration with Amazon, the introduction of new fully recyclable paper-based padded mailers. Through our Alliance for the Circularity of Paper Bags initiative, we aim to enhance recyclability in the construction industry.

People

What action is Mondi taking to build a culture in which employees feel a sense of purpose, are motivated, and are confident that their input contributes to Mondi's ongoing success?

Angela: I believe attracting and retaining world-class talent is essential for building a resilient business for the future. Creating an environment where our global, diverse workforce feels empowered and safe to share its perspective on a whole range of topics is a fundamental part of this mission, and our culture. Understanding the views of employees also helps to make informed decisions and enhances ways of working, which in turn fosters trust and drives growth. We also continue to make progress in building a diverse workforce, although our progress in this area is behind target.

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 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 supporting managers in providing constructive feedback and transparent communication on how speaking up makes a difference. Mondi is also promoting an initiative to celebrate examples where employee input has led to positive changes, reinforcing the message that every voice matters.

Leadership insights continued

Safety

What measures have you taken to ensure safety remains a top priority in your operations this year?

Andrew: We have reinforced and promoted the importance of our 'Nine Safety Rules' for colleagues and contractors. These rules go hand in hand with our values and our responsibility to take care of ourselves and each other. We are committed to the principles of 'Social Psychology of Risk', which balance physical controls, psychological aspects and culture dynamics to create a safer work environment.

We were deeply saddened by the tragic fatality that happened during a routine maintenance activity at our Merebank mill (South Africa) this year. We regrettably also had three life-altering injuries. We investigate all incidents and take action to prevent reoccurrences.

Some of our highest-risk activities occur during scheduled annual maintenance shuts and large projects, and therefore we focus on pre-shut risk assessments, engaging with our contractors and providing support and guidance during the activities on-site. It is encouraging that we had no serious injuries during our shuts and large projects.

Climate

How is Mondi progressing against its ambitious Net-Zero targets?

Andrew: In 2024, we continued to invest in our asset base to improve our energy-generating infrastructure and manufacturing technology. We have made good progress on the biomass boiler investment at Richards Bay (South Africa) and the modernisation investment at our Dynäs mill (Sweden). We are also pleased to have completed the €125 million upgrade at our Kuopio containerboard mill (Finland) and technical upgrades at Neusiedler (Austria). These investments, once completed and ramped up, will reduce our greenhouse gas emissions and help us meet our GHG emission reduction targets.

Our commitment to climate action is unwavering and our operations have taken ownership of delivering against our GHG reduction pathway. Our ongoing investment in the business supports our progress towards our Net-Zero targets.

Operational efficiency improvements are a key measure we're taking to decrease our emissions. This is also true for sites that have recently joined Mondi. During a visit to our new Hinton pulp mill (Canada) I met many new colleagues. I saw a strong commitment to collaborate and to take the mill's sustainability performance to the next level.

Suppliers

How is Mondi engaging with suppliers to mitigate risks and reduce GHG emissions?

Angela: We continue to engage with suppliers as part of our Responsible Procurement and Decarbonisation programme.

In 2024, we increased the number of supplier sites covered by a sustainability risk screening to around 2,400 organisations. The risk screening, which considers environmental performance, labour and human rights, ethics and sustainable procurement, enables us to gain insights into the supply chain, while mitigating risks. Another element of Mondi's supply chain engagement focuses on decarbonisation measures to deliver against our ambitious Scope 3 Net-Zero targets. Scope 3 emissions from purchased goods and services make up the largest portion of our Scope 3 emissions and we have issued a questionnaire to key raw material suppliers to enhance the quality and accuracy of our Scope 3 data.

Despite challenges, such as lack of standardisation and different levels of supplier maturity, we are committed to working closely with our suppliers to accelerate the Scope 3 decarbonisation roadmap.

Regulation

What steps are you taking to address the evolving legislative landscape in relation to the EU Green Deal?

Andrew: We are committed to complying with regulatory requirements by implementing robust compliance measures and engaging with our stakeholders. One regulation that has received significant focus this year is the EU Regulation on Deforestation-free Products (EUDR). Our cross-functional team is preparing for EUDR compliance and actively engaging with the wood products value chain to align compliance efforts. Meeting the new requirements under the Packaging and Packaging Waste Regulation (PPWR) is another area of focus, and here we see a number of exciting commercial opportunities, especially for our recyclable, fibre-based packaging solutions.

We are also updating our sustainability reporting processes and disclosures. Mondi published its first sustainability report in 2007. Since then, we have evolved our disclosures while implementing systems to manage our impacts, risks and opportunities. This puts us in a good position to meet the new EU disclosure requirements under the Corporate Sustainability Reporting Directive (CSRD).

> **Andrew King,**
> Mondi Group CEO
>
> **During a site visit to our Hinton pulp mill (Canada), I met many new colleagues. I saw a strong commitment to collaborate and to take the mill's sustainability performance to the next level.**

OUR SUSTAINABILITY APPROACH

Inside this section

Mondi Action Plan 2030

Our sustainability commitments

Mondi Action Plan 2030 (MAP2030) is our sustainability framework. It sets out the actions, targets and milestones we need to achieve to meet our ambitious 2030 sustainability commitments. We focus on circular driven solutions, created by empowered people, taking action on climate to leverage the positive impact we can make through our business.

The MAP2030 section of the report covers Mondi's performance against the commitments and targets underpinning our framework.

CiRCULAR DRiVEN SOLUTiONS
Innovative packaging and paper solutions that keep materials in circulation and avoid waste

MAP 2030
Mondi Action Plan

CREATED BY EMPOWERED PEOPLE
An empowered and inclusive team that contributes to a better world

TAKiNG ACTiON ON CLiMATE
Climate resilience through our forests and operations for the future of the planet
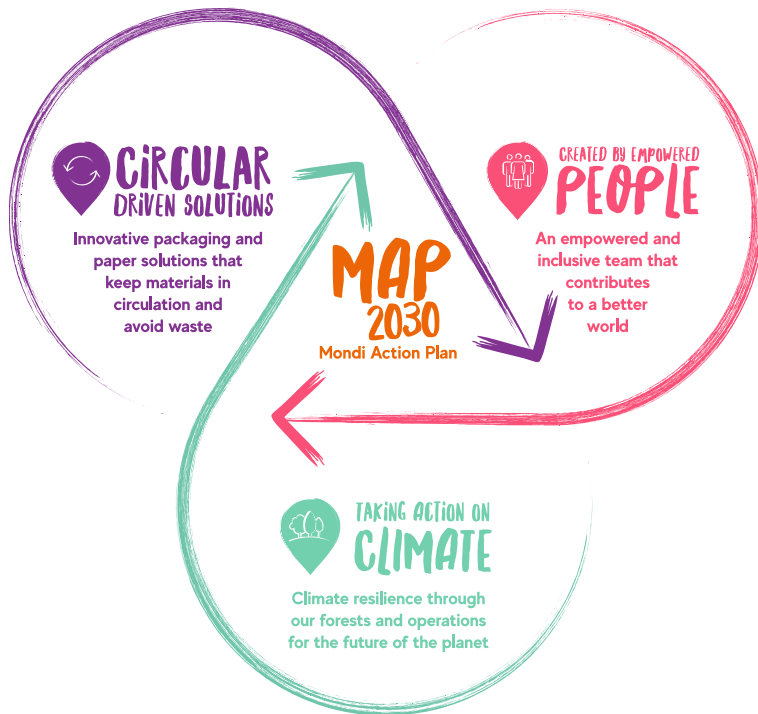
Built on Responsible Business Practices
Human rights | Communities | Procurement | Environmental performance

---

CiRCULAR DRiVEN SOLUTiONS

Read more
Page 22

– Make our packaging and paper solutions reusable, recyclable or compostable
– Avoid waste by keeping materials in circulation
– Work with others to eliminate unsustainable packaging

CREATED BY EMPOWERED PEOPLE

Read more
Page 39

– Build skills that support long-term employability
– Provide purposeful employment for all our employees in a diverse and inclusive workplace
– Create an environment that enables a positive work-life experience, valuing safety, health and mental wellbeing

TAKiNG ACTiON ON CLiMATE

Read more
Page 56

– Reduce our greenhouse gas emissions in line with science-based Net-Zero targets
– Maintain zero deforestation in our wood supply, sourcing from resilient forests
– Safeguard biodiversity and water resources in our operations and beyond

Strong linkage between our activities and the UN SDGs
We have seven strategically relevant SDGs where we believe we have the greatest impact through our business and can contribute to positive change at scale. We have mapped these SDGs throughout the report to the relevant action areas.

6 CLEAN WATER AND SANITATION | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 15 LIFE ON LAND

2024 performance at a glance

CiRCULAR DRIVEN SOLUTIONS

87%

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

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

Delivering on our MAP2030 commitments

A high-level overview of our performance in 2024 against our MAP2030 commitments.

CIRCULAR DRIVEN SOLUTIONS

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 — 🟡

Avoid waste by keeping materials in circulation

Eliminate waste to landfill from our manufacturing processes — 🟢

Work with others to eliminate unsustainable packaging

Progress made through our partnerships and stakeholder engagement activities each year — 🟢

CREATED BY EMPOWERED PEOPLE

2024 performance

Build skills that support long-term employability

Enable our employees to participate in upskilling programmes — 🟢

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

Achieve 90% Purpose Satisfaction score in our Employee Survey — 🟢

Achieve 90% Inclusiveness score in our Employee Survey — 🟢

Employ 30% women across Mondi — 🟡

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

Zero fatalities — 🔴

Zero life-altering injuries — 🔴

15% reduction in Total Recordable Case Rate — 🟡

Support our employees in pursuit of a work-life experience that enhances their wellbeing — 🟢

Our operations drive awareness of and take measures to improve health and mental wellbeing — 🟢

TAKING ACTION ON CLIMATE

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 — 🟢

Reduce Scope 3 GHG emissions by 27.5% by 2030 from a 2019 baseline — 🟡

Reduce Scope 1, 2 and 3 GHG emissions by 90% by 2050 from a 2019 baseline — 🟢

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

Maintain 100% FSC™ certification in our own forest landholdings — 🟢

100% responsibly sourced fibre with 75% FSC™- or PEFC-certified fibre procured by 2025 and the remainder meeting the FSC Controlled Wood standard — 🟢

Implement leading forestry measures to ensure productive and resilient forests — 🟢

Safeguard biodiversity and water resources in our operations and beyond

Conduct water stewardship assessments at our mills and forestry operations by 2025, introducing water stewardship action plans to address findings by 2030 — 🟢

Conduct biodiversity assessments at our mills and forestry operations, introducing biodiversity action plans to address findings by 2025 — 🟢

2024 performance key ✅ Completed 🟢 On track 🟡 Behind target 🔴 Not on track

Our global context

The private sector is being urged to strengthen its work on addressing major global challenges, despite geopolitical uncertainties, a weak economy and a quickly evolving legislative agenda. A transition to future-proof business models requires an acceleration in the deployment of critical low-emissions technologies, a circular transformation for products and improved management of supply chain risks and decarbonisation.

Our MAP2030 framework and our material topics guide how we manage our impacts, risks and opportunities. Multiple macroeconomic, social, environmental and political developments inform our business decisions and relationships. This global context section offers an overview of the main trends, developments and challenges our sector and our business face on a global scale.

Extreme weather as global top risk

2024 marked another year of unprecedented temperature records and severe weather events in the USA and central Europe. Since pre-industrial times, the global average temperature for a 10-year period has increased by 1.2°C.[1] Extreme weather events are considered the biggest global risk.[2]

Phasing out fossil fuels is critical to prevent the worst consequences of climate change and a further increase of the average global temperature by 1.5°C. Since 2020, global clean energy investments have doubled.[3] Yet much more needs to be done. Tripling renewables and doubling efficiency targets could put the world two-thirds of the way towards achieving emission reductions required by 2030.[4] Companies play a key role in reducing climate change by delivering against their GHG emission reduction targets and decarbonising their supply chains.

Overshooting nature's limits

Climate change is putting increasing pressure on ecosystems and their ability to adapt. Natural resources, such as fish, plants, trees and terrestrial animals, provide societies with food, energy, medicine and materials.

However, scientific evidence indicates that Earth's system is reaching its safe limits. Six of nine planetary boundaries have already been surpassed, increasing the risk of generating large-scale abrupt or irreversible environmental changes. The average size of the wildlife population has fallen by over 70% in just 50 years.[5] The availability of freshwater is also under pressure and glaciers have experienced the largest mass loss over the past five decades.[6] Businesses must contribute to reducing their impacts on nature through their operations, improving water stewardship and preserving precious natural capital.

> The climate crisis is intensifying, with 2024 set to be the hottest year on record. It will also be the first year to have an average temperature exceeding 1.5°C above pre-industrial levels, highlighting a significant escalation in the climate crisis.

EU's Copernicus Climate Change Service, December 2024

M **Material topics:**

Climate change adaptation; Climate change mitigation; Energy

M **Material topics:**

Biodiversity and fibre sourcing; Climate change adaptation; Climate change mitigation; Water

---

1 World Meteorological Organization - State of Global Climate report 2023.
2 World Economic Forum - Global Risks Report 2024.
3 International Energy Agency - World Energy Investment 2024.
4 International Energy Agency - From Taking Stock to Taking Action.

5 WWF - Living Planet Report 2024.
6 World Meteorological Organization - State of Global Water Resources report 2023.

Our global context continued

Circular business models

The reduction of material extraction and consumption is key to the Earth's systems remaining within safe limits. However, the majority of extracted materials are still virgin and research shows that over the past six years, global economies have consumed nearly as much as in the entire 20th century.[7] Companies face evolving legislation on circular product practices, such as the EU Packaging and Packaging Waste Regulation (PPWR). Pressure is high to reduce the environmental impacts of products, present circular alternatives and make credible green claims for consumers.

Yet the availability of recycled materials is limited: while the demand for recycled plastic packaging is increasing significantly, availability of recycled materials lags behind.[8] There is increased pressure to harmonise approaches for effective collection, sorting and recycling, as well as to improve technologies to increase the availability, quality and volume of recycled materials.
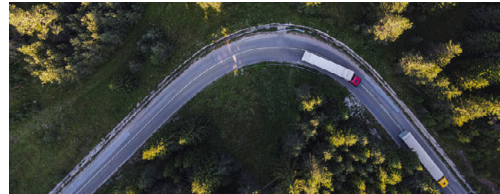
Supply chain collaboration

Transparent supply chains play a major role in delivering against sustainability commitments: 80% of a typical consumer goods company's GHG emissions are allocated to the supply chain.[9] With policymakers raising the bar for transparency and due diligence requirements on many commodities, end-to-end supply chain visibility is climbing up the corporate agenda.[10]

With several large companies having been confronted with public human rights accusations in their supply chains in recent years, addressing the social aspects is gaining momentum. Human rights abuses remain a global issue, with an estimated 28 million people globally still being in forced labour.[11] Also, industry coalitions are increasing their commitments to tackle human rights topics such as child labour and ethical sourcing practices across sectors.[12]

A key enabler to increasing supply chain transparency remains regular and transparent dialogue with business partners.

An ambitious EU green agenda

The EU Green Deal demands continuous monitoring of regulatory changes, investing in sustainable practices and ensuring transparent reporting. Turning regulatory requirements into growth opportunities is essential. Early adopters of the Corporate Sustainability Reporting Directive (CSRD) find it difficult to navigate the regulatory changes, while ensuring transparency and accuracy in reporting at the same time.[13]

Companies face new requirements in managing supply chains with regulations, such as the EU Regulation on Deforestation-free Products and the Corporate Sustainability Due Diligence Directive (CSDDD). The latter requires companies to identify and address adverse human rights and environmental impacts inside and outside Europe. Packaging companies must invest in research and development to innovate for compliance with the PPWR. The Green Claims Directive tackles false environmental claims with the aim of improving consumer transparency and building trust.

> " The total amount of materials consumed by the global economy continues to rise: in just the past six years alone we have consumed over half a trillion tonnes of materials – nearly as much as the entirety of the 20th century.
>
> **The Circularity Gap Report,** 2024 edition

M Material topics:

Circular economy; Product quality and safety

M Material topics:

Business conduct; Working conditions and human rights

M Material topics:

Business conduct; Working conditions and human rights

---

7   Circle Economy and Deloitte - The Circularity Gap report 2024.
8   McKinsey - Big things come in recyclable packages.

9   McKinsey - How to prepare for a sustainable future along the value chain.
10   EY - Building supply chain sustainability that can drive revenues and reduce operational risks.
11   International Labour Organization - Global Estimates of Modern Slavery: Forced Labour and Forced Marriage.
12   Boston Consulting Group - Why Companies Must Address Human Rights in Their Supply Chains.

13   We Mean Business Coalition - Early adopters' CSRD reporting.

Our material sustainability topics

Understanding our business's impact on the environment and society, as well as how trends and sustainability topics will shape our business, is crucial for our future success. Through our MAP2030 framework and our continuous stakeholder engagement, we have built due diligence systems to monitor and address our impacts, risks and opportunities.

The double materiality concept according to CSRD

Impact materiality defines if a topic is material in relation to a business's actual or potential positive or negative impacts on people or the environment. Impacts are assessed over the short, medium and long term, and consider the severity of impact, based on the scale, scope and how difficult it is to remedy. For potential impacts, an assessment of likelihood is overlaid to determine significance.

Financial materiality identifies the importance of sustainability information, risks and opportunities that, if left out, misrepresented or hidden, could reasonably be expected to influence financial decisions. When assessing the materiality of risks and opportunities, both the likelihood of these risks and opportunities happening and the potential resulting financial impact on enterprise value are considered.

The double materiality process, as a key concept of the EU Corporate Sustainability Reporting Directive (EU CSRD), is part of our broader stakeholder engagement and ties into our Group's due diligence systems to monitor, assess and manage our impacts, risks and opportunities.

Double materiality assessment process

In 2023, we conducted a double materiality assessment to prepare for the reporting requirements of the EU CSRD. In line with European Sustainability Reporting Standards (ESRS) guidance, we considered sustainability topics as material when they met the criteria for impact materiality, financial materiality, or both.

Our double materiality assessment encompassed the following five steps. A detailed description of the process is in Mondi's Sustainable Development report 2023 (pages 14-15).

1 **Development of issues list** based on the ESRS guidance, outlining topics and sub-topics: We took into account material topics defined in three SASB standards (Containers and Packaging; Forestry Management; and Pulp and Paper Products). We also considered the issues from our previous assessment in 2021.

2 **Desk-based research** to prioritise issues: We analysed trends, key changes in our external environment, and macro and sector-specific risks. We also benchmarked 19 companies, including suppliers, customers and industry peers.

3 **Stakeholder engagement** to refine issues:
a. **In-depth interviews with external stakeholders,** including customers and investors, to better understand their priorities and views of Mondi, and how we can improve on sustainability-related issues.
b. **Survey distribution** to internal and external stakeholders across our most important stakeholder groups (see page 92). We gathered insights on the actual or potential impacts of Mondi, including impacts directly caused or contributed to by our business; and impacts resulting from activities in our upstream and downstream value chain. We asked respondents to score topics, considering scale, scope, remediability and likelihood. Separately, we distributed sustainability-related questions to Mondi leaders as part of a broader leadership survey.

4 **Assessment of financial materiality** by identifying the material effects of each issue, considering the impacts on our continued use of, or access to, resources and our reliance on relationships. As part of this evaluation, we considered our Group risk profile, which included our annual review of the SD risk register and our annual TCFD report.

The terminology around financial cost and timeframes used was aligned with the Group's TCFD thresholds for timescales and used percentage of underlying profit (UOP) to define cost thresholds.

5 **Validation of draft results with internal senior experts:** We discussed the draft results for financial and impact materiality with Mondi experts from relevant functions to ensure the results were aligned with their understanding of Mondi's business. We shared the results with our Sustainable Development Committee, which approved the outcomes of the Group's material topics on behalf of the Board.

Outcomes of assessment process

Through our 2023 double materiality assessment, we identified 10 material topics. Our impacts occur across our upstream and downstream value chain, as well as in our operations.

Overall, our material topics have remained relatively consistent since our assessment in 2021, although several areas, such as working conditions, human rights and water, have grown in importance to stakeholders.

Climate change mitigation was the top priority for our stakeholders. Customers and investors pay close attention to our progress to achieve our GHG Net-Zero targets.

Our approach to a circular economy was most important to our customers. They also confirmed Mondi to be a trusted supplier of fibre-based products and rely on the Group's measures and policies to respect human rights and implement responsible sourcing.

Our material sustainability topics continued

Implications for reporting

The outcomes of the materiality process have shaped this year's sustainability reporting disclosure, as part of our transition to compliance with the EU CSRD requirements next year.

We have mapped our material topics against the relevant topical ESRS Standards (see table on the right). Four topical ESRS Standards only require disclosure on a sub-topic level (for example, for E2, only 'pollution to water'). We have adapted the reporting content to reflect this mapping and feature relevant ESRS disclosures, as well as further insights on the impacts, risks and opportunities for each material topic, in the relevant MAP2030 sections of this report. The 'M' icon helps to navigate material topic content throughout the sections. The material topics are shown in alphabetical order.

'Business conduct' was introduced as a new chapter with content relevant to ESRS G1.

We will continue to report on the progress against MAP2030 action areas, as these areas represent important aspects of our sustainability approach. We will also continue to report our progress on topics which have not been deemed material under ESRS, but are relevant to our performance under MAP2030. Such voluntary disclosures include air pollution and communities in Responsible Business Practices.

We conduct a detailed refresh of our double materiality assessment roughly every three years, to capture evolving trends and review our understanding of the Group's material sustainability topics and how we can improve.

Interaction with MAP2030 and other due diligence systems

The material topics identified align with our MAP2030 sustainability framework and the double materiality assessment has reconfirmed that we have defined the right action areas.

Impacts, risks and opportunities are managed at a topical level through our MAP2030 commitments and are monitored by existing due diligence systems, as outlined throughout this report.

A number of Group functions and expert networks are responsible for implementing our sustainable development policies, systems and practices. They monitor our actual and potential impacts through their ongoing stakeholder engagement and monitor the effectiveness of our management approaches.

Sustainability-related risks and opportunities are assessed annually through our SD risk review process and TCFD reporting, and are incorporated into the overall Group risk assessment process.

We continue to develop our approach to most effectively leverage the outcomes of the double materiality assessment into our existing sustainability due diligence systems.

MAP2030 areas	Material topics	Relevant ESRS disclosures
CIRCULAR DRIVEN SOLUTIONS	Circular economy	E5 Resource use and circular economy
	Product quality and safety[1]	S4 Consumers and end-users
CREATED BY EMPOWERED PEOPLE	Diversity, equity and inclusion[1]	S1 Own workforce
	Working conditions and human rights[1]	
TAKING ACTION ON CLIMATE	Biodiversity and fibre sourcing	E4 Biodiversity and ecosystems
	Climate change adaptation[2]	E1 Climate change
	Climate change mitigation	
	Energy	
	Water	E2 Pollution / E3 Water and marine resources
RESPONSIBLE BUSINESS PRACTICES	Business conduct[2]	G1 Business conduct

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

Our material sustainability topics across the value chain

Upstream

Responsibly sourced raw materials

We require materials such as wood, paper for recycling, chemicals, resins, access to natural resources (most notably water), and energy in our manufacturing processes.

Material topics

- Biodiversity and fibre sourcing
- Business conduct
- Circular economy
- Climate change adaptation
- Climate change mitigation
- Water
- Working conditions and human rights

Relationships and partnerships

- **Suppliers:** span around 11,000 suppliers in 72 countries
  - Wood supply organisations, including **contractors** for harvesting
- **Partners and industry associations**
  - Fibre certification schemes, such as FSC and PEFC
  - Scientific organisations, such as TEAMING UP 4 FORESTS

Our raw materials reach our manufacturing sites (upstream) mainly through trucks, but also vessels and rail

Own production

Efficient production

Our mills produce pulp, containerboard, kraft paper and uncoated fine paper and our converting operations produce corrugated solutions and flexible packaging products.

Material topics

- Business conduct
- Circular economy
- Climate change mitigation
- Diversity, equity and inclusion
- Energy
- Water
- Working conditions and human rights

- **Employees** across production sites and corporate offices, including sales
- **Contractors**, mainly during annual maintenance and project-related shuts
- **Suppliers**, such as service providers for machinery and other technologies
- **Communities** around our operations

Intercompany distribution, mainly through trucks

Downstream

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.

Material topics

- Business conduct
- Circular economy
- Climate change mitigation
- Product quality and safety

- **Customers**, partnering with and delivering on their needs across a range of end-uses, including food and beverage, pet food, eCommerce, home and personal care, industrial, chemicals, transport, agriculture and office and professional printing

Recycling

- **Partners and industry associations**
  - Such as 4evergreen, CEFLEX and the Ellen MacArthur Foundation
  - Industry partners for secondary raw materials
- **Suppliers**, such as recycling organisations

Our finished products are distributed to our customers (downstream) mainly through trucks, but also vessels and rail

How we engage with our stakeholders

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.

We incorporate and reflect on the feedback of our stakeholder groups through our MAP2030 progress, our double materiality assessments and our ongoing engagement in partnerships and multi-stakeholder collaborations across the value chain. The Board is regularly updated on the views and interests of our stakeholders through the rolling Sustainable Development Committee (SD Committee) meeting agenda.

Our stakeholder engagement is organised both at a Group and local level, including customer collaboration, national and international multi-stakeholder meetings and our engagements with industry associations.

Our stakeholders include internal and external individuals, groups, organisations and partners interested in or affected by our business decisions, policies and objectives. We identify key stakeholder groups and their interests through consultation with internal experts and analysis of relevant information, including sector developments, responsible business practices, benchmarking, customer and investor requirements, NGO expectations and the UN SDGs.

We have mapped our engagement with key stakeholders across our value chain	→ **Our material topics across the value chain** Page 15
We describe our 2024 stakeholder engagements throughout this report in more detail	→ **Eliminate unsustainable packaging together** Pages 36-37
	→ **Biodiversity and water** Page 75
Our Board reviews our key relationships and engagement with stakeholders	🔗 **See topics discussed by the SD Committee in the Integrated report 2024** on page 110

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.

How we engage with our stakeholders continued

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.

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.

Sustainability governance

Robust governance systems underpin our commitment to sustainability and promote transparency and credibility among our stakeholders. We use principles, policies and management systems to apply a consistent approach to sustainability throughout our operations and guide our daily decision-making.

Board and committees

The Board and its committees provide leadership in implementing good corporate governance to ensure integrity, responsibility, accountability, fairness and transparency across the Group. The Board monitors and oversees the implementation of our business strategy, with sustainability at its centre.

Several Board committees oversee the progress on sustainability-related matters, such as the Sustainable Development (SD) Committee, the Audit Committee and the Remuneration Committee (see graphic on the right). The Executive Committee delegates the execution of our sustainable development policies, systems, practices and commitments to several Group functions and expert networks. It monitors the effectiveness of our management approach as well as our actual and potential impacts as a business through its ongoing stakeholder engagement.

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

Sustainability governance continued

Our Board brings a wealth of experience and expertise to the Group. The Board members are diverse in origin, gender, race, education and experience, reflecting the broad nature of our activities and operational territories.

🔗 **Read more on the Board's skills and experiences in our Integrated report 2024** on pages 76-77

In 2024, the SD Committee met seven times to consider all aspects of sustainability that are material to our business, including updates on the MAP2030 progress, our external ESG ratings and updates on activities with external organisations and partners.

🔗 **See the SD Committee's agenda in the Integrated report 2024** on page 110

As part of the annual reporting cycle, the Board (through the SD Committee) and the Executive Committee approve the approach to and scope of our SD reporting, including external assurance. The SD Committee also approves the SD report on behalf of the Board.

Sustainable development at Mondi

The sustainable development (SD) experts within Mondi provide guidance and support actions required across our business to achieve our sustainability targets. This also includes supporting the business to monitor and assess risks and opportunities, emerging changes to the regulatory environment, developments in our social and environmental operating context, and evolving stakeholder needs and expectations. The SD experts inform, challenge and support our businesses to respond to stakeholder needs and expectations, shaping our long-term response to global challenges.

The Group SD team oversees the management of the Sustainable Development Management System (SDMS) and facilitates Group sustainability reporting and external assurance. Internal and external engagement is a key responsibility. Internally, this means supporting businesses to better identify, understand and address relevant sustainability-related topics, business risks and opportunities, as well as reporting our positions and performance against our commitments.

Externally, it involves overseeing and fostering collaboration with stakeholders to develop a shared understanding of the SD landscape and tackle the issues no single sector or organisation can solve alone. This engagement leverages Mondi's influence through sharing best practice, knowledge and resources, and by supporting and collaborating with scientific and academic institutes, underlining our belief that science plays a crucial role in creating a more sustainable and equitable world.

Sustainable Development Management System

Our SDMS guides effective governance of our activities and supports the practical implementation of our sustainable development policies, which are available on our Group website and are reviewed and approved by the Board annually.

🔗 **Find our Sustainable Development policies** online

The SDMS covers all facilities and activities that we manage and operate, including those in which we hold a controlling interest, new developments, and mergers and acquisitions. Activities undertaken by contractors are covered and they are required to comply with our SDMS.

The SDMS supports us to: meet international and national standards; comply with legislative requirements; improve our reporting; and adhere to our sustainability principles.

Sustainability governance continued

Our sustainability due diligence systems

Mondi employs a variety of due diligence processes to identify, prevent, mitigate and track actions related to actual and potential impacts on people and the environment. Our material impacts, risks and opportunities are identified as part of our double materiality assessment. They are monitored and addressed at a topical level through our MAP2030 framework and existing due diligence systems.

We address sustainability risks and opportunities as part of our Group-wide risk management framework, as well as strategic, financial, operational and compliance-related risks that could undermine our ability to achieve our business objectives. We exercise due diligence before introducing new operations, practices, processes and products.

Our risk management approach – particularly relating to environmental issues and climate-related risks – incorporates the precautionary principle, which implies our responsibility to protect the natural environment from harm where there is a plausible risk.

As part of the annual, detailed review of the Group's principal and emerging risks and related mitigation, the SD risk register is reviewed by relevant experts in the Group to ensure mitigation plans are in place for those risks with a high likelihood of occurrence and/or impact potential. These risks include inherent operational and strategic risks. We also identify sustainability trends and opportunities to create competitive advantage for Mondi and improve our financial performance.

As part of our annual SD risk register update, we update our climate-related risks and opportunities. Climate change-related physical and transition risks and opportunities, including timeframes, are addressed in our TCFD disclosure.

🔗 **Read more on TCFD in the Integrated report 2024** starting on page 52

Our Group-wide risk management process and the findings in relation to sustainability risks and opportunities informed the latest double materiality assessment process conducted in 2023.

→ **Read more on our material topics** Page 13

Group Internal Audit function

Our Group Internal Audit function provides independent assurance and reports to the Audit Committee. The team performs Group-wide reviews of key processes, projects and systems, based on Mondi's strategy and most significant risks. Our system of internal controls comprises policies, procedures and practices.

Group Internal Audit brings a systematic and structured approach and covers a number of areas to evaluate and improve our governance, risk management and internal control processes. Its main objective is to assist the Board in carrying out its responsibilities, including its duties and obligations under the UK Corporate Governance Code.

Sustainability-related performance in remuneration

Sustainability KPIs are part of our annual bonus schemes, covering key MAP2030 action areas and representing 20% of the Group's annual bonus metrics. This bonus element is 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. Its targets include:

- reduction of specific Scope 1 and 2 GHG emissions progressing towards our 2030 milestone (5%);

- reduction of specific waste to landfill progressing towards our 2030 milestone (5%); and

- improvement in safety performance progressing towards our 2030 milestone (10%).

At the beginning of the performance period, the Remuneration Committee approves the measures and the targets for the sustainability scorecard for the annual bonus, based on management recommendations. At the end of the bonus year, it determines the bonus based on performance against these targets.

🔗 **Read more on remuneration in the Integrated report 2024** starting on page 111

OUR PROGRESS AGAINST MAP2030

Inside this section

CiRCULAR DRiVEN SOLUTiONS

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

→ Read more on our performance against our targets
Page 23

M Material topics
- Circular economy
- Product quality and safety

Performance against our targets

Commitment	Target	Performance against baseline	
		2023	**2024**
Make our packaging and paper solutions reusable, recyclable or compostable	**100% of our packaging and paper products are reusable, recyclable or compostable by 2025**	🟡	🟡
Avoid waste by keeping materials in circulation	**Eliminate waste to landfill from our manufacturing processes**	🟢	🟢
Work with others to eliminate unsustainable packaging	**Progress made through our partnerships and stakeholder engagement activities each year**	🟢	🟢

2024 performance key   ✓ Completed   🟢 On track   🟡 Behind target   🔴 Not on track

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%). This includes 100% of our Corrugated Packaging and Uncoated Fine Paper businesses.

In our Flexible Packaging business we had, based on revenue, a sustainable alternative in place, or identified and in development, for 97% of our Flexible Packaging products (2023: 94%).

→ Page 29

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).

→ Page 34

Progress 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.

→ Page 38

87%

of our revenues in 2024 are from reusable, recyclable or compostable packaging and paper solutions

Sustainable by Design

re/cycle Functional Barrier Paper

Recyclable fibre-based alternatives to plastic used for form, fill and seal applications, ensuring customised barriers.

🔗 **Read more about our products** online

Designing products for circularity

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

Target
100% of our packaging and paper products are reusable, recyclable or compostable by 2025

| 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION |

Material topics and related ESRS Standards

M Circular economy

E5 Resource use and circular economy

M Product quality and safety

E5 Resource use and circular economy

S4 Consumers and end-users

→ **Find out more about our material topics**
Page 13

We are committed to innovative packaging and paper solutions that keep materials in circulation and reduce waste, limiting our impact on the world around us. Sustainability is at the centre of our product innovation and R&D, helping us to address global challenges including climate change, resource scarcity, food waste and plastic leakage into the environment.

Our material impacts, risks and opportunities

Evolving customer needs are driving global investment, collaboration and innovation in sustainable packaging and paper.

Circular economy was identified as a material topic and was the most important issue for our customers in our latest double-materiality assessment.

Packaging can have impacts on the environment and people. Unsustainable packaging can lead to increased waste, depletion of resources and pollution, as non-recyclable materials can end up in landfills or oceans when not properly disposed. This can in turn potentially harm biodiversity and ecosystems. For people, negative impacts include health risks, pollution or other environmental hazards from nearby production facilities. Unsustainable packaging practices can also lead to economic costs associated with waste management and environmental clean-up.

Paper-based packaging is renewable and recycled at scale, making it an ideal alternative to less sustainable solutions. For paper, our biggest potential impact is at the beginning of the value chain, during harvesting of raw materials, so we focus on responsible wood fibre sourcing and promotion of sustainable working forests.

→ **Read more on sustainable working forests**
Page 68

For plastic, we are focused on improving plastic collection and sorting, recycling plastic material and keeping waste from getting into the environment. Moving to mono-material solutions designed for circularity is a key lever.

The opportunities of circularity

Given the growing environmental consciousness of consumers and our customers, we believe our business faces more opportunities than risks, underpinned by the transition to more sustainable solutions. Product substitution trends, many of which benefit Mondi and its customers, include moving from plastic to paper-based packaging, shifting to mono-material recyclable plastic packaging solutions, lighter weighting of products, increasing the recycled content in packaging and lowering the carbon impact.

We assess and share with our customers the sustainability performance of our products to encourage responsible purchasing, optimal use and end-of-life disposal of products.

We offer our customers high-quality packaging and paper solutions that comply with all relevant safety and health requirements. We implement and maintain relevant certifications for all our operations based on sector requirements, and reduce our negative impacts on the environment and people by ensuring our products and operations meet all applicable safety, health and hygiene standards and other regulations.

We review our principal and sustainability risks annually, as well as engaging with internal experts and commercial teams, to understand if the impacts, risks and opportunities accurately reflect the current situation.

Through sustainable products, we aim to address some global challenges such as climate change, resource scarcity and food waste.

🔗 **Read more in our Product Stewardship Policy** online

Our holistic approach to circularity comprises six elements:

1 **Sustainable Design Principles** to support innovation and new product development

2 **Our Path to Circularity Scorecard** to define our baseline and measure our progress against our commitment to make all our packaging and paper solutions reusable, recyclable or compostable

3 **Product impact assessments** using our life cycle-based tools

4 Our **R&D and innovation capabilities** across paper and plastic

5 **In-house laboratories**, including our recyclability testing, food safety and ISTA packaging performance laboratories

6 **Cross-value chain collaboration** with customers and suppliers

Sustainability as a competitive advantage

Leveraging our unique portfolio

As a leading packaging and paper producer, with circularity at the core of our product solutions, we are well positioned to leverage our innovation capabilities, leading market positions and strong customer base.

Our unique portfolio of paper-based, composite and flexible plastic solutions, gives us many opportunities to meet global demand for more sustainable products that are functional, cost effective and attractive to customers and consumers.

Whether a paper-based solution with barrier properties (such as resistance to moisture or light) or specific eCommerce challenges, the carbon impact and recyclability or compostability of our products at end-of-life are always in focus.

Why fresh and recycled fibre go hand in hand
Click here to learn why fresh and recycled fibre are complementary elements, which ensure that the paper cycle can be maintained.

Mike Powell,
Mondi Group CFO

> Growing demand for sustainable packaging provides a significant opportunity to leverage our unique range of innovative paper-based and flexible plastic solutions in partnership with our customers. Increasing online purchasing by consumers is also driving more demand for eCommerce packaging solutions that are fit for purpose and sustainable by design.

eCommerce trend report 2025

Our latest eCommerce survey of 6,000 consumers in Czech Republic, France, Germany, Poland, Sweden and Türkiye, carried out in October 2024, provided insights on consumer priorities and explored how attitudes and behaviours around online shopping, packaging and sustainability have changed in the last 12 months.

Key findings on the role of packaging in eCommerce include:

Protection
95%
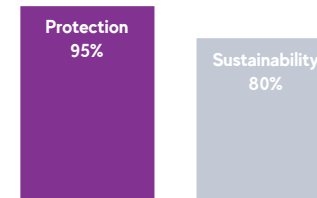
Sustainability
80%

95%
of respondents rated product protection as important or very important, clearly the number one priority; sustainability also remains key, rated important or very important by 80%

8 in 10
consumers demand sustainable/recyclable packaging

🔗 **Access the eCommerce trend report** online

On the path to circularity

Circularity at Mondi

Sustainable Design Principles

- Responsible sourcing
- Recycled content
- Renewable materials
- Resource efficiency

Our Path to Circularity Scorecard (sustainable end-of-life)

	Paper	Plastic
Recyclable	**Recyclable:** >80% paper content[a] **Unacceptable[b]:** PVDC, wax coating, aluminium foil, adhesives which plasticise, permanent wet strength, two-sided silicon or PO polymer coating	**Recyclable:** >80% PE or PP (mono-materials), PO (mixed PE and PP) **Unacceptable[b]:** PVC, PVDC, PET[c], PA, aluminium foil, biodegradables **Unacceptable above 5%[b]:** other polymers (EVOH, PVOH, acrylic, etc.)
Compostable	Verified in accordance with accepted standards for home or industrial compostability (e.g. EN13432)	Verified in accordance with accepted standards for home and industrial compostability (e.g. EN13432)
Reusable	Solutions designed for reuse for the same purpose as initially conceived	Solutions designed for reuse for the same purpose as initially conceived

When designed for separation, all packaging components must comply with the following criteria:

a. Paper content includes fibre, fillers and binders.
b. Unacceptable unless proven recyclable through testing.
c. Unacceptable as co-material with polyolefins.

Sustainable Design Principles

Many parameters can define a sustainable solution, with up to 80% of a product's environmental impact influenced at the design phase.[14] We have defined seven Sustainable Design Principles (SDP), encompassing different dimensions of sustainability, each of which can 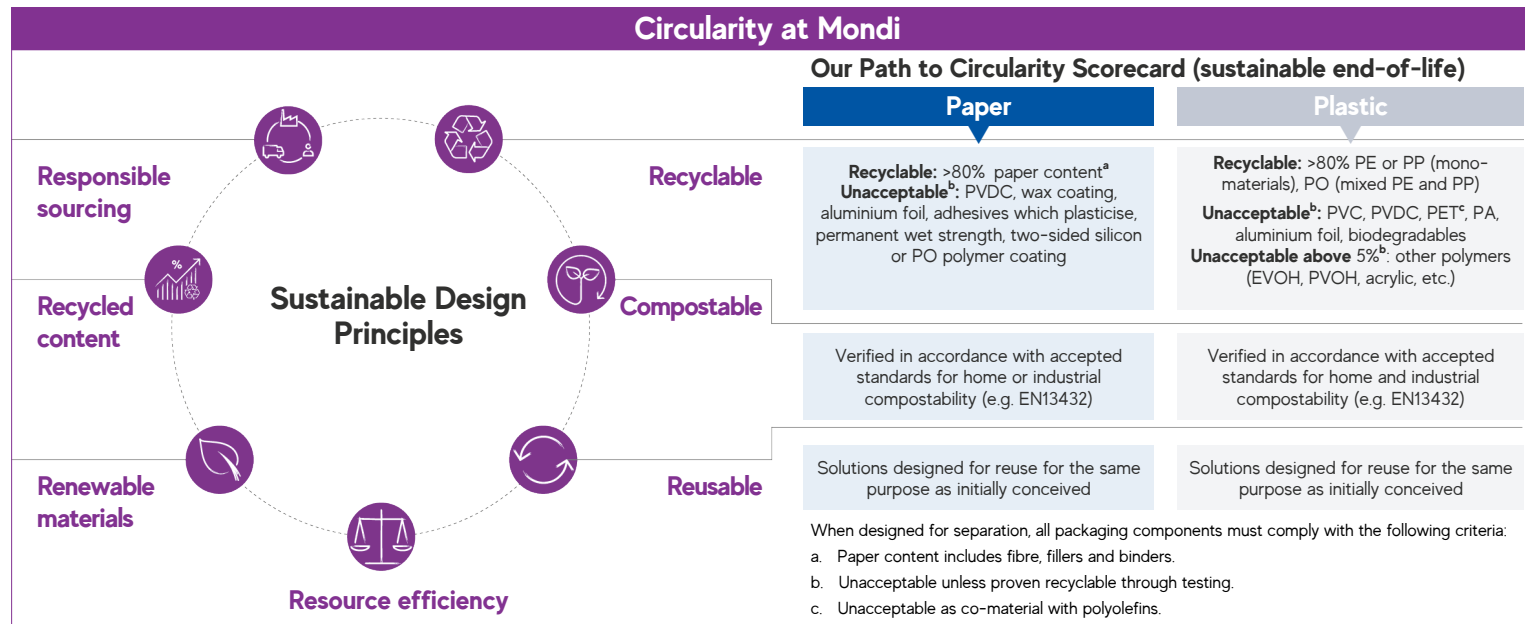contribute to making a more sustainable solution. Our SDP guide our product development and innovation teams, and are integrated into our Path to Circularity Scorecard.

Our seven principles range from responsible sourcing to material efficiency and use of renewable materials and recycled content.

During design, we also consider materials, coatings or finishings that may impede recyclability, as well as the available market infrastructure for collection, sorting and recycling.

Assessing circularity with our scorecard

For a Mondi product to be deemed circular, it must be designed with a sustainable end-of-life. Our Path to Circularity Scorecard defines specific criteria and thresholds applied to our packaging and paper portfolio to classify our products as reusable, recyclable or compostable, and measure our progress towards our commitment to make 100% of our packaging and paper solutions reusable, recyclable or compostable.

We require 80% paper content, or similarly 80% polyethylene (PE) and polypropylene (PP) mono-materials, for our paper or plastic solutions to be deemed designed for recycling. Solutions that do not meet our defined thresholds or contain unacceptable materials must be tested in a qualified laboratory to be classified as recyclable.

All compostable solutions must be verified in accordance with accepted standards for home or industrial composting. To support a harmonised application and drive progress across our organisation, we developed an internal Circularity Scorecard Practice Note and promoted it as part of our Due Diligence Management System (DDMS) available on our intranet.

We review our scorecard every year and update it to reflect developments in technologies, industry guidelines and legislation. Latest guidelines from 4evergreen, FEFCO, CEFLEX, Consumer Goods Forum and others are also considered. In 2024, there were no significant changes to our scorecard criteria or parameters.

Each business unit assesses its product portfolio using the scorecard and applies a risk-based approach to test and verify solutions that may be difficult to recycle in conventional paper mill processes. New product innovations are also assessed against the scorecard criteria.

The portfolios of both our Uncoated Fine Paper and our Corrugated Packaging business units are either 100% recyclable or verified as compostable (where recyclability is not feasible).

In our Flexible Packaging business, we have mapped circular alternatives for products that are not recyclable or compostable. R&D resources are prioritised accordingly. Having a 'circular alternative in place' is defined as an alternative that is either commercialised or in development within our network of operations, and has the potential to replace products that do not have a sustainable end-of-life today. Products in development need to have successfully passed our internal trial to qualify as 'circular alternatives' in our portfolio assessment.

We also have a process to manage products without a sustainable end-of-life, including a decision framework, internal tracking and steering tool, and an escalation mechanism.

→ **Read more on our performance**
Page 29

---

14 WRAP – Embedding environmental sustainability in product design.

Understanding the impacts of our products

Cradle to Cradle Certified® Uncoated Fine Paper products

Mondi's Uncoated Fine Paper business is deploying its sustainability roadmap to drive the Sustainable Design Principles, with the Cradle to Cradle Certified® Products Programme as a cornerstone.[15]

New initiatives in our Uncoated Fine Paper business include the introduction of PE-free wrappers for mill brands, a product range extension of our recycled paper NAUTILUS® ProCycle and Nordic Swan certification for defined paper grades. Our €20 million investment in Mondi Neusiedler (Austria) is expected to reduce the site's greenhouse gas emissions through technical upgrades.

🔗 **Read more on Mondi Neusiedler's investment** here

We are also proud to celebrate the 35th anniversary of our Color Copy digital printing paper, the leading brand in the digital colour printing market in Europe, which is FSC and EU Ecolabel certified and sold with CO_2 compensated as standard for Color Copy original A4 and A3 formats.

🔗 **Read more on Color Copy** here

Taking a life cycle-based approach

We support our customers to achieve their decarbonisation targets. Our in-house Product Impact Assessment (PIA) and Product Carbon Footprint (PCF) tools enable us to assess the impacts of our paper-based, flexible plastic or composite solutions across the life cycle, and to identify the main drivers of carbon emissions.

Our customers are increasingly requesting life cycle-based analyses to evaluate options and identify sustainable solutions, and we continue to enhance our life cycle-based tools. With PIA, we can compare up to three products with each other or perform standalone assessments. For our pulp and paper grades produced in our paper mills, we offer PCFs according to the Cepi 10 Toes methodology. In 2024, we assessed 1,776 products using our in-house life cycle-based tools and also calculated 224 product carbon footprints.

Our PCF and PIA tools comply with ISO 14040/44, ISO 14067 and the Greenhouse Gas Protocol Product Life Cycle Accounting and Reporting Standard.

This year, we began developing the Mass Impact Assessment (MIA), a new tool that will enable an automated assessment of entire customer portfolios procured from Mondi. We plan to introduce MIA in 2025.

Product-focused sustainability forums

Our Product Stewardship Network (PSN) is our forum for exchanging insights on product sustainability, certification, legislation or other product-relevant topics. The PSN is a cross-functional network of sustainability experts and commercial, innovation and technical customer services colleagues across Mondi. The PSN meets monthly, with a rolling agenda proposed by members. A highlight in 2024 was a full-day meeting of the network members, including a guest lecturer from the University of Graz, in Austria on recent studies and insights related to the recyclability of fibre over multiple cycles.

We have also established an additional knowledge-sharing forum for sustainability managers in our business segments to explore and discuss life cycle assessment-related topics in greater depth, such as methodological and practical aspects.

Building sustainability skills across our organisation

We continue to build our capabilities and understanding of sustainability topics. Our online sustainability training programme includes training topics ranging from product-related aspects, such as the recyclability of paper and plastic, to human rights, climate change and evolving regulatory requirements. All sessions are available to colleagues with access to our intranet.

➡️ **Read more on our sustainability training**
Page 43
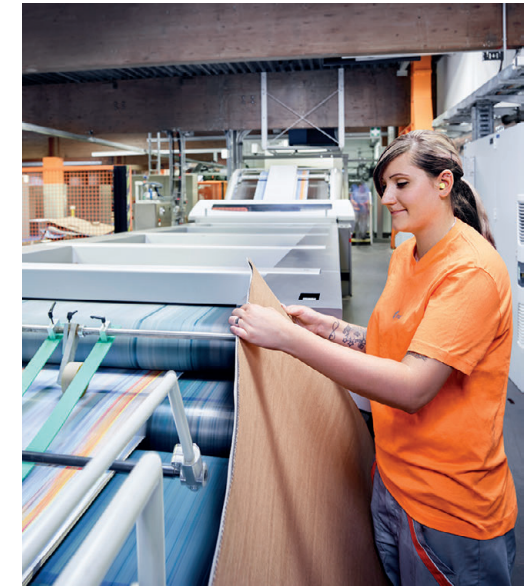
1,776
products assessed using our in-house life cycle-based tools

---

15 Cradle to Cradle Certified® is a registered trademark of the Cradle to Cradle Products Innovation Institute.

Sustainability legislation – a business opportunity

Packaging and Packaging Waste Regulation

The Packaging and Packaging Waste Regulation (PPWR) aims to reduce packaging waste and promote a circular economy for packaging. Given our ambitious circular driven solutions commitments under MAP2030, we see PPWR as an opportunity and are well positioned to help our customers transition to solutions that are aligned with the PPWR requirements for recyclable paper and plastic solutions.

Much of our industry association engagement in 2024 with FEFCO, Cepi and others has been related to PPWR, particularly the development of secondary legislation; here the focus is on standardisation for the recyclability assessment of plastic and paper solutions. For example, we are engaging with our industry associations to contribute to the development of a method to assess the design for recycling criteria. Supporting these efforts are the technical design guidelines developed by 4evergreen for fibre-based packaging and CEFLEX for plastic, which in turn inform our Path to Circularity Scorecard criteria and thresholds. We are also engaging in the standardisation process on both plastic and paper-based packaging, which is hosted by the European Committee for Standardization (CEN).

Regulations related to substances of concern are also increasingly the focus of regulators, including in relation to the PPWR. For example, PFAS, also known as forever chemicals, have been linked to adverse environmental and health hazards. We are consulting with internal and external experts to review our use of intentionally added substances containing PFAS and engaging with our suppliers to identify alternatives.

EU Deforestation Regulation

Another product topic that drove the legislative agenda in 2024 was the EU Regulation on Deforestation-free Products (EUDR). The EUDR addresses the legality of forest-based products, as well as mitigating deforestation or forest degradation across supply chains. With approximately 85% of our products paper based, demonstrating EUDR compliance is essential for our business. In November 2024, the compliance deadline for EUDR was postponed by 12 months to December 2025. This extension aims to support a smooth implementation and enables the European Commission to provide country risk benchmarking and clarify remaining questions.

Global plastics treaty negotiations postponed to 2025

In 2022, we joined the Business Coalition for a Global Plastics Treaty, led by the Ellen MacArthur Foundation and WWF. It endorses a common vision for an international, legally binding instrument to end plastic pollution. In November 2024, the fifth and what was expected to be the last Intergovernmental Negotiation Committee took place in Busan (South Korea), bringing together nearly 200 countries. After two years of negotiations, UN member states could not find an agreement on what would have been the first ever global legally binding instrument to end plastic pollution.

Negotiations are expected to reconvene in 2025 to address remaining critical issues related to proposed limits on plastic production, regulations on hazardous chemicals, and financial mechanisms to support developing nations.

Transitioning to more sustainable solutions

Performance against our target

Target: 100% of our packaging and paper products are reusable, recyclable or compostable by 2025

Sustainability is a driver of growth, and we engage widely with our customers and retailers to support them to achieve their sustainability goals.

Based on revenue, 87% of our portfolio of packaging and paper solutions is reusable, recyclable or compostable (2023: 85%). While we continue to champion industry initiatives to pick up momentum and accelerate this transition, we recognise that achieving 100% by 2025 remains a challenging endeavour and unlikely in the coming year. Achieving 100% reusable, recyclable or compostable revenues for our packaging products is an aspirational target that we set in 2020. As we approach the mid-point in our 2030 commitments, we will review and, where relevant, update our sustainability targets, particularly targets with a 2025 milestone.

We have already reached our target in our Corrugated Packaging and Uncoated Fine Paper businesses, where 100% of our portfolios are recyclable or compostable, so we need to close the gap in Flexible Packaging.

By the end of 2024, we had a sustainable alternative in place, or identified and in development, for 97% of our Flexible Packaging products, up from 94% in 2023. Our ambition is to have circular alternatives available for our entire Flexible Packaging portfolio by year-end 2025, as this is a key enabler for the transition to circular solutions. For example, we are making targeted product innovation to close the gap and meet high shelf life or burst resistance requirements with a recyclable or compostable solution.

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

Year	Value
2020	74%
2021	77%
2022	82%
2023	85%
2024	87%
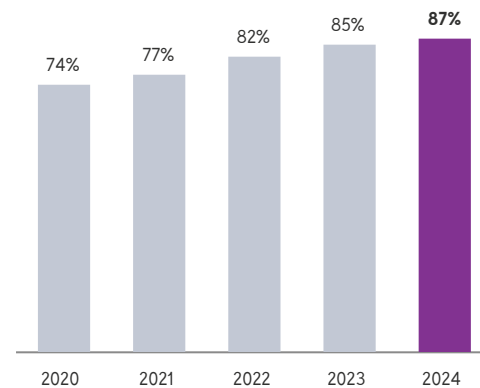
A number of factors contribute to the challenges faced by our customers in transitioning to circular solutions: long qualification times, such as shelf life tests for food packaging; a rapidly evolving legislative landscape; insufficient incentive with current Extended Producer Responsibility (EPR) fees to facilitate a rapid switch to circular solutions ahead of legal requirements; and necessary investments or retrofits for circular alternatives needed for older packaging filling lines against a backdrop of sluggish economic growth.

In spite of these challenges, we strongly believe that we can drive a circular economy for packaging and maximise our impact by focusing on three levers in areas of our control:

1) We will aim to have a circular alternative in place across our products, and proactively tackle the remaining portion of our portfolio where that is not yet the case.

2) We will align our investment and growth pipelines to support achieving our MAP2030 targets. For example, our €400 million investment in a new kraft paper machine in Štětí mill (Czech Republic) will accelerate progress towards our MAP2030 targets, as will the commissioning of a new extrusion line at the site.

🔗 **Read more** online

3) We continue to enhance our in-house capabilities to accelerate the development and transition to circular solutions, such as with FlexStudios, our new innovation hub for flexible packaging in Germany, which opened in November 2024. Our integrated portfolio and opportunity management system also provides transparency on the circularity status of our Flexible Packaging products and supports us in steering future portfolio development.

Thomas Ott,
CEO Mondi Flexible Packaging

❝

The circular economy is a key focus for Mondi as a leading packaging and paper manufacturer. Factors such as advanced recycling technologies, material innovations, consumer awareness and evolving regulations will shape the transition to a circular economy. By leveraging sustainability as a competitive advantage and with regulations driving economic transformation, Mondi can create long-term value for its stakeholders, for society and the planet.

Innovation shaping our processes and products

Material and energy efficiency through better processes

As we aim to reduce emissions, improve recyclability and eliminate waste, we invested €31 million in R&D in 2024 (2023: €30 million) to improve our product innovation capabilities, process technologies, energy and material efficiency and support close collaboration across the value chain.

Our Technology Radar supports identification of the most innovative and interesting technologies in terms of efficiency and decarbonisation potential for the pulp and paper industry. It focuses on six areas of interest: raw material processing; pulping process; chemical recovery; paper making; energy, production and recovery; and residues and use of by-products.

We are working on developing a recycling process for fibre-based composite packaging material with high plastic content. Such materials are currently often not accepted in existing standard mill recycling processes. As a result, this material may end up being utilised for energy generation or disposed to landfill, with the fibre lost for future production. While the recovery of pulp fibres is a very advanced and established process, in 2024 Group R&D MondiLabs, together with internal and external innovation partners, developed a new concept that will allow us to recycle the waste fractions from paper as well as compound materials. This concept has been proven under laboratory and pilot conditions and will be further developed by our Flexible Packaging business for industrial applications in the coming years.

Our public-private partnerships for pulping research with Graz University of Technology in Austria has resulted in the construction of a state-of-the-art pilot plant. This facility includes a versatile cooking reactor capable of simulating both batch and continuous cooking processes, and washing and screening lines, followed by the institute's bleaching capabilities. Together with an advanced process control system integrated into the plant, this will allow researchers to develop new energy and resource-saving pulping processes. In 2024, the team was able to develop an optimised bleaching process for our Ružomberok mill (Slovakia), resulting in reduced chemical consumption and reduced AOX emissions.

Innovation and experience centres

In November 2024, we opened a new innovation hub, called FlexStudios, in Steinfeld (Germany). It is a 2,300 m² collaborative space for co-creating flexible packaging solutions. This facility enables our customers and partners to participate actively in the innovation process, bringing pilot lines, testing capabilities and co-creation space together under one roof, to reduce time to market for new packaging and paper solutions.

🔗 **Read more about FlexStudios** online

We also currently have three 'ThinkBox' engagement centres for corrugated packaging in Mondi Ansbach (Germany), Mondi Bupak (Czech Republic) and Mondi Tire (Türkiye).

🔗 **Read more about ThinkBox** online

Innovative Protective Mailers replacing bubble wrap in shipping

To address customers' desire for right-sized, easily recyclable packaging that minimises waste and ensures damage-free delivery, the Mondi eCommerce team worked with Amazon's team of engineers and packaging scientists to develop sustainable packaging that provides protection equivalent to that of traditional bubble wrap plastic-padded envelopes. The innovative Protective Mailers come in multiple sizes and are made entirely from our strong yet lightweight kraft paper and open flute material. The solution was recognised with four industry awards in 2024.

➡️ **Read more on** page 32

> A few years ago, we set out with Mondi on an ambitious task, to invent a 100% paper-padded envelope that is equally as light, shock resistant and protective as a plastic bubble wrap envelope, while being recyclable in household recycling. Together with a world-class team of packaging scientists and engineers, we made it happen. I hope this breakthrough will benefit the entire packaging industry as we all work towards the same goal of reducing packaging and increasing recyclability.

Thais Blumer,
Amazon, European Head of Sustainable Packaging

Product quality and safety

Our policies and resources

Our Product Stewardship Policy explains how we support the shift towards sustainable consumption and production patterns through the integrated management of environmental, safety and health factors, through all stages of the value chain and product life cycle – from the origin of raw materials and their procurement and manufacturing, to product design, use and proper disposal.

Our operations are responsible for sourcing certified fibre, minimising waste and emissions, and ensuring compliance with quality, hygiene as well as safety and health standards. Additionally, they should drive innovation in our products and processes to reduce environmental and social impacts. This includes working with suppliers and customers to meet sustainability targets.

The Board reviews our progress on the MAP2030 product targets and is informed about the challenges and the developing regulatory landscape.

🔗 **See the product-related topics discussed by the SD Committee in our Integrated report 2024** on page 110

Improving our quality performance

Product, service and process quality are a key focus within Mondi, with clear linkages to sustainability performance in terms of eliminating waste, using resources wisely and meeting customer expectations. Product quality and safety have been identified as material topics in our latest double materiality assessment.

➡️ **Read more on our material topics**
Page 13

Quality is the fulfilment of specified requirements of a product or service. The right level of quality is defined by our customers and consumers. To permanently fulfil these requirements in an economical way we focus on doing things right the first time. The more quality issues we can anticipate and prevent, the more satisfied our customers will become and the less effort for problem solving will be necessary.

Our Group-wide Quality Policy provides a framework for setting quality targets and priorities. We have defined common Group-wide KPIs as part of Mondi's Quality Management System, which aims to improve customer satisfaction and reduce total customer complaints received and customer net claim costs.

🔗 **See our Quality Policy** online

All our products are subject to stringent monitoring and testing to maintain safety, hygiene and quality standards. We focus on how packaging interacts with packaged goods, depending on the application (dry, wet, fatty or frozen foodstuffs or other sensitive packaging applications).

For all Mondi operations with certified hygiene management systems, third-party hygiene audits are conducted, and all product categories are assessed for safety and health. All Mondi food contact packaging sites are required to meet the Good Manufacturing Practice requirements.

Our proactive approach to quality management and effective quality controls help to prevent unsustainable production of packaging material even before commercialisation starts. Our approach to continuously improving our quality performance is to 'design problems out' by moving from 'reaction to prevention'. We prevent non-conformities from happening through a risk-based approach rather than containing the damage after the fact, based on state-of-the-art quality management strategies.

We aim to assure our customers that we have effective quality assurance and control measures in place to mitigate and, where possible, eliminate safety and health risks for consumers. We are able to meet all necessary requirements via our Food Safety Laboratory as well as internal assessments.

Any root causes of non-conformities are identified and effective measures are implemented to prevent reoccurrence. A right-first-time approach to quality ensures on-time and in-full delivery of in-specification products, saves resources and waste, reduces associated costs and improves customer satisfaction.

🔗 **Learn more about our approach to quality** online

Product testing at Mondi in-house laboratories

The Mondi Food Safety Laboratory (FSL) is integrated at the campus of the Graz University of Technology, with a second location at Mondi Frantschach (Austria).

For food, pet food, cosmetics and hygiene products, the FSL provides testing, simulations and documentation that adhere to Good Manufacturing Practice principles.

Mondi Frantschach (Austria) also operates a recyclability testing laboratory for fibre-based products and pulp. The laboratory uses the 4evergreen test methodology and 4evergreen's recyclability evaluation protocol to verify recyclability of paper-based packaging solutions.

For our eCommerce packaging, we offer International Safe Transit Association (ISTA)-approved testing services at our Performance Lab in Czech Republic. ISTA defines test procedures to determine how packaging should perform to protect its contents. The lab services include clamp, vibration, drop and compression tests.

Sustainable by Design – product highlights 2024

We collaborate to create packaging solutions that are fit for purpose and sustainable by design, leading the way in resource efficiency, waste reduction and recyclability.

ProVantage SmartKraft Brown and White

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** online

re/loop FlexiBag Reinforced

It is a pre-made, reclosable packaging that is designed for recycling and ideal to protect a wide range of products such as dry pet food. These mono-material polyethylene (PE) bags can be tailored to different customer needs. They are cost effective with improved mechanical properties and optional post-consumer recycled content.

🔗 **Read more** online

Paper bag without free film

The new solution simplifies recycling and is designed to transport building materials and ensure their shelf life through protective barrier coatings instead of a free film. Our FunctionalBarrier Paper provides the required moisture barrier, significantly reducing plastic by up to 50% through elimination of the free film layer.

🔗 **Read more** online

Snug&Strong corrugated solution to replace EPS

It is a corrugated solution that can ease supply chain complexity, improve packaging processes, and provide a recyclable solution. Snug&Strong is custom-fit, 100% paper-based industrial packaging with high protection for white goods and electronic equipment. It is delivered flat to save space and money in storage and transportation.

🔗 **Read more** online

Protective Mailers for eCommerce

Together with Amazon, we have developed a padded mailer to replace plastic bubbles inside envelopes with a solution that is 100% paper-based and easily recyclable. 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** online

Four awards for our eCommerce Protective Mailers in 2024
– Sustainable Packaging Award 2024 at the Sustainable Packaging Summit Amsterdam
– 4evergreen award for products designed for circularity
– ALL4PACK Innovation Award
– EUROSAC Bronze Award

10 WorldStar Packaging Awards 2025
– Lunch Box
– Eco-Cage
– BeerCoolBox
– Doorbell Guard
– Display-Guard
– TopLockBox
– Product protection for premium parasols
– Bumperpac
– Paper bag without free film
– Bottle Protector

Finding alternative uses for waste streams

Commitment
Avoid waste by keeping materials in circulation

Target
Eliminate waste to landfill from our manufacturing processes

Material topics and related ESRS Standards

M Circular economy

E5 Resource use and circular economy

→ **Find out more about our material topics**
Page 13

Our approach to circular design considers the full product life cycle, with the goal of avoiding waste and preventing loss of resources. Through innovation and collaboration, we work to maximise resource efficiencies and aim to turn production waste into valuable secondary raw materials for other industries.

For waste management, we focus on the effective and efficient use of resources, reducing our waste disposal and increasing the circularity of our material flows.

→ **Learn how we work to improve our material efficiency**
Page 30

Our material impacts, risks and opportunities

Circular economy has been deemed as material in our latest double-materiality assessment. We see waste to landfill as lost resource and we are committed to finding alternative uses for these waste streams. When incorrectly disposed of, waste can have detrimental environmental impacts, lead to the loss of resources, and incur treatment costs.

→ **Read more about our waste-related risks and opportunities**
Page 84

Negative environmental impacts from incorrect disposal, such as littering or micro-plastic pollution, may affect soil health, marine life and even human health.

According to the principles of the waste hierarchy for the treatment of unavoidable residues and waste streams, we reuse and recycle by-products from our production process as secondary raw materials for other industries, wherever feasible. We recognise the opportunity to generate revenue by selling by-products from our processes as useful raw materials for other industries. For example, biomass-based by-products of the pulp manufacturing process are valuable raw materials for bio-based fuel and chemicals. This helps to maximise resource efficiency, reduce waste and promote circular economy practices.

→ **See our Group principal risks in the Integrated report 2024** starting on page 60

Our circular waste management approach

We are committed to minimising our environmental impact and designing products and production processes to reduce our emissions, discharges and waste. We first focus on product design and selection of sustainable raw materials. When we procure raw materials, we look for alternatives and substitutes where needed to avoid potential negative impacts on production waste streams. For example, we aim to avoid using raw materials that may contain traces of hazardous substances.

Utilising secondary raw materials

From residues to secondary raw materials

During production, we investigate how to use by-products and residues generated through our production processes as secondary raw materials, rather than landfilling and losing their value. For example, we use ash from our bark boilers as a secondary raw material for brick production.

The use of biogenic fuels is key in achieving sustainability goals in the pulp and paper industry. We have developed a conversion technology that turns biogenic residues into process energy, replacing fossil fuels and reducing GHG emissions. Tall oil is a by-product of the kraft pulping process and can be extracted and used as an alternative fuel source in lime kilns or sold to other industries as a raw material for chemical production. Tall oil has a heating value comparable to heavy fuel oils but with a lower sulphur content, which reduces emissions during combustion and contributes to a lower carbon footprint. Tall oil can be used in lime kilns without the need to significantly modify existing systems.

Through strategic partnerships in 2024, two Mondi release liner production sites are now able to repurpose 95% of their production waste, which previously was used for energy generation. Siliconised and coated paper waste from our Mondi release liner plants in Jülich (Germany) and Heerlen (Netherlands) is now re-pulped and used as secondary raw material in a range of other applications, such as toilet paper and paper towels. Our release liner waste is also used as base material to manufacture cellulose wadding as insulation material to improve the energy efficiency of buildings.

🔗 **Read more** online

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

The reduction and elimination of green liquor dregs remains an ongoing challenge for our mills. While we have reduced green liquor dregs by developing and implementing calcium carbonate-free filtration technologies for some of our mills, we are still working on solutions to eliminate the need for landfilling of green liquor dregs. As part of the TU-Austria Innovation Marathon, in which we participated, we launched a scientific challenge on the utilisation of green liquor dregs. Innovative concepts were presented and we intend to develop the most promising concepts together with partners from academia and industry.

Performance against our target

Target: Eliminate waste to landfill from our manufacturing processes

We are making good progress in eliminating waste to landfill and repurposing that which cannot yet be eliminated. We continue to explore opportunities to utilise our waste as secondary raw materials for use in products of other industries.

In 2024, we achieved a reduction in our specific waste to landfill of around 4% compared to last year. Since 2020, we have achieved a reduction of 46% in specific waste to landfill through various initiatives across our sites. In 2024, around 73% of our waste was recycled or repurposed; less than 8% was landfilled.

🔗 **See our waste disclosure in our ESRS & Performance index on** pages 7 and 13

Our policies and resources

Our objectives to minimise waste and keep materials in circulation are detailed in our Product Stewardship Policy and Environmental Policy. The latter describes how we aim to minimise our impact on the environment; use natural resources; and manage our emissions, discharges and waste, while considering our indirect impacts, such as those from the supply of raw materials and logistics.

We have an internal working group of experienced environmental managers to investigate available alternative waste routes. The focus is on developing initiatives to reduce the landfilling of waste and increase the economic value of residues as a secondary raw material for other industries.

→ **Read more in our Environmental Performance section**
Page 84
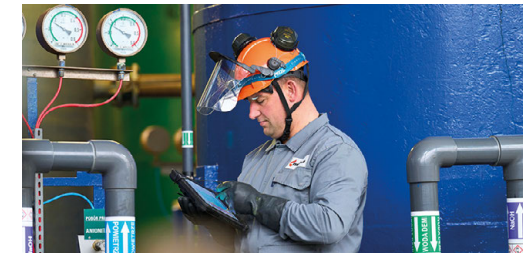
Three ways to repurpose waste from pulp and paper making 🔗

Click here to learn about how innovation helps us to avoid waste when it comes to the by-products of sustainable pulp and paper making.

46%

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

Working with others to eliminate unsustainable packaging

Commitment
Work with others to eliminate unsustainable packaging

Target
Progress made through our partnerships and stakeholder engagement activities every year

Material topics and related ESRS Standards

M Circular economy

E5 Resource use and circular economy

→ **Find out more about our material topics**
Page 13

Our product stewardship approach includes working with suppliers, customers and industry partners across the value chain to support the transition to sustainable packaging solutions, and eliminate packaging materials that may pose a risk to human health or the environment, and that are not reusable, recyclable or compostable.

External benchmarking
We support and participate in a wide range of external benchmarking initiatives to promote transparency and improve our performance, such as CDP, EcoVadis, Sustainalytics and MSCI.

Our double 'A' score from CDP and our platinum rating from EcoVadis reflect our leading sustainability performance.

→ **Our sustainability ratings can be found on**
Page 1

Through our partnerships with customers and NGOs and engaging with leading research institutions and industry organisations, we aim to address systemic issues in packaging recyclability and meet increasing demand for innovative and sustainable solutions that address different industry needs.

Driving the circularity of paper bags
Together with our partners, we are piloting a new collection and recycling system for used industrial paper bags. Building on an initial pilot study in Spain focused on the recycling of paper bags for construction materials, the 'Paper Sacks Go Circular' initiative has been elevated this year to EUROSAC and Cepi Eurokraft to scale the alliance across Europe. The coalition has also enlarged its scope to identify synergies with other construction and demolition waste streams. Since its official launch in June 2024, over 60 companies across the value chain have joined the alliance, with more than 170 construction sites engaged in segregating waste materials, including paper bags.

In 2024, we hosted a roundtable, 'Construction goes circular in Austria', with representatives from across the construction industry value chain. The aim was to discuss the development of a collection and recycling system for used paper sacks and other waste materials in construction. The results of a pilot project with STRABAG, an Austrian construction company, and Interzero, a producer responsibility organisation, were shared with participants. Waste from three different construction sites was collected for the pilot, with the analysis demonstrating opportunities to reduce waste with a positive financial impact.

Mondi co-founds alliance for the circularity of paper bags in the construction industry

Click here to learn more about how Mondi is helping to increase recycling rates for used paper bags.

Ground-breaking coating solutions
In 2024, we announced a new collaboration with traceless, a bioeconomy start-up, working together on functional barrier materials for paper products. We are developing a bio-based coating from agricultural residues to replace traditional plastic coating. While current solutions are compostable, we are jointly developing an innovative coating that will be recyclable in existing paper waste streams. It will significantly reduce greenhouse gas emissions throughout the packaging life cycle and can be scaled for different industries.

🔗 **Read more** online

Inspiring innovation across industries

World Food Programme

Partnership with the World Food Programme renewed

Building on the positive contributions made in our collaboration with the UN World Food Programme (WFP), we have 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 WFP's packaging, while minimising the environmental impacts of its life-saving operations. Mondi is committed to playing a role in tackling global food waste and supporting WFP in its mission towards a world without hunger.

🔗 **Read more** online

WFP does not endorse any product or service.

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.

Closing the loop with Biedronka

Together with Poland's largest retail chain, we have announced a strategic partnership to form a sustainable closed-loop programme, which encompasses the supply, collection, recycling and reproduction of Mondi's corrugated packaging. The partnership demonstrates both companies' shared commitment to environmental stewardship and innovation in sustainable practices.

🔗 **Read more** online

Agnieszka Koc,
Sustainable and ESC Director, Biedronka

❝

At Biedronka, sustainability is a priority and our collaboration with Mondi marks a major milestone in our environmental journey. This closed-loop programme allows us to strategically adjust our use of virgin material and enhances our recycling efforts.

Exploring use of post-consumer resin

We continue to explore ways to achieve sustainable packaging with features including durability, safety, flexibility and effective barrier protection. Use of post-consumer resin (PCR) enables us to keep materials in circulation and meet upcoming regulatory compliance.

Our product development has focused on structures with 30% to 50% material made from PCR. We have three areas of focus to improve our performance in PCR:

- redesign our packaging to mono-material solutions and remove hard-to-recycle components to help improve the feedstocks recyclers receive;

- work with recyclers to help improve the quality of their recycled resins; and

- certify relevant sites to track the use of bio-based and recycled plastic content.

We are collaborating with petrochemical companies to advance chemical recycling and implement mass balance certifications, such as the International Sustainability & Carbon Certification (ISCC) Plus. With 12 Mondi converting sites ISCC certified, we use the mass balance approach to track and account for the use of renewable or recycled raw materials from plastic waste streams, supporting our goals for circularity and compliance with emerging regulations.

ELLEN MACARTHUR FOUNDATION

Ellen MacArthur Foundation

We are a signatory to the Ellen MacArthur Foundation's Global Commitment to eliminate plastic pollution and create 100% reusable, recyclable or compostable plastic packaging by 2025.

The threshold used by the Ellen MacArthur Foundation to prove recycling or composting works 'in practice and at scale' is a 30% recycling/composting rate achieved across regions, representing at least 400 million inhabitants.

By this definition, our flexible plastic-based products are not yet deemed recycled at scale, given the lack of harmonisation in collection, sorting and recycling in Europe.

In 2024, we reported 35% (based on weight, 2023: 29%) of our plastic packaging as designed for recycling, based on CEFLEX guidelines.

🔗 **See our latest report on progress** here

Cross-industry collaborations

By engaging with industry associations and cross-value chain alliances, we support the development of a circular economy and drive progress at scale.

4evergreen
perfecting circularity together

We participate in the cross-value chain alliance 4evergreen, aiming to raise fibre-based packaging recycling to 90% by 2030. Through technical and outreach workstreams, we advance recyclability tests, circular design and collection practices, applying insights from these efforts to our Path to Circularity Scorecard review and recyclability testing lab in Austria.

europen
SHAPING A SUSTAINABLE FUTURE FOR PACKAGING

EUROPEN represents the entire packaging value chain, aiming to deliver sustainable packaging solutions. Achieving a strong and resilient EU single market for packaging is a key priority of EUROPEN to continue to drive investments in innovation in the packaging industry and support its sustainable transition. We are part of several EUROPEN committees and collaborated in 2024 on EU policies such as harmonisation of EU rules and PPWR.

FEFCO
Corrugated Packaging

Based in Brussels, FEFCO represents Europe's corrugated packaging industry, addressing economic, technical and policy issues. As active members, we serve on FEFCO's Board, Communications Committee, Regulatory Affairs Committee, and task forces on Packaging Waste (PPWR) and EU Deforestation (EUDR).

CEFLEX
A CIRCULAR ECONOMY FOR FLEXIBLE PACKAGING

We actively engage with CEFLEX, a pan-European consortium aiming for circular flexible packaging by 2030. As a founding member, Mondi contributes to design guidelines, the PPWR drafting, and developing tools like the Design for a Circular Economy (D4ACE) standard online checker for packaging structures.

Cepi
RENEWABLE RECYCLED RESPONSIBLE EUROPEAN PAPER

Cepi represents Europe's forest fibre and paper industry, with 495 companies and 900 mills. Our CEO serves on Cepi's Board, and Mondi experts contribute to committees, issue groups and taskforces, including Product Policy, Environment, Trade, Forests, GHG Protocol and the EU Deforestation Taskforce, a key focus this year.

Francesca Stevens,
Secretary General, EUROPEN

"

In a fast-changing world, investing in the circular transition presents enormous benefits. To support EU institutions in increasing the European capacity to shift towards a truly sustainable, competitive and prosperous Europe, our industry is working alongside policymakers.

FLEXIBLE PACKAGING EUROPE

Flexible Packaging Europe (FPE) deals with topics including food contact, sustainability and environmental issues. It has four flexible packaging goals: 1) design flexible packaging for full effectiveness and minimum environmental footprint; 2) circularity for flexible packaging; 3) zero tolerance of leakage and litter; and 4) speeding up progress with cooperation. We engage in FPE's Sustainability Committee and Circular Economy taskforce.

CELAB

Mondi joined CELAB in 2020 to promote circularity in self-adhesive labels. Active in Europe and North America, CELAB advances recycling, collection and circular models for release liners and siliconised papers. In 2024, CELAB joined our stand at the Fachpack conference (Germany).

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   38

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   Responsible Business Practices

Making impact at scale

Performance against our target

Target: Progress made through our partnerships and stakeholder engagement activities every year

We believe sustainable packaging can help to tackle climate change, reduce hunger by better protecting food and maintaining its quality, and eliminate waste and pollution. However, we will get there faster through partnerships, and true impact will be achieved over time with support from across the value chain.

We partner with many global industry-leading organisations, initiatives and networks and share our expertise with our partners.

We continue to see an increasing number of organisations joining leading value chain initiatives, such as 4evergreen, with more brand owners becoming engaged. We also see progress in the development of design guidelines, from 4evergreen and CEFLEX, that have the potential for adoption by the sector and facilitating progress at scale.

Our roadmap for delivering this target is based on reviewing our key engagements and the impact they achieve with existing partners and potential new partnerships. Our Sustainable Development Committee and Executive Committee review these partnerships and evaluate our progress annually.

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.
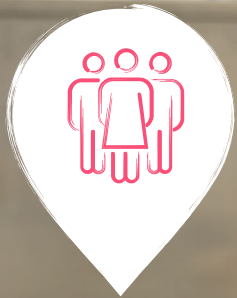
ProVantage
SmartKraft Brown

CREATED BY EMPOWERED PEOPLE

An empowered and inclusive team that contributes to a better world

→ **Read more on our performance against our targets**
Page 40

M **Material topics**
- Diversity, equity and inclusion
- Working conditions and human rights

Introduction | Our Sustainability Approach | **MAP2030** | Reporting Standards and Assurance | **Mondi Group** Sustainable Development report 2024 | 40

Circular Driven Solutions | **Created by Empowered People** | Taking Action on Climate | Responsible Business Practices

Performance against our targets

Commitment	Target	Performance against baseline	
		2023	2024
Build skills that support long-term employability (SDG 8, SDG 9)	Enable our employees to participate in upskilling programmes	🟢	🟢
Provide purposeful employment for all our employees in a diverse and inclusive workplace (SDG 8, SDG 9)	Achieve 90% Purpose Satisfaction score in our Employee Survey	🟢	🟢
	Achieve 90% Inclusiveness score in our Employee Survey	🟢	🟢
	Employ 30% women across Mondi	🟡	🟡
Create an environment that enables a positive work-life experience, valuing safety, health and mental wellbeing (SDG 8)	Zero fatalities	🔴	🔴
	Zero life-altering injuries	🔴	🔴
	15% reduction in Total Recordable Case Rate	🟢	🟡
	Support our employees in pursuit of a work-life experience that enhances their wellbeing	🟢	🟢
	Our operations drive awareness of and take measures to improve health and mental wellbeing	🟢	🟢

2024 performance key ✓ Completed 🟢 On track 🟡 Behind target 🔴 Not on track

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.

→ Page 43

Achieve 90% Purpose Satisfaction score in our Employee Survey

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.

→ Page 47

Achieve 90% Inclusiveness score in our Employee Survey

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.

→ Page 47

Employ 30% women across Mondi

23.4% women employed across Mondi, representing an improvement on last year (2023: 22.6%), but still behind target.

→ Page 47

Zero fatalities

Regrettably, we had an employee fatality at our Merebank mill (South Africa) which occurred during a routine maintenance activity.

→ Page 53

Zero life-altering injuries

We sadly had three life-altering injuries in 2024: in our Bupak plant (Czech Republic), Tire mill (Türkiye) and Wellsburg, West Virginia plant (USA).

→ Page 53

15% reduction in Total Recordable Case Rate

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.

→ Page 53

Support our employees in pursuit of a work-life experience that enhances their wellbeing

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).

→ Page 55

Our operations drive awareness of and take measures to improve health and mental wellbeing

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).

→ Page 55

Start-up successfully completed
Teamwork at Mondi Štětí

Driven by the team's hard work over two years, the new kraft paper machine started its production ahead of schedule in December 2024. The investment aims to meet the growing demand for paper-based flexible packaging.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   41

Circular Driven Solutions   **Created by Empowered People**   Taking Action on Climate   Responsible Business Practices

Building skills and retaining talent

Commitment
Build skills that support long-term employability

Target
Enable our employees to participate in upskilling programmes

Material topics and related ESRS Standards

M Working conditions and human rights

S1 Own workforce

→ **Find out more about our material topics** Page 13

Our aim is to create an inspiring, inclusive and safe workplace where leaders are accountable for developing and growing talent in line with the business needs. To achieve this, we prioritise targeted learning and development opportunities.

Our material impacts, risks and opportunities

Mondi employs 22,000 people working in more than 30 countries. Access to the right skills, particularly leadership and technical skills, is critical to support the performance and growth of our employees and our business success. Failing to provide effective training may result in skills gaps and even potentially increase workplace accidents, with subsequent negative impacts on our employees and our Group's reputation.

We have identified two material topics related to our people through our latest double-materiality assessment: diversity, equity and inclusion as well as working conditions and human rights.

Attraction and retention of key skills and talent is one of our Group's principal risks. Our operations in remote locations or highly competitive markets make attracting and retaining skilled employees challenging, while losing skills or failing to attract new talent to our business has the potential to undermine our ability to drive performance and deliver on our strategic objectives. A shortage of skilled employees may impact our ability to innovate and maintain high standards of quality and efficiency. Additionally, it can result in increased recruitment and training costs, as well

as potential disruptions in operations if faced with high turnover rates. This can ultimately affect our overall performance and competitiveness.

🔗 **See our Group principal risks in the Integrated report 2024** starting on page 60

We believe that attracting and retaining talent presents a significant opportunity for Mondi. We aim to attract, develop and retain the right people for each position and make them feel respected, treated fairly, empowered and held accountable. We also invest in employer branding and fair and transparent recruitment. We focus on the potential of future employees during recruitment, which means offering opportunities for development that match the aspirations of individuals as well as the future needs of the organisation.

Our Group-wide training hub

We invest in training our people via the Mondi Academy, our Group-wide training hub, with local academies in Czech Republic, Poland, Slovakia, South Africa and the USA. Mondi Academy offers ongoing learning and coaching for leadership and professional skills development. We also offer business-sponsored expert academies, including the Customer Experience, Procurement, Finance, and Project Management Academies, which are well aligned to business needs.

Procurement, for example, has function-specific programmes with 12 defined functional competencies. We aim to increase internal promotions (up 24% over three years) and increase job rotation between the Group office and operations, while offering clear career paths to procurement employees. In 2024, all Group Procurement employees took part in a competency-specific career discussion.

Recognising outstanding employee performance

Mondi Diamond Awards

Our global Mondi Diamond Awards recognise outstanding achievements and initiatives across our operations and have been held every few years since 2008. Colleagues from across the world take part in the three-stage awards process, inspiring us with their innovation, determination and people-centred approach.

In 2024, eight teams won Mondi Diamond Awards for initiatives touching on product innovation and customer collaboration, energy resilience, operational excellence, diversity and inclusion and safety.

Celebrating excellence with the Mondi Diamond Awards

Read more on the personal reflections of two 2024 Mondi Diamond Awards winners, Jessica Kärrlander and Lars Nilsing, and how the experience taught them to tell their stories, advocate for ideas and inspire others to grow.

Promoting individual career paths

We offer different career opportunities and targeted development at Mondi. Our mentoring programmes nurture talent and facilitate succession planning, and contribute to fostering diversity and inclusion within the workplace. 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 have a strong and diverse talent pipeline and a range of development programmes that aim to inspire our employees in the early stages of their career.

Our International Graduate Programme (IGP) aims to enhance our talent pipeline for our future workforce and support early development, giving graduates the opportunity to gain experience in different locations and departments over 18 months. The IGP helps to fill gaps in our succession pipeline and develop a cohort of young potentials for first leadership or expert positions and an international career within Mondi. It supports Mondi's position as employer of choice and contributes to our diversity objectives according to MAP2030 by recruiting a diverse base of talent in terms of gender, nationality and academic background. We are now in our third year of cohorts with 19 graduates. For our 2024 programme, we had 1,276 applications.

We aim to provide visible development opportunities, foster more cross-business placements within Mondi and help develop colleagues for new and more complex roles. We do so by enhancing collaboration and enabling a better understanding of our business challenges and ultimately coming up with better solutions. Our NEXGEN training programme has been created for emerging leadership talent with work experience of four to seven years. The programme includes experience-based learning, regular exposure to senior management, networking opportunities, plant visits and competency building. After our first completed NEXGEN programme that lasted 18 months, 67% of participants transitioned to new roles. We are mid-way through our third programme.

🔗 Read more online

19

participants in the 2024 International Graduate Programme

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   ☰   43   ↻

Circular Driven Solutions   **Created by Empowered People**   Taking Action on Climate   Responsible Business Practices

Developing career paths

Creating development opportunities for experts

We assess competency levels and development requirements for specialists at Mondi through our Expert Development Framework, which considers different levels of complexity, autonomy, business impact, functional competencies and skills required for individuals to progress.

In 2017, we developed our first skills matrix in Latin America to harmonise a consistent approach and continuous development of technical skills on the production floor. We involved a wide group of colleagues including operation managers, specialised operators, quality managers and safety managers to document all processes and assess existing expert knowledge and experience. We then built on this assessment to create helpful resources and training materials. We have since trained expert operators as trainers, evaluated all employees involved in operations and certified the skills of all employees on the production floor. Approximately 60% of the operating teams at each of our sites in Latin America (Monterrey, Tehuacan Pue and Chihuahua) have participated in training and certification over the past five years, which represents an average of 125 people per year.

Enhancing leadership skills

Our first-line managers play an essential role in engaging their teams and effectively communicating production floor issues to management. Our first-line manager training focuses on different leadership challenges and is carried out in local languages. In 2024, 72 attendees participated in first-line manager training.

Our 12-month Leadership Expedition and Development (LEaD) programme is based on individual development for mid-level managers. It includes face-to-face modules and coaching sessions to develop each participant's unique leadership potential, as well as providing tools for new ways of working, such as digitisation in the workplace and addressing leadership challenges.

Our senior managers play a crucial task in role modelling for the whole organisation and are drivers of MAP2030. In 2024, we launched our Enhanced Leadership Programme to support senior managers. The programme has been designed to foster cross-Mondi collaboration, enhance and build on existing skills, and equip leaders with future-oriented expertise. In 2024, 20 senior managers at Mondi embarked on a nine-month learning journey for this new programme, benefiting from cutting-edge leadership insights during three face-to-face modules on purpose, strategy and culture, covering the three pillars of the Mondi Way. The programme includes team and individual coaching sessions, as well as virtual learning opportunities.

Building a feedback culture

To support personal development and set objectives, we have a structured approach to personalised development.

Individual Development Plans (IDPs) help our employees to reach their short- and long-term goals with a personalised development path. We encourage our managers to discuss and reflect on each individual's performance and development objectives using IDPs.

Our feedback culture encourages open and transparent communication across all levels, and we embrace transparency, with regular assessments and 360° feedback, focused on two-way discussions for every employee.

We carry out Performance and Development Reviews (PDRs) between employees and their managers to reflect on individual performance and set goals.

Performance against our target
Target: Enable our employees to participate in upskilling programmes

Creating and providing lifelong learning opportunities are part of our responsibility as a global employer. We view workforce continuity as a competitive advantage. We encourage all our employees to take part in upskilling programmes with Mondi Academy and at local operations. In 2024, employees and contractors across Mondi completed 566,333 hours of training (2023: 502,916), with 39% of hours dedicated to safety training. Average training hours[16] equated to 25 hours per employee. Our employees completed training on topics such as circularity, sustainable and responsible forest management, product impact assessments and green claims and labels.

In 2024, we delivered 4,173 hours (2023: 3,141) of targeted sustainability training sessions through our Sustainable Development Academy, and business unit specific training offers, such as the Growth Gym initiative by Flexible Packaging and the 'Tune In' training by Corrugated Packaging.

We provide access to a range of local and global training and development opportunities targeted to specific needs of our employees and business, and encourage continuous learning: This is how we create a sustainable talent pipeline that supports internal succession.

We also provide different learning formats, including digital, hybrid and face-to-face, as well as training, knowledge sharing and networking opportunities to support job fulfilment and long-term employability. Our employees have access to on-demand learning, with digital learning tools and tailored e-learning. Employees have the opportunity to upskill with external education, and on-site and on-the-job training. We continually look to increase our pool of internal trainers and mentors and update our learning and development programmes.

🔗 **Find our training and skill development metrics in our ESRS & Performance index on** page 9

Our policies and resources

The Group Labour and Human Rights Policy highlights our objective to invest in employees by providing development opportunities and encouraging continual learning by local HR in alignment with management and Group HR.

🔗 **Find the Group Labour and Human Rights Policy** online

---

16   Total including safety training for contractors.

Creating purposeful and inclusive workplaces

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

Targets
Achieve 90% Purpose Satisfaction score in our Employee Survey

Achieve 90% Inclusiveness score in our Employee Survey

Employ 30% women across Mondi

Material topics and related ESRS Standards

M Diversity, equity and inclusion

S1 Own workforce

→ Find out more about our material topics
Page 13

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.

We draw on new ideas and research to make evidence-based decisions to design initiatives supporting our MAP2030 roadmap and beyond. We are committed to creating a purposeful and inclusive work culture, and are confident our dedicated initiatives will support our progress.

Our material impacts, risks and opportunities
The momentum across Mondi to create a diverse workforce and inclusive culture needs to involve everyone, at every level. Our success in creating an inclusive and diverse workplace is intended to improve job satisfaction and engagement, productivity and turnover rates.

We support fair and non-discriminatory working practices and require compliance with equality and discrimination legislation in all jurisdictions where we operate.

We treat all our employees, contractors and workers, whether part time, full time or temporary, fairly and with respect. Selection for employment, engagement, promotion, training or any other benefit is based on skills, behaviour and performance. We seek to eliminate all forms of discrimination and harassment, including but not limited to gender, marital or parental status, ethnic or national origin, race or colour, social background, sexual orientation, religious belief, political opinion, age, disability, health status or union membership.

Mondi is a signatory of the UN Women's Empowerment Principles and our MAP2030 Created by Empowered People initiatives promote its seven principles.

Embedding inclusive behaviour and awareness
We acknowledge that behaviour does not necessarily change with a standardised approach to inclusion training. We aim to integrate D&I guidance and awareness into all aspects of our work and encourage continuous learning for all employees at Mondi.

All leadership training sessions include elements designed to increase D&I awareness and skills, such as intercultural competences and inclusion, and hiring and promoting diverse talent.

Engaging to listen and understand
We engage with our employees in a variety of ways throughout the year on global and local levels. Through our Employee Survey, polls and pulse surveys, we listen to what they are saying on key topics and capture their feedback. We analyse engagement scores and global indices, which feed into our MAP2030 workstreams and wider business strategy.

Marita Erler,
Mondi Group Chief People Officer

"

At Mondi, a core pillar of our sustainability journey is about empowering people to take responsibility and reach their full potential. By fostering a diverse and inclusive environment, we're building a more resilient, innovative and sustainable future together.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   ☰   45   ↻

Circular Driven Solutions   **Created by Empowered People**   Taking Action on Climate   Responsible Business Practices

Fostering an inclusive workplace

We also use formal and informal processes including our intranet, local engagement sessions, virtual events for all colleagues and management dialogues to engage and listen to our employees. In 2024, we introduced Viva Engage as a new social engagement channel that connects all Mondi employees, including production colleagues.

Employee Resource Groups

Recognising the proven benefits of Employee Resource Groups (ERGs), such as enhanced employee engagement, greater inclusivity and a richer pool of ideas from diverse perspectives, we now have nine ERGs at Mondi. These groups embody our commitment to a workplace that celebrates diversity, encourages dialogue and empowers every individual.

Our ERGs are voluntary, employee-based groups, based on shared identities, experiences, characteristics or interests that have been historically and/or systemically underrepresented in the workplace. They exist to support employees and be a positive resource at Mondi.

Our ERGs are open to all employees and focus on the topics of gender and family, LGBTQ+, disabilities and neurodiversity, as well as race, culture and ethnicity. Our leadership team has committed to advocating these different dimensions of diversity, providing visibility to the ERGs, sponsoring events, and acting as role models and champions for their topic. In 2024, we hosted 36 ERG-related events, reaching more than 1,000 colleagues.

Being an inclusive employer

We cooperate with myAbility, a social enterprise committed to a fair and barrier-free society. Through our participation in the myAbility talent programme, we invite students or academics with a disability for job shadowing at our Group office in Vienna to provide practical experience on working at Mondi. This long-term collaboration supports our employer branding by opening doors to a diverse talent pool, positioning Mondi as an inclusive employer, and giving our employees the chance to share their expertise as well as meeting a potential new team member.

Building our Curious Community

The Curious Community is made up of a diverse group of people, working together to make Mondi a place where everyone feels safe, welcome and valued. The aim of the community is to create a space of psychological safety, where colleagues from around the world can come together to connect, share insights and learn about D&I topics. In line with our MAP2030 ambitions, the community not only advances our efforts in supporting a diverse and inclusive workplace, but also contributes to the mental wellbeing of our people, by offering a safe and respectful space for growth and belonging.

Since the Curious Community began, we have hosted 27 global online events with voluntary participation from 33 countries across all business units and at every career stage.

Attracting female talent for technical career paths

Mondi4Women is a local initiative in Poland with the goal of listening to the needs of the next generation of female talents. We want to show that Mondi is an inclusive employer with female role models and that we offer attractive career paths for women.

In 2024, we set up a cross-location project team to run a series of events across universities in Poland. The goal of this initiative was to connect building employer brand awareness with female recruitment efforts. We initiated a direct exchange with female students about their employment expectations and what the future workplace needs to look like for the next generation. We also offered personal coaching sessions with our certified Mondi coaches.

In 2024, we invested in increasing our visibility at career events for attracting women to tech-related jobs. Our team from Poland represented Mondi as an inclusive employer at the Women in Tech Summit in Warsaw, which attracted over 10,000 female professionals from across Europe. This summit included a career stage, a jobs board featuring development opportunities, presentations and mentoring sessions.

Mondi Ružomberok (Slovakia) also collaborated with the Technical University of Bratislava, participating at the yearly job fair.

Supporting women in leadership roles

Appealing to future female talent

For 'Girls Day', we invite the daughters of our employees to join us and get to know different areas of our business, focused on technical spheres. We aim to inspire young girls to follow a career in technical areas, typically still underrepresented by female workers. This initiative is especially well known in German-speaking countries. In 2024, selected locations in Germany and Austria took part in Girls Day; for example, our Vienna office organised a one-day event including DIY workshops, presentations and a scavenger hunt.

Recruiting women

We have created an email campaign on how to recruit more women into Mondi, featuring 10 evidence-based tips. The theoretical tips are complemented with case study examples from different Mondi locations to share information and learn from our successes. In 2024 we recruited 1,345 (32%) women across the organisation, reflecting our continued actions (up from 1,130 (28%) recruited in 2023).

Diversity among management

We also have programmes to develop diverse talent for senior management roles. For example, at the end of 2024, 67% of Mondi South Africa's management team (8 out of 12) (Operational Committee members) were individuals from Previously Disadvantaged Backgrounds (2023: 64%, 7 out of 11).

The female representation on our Executive Committee is 29% (2023: 17%). We have four (40%) female directors on the Mondi Board (2023: 40%).

Promoting equal opportunities at work

Performance against our targets

Targets: Achieve 90% Purpose Satisfaction score in our Employee Survey and achieve 90% Inclusiveness score in our Employee Survey

We aim for Mondi to be a place where everyone is listened to and feels included, where we can exchange ideas, learn from each other, be safe, and help our Group grow and perform better.

Our global Employee Survey aims to understand the effectiveness of our business processes, gleaning deeper insights into our employees' expectations, work experiences, challenges and values.

In our latest Employee Survey in 2023, we achieved a 79% score in the Purposeful Workplace index and a 77% score in the Inclusiveness index.

🔗 **Find more details on the 2023 Employee Survey in the SD report 2023 on** page 43

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 have been looking at how we can promote psychological safety and reinforce a culture of listening and caring. We have conducted a global pulse survey on speaking up with a 78%

participation rate in 2024. This high level of engagement provides us with a representative sample and enables us to take meaningful action across the organisation. 68% of respondents (2023: 64%) say they feel safe to speak up at Mondi and more than 900 action items have been identified for further follow up.

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.

Target: Employ 30% women across Mondi

In 2024, we had 23.4% female employees (2023: 22.6%). This represents an improvement compared to last year, but we are still behind target. In 2024, 32% of all new hires were women (2023: 28%), with significant variations between individual operations and functions. 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.

🔗 **Find our diversity metrics in our ESRS & Performance index on** pages 9 and 11

Our policies and resources

We set diversity and inclusion (D&I) targets where meaningful, and monitor and report as appropriate against these targets and other initiatives at Mondi to promote diversity and inclusion.

Driving diversity and inclusion is a core responsibility for senior management. We ensure accountability by setting clear objectives, integrating D&I goals into performance metrics and regularly tracking progress through measurable outcomes.

Senior managers are expected to model inclusive behaviours, actively sponsor diverse talent, and foster a culture of equity and belonging across the organisation. Moreover, the D&I Steering Committee members ensure management attention on this area and work as ambassadors to spread awareness of our D&I strategy and mindset throughout Mondi.

Our Labour and Human Rights Policy and our Diversity & Inclusion Policy emphasise our commitment to fostering an inclusive environment where geographic, cultural and personal diversity are valued as key strengths.

🔗 **Find the Group Diversity & Inclusion Policy** online

We align our recruitment activities with our D&I Policy to promote diversity and maintain fair and non-discriminatory work practices in recruitment and succession planning. Through our Global Recruiting Framework, we have implemented guidelines that explicitly address issues around fairness and inclusion, and support hiring managers and Human Resources employees to critically reflect on hiring practices and potential improvements.

Our Board is regularly updated on the performance against the MAP2030 people commitments as well as employee statistics, including D&I data and the representation of female employees in our workforce.

🔗 **See the topics discussed by the SD Committee in the Integrated report 2024** on page 110

Safety, health and mental wellbeing

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

Target
Zero fatalities

Zero life-altering injuries

15% reduction in Total Recordable Case Rate

Support our employees in pursuit of a work-life experience that enhances their wellbeing

Our operations drive awareness of and take measures to improve health and mental wellbeing

8 DECENT WORK AND ECONOMIC GROWTH

Material topics and related ESRS Standards

M Working conditions and human rights

S1 Own workforce

→ **Find out more about our material topics**
Page 13

We value the safety, health and mental wellbeing of each employee and contractor. Our safety culture goes beyond mere compliance with regulations. It's a way of life at Mondi, which creates a healthy working environment with safety ingrained into every aspect of our organisation, reducing risk and driving improvement through robust controls and strong leadership.

Our material impacts, risks and opportunities

We value human life above all else. Protecting the safety, health, mental wellbeing and security of those who work for and on our behalf is a core value, detailed in our Safety and Occupational Health Policy. Our operations involve high-risk activities, and providing a safe and healthy working environment is a moral and business imperative and a minimum expectation of our stakeholders.

Working conditions and human rights have been deemed material as part of our 2023 double materiality assessment, with employee and contractor safety, health and wellbeing as critical aspects. Failing to ensure a safe working environment can lead to injuries or fatalities, which not only have a profound impact on the affected individuals and their families, but could also result in significant legal and financial consequences for Mondi. Additionally, poor safety and health practices can damage Mondi's reputation, leading to a loss of trust among employees, contractors and stakeholders.

A key operational risk at Mondi is employee and contractor safety and health. We recognise that incidents and exposure to occupational health hazards, and negative impact on mental wellbeing may cause injury or harm to employees and contractors, property damage, lost production time and/or harm to our reputation. Risks also include, but are not limited to: fatalities, serious injuries, occupational diseases, substance abuse and instances of violent crime (in some jurisdictions).

🔗 **See our Group principal risks in the Integrated report 2024** starting on page 60

We are striving to be a business without fatalities, life-altering injuries and occupational diseases. We have a systematic approach to focusing on reducing our key operational risks, and endeavour to engineer out these risks and implement robust controls. We have processes in place to minimise incidents that put our operations and neighbours at risk.

We believe that we can achieve our objective of ensuring everybody returns home safely through strong accountable leadership. We also encourage a work environment where employees and contractors are able to work safely, with a focus on people, engagement, learning, identifying risks, implementing appropriate risk controls and measuring control effectiveness regularly.

Our employees and contractors have the right to refuse to work should their safety and/or health be compromised. They are protected against reprisals and have access to SpeakOut, our anonymous whistleblowing and grievance platform.

→ **Read more on SpeakOut**
Page 89

To monitor and improve our safety performance, we use 'current' and 'lead' indicators, in addition to traditional 'lag' indicators. These monitor proactive efforts to address risks, focusing on preventing incidents. Performance against the 'lead' and 'lag' indicators forms part of our Group bonus scheme. These indicators are revised annually, based on the previous year's performance. We assess trends and completion of lag and lead milestones, as well as system audits against ISO 45001.

Viv McMenamin,
CEO Mondi Uncoated Fine Paper and South Africa

❝

A core ingredient for improving our safety performance is leadership boots on the ground. It includes leading from the front, being present in the plant and raising awareness of risks. We want everyone to return home safely every day.

Balancing safety controls, people and culture

Work safe. Home safe. Everybody, every day.

A large proportion of the injuries happening in our operations are related to personal awareness and the unconscious mind of our employees and contractors. We aim to bring the unconscious to the conscious – thinking about the work we do before starting, so that it is done safely. Our safety approach places people at the centre of what we do. Many of our safety initiatives also focus on personal dialogues with our people, reminding them of their special reason to stay safe and healthy, thereby increasing their awareness while working. Our safety slogan 'Work safe. Home safe. Everybody, every day.' includes both work and family-related aspects.

**Work safe.
Home safe.
Everybody, every day.**

Our approach: Social Psychology of Risk

Our safety approach not only focuses on workplace controls, but also includes people (employees and contractors) to create a balance between the three elements of the 'Social Psychology of Risk' (SPoR): 'Workspace' (physical controls), 'Headspace' (psychological influences) and 'Groupspace' (cultural and group influences).

Workspace — **Headspace** — **Groupspace**

Our Engagement Board tool enables discussions and engagement through SPoR, and is an opportunity for our leaders to openly discuss safety and health topics with their teams. Everyone is encouraged to participate and raise suggestions and concerns.

The Engagement Board has been adopted by functions throughout the business and we provide continuous coaching and training across Mondi to ensure understanding of SPoR and the Engagement Board.

Management engagement walkabouts are one of our lead safety performance indicators and are a key method for engaging with employees and contractors on the shop floor.

Since the introduction of SPoR, employees and contractors have improved engagement with each other and their leaders and adopted a stronger-two-way dialogue.

Continuing our journey in the Social Psychology of Risk

Click here to learn more about our progress in SPoR within the last three years.

~400

leaders trained in the Social Psychology of Risk in 2024

Global Safety and Health network

Our Group Safety and Health network collaborates closely with sites' safety, health and environment (SHE) teams, to meet our commitments on safety and occupational health. The network is made up of Group, business unit and business segment SHE managers and chaired by the Group Head of Safety and Health. It meets quarterly to address issues and align on our Safety and Occupational Health Strategic Plan, which is approved by the Executive Committee.

The network meets with regional SHE managers as well as SHE professionals from operations to facilitate cascading of information, alignment across sites, employee participation and consultation.

In 2024, the network selected focus topics based on past fatalities and life-altering injuries, including moving and rotating machinery, energy and machinery isolation, and mobile equipment, raising awareness of these topics through SPoR to prevent incidents.

Site-level committees oversee local performance, assess incidents and support departments to enable continuous improvement and raise issues of concern or grievances related to safety and occupational health. Each operation has at least one dedicated person responsible for safety and health, who attends specific internal training courses to maintain alignment.

Integrating people and culture into our safety measures

Brian Darlington,
Mondi Group Head of Safety and Health

"
The implementation of the Social Psychology of Risk has led to a more balanced approach to managing safety and health at Mondi, and has positively influenced our culture and work environment.

## Certification and management systems

The safety and health of all our employees and contractors are covered by our management system, which includes our Safety and Occupational Health Policy, practice notes for internal guidance, methodologies and initiatives. This system has been implemented based on recognised risk management standards and guidelines. 92%[17] of our mills and 80% of our converting operations, and, in other words, 97% of our mill employees and 88% of our converting operation employees, are covered by ISO 45001. ISO 45001 is the established standard for occupational health and safety, enabling us to better manage safety and health risks. The certification and management systems at our sites are regularly audited by accredited external parties. We require all employees and contractors working at our sites to adhere to our management system, certification and site-specific procedures.

Our operations and equipment are subject to ongoing internal and external audits, designed to identify strengths and space for improvement and to guide necessary changes. Regular audits of plant and equipment standards help drive improvements in process controls and systems. We have identified top risks, such as the operation of recovery boilers and paper machines, and developed plans to engineer out risks. Where impossible, we have introduced robust controls to reduce risks. Working groups manage major risks, meeting at least once a year to define focus areas and actions, and conduct audits. In 2024, they focused on updating standards for safe operation of paper machines, based on past experiences, lessons learned and recent incidents.

Incident investigations

Our incident investigation methodology, 'Managing Incident Conversation and Engagement' (MICE), is based on SPoR and guides the reporting and investigation of all incidents, including major close calls, injuries and dangerous occurrences. We assess and monitor trends in incident categories, including types of injuries and the experience of employees or contractors. To prevent reoccurrences, we share details of investigations through management reports and incident notices.
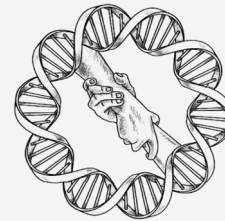
How Mondi Dynäs has embedded safety in its DNA

Click here to learn more about how our Dynäs mill (Sweden) has turned into a workplace where safety is connected to personal values and goals.

Risk-based approach

Risk assessments are crucial to our approach. Operations are required to consider the top three risk controls – elimination, substitution and engineering – before looking to administrative controls or issuing personal protective equipment (PPE). We have engineered out many significant risks, helping to prevent serious incidents.

Our risk assessments are based on SPoR, and in addition to the above-mentioned risk controls also 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 changes are implemented or because of an incident.

---

17   Our Duino mill (Italy) is not yet covered by ISO 45001.

Developing safety and health learning programmes

Nine Safety Rules to Live By

Our 'Nine Safety Rules to Live By' address our high-risk activities, to prevent fatal and life-altering injuries. They include:

1. **Activities that require permits to work**
2. **Operating vehicles and mobile equipment**
3. **Entering confined spaces**
4. **Working at heights**
5. **Energy and machinery isolation**
6. **Moving and rotating machinery**
7. **Lifting and materials handling**
8. **Handling hazardous substances**
9. **Working in forests**

Employees and contractors are trained on these rules during induction training, on-the-job training, specific courses and regular safety talks. The rules are also addressed during Engagement Board sessions.

In 2024, we have reinforced and promoted these rules with additional guidance to support understanding of them and remind our employees on the shop floor of their importance.

Our practice notes for internal guidance cover topics related to employee and contractor safety, occupational health and security, process and equipment safety, emergency preparedness and incident reporting and investigations.

Safety learning and skills development

Our learning and skills development programmes cover all aspects of safety and health. Training is offered in a range of formats, from formal and on-the-job training to engagement sessions. Relevant persons are identified and invited to attend.

In 2024, we delivered 184,790 (2023: 184,585) hours of general safety training and 36,694 (2023: 40,612) hours of critical safety training against a combined target of 145,132 hours.

All safety and health employees are required to complete the dedicated programme for SHE professionals, with five modules spanning 12 days of training and a post-training project as part of a final evaluation. In 2024, we trained around 400 leaders on SPoR, in collaboration with the Global Safety and Health network team and the site teams. We provide continuous coaching and support to our operations regarding the fundamentals of SPoR, and thereby strengthen the influence that our leaders have on the psychological and cultural elements.

All our operations are required to conduct critical task training, focusing on at least two focus areas based on trends of incidents over the past years as well as the 'Nine Safety Rules to Live By'. Support material is provided by the Global Safety and Health network, and includes training presentations, videos and posters.

Breaking free from traditional education

Click here to learn more about how our Kalenobel plant (Türkiye) benefitted from a psychosocially oriented safety training programme.

Making a Difference Day 2024

Our annual Group-wide Making a Difference Day provides an important opportunity for us to come together and create a positive impact on ourselves, colleagues and the planet through local activities and initiatives, focusing on safety, health and sustainability matters.

In 2024, locations across Mondi organised events to raise awareness of our MAP2030 topics, covering safety and sustainability topics including energy and machinery isolation, handling hazardous substances, learning about human rights, correct waste disposal and water savings. The theme was 'Today's your day', to highlight the importance of individual contribution so we can together drive positive change towards a safer and more sustainable future.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   52

Circular Driven Solutions   **Created by Empowered People**   Taking Action on Climate   Responsible Business Practices

Engaging with our contractors

New assets and CAPEX projects

When we acquire new assets and operations, SHE professionals form part of the acquisition team to ensure their integration into Mondi's systems, methodologies, Social Psychology of Risk (SPoR), risk assessment process, culture and approach to safety and health. Safety is represented by the steering committees in all capital investment-related projects, guaranteeing safety and health requirements are incorporated. Regular site visits are conducted by Group, business unit and business segment SHE managers for all integration and CAPEX projects.

Engaging with our contractors

Most activities are performed by our own employees, with the exceptions of harvesting activities at our forestry operations, maintenance shuts at our pulp and paper mills, and projects at numerous sites that include contractors.

It is critical that we reduce risks by engaging with contractors, so that everybody returns home safely every day. In 2024, we had an average of 13,889 contractors across the Group (2023: 12,411). Contractors perform non-routine, often high-risk activities at Mondi sites, such as demolitions, forestry works, heavy load lifting or working at heights.

Contractors are involved in all our safety and health initiatives to ensure alignment and ownership. Contractors are given SHE specifications before any work and are required to provide SHE plans on how they are preparing to meet the requirements.

We support contractors to manage safety and health risks and align with Mondi's requirements. We also appoint Mondi contract managers for each contractor. Mondi SHE professionals provide information and guidance, monitor contractor safety performance and support contractors to improve practices.

Group, business unit and business segment SHE managers conduct pre-shut and project assessments with the operations and selected contractors to align on focus and support. Initiatives related to contractors are aligned with our SPoR approach.

We continue to deepen our engagement with contractors, especially during projects and annual shuts, to eliminate fatalities and life-altering injuries.

Continuous improvement in contractor safety management

Our six-step process for managing contractor safety is set out in the 'Contractor Safety Management' Practice Note for internal guidance. It integrates safety and health requirements and ensures continuous improvement in how we engage and align with our contractors.

Step 1:
Selection of a Mondi contract manager

Step 2:
Preparing for the contract

Step 3:
Awarding the contract

Step 4:
Providing briefing, training and consultation

Step 5:
Reasonable monitoring of contract compliance

Step 6:
Post-contract performance evaluation

Safe projects and maintenance shuts

Our mills are subject to scheduled annual maintenance shuts, during which machinery and equipment are maintained, replaced or upgraded. Other complex and large projects also 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 we focus on pre-shut risk assessments, engaging with our contractors and providing support and guidance during the activities on-site. This has led to the elimination of fatalities and life-altering injuries during our shuts and large projects in the last years.

In 2024, we made progress on several major capital investment projects without any serious injuries. This includes, among others, the projects in our Štětí mill (Czech Republic), Duino mill (Italy), Dynäs mill (Sweden) and Świecie mill (Poland) and expansion projects in various converting operations.

Maintaining momentum in Świecie mill's maintenance shut

Click here to read more about what it takes for a mill to conclude a safe shutdown.

Measuring our safety performance

Performance against our targets

Targets: Zero fatalities, zero life-altering injuries and 15% reduction in Total Recordable Case Rate (TRCR)

We are committed to going beyond industry minimum requirements so that our employees and contractors return home safely every day.

When an incident occurs, it can be devastating to the injured, their families and their colleagues. We were deeply saddened by the tragic fatality of an employee at our Merebank mill (South Africa) during a routine maintenance activity in 2024. Sadly, we also experienced three life-altering injuries during the year, in our Bupak plant (Czech Republic), Tire mill (Türkiye) and Wellsburg, West Virginia, plant (USA). All incidents were investigated based on the principles of SPoR to identify the root causes and contributing factors, and the necessary actions were taken to prevent reoccurrences. We have reinforced our efforts across all sites to raise awareness of risks when working with moving and rotating equipment.

We had 224 recordable cases in our operations (excluding new acquisitions), 164 related to employees and 60 to contractors (2023: 200, 143 related to employees and 57 to contractors). This equates to a TRCR of 0.68, 0.84 related to employees and 0.45 to contractors (2023: 0.64: 0.74 related to employees and 0.48 to contractors).

This represents a 2% increase compared with our 2020 baseline of 0.67. We did not meet our 2024 TRCR milestone of 0.63; however, our performance remains among the safety leaders in the industry. We will maintain our focus on continuous improvement to achieve our 2030 TRCR milestone of 0.57.

In 2024, we carried out 30,989 safety audits against a target of 25,542. These audits contribute to reducing incidents as they identify areas for safety improvement. They included management engagement walkabouts and first-line manager task audits. Sites monitor trends from the audits and develop action plans to address any issues identified.

Overall, we achieved a good performance during our annual maintenance shuts with zero life-altering injuries during more than 1.7 million hours worked.

🔗 **Find more safety metrics, including training, in our ESRS & Performance index on** pages 9 and 11

Our policy and resources on safety and occupational health

Our Safety and Occupational Health Policy requires that we work towards ensuring that all our operations have fundamentally safe, well-designed plant, equipment and infrastructure. To meet our objectives we comply with applicable local and regional laws and are guided by internationally recognised principles.

We act in accordance with internationally declared human rights and standards.

Through our management system, which includes our Policy, practice notes, methodologies and initiatives, we set non-negotiable requirements to manage our material risks. In collaboration with our Global Safety and Health network, we ensure that learning and competence on hazard recognition and risk assessment takes place among our employees and contractors. We work towards ISO 45001 certification and require all our employees and contractors to adhere to the requirements of our management system and certification in place.

🔗 **View the Safety and Occupational Health Policy online**

Total Recordable Case Rate (TRCR)
(per 200,000 hours worked)
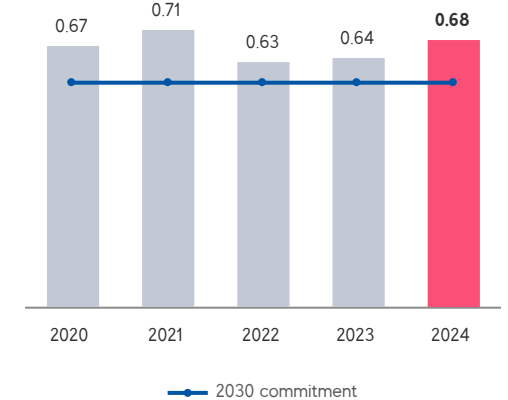
The total number of hours worked (employees and contractors) in 2024 was 65.7 million hours (2023: 62.7 million hours).

Total recordable cases by injury classification
(cases)

General personal awareness	87
Moving machinery (hands, arms, fingers)	33
Manual material handling	21
Tool use	19
Workplace transport	17
Exposure to chemicals, temperature extremes and electricity	16
Falling objects	7
Equipment failure	7
Housekeeping	6
Road traffic accident	4
Attack by animal	2
Moving machinery (other body parts)	2
Working at heights	1
Slips, trips and falls (forestry)	1
Ignition source	1
Contact with energy sources	0
Horseplay	0
Natural or environmental hazard	0
Business travel injuries	0

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   54

Circular Driven Solutions   **Created by Empowered People**   Taking Action on Climate   Responsible Business Practices

Promoting health and wellbeing

Local occupational health programmes

Occupational health programmes across our operations help to eliminate health risks, prevent occupational illnesses and diseases, and provide a healthy working environment. Our action plans manage these risks based on our risk assessment approach, for example reducing noise before issuing hearing protection. We also offer guidance on physical exercise, nutrition, positive mindset, social interaction and home-office ergonomics for employees.

In addition, our SPoR approach and Engagement Board support dialogue on occupational health and wellbeing. We have introduced an occupational health focus group, chaired by the Group Head of Safety and Health and involving occupational health practitioners around Mondi.

We have developed different initiatives to promote health and wellbeing throughout our operations according to identified needs. These include regular check-ups, health screenings and a follow-up programme, as well as in-house fitness centres at several locations. Various sites also have independent on-site medical clinics and doctors or external occupational health service providers.

Employees at our South African operations are offered our comprehensive health and wellbeing programme. This includes access to mobile health clinics, annual medicals, health screenings, chronic disease management and friendly sports matches at our on-site sporting facilities. The programme offers all employees access to either independent on-site medical clinics, medical support or external occupational health service providers to ensure that employees are empowered to prioritise the management of their health and wellbeing.

Serena Kesari,
Head of Human Resources at Mondi South Africa

"

We have created a sense of excitement around fitness and healthcare and aim to promote a holistic positive work-life experience.

In 2024, 1,733 mill employees and contractors and 3,246 forest employees and contractors participated in our voluntary HIV counselling programme, and we introduced a fitness application for firefighters (Bhula Umlilo), promoted psychological safety in the workplace through our heart-safe workshops and created a sense of excitement and community around weight loss in Mondi South Africa. These initiatives were well received and will become part of our annual health and wellness programme which will promote a holistic positive work-life experience.

Caring about our employees' wellbeing

We recognise that wellbeing is a very personal matter and, in particular, mental wellbeing is difficult to define and measure. However, as it may impact job satisfaction and stress levels, we are eager to understand how we can support our employees in improving their physical and mental wellbeing. Our Wellbeing Index helps us to understand how our employees are doing. We combine individual questions of our employee surveys to make up the Wellbeing Index. As part of our latest survey in 2023, 75% of employees confirmed that we promote a good balance between work and personal life. Furthermore, 91% stated that managers promote safety and safe behaviour in their workplaces.

We have initiated local initiatives focused on improving our employees' wellbeing across the organisation. For example, Mondi Thailand has rolled out various wellbeing focus programmes to help their employees take greater care of themselves, which were well received by all participants.

Addressing financial wellbeing

We are committed to listening to and understanding our employees' needs when we create wellbeing initiatives. In Mondi Jackson (USA), employees have expressed concerns about their individual financial stability after retirement. In 2024, the local HR team partnered with our Employee Savings Plan administrator to organise employee workshops on retirement savings, covering maximising savings, understanding different investment vehicles and how to preserve and grow savings.

Nearly 25% of Mondi Jackson's workforce (104 employees) across all ages and career stages participated in the voluntary seminars.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   55

Circular Driven Solutions   **Created by Empowered People**   Taking Action on Climate   Responsible Business Practices

Expanding our employee assistance offering

Employee Assistance Programme

Our Employee Assistance Programme (EAP) offers support and counselling in stressful situations for both professional or personal causes. Over time, we have extended these services to more countries and, as of 2024, 100% of Mondi colleagues have access to an EAP offer (including national programmes in the USA, Canada, and South Africa) (up from 94% in 2023). This underpins our commitment to raise awareness of mental illness and improve mental health.

EAP's qualified counsellors offer support on a variety of topics, including family or relationship issues, personal financial problems, stress or conflict, mental health challenges, addiction or dependency, whether for preventive measures or urgent matters, at any time throughout the year.

EAP offers a 100% confidential telephone hotline operated by an external company of qualified counsellors and advisers.

We are passionate about performance and need to make sure people at Mondi have a positive balance between work and personal life. Reviewing overtime, promoting and expanding our EAP services and offering mindfulness workshops with practical tips are some of the measures we will reinforce in this area.

Performance against our targets

Target: Support our employees in pursuit of a work-life experience that enhances their wellbeing

Target: Our operations drive awareness of and take measures to improve health and mental wellbeing

Each year, we prioritise mental health awareness and wellbeing in our HR projects and initiatives. During the annual Mental Health Awareness Month in May, we provide colleagues with valuable resources and collaborate with our long-term partner, EAP, to offer support through workshops, information sessions and other resources.

Mondi locations tailor their programmes to address local needs. In 2024, Mondi Thailand and Mondi Jackson (USA) have launched initiatives to address concerns and promote physical and mental wellbeing.

Through our regular Employee Survey, we measure work-life balance using our Wellbeing Index to ensure we understand and support our employees' experiences. In our latest Employee Survey in 2023, we achieved a 77% score in our Wellbeing Index.

What's next in 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.
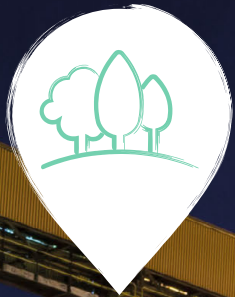
TAKING ACTION ON CLIMATE

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

→ **Read more on our performance against our targets**
Page 57

M Material topics
- Biodiversity and fibre sourcing
- Climate change adaptation
- Climate change mitigation
- Energy
- Water

Circular Driven Solutions | Created by Empowered People | **Taking Action on Climate** | Responsible Business Practices

Performance against our targets

Commitment	Target	Performance against baseline	
		2023	2024
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	🟢	🟢
	Reduce Scope 3 GHG emissions by 27.5% by 2030 from a 2019 baseline	🟢	🟡
	Reduce Scope 1, 2 and 3 GHG emissions by 90% by 2050 from a 2019 baseline	🟢	🟢
Maintain zero deforestation in our wood supply, sourcing from resilient forests	Maintain 100% FSC™ certification in our own forestry landholdings	🟢	🟢
	Procure 100% responsibly sourced fibre with 75% FSC- or PEFC-certified fibre by 2025, and the remainder meeting the FSC Controlled Wood standard	🟢	🟢
	Implement leading forestry measures to ensure productive and resilient forests	🟢	🟢
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	🟢	🟢
	Conduct biodiversity assessments at our mills and forestry operations, introducing biodiversity action plans where necessary by 2025	🟢	🟢

2024 performance key   ✓ Completed   🟢 On track   🟡 Behind target   🔴 Not on track

Reduce Scope 1 and 2 emissions by 46.2% by 2030 from a 2019 baseline

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.

→ Page 65

Reduce Scope 3 emissions by 27.5% by 2030 from a 2019 baseline

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.

→ Page 67

Reduce Scope 1, 2 and 3 emissions by 90% by 2050 from a 2019 baseline

Total Scope 1, 2 and 3 emissions decreased by 22% compared with our 2019 baseline and by 1% since last year.

→ Page 67

Maintain 100% FSC™ certification in our own forestry landholdings

We have maintained all certifications in our South African forestry landholdings.

→ Page 71

Procure 100% responsibly sourced fibre with 75% FSC- or PEFC-certified fibre 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.

→ Page 71

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.

→ Page 71

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.

→ Page 76

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.

→ Page 76

Containerboard mill upgrade in Kuopio (Finland)

€125 million investment

The investment will increase production capacity and improve environmental performance by reducing GHG emissions per tonne of paper and improving resource and energy efficiency.

Taking a science-based approach to climate action

Commitment
Reduce our greenhouse gas (GHG) emissions in line with science-based Net-Zero targets

Target
Reduce our Scope 1 and 2 GHG emissions by 46.2% by 2030 from a 2019 baseline

Reduce Scope 3 GHG emissions by 27.5% by 2030 from a 2019 baseline

Reduce Scope 1, 2 and 3 GHG emissions by 90% by 2050 from a 2019 baseline

Material topics and related ESRS Standards

M Climate change adaptation
Climate change mitigation
Energy

E1 Climate change

→ **Find out more about our material topics**
Page 13

We are working on being part of the solution to global challenges, such as climate change, that affect business and livelihoods: phasing out fossil fuels, reducing carbon emissions and innovating to manage our environmental impact as we adapt to a changing climate.

Our material impacts, risks and opportunities

We recognise our part in mitigating climate change, as our raw material sourcing, manufacturing, energy usage and how we design our products can lead to impacts on climate change. Our climate action tackles interconnected challenges, with commitments to reduce greenhouse gas emissions, improve the resilience of forests and manage our impacts on biodiversity and freshwater ecosystems.

Climate change mitigation and climate change adaptation have been deemed as material topics as part of our 2023 double-materiality assessment. We are focused on mitigation measures to minimise our impacts, but continue to evolve our understanding on how to adapt our business to a changing climate.

The impacts of climate change may also give rise to physical risks for our business, the society and economy. When moving towards a less-polluting, low-carbon economy, potential transition risks may arise, potentially impacting asset values and resulting in higher costs of doing business.

We may also face risks to operations and supply chains, potential disruptions to production, increased costs for raw materials, and the need

for investment to ensure resilience and compliance with evolving environmental regulations.

We have identified climate change-related opportunities, including the potential for innovation in sustainable products and packaging solutions to meet the growing demand for more sustainable options. Additionally, there are opportunities to enhance operational efficiency and reduce costs through energy-saving initiatives and the switch to renewable energy sources.

→ **See our TCFD disclosure in the Integrated report 2024** starting on page 52

Energy has also been identified as a material topic and is closely linked to our actions to invest in our operations and optimise our infrastructure as we deliver against our Net-Zero Scope 1 and 2 targets.

Energy security and related input costs have also been identified as a Group principal risk as the volatility in energy prices and the availability of energy sources can significantly impact our production costs and operational efficiency. Supporting renewable and efficient energy technology reduces Mondi's current and future dependency on non-renewable energy sources and exposure to potential volatility in prices and supply.

→ **See our Group principal risks in the Integrated report 2024** starting on page 60

We are committed to minimising our use of energy resources and the related environmental impacts by investing in energy efficiency, and increasing biomass-based energy in our mills.

In general, we apply a holistic approach to climate action by committing to GHG emission reduction and zero deforestation in our fibre supply chains as well as biodiversity and water stewardship in our action plans. We recognise the importance of maintaining carbon sinks in forests and continue to implement sustainable forest management and silviculture practices in our own forestry landholdings.

→ **Read more in maintaining zero deforestation**
Page 68

We are also focused on developing sustainable solutions to provide low-carbon product solutions that support our customers' climate targets.

→ **Read more in our products section**
Page 32

Our science-based Net-Zero targets for Scope 1, 2 and 3 GHG emissions

In line with the Paris Agreement on climate change, we have committed to GHG emission reduction and we will continue to prioritise energy and process efficiency initiatives.

Mondi's near- and long-term Net-Zero GHG targets were approved by the Science Based Targets initiative (SBTi) in 2022 and underline the Group's long-term commitment to taking action on climate. Our targets cover GHG emissions from our operations and supply chain across Scope 1, 2 and 3 and are consistent with a reduction required to keep global warming to 1.5°C. Mondi was among the first packaging and paper companies with validated Net-Zero targets by SBTi.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   59

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   Responsible Business Practices

Tackling greenhouse gas emissions

We have initiated the submission process to update our baseline and will disclose it once approved. This reflects SBTi guidelines, which require a recalculation of the baseline year emissions in case of changes in a company structure, updates to data sources, or adjustments to calculation methodologies.

We remain committed to advancing comprehensive roadmaps and actions to achieve our SBTi targets. The implementation of the best available techniques and standards and the modernisation of our energy and manufacturing facilities help us to reduce emissions and run resource-efficient operations.

Actions within our operations to reduce Scope 1 and 2 emissions include:

– continuing to modernise our operations and invest in energy efficiency projects;

– increasing the share of renewables used for energy generation; and

– purchasing electricity generated from renewable sources.

Actions across our value chain to reduce Scope 3 emissions include:

– intensifying our engagement with strategic suppliers on GHG reduction targets and Net-Zero transition plans;

– focusing on raw material and fuel suppliers, as well as logistics partners, to replace carbon-intensive practices and materials with innovative solutions; and

– increasing the share of primary GHG emissions data from our suppliers to improve the quality and accuracy of our Scope 3 GHG emissions reporting.

For our long-term 2050 Net-Zero target, we acknowledge that there may be residual GHG emissions that we were unable to eliminate through GHG reduction measures. However, we do not intend to neutralise GHG emissions in the near term. As we work towards our near- and long-term targets, we undertake regular reviews of our progress and continue to review the options available for permanent removals.

SBTi's FLAG guidance

The SBTi's Forest, Land and Agriculture (FLAG) framework highlights the need for science-based targets for land sector emissions and removals, recognising forests' role in mitigating climate change. Most of our FLAG emissions are already included in our Scope 3 target and we now await SBTi's final guidance.

Lars Mallasch,
Mondi Group Technical & Sustainability Director

"

We have completed multiple projects to upgrade our energy-generating infrastructure and manufacturing technology in the past years. The investments allow us to continue reducing greenhouse gas emissions and improving operational performance.

Group GHG emissions*

Million tonnes CO$_2$e	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%**

* 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.

Our GHG pathway to Net-Zero

Scaling action towards Net-Zero

Our Scope 1 GHG emissions occur mainly through the combustion of fuels to generate energy for our manufacturing processes. Our Scope 2 GHG emissions are related to purchased energy. Our Scope 3 indirect GHG emissions occur throughout the value chain, predominantly from manufacturing raw materials, fuels and transporting supplies and products.

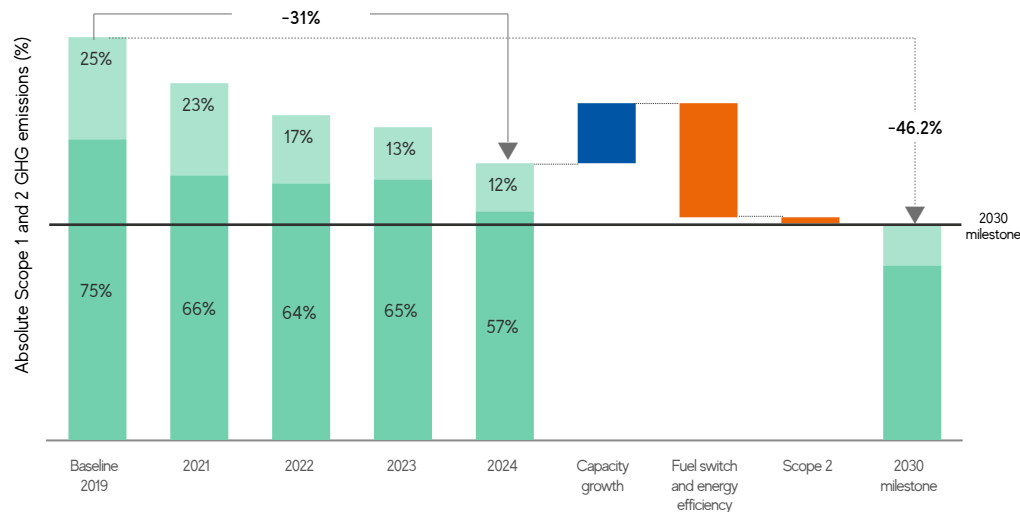→ **Read more on GHG calculation boundaries and scope**
Page 106

Considering sustainability in investment decisions

Sustainability considerations form part of our investment decision-making. The reporting of positive and negative impacts on environmental parameters and sustainability targets is required as part of the capital investment decision-making process in relation to any investment over €0.5 million. We include metrics related to GHG emissions, waste to landfill, and air- and water-related emissions in our decision-making framework.

Since 2019, we've invested and improved 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).

31%

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

---

GHG reduction pathway to our 2030 Net-Zero milestone

Absolute Scope 1 and 2 GHG emissions (%)

-31%

Baseline 2019	2021	2022	2023	2024	Capacity growth	Fuel switch and energy efficiency	Scope 2	2030 milestone
25%	23%	17%	13%	12%				
75%	66%	64%	65%	57%				

-46.2%

Capacity growth: Increase of GHG emissions due to production increase.
Scope 2 emissions: Reduction due to increased energy self-sufficiency and increased purchase of renewable electricity.
Fuel switch & energy efficiency: Decrease of GHG emissions due to increase of share of biomass-based fuel and renewables, process improvements and investments in plant equipment, stay-in-business projects and energy efficiency measures.

- ■ Scope 1
- ■ Scope 2
- ■ Increase in GHG
- ■ Decrease in GHG

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   ☰   61   ⟳

Circular Driven Solutions   Created by Empowered People   **Taking Action on Climate**   Responsible Business Practices

Our management systems and networks

Our policies and resources on climate change and energy

Our Energy and Climate Change Policy formalises our objective to drive improvements in our energy efficiency and reduce our carbon footprint across the Group.

Key actions defined include improving our energy management systems, promoting the use of renewable energy sources like biomass-based fuels, and enhancing the electricity self-sufficiency of our pulp and paper mills. Additionally, we aim to manage climate-related risks, foster technical innovation, and enhance our energy and GHG emissions disclosure.

🔗 **Find the Energy and Climate Change Policy** online

The underlying Operating Standards support the implementation and define the responsibilities of our operations in relation to energy optimisation, renewable energy and low-carbon technologies, carbon risk management, physical risks and adaptation as well as energy review.

Our Board oversees our approach to sustainability, and our SD Committee receives quarterly updates on progress against our Net-Zero targets while our Board reviews our energy strategy annually.

🔗 **See climate change-related topics discussed by the SD Committee in the Integrated report 2024** on page 110

Climate change-related risks, and the related mitigation and adaptation actions, are reviewed and updated annually using the input of the content reviewed by the SD Committee and presented to the Audit Committee along with all Group principal risks.

Our climate change-related risks and opportunities are reviewed and approved annually by the Executive Committee and the SD Committee. Our annual risk review considers the breadth of our business, including consultations with internal and external technical subject experts and senior operational management. We consider internationally accepted recommendations, such as TCFD, which is fully incorporated into the International Sustainability Standards Board's IFRS S1 and IFRS S2.

🔗 **Find our TCFD section in the Integrated report 2024** starting on page 52

Our MAP2030 Climate and Environment Working Groups for our pulp and paper mills as well as converting operations have developed a roadmap of action plans to deliver on our Net-Zero targets, supporting our transition to a low-carbon economy and improving our environmental performance.

Our network of energy specialists focuses on energy performance management, screening potential renewable energy technologies, sharing best practice and supporting the development of actions contributing to our Net-Zero roadmap.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   62

Circular Driven Solutions   Created by Empowered People   **Taking Action on Climate**   Responsible Business Practices

Transitioning to renewable energy

As part of our science-based Net-Zero GHG emission reduction pathway, we invest in our infrastructure to optimise energy and process efficiency, and to replace fossil fuel-based energy with renewable sources.

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

Driving energy efficiency projects

We are optimising energy and process efficiencies and replacing fossil fuel-based energy with renewable sources. Our pulp and paper mills generate most of their energy and electricity on-site, with excess energy sold to the grid.

Natural gas is the biggest share of fossil fuels used in our energy plants, contributing 12% to our fuel consumption. We are shifting our fuel mix to renewable energy, which offers the most significant potential to reduce GHG emissions. Our total share of renewable energy across the Group increased to 79% in 2024 (2023: 75%). This increase is due to an increased use of biomass sources, which is primarily from by-products of the pulp process.

Energy self-sufficiency can reduce costs and increase energy security while reducing carbon emissions. Some of our mills provide electricity generated by the plant to local communities.

Mondi is a growing business; as we acquire new sites, we develop a plan for integrating our MAP2030 approach and reducing GHG emissions. For example, when we acquired our Hinton pulp mill (Canada), a team of internal experts in our Group operations and technology team, together with the local Hinton team, investigated how to improve the mill's energy efficiency and process stability.

🔗 **See our energy disclosures in the ESRS & Performance index on** page 3

Florian Schein,
Mondi Group Energy Manager

❝

Energy is of significant importance for us as a manufacturer. Our focus is to secure energy supply chains, reduce greenhouse gas emissions in line with our Net-Zero commitment, and maximise energy efficiency.

Energy sources*
(renewable vs non-renewable)

Renewables 79%
- Renewable fuels
- Purchased renewable energy

Non-renewables 21%
- Natural gas
- Coal products
- Purchased fossil energy
- Other fossil sources
- Petroleum products
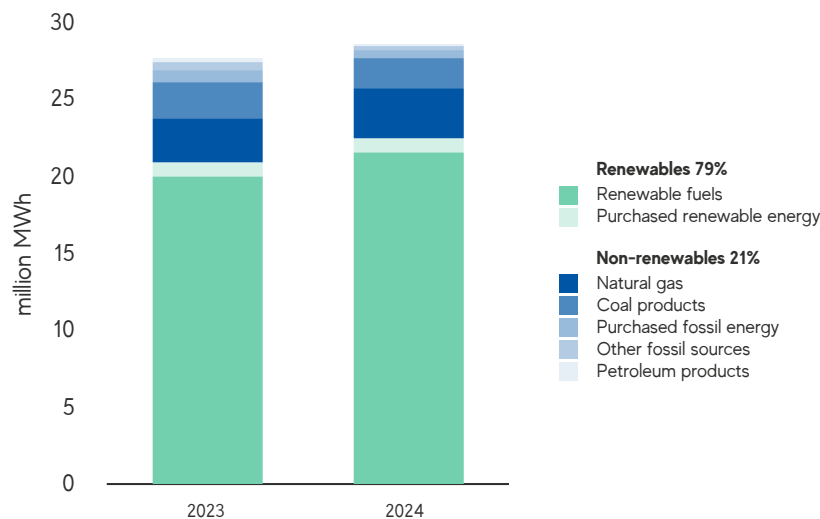
*   Energy consumption according to ESRS definition.

Circular Driven Solutions   Created by Empowered People   **Taking Action on Climate**   Responsible Business Practices

Our energy inputs and outputs

The diagram below illustrates Mondi's energy flow. Energy sources on the left include purchased electricity, internal biofuels (primarily black liquor), external biofuels and fossil fuels. Our boilers and turbines convert these fuels into heat and electricity, as shown on the right, to power our sites, enabling us to operate with high energy self-sufficiency. In addition, we sell heat and electricity to the market.

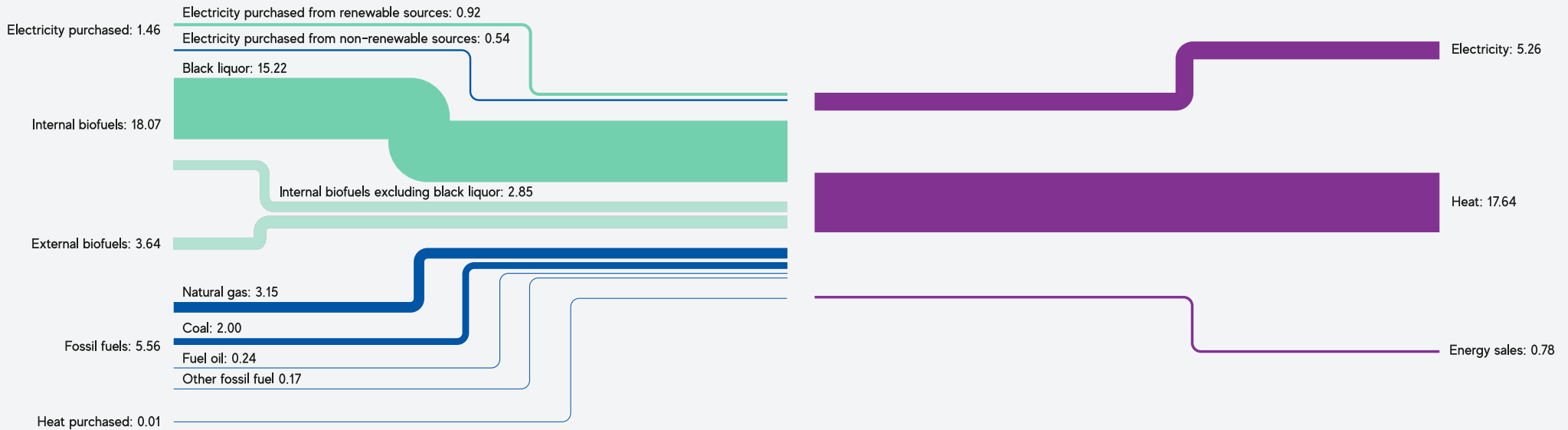This flow highlights our Group's focus on renewable energy, with 79% of our energy derived from renewables, and its efforts to maximise energy self-sufficiency.

79%

energy from renewable sources

Energy use
(million MWh)

Electricity purchased: 1.46	Electricity purchased from renewable sources: 0.92
	Electricity purchased from non-renewable sources: 0.54
	Black liquor: 15.22
Internal biofuels: 18.07	
	Internal biofuels excluding black liquor: 2.85
External biofuels: 3.64	
	Natural gas: 3.15
Fossil fuels: 5.56	Coal: 2.00
	Fuel oil: 0.24
	Other fossil fuel 0.17
Heat purchased: 0.01	

Electricity: 5.26

Heat: 17.64

Energy sales: 0.78

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   ☰   64   ↻

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   Responsible Business Practices

Addressing availability of renewable energy

We explore long-term power purchase agreements with renewable electricity providers, such as wind farms and photovoltaic energy providers, that have the potential to increase our future renewable electricity supply.

As part of our commitment to Net-Zero, we have developed a roadmap to reduce the carbon intensity of regional electricity purchases, measured as tonnes CO_2e/MWh purchased energy, an important measure for renewable energy. We have reduced the factor of our purchased electricity from 222 kg CO_2e/MWh in 2023 to 218 kg CO_2e/MWh in 2024, a reduction of 2%.

In countries where renewable electricity is currently unavailable at scale, such as South Africa, we invest in our mills' electricity self-sufficiency, using renewable sources to reduce our Scope 2 GHG emissions.

At our Richards Bay mill, we are investing in a new biomass boiler to replace three coal-fired boilers, which will significantly increase our electricity self-sufficiency and reduce our Scope 1 and 2 GHG emissions by around 350,000 tonnes of GHG emissions per year.

Since 2019, our Merebank mill has also significantly reduced Scope 1 emissions and taken major steps to lower Scope 2 emissions from purchased electricity. A new turbine generator set with higher steam capacity has been installed, increasing electricity output. This enhancement boosts the plant's electricity self-sufficiency and will reduce Scope 2 emissions from purchased electricity by up to 35,000 tonnes of GHG emissions per year. The next improvement phase is already underway. A new turbine is scheduled to become operational in 2025, further enhancing electricity generation within the mill.

Mondi South Africa excels in energy resilience and efficiency 🔗

Mark Miller,
Head of Reliability and Planning at Mondi Richards Bay

❝❝

We took on the challenge of building a more energy-resilient operation in Mondi Richards Bay, and the team did a great job! They showed great dedication and ownership in delivering against our initiatives. The roadmap for our future is set. We have ambitious plans to boost the mill's energy efficiency further.

🔗 **Explore the case study** online

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   65

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   Responsible Business Practices

Progress against our GHG reduction targets

Performance against our target

Target: Reduce Scope 1 and 2 GHG emissions by 46.2% by 2030 from a 2019 baseline

We reduced our Scope 1 GHG emissions by 0.21 million tonnes and our Scope 2 GHG emissions by 0.03 million tonnes compared to 2023. This is an 11% reduction in our absolute Scope 1 and Scope 2 GHG emissions since last year, mainly due to:

– Richards Bay (South Africa), with energy efficiency improvements and a turbine upgrade;

– Merebank (South Africa), with a turbine replacement and through an increase of biomass share;

– Štětí (Czech Republic), through a reduction of coal incineration and an increase of biofuel share; and

– purchase of green electricity at several operations.

Since 2019, we have reduced our absolute Scope 1 and Scope 2 emissions by 0.84 million tonnes of CO_2e, which is a 31% reduction. Per tonne of saleable product, our specific Scope 1 and Scope 2 emissions have reduced by 33%.

Scope 1 and Scope 2 GHG emissions
(million tonnes CO_2e)

- Scope 1
- Scope 2
- Specific GHG emissions (t CO_2e/t saleable production)
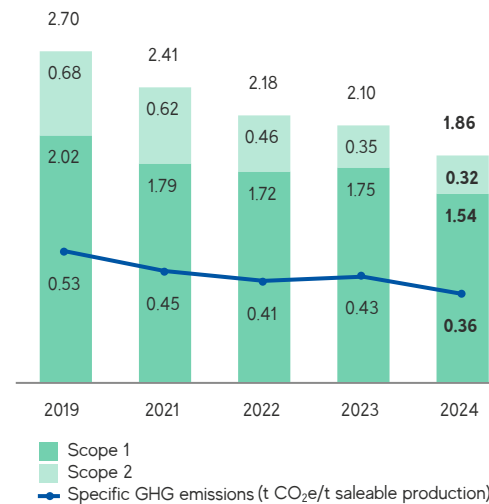
In 2024, Scope 2 GHG emissions decreased by 9% to 0.32 million tonnes of CO_2e (2023: 0.35 million tonnes of CO_2e). The Scope 2 factor of purchased electricity decreased by 2% to 218 kg CO_2e/MWh in 2024 (2023: 222 kg CO_2e/MWh). Out of total electricity purchased, 63% is from renewable sources (2023: 55%).

Scope 2 factor and purchased electricity
(million MWh)

- Electricity purchased from renewables
- Electricity purchased from non-renewables
- Factor (kg CO_2e/MWh)
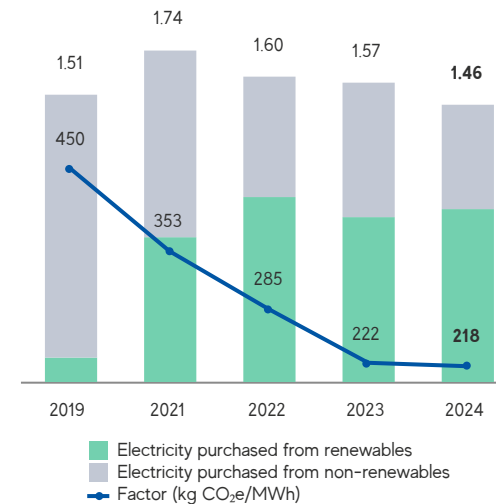
In 2024, our total energy consumption was 28.75 million MWh (2023: 27.83 million MWh). We purchased 5.56 million MWh of fossil fuels and used 21.71 million MWh of biomass to generate most of our energy and electricity on-site in our energy plants.

The Group's total share of renewable energy increased to 79% (2023: 75%) and our electricity self-sufficiency rose to 75% (2023: 72%).

See our GHG and energy disclosure in our ESRS & Performance index on pages 3-5

Avoided emissions

Avoided emissions are emission reductions that occur outside a product life cycle or value chain. These emissions are a result of using that product.

In 2024, we avoided 0.09 million tonnes of CO_2e (2023: 0.08 million tonnes of CO_2e) through the sale of approximately 0.34 million MWh (2023: 0.28 million MWh) of green fuels (including pitch fuel, sulphate soap, tall oil and turpentine), as a substitute for fossil-based fuels. By substituting natural gas with 0.06 million MWh (2023: 0.04 million MWh) of biogas generated in anaerobic wastewater treatment plants at our mills, we also avoided 12,112 tonnes of CO_2e (2023: 7,200 tonnes of CO_2e).

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   66

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   Responsible Business Practices

Working to decarbonise our supply chain

Internal carbon pricing

Mondi uses an internal price on carbon, which is aligned with the price of regionally regulated allowances, such as the EU Emissions Trading System (EU ETS). The internal carbon price is used as a 'shadow price' for the calculation of pay-back periods of investments. Investments, especially at those operations which participate in the EU ETS regime, consider potential costs of carbon credits in cases of insufficient allowances.

The internal carbon price changes over time. We therefore consider an EU ETS carbon price range of €50–€150 per tonne of CO_2 for the period up to 2030. In other countries of operation, where there is a carbon tax in place (e.g. South Africa), we use the applicable rate for the relevant country.

In 2024, 89% of Mondi's total Scope 1 GHG emissions were reported in regions with limits on GHG emissions; 44% were covered by the EU ETS and 45% were covered by South Africa's carbon tax.

Accelerating our supply chain decarbonisation

We have a science-based Net-Zero Scope 3 GHG emissions reduction target in place to tackle GHG emissions across our value chain.

Most of our Scope 3 emissions result from our purchased goods and services, fuel and energy-related activities as well as upstream and downstream transportation.

We procure different raw materials to manufacture our products, including wood, paper, paper for recycling, chemicals, resins and films.

→ **See our energy and materials flow**
Page 84

Making progress against our Scope 3 target requires increased collaboration with our supply chain on decarbonisation and low-carbon business practices in order to reduce GHG emissions and replace carbon-intensive raw materials.

Improving our Scope 3 data

Primary data for Scope 3 GHG emissions from suppliers is an essential building block to enable us to identify key levers for decarbonisation and make progress towards our Net-Zero targets. Wherever available, we use primary GHG emissions data from our suppliers. Where supplier information is not available, we use information from external databases.

We are working with our suppliers to increase the quality of primary GHG emissions data, which will in turn improve the quality and accuracy of our Scope 3 GHG emissions reporting. While the majority of our supplier information on GHG emissions is still based on secondary data, we increased the share of primary data used in our Scope 3 calculation and enhanced our data collection in 2024.

We are reviewing our Scope 3 GHG emissions calculation and in future we will improve the granularity, for example by quantifying emissions from additional materials under the category of purchased goods and services. We will also update the database factors applied to reflect the latest published factors, for example on transport GHG emissions.

Engaging with our suppliers

In 2024, we engaged on decarbonisation topics with strategic raw material suppliers, which significantly contribute to our Scope 3 category 'Purchased goods and services'. We have requested carbon footprints of raw materials supplied and information on decarbonisation targets through questionnaires to our suppliers.

Other initiatives include workshops with selected suppliers to discuss primary data availability, supplier GHG reduction targets and their transition plans. We also consider alternative materials that could help us achieve our sustainability targets.

Additionally, we assess decarbonisation potential in our downstream transportation, such as using trains instead of trucks, adopting low-carbon transport practices and improving the efficiency of loading.

Overall, we see different levels of maturity across our supplier base and we keep engaging with our key suppliers and partners. We continue to communicate our expectations to our suppliers to encourage them to take action to support progress against our Net-Zero targets and deepen our understanding of their ambitions.

Liisa Ohlsson,
Mondi Group Head of Supplier Engagement and Responsible Procurement

❝

We have intensified our engagement with a group of key suppliers on decarbonisation topics, and it's encouraging to see that roughly three-quarters are aligned with us in taking decisive action on climate change.

Scaling Scope 3 GHG reduction efforts

Performance against our targets

Target: Reduce Scope 3 GHG emissions by 27.5% by 2030 from a 2019 baseline

In 2024, our Scope 3 GHG emissions were around 2.72 million tonnes of CO_2e. This is an increase of 8% against last year, primarily due to higher production volumes in 2024 compared to 2023, with a correspondingly higher amount of raw materials purchased.

Compared with our 2019 baseline, our Scope 3 GHG emissions decreased by 15%.

Our Scope 3 GHG emissions were estimated to represent 59% of our total GHG emissions in 2024. We continue to work with our suppliers to identify opportunities to decarbonise our supply chain.

🔗 **Find our Scope 3 disclosure in our ESRS & Performance index on** page 4

Target: Reduce Scope 1, 2 and 3 GHG emissions by 90% by 2050 from a 2019 baseline

In 2024, our total Scope 1, 2 and 3 GHG emissions decreased by 0.05 million tonnes to 4.58 million tonnes (2023: 4.63 million tonnes), which is a decrease of 1% since last year and a 22% reduction compared with our 2019 baseline.

Scope 3 GHG emissions
(%)
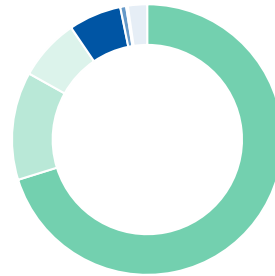
🟩 Purchased goods and services	70.2 %
🟩 Upstream transportation and distribution	12.9 %
🟩 Fuel and energy-related activities	7.4 %
🟦 Downstream transportation and distribution	6.3 %
🟦 Employee commuting	0.7 %
🟦 Business travel	0.2 %
⬜ Other*	2.3 %
Total	**100 %**

*   Other Scope 3 categories include capital goods; waste generated in operations; investments; and processing, use and end-of-life treatment of sold products.

Maintaining zero deforestation

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

Targets
Maintain 100% FSC™ certification in our own forestry landholdings

100% responsibly sourced fibre, with 75% FSC™- or PEFC-certified fibre procured by 2025 and the remainder meeting the FSC Controlled Wood standard

Implement leading forestry measures to ensure productive and resilient forests

Material topics and related ESRS Standards

M **Biodiversity and fibre sourcing**

E4 Biodiversity and ecosystems

M **Climate change mitigation**

E1 Climate change

➔ Find out more about our material topics
Page 13

Forests play an essential role in a circular bioeconomy as a source of low-carbon, renewable, recyclable and compostable material. Responsible sourcing of wood fibre and maintaining zero deforestation in our forests and supply chain are vital for our business. We understand that climate change is also impacting forest resilience and productivity, which is why we take a science-based approach to managing forests effectively, supporting their resilience and protecting other ecosystem services.

Our material impacts, risks and opportunities
Our business and ecosystems are inextricably linked: forestry practices have an impact on ecosystems, biodiversity and broader natural landscapes, while our businesses and local communities depend on forest ecosystems for water, climate regulation and fibre sourcing. Forests contribute to mitigating climate change by storing carbon above and below ground, as well as enabling a low-carbon bioeconomy. Forests also help to protect people and nature from the adverse effects of climate change around the world.

Fibre sourcing has been identified as a material topic as part of our latest double materiality assessment. As it is closely connected to the resilience of ecosystems, we have consolidated fibre sourcing with biodiversity as the material topic biodiversity and fibre sourcing.

➔ Read more on biodiversity as a material topic on
Page 72

Wood fibre is our most important raw material for producing paper and packaging solutions. The cost of raw materials and availability of key inputs, such as wood, is considered a Group principal risk. Risks may include supply chain disruption and alteration of production schedules, thus affecting the Group's operating costs and profitability.

Increasing competition for wood is being driven by demand for renewable raw materials and for renewable 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. Climate change will create long-term structural changes in forests, which are being affected by multiple factors: from shifting temperature and precipitation patterns to increased frequency of severe weather, and pest and disease outbreaks.

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. In this way we can reduce environmental pressure and make best use of natural resources.

We believe that active and sustainable management of forests, including the use of wood-based products, will be fundamental in addressing the climate crisis and in securing long-term benefits for society. Maintaining the resilience of working forests is crucial to meet the increasing need for renewable and recyclable wood-based products. It also helps us mitigate anticipated financial risks and capture opportunities to enable a sustainable bioeconomy.

We are committed to sourcing responsible wood fibre, adhering to all relevant local, national and regional laws, international treaties and agreements. We do not use wood harvested in violation of indigenous peoples' or labour rights, causing deforestation or conversion of primary forests to exotic plantations.

➔ See how we uphold rights of indigenous peoples
Page 89

We do not use wood from tropical trees, or tree species listed by the Convention of International Trade on Endangered Species (CITES) or the Red List of International Union for Conservation of Nature (IUCN). We do not source wood from genetically modified trees either.

We promote best practice in responsible forest management. In the production landscapes where we operate, we aim to optimise yields from our commercial forest areas, while maintaining important biodiversity and ecosystem processes, improving the resilience of forestry operations in the wider landscape.

➔ Read more on responsible wood procurement
Page 96

Forest sector collaboration to promote resilience

Sustainable forestry practices in South Africa

Our total wood consumption in 2024 was 15.2 million m³ (2023: 12.8 million m³) predominantly sourced externally for our European and international operations. We have our own plantation forestry landholdings in South Africa (approximately 255,000 hectares) accounting for 12% of the total Group volume.

We aim to lead the way in our own plantation forestry operations in South Africa by developing best practice silviculture and other forestry management measures to promote tree growth and resilience. Our environmental management systems in our plantation forestry operations are certified to key international certification standards, such as FSC, PEFC and ISO 14001.

Going beyond our own landholdings, we empower small growers in South Africa, through our small-scale timber growers programme as part of Mondi Zimele, which has supported 3,865 growers since it was launched.

In 2024, around 190,000 tonnes of wood were sourced from small growers (1-10 ha landholdings), roughly equivalent to 10% of Mondi South Africa's wood requirements, and approximately 5.3 million seedlings were distributed to them.

Promoting the resilience of European forests

Most of our operations are located in Europe, where we source wood fibre from external suppliers.

There are three ways we take action to promote sustainable forest management and the development of resilient forest landscapes: collaborating with partners; engaging with suppliers and forest owners; and scaling forest certification development.

Forests in Europe are growing; however, due to the increasing risk of natural disturbances, such as pests, diseases, windstorms and wildfires, this positive trend may slacken in future. Forests need continuous management to support their resilience and timely adaptation to a changing climate. With proper reforestation of harvested sites, followed by effective tending and protection of young forests until they mature for the next harvest, we can achieve long-term resilience and greater productivity of managed forests.

Collaborating across the forestry sector

We partner with our industry associations across the forest sector, NGOs and scientific organisations on sustainable forestry strategies to mitigate climate change and reverse nature loss.

In relation to forestry policies, we collaborate with different industry stakeholders, including the Confederation of European Paper Industries (Cepi) and the European Federation of Corrugated Board Manufacturers (FEFCO), representing the interests of the industry across Europe. In 2024, we were actively engaged in their taskforces related to the EU Regulation on Deforestation-free Products (EUDR) implementation.

We believe scientific research is crucial to inform effective policies and forestry management best practice, keeping in mind the long-term planning horizons in forestry. In 2024, we completed the first phase of our TEAMING UP 4 FORESTS partnership with the International Union of Forest Research Organizations (IUFRO) and published an evidence-based synthesis study on European forests in disruptive times. The study findings were shared at multiple industry events, including the RISI Fast Markets Conference, the Cepi Bioeconomy Lab, the IUFRO World Congress and the COP29 Forest Pavilion.

🔗 **Read Europe's wood supply in disruptive times study** online

Markus Gärtner,
CEO Mondi Corrugated Packaging

❝

We promote sustainable working forests, which combine utilisation of forest resources, such as wood, with measures to protect and maintain ecosystem services, water and biodiversity.

Sourcing wood responsibly for our operations

Forest management certification

International forest certification schemes, such as the Programme for the Endorsement of Forest Certification (PEFC) and Forest Stewardship Council (FSC), play a significant role in promoting responsible practices.[18]

Their comprehensive certification standards and third-party verification processes offer the greatest value in terms of increasing the availability of sustainable fibre sources for the long term. Both systems work to address emerging sustainability challenges.

We support these efforts as international members of both PEFC and FSC and by contributing to thematic working groups and projects. In 2024, we participated in the PEFC International members meeting and FSC Europe members meeting, exchanging views on strategy and the implications of emerging EU regulations, including the EU Regulation on Deforestation-free Products (EUDR) and the EU Renewable Energy Directive (EU RED).

→ **Read more on responsible procurement**
Page 100

Main wood fibre sourcing regions

15.2 million m^3

Mondi's total wood consumption

Canada

South Africa

Europe
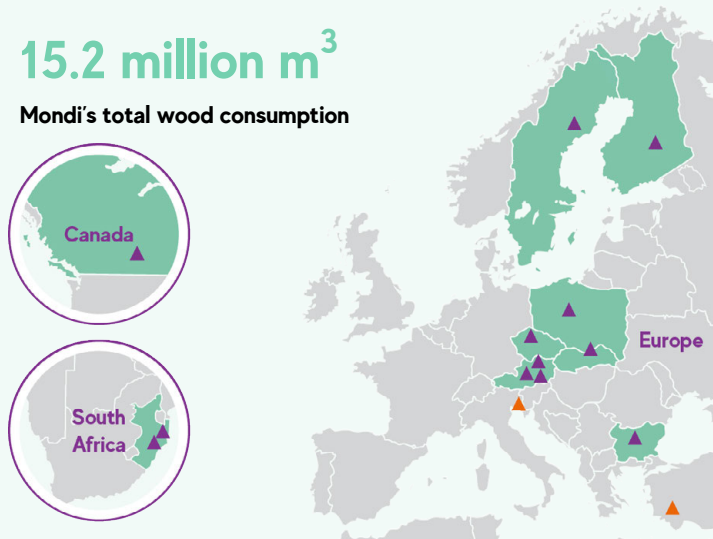
Key
- ● Main regions where Mondi sources wood fibre
- ▲ Location of Mondi fresh fibre mills
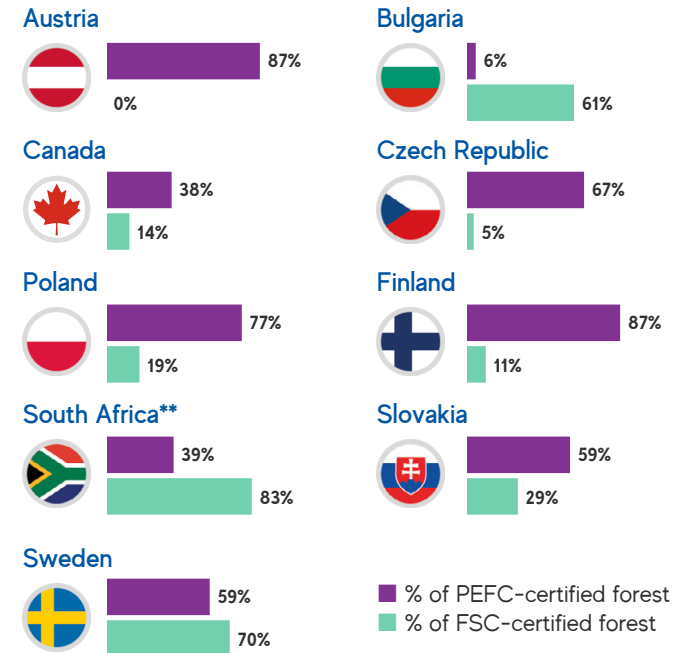- ▲ Location of Mondi recycled containerboard mills

Currently, only around 10% of forests globally are certified. Forest certification is most effective when a high proportion of forests in a region are certified. We aim to make the best use of certified wood from domestic markets.

We source more than 90% of our wood fibre from the countries where our pulp and paper mills are located, offering multiple benefits across our operations:

- shorter transportation distances with lower GHG emissions;

- more resilience and transparency in our supply chain with lower risks; and

- contributing to the local economy and livelihoods.

Note
Our Stambolijski mill (Bulgaria) was closed after a fire in September 2024.

Availability of certified fibre* in our main sourcing countries

Austria
- 87%
- 0%

Bulgaria
- 6%
- 61%

Canada
- 38%
- 14%

Czech Republic
- 67%
- 5%

Poland
- 77%
- 19%

Finland
- 87%
- 11%

South Africa**
- 39%
- 83%

Slovakia
- 59%
- 29%

Sweden
- 59%
- 70%

- ■ % of PEFC-certified forest
- ■ % of FSC-certified forest

* Sources: FSC (2024); PEFC (2024).
** In South Africa timber is procured from plantation forests.

EU Regulation on Deforestation-free Products (EUDR)

The EUDR aims to reduce the EU's impact on global deforestation and forest degradation by regulating import, export and internal trade within the EU. This year there was a strong focus on updating our existing due diligence processes and IT systems, and engaging with our suppliers and customers to prepare to meet the new compliance requirements under the EUDR. The implementation of the EUDR has now been delayed 12 months to 30 December 2025. We remain committed to meeting EUDR requirements by the time it comes into force and helping our customers to comply. We will take the additional time provided to test our systems to ensure smooth implementation.

---

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

Progress towards our sustainable forestry targets

Performance against our targets

Target: Maintain 100% FSC certification in our own forestry landholdings

We have achieved our target to maintain FSC certification in our own plantation forestry landholdings. In South Africa, we passed surveillance audits and confirmed conformance with the FSC and PEFC forestry management certification standards.

Target: 100% responsibly sourced fibre with 75% FSC- or PEFC-certified fibre procured by 2025 and the remainder meeting the FSC Controlled Wood standard

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%).
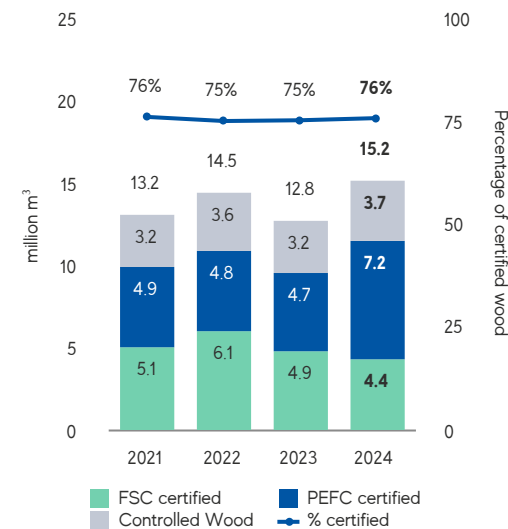
At the beginning of 2024, we successfully integrated our new operations in Canada and our Hinton pulp mill passed recertification audits against PEFC and FSC Chain-of-Custody standards.

Traditionally, the most vulnerable suppliers are forestry smallholders, which require support to meet sustainability requirements and sell certified goods. There has been significant progress in driving sustainability of small timber growers in South Africa through a group scheme certification, working collaboratively with a local forest certification service provider. To date, 840 small growers have been certified to FSC through the group scheme. There are 184 smallholder suppliers now supplying FSC-certified pulpwood timber to our Mondi Richards Bay mill, with ongoing efforts to increase the number of suppliers. Since 2023, PEFC certification has become available for small growers.

🔗 Find out more in our ESRS & Performance index on page 12

Share of certified wood supply in our pulp and paper mills

Legend:
- FSC certified
- Controlled Wood
- PEFC certified
- % certified

Data (million m³ / % certified):
- 2021: FSC certified 5.1, PEFC certified 4.9, Controlled Wood 3.2, total 13.2, 76%
- 2022: FSC certified 6.1, PEFC certified 4.8, Controlled Wood 3.6, total 14.5, 75%
- 2023: FSC certified 4.9, PEFC certified 4.7, Controlled Wood 3.2, total 12.8, 75%
- 2024: FSC certified 4.4, PEFC certified 7.2, Controlled Wood 3.7, total 15.2, 76%

Target: Implement leading forestry measures to ensure productive and resilient forests

Fire protection remains an ongoing challenge for our South African plantations, exacerbated by periodic drought conditions and socio-economic factors. These mainly occur as high-intensity small-scale fires in this region. We mitigate the risk of large-scale fires with a robust fire prevention and management system.

We mitigate fire risks with naturally vegetated open corridors acting as firebreaks between forest plantations, under canopy biomass management and investment in a modern firefighting fleet and professional firefighters. We have improved pre- and post-burning assessments at harvesting sites to mitigate the risks of erosion and nutrient loss after prescribed burning to ensure healthy soils, which are critical for productive plantation forests.

Our tree improvement programme in South Africa aims to produce stronger, more robust and productive trees that can resist disturbances such as drought, pests and diseases. As a result, despite losses of 3% due to wildfires and other natural disturbances, the 10-year rolling average annual growth rate in our plantations in 2024 was maintained.

No cases of deforestation or conversion of primary forests to exotic plantations in our supply chains were identified in our Due Diligence Management System.

Our policies and resources on sustainable forestry

100% of our forestry operations are FSC certified and FSC Controlled Wood is taken as a minimum requirement in external wood sourcing.

Our Sustainable Forestry Policy outlines our forestry management approach for our owned or managed forests, and is implemented by our forestry team in South Africa.

🔗 Find the Group Sustainable Forestry Policy as well as the Supply Chain and Responsible Procurement Policy online

In external wood fibre sourcing, our dedicated Due Diligence Management System (DDMS) stipulates that we only purchase from responsible sources in line with our Supply Chain and Responsible Procurement Policy and Code of Conduct for Suppliers. The implementation of DDMS is driven by our Group fibre sourcing team.

As part of the SD Committee's rolling agenda, our Board is updated on progress in nature- and forestry-related sustainability topics and performance against our MAP2030 commitments on zero deforestation and responsible wood sourcing.

🔗 See topics discussed by the SD Committee in the Integrated report 2024 on page 110

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   72

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   Responsible Business Practices

Biodiversity and water essential for healthy ecosystems

Commitment
Safeguard biodiversity and water resources in our operations and beyond

Targets
Conduct water stewardship assessments at our mills and forestry operations by 2025, and implement required actions to address the findings by 2030

Conduct biodiversity assessments at our mills and forestry operations, introducing biodiversity action plans where necessary by 2025

Material topics and related ESRS Standards

M Biodiversity and fibre sourcing

E4 Biodiversity and ecosystems

M Water

E3 Water and marine resources

→ **Find out more about our material topics**
Page 13

Healthy and well-functioning ecosystems are the foundation of life on our planet. We are focused 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.

We are committed to continuously improving our approach to biodiversity and water management in our forestry operations and mills, to limit our impacts and manage our dependencies on nature. Within our MAP2030 framework, we apply a holistic approach to climate action and conserving nature.

Our material impacts, risks and opportunities

Biodiversity and fibre sourcing has been identified as a material topic in our latest 2023 double materiality assessment.

Our business and ecosystems are inextricably linked. Our operations have an impact on ecosystems, biodiversity and natural landscapes, while our businesses and local communities depend on ecosystems for the provision of services such as water, climate regulation and fibre.

In addition to fibre sourcing, the main impacts from our operations on nature relate to air emissions, waste to landfill, water use and discharge. The main potential biodiversity impacts from our manufacturing relate to the increase of the temperature in our freshwater sources. Some fish species, such as trout, are very sensitive to increased water temperature and only remain healthy and reproduce successfully when temperatures remain within a certain range. We measure the temperature of the water discharged from our mills and estimate the degree of impact on the receiving environment, considering the biological and physical characteristics, and considering opportunities for water cooling and heat recovery, where feasible.

In South Africa, our forestry landholdings comprise planted areas (for commercial harvesting), infrastructure (roads and buildings), and conservation corridors. Some of the identified impacts on biodiversity include invasive alien plants (IAP), livestock overgrazing, unmanaged fires, the hydrological effect of water use (water quantity) by our forestry operations and the potential impact of upstream land users and our own forestry operations on water quality.

Water is also a material topic for our business as the pulp and paper industry requires and depends on access to water to manufacture products.

In our manufacturing operations, our main water-related impacts and risks occur during water withdrawal from and discharge to freshwater ecosystems. Water shortages as a result of chronic changes in precipitation could disrupt production at our operations. This is especially relevant in water-scarce regions and locations dependent on small catchment areas. In our forestry operations, the potential impacts and risks relate to freshwater ecosystems on and downstream of our landholdings.

🔗 **Read more on water risks in the Integrated report 2024** on pages 56 and 68

Managing our impacts on nature

Our approach to biodiversity

We have conducted biodiversity status reviews for all our pulp and paper mills and forestry operations, identifying important biodiversity sites around our mills and evaluating environmental aspects that potentially impact biodiversity. Based on these findings, we have assessed potential impacts in relation to: waste water; freshwater; soil contamination and damage; air emissions; waste disposal; and noise emissions.

We also evaluated the proximity of our operations to nature conservation areas. Eleven of our fourteen pulp and paper mills, and six of our eight plantation forestry areas have one or more nature conservation areas within a 5 km distance. We have not identified any negative impacts by our business on these sites.

For our mills, we develop biodiversity action plans to address specific biodiversity impacts, including the prevention of negative land conversion, avoiding harm to protected areas and maintaining or improving the health of natural ecosystems. The plans include strategic investments; collaboration with other businesses, scientific organisations and NGOs; and environmental community projects. Sites identified as having special ecological, geological, cultural or historical importance are managed in a manner appropriate for their unique features.

We also have ecosystem management plans for our plantation forestry operations. These plans adhere to the mitigation hierarchy and landscape-level approaches to ecosystem stewardship and aim to restore and/or regenerate their functioning. We ensure that our operations are not associated with unsustainable land use change, including deforestation and land clearance, conversion of primary forests into exotic plantations and draining of wetlands, thus avoiding critical biodiversity loss

and GHG emissions. Conservation areas are managed for biodiversity and ecosystem services, while planted and infrastructure areas are managed to prevent impacts on conservation. Approximately 24% of our landholdings are managed for conservation purposes. We continue to make improvements in how we manage invasive alien plants (IAPs), while engaging with communities to manage livestock grazing. We manage our silviculture, harvesting and road operations to reduce erosion (soil loss) and sedimentation risks to wetland and river ecosystems, and assess rivers and priority wetlands in the conservation area network.

Our Code of Conduct requires suppliers to understand their impacts on the environment and nature, and to set appropriate action plans and targets to minimise these impacts.

🔗 **Read more in our GRI Biodiversity disclosures** online

Our approach to water stewardship

Our Group Water Stewardship Standard, developed in collaboration with WWF and the Alliance for Water Stewardship, lists the requirements related to our water stewardship plans and strategy and outlines the framework for our water stewardship assessments. We focus on effectively managing water cycles in our mills and maintaining the resilience of freshwater ecosystems, with location-specific considerations in mind. We consider local water and biodiversity challenges and the resilience of local ecosystems, especially in water-stressed and water-scarce regions. We believe that sustainably managing water resources and mitigating water risks are best achieved through mobilising multiple water users in a catchment area.

We assess and manage specific water-related risks in our operations and at a catchment (landscape) level. We have considered WWF's Water Risk Filter to evaluate our operational- and basin-related water risks at our mills to determine freshwater impacts (operational water risk) and dependencies (basin water risk). Water risk assessments are updated at a frequency appropriate to their risk level.

In 2024, we reassessed the water stress status of our operations using the World Resources Institute (WRI) Water Risk Framework's high resolution database, which was an input to our water stewardship assessments. The Framework considers factors such as water quantity, variability and quality, public awareness of water issues, access to water, and ecosystem vulnerability.

Based on this assessment, our Tire (Türkiye) mill is the only producing mill that is situated in a catchment that faces extremely high physical water stress. However, on the basis of our Mondi water stewardship assessment of this site, we do not consider water as a high risk at this operation as it does not consume significant volumes of water.

We also focus on water use at our Frantschach (Austria) mill, which is dependent on a small catchment area, and our Richards Bay (South Africa) mill, which has experienced historical and periodic occurrences of droughts.

Our South African plantation forestry operations monitor the state of wetlands using a sample-based approach and conduct freshwater monitoring assessments in relevant river ecosystems.

➡️ **Read more in the Environmental Performance section**
Page 80

How we train our contractors to safeguard biodiversity in Finnish forests

Have you ever wondered how we take care of biodiversity while we harvest trees? For Harvestia, a Finnish wood procurement company that is part of Mondi Group, it is essential to how it does business.

24%
of our South African landholdings are managed for conservation

Taking a landscape approach to ecosystems

The infographic below illustrates our operational environment and some key nature-related performance indicators (KPIs) we assess and monitor in our operational landscapes.

Land managed for conservation (%)

Carbon sequestration in forest areas

Conservation corridors

Area free of invasive alien plants (%)

Protected areas and red-listed species

Rate of deforestation or degradation

Freshwater quality

Water emissions

Flow and balance tracking in priority water catchments

Forest certification in sourcing countries

Sustainable forest management criteria

Reusable, recyclable or compostable products (%)

Air emissions

Certified forest management (%)

Responsibly procured wood

GHG emissions

Waste to landfill

Our sourcing areas

We source wood responsibly from our own and external sourcing areas. In our forest plantations in South Africa, we can directly manage environmental impact drivers. We implement and test the best available management practices and monitoring approaches.

In external sourcing areas, such as semi-natural forests in Europe, we do not have direct control of land management. We monitor the overall state of ecosystems via proxy key performance indicators and collaborate to increase science-based knowledge of ecosystem stewardship and promote best practice sharing.

Our manufacturing operations

In our manufacturing operations, we can directly manage environmental impact drivers. We conduct biodiversity and water stewardship assessments and develop action plans.

Our primary focus remains on our pulp and paper mills as no material impacts or dependencies have been identified for our converting sites.

Broader environment

Taking a landscape-level approach, we also look at nature-related impacts and dependencies beyond our direct operations and sourcing areas. Where we are not able to directly influence ecosystem stewardship on the ground, we focus our efforts on catalysing positive change via collaboration with relevant local and regional partners.

Collaborating for nature-based solutions

Our collaboration with environmental NGOs and scientific institutions aims to improve our understanding of robust approaches to ecosystem stewardship. We believe effective science-based approaches will help to manage biodiversity and natural capital. We utilise experience and learnings from our operations where we have more primary data and stronger leverage, and facilitate knowledge exchange via thematic international platforms.

WBCSD Forest Solutions Group (FSG)

As a member and co-chair of WBCSD FSG, we support its mission to grow an inclusive circular bioeconomy that is rooted in thriving sustainable working forests.

Through the WBCSD FSG's network, we engage with key nature-related organisations and frameworks, including the Taskforce on Nature-related Financial Disclosures (TNFD) and the Science Based Targets Network. In 2024 the FSG provided sector-specific expertise to help develop the TNFD's guidance for the forestry, pulp and paper sector.

In 2024, Mondi 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. The tool aims to support forest companies in implementing nature-positive strategies, setting science-based nature sector targets and disclosing progress. The publication is a preliminary version for the forest sector component of the WBCSD's Nature Metrics Portal, planned for release in 2025.

🔗 **Read more** online

WWF-Mondi Water Stewardship Partnership (WWF-MWSP)

In 2024, WWF South Africa and Mondi South Africa announced the extension of their partnership for another three years to 2027. The partnership aims to maintain or enhance the values and resilience of ecological infrastructure (rivers, wetlands and ecological networks) at a landscape scale. While continuing its focus on water, the next phase will also explore other areas of work around circular economy, land and biodiversity stewardship, and climate resilience in the wider Richards Bay area.

❝

Expanding the partnership's focus to include elements of a circular economy and biodiversity stewardship allows Mondi to tap into a broader suite of WWF's expertise, strengthening the sustainability of its operations. Working with Mondi provides WWF with a perfect opportunity to put into practice some innovative environmental projects with a corporate partner WWF trusts.

David Lindley,
WWF-MWSP Partnership Manager
at WWF South Africa

🔗 **Read more** online

uMhlathuze Water Stewardship Partnership (UWASP)

UWASP is a partnership between Richards Bay mill; WWF South Africa; German development agency GIZ; NGOs (such as the National Business Initiative); and neighbouring industry and government departments. It aims to build a climate- and drought-resilient landscape in the uMhlathuze catchment where our Richards Bay mill is located. The area experiences periodic droughts and it is expected that these droughts, flooding and other extreme weather events will increase in frequency and intensity as a result of climate change. In 2024, through Mondi's partnership with WWF-MWSP, UWASP developed the uMhlathuze catchment management plan and continued to build on the real-time water flow monitoring tool, Flow Tracker. This tool was developed in 2022 to add information on the levels of coastal lakes and agricultural offtake to create a catchment water balance.

Endangered Wildlife Trust (EWT)

Mondi South Africa's three-year partnership with the EWT was launched in 2023 and aims to map biodiversity footprints in our South African forestry operations. In 2024, we identified material species and continued to explore accounting methods for biodiversity impacts. In 2025, monitoring protocols and related actions will be considered.

Stellenbosch University, Mondi Ecological Networks Programme (MENP)

We continued to collaborate with the Department of Conservation Ecology and Entomology at Stellenbosch University, researching science-based principles for the design and management of conservation corridors in our plantation landholdings. Research outputs from this programme have also been used to support Mondi's work with EWT to evaluate the biodiversity status in conservation corridors.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   76

Circular Driven Solutions   Created by Empowered People   **Taking Action on Climate**   Responsible Business Practices

Our biodiversity and water assessments

Contribution to global efforts to reverse nature loss

We contribute to the goals of the UN Convention on Biological Diversity via alignment of our actions to the Kunming-Montreal Global Biodiversity Framework's five major drivers of nature and biodiversity loss:

1. Climate change

→ **Read how we reduce GHG emissions**
Page 59

2. Land and sea use change

→ **See our approach to zero deforestation**
Page 68

3. Exploitation of natural resources

→ **Explore how we implement leading forestry measures**
Page 71

4. Environmental pollution

→ **Read more on environmental performance**
Page 78

5. Invasive alien species

🔗 **Read how we control invasive alien plants in the South African context** online

Performance against our targets

Target: Conduct water stewardship assessments at our mills and forestry operations by 2025, and implement required actions to address the findings by 2030

To date, we have assessed 92% of our mills and forestry operations, up from 54% in 2023. This excludes our recently acquired mills, Duino and Hinton, where water stewardship assessments will be conducted in future.

In 2024 we completed assessments in our mills in Austria (Frantschach, Ulmerfeld-Hausmening and Kematen), Finland (Kuopio) and Sweden (Dynäs).

Target: Conduct biodiversity assessments at our mills and forestry operations, introducing biodiversity action plans where necessary by 2025

With all biodiversity status reviews finalised in 2021, we have developed biodiversity action plans for 92% of our mills and forestry operations, up from 54% in 2023. This excludes our recently acquired mills, Duino and Hinton, where biodiversity status reviews and action plans will be developed in future.

In 2024 we introduced action plans in our mills in Slovakia (Ružomberok), Poland (Świecie), Czech Republic (Štětí), Türkiye (Tire) and South Africa (Merebank).

Our policies and resources on water and biodiversity stewardship

Our Environmental Policy requires that we conduct and maintain updated biodiversity and water stewardship assessments for all our operations to help better manage our impacts and dependencies on water resources and biodiversity and ecosystems, and to develop action plans where necessary. Our Sustainable Forestry Policy describes our commitment to maintain important biodiversity and ecosystem services and improve the resilience of our forestry operations.

🔗 **Find the Group Environmental Policy** online

Our Group Water Stewardship Standard lists the requirements related to our water stewardship plans and strategy. The standard supports us to better understand our water dependencies and impacts, helping to mitigate operational and supply chain water risks and put responsible water procedures in place.

We have existing corporate grievance mechanisms in place, which cover a broad range of topics. In 2024, we did not receive any nature-related complaints or concerns or identify any issues in the public domain.

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.

BUILT ON RESPONSIBLE BUSINESS PRACTICES

Underpinning our MAP2030 commitments

→ **Read more on the performance against our environmental targets**
Page 78

→ **Read more on the performance against our human rights targets**
Page 87

→ **Read more on the performance against our community target**
Page 91

→ **Read more on the performance against our procurement targets**
Page 96

M **Material topics**
– Biodiversity and fibre sourcing
– Business conduct
– Circular economy
– Water
– Working conditions and human rights

Environmental performance

Our MAP2030 commitments support our aim to minimise and eliminate potential negative impacts on the environment and local communities.

Commitment	Target	Performance against baseline	
		2023	2024
We will continually work on improving the environmental performance of our operations to minimise environmental impacts	Reduce specific contact water consumption by 10% by 2030 from a 2020 baseline	🟢	🟢
	Reduce specific effluent load (measure COD) by 15% by 2030 from a 2020 baseline	🟡	🟢
	Reduce specific NOx emissions from our pulp and paper mills by 10% by 2030 from a 2020 baseline	🟢	🟢
	Reduce specific waste to landfill by 30% by 2030 from a 2020 baseline	🟢	🟢
	100% of our operations will be certified according to globally accepted environmental standards equivalent to ISO 14001 by 2025	🟢	🟢

2024 performance key   ✓ Completed   🟢 On track   🟡 Behind target   🔴 Not on track

Reduce specific contact water consumption by 10% by 2030 from a 2020 baseline

Specific contact water consumption reduced by 4% compared with our 2020 baseline and remained at the same level as last year.

→ Page 82

Reduce specific effluent load (measure COD) by 15% by 2030 from a 2020 baseline

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).

→ Page 82

Reduce specific NOx emissions from our pulp and paper mills by 10% by 2030 from a 2020 baseline

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).

→ Page 83

Reduce specific waste to landfill by 30% by 2030 from a 2020 baseline

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).

→ Page 85

100% of our operations will be certified according to globally accepted environmental standards equivalent to ISO 14001 by 2025

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.

→ Page 79

Material topics and related ESRS Standards

M	Circular economy	M	Water
E5	Circular economy (waste)	E2	Pollution (pollution of water)
		E3	Water and marine resources

→ **Find out more about our material topics** Page 13

Environmental performance beyond compliance

Resource efficiency is relevant to many of our material topics and we're working to use resources wisely and develop circular solutions.

In this section, we have included relevant ESRS disclosures for the material topics water and circular economy (in the reduction of waste to landfill section).

→ **Read more on our double materiality assessment**
Page 13

Our manufacturing processes depend on the availability of natural resources such as wood and water. Our pulp and paper mills have the biggest contribution to the Group's environmental impacts.

We apply a precautionary approach and strive to comply with applicable environmental regulations and permits. When we identify an impact, we take mitigating measures to avoid harm to the environment. We record and thoroughly investigate all environmental incidents and complaints.

Our MAP2030 environmental performance commitments support us to reduce water consumption, pollution, waste landfilling and air emissions.

Meeting regulatory requirements

In our mills we generate most of the energy we use for our processes on-site through biomass-based by-products from the pulp manufacturing process, but also from fossil fuels, which results in greenhouse gases and other air emissions.

Our sites strive to operate in compliance with national and international regulations, such as the Industrial Emissions Directive (IED), which regulates the requirements of our industry sector in the European Community, or the Renewable Energy Directive (RED) for our energy plants. We have set a target for all our operations to be certified according to an environmental management system equivalent to ISO 14001 by 2025.

The biomass used for energy generation is compliant with the requirements defined by EU RED II and national regulations, and in some cases third-party certifications, such as SURE and SBP.[19]

Environmental management systems and certification

We are committed to meeting all requirements as stated in our sustainability policies and management systems. The Sustainable Development Management System (SDMS) supports our operations to meet environmental protection standards and minimise our environmental impacts, as well as comply with legislation and improve reporting. Our SDMS also supports us in improving our performance in accordance with good manufacturing practices, and in adhering to the principles of resource efficiency as defined by the United Nations Environment Programme (UNEP). Our internal expert networks support the achievement of our energy and environmental targets with benchmarking and knowledge sharing.

Our approach is based on internationally accepted environmental management systems, including ISO 14001 and ISO 50001. Additionally, individual operations develop local, sector-specific environmental management systems, some of which are required by their customers.

Environmental and energy audits are an integral part of certification and support compliance. These audits highlight opportunities to reduce environmental impacts and the use of natural resources, which deliver cost savings in resource, waste and energy management.

Performance against our target

Target: 100% of our operations will be certified according to globally accepted environmental standards equivalent to ISO 14001 by 2025

In 2024, 100% of our pulp and paper mills and forestry operations and 78% of our converting operations were certified to the international environmental management system standard ISO 14001. This is an increase of the Group's ISO 14001 certification level to 81% – compared to 79% in 2023. In 2024, we continued to work on the implementation of ISO 14001 certification across our operations, with a focus on converting operations.

Mondi completes €95 million investment at Świecie containerboard mill

Click here to learn more about how the upgrade will increase kraftliner production capacity and improve the mill's environmental performance.

---

19   https://sure-system.org/en/ and https://sbp-cert.org

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Utilising water resources efficiently

Our water impacts, risks and opportunities

Water scarcity and decreasing groundwater levels are among the most serious risks facing society. Water is also vital to our supply chain and production processes. Managing water resources in an efficient and sustainable way is a priority to avoid negative impacts of our operations on water availability within our catchment areas.

Flooding is a risk at some of our mills which are located close to rivers. Climate change may increase the frequency and extent of flooding events, which may cause damage to our operations.

We manage and mitigate our water impacts by reducing water use as well as increasing water recycling and reuse throughout our manufacturing processes. This includes modernising our wastewater treatment facilities to treat process water before returning it back to the aquatic environment. 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.

Monitoring water input and output

How we monitor water returned to water bodies

Our pulp and paper mills, as the primary users of water in production, calculate and check their water balances. We monitor the amount of water we withdraw by source and release back to the aquatic environment, and we report on water use as contact or non-contact water in manufacturing and energy generation.

Our approach to managing water impacts 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

– developing partnerships with other water users to manage the risks across entire catchments.

In 2024, we used 218.4 million m³ of water in our operations and discharged 90% back to the aquatic environment. Waste water generated from production processes is treated in wastewater treatment plants on-site and/or off-site before being discharged to the aquatic environment, in line with regulatory requirements.

90%

water released back to the aquatic environment after treatment

We regularly monitor the emissions of wastewater contaminants, including chemical oxygen demand (COD) and adsorbable organic halogen compounds (AOX), as well as phosphorous and nitrogen compounds, which can contribute to eutrophication of water and negatively impact biodiversity.
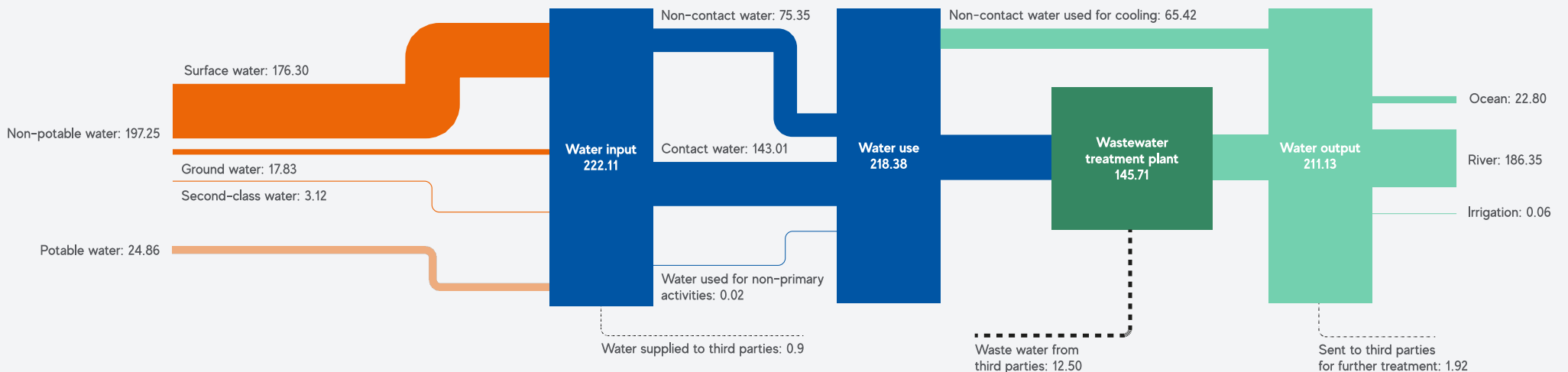
We use non-contact water for cooling and release it back to the aquatic environment without further treatment required after monitoring parameters such as temperature, pH and conductivity to ensure the water quality is suitable for release.

→ **Read more on water stewardship on landscape level**
Page 73

Water use
(million m³)

Sources

Surface water: 176.30

Non-potable water: 197.25

Ground water: 17.83

Second-class water: 3.12

Potable water: 24.86

Non-contact water: 75.35

Water input 222.11

Contact water: 143.01

Water used for non-primary activities: 0.02

Water supplied to third parties: 0.9

Water use 218.38

Non-contact water used for cooling: 65.42

Wastewater treatment plant 145.71

Waste water from third parties: 12.50

Water output 211.13

Ocean: 22.80

River: 186.35

Irrigation: 0.06

Sent to third parties for further treatment: 1.92

Managing our water footprint

Performance against our targets

Target: Reduce specific contact water consumption of our operations by 10% by 2030 from a 2020 baseline

Specific contact water consumption has decreased by 4% compared to our 2020 baseline and stayed at the same level as last year.

In 2024, specific contact water consumption of our pulp and paper mills in water-risk areas was 44% lower than the 2020 baseline.
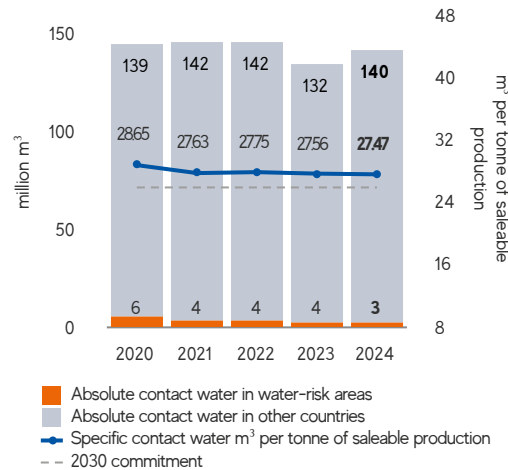
Target: Reduce specific effluent load (measure COD) by 15% by 2030 from a 2020 baseline

Specific chemical oxygen demand (COD) was decreased by 12% compared with the 2020 baseline, and 13% since last year, due to efficiency improvements in wastewater treatment plants in Richards Bay (South Africa) and Dynäs (Sweden).
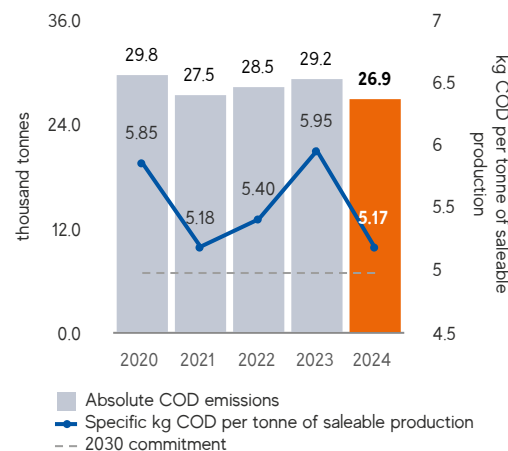
We continue to focus on improving our wastewater treatment plants to progress to our 2030 target. At some of our pulp and paper mills, we also treat waste water from third parties, such as communities.

🔗 **Find our water disclosure in our ESRS & Performance index on** pages 5-6

Contact water consumption

Year	Absolute contact water in water-risk areas	Absolute contact water in other countries	Specific contact water m³ per tonne of saleable production
2020	6	139	28.65
2021	4	142	27.63
2022	4	142	27.75
2023	4	132	27.56
2024	3	140	27.47

(left axis: million m³; right axis: m³ per tonne of saleable production)

■ Absolute contact water in water-risk areas
■ Absolute contact water in other countries
── Specific contact water m³ per tonne of saleable production
-- 2030 commitment

COD emissions

Year	Absolute COD emissions	Specific kg COD per tonne of saleable production
2020	29.8	5.85
2021	27.5	5.18
2022	28.5	5.40
2023	29.2	5.95
2024	26.9	5.17

(left axis: thousand tonnes; right axis: kg COD per tonne of saleable production)

■ Absolute COD emissions
── Specific kg COD per tonne of saleable production
-- 2030 commitment

Our policies and resources on water use

Our Environmental Policy outlines our commitment to safeguarding water resources by implementing efficient water management practices, reducing water consumption and ensuring the quality of water discharged from their operations.

🔗 **Find the Group Environmental Policy** online

As described in our Group Environmental Impact and Resource Efficiency Operating Standard, we adhere to the principles of resource efficiency and cleaner production as defined by the UN Environment Programme. We have guidance documents detailing how to monitor, report and calculate water parameters, such as COD or water consumption.

The water stewardship management approach is tailored to specific mill processes. Each operation is responsible for its own water stewardship management to mitigate water-related risks as part of a continuous improvement process, with a taskforce to tackle water use, supported by experts from our Group technical and sustainability teams.

Malin Sjöstrand,
Sustainability Manager at Mondi Dynäs

❝

Mondi Dynäs has successfully implemented initiatives to increase the reuse of contact water in the mill and further close the water loop. This has led to a reduction in total water consumption, a 42% decrease in specific total suspended solids and 23% in specific COD emissions since 2020.

Our emissions to air

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.

Through the modernisation of our energy facilities, including the usage of up to date combustion modification technologies (such as low NOx burners), and the implementation of 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 makeup chemicals, the emissions of ozone-depleting substances and the methane emissions from our landfills.

The emissions from sulphur-containing gases (TRS substances) may lead to odour complaints in the event of a failure of our high-efficiency combustion equipment and flue gas cleaning.

In 2024, our TRS emissions remained at the same level as last year, our SO_2 emissions decreased by 39% and particulate emissions dropped by 5% with most of these reductions occurring at our South African mills.

The emission of ozone-depleting substances (ODS) was 7% higher than 2023 due to increased maintenance work and related refilling of refrigerants across our operations.
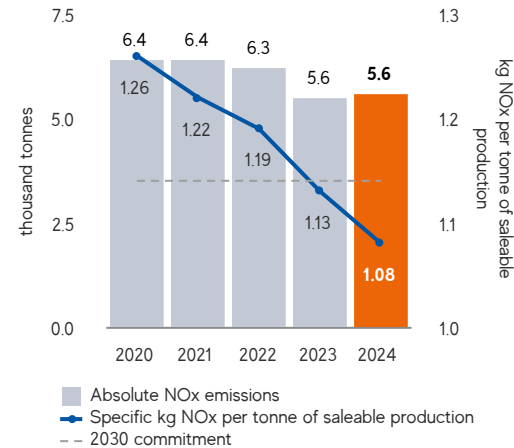
🔗 **Find air emissions disclosure in our ESRS & Performance index on** page 13

Performance against our target

Target: Reduce specific NOx emissions from our pulp and paper mills by 10% by 2030 from a 2020 baseline

In 2024, our specific NOx emissions were 14% lower than the 2020 baseline and 4% lower than in 2023 due to improvements at our mills. We aim to reduce NOx emissions by investing and rebuilding energy boilers.

NOx emissions

Legend:
- ▢ Absolute NOx emissions
- ━●━ Specific kg NOx per tonne of saleable production
- ╌╌ 2030 commitment

Year	Absolute (thousand tonnes)	Specific (kg NOx per tonne)
2020	6.4	1.26
2021	6.4	1.22
2022	6.3	1.19
2023	5.6	1.13
2024	5.6	1.08

Air emissions

	2024 performance	2023 performance	% change 2023-2024
Specific NOx emissions	**1.08 kg/tonne**	1.13 kg/tonne	−4%
Total reduced sulphur (TRS)	**25 tonnes**	25 tonnes	−%
Total SO_2	**818 tonnes**	1,352 tonnes	−39%
Total particulates	**566 tonnes**	598 tonnes	−5%
Total ozone-depleting substances (ODS)	**3.8 tonnes**	3.5 tonnes	7%

We use very small amounts of organic solvents, mainly in printing at our converting operations. Volatile organic compound emissions from our operations are not material and are not reported at a Group level.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   84

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Working towards zero waste

Our overall approach to waste management is the effective and efficient use of resources, reducing our waste and increasing the circularity of our material flows.

→ **How we work to improve our material efficiency**
Page 30

Our material waste impacts, risks and opportunities

Circular economy has been deemed as material in our latest double-materiality assessment. Where 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. At Mondi, it is mainly non-hazardous, inorganic waste streams that are landfilled, 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 damages to a company's reputation. Non-compliance with environmental regulations could result in legal and financial consequences.

Hazardous waste may present a threat to the environment if incorrectly disposed, and can create future liabilities for Mondi, particularly when deposited in landfills.

→ **Read more**
Page 33

Our waste management approach

When impossible to avoid, reuse or recycle a waste stream, we dispose of waste responsibly by:

– drying and filtration treatment to change the physical status and/or chemical composition of the waste;

– treating waste to reduce any hazardous characteristics; and

– incineration in combination with energy recovery.

We monitor the volume of operational waste (by waste type and waste routes) across all operations and actively investigate alternative routes to divert unavoidable waste from being landfilled wherever feasible, for example by engaging with external waste treatment companies and companies interested in using secondary raw materials.

The reduction and utilisation of green liquor dregs remains an ongoing challenge for our mills. Among other projects and initiatives to reduce green liquor dregs and use waste streams, we have engineered and implemented calcium carbonate-free filtration technologies for one of our mills, which will further reduce our waste to landfill ratio.
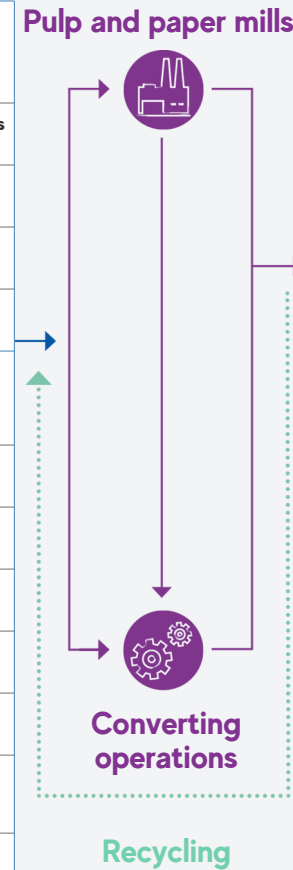
→ **Read more**
Page 34

Energy and materials flow 2024

Inputs*

Non-renewable

Energy (fossil fuels)
5.6 million MWh

Chemicals, starch and fillers
0.9 million tonnes

Aluminium
13,360 tonnes

Plastic and films
0.2 million tonnes

Recycled plastic and films
3,976 tonnes

Renewable

Bio-based plastic and films
309 tonnes

Energy (biofuels)
21.7 million MWh

Water
222.1 million m³

Wood
15.2 million m³

External pulp
0.3 million tonnes

Paper for recycling
1.3 million tonnes

Virgin containerboard and kraft paper
0.2 million tonnes

Recycled containerboard
0.5 million tonnes

Operations

Pulp and paper mills

Converting operations

Recycling

Outputs

Production statistics

Containerboard
2.3 million tonnes

Kraft paper
1.2 million tonnes

Uncoated fine paper
0.9 million tonnes

Market pulp
0.7 million tonnes

Corrugated solutions
1.9 billion m²

Paper bags
5.6 billion units

Consumer flexibles
1.9 billion m²

Functional paper and films
3.1 billion m²

Waste
Recycled/reused
626,973 tonnes

Sent for treatment
46,524 tonnes

Incinerated
124,568 tonnes

Landfilled
66,358 tonnes

Energy sold
0.78 million MWh

Total water output
211.1 million m³

Emissions to water
26,911 tonnes COD
28 tonnes AOX

Emissions to air
1.86 million tonnes CO_2e
25 tonnes TRS
5,647 tonnes NOx
818 tonnes SO_2
566 tonnes particulates

* Input materials reflect purchased quantities.

Minimising waste in our manufacturing processes

We dispose of waste in accordance with our waste permits and use reputable waste disposal contractors. We are working hard to eliminate landfilling of hazardous waste. Only a small portion of our hazardous waste still has to be landfilled as a last resort, where an economically feasible alternative is unavailable. In total, we sent around 814 tonnes of hazardous waste to landfill in 2024 – approximately 1% of our total waste to landfill (2023: 1%).

🔗 **See more details in our ESRS & Performance index on** pages 7 and 13

Performance against our target

Target: Reduce specific waste to landfill of our operations by 30% by 2030 from a 2020 baseline
In 2024, we generated around 0.9 million tonnes of waste in our manufacturing operations, of which 73% has been brought back into value creation processes by recycling and reuse as secondary raw materials.

Our Richards Bay mill (South Africa) has significantly reduced waste to landfill by utilising effluent fibre as landfill cover. Other examples at our Dynäs mill (Sweden) include reducing lime mud consumption and using the mill's bark boiler ash for road construction. In Finland, ashes from our Kuopio mill are being used for sanding roads.

In 2024, 66,358 tonnes of waste was sent to landfill (2023: 65,213 tonnes). Compared to last year, our specific waste to landfill reduced by 4% to 12.75 kg/t of saleable production. This is a 46% reduction against our 2020 baseline.

Waste to landfill

Legend:
- ▢ Absolute waste to landfill
- —●— Specific kg waste to landfill per tonne of saleable production
- – – 2030 commitment
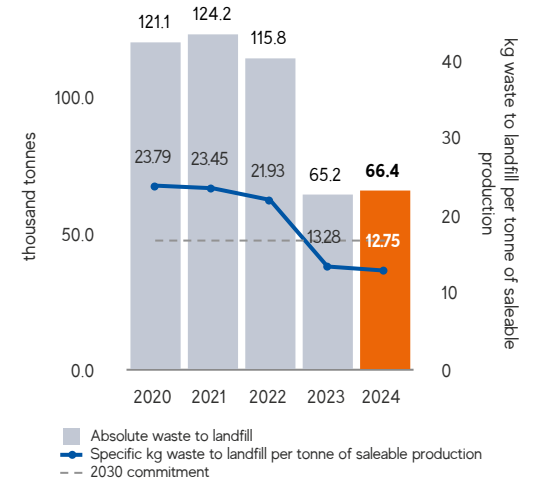
Our policies and resources related to waste

Our Group Environmental Policy outlines Mondi's commitment to minimising waste generation and promoting waste recycling and reuse through efficient waste management practices, reducing waste at the source, and ensuring that waste is disposed of responsibly.

🔗 **Find the Group Environmental Policy** online

Our Environmental Operating Standard outlines the responsibility of all operations to implement systems to prevent pollution of land and groundwater.

Addressing concerns and incidents

Listening to communities

We have mechanisms in place to respond to concerns from local communities close to our operations. Concerns mainly relate to odour or noise. Our anonymous whistleblowing and grievance platform, SpeakOut, is publicly available.

→ **Read more about SpeakOut**

Some operations have dedicated telephone lines to report cases and submit complaints, connecting to a responsible person for feedback. We investigate, report and take corrective action for every complaint to prevent reoccurrences. Some of our kraft pulp mills have also installed monitoring equipment to detect odorous substances in the ambient air. This equipment, along with the community monitoring stations, enables us to immediately take corrective action if issues arise.

Environmental incidents

Our operations strive to comply with local and regional environmental laws, regulations and other standards, such as site permits. Environmental incidents mainly arise from accidental releases. We have established management systems and procedures to avoid such incidents.

Where we store chemicals, we have installed secondary containment to capture spills or leakages that may occur from equipment. When environmental incidents occur, we conduct thorough investigations, take corrective and preventive actions and share lessons learned through our Environmental Managers' Network.

We closely monitor occurrences of non-compliance, including those resulting in monetary penalties and violations of the environmental requirements set out in our procedures. Incidents of non-compliance are reported in line with our management systems.

In 2024, we reported 146 minor non-compliances with environmental limits. We paid fines totalling less than €14,000 involving five cases of minor non-compliances in relation to local legislation and permits.

🔗 **Find environmental incidents disclosure in our ESRS & Performance index on**

Environmental incidents with impacts outside our boundaries in 2024

Month	Location	Brief summary	Action taken
Mar	Dynäs (SE)	A hydraulic hose on the concrete pump truck ruptured during the casting of a tank foundation, and around 20 litres of oil were released to the soil.	The spill was cleaned up and other hoses were checked. The ruptured hose was replaced.
Mar	Kuopio (FIN)	During the start-up of the mill after the modernisation project, waste water with higher nitrogen content was released into a nearby lake.	The local authorities were informed. An investigation was conducted to determine the cause of the release and the process was optimised to prevent reoccurrence.
May	Kuopio (FIN)	An overflow from the pulp tank caused pulp to be spilled onto the soil.	The process was stopped immediately. The start-up procedure was revised to prevent future overflows. Staff were trained on the new procedure to prevent reoccurrence.
May	Gebze (TR)	A failure of the natural gas pressure regulators caused gas to be released into the atmosphere. This was followed by the identification of an underground pipeline gas leak.	The underground pipeline was replaced by an authorised company and ongoing natural gas measurements were taken along the line to prevent further leaks.
Jun	Neusiedler (AT)	There was a colour leak from the wastewater treatment plant into the nearby river due to an inefficient treatment process.	The local authorities were informed. Wastewater quality limits were not exceeded. The process and the wastewater quality measurement systems were adapted.
Jul	Štětí (CZ)	An overflow of waste water caused a spill onto soil and into the nearby river. Around 1 tonne of fibre was released. The spilled substance did not contain any hazardous material.	The local authorities were informed. Preventive measures taken included the identification of sewer blockages, improvement of drainage access, and development of an inspection and cleaning plan for the sewer lines.
Jul	Dynäs (SE)	A leak from a sedimentation tank resulted in a spill of acid into the nearby river.	An alarm system was installed with adjusted pH levels. Material specification requirements for pipes were also evaluated.
Oct	Szada (HU)	Carbon dioxide was released due to a faulty flame sensor in a fire protection tank.	The flame sensor was repaired. The supplier of the fire detection and extinguishing system was contacted in the root cause analysis. Production personnel were trained on procedures to prevent reoccurrence.
Nov	Ružomberok (SK)	Due to a faulty pipeline and broken valve, approximately 1 tonne of pulp leaked onto the ground.	The area was cleaned and the pipe was drained and welded. The broken valve was replaced.
Dec	Štětí (CZ)	Due to an open drain valve on the Kamyr washing line, 21.6 m^3 of black liquor went into the sewer, leading to problems in the wastewater treatment plant and increased COD load into the receiving river.	An investigation has been launched to identify a technical solution to prevent reoccurrence.

Human rights

We respect and support internationally proclaimed human rights in our own operations and across our supply chain. Our Human Rights Due Diligence enables us to identify, prevent and mitigate human rights risks and impacts.

Commitment	Target	Performance against baseline	
		2023	2024
Strengthen governance systems to prevent human rights violations and remedy any adverse impacts	**Develop the due diligence and risk assessment methodology and guidance with the support of the Danish Institute for Human Rights (DIHR) by end of 2021**	⊘	⊘
	100% of operations with a completed Human Rights Due Diligence and risk assessment and action plan in place to address findings by 2025	🟢	🟢
	100% of operations to have addressed their human rights impacts (investigate, prevent future occurrences and remedy adverse impacts) by 2030	🟢	🟢

2024 performance key   ⊘ Completed   🟢 On track   🟡 Behind target   🔴 Not on track

---

Material topics and related ESRS Standards

M Working conditions and human rights

S1 Own workforce

→ **Find out more about our material topics**
Page 13

Develop the due diligence and risk assessment methodology and guidance with the support of the Danish Institute for Human Rights (DIHR) by end of 2021

We completed this target in 2021 and have initiated a review of the methodology against new legislative requirements on due diligence.

→ Page 90

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.

→ Page 90

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.

→ Page 90

Introduction | Our Sustainability Approach | MAP2030 | Reporting Standards and Assurance | Mondi Group Sustainable Development report 2024 | 88

Circular Driven Solutions | Created by Empowered People | Taking Action on Climate | **Responsible Business Practices**

Respecting human rights in our operations and beyond

We have human rights embedded in our relevant practices and policies, including our Labour and Human Rights Policy, Diversity & Inclusion Policy, Supply Chain and Responsible Procurement Policy, Communities Policy, Code of Conduct for Suppliers and Business Integrity Policy. We report our compliance annually against the 10 principles of the United Nations Global Compact (UNGC), and publish a Human Trafficking and Modern Slavery Statement according to the UK Modern Slavery Act and other relevant reports according to local legislation.

🔗 **See our Human Trafficking and Modern Slavery Statement** online

In 2024, the SD Committee discussed Mondi's approach to human rights and the risks identified. Members were given an update on the MAP2030 commitment, confirming that no human rights adverse impacts or severe risks were reported by the operations. The roadmap for the defined focus areas was presented and the committee agreed that the guidelines and management approach remain appropriate to support compliance with Mondi's Code of Business Ethics.

🔗 **Read about the SD Committee's agenda in the Integrated report 2024** on page 110

Several Mondi Group functions, including Sustainable Development, Human Resources, Legal and Procurement, closely collaborate on the topic of human rights and work on integrating human rights considerations into our business processes and provide guidance for operations to establish relevant procedures and responsibilities.

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.

As part of our due diligence approach, we review our risks and potential impacts through regular engagement with internal and external stakeholders, collaborate with external human rights experts and engage with our partners across the value chain, as well as in the communities where we operate.

Human rights focus areas

Our priority human rights focus areas are determined by and take into consideration any inherent geographical risks in countries where we operate, as well as our business processes, industry risks, legislative requirements and the findings from our due diligence process. 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.

In our latest double materiality assessment, working conditions and human rights was determined as a material topic for Mondi. Human rights incidents in our operations and supply chain have also been identified as a potential reputational risk in our Group principal risks. Violations and non-compliance may result in legal and financial consequences, as well as being detrimental to our reputation.

➡️ **Read more on how we identify and assess human rights-related risks in our supply chain** Page 96

🔗 **See our Group principal risks in the Integrated report 2024** starting on page 60

Fair working conditions

It is important to respect and fulfil people's rights to 'just and favourable conditions' of work, including a fair wage, a decent living, safe and healthy working conditions, no discrimination and reasonable limitation of working hours. We focus on the following areas to achieve this:

– **Safe and healthy working conditions:** we value human life more than anything else and protect the safety, health, mental wellbeing and security of our employees and those who work on our premises.

➡️ **Read more about safety** Page 48

– **No discrimination:** we promote equal opportunities in the workplace and value diversity of our employees. We seek to eliminate all forms of discrimination and harassment, including those on the grounds of gender, marital or parental status, ethnic or national origin, race or colour, social background, sexual orientation, religious belief, political opinion, age, disability, health status or union membership.

➡️ **Read more about D&I** Page 44

– **Fair remuneration:** we provide fair wages and benefits that meet or exceed legal requirements.

– **Working hours:** we comply with all applicable labour and human rights laws and industry standards regarding working hours. We strive to provide workplace flexibility and create an environment that enables a positive work-life experience.

– **Employment contracts:** all work at Mondi is voluntary and employees are free to leave work or terminate their employment upon notice, in line with applicable regulations. We ensure that all employees have employment contracts or terms and conditions outlining their rights and obligations as required by law.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   89

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Respecting human rights

Freedom of association and collective bargaining

We respect the rights of our employees to form and join trade unions and take part in collective bargaining. We respect legally binding collective agreements and do not collect or report information on employee union membership due to differences in national legislation.

Indigenous peoples and land rights

In our forestry operations, the rights and cultural heritage of communities living on and around our landholdings are a specific area of focus for us. We cooperate with stakeholders to address historical injustices that may pre-date our involvement in an area.

In South Africa, portions of our landholdings are subject to land claims under the Restitution of Land Rights Act (39% of our owned land under claims to date). By the end of 2024, we had settled 22 out of 66 claims, covering 37,972 hectares. We continue to collaborate with stakeholders to settle the remaining 44 claims, covering 71,764 hectares.

Of these remaining claims, the State has gazetted 27 claims covering 35,433 hectares. We support communities after a successful land claim process to continue the sustainable management and certification of fibre production for the mutual long-term benefit of stakeholders and the environment.

Environmental stewardship

We strive for the best environmental performance in our operations, endeavour to comply with all applicable laws and are guided by the relevant internationally recognised principles. We acknowledge that access to freshwater, sanitation and hygiene, as well as a clean, healthy and sustainable environment, are internationally recognised human rights.

➡ **Read more on our environmental performance**
Page 78

Modern slavery

We do not tolerate any inhumane treatment of employees, any form of forced labour, modern slavery, human trafficking, physical punishment or other abuse.

🔗 **Read more in Mondi's Human Trafficking and Modern Slavery Statement** online

Child labour

Mondi does not tolerate child labour. We do not employ people below the minimum age for admission to employment or mandatory school age as defined in the countries of our operations. We have special protections in place for young people in apprenticeships to ensure that they are not exposed to hazardous work.

Reporting and monitoring concerns

We have robust internal processes and tools in place for reporting, investigating and resolving incidents, including those related to potential human rights violations. We make platforms to raise concerns, such as SpeakOut, available to the public and employees alike.

🔗 **Read more on SpeakOut on our website** online

SpeakOut is our anonymous whistleblowing and grievance platform operated by an independent third party, through which anyone can raise concerns on potential misconduct or violations of our Code of Business Ethics. Access to SpeakOut incident information is restricted to designated persons, with Internal Audit coordinating the tool and resulting investigations.

We address and treat all SpeakOut messages with the utmost discretion, involving Mondi management teams when relevant, in accordance with standard procedures and ensuring objectivity and independence in the investigation. Protection of people raising concerns against retaliation is provided through adequate governance of anonymity and professional investigation and remediation of cases.

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.

There were no severe human rights incidents and no issues of forced labour, human trafficking or child labour identified. We took appropriate responses and corrective actions for all issues (further details of cases are not disclosed due to confidentiality). Remediation is provided where appropriate, in line with our internal process and methodology.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   90

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Progress towards our human rights targets

Performance against our targets

Target: 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 achieved our first human rights target for MAP2030 in 2021 with the development of our Human Rights Due Diligence (HRDD) methodology, based on the UN Guiding Principles for Business and Human Rights. It follows six steps that help us to identify, mitigate and remediate the human rights risks within our own operations and business relationships.

In 2024, the EU Corporate Sustainability Due Diligence Directive (EU CSDDD) was approved by the European Council. In the course of this year, we have developed a good understanding of the scope and applicability for Mondi. We have started reviewing our methodology to align with the CSDDD requirements and responsibilities. We are currently integrating the due diligence requirements into all policies and processes and developing a holistic overview of all related risks and impacts in our own operations and the chain of activities, where relevant.

Target: 100% of operations with a completed Human Rights Due Diligence and risk assessment and action plan in place to address findings by 2025

Target: 100% of operations to have addressed their human rights impacts (investigate, prevent future occurrences and remedy adverse impacts) by 2030

We have identified our human rights focus areas through a risk-based approach and risk identification process, which considers local context, prior incidents and established practices.

Our baseline was established in 2023 when all our operations completed the risk assessment that sets the foundation for our Human Rights Action Plan and due diligence roadmap. We prioritise considering the severity for rights holders and the likelihood that adverse impacts can occur. We have identified areas where we can improve our process and procedures to reduce human rights risks in our operations.

In 2024, no significant changes in Mondi's risk areas were identified and no adverse human rights impacts or incidents were reported in Mondi operations.

We have continued our human rights awareness raising campaign with training sessions to develop a general understanding for our human rights focus areas and actions needed to address risks and potential impacts. With our global Safety and Human Resource networks, we conducted in-depth workshops to continue developing and improving risk mitigation practices, and integrating human rights considerations into our existing processes.

Our discussions of vulnerable groups extend beyond Mondi's own employees and include leased employees as well as contractors.

Having a culture where people feel safe to speak up is an important part of an efficient due diligence system, in particular related to stakeholder engagement and grievance mechanisms. Our 2024 pulse survey has helped us to better understand what might deter employees from speaking up at Mondi, enabling us to take meaningful action and create tailored solutions for a positive working environment.
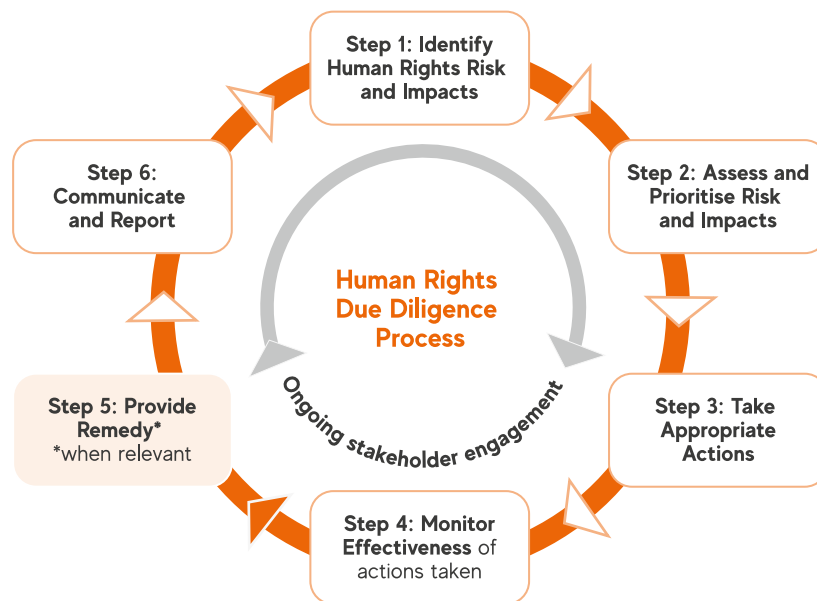
Human rights-related risks in our supply chain are part of our Responsible Procurement process.

We continue to improve our understanding of Mondi's human rights risks and potential impacts and remain committed to strengthening governance systems to prevent human rights violations and remedy any adverse impacts.

Human Rights Due Diligence process

Human Rights Due Diligence Process

- Step 1: Identify Human Rights Risk and Impacts
- Step 2: Assess and Prioritise Risk and Impacts
- Step 3: Take Appropriate Actions
- Step 4: Monitor Effectiveness of actions taken
- Step 5: Provide Remedy* *when relevant
- Step 6: Communicate and Report

Ongoing stakeholder engagement

Circular Driven Solutions · Created by Empowered People · Taking Action on Climate · **Responsible Business Practices**

Communities

Through continuous stakeholder engagement and our social investments, we can support local initiatives, build trust and empower sustainable development in our communities.

Commitment	Target	Performance against baseline	
		2023	**2024**
Maintain social investments in our communities to support sustainable development aligned with local needs	**Report on our total social investment annually**	🟢	🟢

2024 performance key ✓ Completed 🟢 On track 🟡 Behind target 🔴 Not on track

Report on our total social investment annually

In 2024, we spent €6.7 million on social investments (2023: €7.3 million).

→ Page 93

🔗 **See our social investments per category in our ESRS & Performance index on** page 13

Maximising positive impact in our communities

We aim for effective engagement 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. Works councils, and safety and health committees, support our response to local impact assessments and engagement.

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.

In 2024 our total social investments were €6.7 million (2023: €7.3 million), including monetary and in-kind contributions, as well as employees sharing their skills, time and networks.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   92

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Maintain community relationships

We focus on the following social investment areas:

– **Education:** We engage and collaborate with schools and educational institutions, focusing on Science, Technology, Engineering and Mathematics (STEM) subjects to promote careers in these fields, especially for women and those living in rural locations.

– **Employment and enterprise support:** We support local suppliers to build knowledge and capacity, particularly those linked to our forestry operations. Our mills also aim to contract with and purchase from local companies, contributing to their development.

– **Environmental protection:** We build awareness of and help tackle critical environmental issues in the communities in which we operate.

– **Health and wellbeing:** Many of our operations support medical institutions and local initiatives to improve the quality of healthcare and increase wellbeing in local communities.

– **Infrastructure and community development:** Our investments in infrastructure and community development provide access to vital services, empower enterprise, facilitate health and education, and support our business operations.

Stakeholder and Community Engagement Plans

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. The plans are revised and approved every three years based on engagement, research, interviews and other relevant data. We track the progress of our engagement and activities via a digital platform.

Stakeholder Engagement Conversations

Local Stakeholder Engagement Conversations (formerly known as Socio-Economic Assessment Toolbox (SEAT)) comprise open dialogue with a variety of stakeholders, facilitated by an independent third party, to inform our understanding and actions relating to our local impact.

In 2024, we focused on understanding progress on initiatives arising from concerns and inputs provided by stakeholders in previous engagements. Our findings showed that local operations have implemented the defined measures and continue to work on strengthening their engagement. We have gained valuable insights on how the feedback has helped us to improve our relationship with local stakeholders.

Mondi South Africa's stakeholder engagement 🔗

Click here to explore how we have established an ongoing dialogue with local communities to understand the key social issues and build social cohesion, trust and long-term credibility.

Feedback and grievance mechanisms

We have channels to raise concerns by employees and the public to make us aware of issues so we can respond promptly and effectively, including local hotlines and our Group-wide confidential, third-party platform, SpeakOut.

→ **Read more on SpeakOut**
Page 89

€6.7 million
social investments in 2024

Supporting our communities in key focus areas

We support the key drivers of development across our communities and focus on where we can make the greatest difference.

Employment and enterprise support

Education

Encouraging economic development in South Africa

In South Africa, Mondi Zimele is our main channel to drive economic development and empower communities. By helping to develop sustainable local businesses, we can not only provide quality services within our value chain but also create employment opportunities in communities.

We provide coaching, mentorship and business management training. Since 2012 we have helped 315 small and medium-sized enterprises and supported the creation of over 6,200 jobs.

These enterprises collectively generate over €25 million in annual revenue, contributing to the economic growth and resilience of South African rural areas.

→ **Read more** Page 69   🔗 **Find out more** online

Helping school children build skills to learn and succeed

In Austria, Caritas, an NGO, offers free tutoring and afternoon care in Lerncafés for children and young people aged 6 to 15. Mondi supports five Lerncafés located near our operations in Austria.

In 2024, over 140 children received free tutoring in these Lerncafés, encouraging the children to learn and grow individually. The efforts extend beyond academics into collaboration with youth welfare and social workers to assist in difficult situations at home or school, helping to develop social competencies, and providing conflict management training and team building. Mondi colleagues also engage with the children by planning excursions, organising visits to our mills and donating Christmas presents to those in need.

Safety awareness campaign benefits local people in need

Our Guardian Angel project in Mondi Ružomberok (Slovakia) increases safety awareness, while at the same time helping local people in need. Mondi colleagues become 'guardian angels' when they stop unsafe behaviour or accept being stopped by someone else. Mondi Ružomberok donates €1 for each recorded guardian angel deed. Since the project started in 2013, we have supported over 190 people in need with a total of €97,000.

Health and wellbeing

Linking local cultural events with sustainability thinking

Mondi Świecie (Poland) supports important local cultural events and festivals in the region, such as the summer music festival Borfest and the Blues na Świecie Festival. At the Nine Hills Festival 2024, Mondi enabled visitors to get in touch with paper products in entertaining ways, such as a paper ramp for skateboarding, educational trails, cardboard art exhibitions and drawing for children. A team from Mondi Świecie also engaged in discussions about sustainable development and innovation with representatives from local authorities, architects, young people and communication specialists.

Infrastructure and community development

Improving natural surroundings at local EcoDays

In 2024, in recognition of the 75th anniversary of our paper mill in Štětí (Czech Republic) a memorial lime tree was planted in the town square together with the Štětí Municipality as part of the local EcoDay initiative. The EcoDays programmes are designed for the whole family and include environmental education as well as sport activities for children. In the neighbouring community, bushes and trees were planted to improve the local surroundings. Additionally, Mondi Štětí volunteers planted lavender and installed raised beds for the garden in the local retirement home.

Environmental protection

Adding value through taxes

In addition to direct employment, we support local economic development by providing indirect employment and business opportunities, paying local and regional taxes, improving infrastructure and contributing to voluntary social investments.

Taxes are important sources of government revenue and play an essential role in achieving the UN SDGs. Reporting on taxes demonstrates our contributions to the economies in which we operate. We also support global initiatives that promote tax transparency, such as the Global Reporting Initiative's Tax Standard.

In 2024, we paid corporate income taxes of €120 million. We pay and collect a wide range of taxes, in addition to corporate income taxes.

Our tax strategy

The main principles of our tax strategy are:

– to manage our tax affairs in accordance with national legislative provisions;

– to structure our operations tax efficiently and benefit from available incentives and exemptions provided by governments;

– to apply responsible tax governance at all our operations managing tax risks;

– to ensure tax decisions are made in response to business transactions and activities;

– to ensure the results of our operations reflect the value created in the country of operation in line with guidelines set out by the OECD; and

– to maintain a constructive dialogue with tax authorities, working transparently to resolve disputes.

Tax jurisdictions and principal activities

As a global packaging and paper group, we have a taxable presence in 41 countries. The location of our companies is driven by commercial rationale. A full list of all Mondi entities, grouped by country, is included in our Integrated report and financial statements 2024 on pages 208-212. This list includes details of the country of residence for tax purposes and the principal activities undertaken by each entity.

We have a low tolerance to tax risk and do not structure transactions in a way which gives a tax result contrary to the intention and purpose of the legislation. We are not involved in tax planning other than that which supports genuine commercial activity. We do not enter into artificial arrangements solely to create tax benefits and do not use so-called tax haven jurisdictions for tax planning purposes.

Tax governance, control and risk management

The Board is responsible for the conduct of the tax affairs of the Group and operational responsibility is delegated to the Executive Committee. The Group Chief Financial Officer (CFO) is accountable for the conduct of the Group's tax affairs.

Our centralised Group Tax function, reporting to the CFO, is responsible for providing operational guidelines aimed at ensuring a robust control environment, implementing risk management initiatives and supporting local management on tax matters. Group Tax monitors tax risks and reports to the CFO or Executive Committee as issues arise.

Local management is responsible for the everyday conduct of business activities, including its tax affairs. Local management escalates tax risks to Group Tax as they arise.

The Group is subject to tax risks outlined in the Integrated report and financial statements 2024 on page 66. Operational guidelines provide details of tax risks and how we manage them, building on the principles of our tax strategy.

Tax governance

Board
Overall responsibility for conduct of tax affairs of the Group
Approves the tax strategy on an annual basis
Review of tax management and operational guidelines on an annual basis

▼

Audit Committee
Review of tax risks as part of interim and year-end reporting cycles

▼

Executive Committee
Operational responsibility for the Group's tax affairs

▼

Group Tax function
Responsible for providing operational guidelines on tax and for implementing tax risk management initiatives
Providing support and coordination to local entities on tax matters
Monitoring tax risks and reporting to CFO/Exco as issues arise
Training of local entities on tax matters (such as new regulations) to improve awareness and compliance

▼

Local entities
Day-to-day responsibility for tax affairs and adhering to operational guidelines, including escalation of tax risks to Group Tax function

Supporting tax transparency

Maintaining open dialogues

We maintain constructive dialogue with tax authorities and aim to work transparently and collaboratively to resolve disputes. We seek to deal with queries from tax authorities as they arise to resolve any issues in a timely manner. Where uncertainty exists on the tax treatment of a transaction, we obtain external professional advice and seek to obtain tax authority clearance to agree the treatment in advance where possible.

Our Business Integrity Policy sets out Mondi's approach to unacceptable business practices. The policy includes 'facilitation of tax evasion' as a key corruption risk and states that the Group does not tolerate any form of tax evasion. It encourages Mondi employees and stakeholders to report suspected violations or genuine concerns through dedicated channels, including through our SpeakOut platform. Mondi is not involved in tax-related lobbying activities but supports tax-related initiatives that play a part in creating a stable, secure and sustainable society.

We prepare and submit country-by-country reporting to the UK tax authorities annually, in line with the OECD requirements. The inclusion of comprehensive country-by-country data beyond our current external reporting would represent disclosing commercially sensitive information. As an alternative, we include selected country information that discloses the effective corporate income tax rate per country and the main factors explaining any deviations to that country's statutory rate.

Country-by-country tax

Tax jurisdiction	External revenues € million	Full-time equivalent employees	Segment net assets € million	Taxes paid € million	STR %	ECITR %	Reason for significant difference between STR and ECITR
Austria	1,175	2,442	764	16	23 %	18 %	Tax losses arising in previous years have been offset against the 2024 profits thereby reducing the ECITR.
Czech Republic	705	1,509	1,102	3	21 %	4 %	The ECITR is lower than the STR due to a higher tax depreciation for capital expenditure.
Germany	555	1,777	654	14	30 %	52 %	The high ECITR is due to the write off of a tax receivable.
North America*	648	1,815	375	13	29 %	49 %	The high ECITR for the region arises because losses in one company reduced overall profits. There was no possibility to offset those losses against other profits for tax purposes.
Poland	1,346	3,968	1,132	26	19 %	13 %	Utilisation of tax incentives has resulted in a low ECITR.
South Africa	667	1,464	1,103	8	27 %	95 %	The high ECITR arises because a fair value loss relating to revaluation of forestry assets is not tax deductible in the period.
Türkiye	490	2,202	318	1	24 %	18 %	The entities made a loss for tax purposes in the year, however a prior year tax credit arises which is lower than the STR.
United Kingdom	3	52	32	0	25 %	15 %	Tax losses arising in previous years have been offset against the 2024 profits thereby reducing the ECITR.
Other	1,827	5,978	2,198	39			
Total	**7,416**	**21,207**	**7,678**	**120**			

* The North America STR and ECITR are the weighted average USA, Mexico and Canada tax rates.

Definitions for country-by-country data provided

External revenues: These are external revenues per location of production as reported in the operating segment analysis (see pages 156-160 of our Integrated report and financial statements 2024).

Full-time equivalent employees: Average number of full-time equivalents calculated based on hours employed/standard working hours per week by principal location of employment.

Segment net assets: These are a measure of operating assets employed per location as reported in the operating segment analysis (see pages 156-160 of our Integrated report and financial statements 2024).

Statutory tax rate (STR): The applicable corporate income tax rate in the country.

Effective corporate income tax rate (ECITR): The ratio of accrued income tax (excluding any income tax relating to earlier years) compared with underlying profit before tax in the Mondi Group financial statements.

Taxes paid: Corporate income taxes paid during the year.

Introduction   Our Sustainability Approach   **MAP2030**   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   96

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Responsible 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.

Commitment	Target	Performance against baseline	
		2023	2024
Mitigate risks and create greater transparency in our supply chains through our Responsible Procurement process (SDG 8, 12, 13, 15)	Minimise the supplier risk ratio[20] year on year	🟢	🟢
Ensure that all our wood fibre (round wood, wood chips and market pulp) is sourced solely from credible wood sources (SDG 6, 8, 9, 12)	Maintain 100% of wood fibre compliant with credible standards (FSC, PEFC or Controlled Wood)	🟢	🟢
	For high-risk countries maintain 100% FSC-certified fibre sourcing or implement additional risk mitigation measures	🟢	🟢
	100% PEFC- or FSC-certified market pulp	🟢	🟡
	100% PEFC or FSC Chain-of-Custody certification for our pulp and paper mills	🟢	🟢
	Continue to work with certification bodies to ensure credibility of the certification and controlled wood systems	🟢	🟢

2024 performance key   ✓ Completed   🟢 On track   🟡 Behind target   🔴 Not on track

---

Material topics and related ESRS Standards

M **Biodiversity and fibre sourcing**

E4 Biodiversity and ecosystems

M **Business conduct**

G1 Business conduct

➜ **Find out more about our material topics**
Page 13

---

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

Minimise the supplier risk ratio[20] 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.

➜ Page 98

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.

➜ Page 100

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.

➜ Page 100

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.

➜ Page 100

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.

➜ Page 100

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).

➜ Page 100

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   97

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Establishing strong supplier relations

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%).

Approximately 85% of our business is fibre-based, and we are reliant on functioning ecosystems to produce fibre for our manufacturing processes. The risk of reduced availability or access to sustainable fibre includes deforestation and forest degradation, and has been identified as a Group principal risk.

We coordinate our global fibre procurement through a dedicated fibre sourcing team, and our central Procurement function manages the sourcing and leads our processes for all other materials and services.

To address specific requirements for wood and pulp procurement, we have a dedicated Due Diligence Management System (DDMS), which stipulates that we purchase all our wood fibre from responsible sources in line with our commitment to zero deforestation.

➡ **Read more**
Page 68

For all other materials and services, we identify sustainability risks and assess supplier performance through our Responsible Procurement process, which improves transparency and is supported by supplier engagement.

Supplier engagement

A collaborative relationship with our suppliers is critical for us to meet our sustainability targets. Our Procurement function has processes and policies to support supplier risk management, quality management, evaluation and supplier audits. We collaborate with suppliers as part of our efforts to meet our quality and sustainability requirements.

Our supplier audit programme provides a consistent supplier audit approach, as well as standardised audit reports, self-assessment tools and other documentation. We have a Corrective and Preventive Action process to ensure a closed loop with our suppliers and we work with them on development measures. Our yearly Supplier Evaluation and Performance Management programmes are closely linked with the audit programme.

In 2024, we continued sustainability knowledge sharing and upskilling with functional training programmes for all Mondi's procurement employees. We also focused on improving the understanding of our procurement community through tailored training on Net-Zero, Scope 3 GHG emissions and product carbon footprints.

➡ **See more about how we are upskilling teams**
Page 41

In 2024, we continued our supplier engagement workshops on climate action, led by a Mondi team of cross-functional experts from sustainability, business development and procurement. This engagement is part of our continuous climate dialogue with our strategic suppliers.

➡ **Read more on Scope 3 GHG emissions**
Page 66

Our wood fibre sourcing teams regularly engage with their local suppliers, conducting remote and on-site meetings with influential forest sector stakeholders in our main sourcing countries. In 2024, there were many engagements, particularly focused on the implementation of the EU Regulation on Deforestation-free Products (EUDR) and the EU Renewable Energy Directive (RED) requirements.
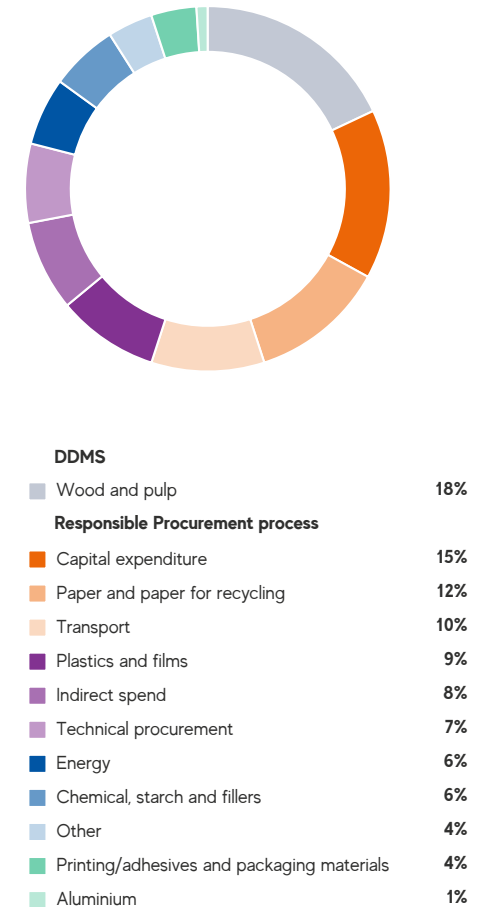
Code of Conduct for Suppliers

Our Code of Conduct for Suppliers defines minimum standards for our suppliers on environmental, social and governance (ESG) topics, and other legal and ethical issues. It is reviewed annually and is an integral part of procurement contracts.

Our subsidiaries and business entities worldwide, including joint ventures in which we have a controlling interest, are required to apply the Code of Conduct for Suppliers as a minimum standard, irrespective of where they operate. We encourage our suppliers to apply similar requirements to their own supply chain. Where we have a non-controlling interest, we encourage our business partners to adhere to the Code of Conduct for Suppliers.

🔗 **Our Code of Conduct for Suppliers is available in multiple languages** online

Breakdown of supply spend (%)

DDMS	
▨ Wood and pulp	**18%**
Responsible Procurement process	
▨ Capital expenditure	**15%**
▨ Paper and paper for recycling	**12%**
▨ Transport	**10%**
▨ Plastics and films	**9%**
▨ Indirect spend	**8%**
▨ Technical procurement	**7%**
▨ Energy	**6%**
▨ Chemical, starch and fillers	**6%**
▨ Other	**4%**
▨ Printing/adhesives and packaging materials	**4%**
▨ Aluminium	**1%**

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   98

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Monitoring and evaluating supply chain risks

We use two methods to manage supply chain risk in our procurement: our Due Diligence Management System (DDMS) for the purchase of wood and pulp; and the Responsible Procurement process for all other materials and services.

Our approach to responsible procurement and managing supply chain risk is governed by our Group-wide Supply Chain and Responsible Procurement Policy, Business Integrity Policy, General Supplier Quality Requirements and Code of Conduct for Suppliers. These policies also form part of our response to the UK Modern Slavery Act and related legal requirements that apply in other jurisdictions.

Responsible Procurement process

Our Responsible Procurement process is facilitated by the central Procurement function. It aims to consistently evaluate and monitor our suppliers globally, based on their sustainability risk and performance.

We apply a risk-based approach to assess suppliers against our Code of Conduct for Suppliers. We use EcoVadis, a global provider of sustainability intelligence solutions, to identify and assess risks in our supply chain. Having this third-party tool improves the accuracy and robustness of our Responsible Procurement process and enables scalability.

An initial screening indicates risks in four areas: environment, labour and human rights, ethics and sustainable procurement. Potential high-risk suppliers undertake individual performance assessments, evaluated independently against international standards and global best practice.

We work collaboratively on corrective action plans and define further steps with suppliers that score below a minimum acceptable EcoVadis rating. These steps include supplier meetings, targeted document checks, audits and, as a last resort, termination of the supplier relationship.

Since we launched our Responsible Procurement process, we have assessed over 8,400 supplier sites up to year-end 2024 (approximately 84% of our total spend), demonstrating our commitment to enhanced transparency in our supply chain.

Performance against our target
Target: Minimise the supplier risk ratio year on year

We engage and collaborate with our suppliers to enhance their sustainability practices. We follow up on previous risk assessments and continue to engage with potential high-risk suppliers from previous campaigns.

In our responsible procurement campaigns, we take an ambitious approach and go beyond, focusing on key strategic suppliers. Following the 2023 pilot with a selected group of 460 suppliers, we have fully implemented the EcoVadis approach and significantly increased transparency and insights into our supplier base. The scope of the 2024 process was determined by an evaluation of our supplier base and taking a risk-based approach. We targeted the highest-risk categories first, followed by highest-spend suppliers in lower-risk categories.

In 2024, the initial risk screening comprised 2,436 supplier sites. From these screened supplier sites, we identified 250 suppliers with potential high sustainability risk and followed up with in-depth sustainability risk assessments (2023: 36).

The scorecards from the EcoVadis rating platform provide information on the sustainability performance and potential related risk for each supplier. The review of these sustainability ratings enabled us to address concerns related to 129 of these suppliers (2023: 23).

Our focus on the highest-risk categories, such as aluminium, chemicals or films, and our MAP2030 commitment to increase transparency across our supply chain, means that a broad scope of suppliers across all types and sizes are included in our Responsible Procurement process. With differing levels of supplier maturity in sustainability, additional awareness-raising efforts were required in some cases. If suppliers do not meet defined thresholds in the assessment, corrective actions are identified in the areas that are most relevant to the specific risk. Capacity building to improve the sustainability performance of our suppliers is an important part of our supplier engagement. At the end of 2024, 89 suppliers were either in the process of conducting the assessment or had corrective actions to work on for reassessment (2023: 8).

If suppliers are unresponsive to our invitation for the risk assessment or corrective action plan, we consider them potential high risk. Out of the 2,436 suppliers screened, 32 supplier sites (1%) were classified as high risk at year-end 2024 (2023: 1%).

Remaining high-risk cases are reviewed by our Responsible Procurement steering committee and appropriate actions are defined. We are working closely with local procurement teams to identify ways to mitigate residual risk; potential actions include revisiting contractual agreements, document checks, audits and switching to alternative suppliers.

Encouragingly, overall we see that many of our suppliers in higher sustainability risk categories have similar sustainability ambitions and commitments.

Looking ahead, we will continue to improve our process and focus on identifying and integrating our suppliers in the highest-risk categories into our sustainability risk assessment. In parallel, we will continue our dialogue with suppliers with ongoing assessments or corrective actions.

2,436

supplier sites screened for sustainability risks in 2024

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   Mondi Group Sustainable Development report 2024   99

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Procuring wood fibre responsibly

We depend on a reliable supply of responsibly sourced wood fibre as our key raw material for our business, and have specific requirements related to the responsible procurement of wood and pulp.

Our dedicated Due Diligence Management System (DDMS) stipulates that all our wood fibre (round wood, wood chips and market pulp) is purchased from responsible sources, in line with our Supply Chain and Responsible Procurement and Sustainable Forestry policies.

🔗 **See our sustainability policies** online

We are committed to zero deforestation and to excluding illegal and controversial wood fibre sources from our supply chain.

With regard to geographic risks, we:

– source neither tropical tree species, species listed as protected by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), or the International Union for the Convention on Nature (IUCN), nor wood from genetically modified trees; and

– do not accept wood fibre from sources where critical biodiversity and important ecosystem values are threatened, or where the fundamental rights of workers, local communities and indigenous peoples are violated, including requirements for free, prior and informed consent (FPIC) as defined by national legislation.

Legality and labour requirements are also relevant within the value chain when wood fibre is processed, transported and traded.

To manage risks of having these fundamental sourcing principles, we take the following approach:

– We aim to maintain high certification levels of procured wood and pulp, despite the limited availability of certified wood in the European market. PEFC is the prevailing certification scheme in most of our wood fibre sourcing areas.

⊕ **Read more**
Page 70

– All uncertified sources meet FSC Controlled Wood requirements as a minimum. Local due diligence systems are underpinned by National Risk Assessments, which address country-specific legal, environmental and social issues.

Tackling higher country-level risk
We have evaluated material risks for all our forestry and wood fibre sources, classifying each country according to key aspects, such as national legislation, risk of conversion or deforestation, and risk of violation of human rights and indigenous peoples' rights.

When sourcing from high-risk countries, we require FSC-certified wood. If FSC is not available in countries designated as high risk, we conduct additional risk mitigation measures, such as targeted third-party verification audits.

Addressing supply chain complexities
Globally, procured pulp has a complex supply chain involving transformation and mixing of wood fibre in the production process. It can be challenging to ensure traceability and verification using controlled wood mechanisms. This is why we target PEFC or FSC certification for all externally procured pulp, with FSC required in high-risk countries.

– The **FSC certification scheme** implements a top-down approach, with detailed standards and prescriptive measures. While the FSC scheme is well suited for high-risk countries where governance is deemed weaker, it can clash with mature national governance systems and the long-standing forestry traditions in many European countries.

– The **PEFC certification scheme** applies a bottom-up approach and endorses national forest certification schemes. This approach allows PEFC to build upon existing local forest governance systems and to consider context-specific forestry practices. PEFC also allows the certification of entire sourcing regions, which is more inclusive for smallholders.

The successful functioning of our DDMS depends on the support of managers and specialists across our global operations.

Our Wood Certification Managers' Network provides a forum for effective collaboration to support responsible wood sourcing across Mondi. The network includes certification managers from around 10 countries, who regularly exchange information on emerging risks, changes in certification standards and regulations, and engage in relevant training and development opportunities. In 2024, we focused on the implementation of EUDR and EU RED III requirements.

Mondi Due Diligence Management System

Annual DDMS cycle

Collecting data about wood fibre supply chain (suppliers, origins, etc.)

Screening of public sources to define legal risks (via strength of legislation and governance)[1]

Screening of public sources on sustainability risks (economic, social, environmental)

Classification of country risk level

High Medium Low

Evaluation of appropriate assurance levels

PEFC certified
FSC certified
Controlled Wood

Supporting each certification claim is a national standard, a corporate management system and third-party annual surveillance audits

Residual risk assessment

Additional targeted measures as needed

1 Sources used to define the country risk levels are Transparency International's Corruption Perceptions Index, World Bank's Worldwide Governance Indicators, FSC's Centralised National Risk Assessments and Preferred by Nature's Sourcing Hub.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   ≡   100   ↻

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Progress towards our wood procurement targets

Performance against our targets

Target: 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.

Target: For high-risk countries, maintain 100% FSC-certified fibre sourcing or implement additional risk mitigation measures
The target was achieved in 2024, as no wood from high-risk countries was imported.

Target: 100% FSC- or PEFC-certified market pulp
94% of market pulp procured in 2024 was FSC or PEFC certified, with the remainder procured as FSC Controlled Wood. Due to changes in the certification status of forests in Europe, availability of FSC-certified pulp in 2024 was impacted and resulted in us not reaching 100% for the year.

Target: 100% FSC or PEFC Chain-of-Custody certification for our pulp and paper mills
All operating Mondi mills were certified in 2024. Our new Mondi Hinton pulp mill (Canada) successfully passed its certification audit for PEFC and FSC Chain-of-Custody. As there was no production in 2024, our Duino mill (Italy) will be certified to FSC in early 2025.

Target: Continue to work with certification bodies to ensure credibility of the certification and controlled wood systems
In 2024, we engaged with PEFC International and FSC Europe, exchanging views on the implications of emerging EU regulations including the EU Regulation on Deforestation-free Products (EUDR) and the EU Renewable Energy Directive (EU RED).

Dirk Laengin,
Mondi Group Head of Fibre Sourcing

❝

Securing access to wood fibre from responsible sources is essential to meet increasing demand for wood-based products. We believe that the way to do this is by further supporting the development of sustainable working forests, which combine forest utilisation with measures to protect biodiversity, water and other ecosystem services.

Introduction   Our Sustainability Approach   MAP2030   Reporting Standards and Assurance   **Mondi Group** Sustainable Development report 2024   ☰   101   ↻

Circular Driven Solutions   Created by Empowered People   Taking Action on Climate   **Responsible Business Practices**

Business conduct

Material topics and related ESRS Standards

M   **Business conduct**

G1   Business conduct

→   **Find out more about our material topics**
Page 13

Strong governance and compliance with legal requirements are the basis on which we deliver MAP2030, while integrity, ethics and high-quality standards are the foundations upon which we operate.

Our material impacts, risks and opportunities

Business conduct has been identified as a material topic through our 2023 double materiality assessment.

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

To protect our operations and supply chains around the globe, we have guidelines and processes to mitigate risks and meet legal requirements. If not actively managed, misconduct and non-compliance with laws and regulations can pose risks to our operations and beyond, potentially resulting in negative impacts on the Group's reputation, potential fines and sanctions imposed by authorities, or criminal penalties for entities and individuals found guilty.

🔗   **Read more on compliance risks in the Integrated report 2024** on page 69

Our policies and resources

The 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 all persons performing services and/or acting on our behalf. The applications are detailed in the Group's policies and procedures.

The Group Code of Business Ethics, along with the other Group policies associated with our material topics, ensures our values are part of our everyday operations and promotes a culture in line with our strategy and MAP2030 commitments.

The management of compliance risks is integrated in the Group-wide annual risk assessment and the outcomes of our annual review of the principal risks and related mitigation are reviewed and approved by the Board.

Our Group General Counsel and the Group Compliance Committees, chaired by the Group Chief Financial Officer, monitor risks related to trade controls, data protection, competition compliance and business integrity.

Ethical business behaviour

Reporting procedures and management of suppliers

Cases of suspected misconduct are assessed and monitored through line management reporting as well as through our grievance and whistleblowing mechanism SpeakOut. Our Internal Audit function is responsible for following up on SpeakOut cases reported.

SpeakOut is an anonymous platform for employees, customers, partners and other stakeholders to raise any concern relating to potential bribery, discrimination, fraud, corruption, environmental pollution, major safety and health violations, harassment or other significant topics.

→ **Find out more about SpeakOut**
Page 89

Relevant employees need to complete a mandatory online competition compliance training each year, and face-to-face training sessions every five years. New acquisitions receive on-site compliance training, if required.

We also expect our suppliers to apply high business values. Through our Responsible Procurement process, we engage with our suppliers on sustainability topics.

→ **See our Responsible Procurement process**
Page 98

Prevention and detection of corruption and bribery

We have zero tolerance for corruption and bribery. Our Group Business Integrity Policy details our values and defines unacceptable business practices, including bribery and corruption. The policy is available in 21 languages on our internal channels, and for external stakeholders in English on our website.

🔗 **The policy is available** online

The Group's Chief Financial Officer oversees the implementation of the policy and reports annually to the Audit Committee and Board. The Audit Committee reviews the Group Business Integrity Policy on an annual basis.

Suspected cases of corruption and bribery are monitored and reported through line management reporting as well as through SpeakOut.

Employees involved in Procurement, Sales and other functions that require regular contact with business counterparts must complete a mandatory business integrity online training each year. This includes Executive Committee members. The training covers topics like the definition of corruption, and our policies and procedures to help identify potential cases.

In 2024, 3,159 employees were required to complete business integrity training. The training was completed by almost all those required to do so by the end of the year, with less than 1% scheduled to complete the training in early 2025.

There were no public legal cases in relation to corruption or bribery brought against Mondi or our employees in 2024.

Political influence and lobbying activities

As a business, we recognise the value of engaging with policymakers to navigate evolving regulatory environments. With key operations in Europe, we focus our efforts on EU legislation.

We engage directly with public authorities or indirectly as part of our engagement with industry associations, with the goal of supporting relevant policy debates based on sound scientific evidence and information. All activities are overseen by the Executive Committee.

In 2024, we engaged on the Packaging and Packaging Waste Regulation (PPWR) in the European Union, following up on our position paper published on the website.

🔗 **See our PPWR position paper** online

The Group does not support contributions or donations for political purposes, financial or in kind. Any such donations require the approval of Board.

In 2024, the Group was not aware of any direct or in-kind political contributions made.

Mondi is registered in the EU Transparency Register (REG Number: 501443346044-58).

About this report

REPORTING STANDARDS AND ASSURANCE

Inside this section

Reporting standards and scope

This Sustainable Development (SD) report provides a comprehensive overview of our approach to sustainable development and performance across our MAP2030 commitments and targets, covering the financial year 1 January to 31 December 2024.

Reporting standards

This report has been prepared and independently assured in accordance with Global Reporting Initiative (GRI) Universal Standards and the SASB Sustainability Accounting Standard for the Containers & Packaging Industry.

🔗 **See our GRI & SASB index** here

The entities included in the Integrated report and financial statements 2024 are identical to the entities covered in the SD report 2024. The data is consolidated according to the principles of the Integrated report and financial statements 2024.

🔗 **See our Integrated report 2024** here

The SD report 2024 has been approved by the Mondi Group SD Committee.

As a signatory to the United Nations Global Compact (UNGC) we have aligned this report with the UNGC's 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption and highlight progress we have made in 2024 towards these principles. Our annual Communication on Progress to the UNGC can be found here.

Our reporting systems

Our sustainability reporting system allows us to capture and consolidate monthly and annual data on safety and health, energy, environmental, wood procurement, forestry and other sustainability parameters from our global operations. This allows us to benchmark individual operations and identify opportunities for improvement and best practice sharing. We independently assure selected KPIs annually.

Across the report, we use primary data for the calculation of our data disclosure, with the exception of our Scope 3 GHG emissions, where we also use secondary data sources (from databases such as Ecoinvent).

➡️ **Read more on our Scope 3 engagement**
Page 66

Changes in preparation or presentation of sustainability information

We will transition our sustainability reporting in accordance with the European Sustainability Reporting Standards (ESRS), as required under the Corporate Sustainability Reporting Directive (CSRD) applicable for our next report. This report structure has been adapted to support our transition to ESRS, including the addition of a separate ESRS & Performance index. The disclosure is based on our current understanding of ESRS requirements. We acknowledge that gaps remain as we work towards compliance in 2025.

🔗 **See our ESRS & Performance index** here

Changes to last year's reporting include:

– The MAP2030 section contains new content to reflect ESRS disclosure requirements on material topics ('Our material impacts, risks and opportunities').

– The GHG emissions and energy units have been converted to million MWh to reflect ESRS requirements (in previous reports GJ and TJ).

– GHG emissions and energy performance figures are reported on a Group level (in previous reports at times only pulp and paper mills). Performance figures for pulp and paper mills are disclosed in the company-specific section of the ESRS & Performance index disclosures.

– The 'Responsible Business Practices' section features disclosures required by ESRS G1 Business conduct.

– Our R&D investment figure (expenditure) for 2023 has been restated to have the same basis for consistent comparison with the current year. The scope includes both Group R&D and our new R&D centre and Customer Experience Centre in Mondi Steinfeld (Germany).

– A new ESRS & Performance index maps our disclosures and page references as a guide to our ESRS disclosures. Data tables from the previous 'Consolidated Performance tables' have been transferred to the index. Mondi data disclosures are featured in the 'Other' section.

– We provide a separate GRI & SASB index and have included further information on the GRI Standards methodology applied.

Reporting standards and scope continued

Risk management and internal controls over sustainability reporting

Our internal controls aim to provide assurance as to the accuracy, reliability and integrity of our sustainability disclosures. We have established an effective control environment for our sustainability reporting that is subject to regular monitoring and review by internal stakeholders. In preparation of this reporting and the transition to a new reporting platform, we have undertaken a review of our SD reporting data processes and controls in 2024.

🔗 **View our risk management framework and internal controls in the Integrated report 2024** starting on page 60

Selected KPIs are subject to either reasonable or limited assurance by an independent external assurance provider. Our assurance scope includes the review of relevant management systems and processes (including internal review and control processes) used for collecting and reporting selected KPIs.

➡ **See the Independent Assurance Report** Page 107

As part of our SD reporting process, we consider external and internal stakeholder feedback before publication. Relevant report sections were distributed to internal and external stakeholders for review in 2024. Their feedback was incorporated into the report.

The methodology of our 2023 double materiality assessment

The methodology of our 2023 double materiality assessment was based on the recommendations of the EFRAG Implementation Guidance on Materiality Assessments.

The material topics are aligned to the relevant European Sustainability Reporting Standards (ESRS). We have identified relevant disclosure requirements (including sub-topics) for: E1 Climate change; E2 Pollution (only 'pollution of water'); E3 Water and marine resources (excluding 'marine resources'); E4 Biodiversity and ecosystems; E5 Resource use and circular economy; S1 Own workforce; S4 Consumers and end-users (only 'health and safety'); and G1 Business conduct (excluding 'animal welfare').

The other ESRS Standards have not been deemed material and are not disclosed in this year's report.

Overall, the material topics identified in our latest double materiality assessment remained largely consistent with our previous assessment in 2021. The number of material topics has reduced from 13 to 10 topics. Changes included:

– 'Water' was previously part of our 'Nature and biodiversity' material topic. 'Water' was added as a standalone material topic, reflecting the growing importance for our business and stakeholders.

– 'Business conduct' was previously part of the 'Responsible procurement' material topic. Due to evolving regulatory requirements, we have added 'Business conduct' as a standalone material topic. The disclosure requirements relate to ESRS G1.

– Closely connected topics were bundled: for example, sustainable forestry and biodiversity management were consolidated as 'Biodiversity and fibre sourcing'; circularity and packaging waste as 'Circular economy'; and employee safety, health and wellbeing, retention, engagement and development as 'Working condition and human rights'.

– 'Customer collaboration', 'Food waste and loss' and 'Responsible consumption and changing consumer preferences' have not been deemed material. However, the topics remain important aspects of our approach to 'Circular economy'.

For our 2023 materiality assessment, we engaged with our key stakeholder groups. Internal subject-matter leads from our business units and Group functions, who are in regular contact with our stakeholder groups, have provided additional insights into stakeholder interests and views.

– Value chain information included tier 1 suppliers only. Assumptions were made based on the landscape review, the survey responses received from suppliers and the knowledge of our Group Procurement function on supplier interests and views.

– We did not engage directly with affected communities, but our experts across our business units provide valid insights on the views and interests of local communities through their ongoing engagements (at mills, in particular through our Stakeholder Engagement Conversations). In South Africa, where we manage forestry operations, we have established the concept of 'Stakeholder Engagement Plans' (see page 92). All insights were incorporated in the 2023 materiality assessment.

➡ **Read more on our community engagements** Page 91

Reporting methodologies and scope

– Unless otherwise stated, upstream (tier 1) and downstream value chain information is included in our report. On a product level, we considered the impacts from the sourcing of our raw materials (cradle) to manufacturing our products (gate). We also include end-of-life considerations (disposal phase), but omit the product use phase.

➡ **See our material topics across the value chain** Page 15

– We define short term as up to three years, medium term as three to seven years, and long term as more than seven years.

– For better readability, we report our figures showing two decimals or rounded performance. However, trend comparisons with previous years are calculated by considering the actual performance figures.

– We report on the progress we made in 2024 against a 2020 baseline, unless otherwise stated to reflect year on year comparison. In line with the ESRS requirements, we show the performance of the prior year as well as current year performance compared to the baseline year with our MAP2030 traffic lights.

– Our environmental performance covers all our manufacturing operations (including converting operations), unless stated that they are limited to 'our pulp and paper mills'. The environmental performance of the Duino mill, such as energy and climate-related data, will be included once the rebuild phase is complete and production in the mill commences.

– We have included data from Hinton (Canada) for people (excluding safety) and wood procurement.

Reporting standards and scope continued

- We have included data on Stambolijski (Bulgaria) until the last day of production. The mill was closed after a fire in September 2024.
- Safety data includes all employees and contractors, but usually excludes new acquisitions, delivery suppliers, telecommunications and management consultants (several of our operations include service providers in their performance where relevant).
- In our 'Created by Empowered People' section, the safety training hours reported exclude new acquisitions, in line with all other safety data. New acquisitions' safety data is included in our performance based on the date of their acquisition. If a site is acquired in the first half of the year, safety data is reported as of January the following year. If an acquisition is in the second half of the year, the safety data is reported only after a full year within Mondi. However, the scope reported on total training hours includes recent acquisitions to show the full scope of training provided to all employees.
- Financial information is reported in euros (€), for ease of reading and to allow comparisons.
- Where we have reported wood volumes in m^3, this figure reflects solid cubic metres.
- Our performance key consists of four categories to indicate progress against our baseline:
  - **Completed** indicates that the target has been achieved.
  - **On track** indicates that performance is in line with expectations.
  - **Behind target** indicates that progress is slower than required to meet the target.
  - **Not on track** indicates that we have missed our target.

GHG emissions scope and boundaries

The GHG emissions are reported in accordance with the Greenhouse Gas Protocol, published by the WBCSD and the World Resource Institute. We adhere to the SBTi definition and framework for our GHG Net-Zero emissions targets.

The calculation of our Scope 1 GHG emissions is based on the fuel consumption in our operations, as well as in Mondi-owned vehicles and the consumption of CO_2-emitting process chemicals (e.g. dolomite). Mondi reports its GHG emissions as CO_2e and considers the emissions of methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbon (HFC) and hydrochlorofluorocarbon (HCFC) from refrigerant leakage, as well as emissions from sulphur hexafluoride (SF_6) leakage from old electrical switch gears. Our operations report all direct emissions, as well as those indirect emissions attributable to imported electricity, steam and heated or cooled water, monthly. Scope 1 and Scope 2 GHG emissions are calculated according to the GHG Protocol, EU Emissions Trading Scheme (EU ETS) monitoring and reporting regulations, and ISO 14064, based on primary data (such as energy bills and meters with defined accuracy) and are externally verified with reasonable assurance.

Scope 3 GHG emissions are calculated and reported at Group level based on the GHG Protocol's 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard' (2011). Due to a lack of primary data, secondary data sources (from databases such as Ecoinvent) are also used for the calculation of Scope 3 GHG emissions. We update the database values used for the Scope 3 calculations regularly to the latest available figures. Our Scope 3 data is verified externally with limited assurance on an annual basis.

Biogenic emissions are calculated based on biomass input in our energy plants and include purchased biomass combusted in our biomass boilers, bark and by-products from the pulp process, such as black liquor, pitch fuel, tall oil, turpentine, methanol, biogas from anaerobic wastewater treatment plants, and others. Specific GHG factors applied are taken from the GHG Protocol for the paper and pulp industry as well as from regulatory directives (such as the EU ETS) and supplier information (e.g. Scope 2 emissions for electricity purchased). Our Scope 2 CO_2e emissions are reported as one consolidated number and not reflected separately by greenhouse gas type.

External assurance

External assurance plays an important part in our reporting, and it provides stakeholders with assurance in respect of our performance. Environmental Resources Management Certification and Verification Services (ERM CVS) provided limited assurance on selected KPIs that we report on, and the status of compliance of this report in accordance with the GRI Standards and SASB Sustainability Accounting Standard for the Containers & Packaging Industry.

ERM CVS also verified total Scope 1 and Scope 2 GHG emissions and total energy usage in accordance with ISO 14064 to a reasonable level of assurance for the Group. ERM CVS verified total Scope 3 emissions from categories 1, 3, 4, 6, 7 and 9 in accordance with ISO 14064 to a limited level of assurance.

PricewaterhouseCoopers, our appointed statutory auditors, provided an unqualified audit opinion on our 2024 financial statements.

Independent Assurance Report

ERM Certification and Verification Services Limited ("ERM CVS") was engaged by Mondi Services UK Limited ("Mondi") to provide limited and reasonable assurance in relation to Mondi's 2024 Sustainable Development ("SD") Report (the "Report") and the selected information set out below.

Engagement summary

Scope of our assurance engagement
– Whether the Report is fairly presented in accordance with the Global Reporting Initiative ("GRI") Standards and the Sustainable Accounting Standards Board ("SASB") Sustainability Accounting Standard for the Containers & Packaging Industry;
– Whether the 2024 data for the following key performance indicators ("KPIs") are fairly presented in the Report, in all material respects, in accordance with the reporting criteria:
  – Total energy usage (MWh)
  – Total Scope 1 greenhouse gas ("GHG") emissions (tonnes CO_2e)
  – Total Scope 2 GHG emissions (location-based) (tonnes CO_2e)
  – Total Scope 2 GHG emissions (market-based) (tonnes CO_2e)
  – Total Scope 1 and Scope 2 GHG emissions (location-based) (tonnes CO_2e)
  – Total Scope 1 and Scope 2 GHG emissions (market-based) (tonnes CO_2e)
  – Total Scope 3 GHG emissions from the following categories (tonnes CO_2e):
    – Category 1: Purchased goods and services
    – Category 3: Fuel and energy-related activities (not included in Scope 1 or Scope 2)

– Category 4: Upstream transportation and distribution
– Category 6: Business Travel
– Category 7: Employee Commuting
– Category 9: Downstream transportation and distribution
– Total water input (m^3)
– Total water output (m^3)
– Total contact and non-contact water use (m^3)
– Water consumption in areas at water risk (m^3)
– Total hazardous and non-hazardous waste (tonnes)
– Total hazardous waste to landfill (tonnes)
– Total NOx emissions from processes (tonnes)
– Total reduced sulphur (TRS) from processes (tonnes)
– Total particulate emissions (tonnes)
– Total SO_2 emissions from processes (tonnes)
– Total emissions of ozone-depleting substances (kilograms)
– COD emissions (tonnes)
– Nitrogen emissions (tonnes)
– Phosphorous emissions (tonnes)
– Total recordable case rate (number/200,000 hours)
– Fatalities and life-altering injuries (number)
– Management engagement walkabouts conducted (number)
– First-line manager task audits conducted (number)
– Critical safety training completed (hours)
– General training completed (hours)
– Certified (FSC/PEFC) wood procured (percentage, m^3)
– Certified pulp procured (percentage, tonnes)
– FSC certification of forests owned and leased by Mondi (percentage)
– Managed land set aside for conservation purposes (percentage)
– Ratio of male and female employees (percentage)
– Community and social investments by category (€ thousand)

– Revenue from reusable, recycle or compostable products (percentage)
– Whether the disclosures in the Report and Mondi's 2024 Integrated report and financial statements ("Integrated Report") meet the requirements of relevant UK regulations in relation to GHG emissions and energy data disclosed, at the time of publication;
– Whether the disclosures relating to the SD KPIs in the Report are presented consistently in the Integrated Report and the ESRS & Performance Index; and
– Whether Mondi's statement on page 2 of the Report of its application of the European Sustainability Reporting Standards ("ESRS") is accurate.

Reporting period
2024 (1st January 2024 to 31st December 2024)

Reporting criteria
– GRI Universal Standards (2021);
– Sustainability Accounting Standard for the Containers & Packaging Industry (Version 2018-10);
– WBCSD/WRI GHG Protocol A Corporate Accounting and Reporting Standard (2004, as updated in 2015 with the Scope 2 Guidance) for the Scope 1 and Scope 2 GHG emissions;
– WBCSD/WRI GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard for the Scope 3 GHG emissions; and
– Internal indicator criteria developed by Mondi and described in the Report section 'Reporting standards and scope' and the relevant performance sections of the Report.

Assurance standard and levels of assurance
We performed a limited and reasonable assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board and ISO 14064-3 for Greenhouse Gas emissions data.

Reasonable assurance:
– Total energy usage
– Total Scope 1 GHG emissions
– Total Scope 2 (location-based) GHG emissions
– Total Scope 2 (market-based) GHG emissions

Limited assurance:
All other scopes set out under 'Scope of our assurance engagement', above.

Respective responsibilities
Mondi is responsible for preparing the Report and the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Report.

ERM CVS' responsibility is to provide a conclusion to Mondi on the agreed assurance scope based on our engagement terms with Mondi, the assurance activities performed and exercising our professional judgement. Our procedures aimed at obtaining reasonable assurance have been performed with a high, but not absolute, level of assurance which means we may not detect all material errors.

Our opinion
In our opinion, the 2024 Total energy usage, Total Scope 1 and Total Scope 2 (location-based and market-based) GHG emissions are fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Independent Assurance Report continued

Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that:

– the Report is not fairly presented in accordance with the GRI Standards and the SASB Sustainability Accounting Standard for the Containers & Packaging Industry;
– the 2024 data for the KPIs, as listed under 'Scope of our assurance engagement' above except for Total energy usage, Total Scope 1 and Total Scope 2 (location-based and market-based) GHG emissions are not fairly presented in the Report, in all material respects, in accordance with the reporting criteria;
– the disclosures in the Report and Mondi's Integrated Report do not meet the requirements of relevant UK regulations in relation to GHG emissions and energy data disclosed, at the time of publication;
– the disclosures relating to the SD KPIs in the Report are not presented consistently in the Integrated Report and the ESRS & Performance Index; and
– Mondi's statement on page 2 of the Report of its application of ESRS is not accurate.

Our assurance activities

Considering the risk of material misstatement of the Report and the selected information, a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

– Evaluating the appropriateness of the reporting criteria used for the Report and the SD KPIs;
– Performing an analysis of the external environment, including a media search, to identify sustainability risks and issues in the reporting period that may be relevant to the assurance scope;
– Reviewing Mondi's materiality process to inform the completeness of reporting;
– Interviewing senior management representatives responsible for managing the selected issues;
– Evaluating relevant reporting systems and processes (including internal control processes);
– Testing selected internal controls, carried out in the reporting year, relevant to the assurance scope;
– Reviewing a sample of qualitative and quantitative evidence supporting the reported information at corporate level;
– Analysing the data included in the consolidated 2024 group data for the selected disclosures;
– Performing an analytical review of the 2024 data for the KPIs, which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary;
– Conducting site visits to Mondi production sites in Poland, Slovakia, South Africa, Germany and Austria to review source data for the KPIs and local reporting systems and controls;
– Reviewing the regulatory and voluntary audits undertaken by other parties in the reporting year;
– Confirming conversion and emission factors and assumptions used;
– Reviewing Mondi's statement on page 2 of the Report regarding its application of ESRS; and
– Reviewing the presentation of the assured information to ensure consistency with our findings.

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our independent Assurance Report provides no assurance on the maintenance and integrity of the SD reporting section of Mondi's corporate website, including controls used to achieve this, and in particular whether any changes may have occurred to the information since it was first published.

Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. We maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Mondi in any respect.

Other matters - observations

We have provided Mondi with a separate Management Report with our detailed (non-material) findings and recommendations. Without affecting the opinion and conclusion presented above, we make the following key observations:

– Mondi's safety performance in terms of Total Recordable Case Rate (TRCR) has worsened in 2024 compared to the 2020 baseline and the prior year. Mondi had an employee fatality and three life-altering injuries during the year. We strongly encourage Mondi to continue its ongoing work on safety risk identification and mitigation, contractor safety management, training, and the social psychology of risk to reduce the risk of harm for all its employees and contractors.
– Mondi has increased the percentage of its packaging and paper products that are reusable, recyclable, or compostable in 2024, compared to both 2023 and the 2020 baseline. However, Mondi has noted on page 29 of the Report that it is unlikely that it will achieve its target of 100% of its packaging and paper products meeting these criteria by 2025. We encourage Mondi to persist in its efforts to develop packaging and paper products that are reusable, recyclable, or compostable, as part of the shift toward circular solutions.

ERMCVS

20th February 2025

London, United Kingdom

ERM Certification and Verification Services Limited
www.ermcvs.com | post@ermcvs.com

Contact information

Mondi Group
Ground Floor, Building 5
The Heights, Brooklands
Weybridge, Surrey KT13 0NY
United Kingdom

+44 1932 826 300
www.mondigroup.com

Our 2024 reports

Please visit our Group website

Integrated report and financial statements 2024
A balanced overview of Mondi's strategic, operational
and financial performance in 2024.

www.mondigroup.com/ir24

Sustainable Development report 2024
A comprehensive view of our approach to sustainable
development and our performance in 2024.

www.mondigroup.com/sd24

A–Z

See our glossary on the website
www.mondigroup.com/sustainability/sustainability-glossary/

Produced by
designportfolio