

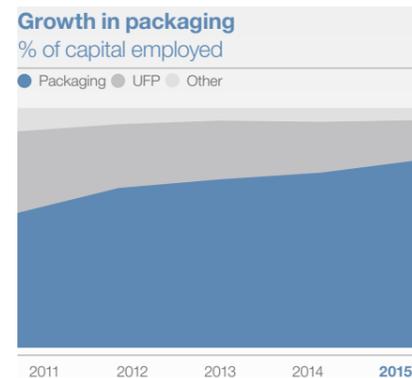
Tracking our progress

We track our long-term performance against strategic, financial and sustainable development key performance indicators (KPIs).

These KPIs are intended to provide a broad measure of the Group's performance. We set individual targets for each of our business units in support of these Group KPIs.

Our Remuneration report, on pages 115 to 131, describes how our executive directors and senior management are remunerated in line with these KPIs. In particular, the executive directors are set specific targets relating to ROCE, EBITDA and safety for purposes of the Bonus Share Plan (BSP) incentive and on Total Shareholder Return (TSR) and ROCE for the Long-Term Incentive Plan (LTIP).

Strategic



We have a clear strategic objective to grow our packaging interests, while investing appropriately to maintain and improve the competitiveness of our uncoated fine paper operations. Our strategic value drivers provide a framework for pursuing value-creating growth opportunities.

2015 performance

We invested €595 million in capital expenditure, of which 82% was allocated to packaging. Our packaging interests represent 78% of the Group's capital employed.



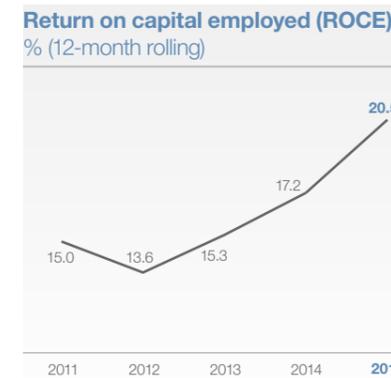
TSR provides a market-related measure of the Group's progress against our objective of delivering long-term value for our shareholders.

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

2015 performance

Mondy declared a dividend of 52.0 euro cents per share and realised a TSR of 37%.

Financial

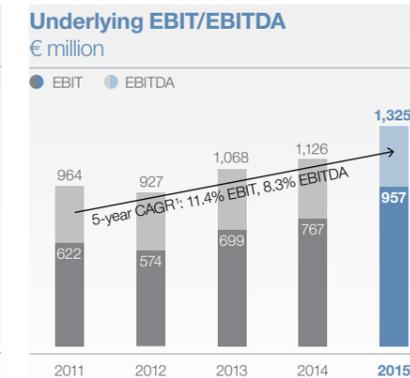


ROCE, defined as underlying EBIT divided by 12-month rolling capital employed, provides a broad overview of the efficient and effective use of capital in our operations.

New investments are required to deliver returns in excess of our hurdle rate of 13% across the business cycle.

2015 performance

ROCE of 20.5% reflects an industry-leading performance, with key strategic projects delivering well above our targeted hurdle rate.

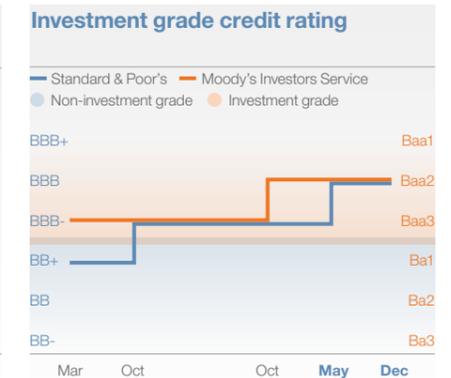


Underlying EBIT provides a measure of the underlying operating performance of the Group and absolute growth in profitability of the operations. We target improving profitability across our business.

EBITDA, underlying EBIT before deducting depreciation and amortisation, provides a measure of the absolute growth in the cash generating ability of the Group and is therefore used for incentive purposes.

2015 performance

25% increase in underlying EBIT and 18% increase in EBITDA, with all businesses improving their profitability.



We aim to maintain investment grade credit ratings to ensure we have access to funding for investment opportunities through the business cycle.

2015 performance

Standard & Poor's upgraded the Group's credit rating to BBB, bringing it in line with Moody's Investors Service Baa2 rating.

Sustainable development

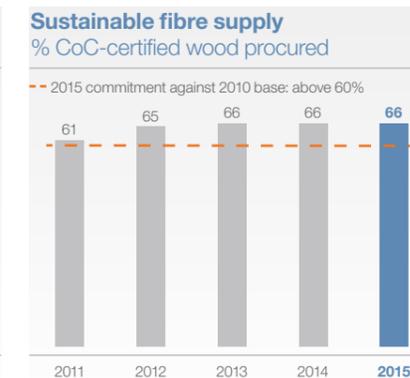


¹ Recent acquisitions included therefore 2014 figures not comparable with historical data.

The safety and health of all our employees and contractors is of paramount importance. Our goal is a zero harm workplace.

2015 performance

We continued to experience a steady improvement in our TRCR. There was one fatality and three life-altering injuries during the year.

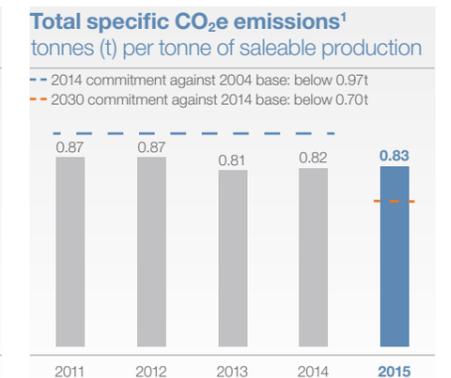


Securing a sustainable source of fibre for our integrated pulp and paper mills is critical to the long-term success of these operations.

We are committed to maintaining 100% FSC-certified forests and at least 60% of procured wood from Chain-of-Custody (CoC)-certified sources according to FSC or Programme for the Endorsement of Forest Certification™ (PEFC™) standards.

2015 performance

Our forests have maintained their FSC certification and we have exceeded our commitment for sourcing credibly certified wood.



¹ From our pulp and paper mills.

We have continually focused on making our business less carbon intensive to address climate impacts. In 2004 we committed to reducing our specific CO₂e emissions by 15% over the next 10 years.

Our new commitment is a reduction of 15% by 2030 against the 2014 baseline.

2015 performance

We achieved a 29% reduction in specific CO₂e emissions by the end of 2014. In 2015 we had a 0.9% increase compared to our 2014 baseline.