


## Our sustainable development commitments<sup>1</sup>

Material issues	What we said	What we did	Performance highlights	Status
<b>Securing access to sustainable fibre in the short, medium and long term</b>  <b>Overall progress</b> 	<p>We will maintain our <b>Forest Stewardship Council® (FSC®) certification</b> of all owned and leased forests.</p>	<p>In 2015, we maintained 100% FSC® certification of our owned and leased forests.</p>	<p><b>100%</b> of owned and leased land FSC-certified</p>	Achieved
	<p>We will procure over 60% of wood, virgin fibre and biomass from <b>credible certified sources</b>. The balance will be sourced according to our company minimum wood standard that complies with the Controlled Wood Standard (FSC-STD-40-005).</p>	<p>66% of our total procured wood in 2015 was Chain-of-Custody (CoC) certified to FSC or Programme for the Endorsement of Forest Certification (PEFC) standards (a 6% improvement compared with our 2010 baseline of 60%) with the balance according to our company minimum wood standard that complies with the standard for Controlled Wood (FSC-STD-40-005). We are not party to deforestation and we do not use illegal wood.</p>	<p><b>66%</b> of wood CoC-certified</p>	Achieved
	<p>We will continue to work with our South African forestry partners to provide support to <b>land reform</b> beneficiaries in an effort to sustain productivity after the land has been transferred.</p>	<p>To date, some 37,000 hectares of Mondi land under forestry has already been settled with community beneficiaries, bringing the percentage of land transferred to claimant communities to 33% of the total of transferred and remaining land<sup>2</sup> and the percentage of the claims settled since inception of the process to 33% of the total of settled and remaining claims<sup>3</sup>.</p>	<p><b>33%</b> land claims settled in South Africa, 33% of land transferred in South Africa to claimant communities</p>	Achieved
	<p>We will maintain our <b>Chain-of-Custody certifications</b> for our mills and certify Stamboljiski (Bulgaria) by 2013.</p>	<p>All our mills (100%) have CoC certifications.</p>	<p><b>100%</b> of mills CoC-certified</p>	Achieved
	<p>We will promote the Mondi brand by increasing the proportion of <b>fibre-based products</b> which is certified against a credible forestry standard.</p>	<p>66% of our products based on wood procured directly by our mills, and 77% based on pulp procured externally by our mills, were manufactured from CoC-certified sources. The balance in both cases was sourced according to our company minimum wood standard that complies with the standard for Controlled Wood (FSC-STD-40-005).</p>	<p><b>66%</b> of wood-based products and 77% of external pulp-based products from CoC-certified materials</p>	Achieved

<sup>1</sup> Progress data excludes our 2014 acquisition of Pine Bluff mill (US).

<sup>2</sup> According to the adjusted baseline of 114,341 hectares at the outset of the process.

<sup>3</sup> According to the adjusted baseline of 63 land claims recorded at the outset of the process.


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<b>Maintaining our licence to trade by making a real and lasting contribution to the communities in which we operate</b>  <b>Overall progress</b>  10 commitments ● Achieved ● Progress made ● Not achieved	We will continue to <b>disclose our carbon and forestry</b> footprint performance.	We report annually to CDP's climate, water, forests and supply chain programmes, and were included in the CDP FTSE 350 Climate Disclosure Leadership Index (CDLI) for the fifth time since 2010.	<b>Included in the CDLI for the fifth time</b>	<b>Achieved</b>
	We will continue to engage with <b>the United Nations Global Compact (UNGC)</b> and promote, support and implement its 10 principles.	We continue to engage with the UNGC and reported our Communication on Progress (CoP) in August 2015. We continue to report at an Advanced Level.	<b>Advanced Level reporter at the UNGC</b>	<b>Achieved</b>
	We will continue to engage with <b>the World Business Council for Sustainable Development (WBCSD)</b> to address the most contentious global sustainability matters affecting our business.	We support the WBCSD's promotion of the role of business in sustainable development. Mondi's CEO is a core member of the Ecosystem Cluster and we are an active member of the Forest Solutions Group. Mondi is co-chair of the Sustainable Value Chain and Procurement team.	<b>Active member of the WBCSD</b>	<b>Achieved</b>
	All mill operations to be <b>certified to ISO 14001 and OHSAS 18001</b> .	All our mills (100%) have maintained their certification to both ISO 14001 and OHSAS 18001 standards.	<b>100%</b> <b>of mills maintained certification to ISO 14001 and OHSAS 18001</b>	<b>Achieved</b>
	All converting operations to be <b>certified to OHSAS 18001</b> .	70% (59 of 84 operations) have achieved certification by the end of 2015.	<b>70%</b> <b>of converting operations certified to OHSAS 18001</b>	<b>Progress made</b>

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<b>Maintaining our licence to trade by making a real and lasting contribution to the communities in which we operate</b> continued	All forestry operations to be <b>certified to ISO 14001</b> by 2013.	100% of forest operations maintained their ISO 14001 certification in 2015.	<b>100%</b> of forest operations certified to ISO 14001	<b>Achieved</b>
	We will reduce our <b>level II environmental incidents</b> by 50% by 2015 from the 2010 base year and maintain a zero level III environmental incident performance.	We had four level II environmental incidents in 2015, an improvement of 80% against a 2010 baseline.	<b>80%</b> reduction of level II environmental incidents	<b>Achieved</b>
	We will revise our <b>community complaints</b> system by 2012 and will focus on the reduction of odour-related complaints.	In 2013 we have revised our methodology on reporting complaints in order to categorise and report complaints and incidents separately.	<b>Revised community complaints system in place</b>	<b>Achieved</b>
	All operations that are involved in producing food contact packaging to be certified to a recognised <b>food hygiene standard</b> .	Out of the 69 operations producing food contact packaging in 2015, 46 (67%) were certified to a recognised food hygiene standard, with the balance meeting Good Manufacturing Practice standards.	<b>67%</b> certified to food hygiene standards	<b>Progress made</b>
	All mills and forestry operations to have a rolling <b>community engagement plan (CEP)</b> and Russian and South African forestry and mill operations to have a <b>socioeconomic assessment toolbox (SEAT)</b> process updated on a three- to five-year cycle.	All our forestry operations and all but three of our smaller pulp and paper mills have CEPs in place. Merebank mill (South Africa) and Syktyvkar logging operations (Russia) had SEATs in 2015. SEAT reviews were done regularly for our mills and forestry operation in the 2015 commitment period, all on a need basis.	<b>All our forestry operations and all but three of our smaller pulp and paper mills have CEPs in place</b>	<b>Progress made</b>

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Material issues	What we said	What we did	Performance highlights	Status
<b>Understanding and minimising our contribution to climate change</b>  <b>Overall progress</b> 	<p>We will progress towards being a carbon neutral company in the longer term, by increasing the proportion of <b>renewable resources</b> for primary energy needs against the 2010 baseline.</p>	<p>59% of the total fuel consumed by our pulp and paper mills in 2015 came from renewable energy sources, mainly biomass, compared with 56% in 2010.</p>	<p><b>59%</b> of fuel consumed by our mills from renewables</p>	<b>Achieved</b>
	<p>We will progress towards becoming <b>electricity self-sufficient</b> in the longer term.</p>	<p>A 103% electricity self-sufficiency was achieved by 2015, mainly as a result of energy-related investments such as the recovery boilers in Świecie (Poland), Ružomberok (Slovakia) and Frantschach (Austria) mills.</p>	<p><b>103%</b> electricity self-sufficiency</p>	<b>Achieved</b>
Action area	What we said	What we did	Performance highlights	Status
<b>Climate change</b>	<p>By 2030, we will reduce our <b>CO<sub>2</sub>e emissions</b> per unit of saleable production from our mills by 15%, against a 2014 baseline<sup>1</sup>.</p>	<p>In 2015 there was a slight increase by 0.9% in specific CO<sub>2</sub>e emissions per tonne of saleable production due to increased energy sales.</p>	<p><b>0.9%</b> increase in specific CO<sub>2</sub>e emissions</p>	<b>2030 commitment launched, ongoing</b>

<sup>1</sup> This is our new climate commitment to 2030 which is not part of the original set of 2011–2015 commitments, but we report on it here in our first year of progress against the 2014 baseline.


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<p><b>Operating in a world of constrained resources and recognising concerns regarding biodiversity, forests, water and ecosystem services</b></p> <p><b>Overall progress</b></p>  <p>7 commitments</p> <ul style="list-style-type: none"> <li><span style="color: blue;">●</span> Achieved</li> <li><span style="color: lightblue;">●</span> Progress made</li> <li><span style="color: red;">●</span> Not achieved</li> </ul>	<p>We will implement <b>ecosystem management plans (EMPs)</b> at all our forestry operations by 2013.</p>	<p>All our forestry operations have EMPs in place.</p>	<p><b>100%</b> of forest operations with EMPs in place</p>	<b>Achieved</b>
	<p>We will report on <b>seedlings planted</b>, our tree improvements, the invasive species fight back and our work on pest and disease resistance.</p>	<p>In 2015, we planted around 31 million seedlings and 52,799 hectares of land in our South African forests was maintained in terms of alien species. More information on our tree improvements, invasive species eradication and pest and disease resistance can be found on <a href="#">pages 24 and 28</a>.</p>	<p><b>31 million</b> seedlings planted</p>	<b>Achieved</b>
	<p>We will report on <b>land set aside</b> for conservation purposes.</p>	<p>In 2015, 25% of our owned and leased forestry land was set aside for conservation purposes.</p>	<p><b>25%</b> of managed land set aside for conservation</p>	<b>Achieved</b>
	<p>Mondi participates in <b>WWF's New Generation Plantations (NGP)</b> platform and is committed to the concept.</p>	<p>In 2015, we continued to support and participate in and helped launch the Russian WWF-Boreal Forest Platform, based on NGP principles.</p>	<p><b>Helped launch the WWF-Boreal Forest Platform</b></p>	<b>Achieved</b>
	<p>We will carry out <b>water impact assessments (WIAs)</b> of our forestry operations and mills.</p>	<p>We have completed WIAs at our mills and forestry operations and implemented improvement action plans.</p>	<p><b>100%</b> of mills and forestry operations have undergone WIAs</p>	<b>Achieved</b>
	<p>We will continue to work with WWF to support the <b>WWF-Mondi Wetlands Programme (WWF-MWP)</b> in South Africa and will involve local communities in educational, restoration and conservation activities where reasonable.</p>	<p>Mondi remains the principal sponsor of the WWF-MWP and promoted cooperation with WWF's NGP in expanding social learning for shared value.</p>	<p><b>Continued support to the WWF-MWP</b></p>	<b>Achieved</b>
	<p>We will continue to work with our stakeholders to <b>identify areas of high conservation value (HCV)</b> in the Komi Republic (Russia) and in South Africa.</p>	<p>Mondi has continued to be the core sponsor of Silver Taiga's work since 2008. To date, we have identified 523,865 hectares of HCV areas, 2,715 hectares in South Africa and 521,150 hectares in the Komi Republic (Russia).</p> <p>We continue to contribute funding to WWF's work in the neighbouring Arkhangelsk region to identify HCV areas.</p> <p>Mondi has continued to be an active supporter of the newly restructured HCV Resource Network (HCVRN) and is a member of the management committee.</p>	<p><b>523,865</b> hectares of HCV areas identified</p>	<b>Achieved</b>

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<b>Safeguarding the wellbeing of employees and contractors and securing key talent and skills</b>  <b>Overall progress</b>  <ul style="list-style-type: none"> <li>● Achieved</li> <li>● Progress made</li> <li>● Not achieved</li> </ul>	Avoid work-related employee and contractor <b>fatalities</b> .	We deeply regret that an employee in our Russian logging operation lost his life in a roadworks vehicle accident. We continue our focus on the Top 5 Fatal Risks to eliminate serious incidents at Mondi.	<b>One fatality</b>	<b>Not achieved</b>
	Prevent work-related <b>life-altering</b> employee and contractor injury.	We have reduced the number and severity of life-altering injuries. Despite the progress made, we still experienced three life-altering injuries in 2015. These injuries related to an incident involving a loss of an arm, and two incidents involving partial loss of fingers.	<b>Three life-altering injuries</b>	<b>Progress made</b>
	We will achieve a <b>TRCR</b> of 0.75 or below by 2015, including employees and contractors, against a 2010 base year.	We set a revised TRCR milestone of 0.83 for 2015 to reflect the inclusion of newly acquired operations. We achieved a TRCR of 0.70 for the year, well below our commitment and 16% ahead of the 2015 milestone.	<b>0.70 TRCR</b>	<b>Achieved</b>
	Through a partnership approach with government and NGOs, Mondi will facilitate access to a comprehensive primary health care service, including the provision of <b>ARTs</b> for its employees and contractors.	36 employees and 130 contractors in our South African operations are currently on ART.	<b>166 employees and contractors on ART</b>	<b>Achieved</b>
	We will continue to report on the <b>diversity</b> of our workforce.	22% of our employees and 9% of our senior managers in 2015 were female.	<b>22% of employees and 9% of senior managers female</b>	<b>Achieved</b>

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<b>Increasing the eco-efficiency of our products</b>  <b>Overall progress</b>  6 commitments ● Achieved ● Progress made ● Not achieved	We will increase the number of products in our <b>Green Range</b> , including non-fibre based products.	We have created seven new Green Range criteria for the Group in collaboration with all our businesses and WWF demonstrating our environmentally, socially responsible and extended product offering.	<b>Revised approach to Green Range criteria in 2015 supported by WWF</b>	<b>Achieved</b>
	We will progress towards being a zero waste company by reducing the <b>total waste to landfill</b> by 20% by 2015 against 2010 base year.	By the end of 2015, we had reduced waste sent to landfill by 22% compared with 2010 and by 13% compared with 2014. The main reductions were achieved at our Świecie (Poland) and Merebank (South Africa) mills.	<b>22%</b> reduction of waste to landfill	<b>Achieved</b>
	We will reduce <b>TRS emissions</b> from our mill operations by 20% in 2015, against a 2010 base year.	A 33% reduction was achieved by the end of 2015, mainly by closing loops and collection and incineration of odour-containing off-gases in our boilers.	<b>33%</b> reduction of TRS emissions	<b>Achieved</b>
	We will promote conservation, reuse and recycling practices to reduce <b>specific contact water</b> consumption by 10% by 2015, against a 2010 base year.	We achieved a 5% reduction of our specific contact water consumption at the end of 2015. Further investments in our pulp and paper mills such as planned investments in Syktyvkar (Russia) and Świecie (Poland), as well as improvements from action plans resulting from water impact assessments will reduce contact water going forward.	<b>5%</b> reduction of specific contact water consumption	<b>Progress made</b>
	We will reduce our <b>effluent load</b> to the environment, either directly or indirectly discharged, by 10% against a 2010 base year.	A 12% reduction of COD emissions was achieved by the end of 2015, mainly by projects at our mills involving the modernisation of our waste water treatment plants at Świecie (Poland) and Syktyvkar (Russia).	<b>12%</b> reduction of COD emissions	<b>Achieved</b>
	We will continue to report on our consumption of <b>recovered fibres</b> .	1.4 million tonnes from recovered paper in 2015.	<b>1.4 million</b> tonnes of recovered paper	<b>Achieved</b>