

## **Mondelēz International 2020 Annual Shareholder Meeting Q&A May 13, 2020**

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Set forth below are the questions we received during our 2020 Annual Shareholder Meeting (the “meeting”), held on May 13, 2020, including answers to questions that we were not able to address during the meeting. In a few cases, we have consolidated multiple questions on the same topic and provided a summary response. We have also made minor edits for clarity and to correct typos. In addition, we have removed comments and statements (positive or negative) where no actual questions were asked and technical or logistical questions regarding our virtual meeting platform.

The answers to these questions, including any forward-looking statements, reflect management’s views as of May 13, 2020.

We sincerely thank each of you for your attendance at the meeting, your questions and comments and your ongoing support as a shareholder of Mondelēz International.

### **QUESTIONS ANSWERED DURING THE MEETING**

#### **Resolutions**

##### **Is Proposal 4 about ratio of CEO Pay as ratio to average employee pay?**

- As Dirk Van de Put, Chairman and Chief Executive Officer, Mondelēz International, replied at the meeting: *Mr. Rees’ proposal addressed this topic.*

##### **For Item 3, did you really mean to ratify for fiscal year ending December 31, 2021?**

- *We ratify the auditor every year, so this relates to the fiscal year ending December 31, 2020.*

#### **Dividend and buyback policy**

**Mr. Chairman, the Carpenter Union pension funds have a collective ownership position of 1,030,400 shares of the Company's common stock. As long-term investors, we appreciate the Company's actions to aggressively address employee safety issues and the difficulties being experienced by customers and other important corporate stakeholders related to the Covid-19 pandemic. What will the Board's decision criteria be going forward to restart the company's share repurchase plan? Thank you, Mr Chairman.**

**With the Covid-19 pandemic, some companies have implemented a temporary suspension of the dividend. Is this something that MDLZ may consider going forward under the current conditions? Thanks.**

- As Dirk replied at the meeting: *Given the uncertainties, we have cautiously decided to pause our share buybacks. We believe that that was the right thing to do. At the same time, we are in a very solid financial position with, for instance, \$8 billion of revolving credit facilities. We also have our stakes in our coffee and beverage joint-ventures and we issued new bonds. We feel confident that we can fulfill all obligations, including paying dividends. Our credit facility at this stage is mostly undrawn.*
- *In the first quarter we returned \$1.1 billion of capital to our shareholders, with \$700 million in share repurchases at what we believe to be attractive prices and \$400 million in cash dividends. We want to continue to pay dividends because they are an important method of returning cash to our owners. And our long-term strategy is to grow our dividends in excess of adjusted earnings growth. We've grown our dividends about 30*

*percent over the last three years. Our current payout ratio is about 50 percent. We believe there is some more room in this regard. At this stage we do not see that that will change going forward.*

### **Questions about business demand and impact of COVID**

**What country is the greatest opportunity for Mondelez? Which country or countries are not - can this be turned around?**

**Is Mondelez getting increased shelf space in the wake of COVID-19 will this opportunity continue after the crisis?**

- *As Dirk replied at the meeting: We have many opportunities around the world. For instance, the U.S. offers a lot of opportunity for us because the population is growing, snacking is growing, we are doing well. If you look at dollar growth, at this stage the U.S. and Canada are major contributors to our growth. Of course, emerging markets – referring here to China, India, Brazil, and Russia – those are huge opportunities for us. And of course, these markets at this stage are affected by COVID. The lockdowns have been relatively serious. Temporarily, these markets are affected, but over the long term, because of their size and because of the fast growth of snacking and our increasing market share, they are of major importance for us. Specific to China, while February was a difficult month for us because we were in the middle of the crisis, we have recuperated very fast. In March, we were already above last year's sales and April has been a very good month. We've shown that after a COVID crisis, we are able to recuperate very fast.*
- *As it relates to shelf space, our market shares are increasing substantially. In more than 90 percent of our markets we are holding or gaining our market share. The increases are some of the biggest increases in market share that we've seen in the history of the company. A number of factors play a role, but one of those is shelf space. We have great sales forces around the world that have been working in the middle of all of this, helping our clients, having our products on the shelf... Due to that work, our products have had an excellent shelf space and we've been able to increase our market share. Their work certainly paid off, and consumers have appreciated it. Because in these difficult times they want to be delighted by their favorite brands, and they certainly have made that happen.*

### **Ownership and governance**

**Mr. Chairman, the recent dramatic growth in the size of passive mutual funds' corporate ownership interests in US corporations raises important public policy and corporate governance issues. Currently, BlackRock holds 6.5% and Vanguard holds 7.8% of the Company's outstanding shares. We commend the Company for the disclosure of the investment management services provided by BlackRock to the Company's retirement fund. Does the Board see this growing ownership concentration as a positive or negative development as regards long-term corporate planning and performance? Thank you, Mr. Chairman.**

- *As Dirk replied at the meeting: These are clearly two very independent subjects. And retirement-related services follow very strong governance rules in relation to who can provide us the service. Providers are selected based on their capabilities and the costs,*

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*and there is a very strict separation with share ownership. It is an established practice that is very well organized and regulated and many companies have similar situations. Employees are represented in these decisions and they have a say on who will provide us pension services.*

### **Questions about current and future meeting format**

**How many shareholders are attending this virtual meeting?**

- *There were 116 shareholders in the meeting and 50 guests.*

**Will you continue to have the shareholders virtual meeting next year and in the future?**

**I love the virtual meeting idea. Please consider this for the future**

**Would the company consider on line access to future in-person annual meetings for those shareholders who cannot attend?**

- *As Dirk replied at the meeting: We will consider this. Our objective is to return to a live meeting next year, but if the flow of this meeting and the way we conducted it was beneficial and allowed more shareholders to participate, we can certainly consider a hybrid meeting, live and virtual at the same time. We will consider options next year.*

### **OTHER QUESTIONS & COMMENTS**

Below we provide responses to a few additional questions and comments we were unable to address during the meeting.

#### **US Production Capacity**

**Will we have any new plants or added lines open in the US in 2020 due to increased demand in Biscuit products?**

- *While we have experienced increased demand for certain categories and products in markets such as the United States, as we saw during the first quarter of this year, we are responding to this successfully by focusing our existing manufacturing network on the production of our core product portfolio and priority SKUs.*

#### **Product availability/Proxy vote results**

**I'm having a hard time finding LU cookies with dark chocolate. Is there a reason dark chocolate is harder to find vs. milk chocolate? These cookies are delicious. Also, when providing results, please include the % voting "For" each proxy item.**

**WHAT %?**

- *We are glad you enjoy our Dark Chocolate LU biscuits! In terms of the availability of dark chocolate products, we offer a broad range in markets all over the world. We strive to make our products available to consumers when and where they want them. Availability of different products can be influenced by multiple factors, some of which are outside our control, including retailer listing decisions.*

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- *In line with SEC regulations, we provide the final voting results in a Form 8-K after the meeting.*

### **General comments**

#### **How are you all keeping, safe & well?**

- *The Board of Directors and Mondelēz International management team appreciate your concern and are focusing at this time on the protection and security of all of our employees, including those on the frontlines. Their safety is our primary concern, and we are working hard to have the right protocols and procedures in our plants and facilities. Thank you for your best wishes.*

### **FORWARD-LOOKING STATEMENTS**

This document contains a number of forward-looking statements. Words, and variations of words, such as “will,” “expect,” “may,” “would,” “could,” “outlook” and similar expressions are intended to identify our forward-looking statements, including, but not limited to, statements about: the impact of the recent outbreak of COVID-19 on us; confidence in our strategic priorities and ability to manage through the COVID-19 pandemic; share repurchases; dividends; and our long-term algorithm. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, and many of these risks and uncertainties are currently amplified by and may continue to be amplified by the COVID-19 outbreak. Important factors that could cause our actual results to differ materially from those indicated in our forward-looking statements include, but are not limited to, uncertainty about the magnitude, duration, geographic reach, impact on the global economy and related current and potential travel restrictions of the COVID-19 outbreak; the impact, and uncertain future, of the COVID-19 outbreak on our business, growth, reputation, prospects, financial condition, operating results (including components of our financial results), cash flows and liquidity; risks from operating globally including in emerging markets; changes in currency exchange rates, controls and restrictions; continued volatility of commodity and other input costs; weakness in economic conditions; weakness in consumer spending; pricing actions; tax matters including changes in tax rates and laws, disagreements with taxing authorities and imposition of new taxes; use of information technology and third party service providers; unanticipated disruptions to our business, such as the malware incident, cyberattacks or other security breaches; global or regional health pandemics or epidemics, including COVID-19; competition; protection of our reputation and brand image; our ability to innovate and differentiate our products; the restructuring program and our other transformation initiatives not yielding the anticipated benefits; changes in the assumptions on which the restructuring program is based; management of our workforce; consolidation of retail customers and competition with retailer and other economy brands; changes in our relationships with suppliers or customers; legal, regulatory, tax or benefit law changes, claims or actions; the impact of climate change on our supply chain and operations; strategic transactions; significant changes in valuation factors that may adversely affect our impairment testing of goodwill and intangible assets; perceived or actual product quality issues or product recalls; failure to maintain effective internal control over financial reporting; volatility of and access to capital or other markets; pension costs; the expected discontinuance of London Interbank Offered Rates and transition to any other interest rate benchmark; and our ability to protect our intellectual property and intangible assets. Please

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also see our risk factors, as they may be amended from time to time, set forth in our filings with the SEC, including our most recently filed Annual Report on Form 10-K and Quarterly Report on Form 10-Q. Mondelēz International disclaims and does not undertake any obligation to update or revise any forward-looking statement in this document, except as required by applicable law or regulation.

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