

Mondelēz
International

SNACKING MADE RIGHT

Green Bond Framework

August 2021



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1. Introduction

Mondelēz International, Inc. empowers people to snack right in over 150 countries around the world. With 2020 net revenues of approximately \$27 billion, we are leading the future of snacking with iconic global and local brands such as *Oreo*, *Ritz* and *LU* biscuits; *Cadbury*, *Milka* and *Toblerone* chocolate; *Sour Patch Kids* candy and *Trident* gum; and a growing portfolio of well-being snack brands such as *beVita*, *Perfect Bar* and *Hu*. Mondelēz International is a proud member of the Standard and Poor’s 500, Nasdaq 100 and Dow Jones Sustainability Index.

By empowering people to snack right, we will lead the future of snacking around the world by offering the right snack, for the right moment, made the right way. That means delivering a broader range of delicious, high-quality snacks that nourish life's moments, made with sustainable ingredients and packaging that consumers can feel good about.

As part of living our purpose and values, we have a clear and distinctive approach to ESG. This approach is aligned to our business strategy, and we have set public goals to achieve meaningful progress and drive positive, lasting change. As part of this strategy, we are focused on our three strategic priorities: growth, execution and culture. We’re accelerating consumer-centric growth; we’re driving excellence in execution; and we’re building a winning growth culture.

Growth

We strive to be the best snacking company in the world and we strive to put consumers at the heart of everything we do. With our consumers in mind, we are focused on accelerating growth by investing in both our global and local heritage brands. We are implementing innovative ideas and tactics, driving growth in new channels, and building new and existing partnerships that serve our consumers.

Execution

We are focused on continuous improvement – from building a world-class supply chain to achieving marketing and sales excellence. A key component of our operational performance is our digital transformation. This approach, made possible by our broad capabilities and diverse culture, helps identify and enable additional growth opportunities.

Culture

We empower our local teams to innovate and deliver consumers’ snacking needs while continuing to leverage opportunity on a larger scale to efficiently support our growth strategy. Mondelēz International is committed to investing in a diverse and talented workforce that helps our business move forward with greater speed and agility.

Right Snack: High-quality snacks designed to meet consumers' nutrition and well-being needs

Right Moment: Designing products to help consumers snack right throughout the day

Right Way: Making products the right way - from the ingredients we use to the packaging in stores

2. Mondelēz International’s Approach to Sustainability

As part of living our purpose and values, we have a clear and distinctive approach to ESG. This approach is aligned to our business strategy, and we have set public goals to achieve meaningful progress and drive positive, lasting change. This approach is informed by our understanding of the issues that are most material to us as a business and to the communities we touch, and in turn by the priorities we have set for ourselves along our value chain. Working together in collaboration with partners, external advisors, regulators and stakeholders, we focus on maximizing our long-term positive impact. We work to make snacking right for those our business touches — from the farmers and communities we work closely with to source key ingredients to the consumers who enjoy our snacks.

To be effective, particularly in the fight against climate change, plastic pollution and human rights infringements, we need to recognize our impact on the world, prioritize and focus our programming on action that is transformational and attainable – so we can have a measurable and lasting long-term impact, faster. To this end, our priorities flow from our materiality evaluation.

Our strategic focus areas and 2025 goals map to the areas of our business that account for our greatest opportunity to make a positive lasting impact on the environment and communities. They are also aligned to what is important to our long-term business success. By focusing our efforts in these areas, we can drive sustainable business growth and deliver meaningful progress in reducing our environmental impact and empowering people and communities.

ENVIRONMENTAL

Reducing Our Environmental Impact & Sourcing Sustainably

- **Ingredients** – We focus on key agricultural commodities and social challenges in the supply chain and have created transformational signature sourcing programs across key raw material supply chains, including cocoa (Cocoa Life), wheat (Harmony Wheat) and palm oil (Palm Oil Action Plan) with a focus on holistic approaches to building resilience in these supply chains by implementing and innovating approaches to grow more efficiently in a way that preserves the land and improves the economics of farming these raw materials
- **Climate** – Working to combat climate change with an end-to-end, science based and third party verified approach focused on reducing emissions in our operations and our sourcing of key raw materials
- **Packaging** – Working toward zero net waste packaging by investing collaboratively in the innovation of materials, education and infrastructure to improve recycling globally

SOCIAL

Empowering People & Communities

- **Social Impact** – Promoting human rights across our business and empowering underprivileged communities
- **Well-being** – Empowering consumers with choices, mindful snacking habits and portion control
- **Diversity, Equity & Inclusion** – Championing progress for our colleagues, culture and communities
- **Quality & Safety** – Providing high-quality, safe food and fostering a culture of zero incidents and zero defects

GOVERNANCE

Promoting Strong Governance Throughout The Company

Implementing governance supporting and driving our public commitments to environmental and social progress enabled by:

- Strong board oversight
- A culture of accountability and compliance
- Aligned incentives across our business
- Proactive two-way dialogue with stakeholders

2025 Environment and Social Goals

Our 2025 environment and social goals are in service of our sustainability priorities and the strategic areas where we believe we can make the most positive environmental and social impact, which is key to our long-term business success.

ENVIRONMENTAL

Ingredients

- 100% cocoa volume needed for our chocolate brands sourced through Cocoa Life
- 100% EU wheat sourced through Harmony (by 2022)
- 100% traceable forest-monitored palm oil and continued 100% Round Table on Sustainable Palm Oil (RSPO) certified, sourced from suppliers with Mondelēz International Palm Oil Action Plan (POAP) policy compliance
- 10% end-to-end CO₂ emissions reduction (2018 baseline)
- 10% water reduction (2018 baseline)
- 15% food waste in manufacturing reduction (2018 baseline)

Packaging

- 100% packaging designed to be recyclable and labeled with recycling information
- 5% reduction in overall virgin plastic (2020 baseline)
- 25% reduction in virgin rigid plastic (2020 baseline)

SOCIAL

Social Impact

- Human rights due diligence for 100% Cocoa Life communities in West Africa
- Continued investment in Sustainable Futures ventures and funds

Well-being

- 20% global snacks net revenue from portion control snacks
- 100% mindful snacking labeling across packaging globally

Quality & Safety

- 100% Global Food Safety Initiative certification for manufacturers and suppliers
- 0.5 World-Class Total Incident Rate consistently achieved

We have been leading the future of snacking and have our eyes and energies firmly set on the years to come. Guided by our purpose, we are forging ahead in our own distinctive way to make snacking right.

Our way is characterized by progress, priorities and partnerships. We are building a sustainable snacking company and putting our focus on long-term sustainable business outcomes. To this end, we prioritize for biggest impact, advocate for and invest in transformational approaches, and collaborate with public and private partners – to achieve better, longer lasting results sooner and at scale.

3. Rationale for Issuance

We hope that issuing green bonds by Mondelēz International and its subsidiaries and/or affiliates (“Green Bonds”) will help advance our aim to make our snacks more sustainably by using less energy, water and waste, with ingredients consumers know and trust. We’re focusing on areas where we can have a significant impact on global societal issues. It’s about making a positive change in the world – for people and the planet.

Alignment with the Green Bond Principles, 2021

The Green Bond Principles, 2021 (“GBP”) are voluntary process guidelines for best practices when issuing Green Bonds. The GBP recommend transparency and promote integrity in the sustainable bond market. We have aligned our Mondelēz International Green Bond Framework with the GBP.

This Framework covers our Green Bonds and is aligned with the four core components and key recommendations of the GBP:

Core Components:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

Key Recommendations:

- (i) Green Bond Frameworks
- (ii) External Reviews

4. Alignment with the Green Bond Principles, 2021

4.1 Eligible Projects

“Eligible Projects” are investments and expenditures made by Mondelēz International or any of its subsidiaries and/or affiliates beginning with the issuance date of any Green Bonds and including the 24 months prior to any such issuance that meet the eligibility criteria outlined below.

We anticipate that our Green Bonds will support the achievement of the United Nations Sustainable Development Goals noted below and fall within our sustainability priorities.

We have identified Eligible Projects in two key areas that align with our sustainability priorities:






- I. **Building a thriving ingredient supply chain**
- II. **Reducing our environmental impact**

I. Building a thriving ingredient supply chain

GBP Eligible Project Category	Eligibility Criteria and Example Projects	SDG Alignment
Environmentally sustainable management of living natural resources and land use	<p>Expenditures related to procurement of sustainably produced ingredients, including certified sustainable ingredients, in the year of issuance.</p> <p>Certification Schemes may include:</p> <ul style="list-style-type: none"> • Cocoa Life • Harmony Wheat Program • Comparable programs 	

II. Reducing our environmental impact

GBP Eligible Project Category	Eligibility Criteria and Example Projects	SDG Alignment
Sustainable Water and Wastewater Management	<p>Expenditures related to sustainable water and wastewater projects</p> <p>Example projects may include:</p> <ul style="list-style-type: none"> • Systems designed to increase use of recycled water • Upgrades to cooling towers • Rainwater collection • Wastewater treatment plants that aim to achieve on average a 20% or greater water savings 	
Pollution prevention and control	<p>Expenditures or investments related to the production, construction, maintenance, operation, improvements and infrastructure of zero waste facilities and industrial and post-consumption waste management processes including packaging.</p> <p>Example projects may include:</p> <ul style="list-style-type: none"> • Costs related to developing and procuring packaging designed to be recycled and packaging made from recycled content (projects linked to Mondelēz International as a signatory of the Ellen MacArthur Foundation’s New Plastics Economy Global Commitment) • Collection and recycling facilities, sorting centers and equipment for post-consumption plastic materials such as flexible plastic packaging collection and recycling 	

GBP Eligible Project Category	Eligibility Criteria and Example Projects	SDG Alignment
Renewable Energy	<p>Expenditures related to the construction, development, acquisition, maintenance, and operation of renewable energy derived from solar, wind and geothermal with direct emissions of less than 100 g CO₂/kWh.</p> <p>Example projects may include:</p> <ul style="list-style-type: none"> • On-site renewable energy projects such as solar rooftop panels • Sourcing expenditures pursuant to long-term (≥ 5 years), project-tied power purchase agreements (PPAs) that were entered into prior to commercial operation of the related facility • Installation of bioreactors with whey feedstock derived from factories and possibly other waste streams 	 
Energy Efficiency	<p>Expenditures related to energy-efficiency projects including equipment, systems, operational improvements and maintenance.</p> <p>Example projects may include:</p> <ul style="list-style-type: none"> • Improving and maintaining energy efficiency including HVAC systems, heating, ventilation and air conditioning upgrades, LED lighting upgrades, energy storage and other projects that may result in a potential increase in energy efficiency of 30% • Improving our US logistics footprint and reducing inefficiencies by right-sizing and right-location of distribution network 	 
Clean Transportation	<p>Expenditures related to the acquisition, maintenance, and operation of electric vehicles and related infrastructure.</p> <p>Example projects may include:</p> <ul style="list-style-type: none"> • Electrifying our transport fleets • Installation of electric vehicle charging stations 	

We will not knowingly allocate proceeds from any issuance of Green Bonds to the following:

- Weapon manufacturers;
- Tobacco companies;
- Palm oil producers;
- Companies that relate to the exploration, production or transportation of fossil fuels (e.g., coal, oil and gas);
- Speculative food commodity derivatives; or
- Any other activity that Mondelēz International determines is ineligible for allocation of proceeds at the time of allocation.

4.2 Process for Project Evaluation and Selection

We analyze the environmental and social impacts of our businesses and assess how we can mitigate impacts on communities in which we operate. Mondelēz International will establish a Green Bond Committee to oversee the implementation of the allocation and selection process for Eligible Projects. It will be comprised of members from the Mondelēz International Treasury, Corporate Sustainability and Legal teams. Our Green Bond Committee will recommend the allocation of Eligible Projects for approval by the VP, Global Treasury. The Green Bond Committee may review the list of Eligible Projects from time to time to ensure relevance with Mondelēz International’s Green Bond Framework.

4.3 Management of Proceeds

Mondelēz International has established an internal tracking system to monitor and account for the proceeds of any Green Bond issuance. Pending full allocation of an amount equal to the net proceeds of any Green Bond issuance, proceeds will be managed in alignment with our normal liquidity practices. We will allocate Eligible Projects as soon as practicable and, where feasible, within the first 12-18 months after issuance.

In the case of divestment or if a project no longer meets the eligibility criteria, we will use reasonable efforts to reallocate an equal amount of the funds to other Eligible Projects. Payment of principal and interest will be made from our general account and not be linked to the performance of the Eligible Projects.

4.4 Transparency and Reporting

4.4.1 Allocation Reporting

Annually, until full allocation of the net proceeds from the sale of any Green Bonds, and on a timely basis in case of material developments, we will publish a Green Bond Report on our website www.mondelezinternational.com that will include: (i) the amount of net proceeds from the sale of any Green Bonds that have been allocated to one or more Eligible Projects either individually or by category, subject to confidentiality considerations; (ii) the list of Eligible Project categories with a selection of brief descriptions; (iii) estimated impact metrics such as those shown in section 4.4.2, where feasible; and (iv) the outstanding amount of net proceeds from the sale of any Green Bonds yet to be allocated to Eligible Projects at the end of the reporting period.

4.4.2 Impact Reporting

Examples of the type of impact metrics that may be included in any Green Bond Report we publish include:

Eligible

Project Category

Eligibility Criteria and Example Projects

Environmentally sustainable management of living natural resources and land use

- Amount of sustainably sourced products procured
- % category made with sustainably sourced ingredients

Eligible

Project Category	Eligibility Criteria and Example Projects
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> • Estimated annual water usage reduction (metric tons)
Pollution prevention and control	<ul style="list-style-type: none"> • Estimated annual waste diverted from landfill (metric tons) • % total volume of packaging designed for recyclability
Renewable Energy	<ul style="list-style-type: none"> • Kw generation capacity added / contracted • Estimated annual renewable energy generation (Kwh) • Estimated annual GHG reduction (tCO2e metric ton)
Energy Efficiency	<ul style="list-style-type: none"> • Estimated annual energy savings (Kwh) • Estimated annual GHG reduction (tCO2e metric ton)
Clean Transportation	<ul style="list-style-type: none"> • Number of electric delivery vehicles procured • Number of EV charging points installed

5. External Review

5.1 Second Party Opinion:

Mondelēz International has retained ISS ESG to provide a Second Party Opinion (SPO) on the environmental and social benefits of Mondelēz International’s Green Bond Framework as well as the alignment to the Green Bond Principles. The opinion can be found on the SPO provider’s website.

5.2 Assurance

Each allocation report will be accompanied by a report from an independent party in respect to its examination of management’s assertions in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Disclaimer

The information and opinions contained in this Mondelēz International Green Bond Framework (the Framework) are provided as at the date of this Framework and are subject to change without notice. None of Mondelēz International or any of its subsidiaries and/or affiliates assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Framework represents current Mondelēz International policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights or obligations. This Framework is intended to provide non-exhaustive, general information. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by the Mondelēz International and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Mondelēz International as to the fairness, accuracy, reasonableness or completeness of such information. This Framework may contain statements about future events and expectations that are “forward looking statements” about future events, expectations and commitments. Forward-looking statements are generally identified through the inclusion of words such as “will,” “expect,” “may,” “intend,” “aim,” “anticipate,” “believe,” “drive,” “estimate,” “commit” or similar statements or variations of such terms and other similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. Factors that could cause actual results to differ materially include, but are not limited to, those set forth in the “Risk Factors” section of Mondelēz International’s most recent Annual Report on Form 10-K, as well as market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules or regulations, the lack of available Eligible Projects being initiated, failure to complete or implement projects and other challenges. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Framework. No representation is made as to the suitability of any securities, proposed use of proceeds or any other transaction described in these materials to fulfil environmental and sustainability criteria required by prospective investors. Each potential investor should be aware that Eligible Projects may not deliver the environmental or sustainability benefits anticipated and may result in adverse impacts.

Mondelēz International has set out its intended policy and actions in this Framework in respect of use of proceeds, project evaluation and selection, management of proceeds and reporting, in connection with the Mondelēz International Green Bonds. However, it will not be an event of default or breach of contractual obligations under the terms and conditions of any such securities if Mondelēz International fails to adhere to this Framework, whether by failing to fund or complete Eligible Projects or by failing to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in this Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on uses of proceeds and environmental impacts as anticipated by this Framework, or otherwise.

This Framework is provided for information purposes only and does not constitute a recommendation regarding the purchase, sale, subscription or other acquisition or disposal of any debt or other securities of Mondelēz International or any subsidiary of Mondelēz International. This Framework is not and is not intended to be, and does not form part of or contain an offer to sell or an invitation to buy, or a solicitation of any offer or invitation to buy, any such securities. If any such offer or invitation is made, it will be done so pursuant to separate and distinct documentation in the form of an offering memorandum or other equivalent document and a related pricing term sheet (the Offering Documents), and any decision to purchase or subscribe for any such securities pursuant to such offer or invitation should be made independently and solely on the basis of such Offering Documents and not these materials. In particular, investors should pay special attention to any sections of the Offering Documents describing any risk factors. In particular, neither this document nor any Offering Documents may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution. The merits or suitability of any securities or any transaction described in these materials to a particular person's situation should be independently determined by such person. Any such determination should involve, inter alia, an assessment of the legal, tax, accounting, regulatory, financial, credit or other related aspects of the securities or such transaction and prospective investors are required to make their own independent investment decisions based on such investigation as it deems necessary.