Mondelez International Inc - Climate Change 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Mondelēz International, Inc. (NASDAQ: MDLZ) empowers people to snack right in over 150 countries around the world. With 2018 net revenues of approximately $26 billion, MDLZ is leading the future of snacking with iconic global and local brands such as Oreo, belVita and LU biscuits; Cadbury Dairy Milk, Milka and Toblerone chocolate; Sour Patch Kids candy and Trident gum. Mondelēz International is a proud member of the Standard and Poor’s 500, Nasdaq 100 and Dow Jones Sustainability Index. Visit www.mondelezinternational.com or follow the company on Twitter at www.twitter.com/MDLZ.

Our environmental policy is:

“Mondelēz International is committed to doing what is right for our planet and meeting the aspirations of our consumers every day. We aim to make an end-to-end positive impact on the world and the communities where we do business. This is core to who we are as a company. We are committed to: • Increasing the sustainable sourcing of ingredients used to make our much-loved brands; • Enhancing the efficient and sustainable use of resources along our supply chain; • Continuous improvement of our environmental performance driving measurable change; and • Meeting or exceeding the requirements of all applicable environmental laws and regulations. Accordingly, Mondelēz International expects all employees to carry out their job responsibilities in accordance with this Policy and to report any environmental concerns they have to management.”

Our iconic snacks bring people together and nourish life’s moments. In these simple moments, we want to have a meaningful impact on the lives of our consumers and the world. It’s why we are driven to live up to our purpose to empower people to snack right, and why our vision for impact is to lead the future of snacking by making snacks for both people and planet to love.

We understand that the way we live is changing the way we eat—people are more conscious of their health and well-being and are leading lives that are more complicated than ever before. And the world around us is also changing—we’re all more aware of the environmental impact of a growing global population on everything from deforestation and ocean plastics to climate change.

Our consumers shouldn’t have to choose between snacking and eating right. And they shouldn’t have to worry about the impact their snacking choices have on the world and their communities. We want them to be confident when they are choosing our brands, that they are choosing snacks made the right way. Which is why we’re committed to ensuring that snacking can be both sustainable and mindful. These twin priorities are the driving force of our 2025 Snacking Made Right Impact Strategy.

A key strategic goal for us is to Grow our Impact. As stated in our 10K Annual Report:

“A key strategic priority for us is to create a positive impact for people and our planet. Many of the challenges facing people and the planet are interrelated, so we design our core programs and initiatives holistically by working to reduce our environmental footprint, supporting farmers who grow our key ingredients, helping people to snack mindfully and investing in healthy lifestyle community programs through the Mondelēz International Foundation. We continue to leverage our global operating scale to secure sustainable raw materials and work with suppliers to drive meaningful social and environmental changes, focusing where we can make the greatest impact.”
Our sustainability goals focus on reducing key end-to-end environmental impacts – from the field through distribution. We started operating as a new company at the end of 2012. With 2013 as our baseline, by 2020, our goals are to:

- Reduce absolute CO2 emissions from manufacturing by 15%. This aligns with current science-based targets approaches to support the global effort to limit climate change to less than 2°C.

- Reduce absolute incoming water use in manufacturing, focusing on priority sites where water is most scarce. We aim for 10% reduction at priority sites.

- Reduce total manufacturing waste by 20%.

- Eliminate 65,000 tonnes of packaging, without contributing to food waste.

In addition, we have set the following sustainable agriculture goals:

- All chocolate brands will source their cocoa from Cocoa Life
- Source 100% of our EU wheat need via Harmony by 2022
- Maintain 100% RSPO palm oil
- 100% palm oil traceable to the mill from suppliers with aligned policies
- 100% cage-free eggs in US and Canada by 2020 and rest of the world by 2025 (except Russia, Ukraine and China, where supply chain is developing and requires a longer period to secure cage-free)

We will also implement deforestation interventions in key agriculture supply programs, such as Cocoa Life and our Palm Oil Action Plan. As progress is made on the ground, we will publicly report the resulting end-to-end carbon footprint reduction.

Our focus on climate change is also consistent with our environmental policy, which is stated above.

### C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Row</th>
<th>Start date</th>
<th>End date</th>
<th>Indicate if you are providing emissions data for past reporting years</th>
<th>Select the number of past reporting years you will be providing emissions data for</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>January 1 2018</td>
<td>December 31 2018</td>
<td>No</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

### C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

- Argentina
- Australia
- Austria
- Bahrain
- Belgium
- Bolivia (Plurinational State of)
- Brazil
- Bulgaria
- Canada
- Chile
- China
- Colombia
- Costa Rica
Croatia
Czechia
Denmark
Dominican Republic
Ecuador
Egypt
El Salvador
Finland
France
Georgia
Germany
Ghana
Greece
Guatemala
Honduras
Hungary
India
Indonesia
Ireland
Israel
Italy
Japan
Kazakhstan
Lebanon
Lithuania
Malaysia
Mexico
Morocco
Netherlands
Nicaragua
Nigeria
Norway
Pakistan
Panama
Peru
Philippines
Poland
Portugal
Puerto Rico
Romania
Russian Federation
Serbia
Singapore
Slovakia
Slovenia
South Africa
Spain
Swaziland
Sweden
Switzerland
Thailand
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Uruguay
Viet Nam

C0.4
(C0.4) Select the currency used for all financial information disclosed throughout your response.
USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.
Operational control

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1
Primary reason
Do not own/manage land

Please explain
We do not own or manage land, though we do work directly with farmers through our Cocoa Life, Harmony, and other agricultural initiatives. We consider agricultural emissions in our climate disclosure and for the first time this year we are reporting emissions from land use change (including deforestation) related to agriculture. Since 2009, we (and our predecessor company) have performed a lifecycle assessment of the air, water, and land impacts of our operations, from farm through consumption and disposal. Agriculture is by far the largest impact on air, water, and land, which is why we invest in sustainable agriculture.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity
Wheat

% of revenue dependent on this agricultural commodity
40-60%

Produced or sourced
Sourced

Please explain
The percent of revenue is a rough estimate. We are reporting revenue from one or more of our product categories as outlined in our 2018 Form 10-K. For this CDP response, we are using the 10K reported revenue for a category if an estimated majority of products in that category uses the selected commodity, even though not all the products in the category use the commodity selected in CDP. For wheat, the % is based on the approximately 43.1% of 2018 revenue attributable to our Biscuit category because we use wheat in a majority of the products in that category, even though there are non-wheat products in the category and even though wheat may be in products in other categories.

<table>
<thead>
<tr>
<th>Agricultural commodity</th>
<th>% of revenue dependent on this agricultural commodity</th>
<th>Produced or sourced</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sugar</td>
<td>More than 80%</td>
<td>Sourced</td>
<td>The percent of revenue is a rough estimate. We are reporting revenue from one or more of our product categories as outlined in our 2018 Form 10-K. For this CDP response, we are using the 10K reported revenue for a category if an estimated majority of products in that category uses the selected commodity, even though not all the products in the category use the commodity selected in CDP. For sugar, the % is based on the approximately 92.6% of 2018 revenue attributable to our Chocolate, Biscuits, Gum and Candy, and Beverages categories, even though there are non-sugar products in the category and even though sugar may be in products in other categories.</td>
</tr>
<tr>
<td>Other, please specify (Cocoa)</td>
<td>20-40%</td>
<td>Sourced</td>
<td>The percent of revenue is a rough estimate. We are reporting revenue from one or more of our product categories as outlined in our 2018 Form 10-K. For this CDP response, we are using the 10K reported revenue for a category if an estimated majority of products in that category uses the selected commodity, even though not all the products in the category use the commodity selected in CDP. For cocoa, the % is based on the approximately 31.5% of 2018 revenue attributable to our Chocolate category because we use cocoa in all (or almost all) of the products in that category, even though cocoa may be in products in other categories.</td>
</tr>
<tr>
<td>Palm Oil</td>
<td>60-80%</td>
<td>Sourced</td>
<td>The percent of revenue is a rough estimate. We are reporting revenue from one or more of our product categories as outlined in our 2018 Form 10-K. For this CDP response, we are using the 10K reported revenue for a category if an estimated majority of products in that category uses the selected commodity, even though not all the products in the category use the commodity selected in CDP. For palm oil, the % is based on the approximately 74.6% of 2018 revenue attributable to our Biscuit and Chocolate categories because we use palm oil in many of the products in those categories, even though there are non-palm oil products in the category and even though palm oil may be in products in other categories.</td>
</tr>
</tbody>
</table>

C1. Governance
C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?  
Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Position of individual(s)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board-level committee</td>
<td>The Governance, Membership and Public Affairs Committee (“Governance Committee”) of our Board of Directors is responsible for overseeing sustainability as part of our Snacking Made Right Impact Strategy, with regular briefings from our VP and Chief of Global Impact (CSO per CDP categories).</td>
</tr>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>Our CEO is engaged in the review and progress of our Snacking Made Right Impact Strategy in conjunction with the Governance, Membership and Public Affairs Committee (“Governance Committee”) of our Board of Directors, which is responsible for overseeing sustainability as part of our Snacking Made Right Impact Strategy, with regular briefings from our VP and Chief of Global Impact. We take a comprehensive approach to sustainability, integrating it throughout our business processes. Our sustainability goals are part of our strategic planning process, and therefore, progress and key activities are regularly reported to the Board and the business unit leadership teams. CO2 and energy are key focus areas in our sustainability strategy. See C1.2a.</td>
</tr>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Our VP and Chief of Global Impact (CSO) chairs a cross-functional Impact Steering Committee (ISC) with members from our key global functions and regions to manage our strategy. Our CSO reports on sust to our CEO and the Governance Committee. A working team led by our Dir, Global Sustainability, who reports to the CSO, recommends sust strategy and goals, oversees implementation and reporting, and is accountable to the ISC. Executive sponsorship is provided by our EVP &amp; General Counsel, EVP Research Development and Quality, and EVP and Region President MDLZ Europe. Clear business goals were set as part of the sust strategy led by our CSO. In addition, each business unit (BU) is responsible for integrating sust into their strategic plans, including our operational goals such as CO2 reduction. The BUs are responsible for developing a plan that will enable them to deliver performance that will contribute to the overall corporate sustainability strategy.</td>
</tr>
<tr>
<td>Chief Risk Officer (CRO)</td>
<td>Our VP &amp; Chief of Global Governance and Corporate Secretary (Chief Risk Officer) is responsible for our Enterprise Risk Management (ERM) process. See our response in Section 2.2a for more information about our ERM process.</td>
</tr>
</tbody>
</table>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

<table>
<thead>
<tr>
<th>Frequency with which climate-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which climate-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled – some meetings</td>
<td>Reviewing and guiding strategy</td>
<td>The Governance, Membership and Public Affairs Committee (“Governance Committee”) of our Board of Directors is responsible for overseeing sustainability as part of our Snacking Made Right Impact Strategy, with regular briefings from our VP and Chief of Global Impact (our CSO).</td>
</tr>
</tbody>
</table>

C1.2
(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Responsibility</th>
<th>Frequency of reporting to the board on climate-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Half-yearly</td>
</tr>
<tr>
<td>Chief Operating Officer (COO)</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Half-yearly</td>
</tr>
<tr>
<td>Chief Procurement Officer (CPO)</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Half-yearly</td>
</tr>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Half-yearly</td>
</tr>
<tr>
<td>Risk committee</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Half-yearly</td>
</tr>
</tbody>
</table>

C1.2a
(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

For Mondelēz International, sustainability is part of our Snacking Made Right Impact Strategy. Our consumers shouldn’t have to choose between snacking and eating right. And they shouldn’t have to worry about the impact their snacking choices have on the world and their communities. We want them to be confident when they are choosing our brands, that they are choosing snacks made the right way. Which is why we’re committed to ensuring that snacking can be both sustainable and mindful. These twin priorities are the driving force of our 2025 Snacking Made Right Impact Strategy.

We take a comprehensive approach to the strategy, integrating it throughout our business processes at every level of the organization. To ensure the strategy has high-level direction and endorsement, our CEO is engaged in the review and progress of the strategy in conjunction with the Governance, Membership and Public Affairs Committee (Governance Committee) of our Board of Directors, which is responsible for overseeing sustainability as part of our Snacking Made Right Strategy, with regular briefings from our VP and Chief of Global Impact (CSO).

Our strategy is managed by a cross-functional Impact Steering Committee (ISC) with members from our key global functions and regions, chaired by the VP and Chief of Global Impact (CSO) who, in turn, reports on sust to our CEO and the Governance Committee. The ISC meets quarterly to review progress and to align on key developments in the Impact strategy. Executive sponsorship is provided by our EVP & General Counsel, EVP Research Development and Quality, and EVP and Region President MDLZ Europe. A working team led by our Dir, Global Sustainability, who reports to the CSO, recommends sust strategy and goals, oversees implementation and reporting, and is accountable to the Impact Steering Committee.

Our Risk Committee reviews sustainability as part of the annual ERM process to identify key risks facing the organisation, strategies to manage the risk and assign ownership to senior leaders. Sustainability risks are identified during this review, as reported in our 10k Annual Report and discussed in our answers to question C2.2.

Our sustainability goals are part of our strategic planning process, and therefore, progress and key activities are regularly reported to the Board and the business unit leadership teams. CO2 and hence energy are key focus areas in our sustainability strategy.

In 2015, established new 2020 sustainability goals that placed us at the forefront of the fight against climate change and support our ambition to be the leader in well-being snacks while driving down costs and creating efficiencies to accelerate our growth. We adopted science-based targets to reduce absolute CO2 emissions from manufacturing as part of our ambitious end-to-end approach. This represents a transition from normalized (to production) targets to an absolute target. We also implement deforestation interventions in key agriculture supply programs, such as Cocoa Life and our Palm Oil Action Plan. This year, we are reporting land-use change impacts to establish a baseline to track and report the resulting emissions reductions.

Clear business goals have been set as part of the sustainability strategy led by the CSO. In addition, each business unit is responsible for integrating sustainability into their strategic plans, including our operational goals such as CO2 reduction. They are responsible for developing a plan that will enable them to deliver sustainability performance that will contribute to the overall corporate sustainability goals.

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?
Yes

(C1.3a)
(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?
All employees

Types of incentives
Recognition (non-monetary)

Activity incentivized
Emissions reduction project

Comment
Our CEO and other members of our executive team (MLT) are accountable for delivering including Impact goals, including CO2 emissions reduction and supply chain engagement. For non-monetary: Each business unit has sustainability on their strategic plan and is held accountable. Therefore, incentives come in the form of internal recognition (publicly recognized by the CEO or highlighted with the Board, etc.) and external recognition (press releases, customers, etc.), which can drive incremental business. In 2017, we launched a Smart Sustainability Competition asking employees to propose ideas to reduce our environmental impact and save money. The competition was a great success, with winning ideas recognized in regional and global internal communications during Q2 of 2018. The KPIs can include emissions reduction, energy reduction, efficiency, purchasing, and/or supply chain engagement.

Who is entitled to benefit from these incentives?
All employees

Types of incentives
Monetary reward

Activity incentivized
Emissions reduction target

Comment
Our CEO and other members of our executive team (MLT) are accountable for delivering on key goals, including Grow Impact goals, which include CO2 emissions reduction and supply chain engagement regarding sustainable agriculture.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

<table>
<thead>
<tr>
<th></th>
<th>From (years)</th>
<th>To (years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>0</td>
<td>1</td>
<td>Our short-term climate-related and financial goals are aligned (i.e., both look to one year ahead). Our programs related to climate change look at yearly goals to address longer-term issues. For finances, we also consider up to one year to be a short-term issue.</td>
</tr>
<tr>
<td>Medium-term</td>
<td>1</td>
<td>6</td>
<td>For medium-term, our climate-related and financial reviews are different. The numbers provided here for the time horizon are for climate-related issues. For climate-related issues, we currently consider medium-term risks/opportunities to be those that may arise between one to six years ahead. This aligns with our 2025 goals, which address longer-term climate-related issues. See pages 43-45 of our 2018 Progress Report (at <a href="https://www.mondelezinternational.com/-/media/MondelezCorporate/uploads/downloads/2018_Impact_Progress_Report.pdf">https://www.mondelezinternational.com/-/media/MondelezCorporate/uploads/downloads/2018_Impact_Progress_Report.pdf</a>). For financial issues, we consider medium-term risks/opportunities to be those that may arise between one to three years ahead. We address these financial risks with our strategic planning.</td>
</tr>
<tr>
<td>Long-term</td>
<td>6</td>
<td>30</td>
<td>For long-term, our climate-related and financial reviews are different. The numbers provided here for the time horizon are for climate-related issues. For climate-related issues, we consider potential effects to thirty years and beyond. As an example, our goal to reduce CO2 in manufacturing aligns with current approaches to setting science-based targets to support the global effort to limit climate change to less than 2ºC, which take a long-term approach. For finances, as a general matter, our long-term horizon is three to ten years, depending on the issue.</td>
</tr>
</tbody>
</table>
(C2.2) Select the option that best describes how your organization’s processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

(C2.2a) Select the options that best describe your organization’s frequency and time horizon for identifying and assessing climate-related risks.

<table>
<thead>
<tr>
<th>Frequency of monitoring</th>
<th>How far into the future are risks considered?</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Six-monthly or more frequently</td>
<td>&gt;6 years</td>
<td>We have a robust Enterprise Risk Management (ERM) process for identifying, measuring, monitoring, and managing risks, with oversight by the Risk and Compliance Committee (MRCC), which reports annually to the Audit Committee. The executive sponsors of the MRCC are the EVP and Chief Financial Officer, and the EVP and General Counsel. The purpose of the MRCC is to manage our process to identify and assess the most significant inherent risks to us so we may adequately mitigate them and/or monitor them across the company. All identified risks are vetted by the MRCC and remain under the MRCC’s governance. Ownership of specific risks is assigned at the Leadership Team (MLT) level (MLT members report directly to the CEO). As owners of each specific risk, MLT members are responsible for verifying that appropriate mitigation controls and monitoring systems are in place. The risk universe considered during this process is wide and varied. Climate change is included in this risk universe.</td>
</tr>
</tbody>
</table>

(C2.2b) Provide further details on your organization’s process(es) for identifying and assessing climate-related risks.

As described in table 2.2a, we have a robust enterprise risk management (ERM) process for identifying, measuring, monitoring, and managing risks. The risk universe considered during this process is wide and varied; it includes climate change. The ERM process is overseen by the Risk and Compliance Committee (MRCC), which annually reports to the Board of Director’s Audit Committee. The purpose of the MRCC is to manage our process to identify and assess the most significant inherent risks to us so we may adequately mitigate them and/or monitor them across the company. All identified risks are vetted by the MRCC and remain under the MRCC’s governance. Ownership of specific risks is assigned at the Leadership Team (MLT) level (MLT members report directly to the CEO). As owners of each specific risk, MLT members are responsible for verifying that appropriate mitigation controls and monitoring systems are in place. We have a standalone ERM risk category for Environmental & Social Sustainability. Thus, for climate-related risks and opportunities identified as part of the ERM process, MLT members are responsible for verifying controls and monitoring systems to address the risks/opportunities.

In addition, our VP and Chief of Global Impact (our CSO) updates our Board’s Governance, Membership and Public Affairs Committee (the “Governance Committee”) twice a year. The CSO chairs a cross-functional Impact Steering Committee (ISC) with members from our key global functions and regions to manage our strategy. Our CSO reports on sustainability, including climate change risks and how we manage them, to our CEO and the Governance Committee. A working team led by our Director, Global Sustainability, who reports to our CSO, recommends sustainability strategy and goals, oversees implementation and reporting, and is accountable to the ISC, which has executive sponsors. See C1.2 for more information.

Each business unit (BU) is responsible for integrating sustainability into their strategic plans, including our operational goals such as CO2 reduction and other climate-related operational goals. The BUs are responsible for developing a plan that will enable them to deliver performance that will contribute to the overall corporate sustainability strategy.

Our sustainability goals are a key way in which we manage our climate-related risks. We had set goals for 2020 which include climate-related goals (including a resilient ingredient supply chain and carbon reductions from our operations) and have since set a
new strategy for 2025 to continue our focus on these areas.

In addition, we publicly describe our approach to assess materiality for sustainability issues in our Impact for Growth progress report. In our 2018 report at page 42, we state:

"Materiality: The areas of action outlined in our impact ambition define our concept of materiality for social and environmental purposes. As a global snacks powerhouse, our worldwide reach and leadership position enable us to bring together diverse voices and identify new ideas to drive meaningful change on issues central to our business and our world. Our Board actively oversees our concept of materiality for social and environmental purposes.

Since 2012, we have worked with internal and external experts to review the impact of major societal issues on our business and shape our strategic responses to them. This includes representatives from our internal Global Growth Council and Impact Steering Committee, as well as from our region business units and global functions. External experts include World Wildlife Fund, Quantis and various investment groups. In addition, we consider perspectives from our ongoing stakeholder engagement, as well as participation in various shareholder indices.

Materials and processes that guide our assessment include our Enterprise Risk Management (ERM) program for identifying, measuring, monitoring and managing risks; external affairs analysis of stakeholder and regulatory issues; the greenhouse gas, land and water footprint of our total company; proprietary consumer insight data; and publicly available data on societal issues, including statistics and reports from authorities, NGOs and peer companies.

Below are the top environmental* and social issues

1 Consumer well-being—promote improved health and well-being through portfolio enhancements and community partnerships
2 Supply security of key agricultural commodities and social challenges in supply chain
3 Environmental footprint of agriculture and our operations
4 Safety of our people and products

* We refer to our major environmental challenges collectively as the sustainability of resources and agriculture."
(C2.2c) Which of the following risk types are considered in your organization’s climate-related risk assessments?

<table>
<thead>
<tr>
<th>Risk Type</th>
<th>Relevance &amp; Inclusion</th>
<th>Please Explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Regulation</td>
<td>Relevant, always included</td>
<td>We monitor current regulations and compliance with them as they directly and indirectly relate to climate risks. This is done at multiple levels, within a business unit and within the legal function. Identified risks are elevated within management appropriately and are part of our enterprise risk management (ERM) process.</td>
</tr>
<tr>
<td>Emerging Regulation</td>
<td>Relevant, always included</td>
<td>We monitor emerging regulations as they directly and indirectly relate to climate risks. This is done at multiple levels, within a business unit and within the legal function. Identified risks are elevated within management appropriately and are part of our ERM process.</td>
</tr>
<tr>
<td>Technology</td>
<td>Relevant, sometimes included</td>
<td>As opportunities arise, we review new technologies that may reduce our CO2 emissions and energy use to meet our corporate sustainability goals. An example is the use of satellite monitoring of deforestation in supply chains.</td>
</tr>
<tr>
<td>Legal</td>
<td>Relevant, always included</td>
<td>We address legal compliance risk, for example in our Form 10-K, where we state (page 16, Risk Factors): Our activities throughout the world are highly regulated and subject to government oversight. Various laws and regulations govern food production, packaging, storage, distribution, sales, advertising, labeling and marketing, as well as licensing, trade, labor, tax and environmental matters, privacy, and health and safety practices. Government authorities regularly change laws and regulations as well as their interpretations. Our compliance with new or revised laws and regulations or the interpretation and application of existing laws and regulations could materially and adversely affect our product sales, financial condition and results of operations.</td>
</tr>
<tr>
<td>Market</td>
<td>Relevant, always included</td>
<td>We address market issues through a variety of ways, including through our sustainable agriculture programs, direct sourcing criteria, and commodity hedging. Risks considered include: environmental risks across our supply chain could damage our reputation and brand image. We manage it by our raw material sourcing programs.</td>
</tr>
<tr>
<td>Reputation</td>
<td>Relevant, always included</td>
<td>We consider reputational risks associated with climate change during our ERM process. These risks are managed, ultimately, by the Governance Committee, which receives regular updates from our Chief Well-being, Sustainability, Public and Government Affairs Officer. Risks considered include: environmental risks across our supply chain could damage our reputation and brand image. We manage it by our raw material sourcing programs. We acknowledge the reputational risks related to environmental risk in our Form 10-K filed February 2019 (e.g., page 11 – reputation and brand image).</td>
</tr>
<tr>
<td>Acute Physical</td>
<td>Relevant, always included</td>
<td>As an example, as acknowledged in our Form 10-K filed February 2019 (page 15-16), we have identified the risk that severe weather and climate change-related events can affect commodity pricing and supply. At the asset level, we do business continuity planning for a variety of business matters. We have a business plan to react to disruptions caused by a given crisis, including potential facility interruptions, key sourcing interruptions and system interruptions. At the corporate level, we manage global reputational risks related to issues raised by continuity planning and raw material sourcing programs.</td>
</tr>
<tr>
<td>Chronic Physical</td>
<td>Relevant, always included</td>
<td>The same considerations for acute physical apply for chronic physical.</td>
</tr>
<tr>
<td>Upstream</td>
<td>Relevant, always included</td>
<td>We consider risks in our upstream supply because of their contribution to our end-to-end environmental footprint and because raw material supplies are vulnerable to climate change. As an example, as acknowledged in our Form 10-K filed February 2019 (page 15-16), we have identified the risk that severe weather and climate change-related events can affect commodity pricing. We manage these risks by our raw material sourcing programs.</td>
</tr>
<tr>
<td>Downstream</td>
<td>Relevant, always included</td>
<td>We consider downstream risks because of their contribution to our end-to-end environmental footprint and because of the impacts of packaging waste. For example in our Form 10-K we state (at page 11 Risk Factors): Failure to effectively address the continuing global focus on well-being, changing consumer acceptance of certain ingredients, nutritional expectations of our products, and the sustainability of our ingredients and our packaging could adversely affect our brands’ health.</td>
</tr>
</tbody>
</table>

C2.2d
(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Our ERM methodology is governed by the MRCC and includes annual reviews with all business units, considering company level risks by using information gathered at the asset level (regions, countries, individual facilities and business units). The resulting climate change risks are captured in commodities, reputation and brand image, unanticipated business disruptions, and changes in regulations. These risks can be both company level and asset level risks.

At the asset level, we do business continuity planning for a variety of business matters. We have a business plan to react to disruptions caused by a given crisis, including potential facility interruptions, key sourcing interruptions and system interruptions. At the corporate level, we manage global reputational risks related to issues raised by continuity planning.

We use additional risk analysis tools for financial and business risks. Other examples come from operations, information systems, global environmental and safety (E&S) standards and agricultural commodities. For E&S standards, we operate a Global E&S Standards and Management System, that involve crisis preparedness / risk management. At the asset level, facilities worldwide are required to assess E&S risks including asset-level risks and facility-level risks and implement these standards and address those risks. We use various multi-dimensional tools and models throughout the company to support the identification of risks to facilitate timely and effective risk. At the corporate level, we have assessed the long-term sustainability risks with World Wildlife Fund. We also map our total environmental footprint with a third party (Quantis). At the senior management level, a risk mapping process helps identify the impact and likelihood of the risk, based upon a uniform framework. During procurement, critical single and sole source suppliers are prioritized for risk mitigation. Lastly, plants with the highest operating income must improve their property protection. We use various multi-dimensional tools and models throughout the company to support the identification of risks to facilitate timely and effective risk response and to have an adequate level of controls and safeguards, including SWOT analysis (Strength/Weakness/Opportunity/Threat), risk maps and third-party sources.

For the corporation to assess the most important risks at a senior management level, we use a risk mapping process to help identify the impact and likelihood of the risk, based upon a uniform framework. The mapping process also includes an assessment of the controls in place to mitigate the risk. This allows senior management to rank financial, operational, compliance and strategic risks to verify the proper resources (including people, capital, time, and oversight) are in place. The MRCC is responsible for driving the risk process through standard measurement and language for risk exposure. The Business Unit Presidents and their staff are responsible for integrating the culture and measurement into existing business practices. To verify this process is being adhered to, the Internal Audit department verifies the control expectations set up by the MRCC through the course of the audits performed during the year and regional internal audit leads and business integrity leads also participate as members of Region and Business Unit Risk and Compliance Committees.

Manufacturing: plants with the highest operating income (OI) impact must improve their property protection (against fire, flood, wind and earthquake losses to their property) to protect the company from loss. This focuses the capital dollars on the plants with the highest impact.

Procurement: critical single and sole source suppliers are prioritized for risk mitigation through contractual agreements, business continuity planning or qualification of secondary suppliers. Specific focus is given to suppliers supporting strategic product categories.

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes
Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

**Identifier**
Risk 1

**Where in the value chain does the risk driver occur?**
Direct operations

**Risk type**
Transition risk

**Primary climate-related risk driver**
Policy and legal: Increased pricing of GHG emissions

**Type of financial impact**
Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

**Company-specific description**
Fuel/energy taxes and regulations. Increased cost to generate and purchase energy.

**Time horizon**
Short-term

**Likelihood**
Unknown

**Magnitude of impact**
Unknown

**Are you able to provide a potential financial impact figure?**
No, we do not have this figure

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>

**Explanation of financial impact figure**
We are directly impacted by fuel taxes for energy we buy in our direct operations, which contributes to our Scope 1 and 2 carbon footprint. In addition, we would be indirectly impacted by energy and carbon taxes applied elsewhere in our supply chain by increased costs from suppliers.

**Management method**
Our sustainability strategy and our targets to reduce energy consumption and CO2 emission in our operations constitute a concrete approach to mitigating these risks by anticipating regulatory requirements. For example, as part of our climate change strategy, we have an ambitious goal to reduce CO2 emissions from manufacturing by 15% between 2013-2020. Since 2013, we reduced CO2 emissions from our factories by 10%, through improving energy management systems and investing in energy efficient technologies in our factories. We are also cutting CO2 emissions by using low-carbon renewable energy sources. In our Curitiba and Vitória de Santo Antão (VSA) factories in Brazil, we’re generating bioelectricity by burning sugarcane residues, saving an estimated 10,000 tonnes of CO2 emissions. We are buying green electricity from a new solar farm in Mexico, generating CO2 and financial savings for our Monterrey and Salinas plants. In France, we have installed on-site solar panels at three plants: La Haye-Fouassière, Granville and Besancon. And in the Philippines, our Sucat plant is converting to 100 percent geothermal electricity, saving 4,000 tonnes of CO2 emissions.

**Cost of management**

**Comment**
Cost of management is unknown.

**Identifier**
Risk 2

**Where in the value chain does the risk driver occur?**
Supply chain
Risk type
Physical risk

Primary climate-related risk driver
Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact
Other, please specify (Increased operating costs through scarcity and increased price of key raw materials)

Company-specific description
Other physical climate drivers. In our 2018 Form 10-K risk factors, we disclose that the price of commodities and other inputs may be influenced by climate change risks and provide example of those risks. We also discuss reputational and supply chain risks. See “Commodity and other input prices . . .” section on page 15 of the 2018 Form 10-K, where we discuss the impact of climate change risks on the security and price of our raw material supply.

Time horizon
Long-term

Likelihood
Unknown

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
“Although we monitor our exposure to commodity prices and hedge against input price increases, we cannot fully hedge against changes in commodity costs, and our hedging strategies may not protect us from increases in specific raw material costs.” See 2018 Form 10-K at page 16.

Management method
Transforming our agricultural supply chains is an essential foundation for a sustainable future. We've launched innovative, industry-leading holistic programs in key commodities like cocoa and wheat. Cocoa Life: 10-year, $400 million investment, empowering more than 200,000 farmers and improving the lives of more than 1 million people. Harmony: our European wheat program, Harmony, promotes biodiversity and good environmental practices in wheat production. Our palm oil action plan sets out milestones to increase suppliers’ accountability for sustainability across their own operations and third-party supplies. Beyond this, we're embedding sustainability into our sourcing practices across our commodities. Our cost of management is calculated according to our public commitment to invest $400 million in our cocoa supply chain via our Cocoa Life program.

Cost of management
400000000

Comment
$400 million over ten years from 2012-2022

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Supply chain

Risk type
Physical risk

Primary climate-related risk driver
Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact
Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

**Company-specific description**
Change in precipitation extremes and droughts. In addition, localized episodic extreme weather events such as floods and severe storms have the potential to temporarily disrupt Mondelēz International's business operations (including raw material sourcing, manufacturing and product distribution) in affected areas.

**Time horizon**
Unknown

**Likelihood**
Unknown

**Magnitude of impact**
Unknown

**Are you able to provide a potential financial impact figure?**
No, we do not have this figure

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>

**Explanation of financial impact figure**
We are directly impacted by disruption in our supply chain through potential loss of revenue if we are unable to produce and distribute our snacks and through exceptional management costs during special situations. Due to the unpredictable nature and location of extreme weather events, these costs are hard to predict with accuracy in advance.

**Management method**
We have in place several protocols, including special situations management and emergency preparedness and response procedures. These allow us to address and help mitigate adverse effects.

**Cost of management**
Comment
Cost of management is unknown.

---

**Identifier**
Risk 4

**Where in the value chain does the risk driver occur?**
Customer

**Risk type**
Transition risk

**Primary climate-related risk driver**
Reputation: Shifts in consumer preferences

**Type of financial impact**
Reduced revenue from decreased demand for goods/services

**Company-specific description**
Changing consumer behavior. In our 2018 Form 10-K, we acknowledge that “Failure to effectively address the continuing global focus on ... the sustainability of our ingredients and our packaging could adversely affect our brands’ health. Increased attention from the media, shareholders, activists and other stakeholders in these areas as well as on the role of food marketing could adversely affect our brand image.” See 2018 Form 10-K at 11.

**Time horizon**
Unknown

**Likelihood**
Unknown

**Magnitude of impact**
Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Consumer expect brands to address sustainability issues and this leads to a risk of consumer rejection for brands that do not manage sustainability effectively, leading to potential loss of revenue. Increasingly, these risks are seen in markets across the world and among mainstream consumers.

Management method
To stay abreast of evolving consumer attitudes regarding climate change we include questions related to sustainability in analyses of consumer attitudes and preferences. To avoid misleading marketing claims, we've developed a set of internal guidelines on environmental claims to guide the business in making the right decisions when considering these types of claims. With regard to land use/deforestation, we have engaged with suppliers, NGOs and the Consumer Goods Forum and, in specific cases, supported certain sustainability standards for commodities. Examples include our actions to address deforestation via our Palm Oil Action Plan.

Cost of management

Comment
Cost of management is unknown.

---

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Supply Chain

Opportunity type
Resilience

Primary climate-related opportunity driver
Other

Type of financial impact
Increased reliability of supply chain and ability to operate under various conditions

Company-specific description
In our 2018 Form 10-K risk factors, we disclose that the price of commodities and other inputs may be influenced by climate change risks and provide example of those risks. We also discuss reputational and supply chain risks. See “Commodity and other input prices . . .” section on page 15 of the 2018 Form 10-K. By implementing sustainable agriculture programs, we help our supply chains to mitigate their emissions and to become more resilient to the effects of climate change, leading to more stable and secure
supplies of key raw materials. For example, we source the majority of our cocoa from West Africa, where there is significant opportunity to improve farmers' productivity and climate change resilience via our Cocoa Life program. In addition, we encourage more sustainable and climate resilient production of wheat through our Harmony and North American wheat sustainability programs and palm oil through our Palm Oil Action Plan.

**Time horizon**
Please select

**Likelihood**
Unknown

**Magnitude of impact**
Unknown

**Are you able to provide a potential financial impact figure?**
No, we do not have this figure

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>

**Explanation of financial impact figure**
We anticipate that more sustainable and climate resilient supplies of key raw materials will increase security of supply and help to reduce exposure to fluctuations in availability and price volatility.

**Strategy to realize opportunity**
Transforming our agricultural supply chains is an essential foundation for a sustainable future. We've launched innovative, industry-leading holistic programs in key commodities like cocoa and wheat. Cocoa Life: 10 year, $400 million investment, empowering more than 200,000 farmers and improving the lives of more than 1 million people. Harmony: our European wheat program, Harmony, promotes biodiversity and good environmental practices in wheat production. Our palm oil action plan sets out milestones to increase suppliers' accountability for sustainability across their own operations and third-party supplies. Beyond this, we're embedding sustainability into our sourcing practices across our commodities.

**Cost to realize opportunity**
400000000

**Comment**
The cost to realize the opportunity reflects the $400 million we are spending over ten years, from 2012 to 2022, for Cocoa Life. It does not include our investments in Harmony or other sustainable agriculture programs or other related costs.

**Identifier**
Opp2

**Where in the value chain does the opportunity occur?**
Direct operations

**Opportunity type**
Resource efficiency

**Primary climate-related opportunity driver**
Use of more efficient production and distribution processes

**Type of financial impact**
Reduced operating costs (e.g., through efficiency gains and cost reductions)

**Company-specific description**
We use significant energy in our factories to manufacture our products. Increased energy efficiency in our factories enables us to use less energy and therefore save costs per ton of production. For example, in our factories across the world we have opportunities to install energy efficient capital equipment for manufacturing processes such as ovens, steam production and refrigeration. Energy management systems enable us to track and monitor energy use and focus efforts to reduce consumption.

**Time horizon**
Please select
Likelihood
Unknown

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
More efficient production processes enable us to save energy and, therefore, costs.

Strategy to realize opportunity
Our sustainability strategy and our targets to reduce energy consumption and CO2 emission in our operations constitute a concrete approach to realizing these opportunities by increasing energy efficiency and reducing operating costs. We’ve reduced energy consumption by improving energy management systems and investing in energy-efficient technologies in our factories.

Cost to realize opportunity
Comment
Cost to realize opportunity is unknown.

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Type of financial impact
Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon

Company-specific description
We use renewable energy in our factories through installation of on-site renewable energy at various facilities, and by power purchase agreements in Mexico and the US. Investing in renewable energy provides opportunities to help us reduce emissions and costs and grow our business in future.

Time horizon
Please select

Likelihood
Unknown

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>
Explanation of financial impact figure

Financial impacts of investing in renewable energy vary across the world according to local energy markets, incentives, costs to install on-site generation, or the availability of external supplies of renewable power. In recent years, the trend has been for relative costs of renewables to fall vs fossil fuels and we anticipate opportunities to benefit to reduce our operating costs in future and to insulate us from potential carbon taxes.

Strategy to realize opportunity

Our sustainability strategy and our target to reduce CO2 emissions in our operations constitute a concrete approach to realizing these opportunities by increasing our use of renewable energy. We are cutting CO2 emissions by using low-carbon renewable energy sources. In our Curitiba and Vitória de Santo Antão (VSA) factories in Brazil, we're generating bioelectricity by burning sugarcane residues, saving an estimated 10,000 tonnes of CO2 emissions. We are buying green electricity from a new solar farm in Mexico, generating CO2 and financial savings for our Monterrey and Salinas plants. In France, we have installed on-site solar panels at three plants: La Haye-Fouassière, Granville and Besançon. And in the Philippines, our Sucat plant is converting to 100 percent geothermal electricity, saving 4,000 tonnes of CO2 emissions. In 2019, we signed a twelve-year power purchase agreement (PPA) to purchase the energy delivered to the electricity grid from a 65 MW portion of Enel Green Power North America's Roadrunner project, a solar farm in Texas, United States. The agreement is our largest renewable energy partnership at a global level and first renewable energy PPA signed in the U.S. The partnership enables us to make substantial progress against our sustainability goals by reducing 80,000 metric tons of carbon dioxide emissions – 5 percent of our global manufacturing emissions vs 2013 baseline.

Cost to realize opportunity

Comment

Cost to realize opportunity is unknown.

Identifier

Opp4

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

We are addressing consumer trends for well-being by renovating and innovating on our base portfolio, cleaning up ingredient lines and expanding our use of sustainably sourced ingredients. We communicate to consumers about signature programs in our raw material supply for brands in our Chocolate and Biscuit categories.

Time horizon

Please select

Likelihood

Unknown

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues
Strategy to realize opportunity

Our purpose is to empower people to snack right and our vision for impact is to lead the future of snacking by making snacks for both people and planet to love. We understand that people are more conscious of their health and well-being and more aware of the environmental impact of a growing global population on everything from deforestation and ocean plastics to climate change. Our consumers shouldn’t have to worry about the impact their snacking choices have on the world and their communities. We want them to be confident when they are choosing our brands, that they are choosing snacks made the right way. We’re committed to ensuring that snacking can be both sustainable and mindful. We are renovating and innovating on our base portfolio by cleaning up ingredient lines and expanding our use of sustainably sourced ingredients. For example, our Triscuit brand in the US is made from Non-GMO and sustainably sourced wheat. The packaging graphics reinforce the brand purpose to consumers and help to drive brand growth. We are working at scale to transform our agricultural supply chains in key commodities like cocoa and wheat. We’ve launched innovative, industry-leading holistic programs. Cocoa Life: 10-year, $400 million investment, empowering more than 200,000 farmers, and Harmony, our European wheat program promoting biodiversity and good environmental practices in wheat production. We communicate to consumers about Cocoa Life and Harmony for key brands.

Cost to realize opportunity

400000000

Comment

The cost to realize the opportunity reflects the $400 million we are spending over ten years, from 2012 to 2022, for Cocoa Life. It does not include our investments in Harmony or other sustainable agriculture programs or other related costs and it does not address costs associated with communicating to consumers the work done to address their concerns.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

<table>
<thead>
<tr>
<th>Impact</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products and services</td>
<td>Impacted for some suppliers, facilities, or product lines</td>
</tr>
<tr>
<td>Supply chain and/or value chain</td>
<td>Impacted for some suppliers, facilities, or product lines</td>
</tr>
<tr>
<td>Adaptation and mitigation activities</td>
<td>Impacted for some suppliers, facilities, or product lines</td>
</tr>
<tr>
<td>Investment in R&amp;D</td>
<td>Impacted for some suppliers, facilities, or product lines</td>
</tr>
<tr>
<td>Operations</td>
<td>Impacted for some suppliers, facilities, or product lines</td>
</tr>
<tr>
<td>Other, please specify</td>
<td>Please select</td>
</tr>
</tbody>
</table>

As described in opportunity 4, we communicate about our signature programs Cocoa Life and Harmony on selected brands in our Chocolate and Biscuit categories.

As described in risks 3 and 4, we see risks from the impacts of climate change for the supply of raw materials and for disruption to our supply chain. We are working to mitigate these risks and build opportunities for more resilient raw material supplies (opportunity 1).

Through our sustainable agriculture programs, we are building opportunities for more resilient raw material supplies (opportunity 1).

Our R&D facilities help us to develop improved planting material and good agricultural practices recommendations for our Cocoa Life and Harmony programs (risk 3; opportunities 1 and 4).

Through our mitigation plans (risk 4) we are working to reduce risk of disruption to our supply chains and facilities; and through our resource efficiency (opportunity 2) and renewable energy (opportunity 3) programs we are working to reduce costs, emissions and sensitivity to carbon pricing in operations.

C2.6
(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

<table>
<thead>
<tr>
<th>Relevance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>Impacted for some suppliers, facilities, or product lines. As described in opportunity 4, we communicate about our signature programs Cocoa Life and Harmony on selected brands in our Chocolate and Biscuit categories. This has the potential to increase our revenue to benefit from consumer preferences for sustainability (opportunity 4)</td>
</tr>
<tr>
<td>Operating costs</td>
<td>Impacted. Through our mitigation plans (risk 3) we are working to reduce risk of disruption to our supply chains and facilities; and through our resource efficiency (opportunity 2) and renewable energy (opportunity 3) programs we are working to reduce costs, emissions and sensitivity to carbon pricing in operations.</td>
</tr>
<tr>
<td>Capital expenditures / capital allocation</td>
<td>Impacted. We have invested in resource efficiency measures in our factories to reduce costs and emissions, as described in opportunity 2, and risk 1.</td>
</tr>
<tr>
<td>Acquisitions and divestments</td>
<td>Impacted. SnackFutures (<a href="http://www.snackfutures.com/">www.snackfutures.com/</a>) is our new innovation hub that is dedicated to unlocking emerging snacking opportunities around the world (opportunity 4). SnackFutures will capitalize on new trends and mobilize entrepreneurial talent and technologies to build and grow small brands with large-scale potential, and leverage other growth opportunities across snacking. SnackFutures brings together an ecosystem of internal talent and external partnerships to work on three integrated mandates: invention, reinvention and venture. Its mission is aligned with Mondelēz International's purpose of empowering people to snack right by offering the right snack, at the right time, in the right way.</td>
</tr>
<tr>
<td>Access to capital</td>
<td>Not impacted. We maintain an active and constructive dialogue with our investors on climate change and other sustainability issues and do not foresee barriers to accessing capital.</td>
</tr>
<tr>
<td>Assets</td>
<td>Not impacted. We do not see impacts on our assets from climate change at this stage. We take active measures to protect assets, for example by taking steps to reduce water consumption at factories in water-stressed areas.</td>
</tr>
<tr>
<td>Liabilities</td>
<td>Not evaluated.</td>
</tr>
<tr>
<td>Other</td>
<td>Please select.</td>
</tr>
</tbody>
</table>

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?
Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?
Yes, qualitative and quantitative

C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b

(C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b) Indicate whether your organization has developed a low-carbon transition plan to support the long-term business strategy.
Yes

C3.1c
(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Climate-related issues are integrated into our strategy to create positive impact for people and planet and our Sustainable Snacking objectives to source sustainable ingredients and reduce environmental impact.

As a global food company, it is vital for us to secure sustainable supplies of key raw materials from a resilient supply chain. Our sustainable agriculture programs are designed to address the risks of commodity prices being influenced by climate change as well as the opportunity arising from increasing the resilience of agriculture to the impacts of climate change. In addition, people around the globe are increasingly interested in well-being and ensuring a sustainable future. We know people expect more from companies and the products they make and sell. We believe our growth is linked to enhancing the well-being of the planet, the people, and the communities we serve and we see an opportunity to enhance growth by addressing consumer trends in favor of sustainably sourced ingredients.

Our global food system is facing numerous challenges that are weighing down on individual farmers and the land they use. These challenges are complex and call for solutions that require coordinated efforts by governments, industry and scientific, social and environmental experts. Smallholder farming communities, in particular, need support to help them conserve resources and build more durable businesses.

- We are working to empower farmers and their communities to become more productive and climate-resilient, protect the environment, drive out deforestation and advance the rights and opportunities of the people in our supply chain.

- We’re working to build a thriving ingredient supply chain to ensure sustainable supplies of high-quality cocoa, wheat and other raw materials to create our delicious snacks — chocolate brands like Milka, Cadbury and Côte d’Or; or Oreo and LU biscuits.

- Our signature programs, Cocoa Life and Harmony Wheat, aim to make a positive impact on the farms, communities and environments where our main raw materials are grown.

- We are also addressing key areas where we can have the most impact, requiring more transparency, and collaborating with our key suppliers and others to promote widespread change so that sustainability becomes the normal way to do business in key raw materials. And because we believe sustainability should be universal and available to all, we’re collaborating with peer companies, suppliers, governments and non-profit partners to spread best practices beyond our supply chain.

Likewise, our programs to reduce our environmental impact address the opportunities to reduce operating costs and exposure to the risk of increasing carbon taxes and regulation on energy use by using energy more efficiently and switching to renewable energy sources.

- We recognize we play a critical role in helping to combat climate change and have increased our focus on ways to continually reduce our CO2 emissions from manufacturing. We adopted a science-based approach to reduce our absolute CO2 emissions from manufacturing by 15 percent by 2020. This aligns with current approaches to support the global effort to limit climate change to less than 2°C. Since 2013, we reduced CO2 emissions from our factories by 10 percent, through improving energy management systems and investing in energy efficient technologies in our factories.

We also work to minimize the risk of disruption to our direct operations from extreme weather events linked to climate change. Our strategy to reduce environmental impact contributes to global efforts to mitigate climate change. In addition, we have in place several business continuity protocols, including special situations management and emergency preparedness and response procedures to address and help mitigate adverse effects.
(C3.1d) Provide details of your organization’s use of climate-related scenario analysis.

<table>
<thead>
<tr>
<th>Climate-related scenarios</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>2ºC</td>
<td>We perform annually a comprehensive analysis of our environmental footprint, which includes carbon, water and land impacts across our whole lifecycle. This work provides us with a better understanding of the impacts across our supply chain and enables us to focus activities where it matters.</td>
</tr>
<tr>
<td>2ºC Other, please specify (See Details for descriptions.)</td>
<td>We use forward-looking scenario analyses, including a 2ºC scenario, to inform our goal setting process. Our CO2 reduction goal aligns with approaches to setting science-based targets to support the global effort to limit climate change to less than 2ºC, and we plan energy efficiency and renewable energy projects in our operations to enable us to meet this goal. Likewise, our sourcing strategy will continue to take account of climate change as we seek to secure sustainable supplies of critical raw materials in the long term and to reduce the impact that those agricultural commodities have on climate change. We also have worked with WWF to identify key environmental risks, including climate change, for our key commodities. This has informed our risk management procedures by analyzing what may affect our raw materials supplies. The Paris Agreement influenced the business strategy in two key ways: First, we adopted the science-based target methodology to set our CO2 emissions reduction goal. Secondly, we increased our commitments to address deforestation in our key agricultural supply chains, based on the insight from our lifecycle assessment that deforestation within our supply chain represents the largest contributor to our footprint. We announced our commitment to combat deforestation in cocoa at COP21. We committed to lead private sector action in Côte d'Ivoire’s national program to combat deforestation. Deforestation accounts for over 10 percent of global GHG emissions and represents a major opportunity to reduce CO2 release into the atmosphere.</td>
</tr>
</tbody>
</table>

C-AC3.1e/C-CE3.1e/C-CH3.1e/C-CO3.1e/C-EU3.1e/C-FB3.1e/C-MM3.1e/C-OG3.1e/C-PF3.1e/C-ST3.1e/C-TO3.1e/C-TS3.1e

(C-AC3.1e/C-CE3.1e/C-CH3.1e/C-CO3.1e/C-EU3.1e/C-FB3.1e/C-MM3.1e/C-OG3.1e/C-PF3.1e/C-ST3.1e/C-TO3.1e/C-TS3.1e)

Disclose details of your organization’s low-carbon transition plan.

A key strategic priority for us is to create a positive impact for people and our planet (see page 7 of our 10K Annual Report filed February 2019), and we seek to do that by sourcing our products sustainably, reducing the env impact of our operations and packaging, and being mindful of the limited resources available around the world. We continue to leverage our global operating scale to secure sustainable raw materials and work with suppliers to drive meaningful social and env changes, focusing on where we can make the most impact.

In 2015, we established new sustainability goals that placed us at the forefront of the fight against climate change while driving down costs and creating efficiencies to accelerate our growth.

By 2020*, we will:

• Reduce absolute CO2 emissions from manufacturing by 15%.
• Reduce 10% absolute incoming water use in manufacturing, focusing on sites where water is most scarce.
• Reduce total manufacturing waste by 20%.
• Eliminate 65,000 tonnes of packaging, without contributing to food waste.

*By 2020 vs 2013 baseline, our first full year of operations.

In addition, in 2015 and as updated we have set the following sustainable ag goals:

• All cocoa will ultimately be sustainably sourced (see below for new 2025 goal)
• Source 100% of our EU wheat need via Harmony by 2022 [goal updated in 2018]
• Maintain 100% RSPO palm oil

• 100% palm oil traceable to the mill from suppliers with aligned policies

• 100% cage-free eggs in US, Canada by 2020 and rest of world by 2025 (except Russia, Ukraine and China, where supply chain is developing and requires a longer period to secure cage-free)

Our manufacturing CO2 reduction goal aligns with approaches to setting science-based targets to support the global effort to limit climate change to less than 2°C. To achieve the goal, we have allocated capital to invest in more energy efficient manufacturing and on-site renewable energy projects. We have also purchased supplies of renewable energy from third parties.

Likewise, our sourcing strategy will continue to take account of climate change as we seek to secure sustainable supplies of critical raw materials in the long term and to reduce the impact that those ag commodities have on climate change. For example, we implement deforestation interventions in key ag supply programs, such as Cocoa Life and our Palm Oil Action Plan.

Our sustainability goals are applied across our business units (BUs) and are included in the BUs' strategic plans.

We look at two key impact areas to reduce GHG emissions: direct and indirect control. Matters within our direct control are a relatively minor portion of our total footprint, but we have direct influence. From 2013-2018, we reduced energy-related emissions 10% on an absolute basis. For areas beyond our direct control, notably ag, which accounts for the largest share of our CO2e footprint, we have a longer-term strategy and consider our ability to secure the ag commodities we need to make our products and the impact that those ag commodities have on global warming.

We have focused where we may have better influence and opportunity to drive change. In 2012, through our Cocoa Life initiative, we have committed $400 million over 10 years to this large and our most comprehensive program to date to support sustainable production and improve the livelihoods of cocoa farmers. We are also tackling other commodities, such as sugar, palm oil, wheat, and dairy.

We buy RSPO certificates and segregated palm oil to cover 100 percent of our palm oil purchases. In 2014, we launched an ambitious action plan laying out steps so that the palm oil we buy is produced on legally held land, doesn't lead to deforestation or loss of peat land and respects human rights. We updated the plan in 2016 and 2018, setting out new milestones to increase suppliers' accountability for sustainability across their own operations and third-party suppliers.

We are using life-cycle thinking to help uncover ways to eliminate waste in manufacturing, measure how product and pkging innovations improve on previous designs, and provide a common system to measure and explain those benefits.

Our long-term strategy will continue to be influenced by climate change as we implement our sustainability goals.

Looking toward 2025, we are investing in a future where people and planet can thrive, focusing on three areas:

• building a resilient ingredient supply chain to conserve resources and build more durable farming businesses.

• reducing our environmental impact, focusing on the end-to-end impact of our snacks.

• developing zero net waste packaging
Our 2025 Sustainable Snacking commitments include, but are not limited to:

- All chocolate brands will source their cocoa from Cocoa Life.
- We will minimize food waste, end-to-end CO2 emissions and priority water usage.
- All of our packaging will be recyclable and labeled with consumer recycling information.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a
(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Scope
Scope 1 +2 (market-based)

% emissions in Scope
90

Targeted % reduction from base year
15

Base year
2013

Start year
2015

Base year emissions covered by target (metric tons CO2e)
1567563

Target year
2020

Is this a science-based target?
Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

% of target achieved
67

Target status
Underway

Please explain
In 2015, we established new 2020 sustainability goals that placed us at the forefront of the fight against climate change and support our 2020 ambition to be the leader in well-being snacks while driving down costs and creating efficiencies to accelerate our growth. We used the science-based targets methodology to set absolute CO2 emissions reduction goals from manufacturing by 15% from base year 2013 as part of our ambitious end-to-end approach. We consulted with the science-based target setting organisations at the time and supported the We Mean Business coalition in 2015. However, this goal is not validated by the current SBT Initiative and does not cover Scope 3 emissions.
(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

**Target**
Waste

**KPI – Metric numerator**
20% reduction from base year for manufacturing

**KPI – Metric denominator (intensity targets only)**

**Base year**
2013

**Start year**
2015

**Target year**
2020

**KPI in baseline year**
417050

**KPI in target year**
335000

**% achieved in reporting year**
65

**Target Status**
Underway

**Please explain**
Units are metric tonnes. In 2015, we established new 2020 sustainability goals. By 2020, we will reduce total manufacturing waste by 20%, focusing on total waste and not just non-beneficial waste. Our waste volumes are recalculated annually and adjusted, if necessary, to incorporate changes in quantification methodologies, significant data corrections, and corporate structural changes, including acquisitions or divestitures.

**Part of emissions target**
No.

**Is this target part of an overarching initiative?**
Other, please specify (CGF – Consumer Goods Forum)

---

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

---

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

<table>
<thead>
<tr>
<th></th>
<th>Number of initiatives</th>
<th>Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under investigation</td>
<td>135</td>
<td>25436</td>
</tr>
<tr>
<td>To be implemented*</td>
<td>14</td>
<td>2764</td>
</tr>
<tr>
<td>Implementation commenced*</td>
<td>17</td>
<td>21858</td>
</tr>
<tr>
<td>Implemented*</td>
<td>11</td>
<td>30770</td>
</tr>
<tr>
<td>Not to be implemented</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CDP
(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

<table>
<thead>
<tr>
<th>Initiative type</th>
<th>Description of initiative</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
<th>Scope</th>
<th>Voluntary/Mandatory</th>
<th>Annual monetary savings (unit currency – as specified in C0.4)</th>
<th>Investment required (unit currency – as specified in C0.4)</th>
<th>Payback period</th>
<th>Estimated lifetime of the initiative</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency: Processes</td>
<td>Process optimization</td>
<td>4077</td>
<td>Scope 2 (market-based)</td>
<td>Voluntary</td>
<td></td>
<td></td>
<td>Please select</td>
<td>Please select</td>
<td></td>
</tr>
<tr>
<td>Low-carbon energy purchase</td>
<td>Other, please specify (Cogeneration)</td>
<td>24539</td>
<td>Scope 2 (market-based)</td>
<td>Voluntary</td>
<td></td>
<td></td>
<td>Please select</td>
<td>Please select</td>
<td></td>
</tr>
<tr>
<td>Low-carbon energy installation</td>
<td>Other, please specify (Cogeneration)</td>
<td>2153</td>
<td>Scope 2 (market-based)</td>
<td>Voluntary</td>
<td></td>
<td></td>
<td>Please select</td>
<td>Please select</td>
<td></td>
</tr>
</tbody>
</table>
C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

<table>
<thead>
<tr>
<th>Method</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with regulatory requirements/standards</td>
<td>At production facility level. Examples: EU Emission Trading Scheme (see relevant section of CDP); European IPPC legislation; UK Climate legislation</td>
</tr>
<tr>
<td>Employee engagement</td>
<td>Some examples: Earth Week initiatives, Environmental Month (with safety and health), environmental volunteering initiatives, Green Teams, carpool networks, incentives for biking and running to work, parking spots dedicated for hybrid vehicles. Our employee communications and engagement programs at all of our manufacturing and office sites worldwide includes energy/CO2 awareness activities.</td>
</tr>
<tr>
<td>Dedicated budget for energy efficiency</td>
<td>Dedicated budget for energy efficiency, renewable energy projects, and other emissions reduction activities in our operations enables us to meet our publicly available science-based CO2 reduction goal. We also include budget for energy efficiency in our projects, our new manufacturing facility in Opava, Czech Republic, opened in June 2018, demonstrates our commitment to design new operations that reduce our impact on the environment. As per the press release, public at <a href="https://ir.mondelezinternational.com/news-releases/news-release-details/mondelez-international-invests-200-million-czech-biscuit-plant">https://ir.mondelezinternational.com/news-releases/news-release-details/mondelez-international-invests-200-million-czech-biscuit-plant</a> : “…biscuits produced at Opava are made with as little energy usage, water and waste production as possible, while the plant as a whole is a zero-waste-to-landfill facility.”</td>
</tr>
<tr>
<td>Dedicated budget for other emissions reduction activities</td>
<td>Dedicated budget for renewable energy projects and other emissions reduction activities in our operations enables us to meet our publicly available science-based CO2 reduction goal. In 2018, our French sites announced a partnership to generate solar energy on site, as published in the link (in French): <a href="http://www.processalimentaire.com/Procedes/Mondelez-met-du-soleil-dans-son-mix-electrique-36130">http://www.processalimentaire.com/Procedes/Mondelez-met-du-soleil-dans-son-mix-electrique-36130</a></td>
</tr>
</tbody>
</table>

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a
(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

**Level of aggregation**
Group of products

**Description of product/Group of products**
We have changed packaging on numerous products. These changes have resulted in emissions avoidance because of the materials used and more efficient transportation. We target to eliminate 65,000 metric tonnes of packaging material from 2013 to 2020 and have already reached 59,600 tonnes of packaging, avoiding around 80,000 tonnes of CO2 emissions.

**Are these low-carbon product(s) or do they enable avoided emissions?**
Low-carbon product

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**
Other, please specify

**% revenue from low carbon product(s) in the reporting year**
9

**Comment**
Our Eco-Calc tool is based on lifecycle principles to more easily assess effects of packaging reduction, end of life and sourcing than with a traditional LCA. Our policy is that new designs be assessed with the tool. The tool accounts for various ways packaging may affect the environment, including CO2e; water use; primary energy demand (total, non-renewable); acidification, eutrophication, and photochemical ozone creation and landfill contribution. It encourages material reduction, more recycled content, efficiency, and less CO2e and energy use. We estimate that packaging elimination saves an annual 80,000 tonnes of CO2 emissions linked to packaging material, as well as helping us operate more efficiently.

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C5. Emissions methodology

---

C5.1
(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

**Scope 1**

**Base year start**
January 1 2013

**Base year end**
December 31 2013

**Base year emissions (metric tons CO2e)**
719150

**Comment**
The environmental reporting requirement is to remove all data from divestitures and add data from acquisitions for the year of acquisition and prior years. (See The Greenhouse Gas Protocol, section Tracking Emissions Over Time, pages 34 - 39.) Our Scope 1 emissions are recalculated annually and adjusted, if necessary, to incorporate changes in quantification methodologies, significant data corrections, and corporate structural changes, including acquisitions or divestitures.

**Scope 2 (location-based)**

**Base year start**
January 1 2013

**Base year end**
December 31 2013

**Base year emissions (metric tons CO2e)**
850269

**Comment**
The environmental reporting requirement is to remove all data from divestitures and add data from acquisitions for the year of acquisition and also prior years. (See The Greenhouse Gas Protocol, section Tracking Emissions Over Time, pages 34 - 39.) Our Scope 2 location-based emissions are recalculated annually and adjusted, if necessary, to incorporate changes in quantification methodologies, significant data corrections, and corporate structural changes, including acquisitions or divestitures.

**Scope 2 (market-based)**

**Base year start**
January 1 2013

**Base year end**
December 31 2013

**Base year emissions (metric tons CO2e)**
900402

**Comment**
The environmental reporting requirement is to remove all data from divestitures and add data from acquisitions for the year of acquisition and also prior years. (See The Greenhouse Gas Protocol, section Tracking Emissions Over Time, pages 34 - 39.) Our Scope 2 market-based emissions are recalculated annually and adjusted, if necessary, to incorporate changes in quantification methodologies, significant data corrections, and corporate structural changes, including acquisitions or divestitures.

---

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

- US EPA Climate Leaders: Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment
- US EPA Climate Leaders: Indirect Emissions from Purchases/ Sales of Electricity and Steam
- US EPA Climate Leaders: Direct Emissions from Stationary Combustion
- US EPA Climate Leaders: Direct Emissions from Mobile Combustion Sources
- Other, please specify (US EPA Climate Leaders: Design Principles US EPA GHG Reporting Regulations: 40 CFR 98.)
C5.2a

(C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

The environmental reporting requirement is to remove all data from divestitures and add data from acquisitions for the year of acquisition and also prior years. (See The Greenhouse Gas Protocol, section Tracking Emissions Over Time, pages 34 – 39.) Our Scope 1 and Scope 2 emissions are recalculated annually and adjusted, if necessary, to incorporate changes in quantification methodologies, significant data corrections, and corporate structural changes, including acquisitions or divestitures.

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Gross global Scope 1 emissions (metric tons CO2e)</th>
<th>Start date</th>
<th>End date</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>819933</td>
<td>January 1 2018</td>
<td>December 31 2018</td>
<td>There is a slight increase in emissions compared to last year due to use of new emission factors and updates to data sources used for the calculations.</td>
</tr>
</tbody>
</table>

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

<table>
<thead>
<tr>
<th>Row 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 2, location-based</td>
</tr>
<tr>
<td>We are reporting a Scope 2, location-based figure</td>
</tr>
<tr>
<td>Scope 2, market-based</td>
</tr>
<tr>
<td>We are reporting a Scope 2, market-based figure</td>
</tr>
</tbody>
</table>

C6.3
(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
961291

Scope 2, market-based (if applicable)
958647

Start date
January 1 2018

End date
December 31 2018

Comment
Both location and market based emissions have increased compared to last year due to update in methodology for estimating non-manufacturing energy emissions.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
Leased product warehouses

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
Some leased product warehouses are operationally controlled but not included. GHG emissions based on available data have been determined to be insignificant compared to available data from our other product warehouses.

Source
Leased sales cars

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
Some sales cars are operationally controlled but not included. GHG emissions are insignificant compared to owned sales fleet.
(C6.5) Account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Metric tonnes CO2e
16999803

Emissions calculation methodology
This year we are one of the first companies reporting emissions that include land use change (LUC), using recently developed LUC reporting methodology. This explains why reported emissions increased from last year (2018: 8,964,770). For calculating the land use change emissions, Quantis’ Dryad tool was used. Dryad mainly uses FAOSTAT data that are collected from 1990 to the most recent available year for each country crop combination. The tool accounts for all land conversion types eg. Deforestation, secondary forest to pasture land, etc. Used regionalized LCI data, which also covers category ‘Purchased Goods and Services – Cradle-to-Grave Emissions,’ in our supply chain. Agricultural raw materials are the main source of CO2 scope 3 emissions, with packaging production contributing an important, but clearly secondary, source of emissions. Our most prominent commodities are: cocoa, wheat, dairy, sugar, palm oil. The supply chain was characterized based on the total mass of purchases of nearly 100 food input material categories and three packaging material categories. For each of these material categories, information on the life cycle GHG emissions was taken from a variety of sources, including the most prominent Ecoinvent database, scientific literature and other available data. In cases where data for the exact commodity or category could not be found, the most suitable proxy available was selected to avoid large gaps. Emissions are determined as the mass purchased multiplied by these factors of GHG emissions per weight. For packaging materials, processing to produce a finished package has been assumed based on emissions information from the Ecoinvent database. In the case of agricultural commodities that require additional processing beyond the level of their representation in the database, insufficient information is available to represent such processes, except in the case that it takes place in one of our facilities.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Explanation
This year we are one of the first companies reporting emissions that include land use change (LUC), using recently developed LUC reporting methodology. This explains why reported emissions increased from last year (2018: 8,964,770).

Capital goods

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
We didn't evaluate emissions from capital goods.
Fuel-and-energy-related activities (not included in Scope 1 or 2)

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
1043010

**Emissions calculation methodology**
Emissions from all direct uses of energy have been calculated based on amounts of electricity and fuel used throughout the company and applying cradle-to-gate emission factors from the Ecoinvent database, consistent with the methodology used throughout the Scope 3 calculations described here. From this result, the Scope 2 emissions, described above, were subtracted.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Explanation**
Scope 3 emissions from utilities were higher in 2018 than 2017, reason being 1) non-manufacturing emissions are reported this year 2) use of updated emission factors provided by IEA country level data and regional level data wherever possible 3) updating fuel combustion calculation methodology.

Upstream transportation and distribution

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
1261233

**Emissions calculation methodology**
Data excludes warehouses. We use third-party transportation companies (common carriers) to transport raw materials to manufacturing facilities. The primary GHG emission source from common carriers is CO2 from diesel fuel combustion. Transportation CO2 emissions for production materials were estimated based on a number of simplifying assumptions: average distance (e.g., source country to country of use), common modes of transport, average fuel efficiency, assumed shipment weights, etc. The calculation is based on the multiplication of life cycle emissions information for the relevant modes of transport (in units of emission per tkm) derived from the Ecoinvent database. Previously, the methodology was based on estimating emissions based on quantity of fuel consumed. Starting 2018, a shift was made to estimate emissions based on tkm. The intention behind the methodological update is to better align with the SBTi models.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Explanation**
Previously, the methodology was based on estimating emissions based on quantity of fuel consumed. Starting 2018, a shift was made to estimate emissions based on tkm. The intention behind the methodological update is to better align with the SBTi models.

Waste generated in operations

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
124957

**Emissions calculation methodology**
Emissions from landfill, incineration and recycling of operation waste, inbound packaging, etc. were considered in the calculation.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Explanation**
Emissions increased this year compared to last year, reasons being 1) new data source that is more comprehensive 2) updated emissions factors.
Business travel

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
47729

**Emissions calculation methodology**

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Explanation**
Emissions show a reduction due to use of new emission factors.

Employee commuting

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
208314

**Emissions calculation methodology**
Assumptions: Passenger car, 30 miles per day, 235 days/yr.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Explanation**
Value is about the same as last year.

Upstream leased assets

**Evaluation status**
Not evaluated

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Explanation**
Upstream leased assets were not evaluated.
Downstream transportation and distribution

Evaluation status
Relevant, calculated

Metric tonnes CO2e
1047969

Emissions calculation methodology
Data excludes warehouses. We use third-party transportation companies (common carriers) to supplement our need to transport finished product from manufacturing facilities to distribution centers, warehouses and customers. The primary GHG emission source from common carriers is CO2 from diesel fuel combustion. The calculation is based on the multiplication of life cycle emissions information for the relevant modes of transport per tkm from the Ecoinvent database. Previously, the methodology was based on estimating emissions based on quantity of fuel consumed. Starting 2018, a shift was made to estimate emissions based on tkm. The intention behind the methodological update is to better align with the SBTi models.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation
Previously, the methodology was based on estimating emissions based on quantity of fuel consumed. Starting 2018, a shift was made to estimate emissions based on tkm. The intention behind the methodological update is to better align with the SBTi models.

Processing of sold products

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
We didn’t evaluate processing of sold goods.

Use of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
207837

Emissions calculation methodology
The emissions reported here reflect a rough prediction of the emissions from the use of products. The end-of-life of the food products themselves is not included. The emissions during the use of products include refrigeration for dairy, egg based products and cheeses. Assumptions have been made based on the proportion of the total of our products sold that are likely to undergo each use. For simplicity, it has currently been assumed that all use activities are fueled by electricity. Approximations are then made of the amount of electricity use required per kilogram of product. These approximations are made based on preliminary estimates of typical consumer behaviors and are generic among product categories. The total amount of electricity use is then estimated based on emissions factors taken from the Ecoinvent database for several countries or an adapted dataset from IEA electricity statistics.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Explanation
This estimate is higher than last year, reasons being: 1) update in emission factors 2) inclusion of refrigeration needed to store ingredients.
End of life treatment of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
789072

Emissions calculation methodology
The end-of-life of packaging is determined based on the amount of various categories of packaging material that have been purchased in the relevant time period (with the assumption that this is also representative of the amount of packaging disposed in the same period). The proportions of various fates (landfilling, recycling and incineration) of each material have been determined by information available for several countries, which has then been applied as an approximation of disposal routes within each of the five global sales regions. Emissions information is taken from the Ecoinvent database to determine the amount of GHG emissions occurring during the landfilling, recycling and incineration of any given material. Generally, an “avoided burden” approach is taken at the end-of-life routes that result in a beneficial co-product of disposal. For example, in the case of recycling a plastic, it is assumed that the production of virgin plastic is avoided, and for the combustion of a plastic, it is assumed that a given amount of heat and/or electricity has been recovered and therefore prevented the production of electricity or heat by other means.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Explanation

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Downstream leased assets are so far not associated with our business.

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Franchises are so far not associated with our business.
Investments

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Explanation**
Investments are so far not associated with our business.

Other (upstream)

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Explanation**
Not relevant to our business.

Other (downstream)

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Explanation**
Not relevant to our business

---

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area?
Yes

(C-AC6.6a/C-FB6.6a/C-PF6.6a) Disclose your Scope 3 emissions for each of your relevant business activity areas.

**Activity**
Agriculture/Forestry

**Scope 3 category**
Purchased goods and services
Emissions (metric tons CO2e)
13611085

Please explain
This year we are one of the first companies reporting category 1 emissions that include land use change (LUC), using recently develop LUC reporting methodology. This explains why reported emissions increased from last year (2018: 8,964,770).

Activity
Distribution

Scope 3 category
Upstream transportation and distribution

Emissions (metric tons CO2e)
1261233

Please explain
Data excludes warehouses. We use third-party transportation companies (common carriers) to transport raw materials to manufacturing facilities. The primary GHG emission source from common carriers is CO2 from diesel fuel combustion. Transportation CO2 emissions for production materials were estimated based on a number of simplifying assumptions: average distance (e.g., source country to country of use), common modes of transport, average fuel efficiency, assumed shipment weights, etc. The calculation is based on the multiplication of life cycle emissions information for the relevant modes of transport (in units of emission per tkm) derived from the Ecoinvent database. Previously, the methodology was based on estimating emissions based on quantity of fuel consumed. Starting 2018, a shift was made to estimate emissions based on tkm. The intention behind the methodological update is to better align with the SBTi models.

Activity
Distribution

Scope 3 category
Downstream transportation and distribution

Emissions (metric tons CO2e)
1047969

Please explain
Data excludes warehouses. We use third-party transportation companies (common carriers) to supplement our need to transport finished product from manufacturing facilities to distribution centers, warehouses and customers. The primary GHG emission source from common carriers is CO2 from diesel fuel combustion. The calculation is based on the multiplication of life cycle emissions information for the relevant modes of transport per tkm from the Ecoinvent database. Previously, the methodology was based on estimating emissions based on quantity of fuel consumed. Starting 2018, a shift was made to estimate emissions based on tkm. The intention behind the methodological update is to better align with the SBTi models.

Activity
Consumption

Scope 3 category
Use of sold products

Emissions (metric tons CO2e)
207837

Please explain
The emissions reported here reflect a rough prediction of the emissions from the use of products. The end-of-life of the food products themselves is not included. The emissions during the use of products include refrigeration for dairy, egg based products and cheeses. Assumptions have been made based on the proportion of the total of our products sold that are likely to undergo each use. For simplicity, it has currently been assumed that all use activities are fueled by electricity. Approximations are then made of the amount of electricity use required per kilogram of product. These approximations are made based on preliminary estimates of typical consumer behaviors and are generic among product categories. The total amount of electricity use is then estimated based on emissions factors taken from the Ecoinvent database for several countries or an adapted dataset from IEA electricity statistics. This estimate is higher than last year, reasons being: 1) update in emission factors 2) inclusion of refrigeration needed to store ingredients.
Please explain
The end-of-life of packaging is determined based on the amount of various categories of packaging material that have been purchased in the relevant time period (with the assumption that this is also representative of the amount of packaging disposed in the same period). The proportions of various fates (landfilling, recycling and incineration) of each material have been determined by information available for several countries, which has then been applied as an approximation of disposal routes within each of the five global sales regions. Emissions information is taken from the Ecoinvent database to determine the amount of GHG emissions occurring during the landfilling, recycling and incineration of any given material. Generally, an “avoided burden” approach is taken at the end-of-life routes that result in a beneficial co-product of disposal. For example, in the case of recycling a plastic, it is assumed that the production of virgin plastic is avoided, and for the combustion of a plastic, it is assumed that a given amount of heat and/or electricity has been recovered and therefore prevented the production of electricity or heat by other means.

C6.7
(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?
Yes

C6.7a
(C6.7a) Provide the emissions from biologically sequestered carbon relevant to your organization in metric tons CO2.
Row 1
Emissions from biologically sequestered carbon (metric tons CO2)
20960
Comment
Emissions from Bagasse, Wood, Rapeseed Oil and other biomass/biofuel.

C-AC6.8/C-FB6.8/C-PF6.8
(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?
Yes

C-AC6.8a/C-FB6.8a/C-PF6.8a
Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

**CO2 emissions from biofuel combustion (processing/manufacturing machinery)**

**Emissions (metric tons CO2)**

| 20960 |

**Methodology**

Default emissions factors

**Please explain**

Calculations were made using default emission factors for biogenic fuels as provided by DEFRA.

**CO2 emissions from biofuel combustion (other)**

**Emissions (metric tons CO2)**

**Methodology**

Please select

**Please explain**
(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

**Agricultural commodities**
Other (Cocoa and cocoa co-products)

Do you collect or calculate GHG emissions for this commodity?
Yes

Please explain
We calculate GHG emissions for our key commodities as part of our annual corporate footprinting exercise. Our methodology for calculating commodity emissions is described in question C6.5.

**Agricultural commodities**
Other (Dairy)

Do you collect or calculate GHG emissions for this commodity?
Yes

Please explain
We calculate GHG emissions for our key commodities as part of our annual corporate footprinting exercise. Our methodology for calculating commodity emissions is described in question C6.5.

**Agricultural commodities**
Sugar

Do you collect or calculate GHG emissions for this commodity?
Yes

Please explain
We calculate GHG emissions for our key commodities as part of our annual corporate footprinting exercise. Our methodology for calculating commodity emissions is described in question C6.5.

**Agricultural commodities**
Wheat

Do you collect or calculate GHG emissions for this commodity?
Yes

Please explain
We calculate GHG emissions for our key commodities as part of our annual corporate footprinting exercise. Our methodology for calculating commodity emissions is described in question C6.5.

**Agricultural commodities**
Palm Oil

Do you collect or calculate GHG emissions for this commodity?
Yes

Please explain
We calculate GHG emissions for our key commodities as part of our annual corporate footprinting exercise. Our methodology for calculating commodity emissions is described in question C6.5.

C-AC6.9a/C-FB6.9a/C-PF6.9a

(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.
Palm Oil

Reporting emissions by
Total

Emissions (metric tons CO2e)
496000

Denominator: unit of production
<Not Applicable>

Change from last reporting year
This is our first year of measurement

Please explain
Emission measurements for commodities that include LUC are being disclosed for the first time this year. LUC component is 278,000

Sugar

Reporting emissions by
Total

Emissions (metric tons CO2e)
666000

Denominator: unit of production
<Not Applicable>

Change from last reporting year
This is our first year of measurement

Please explain
Emission measurements for commodities that include LUC are being disclosed for the first time this year. LUC component is 81,000

Wheat

Reporting emissions by
Total

Emissions (metric tons CO2e)
2306000

Denominator: unit of production
<Not Applicable>

Change from last reporting year
This is our first year of measurement

Please explain
Emission measurements for commodities that include LUC are being disclosed for the first time this year. LUC component is 1,338,000

Other

Reporting emissions by
Total

Emissions (metric tons CO2e)
4452000

Denominator: unit of production
<Not Applicable>

Change from last reporting year
This is our first year of measurement

Please explain
Cocoa and cocoa co-products: Emission measurements for commodities that include LUC are being disclosed for the first time this year. LUC component is 3,857,000
C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.0000686

Metric numerator (Gross global combined Scope 1 and 2 emissions)
1778580

Metric denominator
unit total revenue

Metric denominator: Unit total
25938000000

Scope 2 figure used
Market-based

% change from previous year
8.72

Direction of change
Increased

Reason for change
Emissions were higher this year than last year arising from a more thorough carbon accounting process.

Intensity figure
22.23

Metric numerator (Gross global combined Scope 1 and 2 emissions)
1778580

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
80000

Scope 2 figure used
Market-based

% change from previous year
13.13

Direction of change
Increased

Reason for change
Emissions were higher this year than last year arising from a more thorough carbon accounting process.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes
C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

<table>
<thead>
<tr>
<th>Greenhouse gas</th>
<th>Scope 1 emissions (metric tons of CO2e)</th>
<th>GWP Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify (CO2e)</td>
<td>789361</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
</tbody>
</table>

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>296917</td>
</tr>
<tr>
<td>Europe</td>
<td>249708</td>
</tr>
<tr>
<td>Latin America (LATAM)</td>
<td>78774</td>
</tr>
<tr>
<td>Asia, Australasia, Middle and Africa</td>
<td>129191</td>
</tr>
</tbody>
</table>

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>627357</td>
</tr>
<tr>
<td>Private Fleet</td>
<td>122011</td>
</tr>
<tr>
<td>Executive Transportation</td>
<td>1763</td>
</tr>
<tr>
<td>Sales fleet</td>
<td>68802</td>
</tr>
</tbody>
</table>

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b
(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

**Activity**
Processing/Manufacturing

**Emissions category**
<Not Applicable>

**Emissions (metric tons CO2e)**
627357

**Methodology**
Default emissions factor

**Please explain**
Scope 1 manufacturing includes fuel combustion at manufacturing sites.

---

**Activity**
Distribution

**Emissions category**
<Not Applicable>

**Emissions (metric tons CO2e)**
192576

**Methodology**
Default emissions factor

**Please explain**
Distribution impacts from private fleet, sales fleet and executive transportation are included in scope 1 calculations.

---

**C7.5**

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
<th>Purchased and consumed electricity, heat, steam or cooling (MWh)</th>
<th>Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>205506</td>
<td>225982</td>
<td>439810</td>
<td>1618</td>
</tr>
<tr>
<td>Europe</td>
<td>290863</td>
<td>308795</td>
<td>755272</td>
<td>6864</td>
</tr>
<tr>
<td>Latin America (LATAM)</td>
<td>97106</td>
<td>99817</td>
<td>265107</td>
<td>0</td>
</tr>
<tr>
<td>Asia, Australasia, Middle East and Africa</td>
<td>367817</td>
<td>324053</td>
<td>403698</td>
<td>34985</td>
</tr>
</tbody>
</table>

---

**C7.6**

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

---

**C7.6c**
(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Scope 2, location-based emissions (metric tons CO2e)</th>
<th>Scope 2, market-based emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>788138</td>
<td>778326</td>
</tr>
<tr>
<td>Non-manufacturing</td>
<td>173153</td>
<td>180321</td>
</tr>
</tbody>
</table>

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

<table>
<thead>
<tr>
<th>Change in emissions (metric tons CO2e)</th>
<th>Direction of change</th>
<th>Emissions value (percentage)</th>
<th>Please explain calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in renewable energy consumption</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Other emissions reduction activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Divestment</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mergers</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in output</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in methodology</td>
<td>92739</td>
<td>Increased 6</td>
<td>Non-manufacturing scope emissions were estimated using data provided by the Commercial Buildings Survey. In previous years, this data was either not included or primary data was used to calculate emissions. We found that the estimated energy usage per person calculated using Commercial Buildings Survey data was higher than previous years. There was also an update in methodology for calculating emissions from owned trucks and cars.</td>
</tr>
<tr>
<td>Change in boundary</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in physical operating conditions</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unidentified</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?
Market-based

C8. Energy

(C8.1) What percentage of your total operational spend in the reporting year was on energy?
More than 0% but less than or equal to 5%

(C8.2) Select which energy-related activities your organization has undertaken.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Indicate whether your organization undertakes this energy-related activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>No</td>
</tr>
<tr>
<td>Generation of electricity, heat, steam, or cooling</td>
<td>Yes</td>
</tr>
</tbody>
</table>

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Heating value</th>
<th>MWh from renewable sources</th>
<th>MWh from non-renewable sources</th>
<th>Total MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>Unable to confirm heating value</td>
<td>60165</td>
<td>3014297</td>
<td>3074461</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>&lt;Not Applicable&gt;</td>
<td>35577</td>
<td>1862269</td>
<td>1897846</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>3678</td>
<td>3678</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>69308</td>
<td>69308</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Consumption of self-generated non-fuel renewable energy</td>
<td>&lt;Not Applicable&gt;</td>
<td>7891</td>
<td>&lt;Not Applicable&gt;</td>
<td>7891</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>&lt;Not Applicable&gt;</td>
<td>103633</td>
<td>4949552</td>
<td>5026184</td>
</tr>
</tbody>
</table>

C8.2b
(C8.2b) Select the applications of your organization's consumption of fuel.

<table>
<thead>
<tr>
<th>Consumption of fuel for the generation of electricity</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel for the generation of heat</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of steam</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of cooling</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of fuel for co-generation or tri-generation</td>
<td>Yes</td>
</tr>
</tbody>
</table>

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

**Fuels (excluding feedstocks)**
- **Natural Gas**
  - Heating value
    - LHV (lower heating value)
  - Total fuel MWh consumed by the organization
    - 2872120
  - MWh fuel consumed for self-generation of electricity
    - 40404
  - MWh fuel consumed for self-generation of heat
  - MWh fuel consumed for self-generation of steam
  - MWh fuel consumed for self-generation of cooling
    - Not Applicable
  - MWh fuel consumed for self-cogeneration or self-trigeneration

**Comment**

**Fuels (excluding feedstocks)**
- **Liquefied Petroleum Gas (LPG)**
  - Heating value
    - LHV (lower heating value)
  - Total fuel MWh consumed by the organization
    - 36306
  - MWh fuel consumed for self-generation of electricity
  - MWh fuel consumed for self-generation of heat
  - MWh fuel consumed for self-generation of steam
  - MWh fuel consumed for self-generation of cooling
    - Not Applicable
  - MWh fuel consumed for self-cogeneration or self-trigeneration

**Comment**

**Fuels (excluding feedstocks)**
- **Light Distillate**
  - Heating value
    - LHV (lower heating value)
  - Total fuel MWh consumed by the organization

CDP
MWh fuel consumed for self-generation of electricity
MWh fuel consumed for self-generation of heat
MWh fuel consumed for self-generation of steam
MWh fuel consumed for self-generation of cooling
<Not Applicable>
MWh fuel consumed for self-cogeneration or self-trigeneration

Comment

Fuels (excluding feedstocks)
Bagasse

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
27309

MWh fuel consumed for self-generation of electricity
MWh fuel consumed for self-generation of heat
MWh fuel consumed for self-generation of steam
MWh fuel consumed for self-generation of cooling
<Not Applicable>
MWh fuel consumed for self-cogeneration or self-trigeneration

Comment

Fuels (excluding feedstocks)
Wood

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
26413

MWh fuel consumed for self-generation of electricity
MWh fuel consumed for self-generation of heat
MWh fuel consumed for self-generation of steam
MWh fuel consumed for self-generation of cooling
<Not Applicable>
MWh fuel consumed for self-cogeneration or self-trigeneration

Comment

Fuels (excluding feedstocks)
Butane

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
24607

MWh fuel consumed for self-generation of electricity
MWh fuel consumed for self-generation of heat
<table>
<thead>
<tr>
<th>Fuels (excluding feedstocks)</th>
<th>Heating value</th>
<th>Total fuel MWh consumed by the organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy Gas Oil</td>
<td></td>
<td>21995</td>
</tr>
<tr>
<td>Coal</td>
<td></td>
<td>23162</td>
</tr>
<tr>
<td>Propane Liquid</td>
<td></td>
<td>1662</td>
</tr>
</tbody>
</table>

MWh fuel consumed for self-generation of electricity
MWh fuel consumed for self-generation of heat
MWh fuel consumed for self-generation of steam
MWh fuel consumed for self-generation of cooling
MWh fuel consumed for self-cogeneration or self-trigeneration

Comment
C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

**Bagasse**

*Emission factor*

3.65

*Unit*

kg CO2e per GJ

*Emission factor source*

DEFRA, 2018

*Comment*

**Butane**

*Emission factor*

61.63

*Unit*

kg CO2e per GJ

*Emission factor source*

EPA, 2018

*Comment*

**Coal**

*Emission factor*

94.975

*Unit*

kg CO2e per GJ

*Emission factor source*

DEFRA, 2018

*Comment*

**Heavy Gas Oil**

*Emission factor*

79.289

*Unit*

kg CO2e per GJ

*Emission factor source*

DEFRA, 2018

*Comment*
Light Distillate

Emission factor
81.71

Unit
kg CO2e per GJ

Emission factor source
DEFRA, 2018

Liquefied Petroleum Gas (LPG)

Emission factor
63.972

Unit
kg CO2e per GJ

Emission factor source
DEFRA, 2018

Natural Gas

Emission factor
56.769

Unit
kg CO2e per GJ

Emission factor source
DEFRA, 2018

Propane Liquid

Emission factor
59.83

Unit
kg CO2e per GJ

Emission factor source
EPA, 2018

Wood

Emission factor
4.183

Unit
kg CO2e per GJ

Emission factor source
DEFRA, 2018

Comment
(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

<table>
<thead>
<tr>
<th></th>
<th>Total Gross generation (MWh)</th>
<th>Generation that is consumed by the organization (MWh)</th>
<th>Gross generation from renewable sources (MWh)</th>
<th>Generation from renewable sources that is consumed by the organization (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>43780</td>
<td>43780</td>
<td>2228</td>
<td>2228</td>
</tr>
<tr>
<td>Heat</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steam</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooling</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(C8.2f)

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

- **Basis for applying a low-carbon emission factor**
  - Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

- **Low-carbon technology type**
  - Hydropower

- **Region of consumption of low-carbon electricity, heat, steam or cooling**
  - Asia Pacific

- **MWh consumed associated with low-carbon electricity, heat, steam or cooling**
  - 33377

- **Emission factor (in units of metric tons CO2e per MWh)**
  - 0

- **Comment**

- **Basis for applying a low-carbon emission factor**
  - Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

- **Low-carbon technology type**
  - Solar PV

- **Region of consumption of low-carbon electricity, heat, steam or cooling**
  - Asia Pacific

- **MWh consumed associated with low-carbon electricity, heat, steam or cooling**
  - 1521

- **Emission factor (in units of metric tons CO2e per MWh)**
  - 0

- **Comment**

- **Basis for applying a low-carbon emission factor**
  - Contract with suppliers or utilities (e.g. green tariff), supported by energy attribute certificates

- **Low-carbon technology type**
  - Other low-carbon technology, please specify (Renewable, but not from one specific source.)

- **Region of consumption of low-carbon electricity, heat, steam or cooling**
  - Europe

- **MWh consumed associated with low-carbon electricity, heat, steam or cooling**
  - 28440

- **Emission factor (in units of metric tons CO2e per MWh)**
  - 0
Comment

Basis for applying a low-carbon emission factor
Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

Low-carbon technology type
Other low-carbon technology, please specify (geothermal)

Region of consumption of low-carbon electricity, heat, steam or cooling
Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling
6864

Emission factor (in units of metric tons CO2e per MWh)
0

Comment

Basis for applying a low-carbon emission factor
Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

Low-carbon technology type
Other low-carbon technology, please specify (Gas fired power plant)

Region of consumption of low-carbon electricity, heat, steam or cooling
Asia Pacific

MWh consumed associated with low-carbon electricity, heat, steam or cooling
29136

Emission factor (in units of metric tons CO2e per MWh)
0.14

Comment

C9. Additional metrics

C9.1
(C9.1) Provide any additional climate-related metrics relevant to your business.

<table>
<thead>
<tr>
<th>Description</th>
<th>Metric value</th>
<th>Metric numerator</th>
<th>Metric denominator (intensity metric only)</th>
<th>% change from previous year</th>
<th>Direction of change</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste</td>
<td>0.07</td>
<td>Metric ton waste</td>
<td>Metric ton product</td>
<td></td>
<td>&lt;Not Applicable&gt;</td>
<td>Due to a change in methodology (switch from net waste to total waste), this number is not comparable to previous report number.</td>
</tr>
<tr>
<td>Energy usage</td>
<td>1</td>
<td>MWh energy</td>
<td>Metric ton product</td>
<td>1</td>
<td>Decreased</td>
<td>Due to better energy management, installation of monitoring system and implementation of improvement initiatives.</td>
</tr>
<tr>
<td>Other, please specify (Water)</td>
<td>2.05</td>
<td>1000 Liters of incoming water</td>
<td>Metric ton product</td>
<td></td>
<td>&lt;Not Applicable&gt;</td>
<td>Due to a change in methodology, this number is not comparable to previous report number.</td>
</tr>
</tbody>
</table>

C10. Verification
C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Verification/assurance status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 2 (location-based or market-based)</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Third-party verification or assurance process in place</td>
</tr>
</tbody>
</table>

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

**Scope**

**Scope 1**

Verification or assurance cycle in place  
Annual process

Status in the current reporting year  
Complete

Type of verification or assurance  
Reasonable assurance

Attach the statement  
Mondelez - GHG Verification Statement 2018_Scopes1, 2 and 3.pdf

Page/ section reference  
All pages.

Relevant standard  
ISO14064-3

Proportion of reported emissions verified (%)  
100

**Scope**

**Scope 2 market-based**

Verification or assurance cycle in place  
Annual process

Status in the current reporting year  
Complete

Type of verification or assurance  
Reasonable assurance

Attach the statement  
Mondelez - GHG Verification Statement 2018_Scopes1, 2 and 3.pdf

Page/ section reference  
All pages.

Relevant standard  
ISO14064-3

Proportion of reported emissions verified (%)  
100
Scope 2 location-based

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Reasonable assurance

**Attach the statement**
Mondelez - GHG Verification Statement 2018_Scopes1, 2 and 3.pdf

**Page/section reference**
All pages.

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

C10.1b

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

**Scope**
Scope 3 - all relevant categories

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Attach the statement**
Mondelez - GHG Verification Statement 2018_Scopes1, 2 and 3.pdf

**Page/section reference**
All pages.

**Relevant standard**
ISO14064-3

---

C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**
No, we do not verify any other climate-related information reported in our CDP disclosure

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C11. Carbon pricing

---

C11.1
Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

Complete the following table for each of the emissions trading systems in which you participate.

EU ETS

% of Scope 1 emissions covered by the ETS

4.08

Period start date

January 1 2018

Period end date

December 31 2018

Allowances allocated

12721

Allowances purchased

19000

Verified emissions in metric tons CO2e

31755

Details of ownership

Facilities we own and operate

Comment

C11.1d

What is your strategy for complying with the systems in which you participate or anticipate participating?

We periodically evaluate exposure to EU ETS and decide if this justifies a centralized approach or local management. We continued to pursue a strategy of reducing emission at source, supported by evaluating internal trading before external trading.

C11.2

Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years
C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Run an engagement campaign to educate suppliers about climate change

% of suppliers by number
43

% total procurement spend (direct and indirect)

% Scope 3 emissions as reported in C6.5
8.81

Rationale for the coverage of your engagement
The % of suppliers by number represents the proportion of our cocoa sourced via Cocoa Life during 2018. Our goal is that by 2025, all chocolate brands will source their cocoa from Cocoa Life. At the end of 2018, we reached 142,900 farmers in 1,400 communities.

Impact of engagement, including measures of success
In April 2019, we published Cocoa Life’s 2018 Annual Report, the first-ever large-scale impact report in the cocoa industry, which shows encouraging results from the first six years of the program. The report shows that Cocoa Life is having a positive impact:

• Cocoa yields are continuously improving and results show that as cocoa farms become more efficient, their yield increases. This is an important development, as farms that can do more with less land are able to create spare land that can be used for other income-generating activities, helping make cocoa farming a prosperous business. • More communities are steering their own development and Cocoa Life communities can become drivers of change. Through the use of planning and advocacy tools, these communities have been able to attract the funding and resources needed to develop — an important step because sector change will only be sustained if local actors feel empowered to do so. • Farmers are choosing not to expand into protected forests and encouraging and enabling cocoa farmers and communities to protect the land where cocoa is grown has been fundamental to the Cocoa Life approach. Mapping efforts and tools support farmers in understanding how to get more out of their farms – helping them build better businesses. Since 2016, we have promoted a coordinated strategy and supply chain transparency by openly publishing our farm mapping updates online. This marked the first time a large cocoa sourcing company had disclosed locations of the cocoa farms they source from. We are the first branded food producer to partner with Global Forest Watch to implement satellite image mapping practices to analyze how Cocoa Life farms interact with forested and protected land. This allows us to intervene if farmers expand into protected areas. Our interactive online map provides public traceability of locations of Cocoa Life farms and supports farmers in improving yields. • As of 2018, 93,416 of Cocoa Life farms in Ghana, Cote d’Ivoire and Indonesia (63% of the Cocoa Life farms in these origin regions) and they are not in priority protected forest areas. • Mondelēz International commits to map 100% of Cocoa Life farms in these origin regions by the end of 2019. • These efforts reduce deforestation, reducing climate change impacts.

Comment
For Cocoa Life: We invest in practices and resources to improve farmer productivity on existing land to promote forest conservation. • We have trained 114,380 community members and farmers as of 2018 on good environmental practices. • In partnership with the United Nations Development Programme, as of 2018 we planted over one million trees on cocoa farms in Ghana and are planting 700,000 trees in Cote d’Ivoire to restore forest lands and make farmer cocoa yields more productive. Cocoa Life efforts also are aimed at helping farmers become more resilient to climate change. See https://www.cocoalife.org/the-program/climate-change. Our climate change strategy addresses deforestation in our raw material supply chain, with a particular
focus on cocoa and palm oil. Cocoa Life is an integrated cocoa sourcing strategy, addressing farming, community, livelihoods, youth and environment. As part of Cocoa Life’s climate change strategy, we have REDD+ partnerships with the governments of Cote d’Ivoire and Ghana, focused on addressing deforestation in cocoa producing areas. Cocoa Life helps to transform markets by connecting consumers with cocoa origin communities through the use of an on-pack logo on selected brands, including Cadbury Dairy Milk, Cote d’Or and Marabou. In addition to Cocoa Life, we helped instigate the sector-wide Cocoa and Forest Initiative, working with cocoa and chocolate companies, the governments of Cote d’Ivoire and Ghana and international partners.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Run an engagement campaign to educate suppliers about climate change

% of suppliers by number
60

% total procurement spend (direct and indirect)

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
The % of suppliers by number represents the proportion of our EU biscuits made with wheat from our Harmony program during 2018. Our goal is that by 2022, all EU biscuits will source their wheat from Harmony.

Impact of engagement, including measures of success
In 2007, our biscuit brands in France had a vision of a better way to grow wheat and so Harmony was born. Today, our Harmony program has grown into an industry-leading and well-respected program for sustainable farming. More than 1,500 farmers across Europe have joined the initiative and 100 percent of the wheat supply to our French bakeries comes from the Harmony fields. Through Harmony, we work with farmers across Europe to grow wheat in a way that helps conserve water, cares for the soil, protects and promotes biodiversity, and reduces carbon emissions. We also engage with governments and NGOs throughout the process, and 10 percent of farmers are audited each year by an independent organization to ensure compliance with the Harmony Charter. As a result, the program has led to a 20 percent reduction in pesticide use, and nearly 10 million bees and more than 25 species of butterflies have been observed in flowers sown around the Harmony fields. In addition to our work in EU, since 2015, we’ve partnered with Michigan State University (MSU) and our supplier of soft white wheat, Cooperative Elevator Company (Coop), a 100+ year old cooperative. In partnership with MSU and Coop, we engage a group of about 100 family farmers each year to track their farming practices, use of inputs such as fertilizer, and their yield. The group anonymously tracks their own year-on-year performance, as well as their performance versus peers. In 2018, MSU analyzed data over three years of the program and determined that farmers who used advanced agronomy practices improved their yields between 1.5 and 4 bushels per acre more than those who didn’t. The study also found these improvements are based on better intelligence, enabling better decision-making by farmers. But the impact benefits did not stop at the wheat we buy for Triscuit. Farmers in our program grew 7.5 times more wheat than we tracked in our program and Coop has 1,100 members, so the benefits can be scaled up across a much wider area. As a result, MSU and Coop’s agronomy team are working to make the program’s learnings more widely accessible.

Comment
Each year, the Harmony Charter is reviewed and updated as part of our continuous improvement approach. In 2016, we began an ambitious monitoring system to measure and assess the environmental and economic impact of Harmony practices. Working in partnership with SMAG, a software solutions provider for the agricultural sector, and Agrosolutions, we’ve developed an automated reporting approach to calculate and monitor 12 key economic and environmental indicators on Harmony farms. The results will be used to inform continuous improvement with farmers and to advocate for the continued shift toward sustainable wheat.

Type of engagement
Compliance & onboarding

Details of engagement
Climate change is integrated into supplier evaluation processes

% of suppliers by number
100

% total procurement spend (direct and indirect)

% Scope 3 emissions as reported in C6.5
2.28

Rationale for the coverage of your engagement
The % of suppliers by number represents the proportion of our palm oil supply covered by our Palm Oil Action Plan. Our goal is for 100% of our palm oil to be traceable to the mill from suppliers with aligned policies.
Impact of engagement, including measures of success
Since 2013, 100% of our supply has been RSPO and in 2018 95%+ was traceable to the mill and 99% from suppliers with policies aligned to ours. RSPO efforts directly relate to reducing climate impacts by working to eliminate deforestation. We have a fulsome action plan available at: https://www.mondelezinternational.com/impact/sustainable-resources-and-agriculture/agricultural-supply-chain/palm-oil We require suppliers to meet the terms of our Palm Oil Action as a condition of doing business and we evaluate their performance against it regularly. We called for our suppliers to act faster to eliminate deforestation and to map and monitor all palm oil plantations and concessions. Specifically, we have asked our suppliers to commit to palm oil concession mapping as a vital step to accountability and change. We also announced our decision to exclude 12 upstream suppliers that were found to be involved in deforestation, because we believe urgent action is needed across the entire supply chain to protect the Earth’s forests and deliver benefits to countries that produce palm oil.

Comment
Our climate change strategy addresses deforestation in our raw material supply chain, with a particular focus on cocoa and palm oil. Among other things, our Palm Oil Action Plan requires suppliers to improve practices across entire operations. It also focuses on risk assessment and engagement of third-party suppliers to drive accountability for traded oil. Key provisions require suppliers to: • Take full responsibility for eliminating deforestation in their own operation and upstream supply chain by mapping and monitoring all plantations and adopting a “suspend and engage” approach requiring immediate suspension of companies involved in deforestation. • Take action against the exploitation of worker human rights through adopting the Consumer Goods Forum (CGF) Priority Industry Principles on forced labor. • Improve traceability and transparency by maintaining universal mill lists with group level owners clearly indicated, and publishing them regularly, as well as using satellite technology to map and monitor sources of palm. • Demonstrate implementation of supplier progress against this updated Palm Oil Action Plan as a prerequisite of doing business with Mondelēz International.

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?
Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number
MP1

Management practice
Agroforestry

Description of management practice
Introduction of shade trees and agroforestry practices on cocoa farms to reduce emissions and increase productivity and climate change resilience.

Your role in the implementation
Financial
Knowledge sharing
Operational
Procurement

Explanation of how you encourage implementation
Via our Cocoa Life program, in partnership with the United Nations Development Programme, we have planted over one million trees on cocoa farms in Ghana (2018) and are planting 700,000 trees in Cote d'Ivoire to restore forest lands and make farmer cocoa yields more productive. In addition, we invest in agroforestry research, development and implementation as part of the solution and have identified a knowledge gap on the topic as it relates to the financial impact for smallholders. This is why we are running trials and research with farms to introduce agroforestry at different levels of tree density and introduced an incentive model to promote agroforestry practices. Our Payments for Environmental Services (PES) pilot programs incentivize farmers and communities to protect forests and adopt forest-friendly farming techniques such as planting complementary crops alongside cocoa.
Climate change related benefit
Emissions reductions (mitigation)
Increasing resilience to climate change (adaptation)
Increase carbon sink (mitigation)

Comment
Guided by the measurable, third-party verified key indicator results reported in our Cocoa Life 2018 Annual Report, our Cocoa Life program will refine its focus to key areas of intervention where we can make the biggest impact, including combating deforestation through both conservation and restoration cocoa farming practices. Achieving zero deforestation globally requires public-private partnerships. Cocoa origin governments must have the right policies and commitments in place and align on agroforestry principles. We will continue to publicly report our impact results and encourage more industry members to implement integrated and holistic approaches to broaden the collective impact at scale.

Management practice reference number
MP2

Management practice
Biodiversity considerations

Description of management practice
Farmers in our Harmony program implement the following actions for biodiversity:
• At least 3% of every Harmony wheat field dedicated to flowers or hedges
• Inter-season crops
• Actions to sensitize farmers to the issue of biodiversity
• Responsible use of pesticides

Your role in the implementation
Knowledge sharing
Operational
Procurement

Explanation of how you encourage implementation
Through Harmony, we work with farmers across Europe to grow wheat in a way that helps conserve water, cares for the soil, protects and promotes biodiversity, and reduces carbon emissions. We also engage with governments and NGOs throughout the process, and 10 percent of farmers are audited each year by an independent organization to ensure compliance with the Harmony Charter. As a result, the program has led to a 20 percent reduction in pesticide use, and nearly 10 million bees and more than 25 species of butterflies have been observed in flowers sown around the Harmony fields.

Climate change related benefit
Increasing resilience to climate change (adaptation)
Reduced demand for pesticides (adaptation)

Comment
At the end of 2018, 75 percent of our biscuits in Western Europe—or 60 percent across the EU—were made with Harmony wheat, including brands such as LU, Oro, LiGA, and Fontaneda. While we’ve made solid progress so far, we know there is still more to be done. Our planned scale-up will lead to increased planting during 2019 and our ambition is to source 100 percent of our wheat need in the EU by 2022.

Management practice reference number
MP3

Management practice
Fertilizer management

Description of management practice
Farmers in our Harmony program grow wheat in a sustainable way to prevent the usage of pesticides and fertilizers, preserve water and soil reduce carbon emissions, through:
• Rigorous Selection of seeds for the resilience and quality of our biscuits
• Crop rotation to minimize treatment
• Principled use of water and reasoned treatment at the last resort
In North America, our wheat farmers are adopting innovative practices to optimize pesticide and fertilizer use, growing all of the wheat we need for our Triscuit brand, with a lower environmental footprint.

Your role in the implementation
Knowledge sharing
Operational
Procurement

Explanation of how you encourage implementation
Through Harmony, we work with farmers across Europe to grow wheat in a way that helps conserve water, cares for the soil,
protects and promotes biodiversity, and reduces carbon emissions. We also engage with governments and NGOs throughout the process, and 10 percent of farmers are audited each year by an independent organization to ensure compliance with the Harmony Charter. As a result, the program has led to a 20 percent reduction in pesticide use, and nearly 10 million bees and more than 25 species of butterflies have been observed in flowers sown around the Harmony fields. Since 2015, we’ve partnered with Michigan State University (MSU) and our supplier of soft white wheat, Cooperative Elevator Company (Coop), a 100+ year-old cooperative. In partnership with MSU and Coop, we engage a group of about 100 family farmers each year to track their farming practices, use of inputs such as fertilizer, and their yield. The group anonymously tracks their own year-on-year performance, as well as their performance versus peers.

**Climate change related benefit**
Emissions reductions (mitigation)

**Comment**
At the end of 2018, 75 percent of our biscuits in Western Europe—or 60 percent across the EU—were made with Harmony wheat, including brands such as LU, Oro, LiGA, and Fontaneda. While we’ve made solid progress so far, we know there is still more to be done. Our planned scale-up will lead to increased planting during 2019 and our ambition is to source 100 percent of our wheat need in the EU by 2022. Farmers in our North America program grew 7.5 times more wheat than we tracked in our program and Coop has 1,100 members, so the benefits can be scaled up across a much wider area. As a result, MSU and Coop’s agronomy team are working to make the program’s learnings more widely accessible.

**Management practice reference number**
MP4

**Management practice**
Governmental or institutional policies and programs

**Description of management practice**
Programs to address deforestation risks linked to key supply chains, cocoa and palm oil, by engaging in sector-wide action coordinated with governments in key producing countries: Cote d’Ivoire and Ghana (cocoa) and Indonesia (palm oil).

**Your role in the implementation**
Financial
Knowledge sharing
Operational

**Explanation of how you encourage implementation**
In 2015, Mondelēz International was the first company to raise the issue of deforestation in the cocoa industry at the COP21 summit in Paris and the first chocolate maker to sign Memoranda of Understanding (MoUs) with the governments of Ghana and Côte d’Ivoire. We are a founding member of the Cocoa and Forests Initiative (CFI), a collaboration among the governments of Cote d’Ivoire and Ghana – the world’s two largest cocoa producers – as well as 30 cocoa and chocolate companies and other partners, is committed to ending deforestation, restoring forested areas and eliminating illegal cocoa production. Our action plans align to the CFI’s three focus areas of Forest Protection & Restoration, Sustainable Production & Farmers’ Livelihoods and Social Inclusion & Community Engagement, and feature the following commitments: • We are one of the first chocolate companies to commit to map 100% of the farms in our Cocoa Life program in key origins by end of 2019 to ensure that farmers are not operating in forested land. We’ve already mapped 70% of these farms, using Global Forest Watch to assess the risk of tree loss. • We’re the first organization to introduce incentives in the form of Payment for Environmental Services (PES) agreements to a cocoa-farming context, encouraging farmers to protect and restore forests. We aim to have agreements with 33,000 farmers by 2022. • We know that deforestation can’t be addressed through cocoa farmers alone, so we involve the whole community. By 2022, nearly 1,300 cocoa communities will have active forest restoration and protection programs through Cocoa Life. In palm oil, we worked with the Government of Indonesia and other partners to develop the Indonesia Sustainable Palm Oil (SPO) Initiative to help strengthen smallholder farmers, support national policy reform and reduce deforestation through public-private partnerships. This led to the publication in 2017 of Indonesia’s first-ever National Action Plan (NAP) for sustainable palm oil, which provides a national framework for reform. In addition, we co-chair the Consumer Goods Forum’s Palm Oil Working Group, which provided coordinated input to the Indonesia NAP.

**Climate change related benefit**
Emissions reductions (mitigation)
Increasing resilience to climate change (adaptation)
Increase carbon sink (mitigation)

**Comment**
For palm oil: We also helped Conservation International and other partners to create the Coalition for Sustainable Livelihoods, an initiative focused on collective action to drive economic development, reduce poverty and improve natural resource management in the Indonesian provinces of North Sumatra and Aceh. The project supports the aims of the NAP.
Management practice
Land use change

Description of management practice
Programs to address deforestation in key supply chains--cocoa and palm oil--by engaging suppliers (traders) and producers.

Your role in the implementation
Financial
Knowledge sharing
Operational
Procurement

Explanation of how you encourage implementation
Our climate change strategy addresses deforestation in our raw material supply chain, with a particular focus on cocoa and palm oil. Among other things, our Palm Oil Action Plan requires suppliers to improve practices across entire operations. It also focuses on risk assessment and engagement of third-party suppliers to drive accountability for traded oil. Key provisions require suppliers to:

- Take full responsibility for eliminating deforestation in their own operation and upstream supply chain by mapping and monitoring all plantations and adopting a “suspend and engage” approach requiring immediate suspension of companies involved in deforestation.
- Take action against the exploitation of worker human rights through adopting the Consumer Goods Forum (CGF) Priority Industry Principles on forced labor.
- Improve traceability and transparency by maintaining universal mill lists with group level owners clearly indicated, and publishing them regularly, as well as using satellite technology to map and monitor sources of palm.
- Demonstrate implementation of supplier progress against this updated Palm Oil Action Plan as a prerequisite of doing business with Mondelēz International.

In April 2019, we published Cocoa Life’s 2018 Annual Report, the first-ever large-scale impact report in the cocoa industry, which shows encouraging results from the first six years of the program. The report shows that Cocoa Life is having a positive impact:

- Cocoa yields are continuously improving and results show that as cocoa farms become more efficient, their yield increases.
- More communities are steering their own development and Cocoa Life communities can become drivers of change.
- Farmers are choosing not to expand into protected forests and encouraging and enabling cocoa farmers and communities to protect the land where cocoa is grown has been fundamental to the Cocoa Life approach.

Climate change related benefit
Emissions reductions (mitigation)
Increasing resilience to climate change (adaptation)
Increase carbon sink (mitigation)

Comment
Since 2016, we have promoted a coordinated strategy and supply chain transparency by openly publishing our farm mapping updates online. This marked the first time a large cocoa sourcing company had disclosed locations of the cocoa farms they source from.

- As of 2018, 93,416 of Cocoa Life farms in Ghana, Cote d’Ivoire and Indonesia (63% of the Cocoa Life farms in these origin regions) and they are not in priority protected forest areas.
- Mondelēz International commits to map 100% of Cocoa Life farms in these origin regions by the end of 2019.
- We invest in practices and resources to improve farmer productivity on existing land to promote forest conservation.
- We have trained 114,380 community members and farmers as of 2018 on good environmental practices. In partnership with UNDP, as of 2018 we planted over one million trees on cocoa farms in Ghana and are planting 700,000 trees in Cote d’Ivoire.

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?
Yes

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?
Direct engagement with policy makers
Trade associations
Other
(C12.3a) On what issues have you been engaging directly with policy makers?

<table>
<thead>
<tr>
<th>Focus of legislation</th>
<th>Corporate position</th>
<th>Details of engagement</th>
<th>Proposed legislative solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify (Sustainable palm oil)</td>
<td>Support</td>
<td>We co-chair the Consumer Goods Forum’s Palm Oil Working Group, which published palm oil sourcing guidelines for members during 2015; we work with the Roundtable on Sustainable Palm Oil; we supported the NY Declaration on Forests; we supported UNDP’s work with the Government of Indonesia and companies to support the scale up of sustainable palm oil in Indonesia via a commodity platform approach. This led to the publication in 2017 of Indonesia’s first-ever National Action Plan (NAP) for sustainable palm oil, which provides a national framework for reform.</td>
<td>The goal is to support the scale-up of sustainable palm oil in Indonesia via jurisdictional initiatives such as the Coalition for Sustainable Livelihoods, an initiative set up by Conservation International and public-sector partners focused on collective action to drive economic development, reduce poverty and improve natural resource management in the Indonesian provinces of North Sumatra and Aceh. The project supports the aims of the NAP.</td>
</tr>
<tr>
<td>Climate finance</td>
<td>Support</td>
<td>We announced our commitment to combat deforestation in cocoa at the UN Climate Summit COP21, where world leaders met in Paris to negotiate a new climate agreement. Mondelēz International committed to lead private sector action in Côte d’Ivoire’s national program to combat deforestation in cocoa. These actions will contribute to the United Nations sponsored REDD+ program, with financial support from the World Bank. In January 2018, we agreed to a similar REDD+ partnership with the government of Ghana. In October 2018, we published a case study on our pilot REDD+ programme in Cote d’Ivoire: <a href="https://www.cocoalife.org/progress/pioneering-forest-protection-work-in-cote-d-ivoire">https://www.cocoalife.org/progress/pioneering-forest-protection-work-in-cote-d-ivoire</a></td>
<td>In Côte d’Ivoire, we work together with the Ivorian government and other experts to map and monitor forested areas, and train farmers in good agricultural practices and agroforestry. The $280 million Initiative for Sustainable Forest Landscapes, launched in November 2013, seeks to scale up land-management practices across large landscapes to protect forests and securing green supply chains. In Ghana, Mondelēz International is contributing $5 million USD over five years to the Ghana Cocoa Forest REDD+ Program (GCFRP), which aims to significantly reduce the high rate of deforestation and forest degradation, as well as their associated greenhouse carbon emissions, from cocoa farming within Ghana’s High Forest Zone.</td>
</tr>
</tbody>
</table>

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

(C12.3c)
(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association
Consumer Goods Forum

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The Consumer Goods Forum ("CGF") is a global, parity-based industry network that is driven by its members to encourage the global adoption of practices and standards that serve the consumer goods industry worldwide. It brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries, and it reflects the diversity of the industry in geography, size, product category and format. Its member companies have combined sales of EUR 3.5 trillion and directly employ nearly 10 million people, with a further 90 million related jobs estimated along the value chain. It is governed by its Board of Directors, which comprises more than 50 manufacturer and retailer CEOs

The Consumer Goods Forum's environmental sustainability work positions the consumer goods industry as a leader in tackling climate change, reducing waste and improving environmental stewardship in global supply chains in pulling its weight to tackle climate change, the CGF has identified three key areas where its members are well-positioned to effect significant change. These are: • Reducing food waste across operations and throughout the rest of the value chain • Tackling deforestation • Phasing out the most polluting refrigerants

To help the industry align around a common set of targets, CGF members have publicly committed to certain business practices through resolutions on deforestation (2010), refrigeration (2010 and 2016) and food waste (2015): these issues continue to be recognised as significant sources of greenhouse gases. There is additional work with stakeholders to drive progress towards broader international goals, such as those set by the UN Sustainable Development Goals with a focus on developing partnerships (SDG 17). The CGF’s environmental work is also working on SDG 12 (ensure sustainable consumption for all), SDG 13 (Combat climate change and its impacts) and SDG 15 (Protect the planet) By joining forces and acting collectively, members of The Consumer Goods Forum can have a transformative impact.

How have you influenced, or are you attempting to influence their position?
We actively help develop CGF’s refrigeration, deforestation and food waste positions and we resolved to do our part in achieving the Forum's goal of assisting countries achieve net-zero deforestation. We remain active in helping CGF develop its work in this area and co-chaired the development of sourcing guidelines for palm oil - published during 2015 - and contributed to discussions between CGF and the Tropical Forest Alliance.

(C12.3e)

(C12.3e) Provide details of the other engagement activities that you undertake.

In 2016, we were one of more than 600 US-based companies that signed the “Business Backs Low-Carbon USA” letter calling on US policy makers to continue to support the transition to a low-carbon economy and the Paris Agreement.

(C12.3f)

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

To maintain consistency, engagement is coordinated by a corporate sustainability team, which includes key functions involved in setting and delivering sustainability strategy, including the Corporate and Government Affairs function, which has responsibility for external engagement. In addition, our Public and Government Affairs team includes sustainability as part of its integrated global strategy. Decisions to participate in engagement relating to climate change are reviewed by key members of the sustainability and public and government affairs teams, under the leadership of the Vice President and Chief Impact Office and VP and Chief of Global Communications and Government Affairs.

(C12.4)

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).
Each year we publish a report on our strategy to create positive impact for people and planet. Our purpose at Mondelēz International is to empower people to snack right. And a big part of that is creating sustainable and mindful snacks for both people and the planet to love. We believe that consumers should not have to choose between snacking and eating right, or to be concerned about the impact their snacking choices have on the world and their communities. This is why we are committed to ensuring that snacking is both sustainable and mindful. The report details progress we are making towards goals and targets, and lists examples from our programs. This year, we outline the evolution of our Impact Strategy for 2025.
C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation? No

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td></td>
</tr>
<tr>
<td>Global Director, Sustainability</td>
<td>Environment/Sustainability manager</td>
</tr>
</tbody>
</table>

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

<p>| |</p>
<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Revenue</td>
</tr>
<tr>
<td>Row 1</td>
</tr>
</tbody>
</table>
SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

<table>
<thead>
<tr>
<th>Allocation challenges</th>
<th>Please explain what would help you overcome these challenges</th>
</tr>
</thead>
</table>

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Please select

SC2.1
(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
   Please select

SC3.1

(SC3.1) Do you want to enroll in the 2019-2020 CDP Action Exchange initiative?
   Please select

SC3.2

(SC3.2) Is your company a participating supplier in CDP’s 2018-2019 Action Exchange initiative?
   Please select

SC4.1

(SC4.1) Are you providing product level data for your organization’s goods or services?
   Please select

Submit your response

In which language are you submitting your response?
   English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>I am submitting my response</th>
<th>Public or Non-Public Submission</th>
<th>I am submitting to</th>
<th>Are you ready to submit the additional Supply Chain Questions?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Public</td>
<td>Investors</td>
<td>Yes, submit Supply Chain Questions now</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customers</td>
<td></td>
</tr>
</tbody>
</table>

Please confirm below
   I have read and accept the applicable Terms