UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark one)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2017

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

COMMISSION FILE NUMBER 1-16483

Mondelēz International, Inc.

(Exact name of registrant as specified in its charter)

Virginia	**52-2284372**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Three Parkway North, Deerfield, Illinois	**60015**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **847-943-4000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Class A Common Stock, no par value	The Nasdaq Global Select Market
2.375% Notes due 2021	New York Stock Exchange LLC
1.000% Notes due 2022	New York Stock Exchange LLC
1.625% Notes due 2023	New York Stock Exchange LLC
1.625% Notes due 2027	New York Stock Exchange LLC
2.375% Notes due 2035	New York Stock Exchange LLC
4.500% Notes due 2035	New York Stock Exchange LLC
3.875% Notes due 2045	New York Stock Exchange LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Note: Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐
			Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the shares of Class A Common Stock held by non-affiliates of the registrant, computed by reference to the closing price of such stock on June 30, 2017, was $63 billion. At February 2, 2018, there were 1,487,328,466 shares of the registrant's Class A Common Stock outstanding.

Documents Incorporated by Reference

Portions of the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission in connection with its annual meeting of shareholders expected to be held on May 16, 2018 are incorporated by reference into Part III hereof.

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Mondelēz International, Inc.

In this report, for all periods presented, "we," "us," "our," "the Company" and "Mondelēz International" refer to Mondelēz International, Inc. and subsidiaries. References to "Common Stock" refer to our Class A Common Stock.

Forward-Looking Statements

This report contains a number of forward-looking statements. Words, and variations of words, such as “will,” “may,” “expect,” “would,” “could,” “might,” “intend,” “plan,” “believe,” “estimate,” “anticipate,” “likely,” “deliver,” “drive,” “seek,” “aim,” “potential,” “objective,” “project,” “outlook” and similar expressions are intended to identify our forward-looking statements, including but not limited to statements about: our future performance, including our future revenue growth and margins; our strategy for growing our people, growing our business and growing our impact; price volatility and pricing actions; the cost environment and measures to address increased costs; our tax rate, tax positions and estimates of the impact of U.S. tax reform on our 2017 and future results; market share; the United Kingdom’s planned exit from the European Union and its impact on our results; the costs of, timing of expenditures under and completion of our restructuring program; snack category growth, our effect on demand and our market position; consumer snacking behaviors; commodity prices and supply; investments; research, development and innovation; political and economic conditions and volatility; currency exchange rates, controls and restrictions; our operations in Venezuela and Argentina; our e-commerce channel strategies; manufacturing and distribution capacity; changes in laws and regulations and regulatory compliance; matters related to the acquisition of a biscuit operation in Vietnam; potential impacts from changing to highly inflationary accounting in selected countries; overhead costs; pension liabilities related to the JDE coffee business transactions; our JDE ownership interest; the financial impact of the Keurig Dr Pepper transaction and our investment and governance rights in Keurig Dr Pepper following closing of the transaction; the outcome and effects on us of legal proceedings and government investigations; the estimated value of goodwill and intangible assets; amortization expense for intangible assets; impairment of goodwill and intangible assets and our projections of operating results and other factors that may affect our impairment testing; our accounting estimates and judgments and the impact of new accounting pronouncements; pension obligations, expenses, contributions and assumptions; employee benefit plan expenses, obligations and assumptions; compensation expense; sustainability initiatives; the Brazilian indirect tax matter; remediation efforts related to and the financial and other impacts of the malware incident; our liquidity, funding sources and uses of funding, including our use of commercial paper; interest expense; our risk management program, including the use of financial instruments and the effectiveness of our hedging activities; working capital; capital expenditures and funding; share repurchases; dividends; long-term value and return on investment for our shareholders; compliance with financial and long-term debt covenants; guarantees; and our contractual obligations.

These forward-looking statements involve risks and uncertainties, many of which are beyond our control. Important factors that could cause actual results to differ materially from those described in our forward-looking statements include, but are not limited to, risks from operating globally including in emerging markets; changes in currency exchange rates, controls and restrictions; continued volatility of commodity and other input costs; weakness in economic conditions; weakness in consumer spending; pricing actions; tax matters including changes in tax rates and laws, disagreements with taxing authorities and imposition of new taxes; use of information technology and third party service providers; unanticipated disruptions to our business, such as the malware incident, cyberattacks or other security breaches; competition; acquisitions and divestitures; the restructuring program and our other transformation initiatives not yielding the anticipated benefits; changes in the assumptions on which the restructuring program is based; protection of our reputation and brand image; management of our workforce; consolidation of retail customers and competition with retailer and other economy brands; changes in our relationships with suppliers or customers; legal, regulatory, tax or benefit law changes, claims or actions; our ability to innovate and differentiate our products; strategic transactions; the timely and successful closing of the Keurig Dr Pepper transaction and the finalization of the terms of our participation in the transaction; significant changes in valuation factors that may adversely affect our impairment testing of goodwill and intangible assets; perceived or actual product quality issues or product recalls; failure to maintain effective internal control over financial reporting; volatility of and access to capital or other markets; pension costs; and our ability to protect our intellectual property and intangible assets. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this report except as required by applicable law or regulation.

PART I

Item 1. Business.

General

We are one of the world's largest snack companies with global net revenues of $25.9 billion and net earnings of $2.9 billion in 2017. We manufacture and market delicious snack food and beverage products for consumers in approximately 160 countries around the world. Our portfolio includes many iconic snack brands including *Nabisco*, *Oreo, LU* and *belVita* biscuits*; Cadbury, Milka, Cadbury Dairy Milk* and *Toblerone* chocolate; *Trident* gum; *Halls* candy and *Tang* powdered beverages.

We are proud members of the Standard and Poor's 500, Nasdaq 100 and Dow Jones Sustainability Index. Our Common Stock trades on The Nasdaq Global Select Market under the symbol "MDLZ." We have been incorporated in the Commonwealth of Virginia since 2000.

Strategy

We intend to leverage our core strengths, including our advantaged geographic footprint, market leadership positions and portfolio of iconic brands and innovation platforms, to grow our people, grow our business and grow our impact.

- *Grow our People:* We strive to inspire our people to engage in challenging and rewarding career experiences and to contribute their talent to create a great place to work. We collaborate globally, scale ideas quickly and develop world-class capabilities. Our culture is fast-moving, bold, innovative and accountable, reflecting the traits and skills necessary to thrive in a competitive global marketplace. To support and build on the success of our people in a continually-evolving business environment, we invest in our people and their development, foster respect for one another, celebrate diversity and commit to authenticity at every level. We also work to create an environment in which our people can demonstrate innovative and courageous leadership to make a difference in every role they play in the Company. As reflected in our actions and our investments in our people, we value their contributions and celebrate their success.

- *Grow our Business:* We aim to deliver strong, profitable long-term growth by accelerating our core snacks business and expanding the reach of our Power Brands globally. Leveraging our Power Brands (including *Oreo, LU* and *belVita* biscuits; *Milka, Cadbury Dairy Milk* and *Toblerone* chocolate; *Trident* gum and *Halls* candy) and our innovation platforms, we plan to innovate boldly and connect with our consumers wherever they are. As consumers seek out foods that have better well-being credentials, we are actively evolving our portfolio by expanding the well-being brands in our portfolio, enhancing the nutrition and ingredient profile of our Power Brands and inspiring consumers to snack mindfully by providing more portion control treats. We plan to reach consumers in new markets around the world, using both traditional and digital channels. While we already have a strong presence in modern grocery stores, we are increasing our presence in higher growth non-grocery channels, including e-commerce. To fuel these investments, we have been working to optimize our cost structure. These efforts include reinventing our supply chain, including adding and upgrading to more efficient production lines, while reducing the complexity of our product offerings, ingredients and number of suppliers. We also continue to aggressively manage our overhead costs. We have embedded zero-based budgeting practices across the organization to identify potential areas of cost reductions and capture and sustain savings within our ongoing operating budgets. Through these actions, we are leveraging our brands, platforms and capabilities to drive long-term value and return on investment for our shareholders.

- *Grow our Impact:* We are focused on helping people snack in balance and enjoy life with products that are safely and sustainably sourced, produced and delivered. We are committed to driving business growth while making positive change in the world. We use our global scale and focus where we can have the greatest impact on people and planet - including communities, safety, sustainability and well-being snacks. This includes reducing our environmental footprint, empowering farmers in our supply chain and supporting the communities where our snacks are sourced, produced and sold.

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Reportable Segments

Our operations and management structure are organized into four reportable operating segments:

- Latin America
- Asia, Middle East, and Africa ("AMEA")
- Europe
- North America

On October 1, 2016, we integrated our Eastern Europe, Middle East, and Africa ("EEMEA") operating segment into our Europe and Asia Pacific operating segments to further leverage and optimize the operating scale built within the Europe and Asia Pacific regions. Russia, Ukraine, Turkey, Belarus, Georgia and Kazakhstan were combined within our Europe region, while the remaining Middle East and African countries were combined within our Asia Pacific region to form the AMEA operating segment. We have reflected the segment change as if it had occurred in all periods presented.

We manage our operations by region to leverage regional operating scale, manage different and changing business environments more effectively and pursue growth opportunities as they arise in our key markets. Our regional management teams have responsibility for the business, product categories and financial results in the regions.

We use segment operating income to evaluate segment performance and allocate resources. We believe it is appropriate to disclose this measure to help investors analyze segment performance and trends. For a definition and reconciliation of segment operating income to consolidated pre-tax earnings as well as other information on our segments, see Note 16, *Segment Reporting*.

Our segment net revenues for each of the last three years were:

	For the Years Ended December 31,		
	2017	2016	2015
	(in millions)		
Net revenues:			
Latin America	$ 3,566	$ 3,392	$ 4,988
AMEA	5,739	5,816	6,002
Europe	9,794	9,755	11,672
North America	6,797	6,960	6,974
	$ 25,896	$ 25,923	$ 29,636

Our segment operating income for each of the last three years was:

	For the Years Ended December 31,					
	2017		2016		2015	
	(in millions)					
Segment operating income:						
Latin America	$ 565	14.5%	$ 271	8.7%	$ 485	14.6%
AMEA	516	13.3%	506	16.2%	389	11.7%
Europe	1,680	43.3%	1,267	40.6%	1,350	40.5%
North America	1,120	28.9%	1,078	34.5%	1,105	33.2%
	$ 3,881	100.0%	$ 3,122	100.0%	$ 3,329	100.0%

The deconsolidation of our global coffee business in 2015, the deconsolidation of our Venezuela operations beginning with our 2016 results, currency and other items significantly affect the comparability of our consolidated and segment operating results from year to year. Please see *Management's Discussion and Analysis of Financial Condition and Results of Operations* for a review of our operating results.

Our brands span five product categories:

- Biscuits (including cookies, crackers and salted snacks)
- Chocolate
- Gum & candy
- Beverages (including coffee through July 2, 2015 and powdered beverages)
- Cheese & grocery

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During 2017, our segments contributed to our net revenues in the following product categories:

	Percentage of 2017 Net Revenues by Product Category					
Segment	Biscuits	Chocolate	Gum & Candy	Beverages	Cheese & Grocery	Total
Latin America	3.0%	3.4%	3.5%	2.6%	1.3%	13.8%
AMEA	6.3%	7.8%	3.5%	2.2%	2.3%	22.1%
Europe	11.1%	19.0%	3.0%	0.5%	4.2%	37.8%
North America	21.2%	1.1%	4.0%	–	–	26.3%
	41.6%	31.3%	14.0%	5.3%	7.8%	100.0%

Within our product categories, the classes of products that contributed 10% or more to consolidated net revenues were:

	For the Years Ended December 31,		
	2017	2016	2015
Biscuits - Cookies and crackers	36%	36%	34%
Chocolate - Tablets, bars and other	31%	30%	27%

Significant Divestitures and Acquisitions

For information on our significant divestitures and acquisitions, please refer to Note 2, *Divestitures and Acquisitions,* and specifically, in connection with our global coffee business deconsolidation, see the discussions under *JDE Coffee Business Transactions* and *Keurig Transaction*.

Customers

No single customer accounted for 10% or more of our net revenues from continuing operations in 2017. Our five largest customers accounted for 15.6% and our ten largest customers accounted for 21.4% of net revenues from continuing operations in 2017.

Seasonality

Demand for our products is generally balanced over the first three quarters of the year and increases in the fourth quarter primarily because of holidays and other seasonal events. Depending on when Easter falls, Easter holiday sales may shift between the first and second quarter. We build inventory based on expected demand and typically fill customer orders within a few days of receipt so the backlog of unfilled orders is not material. Funding for working capital items, including inventory and receivables, is normally sourced from operating cash flows and short-term commercial paper borrowings. For additional information on our liquidity, working capital management, cash flow and financing activities, see *Liquidity and Capital Resources*, Note 1*, Summary of Significant Accounting Policies,* and Note 7, *Debt and Borrowing Arrangements*, appearing later in this 10-K filing.

Competition

We face competition in all aspects of our business. Competitors include large multinational as well as numerous local and regional companies. Some competitors have different profit objectives and investment time horizons than we do and therefore approach pricing and promotional decisions differently. We compete based on product quality, brand recognition and loyalty, service, product innovation, taste, convenience, nutritional value, the ability to identify and satisfy consumer preferences, effectiveness of sales and marketing, routes to market and distribution networks, promotional activity and price. Improving our market position or introducing a new product requires substantial research, development, advertising and promotional expenditures. We believe these investments lead to better products for the consumer and support our growth and market position.

Distribution and Marketing

Across our segments, we generally sell our products to supermarket chains, wholesalers, supercenters, club stores, mass merchandisers, distributors, convenience stores, gasoline stations, drug stores, value stores and other retail food outlets. We distribute our products through direct store delivery, company-owned and satellite warehouses, distribution centers and other facilities. We use the services of independent sales offices and agents in some of our international locations.

Consumers are also increasingly shopping online. And we are building a global e-commerce organization and capabilities to pursue online growth with partners in key markets around the world, including both pure e-tailers and brick-and-mortar retailers. We continue to invest in both talent and capabilities. Our e-commerce channel strategies will play a critical role in our ambition to be the best snacking company in the world.

We conduct marketing efforts through three principal sets of activities: (i) consumer marketing and advertising including on-air, print, outdoor, digital and social media and other product promotions; (ii) consumer sales incentives such as coupons and rebates; and (iii) trade promotions to support price features, displays and other merchandising of our products by our customers.

Raw Materials and Packaging

We purchase and use large quantities of commodities, including cocoa, dairy, wheat, palm and other vegetable oils, sugar and other sweeteners, flavoring agents and nuts. In addition, we purchase and use significant quantities of packaging materials to package our products and natural gas, fuels and electricity for our factories and warehouses. We monitor worldwide supply, commodity cost and currency trends so we can cost-effectively secure ingredients, packaging and fuel required for production.

A number of external factors such as weather conditions, commodity market conditions, currency fluctuations and the effects of governmental agricultural or other programs affect the cost and availability of raw materials and agricultural materials used in our products. We address higher commodity costs and currency impacts primarily through hedging, higher pricing and manufacturing and overhead cost control. We use hedging techniques to limit the impact of fluctuations in the cost of our principal raw materials; however, we may not be able to fully hedge against commodity cost changes, and our hedging strategies may not protect us from increases in specific raw material costs.

While the costs of our principal raw materials fluctuate, we believe there will continue to be an adequate supply of the raw materials we use and that they will generally remain available from numerous sources. For additional information on our commodity costs, refer to the *Commodity Trends* section within *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Intellectual Property

Our intellectual property rights (including trademarks, patents, copyrights, registered designs, proprietary trade secrets, technology and know-how) are material to our business.

We own numerous trademarks and patents in many countries around the world. Depending on the country, trademarks remain valid for as long as they are in use or their registration status is maintained. Trademark registrations generally are for renewable, fixed terms. We also have patents for a number of current and potential products. Our patents cover inventions ranging from basic packaging techniques to processes relating to specific products and to the products themselves. Our issued patents extend for varying periods according to the date of patent application filing or grant and the legal term of patents in the various countries where patent protection is obtained. The actual protection afforded by a patent, which can vary from country to country, depends upon the type of patent, the scope of its coverage as determined by the patent office or courts in the country, and the availability of legal remedies in the country. While our patent portfolio is material to our business, the loss of one patent or a group of related patents would not have a material adverse effect on our business.

From time to time, we grant third parties licenses to use one or more of our trademarks, patents and/or proprietary trade secrets in connection with the manufacture, sale or distribution of third party products. Similarly, we sell some products under brands, patents and/or proprietary trade secrets we license from third parties. In our agreement with Kraft Foods Group, Inc. ("Kraft Foods Group," which is now part of The Kraft Heinz Company), we each granted the other party various licenses to use certain of our and their respective intellectual property rights in named jurisdictions following the spin-off of our North American grocery business.

Research and Development

We pursue four objectives in research and development: product safety and quality, growth through new products, superior consumer satisfaction and reduced costs. Our innovation efforts focus on anticipating consumer demands and adapting quickly to changing market trends. Wellness products and healthy snacking are a significant focus of our current research and development initiatives. These initiatives aim to accelerate our growth and margins by addressing consumer needs and market trends and leveraging our global innovation platforms, Power Brands and breakthrough technologies. In September 2016, we announced our plan to invest $65 million over 2017-2018 to build out and modernize our network of global research and development facilities. We are focusing our technical resources at nine large locations to drive global growth and innovation. We celebrated the official opening of our Wroclaw Poland Technical Center in 2017. Our global Technical Centers will enable greater effectiveness, improved efficiency and accelerated project delivery. These locations are in Curitiba, Brazil; Suzhou, China; Thane, India; Mexico City, Mexico; East Hanover, New Jersey; Wroclaw, Poland; Jurong, Singapore; Bournville, United Kingdom and Reading, United Kingdom.

At December 31, 2017, we had approximately 2,450 scientists and engineers, of which 1,900 are primarily focused on research and development and the remainder are primarily focused on quality assurance and regulatory affairs. Our research and development expense was $366 million in 2017, $376 million in 2016 and $409 million in 2015.

Regulation

Our food products and ingredients are subject to local, national and multinational regulations related to labeling, health and nutrition claims, packaging, pricing, marketing and advertising, privacy and related areas. In addition, various jurisdictions regulate our operations by licensing and inspecting our manufacturing plants and facilities, enforcing standards for select food products, grading food products, and regulating trade practices related to the sale and pricing of our food products. Many of the food commodities we use in our operations are subject to government agricultural policy and intervention, and the scrutiny of human rights issues in industry supply chains has led to developing regulation in many countries. These policies have substantial effects on prices and supplies and are subject to periodic governmental and administrative review.

Examples of laws and regulations that affect our business include selective food taxes, labeling requirements such as front-of-pack labeling and nutrient profiling, marketing restrictions, potential withdrawal of trade concessions as dispute settlement retaliation and sanctions on sales or sourcing of raw materials. We will continue to monitor developments in laws and regulations. At this time, we do not expect the cost of complying with new laws and regulations will be material. Also refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting*, for additional information on government regulations and currency-related impacts on our operations in the United Kingdom, Argentina and other countries.

Environmental Regulation

Throughout the countries in which we do business, we are subject to local, national and multinational environmental laws and regulations relating to the protection of the environment. We have programs across our business units designed to meet applicable environmental compliance requirements. In the United States, the laws and regulations include the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation, and Liability Act. Based on information currently available, we believe that our compliance with environmental laws and regulations will not have a material effect on our financial results.

Sustainability

A key strategic goal for us is to *Grow our Impact.* Building positive impact for people and our planet is at the core of who we are. We call our commitment to drive business growth with positive change in the world *Impact For Growth*. Many of the challenges facing people and the planet are interrelated. Our core programs and initiatives holistically address both by working to reduce our environmental footprint, empower farmers and support the communities where our snacks are sourced. 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 on where we can make the most impact. For example, we launched our Cocoa Life program in 2012 and will continue to invest up to $400 million through 2022 to build a sustainable cocoa supply. We are also improving sustainability in our wheat supply by working with farmers in North America and through our Harmony program in Europe.

Our 2020 sustainability goals aim to place us at the forefront in the fight against climate change with ambitious targets for an end-to-end approach to reduce our carbon footprint, including reducing our absolute CO_2 emissions from manufacturing and addressing deforestation in key raw material supply chains. We are working to cut our absolute water footprint in manufacturing, focusing on priority sites where water is most scarce. We are also working to reduce waste in manufacturing and packaging.

We have been recognized for our ongoing economic, environmental and social contributions. This year we were again listed on the Dow Jones Sustainability Index (“DJSI”) – World and North American Indices. The DJSI selects the top 10% of global companies and top 20% of North American companies based on an extensive review of financial and sustainability programs within each industry. We are at the 92nd percentile of our industry and achieved perfect scores in health and nutrition and environmental reporting.

We also participate in the CDP Climate and Water disclosures and continue to work to reduce our carbon and water footprints. We are committed to continue this and other related work in the areas of sustainable resources and agriculture, well-being snacks, community partnerships and safety of our products and people.

Employees

We employed through our consolidated subsidiaries approximately 83,000 people worldwide at December 31, 2017 and approximately 90,000 at December 31, 2016. Employees represented by labor unions or workers’ councils represent approximately 64% of our 71,000 employees outside the United States and approximately 28% of our 12,000 U.S. employees. Our business units are subject to various local, national and multinational laws and regulations relating to their relationships with their employees. In accordance with European Union requirements, we also have established a European Workers Council composed of management and elected members of our workforce. We or our subsidiaries are a party to numerous collective bargaining agreements and we work to renegotiate these collective bargaining agreements on satisfactory terms when they expire.

International Operations

Based on where we sell our products, we generated 75.8% of our 2017 net revenues, 75.6% of our 2016 net revenues and 78.7% of our 2015 net revenues from continuing operations outside the United States. We sell our products to consumers in approximately 160 countries. At December 31, 2017, we had operations in more than 80 countries and made our products at approximately 140 manufacturing and processing facilities in 51 countries. Refer to Note 16, *Segment Reporting,* for additional information on our U.S. and non-U.S. operations. Refer to Item 2, *Properties*, for more information on our manufacturing and other facilities. Also, for a discussion of risks related to our operations outside the United States, see Item 1A, *Risk Factors*.

Executive Officers of the Registrant

The following are our executive officers as of February 9, 2018:

Name	Age	Title
Dirk Van de Put	57	Chief Executive Officer
Brian T. Gladden	52	Executive Vice President and Chief Financial Officer
Maurizio Brusadelli	49	Executive Vice President and President, Asia, Middle East and Africa
Timothy P. Cofer	49	Executive Vice President and Chief Growth Officer
Robin S. Hargrove	52	Executive Vice President, Research, Development, Quality and Innovation
Alejandro R. Lorenzo	46	Executive Vice President and President, Latin America
Karen J. May	59	Executive Vice President, Human Resources
Daniel P. Myers	62	Executive Vice President, Integrated Supply Chain
Gerhard W. Pleuhs	61	Executive Vice President and General Counsel
Henry Glendon (Glen) Walter IV	49	Executive Vice President and President, North America
Hubert Weber	55	Executive Vice President and President, Europe

Mr. Van de Put became Chief Executive Officer and a director in November 2017. He formerly served as President and Chief Executive Officer of McCain Foods Limited, a multinational frozen food provider, from July 2011 to November 2017 and as its Chief Operating Officer from May 2010 to July 2011. Mr. Van de Put served as President and Chief Executive Officer, Global Over-the-Counter, Consumer Health Division of Novartis AG, a global healthcare company, from 2009 to 2010. Prior to that, he worked for 24 years in a variety of leadership positions for several global food and beverage providers, including Danone SA, The Coca-Cola Company and Mars, Incorporated.

Mr. Gladden became Executive Vice President and Chief Financial Officer in December 2014. He joined Mondelēz International in October 2014. Prior to that, he served as Senior Vice President and Chief Financial Officer of Dell Inc., a provider of technology products and services, from June 2008 to February 2014, and as President and Chief Executive Officer of SABIC Innovative Plastics, a manufacturer of industrial plastics, from August 2007 to May 2008. Mr. Gladden spent 19 years at the General Electric Company, a multinational conglomerate, in a variety of key leadership positions, including Vice President and General Manager, Resin Business and Chief Financial Officer, GE Plastics.

Mr. Brusadelli became Executive Vice President and President, Asia Pacific in January 2016 and Executive Vice President and President, Asia, Middle East and Africa in October 2016. He previously served as President Biscuits Business, South East Asia, Japan and Sales Asia Pacific from September 2015 to December 2015, President Markets and Sales Asia Pacific from September 2014 to September 2015 and President United Kingdom and Ireland from September 2012 to August 2014. Prior to that, Mr. Brusadelli held various positions of increasing responsibility. Mr. Brusadelli joined Mondelēz International in 1993.

Mr. Cofer became Executive Vice President and Chief Growth Officer in January 2016 and served as Interim President, North America from April to November 2017. Mr. Cofer served as Executive Vice President and President, Asia Pacific and EEMEA from September 2013 to December 2015 and Executive Vice President and President, Europe from August 2011 to September 2013. Prior to that, Mr. Cofer held various positions of increasing responsibility. Mr. Cofer joined Mondelēz International in 1992.

Mr. Hargrove became Executive Vice President, Research, Development, Quality and Innovation in April 2015. Prior to that, he served as Senior Vice President, Research, Development & Quality for Mondelēz Europe from January 2013 to March 2015. Before joining Mondelēz International, Mr. Hargrove worked at PepsiCo, Inc., a global food and beverage company, for 19 years in a variety of leadership positions, most recently as Senior Vice President, Research and Development, Europe from December 2006 to December 2012.

Mr. Lorenzo became Executive Vice President and President, Latin America in January 2017. Prior to that, he served as President, Global Biscuits Category from January 2015 to December 2016 and President, Brazil from September 2012 to December 2014. Prior to that, Mr. Lorenzo held various positions of increasing responsibility. Mr. Lorenzo joined Mondelēz International in 2003.

Ms. May became Executive Vice President, Human Resources in October 2005. Prior to that, she was Corporate Vice President, Human Resources for Baxter International Inc., a healthcare company, from February 2001 to September 2005.

Mr. Myers became Executive Vice President, Integrated Supply Chain in September 2011. Prior to that, he worked for Procter & Gamble, a consumer products company, for 33 years in a variety of leadership positions, most recently serving as Vice President, Product Supply for P&G's Global Hair Care business from September 2007 to August 2011.

Mr. Pleuhs became Executive Vice President and General Counsel in April 2012. In this role, Mr. Pleuhs oversees the legal, compliance, security, corporate and governance affairs functions within Mondelēz International. He has served in various positions of increasing responsibility since joining Mondelēz International in 1990. Mr. Pleuhs has a law degree from the University of Kiel, Germany and is licensed to practice law in Germany and admitted as house counsel in Illinois.

Mr. Walter became Executive Vice President and President, North America in November 2017. Before joining Mondelēz International, Mr. Walter worked at The Coca-Cola Company, a global beverage company, in a variety of leadership positions, most recently as Chief Executive Officer of Coca-Cola Industries China from February 2014 to October 2017 and President and Chief Operating Officer of Cola-Cola Refreshments in North America from January 2013 to February 2014.

Mr. Weber became Executive Vice President and President Europe in September 2013. He served as President of the European and Global Coffee category from September 2010 to September 2013. Prior to that, Mr. Weber held various positions of increasing responsibility. He joined Mondelēz International in 1988.

Ethics and Governance

We adopted the Mondelēz International Code of Conduct, which qualifies as a code of ethics under Item 406 of Regulation S-K. The code applies to all of our employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions. Our code of ethics is available free of charge on our web site at www.mondelezinternational.com and will be provided free of charge to any shareholder submitting a written request to: Corporate Secretary, Mondelēz International, Inc., Three Parkway North, Deerfield, IL 60015. We will disclose any waiver we grant to an executive officer or director under our code of ethics, or certain amendments to the code of ethics, on our web site at www.mondelezinternational.com.

In addition, we adopted Corporate Governance Guidelines, charters for each of the Board's four standing committees and the Code of Business Conduct and Ethics for Non-Employee Directors. All of these materials are available on our web site at www.mondelezinternational.com and will be provided free of charge to any shareholder requesting a copy by writing to: Corporate Secretary, Mondelēz International, Inc., Three Parkway North, Deerfield, IL 60015.

Available Information

Our Internet address is www.mondelezinternational.com. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), are available free of charge as soon as possible after we electronically file them with, or furnish them to, the U.S. Securities and Exchange Commission (the "SEC"). You can access our filings with the SEC by visiting www.mondelezinternational.com. The information on our web site is not, and shall not be deemed to be, a part of this Annual Report on Form 10-K or incorporated into any other filings we make with the SEC.

Item 1A. Risk Factors.

You should read the following risk factors carefully when evaluating our business and the forward-looking information contained in this Annual Report on Form 10-K. Any of the following risks could materially and adversely affect our business, operating results, financial condition and the actual outcome of matters described in this Annual Report on Form 10-K. While we believe we have identified and discussed below the key risk factors affecting our business, there may be additional risks and uncertainties that we do not presently know or that we do not currently believe to be significant that may adversely affect our business, performance or financial condition in the future.

We operate in a highly competitive industry.

The food and snacking industry is highly competitive. Our principal competitors include major international food, snack and beverage companies that operate in multiple geographic areas and numerous local and regional companies. If we do not effectively respond to challenges from our competitors, our business could be adversely affected.

Competitor and customer pressures may require that we reduce our prices. These pressures may also restrict our ability to increase prices in response to commodity and other cost increases. Failure to effectively and timely assess, change and set proper pricing or effective trade incentives may negatively impact our operating results and achievement of our strategic and financial goals. The rapid emergence of new distribution channels, such as e-commerce, may create consumer price deflation, affecting our retail customer relationships and presenting additional challenges to increasing prices in response to commodity or other cost increases. We may need to increase or reallocate spending on marketing, advertising, new product innovation, and existing and new distribution channels to protect or increase market share. These expenditures might not result in trade and consumer acceptance of our efforts. If we reduce prices or our costs increase but we cannot increase sales volumes to offset those changes, then our financial condition and results of operations will suffer.

In addition, like other companies in our industry, we are under pressure to continue to improve the efficiency of our overall cost structure. We are pursuing a transformation agenda with the goals of focusing our portfolio, improving our cost structure and operating model, and accelerating our growth. If we do not achieve these objectives or do not implement transformation in a way that minimizes disruptions to our business, our financial condition and results of operations could be materially and adversely affected.

Maintaining and enhancing our reputation and brand image is essential to our business success.

Our success depends on our ability to maintain and enhance our brand quality and image, extend our brands into new geographies and to new distribution platforms, including e-commerce, and expand our brand image with new and renewed product offerings.

We seek to enhance our brand image through product renovation, innovation and marketing investments, including advertising and consumer promotions. Failure to effectively address the continuing global focus on well-being, changing consumer perceptions of certain ingredients, nutritional expectations of our products, and increased attention from the media, shareholders, activists and other stakeholders on the role of food marketing could adversely affect our brand image. Undue caution or inaction on our part in addressing these challenges and trends could weaken our competitive position. Such pressures could also lead to stricter regulations and increased focus on food and snacking marketing practices. Increased legal or regulatory restrictions on our advertising, consumer promotions and labeling, or our response to those restrictions, could limit our efforts to maintain, extend and expand our brands. Moreover, adverse publicity or regulatory or legal action against us on product quality and safety, where we manufacture our products, or environmental risks or human and workplace rights across our supply chain could damage our reputation and brand image. Such actions could undermine our customers' confidence and reduce demand for our products, even if the regulatory or legal action is unfounded or these matters are immaterial to our operations. Our product sponsorship relationships could also subject us to negative publicity.

In addition, our success in maintaining and enhancing our brand image depends on our ability to anticipate change and adapt to a rapidly changing marketing and media environment, including our increasing reliance on social media and online dissemination of marketing and advertising campaigns. A variety of legal and regulatory restrictions limit how and to whom we market our products. These restrictions may limit our brand renovation, innovation and promotion plans, particularly as social media and the communications environment continue to evolve. Negative posts or comments about us or our brands on social media or web sites (whether factual or not) or security breaches related to use of our social media and failure to respond effectively to these posts, comments or activities could seriously damage our reputation and brand image across the various regions in which we operate. In addition, we might fail to invest sufficiently in maintaining, extending and expanding our brands, our marketing efforts might not achieve desired results and we might be required to recognize impairment charges on our brands or related intangible assets or goodwill. Furthermore, third parties may sell counterfeit or spurious versions of our products that are inferior or pose safety risks. If consumers confuse these counterfeit products for our products or have a bad experience with the counterfeit brand, they might refrain from purchasing our brands in the future, which could harm our brand image and sales. If we do not successfully maintain and enhance our reputation and brand image, then our brands, product sales, financial condition and results of operations could be materially and adversely affected.

We are subject to risks from operating globally.

We are a global company and generated 75.8% of our 2017 net revenues, 75.6% of our 2016 net revenues and 78.7% of our 2015 net revenues outside the United States. We manufacture and market our products in approximately 160 countries and have operations in more than 80 countries. Therefore, we are subject to risks inherent in global operations. Those risks include:

- compliance with U.S. laws affecting operations outside of the United States, including anti-bribery laws such as the Foreign Corrupt Practices Act ("FCPA");
- compliance with antitrust and competition laws, trade laws, data privacy laws, anti-bribery laws, and a variety of other local, national and multinational regulations and laws in multiple regimes;
- currency devaluations or fluctuations in currency values, including in developing markets such as Argentina, Brazil, China, Mexico, Russia, Turkey, Egypt, Nigeria, Ukraine and South Africa as well as in developed markets such as the United Kingdom and other countries within the European Union;
- the imposition of increased or new tariffs, quotas, trade barriers or similar restrictions on our sales or key commodities like cocoa, potential changes in U.S. trade programs and trade relations with other countries, or regulations, taxes or policies that might negatively affect our sales;
- changes in capital controls, including currency exchange controls, government currency policies such as demonetization in India or other limits on our ability to import raw materials or finished product into various countries or repatriate cash from outside the United States;
- increased sovereign risk, such as default by or deterioration in the economies and credit ratings of governments, particularly in our Latin America and AMEA regions;
- changes in local regulations and laws, the uncertainty of enforcement of remedies in non-U.S. jurisdictions, and foreign ownership restrictions and the potential for nationalization or expropriation of property or other resources;
- varying abilities to enforce intellectual property and contractual rights;
- discriminatory or conflicting fiscal policies;
- greater risk of uncollectible accounts and longer collection cycles; and
- design, implementation and use of effective control environment processes across our diverse operations and employee base.

In addition, political and economic changes or volatility, geopolitical regional conflicts, terrorist activity, political unrest, civil strife, acts of war, travel or immigration restrictions, public corruption, expropriation and other economic or political uncertainties could interrupt and negatively affect our business operations or customer demand. High unemployment or the slowdown in economic growth in some markets could constrain consumer spending. Declining consumer purchasing power could result in loss of market share and adversely impact our profitability. Continued instability in the banking and governmental sectors of certain countries or the dynamics and uncertainties associated with the United Kingdom's planned exit from the European Union ("Brexit"), including currency exchange rate fluctuations and volatility in global stock markets, could have a negative effect on our business. All of these factors could result in increased costs or decreased revenues, and could materially and adversely affect our product sales, financial condition, results of operations, and our relationships with customers, suppliers and employees in the short or long term.

Tax matters, including changes in tax laws and rates, disagreements with taxing authorities and imposition of new taxes, could adversely impact our results of operations and financial condition.

In December 2017, the United States enacted tax reform legislation ("U.S. tax reform"). The legislation implements many new U.S. domestic and international tax provisions. Many aspects of the U.S. tax reform are unclear, and although additional clarifying guidance is expected to be issued in the future (by the Internal Revenue Service ("IRS"), the U.S. Treasury Department or via a technical correction law change), it may not be clarified for some time. In addition, many U.S. states have not yet updated their laws to take into account the new federal legislation. As a result, we have not yet been able to determine the full impact of the new laws on our results of operations and financial condition. It is possible that U.S. tax reform, or interpretations under it, could change and could have an adverse effect on us, and such effect could be material.

In addition, foreign jurisdictions may also enact tax legislation that could significantly affect our ongoing operations. For example, foreign tax authorities could impose rate changes along with additional corporate tax provisions that would disallow or tax perceived base erosion or profit shifting. Aspects of U.S. tax reform may lead foreign jurisdictions to respond by enacting additional tax legislation that is unfavorable to us.

Adverse changes in the underlying profitability or financial outlook of our operations in several jurisdictions could lead to changes in the realizability of our deferred tax assets and result in a charge to our income tax provision. Additionally, changes in tax laws in the U.S. or in other countries where we have significant operations could materially affect deferred tax assets and liabilities and our income tax provision.

We are also subject to tax audits by governmental authorities. Although we believe our tax estimates are reasonable, if a taxing authority disagrees with the positions we have taken, we could face additional tax liabilities, including interest and penalties. Unexpected results from one or more such tax audits could significantly adversely affect our income tax provision and our results of operations.

Our operations in certain emerging markets expose us to political, economic and regulatory risks.

Our growth strategy depends in part on our ability to expand our operations in emerging markets, including among others Brazil, China, India, Mexico, Russia, Argentina, Ukraine, the Middle East, Africa and Southeast Asia. However, some emerging markets have greater political, economic and currency volatility and greater vulnerability to infrastructure and labor disruptions than more established markets. In many countries, particularly those with emerging economies, engaging in business practices prohibited by laws and regulations with extraterritorial reach, such as the FCPA and the U.K. Bribery Act, or local anti-bribery laws may be more common. These laws generally prohibit companies and their employees, contractors or agents from making improper payments to government officials, including in connection with obtaining permits or engaging in other actions necessary to do business. Failure to comply with these laws could subject us to civil and criminal penalties that could materially and adversely affect our reputation, financial condition and results of operations.

In addition, competition in emerging markets is increasing as our competitors grow their global operations and low cost local manufacturers improve and expand their production capacities. Our success in emerging markets is critical to achieving our growth strategy. If we cannot successfully increase our business in emerging markets and manage associated political, economic and regulatory risks, our product sales, financial condition and results of operations could be adversely affected, such as occurred when we deconsolidated and changed to the cost method of accounting for our Venezuelan operations at the close of 2015 or any potential impact on our business in Venezuela from future economic or political developments.

Our use of information technology and third party service providers exposes us to cybersecurity breaches and other business disruptions that could adversely affect us.

We use information technology and third party service providers to support our global business processes and activities, including supporting critical business operations; communicating with our suppliers, customers and employees; maintaining effective accounting processes and financial and disclosure controls; engaging in mergers and acquisitions and other corporate transactions; conducting research and development activities; meeting regulatory, legal and tax requirements; and executing various digital marketing and consumer promotion activities. Global shared service centers managed by third parties provide an increasing amount of services to conduct our business, including a number of accounting, internal control, human resources and computing functions.

Continuity of business applications and services has been, and may in the future be, disrupted by events such as infection by viruses or malware, like the global malware incident in June 2017 that affected a significant portion of our global sales, distribution and financial networks (the "malware incident") (see *Management's Discussion and Analysis of Financial Condition and Results of Operations – Malware Incident*); other cybersecurity attacks; issues with or errors in systems' maintenance or security; migration of applications to the cloud; power outages; hardware or software failures; denial of service; telecommunication failures; natural disasters; terrorist attacks; and other catastrophic occurrences. Further, cybersecurity breaches of our or third party systems, whether from circumvention of security systems, denial-of-service attacks or other cyberattacks, hacking, phishing attacks, computer viruses, ransomware or malware, employee or insider error, malfeasance, social engineering, physical breaches or other actions may cause confidential information belonging to us or our employees, customers, consumers, partners, suppliers, or governmental or regulatory authorities to be misused or breached. When risks such as these materialize, the need for us to coordinate with various third party service providers and for third party service providers to coordinate amongst themselves might make it more challenging to resolve the related issues. Additionally, if new initiatives, such as those related to e-commerce and direct sales, increase the amount of confidential information that we process and maintain, this could increase our potential exposure to a cybersecurity breach. If our controls, disaster recovery and business continuity plans or those of our third party providers do not effectively respond to or resolve the issues related to any such disruptions in a timely manner, our product sales, financial condition and results of operations may be materially and adversely affected, and we might experience delays in reporting our financial results, loss of intellectual property and damage to our reputation or brands.

We continue to devote focused resources to network security, backup and disaster recovery, enhanced training and other security measures to protect our systems and data; we are also in the process of enhancing the monitoring and detection of threats in our environment. However, security measures cannot provide absolute security or guarantee that we will be successful in preventing or responding to every breach or disruption on a timely basis. In addition, due to the constantly evolving nature of security threats, we cannot predict the form and impact of any future incident, and the cost and operational expense of implementing, maintaining and enhancing protective measures to guard against increasingly complex and sophisticated cyber threats could increase significantly.

We regularly move data across national borders to conduct our operations and consequently are subject to a variety of continuously evolving and developing laws and regulations in numerous jurisdictions regarding privacy, data protection and data security, including those related to the collection, storage, handling, use, disclosure, transfer and security of personal data. Privacy and data protection laws may be interpreted and applied differently from country to country and may create inconsistent or conflicting requirements. The European Union's General Data Protection Regulation ("GDPR"), which greatly increases the jurisdictional reach of European Union law and becomes effective in May 2018, adds a broad array of requirements for handling personal data including the public disclosure of significant data breaches, and imposes substantial penalties for non-compliance of up to the greater of €20 million or 4% of global annual revenue for the preceding financial year. Our efforts to comply with GDPR and other privacy and data protection laws may impose significant costs and challenges that are likely to increase over time, and we could incur substantial penalties or litigation related to violation of existing or future data privacy laws and regulations.

Unanticipated business disruptions could adversely affect our ability to provide our products to our customers.

We manufacture and source products and materials on a global scale. We utilize an integrated supply chain – a complex network of suppliers and material needs, owned manufacturing locations, co-manufacturing locations, distribution networks, shared service delivery centers and information systems that support our ability to provide our products to our customers consistently. Factors that are hard to predict or beyond our control, like weather (including any potential effects of climate change), natural disasters, supply and commodity shortages, fire, explosions, terrorism, political unrest, cybersecurity breaches, generalized labor unrest or health pandemics could damage or disrupt our operations or our suppliers' or co-manufacturers' operations. If we do not effectively respond to disruptions in our operations, for example, by finding alternative suppliers or replacing capacity at key or sole manufacturing or distribution locations, or cannot quickly repair damage to our information, production or supply systems, we may be late in delivering or unable to deliver products to our customers such as occurred in connection with the malware incident (see *Management's Discussion and Analysis of Financial Condition and Results of Operations – Malware Incident*), and the quality and safety of our products might be negatively affected. If a material or extended disruption occurs, we may lose our customers' or business partners' confidence or suffer damage to our reputation, and long-term consumer demand for our products could decline. In addition, we might not have the functions, processes or organizational capability necessary to achieve on our anticipated timeframes our strategic ambition to reconfigure our supply chain and drive efficiencies to fuel growth. Further, our ability to supply multiple markets with a streamlined manufacturing footprint may be negatively impacted by portfolio complexity, significant changes in trade policies, changes in volume produced and changes to regulatory restrictions or labor-related constraints on our ability to adjust production capacity in the markets in which we operate. These events could materially and adversely affect our product sales, financial condition and results of operations.

We are subject to currency exchange rate fluctuations.

At December 31, 2017, we sold our products in approximately 160 countries and had operations in more than 80 countries. Consequently, a significant portion of our business is exposed to currency exchange rate fluctuations. Our financial results and capital ratios are sensitive to movements in currency exchange rates because a large portion of our assets, liabilities, revenue and expenses must be translated into U.S. dollars for reporting purposes or converted into U.S. dollars to service obligations such as our U.S. dollar-denominated indebtedness and to pay dividends to our shareholders. In addition, movements in currency exchange rates can affect transaction costs because we source product ingredients from various countries. We seek to mitigate our exposure to exchange rate fluctuations, primarily on cross-currency transactions, but our efforts may not be successful. Accordingly, changes in the currency exchange rates that we use to translate our results into U.S. dollars for financial reporting purposes or for transactions involving multiple currencies could materially and adversely affect our financial condition and results of operations.

Commodity and other input prices are volatile and may increase or decrease significantly or availability of commodities may become constrained.

We purchase and use large quantities of commodities, including cocoa, dairy, wheat, palm and other vegetable oils, sugar and other sweeteners, flavoring agents and nuts. In addition, we purchase and use significant quantities of packaging materials to package our products and natural gas, fuels and electricity for our factories and warehouses. Prices for these raw materials, other supplies and energy are volatile and can fluctuate due to conditions that are difficult to predict. These conditions include global competition for resources, currency fluctuations, political conditions, severe weather, the potential longer-term consequences of climate change on agricultural productivity, crop disease or pests, water risk, health pandemics, consumer or industrial demand, and changes in governmental trade, alternative energy and agricultural programs. Increasing focus on climate change, deforestation, water, plastic waste, animal welfare and human rights concerns and other risks associated with the global food system may lead to increased government intervention and consumer or activist responses, and could adversely affect our or our suppliers' reputation and business and our ability to procure the materials we need to operate our business. Many of the commodities we purchase are grown by smallholder farmers, and they might lack the capacity to invest to increase productivity or adapt to changing conditions. 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. Continued volatility in the prices of commodities and other supplies we purchase or changes in the types of commodities we purchase as we continue to evolve our product and packaging portfolio could increase or decrease the costs of our products, and our profitability could suffer as a result. Moreover, increases in the price of our products, including increases to cover higher input costs, may result in lower sales volumes, while decreases in input costs could require us to lower our prices and thereby affect our revenues, profits or margins. Likewise, constraints in the supply of key commodities may limit our ability to grow our net revenues and earnings. If our mitigation activities are not effective, if we are unable to price to cover increased costs or must reduce our prices, or if we are limited by supply constraints, our financial condition and results of operations could be materially adversely affected.

Complying with changes in and inconsistencies among laws and regulations in many countries in which we operate could increase our costs.

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, 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. For instance, our financial condition and results of operations could be negatively affected by the regulatory and economic impact of changes in taxation and trade relations among the United States and other countries, including any changes to or repeal of the North American Free Trade Agreement, or changes in the European Union such as Brexit.

We may be unable to hire or retain and develop key personnel or a highly skilled and diverse global workforce or manage changes in our workforce.

We must hire, retain and develop effective leaders and a highly skilled and diverse global workforce. We compete to hire new personnel with a variety of capabilities in the many countries in which we manufacture and market our products and then to develop and retain their skills and competencies. Unplanned turnover, failure to attract and develop personnel with key emerging capabilities such as e-commerce and digital marketing skills, or failure to develop adequate succession plans for leadership positions or to hire and retain a diverse global workforce with the skills and in the locations we need to operate and grow our business could deplete our institutional knowledge base and erode our competitiveness. Changes in immigration laws and policies could also make it more difficult for us to recruit or relocate skilled employees.

We also face increased personnel-related risks in connection with implementing the changes in our transformation agenda related to our operating model and business processes, including building a global shared services capability and reconfiguring our supply chain. These risks could lead to operational challenges, including increased competition for employees with the skills we require to achieve our business goals; higher employee turnover, including of employees with key capabilities; and challenges in developing the capabilities necessary to build and effectively execute a shared services function and transform our business processes. Furthermore, we might be unable to manage appropriately changes in, or that affect, our workforce or satisfy the legal requirements associated with how we manage and compensate our employees. This includes our management of employees represented by labor unions or workers' councils, who represent approximately 64% of our 71,000 employees outside the United States and approximately 28% of our 12,000 U.S. employees. Strikes, work stoppages or other forms of labor unrest by our employees or those of our suppliers or distributors, or situations like the renegotiation of collective bargaining agreements that expired in February 2016 and that cover eight U.S. facilities, could cause disruptions to our supply chain, manufacturing or distribution processes.

These risks could materially and adversely affect our reputation, ability to meet the needs of our customers, product sales, financial condition and results of operations.

Our retail customers are consolidating and we must leverage our value proposition in order to compete against retailer and other economy brands.

Retail customers, such as supermarkets, warehouse clubs and food distributors in the European Union, the United States and other major markets, continue to consolidate, form buying alliances or be acquired by new entrants in the food retail market, resulting in fewer, larger customers. Large retail customers and customer alliances can delist our products or reduce the shelf space allotted to our products and demand lower pricing, increased promotional programs or longer payment terms. Retail customers might also adopt these tactics in their dealings with us in response to the significant growth in online retailing for consumer products, which is outpacing the growth of traditional retail channels. In addition, larger retail customers have the scale to develop supply chains that permit them to operate with reduced inventories or to develop and market their own retailer and other economy brands that compete with some of our products. Our products must provide higher quality or value to our consumers than the less expensive alternatives, particularly during periods of economic uncertainty. Consumers may not buy our products if consumers perceive little difference between the quality or value of our products and those of retailer or other economy brands. If consumers switch to purchasing or otherwise prefer the retailer or other economy brands, then we could lose market share or sales volumes, or we may need to shift our product mix to lower margin offerings.

Retail consolidation also increases the risk that adverse changes in our customers' business operations or financial performance will have a corresponding material adverse effect on us. For example, if our customers cannot access sufficient funds or financing, then they may delay, decrease or cancel purchases of our products, or delay or fail to pay us for previous purchases.

If we do not effectively respond to retail consolidation, increasing retail power and competition from retailer and other economy brands, our reputation, brands, product sales, financial condition and results of operations could be materially and adversely affected.

We are subject to changes in our relationships with significant customers or suppliers.

During 2017, our five largest customers accounted for 15.6% of our net revenues. There can be no assurance that our customers will continue to purchase our products in the same mix or quantities or on the same terms as in the past, particularly as increasingly powerful retailers continue to demand lower pricing and develop their own brands. The loss of or disruptions related to significant customers could result in a material reduction in sales or change in the mix of products we sell to a significant customer. This could materially and adversely affect our product sales, financial condition and results of operations.

Additionally, disputes with significant suppliers, including disputes related to pricing or performance, could adversely affect our ability to supply products to our customers or operate our business and could materially and adversely affect our product sales, financial condition and results of operations.

We may decide or be required to recall products or be subjected to product liability claims.

We could decide, or laws or regulations could require us, to recall products due to suspected or confirmed deliberate or unintentional product contamination including contamination of ingredients we use in our products that third parties supply, spoilage or other adulteration, product mislabeling or product tampering. In addition, if another company recalls or experiences negative publicity related to a product in a category in which we compete, consumers might reduce their overall consumption of products in this category. Any of these events could materially and adversely affect our reputation, brands, product sales, financial condition and results of operations.

We may also suffer losses if our products or operations or those of our suppliers violate applicable laws or regulations, or if our or our suppliers' products cause injury, illness or death. In addition, our marketing could face claims of false or deceptive advertising or other criticism. A significant product liability or other legal judgment against us, a related regulatory enforcement action, a widespread product recall or attempts to manipulate us based on threats related to the safety of our products could materially and adversely affect our reputation and profitability. Moreover, even if a product liability, consumer fraud or other claim is unsuccessful, has no merit or is not pursued, the negative publicity surrounding assertions against our products or processes could materially and adversely affect our reputation, brands, product sales, product inventory, financial condition and results of operations.

We could be subject to legal or tax claims or other regulatory enforcement actions.

We are a large snack food company operating in highly regulated environments and constantly evolving legal, tax and regulatory frameworks around the world. Consequently, we are subject to greater risk of litigation, legal or tax claims, or other regulatory enforcement actions. There can be no assurance that our employees, contractors or agents will not violate policies and procedures we have implemented to promote compliance with existing laws and regulations. Moreover, a failure to maintain effective control environment processes, including in connection with the development of our global shared services capability, could lead to violations, unintentional or otherwise, of laws and regulations. Litigation, legal or tax claims, or regulatory enforcement actions arising out of our failure or alleged failure to comply with applicable laws, regulations or controls, could subject us to civil and criminal penalties that could materially and adversely affect our reputation, product sales, financial condition and results of operations.

We must correctly predict, identify and interpret changes in consumer preferences and demand and offer new and improved products that meet those changes.

Consumer preferences for food and snacking products change continually. Our success depends on our ability to predict, identify and interpret the tastes, dietary habits, packaging, sales channel and other preferences of consumers around the world and to offer products that appeal to these preferences. Moreover, weak economic conditions, recession, equity market volatility or other factors, such as severe weather events, could affect consumer preferences and demand. If we do not offer products that appeal to consumers or if we misjudge consumer demand for our products, our sales and market share will decrease and our profitability could suffer.

We must distinguish between short-term fads and trends and long-term changes in consumer preferences. If we do not accurately predict which shifts in consumer preferences or category trends will be long-term, or if we fail to introduce new and improved products to satisfy those changing preferences, our sales could decline. In addition, because of our varied and geographically diverse consumer base, we must offer an array of products that satisfy the broad spectrum of consumer preferences. If we fail to expand our product offerings successfully across product categories, or if we do not rapidly develop products in faster growing and more profitable categories, demand for our products could decrease and our profitability could suffer.

Prolonged negative perceptions concerning the health, environmental and social implications of certain food products and ingredients could influence consumer preferences and acceptance of some of our products and marketing programs. For example, consumers have increasingly focused on well-being, including reducing sodium and added sugar consumption. Developing more well-being products and contemporizing our brands by refining their ingredient and nutrition profiles are critical to our growth. In addition, consumer preferences differ by region, and we must monitor and adjust our use of ingredients to respond to these regional preferences. We might be unsuccessful in our efforts to effectively respond to changing consumer preferences and social expectations. Continued negative perceptions and failure to satisfy consumer preferences could materially and adversely affect our reputation, product sales, financial condition and results of operations.

We may not successfully identify, complete or manage strategic transactions.

We regularly evaluate a variety of potential strategic transactions, including acquisitions, divestitures, joint ventures, equity method investments and other strategic alliances that could further our strategic business objectives. We may not successfully identify, complete or manage the risks presented by these strategic transactions. Our success depends, in part, upon our ability to identify suitable transactions; negotiate favorable contractual terms; comply with applicable regulations and receive necessary consents, clearances and approvals (including regulatory and antitrust clearances and approvals); integrate or separate businesses; realize the full extent of the benefits, cost savings or synergies presented by strategic transactions; effectively implement control environment processes with employees joining us as a result of a transaction; minimize adverse effects on existing business relationships with suppliers and customers; achieve accurate estimates of fair value; minimize potential loss of customers or key employees; and minimize indemnities and potential disputes with buyers, sellers and strategic partners. In addition, execution or oversight of strategic transactions may result in the diversion of management attention from our existing business and may present financial, managerial and operational risks.

With respect to acquisitions and joint ventures in particular, we are also exposed to potential risks based on our ability to conform standards, controls, policies and procedures, and business cultures; consolidate and streamline operations and infrastructures; identify and eliminate, as appropriate, redundant and underperforming operations and assets; manage inefficiencies associated with the integration of operations; and coordinate timely and ongoing compliance with antitrust and competition laws in the United States, the European Union and other jurisdictions. Joint ventures and similar strategic alliances pose additional risks, as we share ownership and in some cases management responsibilities with one or more other parties whose objectives for the alliance may diverge from ours over time, who may not have the same priorities, strategies or resources as we do, or whose interpretation of applicable policies may differ from our own. Transactions or ventures into which we enter might not meet our financial and non-financial control and compliance expectations or yield the anticipated benefits. Depending on the nature of the business ventures, including whether they operate globally, these ventures could also be subject to many of the same risks we are, including political, economic, regulatory and compliance risks, currency exchange rate fluctuations, and volatility of commodity and other input prices. Either partner might fail to recognize an alliance relationship that could expose the business to higher risk or make the venture not as productive as expected.

Furthermore, we may not be able to complete, on terms favorable to us, desired or proposed divestitures of businesses that do not meet our strategic objectives or our growth or profitability targets. Our divestiture activities, or related activities such as reorganizations, restructuring programs and transformation initiatives, may require us to recognize impairment charges or to take action to reduce costs that remain after we complete a divestiture. Gains or losses on the sales of, or lost operating income from, those businesses may also affect our profitability.

Any of these risks could materially and adversely affect our business, product sales, financial condition and results of operations.

We could fail to maintain effective internal control over financial reporting.

The accuracy of our financial reporting depends on the effectiveness of our internal control over financial reporting. Internal control over financial reporting can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements and may not prevent or detect misstatements because of its inherent limitations. These limitations include, among others, the possibility of human error, inadequacy or circumvention of controls and fraud. If we do not maintain effective internal control over financial reporting or design and implement controls sufficient to provide reasonable assurance with respect to the preparation and fair presentation of our financial statements, including in connection with controls executed for us by third parties, we might fail to timely detect any misappropriation of corporate assets or inappropriate allocation or use of funds and could be unable to file accurate financial reports on a timely basis. As a result, our reputation, results of operations and stock price could be materially adversely affected.

Weak financial performance, downgrades in our credit ratings, illiquid global capital markets and volatile global economic conditions could limit our access to the global capital markets, reduce our liquidity and increase our borrowing costs.

We access the long-term and short-term global capital markets to obtain financing. Our financial performance, our short-and long-term debt credit ratings, interest rates, the stability of financial institutions with which we partner, the liquidity of the overall global capital markets and the state of the global economy, including the food industry, could affect our access to, and the availability or cost of, financing on acceptable terms and conditions and our ability to pay dividends in the future. There can be no assurance that we will have access to the global capital markets on terms we find acceptable.

We regularly access the commercial paper markets in the United States and Europe for ongoing funding requirements. A downgrade in our credit ratings by a credit rating agency could increase our borrowing costs and adversely affect our ability to issue commercial paper. Disruptions in the global commercial paper market or other effects of volatile economic conditions on the global credit markets also could reduce the amount of commercial paper that we could issue and raise our borrowing costs for both short- and long-term debt offerings.

Limitations on our ability to access the global capital markets, a reduction in our liquidity or an increase in our borrowing costs could materially and adversely affect our financial condition and results of operations.

Volatility in the equity markets, interest rates, our participation in multiemployer pension plans and other factors could increase our costs relating to our employees' pensions.

We sponsor a number of defined benefit pension plans for our employees throughout the world and also contribute toward our employees' pensions under defined benefit plans that we do not sponsor. At the end of 2017, the projected benefit obligation of the defined benefit pension plans we sponsor was $12.6 billion and plan assets were $11.0 billion.

For defined benefit pension plans that we maintain, the difference between plan obligations and assets, or the funded status of the plans, significantly affects the net periodic benefit costs of our pension plans and the ongoing funding requirements of those plans. Our largest funded defined benefit pension plans are funded with trust assets invested in a globally diversified portfolio of investments, including equities and corporate and government debt. Among other factors, changes in interest rates, mortality rates, early retirement rates, investment returns, funding requirements in the jurisdictions in which the plans operate and the market value of plan assets can affect the level of plan funding, cause volatility in the net periodic pension cost and increase our future funding requirements. Legislative and other governmental regulatory actions may also increase funding requirements for our pension plans' benefits obligation. Volatility in the global capital markets may increase the risk that we will be required to make additional cash contributions to the pension plans and recognize further increases in our net periodic pension cost.

We also participate in multiemployer pension plans. Our exposure under those plans may extend beyond what our obligation would be with respect to our own employees. Our contributions to a multiemployer plan may increase beyond our bargaining obligations depending on the financial condition of the multiemployer plan and the financial viability of other employers in the plan. We may be required to participate in funding the unfunded obligations of the plan allocable to a withdrawing employer, and our costs might increase as a result. Further, if we partially or completely withdraw from a multiemployer pension plan, we may be required to pay a partial or complete withdrawal liability. This withdrawal liability will generally increase if there is also a mass withdrawal of other participating employers or if the plan terminates. (See Note 9, *Benefit Plans*, to the consolidated financial statements for more information on our multiemployer pension plans.)

A significant increase in our pension benefit obligations or funding requirements could curtail our ability to invest in the business and adversely affect our financial condition and results of operations.

Our failure to protect our valuable intellectual property rights could reduce the value of our products and brands.

We consider our intellectual property rights, particularly and most notably our trademarks, but also our patents, trade secrets, copyrights and licensing agreements, to be a significant and valuable part of our business. We attempt to protect our intellectual property rights by taking advantage of a combination of patent, trademark, copyright and trade secret laws in various countries, as well as licensing agreements, third party nondisclosure and assignment agreements and policing of third party misuses of our intellectual property. Our failure to obtain or adequately protect our intellectual property rights, or any change in law or other changes that serve to lessen or remove the current legal protections of our intellectual property, may diminish our competitiveness and could materially harm our business.

We may be unaware of third party claims of intellectual property infringement relating to our technology, brands or products. Any litigation regarding patents or other intellectual property could be costly and time-consuming and could divert management's and other key personnel's attention from our business operations. Third party claims of intellectual property infringement might require us to pay monetary damages or enter into costly license agreements. We also may be subject to injunctions against development and sale of certain of our products. Any of these occurrences could materially and adversely affect our reputation, ability to introduce new products or improve the quality of existing products, product sales, financial condition and results of operations.

Item 1B. Unresolved Staff Comments.

None.

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Item 2. Properties.

On December 31, 2017, we had approximately 138 manufacturing and processing facilities in 51 countries and 108 distribution centers and depots worldwide. During 2017, we disposed of 12 manufacturing facilities mainly in business divestitures and we reduced the number of distribution centers we own or lease by 22. In addition to our owned or leased properties listed below, we also utilize a highly distributed network of warehouses and distribution centers that are owned or leased by third party logistics partners, contract manufacturers, co-packers or other strategic partners. We believe we have or will add sufficient capacity to meet our planned operating needs. It is our practice to maintain all of our plants and other facilities in good condition.

	As of December 31, 2017	
	Number of Manufacturing Facilities	Number of Distribution Facilities
Latin America (1)	17	3
AMEA	49	32
Europe	57	14
North America	15	59
Total	138	108
Owned	125	15
Leased	13	93
Total	138	108

(1) Excludes our deconsolidated Venezuela operations. See Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for additional information.

Item 3. Legal Proceedings.

Information regarding legal proceedings is available in Note 12, *Commitments and Contingencies*, to the consolidated financial statements in this report.

Item 4. Mine Safety Disclosures.

Not applicable.

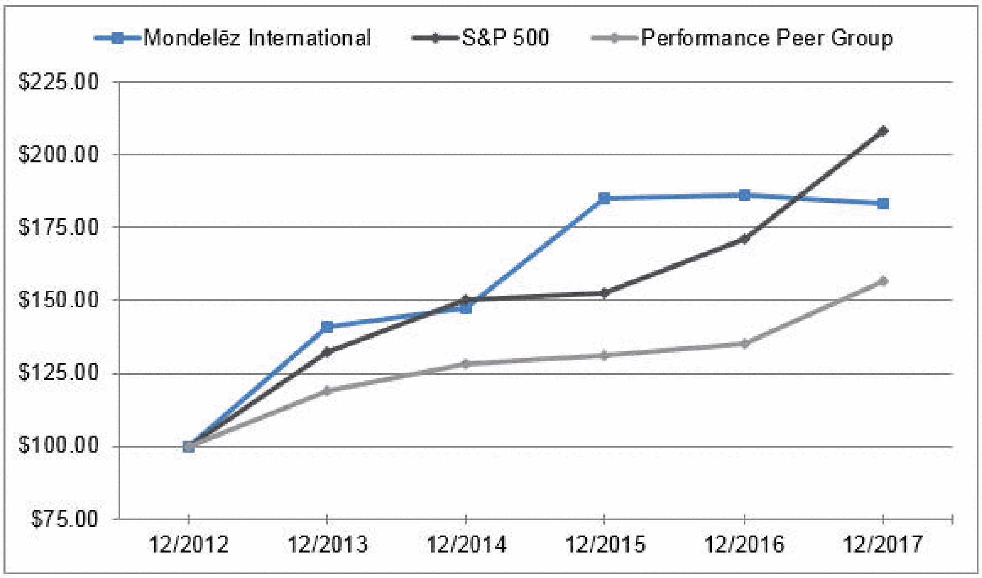
PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

We have listed our Common Stock on The Nasdaq Global Select Market under the symbol "MDLZ." At January 31, 2018, there were 52,572 holders of record of our Common Stock. Information regarding the market price of our Common Stock and dividends declared during the last two fiscal years is included in Note 17, *Quarterly Financial Data (Unaudited)*, to the consolidated financial statements.

Comparison of Five-Year Cumulative Total Return

The following graph compares the cumulative total return on our Common Stock with the cumulative total return of the S&P 500 Index and the Mondelēz International performance peer group index. The graph assumes, in each case, that an initial investment of $100 is made at the beginning of the five-year period. The cumulative total return reflects market prices at the end of each year and the reinvestment of dividends each year.



As of December 31,	**Mondelēz International**	**S&P 500**	**Performance Peer Group**
2012	$ 100.00	$ 100.00	$ 100.00
2013	141.09	132.39	119.11
2014	147.56	150.51	128.15
2015	185.03	152.59	131.35
2016	186.08	170.84	135.12
2017	183.14	208.14	156.68

The Mondelēz International performance peer group consists of the following companies considered our market competitors or that have been selected on the basis of industry, global focus or industry leadership: Campbell Soup Company, The Coca-Cola Company, Colgate-Palmolive Company, Danone S.A., General Mills, Inc., The Hershey Company, Kellogg Company, The Kraft Heinz Company, Nestlé S.A., PepsiCo, Inc., The Procter & Gamble Company and Unilever PLC. The Kraft Heinz Company performance history is included for 2016 and 2017 only as the company was formed in 2015.

Issuer Purchases of Equity Securities

Our stock repurchase activity for each of the three months in the quarter ended December 31, 2017 was:

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (2)
October 1-31, 2017	1,227,255	$ 41.00	1,219,740	$ 978,678,089
November 1-30, 2017	1,310,860	42.78	1,308,300	922,700,280
December 1-31, 2017	6,510,143	43.08	6,477,334	643,678,089
For the Quarter Ended December 31, 2017	9,048,258	42.75	9,005,374	

(1) The total number of shares purchased (and the average price paid per share) reflects: (i) shares purchased pursuant to the repurchase program described in (2) below; and (ii) shares tendered to us by employees who used shares to exercise options and to pay the related taxes for grants of restricted stock and deferred stock units that vested, totaling 7,515 shares, 2,560 shares and 32,809 shares for the fiscal months of October, November and December 2017, respectively.

(2) Our Board of Directors authorized the repurchase of $13.7 billion of our Common Stock through December 31, 2018. Specifically, on March 12, 2013, our Board of Directors authorized the repurchase of up to the lesser of 40 million shares or $1.2 billion of our Common Stock through March 12, 2016. On August 6, 2013, our Audit Committee, with authorization delegated from our Board of Directors, increased the repurchase program capacity to $6.0 billion of Common Stock repurchases and extended the expiration date to December 31, 2016. On December 3, 2013, our Board of Directors approved an increase of $1.7 billion to the program related to a new accelerated share repurchase program, which concluded in May 2014. On July 29, 2015, our Finance Committee, with authorization delegated from our Board of Directors, approved a $6.0 billion increase that raised the repurchase program capacity to $13.7 billion and extended the program through December 31, 2018. On January 31, 2018 our Finance Committee, with authorization delegated from our Board of Directors, approved an increase of $6.0 billion in the share repurchase program, raising the authorization to $19.7 billion of Common Stock repurchases, and extended the program through December 31, 2020. See related information in Note 11, *Capital Stock*.

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Item 6. Selected Financial Data

Mondelēz International, Inc.
Selected Financial Data – Five Year Review (1)

	2017	2016	2015	2014	2013
	(in millions, except per share and employee data)				
Continuing Operations (2)					
Net revenues	$ 25,896	$ 25,923	$ 29,636	$ 34,244	$ 35,299
Earnings from continuing operations, net of taxes	2,936	1,669	7,291	2,201	2,332
Net earnings attributable to Mondelēz International:					
Per share, basic	1.93	1.07	4.49	1.29	1.30
Per share, diluted	1.91	1.05	4.44	1.28	1.29
Cash Flow and Financial Position (3)					
Net cash provided by operating activities	2,593	2,838	3,728	3,562	6,410
Capital expenditures	1,014	1,224	1,514	1,642	1,622
Property, plant and equipment, net	8,677	8,229	8,362	9,827	10,247
Total assets	63,109	61,538	62,843	66,771	72,464
Long-term debt	12,972	13,217	14,557	13,821	14,431
Total Mondelēz International shareholders' equity	26,111	25,161	28,012	27,750	32,373
Shares outstanding at year end (4)	1,488	1,528	1,580	1,664	1,705
Per Share and Other Data					
Book value per shares outstanding	17.55	16.47	17.73	16.68	18.99
Dividends declared per share (5)	0.82	0.72	0.64	0.58	0.54
Common Stock closing price at year end	42.80	44.33	44.84	36.33	35.30
Number of employees	83,000	90,000	99,000	104,000	107,000

(1) The selected financial data should be read in conjunction with *Management's Discussion and Analysis of Financial Condition and Results of Operations* and our consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K and Annual Reports on Form 10-K for earlier periods. A significant portion of our business is exposed to currency exchange rate fluctuation as a large portion of our assets, liabilities, revenue and expenses must be translated into U.S. dollars for reporting purposes. Refer to *Management's Discussion and Analysis of Financial Condition and Results of Operations* for a discussion of operating results on a constant currency basis where noted.

(2) Significant items impacting the comparability of our results from continuing operations include: Spin-Off Costs in 2013-2014; restructuring programs in 2013-2017; cost savings initiatives in 2013; the contribution of our global coffee businesses and investment in JDE and related gain in 2015; gain on equity method investment transactions in 2016-2017; other divestitures and sales of property in 2013 and 2015-2017; acquisitions in 2013 and 2015-2016; the Cadbury acquisition-related Integration Program in 2013-2014; the benefit from the Cadbury acquisition-related indemnification resolution in 2013; losses on debt extinguishment in 2013-2017; unrealized gains on the coffee business transaction currency hedges in 2014-2015; debt tender offers completed in 2013-2016; loss on deconsolidation of Venezuela in 2015; the remeasurement of net monetary assets in Venezuela in 2013-2015; accounting calendar changes in 2013 and 2015; impairment charges related to intangible assets in 2014-2017; losses related to interest rate swaps in 2015-2016; benefits from the resolution of tax matters in 2017; CEO transition remuneration in 2017; malware incident incremental expenses in 2017; and our provision for income taxes in all years, including the U.S. tax reform discrete net tax benefit in 2017. Please refer to Notes 1, *Summary of Significant Accounting Policies*; 2, *Divestitures and Acquisitions*; 5, *Goodwill and Intangible Assets*; 6, *2014-2018 Restructuring Program*; 7, *Debt and Borrowing Arrangements*; 8, *Financial Instruments*; 12, *Commitments and Contingencies*; 14, *Income Taxes*; and 16, *Segment Reporting*, for additional information regarding items affecting comparability of our results from continuing operations.

(3) Items impacting comparability primarily relate to the Keurig and JDE coffee business transactions in 2014-2016, the loss on deconsolidation of Venezuela in 2015 and the receipt of net cash proceeds from the resolution of the Starbucks arbitration in 2013. Refer to the Annual Report on Form 10-K for the year ended December 31, 2015, for additional information on the resolution of the Starbucks arbitration in 2013. Beginning in 2015, debt issuance costs related to recognized debt liabilities were recorded as a deduction from the related debt obligations instead of as long-term other assets on the consolidated balance sheet. We made this reclassification in the prior periods presented for consistency.

(4) Refer to Note 11, *Capital Stock*, for additional information on our share repurchase program in 2013-2017.

(5) Refer to the *Equity and Dividends* section within *Management's Discussion and Analysis of Financial Condition and Results of Operations* for information on our dividends.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis contains forward-looking statements. It should be read in conjunction with the other sections of this Annual Report on Form 10-K, including the consolidated financial statements and related notes contained in Item 8, *Forward-Looking Statements* and Item 1A, *Risk Factors*.

Description of the Company

We manufacture and market primarily snack food products, including biscuits (cookies, crackers and salted snacks), chocolate, gum & candy and various cheese & grocery products, as well as powdered beverage products. We have operations in more than 80 countries and sell our products in approximately 160 countries.

We aim to deliver strong, profitable long-term growth by accelerating our core snacks business and expanding the reach of our Power Brands globally. To fuel investments in our Power Brands and global and digital reach, we have been working to optimize our cost structure. These efforts include reinventing our supply chain operations and aggressively managing overhead costs. Through these actions, we're leveraging our brands, platforms and capabilities to drive long-term value and return on investment for our shareholders.

U.S. Tax Reform

On December 22, 2017, the United States enacted tax reform legislation that included a broad range of business tax provisions, including but not limited to a reduction in the U.S. federal tax rate from 35% to 21% as well as provisions that limit or eliminate various deductions or credits. The legislation also causes U.S. allocated expenses (e.g. interest and general administrative expenses) to be taxed and imposes a new tax on U.S. cross-border payments. Furthermore, the legislation includes a one-time transition tax on accumulated foreign earnings and profits.

In response to the enactment of U.S. tax reform, the SEC issued guidance to address the complexity in accounting for this new legislation. When the initial accounting for items under the new legislation is incomplete, the guidance allows us to recognize provisional amounts when reasonable estimates can be made or to continue to apply the prior tax law if a reasonable estimate of the impact cannot be made. The SEC has provided up to a one-year window for companies to finalize the accounting for the impacts of this new legislation and we anticipate finalizing our accounting during 2018.

While our accounting for the new U.S. tax legislation is not complete, we have made reasonable estimates for some provisions and recognized a $59 million discrete net tax benefit in our 2017 financial statements. This net benefit is primarily comprised of a $1,311 million provisional deferred tax benefit from revaluing our net U.S. deferred tax liabilities to reflect the new U.S. corporate tax rate as well as an additional $61 million provisional deferred tax benefit related to changes in our indefinite reinvestment assertion, partially offset by a $1,317 million provisional charge for the estimated transition tax. However, as of the date of this Form 10-K, we are continuing to evaluate the accounting impacts of the legislation, as we continue to assemble and analyze all the information required to prepare and analyze these effects and await additional guidance from the U.S. Treasury Department, the IRS or other standard-setting bodies. Additionally, we continue to analyze other information and regulatory guidance, and accordingly we may record additional provisional amounts or adjustments to provisional amounts in future periods. See Note 14, *Income Taxes*, for further details on the impacts of U.S. tax reform.

Malware Incident

On June 27, 2017, a global malware incident impacted our business. The malware affected a significant portion of our global sales, distribution and financial networks. In the last four days of the second quarter and during the third quarter, we executed business continuity and contingency plans to contain the impact, minimize damages and restore our systems environment. To date, we have not found, nor do we expect to find, any instances of Company or personal data released externally. We have now restored our main operating systems and processes as well as enhanced our system security.

During 2017, we estimate that the loss of revenue as a result of the malware incident had a negative impact of 0.4% on our net revenue and Organic Net Revenue growth. We also incurred incremental expenses of $84 million predominantly during the second half of 2017 as part of the recovery effort. We believe the recovery from this incident is largely resolved, and we do not expect significant ongoing impacts or incremental expenses from this incident in future periods. We also continue to make progress on our efforts to strengthen our security measures and mitigate cybersecurity risk. Refer to our *Risk Factors* section for a discussion of potential risks to our operations from cybersecurity threats.

Coffee Business Transactions

JDE Coffee Business Transactions:
On July 2, 2015, we completed transactions to combine our wholly owned coffee businesses with those of D.E Master Blenders 1753 B.V. to create a new company, Jacob Douwe Egberts ("JDE"). In connection with these transactions, in 2015, we recorded a final pre-tax gain of $6.8 billion ($6.6 billion after-tax) from the deconsolidation of our legacy coffee businesses. We also recorded approximately $1.0 billion of cumulative pre-tax net gains ($436 million in 2015 and $628 million in 2014) and cash related to currency hedging. See Note 2, *Divestitures and Acquisitions—JDE Coffee Business Transactions*, for additional details. As further described below, in March 2016, we exchanged a portion of our investment in JDE for an investment in Keurig Green Mountain Inc. ("Keurig"). As of December 31, 2017, we hold a 26.5% voting interest, a 26.4% ownership interest and a 26.2% profit and dividend sharing interest in JDE. We recorded JDE equity earnings of $129 million in 2017 and $100 million in 2016 and equity losses of $58 million in 2015. We also recorded $49 million of cash dividends received during the first quarter of 2017.

Keurig Transaction:
Following the March 3, 2016 Acorn Holdings B.V. acquisition of Keurig, on March 7, 2016, we exchanged a portion of our equity interest in JDE for an interest in Keurig valued at $2.0 billion. We recorded the difference between the fair value of the Keurig interest and our basis in JDE shares as a $43 million gain. Following the exchange, our ownership interest in JDE became 26.5% and we owned a 24.2% interest in Keurig. Our initial $2.0 billion investment in Keurig includes a $1.6 billion Keurig equity interest and a $0.4 billion shareholder loan receivable, which are reported on a combined basis within equity method investments on our consolidated balance sheet. The shareholder loan has a 5.5% interest rate and is payable at the end of a seven-year term on February 27, 2023. We recorded Keurig equity earnings of $208 million in 2017 (of which, approximately $119 million relates to the provisional tax benefit Keurig recorded as a result of U.S. tax reform), and $77 million in 2016. We recorded shareholder loan interest of $24 million in 2017 and $20 million in 2016. Additionally, we received shareholder loan interest payments of $30 million in 2017 and $14 million in 2016 and dividends of $14 million in 2017 and $4 million in 2016. See Note 2, *Divestitures and Acquisitions,* for additional details on the Keurig transaction.

Planned Keurig Dr Pepper Transaction:
On January 29, 2018, we announced that we would exchange our ownership interest in Keurig for equity in Keurig Dr Pepper, which is contingent upon the successful completion of a planned merger of Keurig with Dr Pepper Snapple Group, Inc. Following the close of the merger in mid-2018, we expect our ownership in Keurig Dr Pepper to be 13-14%. We expect to account for this new investment under the equity method as we have for Keurig, resulting in our recognizing our share of their earnings within our earnings and our share of their dividends within our cash flows. We will have the right to nominate two directors to the board of Keurig Dr Pepper and will have certain governance rights over Keurig Dr Pepper following the transaction.

Venezuela Deconsolidation

Effective as of the close of the 2015 fiscal year, we deconsolidated our Venezuelan subsidiaries due to a loss of control over our Venezuelan operations and an other-than-temporary lack of currency exchangeability. We recorded a $778 million pretax loss on December 31, 2015 as we reduced the value of our investment in Venezuela and all Venezuelan receivables held by our other subsidiaries to realizable fair value, resulting in full impairment.

As of the start of 2016, we no longer included net revenues, earnings or net assets of our Venezuelan subsidiaries within our GAAP consolidated financial statements and we excluded Venezuela from our non-GAAP results for all historical periods presented to facilitate comparisons of operating results. See Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela*, for more information on our Venezuela operations, including currency remeasurement losses and the loss on deconsolidation.

Summary of Results

- Net revenues were approximately $25.9 billion in both 2017 and 2016, a decrease of 0.1% in 2017 and a decrease of 12.5% in 2016. Business deconsolidations and divestitures reduced net revenues during 2015-2017, with net revenues in 2016 most significantly affected by the deconsolidations of our historical coffee business and Venezuelan operations in 2015 as well as significant unfavorable currency translation impacts in 2016 and 2015.

- Organic Net Revenue increased 0.9% to $25.5 billion in 2017 and increased 1.5% to $26.4 billion in 2016. Organic Net Revenue is on a constant currency basis and excludes revenue from deconsolidated coffee and Venezuelan operations, divestitures and an acquisition. We use Organic Net Revenue as it provides improved year-over-year comparability of our underlying operating results (see the definition of Organic Net Revenue and our reconciliation with net revenues within *Non-GAAP Financial Measures* appearing later in this section).

- Diluted EPS attributable to Mondelēz International increased 81.9% to $1.91 in 2017 and decreased 76.4% to $1.05 in 2016. Diluted EPS increased in 2017 as prior-year refinancing and higher restructuring activities drove lower interest and overhead costs in 2017. We also recorded benefits from resolving two local indirect tax matters and gains from divesting non-core businesses during 2017. Diluted EPS was significantly lower in 2016 primarily as a result of the $6.8 billion gain recorded in 2015 in connection with the JDE coffee business transactions as well as a number of other significant items that affected the comparability of our reported results. See our *Discussion and Analysis of Historical Results* appearing later in this section for further details.

- Adjusted EPS increased 15.1% to $2.14 in 2017 and increased 21.6% to $1.86 in 2016. On a constant currency basis, Adjusted EPS increased 14.5% to $2.13 in 2017 and increased 25.5% to $1.92 in 2016. Lower manufacturing costs and overhead costs, driven by strong productivity efforts, were significant drivers of Adjusted EPS growth in both years. Adjusted EPS and Adjusted EPS on a constant currency basis are non-GAAP financial measures. We use these measures as they provide improved year-over-year comparability of our underlying results (see the definition of Adjusted EPS and our reconciliation with diluted EPS within *Non-GAAP Financial Measures* appearing later in this section).

Financial Outlook

We seek to achieve profitable, long-term growth and manage our business to attain this goal using our key operating metrics: Organic Net Revenue, Adjusted Operating Income and Adjusted EPS. We use these non-GAAP financial metrics and related computations such as margins internally to evaluate and manage our business and to plan and make near-and long-term operating and strategic decisions. As such, we believe these metrics are useful to investors as they provide supplemental information in addition to our U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) financial results. We believe providing investors with the same financial information that we use internally ensures that investors have the same data to make comparisons of our historical operating results, identify trends in our underlying operating results and gain additional insight and transparency on how we evaluate our business. We believe our non-GAAP financial measures should always be considered in relation to our GAAP results and we have provided reconciliations between our GAAP and non-GAAP financial measures within *Non-GAAP Financial Measures* appearing later in this section.

In addition to monitoring our key operating metrics, we monitor a number of developments and trends that could impact our revenue and profitability objectives.

Long-Term Demographics and Consumer Trends – Snack food consumption is highly correlated to GDP growth, urbanization of populations and rising discretionary income levels associated with a growing middle class, particularly in emerging markets. Over the long term, we expect these trends to continue leading to growth in consumer behaviors such as more frequent, smaller meals, snacking and greater use of convenience foods. We also recognize changing consumer trends such as the increased emphasis on well-being, time compression and wide participation across an evolving retail and digital landscape. To position ourselves for long-term growth, we are investing in our well-being and other snack offerings, product and marketing innovation and new routes to market including e-commerce.

Demand – We monitor consumer spending and our market share within the food and beverage categories in which we sell our products. In recent years, low GDP growth, economic recessionary pressures, weak consumer confidence, a historically strong U.S. dollar and changing consumer trends have slowed category and our net revenue growth. While we have begun to see some improvements in global economic growth and a weaker U.S. dollar in 2017, there are still geopolitical and economic uncertainties, and category growth continues to be soft. Growth in our global snacking categories (excluding Venezuela) decreased from approximately 3.4% in 2015 and 2.4% in 2016 to 2.1% in 2017. We continue to make investments in our brand and snacks portfolio, while building strong routes to market to address the needs of consumers in emerging and developed markets. In doing so, we anticipate driving demand in our categories and growing our position in these markets.

Volatility of Global Markets – Our growth strategy depends in part on our ability to expand our operations, particularly in emerging markets. Some emerging markets have greater political, economic and currency volatility and greater vulnerability to infrastructure and labor disruptions than more established markets. Volatility in these markets affects demand for and the costs of our products and requires frequent changes in how we operate our business. Refer to Note 1, *Summary of Significant Accounting Policies—Venezuela*, for further discussion of these issues and their impacts on our Venezuela operations. We expect continued volatility across our markets, particularly emerging markets. As such, we are focused on investing in our global Power Brands and routes to market while we protect our margins through the management of costs and pricing.

Competition – We operate in highly competitive markets that include global, regional and local competitors. Our advantaged geographic footprint, operating scale and portfolio of brands have all significantly contributed to building our market-leading positions across most of the product categories in which we sell. To grow and maintain our market positions, we focus on meeting consumer needs and preferences through new product innovations and product quality. We also continue to optimize our manufacturing and other operations and invest in our brands through ongoing research and development, advertising, marketing and consumer promotions.

Pricing – We adjust our product prices based on a number of variables including demand, the competitive environment and changes in our product input costs. Our net revenue growth and profitability may be affected as we adjust prices to address new conditions. Over 2015-2017, we generally increased prices in response to higher commodity costs, currency and other market factors. In 2018, we anticipate changing market conditions to continue to impact pricing. Price competition may continue to affect net revenues or market share in the near term as the market adjusts to changes in input costs and other market conditions.

Operating Costs – Our operating costs include raw materials, labor, selling, general and administrative expenses, taxes, currency impacts and financing costs. We manage these costs through cost saving and productivity initiatives, sourcing and hedging programs, pricing actions, refinancing and tax planning. We continue to renegotiate collective bargaining agreements covering eight U.S. facilities that expired beginning in February 2016. We have plans to ensure business continuity during the renegotiations. To remain competitive on our operating structure, we continue to work on programs to expand our profitability and margins, such as our 2014-2018 Restructuring Program, which is designed to bring about significant reductions in our operating cost structure in both our supply chain and overhead costs. Effective on October 1, 2016, we also integrated our EEMEA region operations into our Europe and Asia Pacific operating segments. This change had a favorable impact on our operating performance due to greater leverage of our European and AMEA regional businesses and resulting cost structure.

Taxes – While the 2017 U.S. tax reform reduced the U.S. corporate tax rate and included beneficial depreciation provisions, other provisions could have an adverse effect on our results. Specifically, new provisions that cause U.S. allocated expenses (e.g. interest and general administrative expenses) to be taxed and impose a tax on U.S. cross-border payments could adversely impact our effective tax rate. We will continue to evaluate the impacts as additional guidance on implementing the legislation becomes available.

Currency – As a global company with 75.8% of our net revenues generated outside the United States, we are continually exposed to changes in global economic conditions and currency movements. In 2017, the U.S. dollar began to weaken relative to other currencies in which we operate, while in 2015 and 2016, the U.S. dollar generally was stronger as a number of countries experienced significant declines in or devaluations of their currency. The currency movements created volatility in our reported results of operations. Unfavorable currency translation impacts were 12.6 percentage points (or 12.0 percentage points excluding currency impacts related to Venezuela) of the 13.5% net revenue decrease in 2015 and 4.6 percentage points of the 12.5% net revenue decrease in 2016. In 2017, the 0.1% net revenue decrease reflected 0.3 percentage points of favorable currency translation impacts as the U.S. dollar generally weakened against a number of currencies this past year. As currency movements can make comparisons of year-over-year operating performance challenging, we isolate the impact of currency and also report growth on a constant currency basis, holding prior-year currency exchange rates constant, so that prior-year and current-year results can be compared on a consistent basis.

Historically, we have also been exposed to currency devaluation risks impacting earnings particularly, but not only, in connection with our Venezuela operations that were deconsolidated at the close of the 2015 fiscal year. In the months following the Brexit vote in June 2016, there was significant volatility in the global stock markets and currency exchange rates. The value of the British pound sterling relative to the U.S. dollar declined significantly and negatively affected our translated results reported in U.S. dollars. In December 2017, the European Union and United Kingdom agreed to begin trade negotiations, and we could experience additional volatility in the British pound sterling as the Brexit negotiations move forward.

To partially offset the translation of certain of our overseas operations, including the United Kingdom, we enter into net investment hedges primarily in the form of local currency denominated debt and cross-currency swaps and other financial instruments. We generally do not hedge against currency translation and primarily seek to hedge against economic losses on cross-currency transactions. Due to limited markets for hedging currency transactions and other factors, we may not be able to effectively hedge all of our cross-currency transaction risks. Local economies, monetary policies and currency hedging availability can affect our ability to hedge against currency-related economic losses. While we work to mitigate our exposure to currency risks, factors such as continued global and local market volatility, actions by foreign governments, political uncertainty, limited hedging opportunities and other factors could lead to unfavorable currency impacts in the future. We monitor currency-related risks and economies at risk of qualifying for highly inflationary accounting under U.S. GAAP, such as Argentina and Ukraine. While we work to safeguard our business, currency devaluations could adversely affect future demand for our products, our financial results and operations, and our relationships with customers, suppliers and employees in the short or long-term. We may not be able to fully offset the increased risks related to currency devaluations and Brexit, which could impact profitability should the currency-related conditions continue. See Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting*, and Note 8, *Financial Instruments*, for additional information.

Financing Costs – We regularly evaluate our variable and fixed-rate debt. We continue to use low-cost, short- and long-term debt to finance our ongoing working capital, capital expenditures and other investments, dividends and share repurchases. We also expect to use existing cash or short-term borrowings to finance the estimated $1.3 billion U.S. tax reform transition tax liability payable through 2026. During 2017, we retired $1.5 billion of long-term debt and issued lower-cost, short-term commercial paper and long-term Swiss franc debt. During 2016, we retired $6.2 billion of our long-term debt and issued lower-cost, long-term euro, Swiss franc and U.S. dollar-denominated debt. Our weighted-average interest rate on our total debt as of December 31, 2017 was 2.1%, down from 2.2% as of December 31, 2016 and down from 3.7% as of December 31, 2015. We also continue to use interest rate swaps and other financial instruments to manage our exposure to interest rate and cash flow variability, protect the value of our existing currency assets and liabilities and protect the value of our debt. For example, through February 8, 2018, we entered into cross-currency interest rate swaps and forwards with an aggregate notional value of $3.2 billion to hedge our non-U.S. net investments against adverse movements in exchange rates. We designated these swaps and forwards as net investment hedges related to our operations in our Europe and AMEA regions. We expect a favorable impact on our prospective financing costs as we reduce some of the financing costs and related currency impacts within our interest costs. Refer to Note 7, *Debt and Borrowing Arrangements*, and Note 8, *Financial Instruments*, for additional information on our debt and derivative activity.

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Discussion and Analysis of Historical Results

Items Affecting Comparability of Financial Results

The following table includes significant income or (expense) items that affected the comparability of our results of operations and our effective tax rates. Please refer to the notes to the consolidated financial statements indicated below for more information. Refer also to the *Consolidated Results of Operations – Net Earnings and Earnings per Share Attributable to Mondelēz International* table for the after-tax per share impacts of these items.

	See Note	For the Years Ended December 31, 2017	2016	2015
		(in millions, except percentages)		
JDE coffee business transactions:	Note 2			
Gain on contribution		$ –	$ –	$ 6,809
Incremental costs for readying the businesses		–	–	(278)
Currency-related hedging net gains (1)		–	–	436
Venezuela:	Note 1			
Historical operating income (2)		–	–	266
Remeasurement of net monetary assets: Q1 2015: 11.50 to 12.00 bolivars to the U.S. dollar		–	–	(11)
Loss on deconsolidation		–	–	(778)
2014-2018 Restructuring Program:	Note 6			
Restructuring charges		(535)	(714)	(711)
Implementation charges		(257)	(372)	(291)
Gain on equity method investment transactions (3)	Note 2	40	43	–
Loss on debt extinguishment and related expenses	Note 7	(11)	(427)	(753)
Loss related to interest rate swaps	Note 7 & 8	–	(97)	(34)
CEO transition remuneration (4)	See (4) below	(14)	–	–
Intangible asset impairment charges	Note 5	(109)	(137)	(71)
Divestitures, acquisitions and sales of property	Note 2			
Gain on sale of intangible assets		–	15	–
Net gain on divestitures		186	9	13
Divestiture-related costs (5)		(34)	(86)	–
Acquisition-related costs		–	(1)	(8)
Other acquisition integration costs		(3)	(7)	(9)
Gains on sales of property		–	46	–
Mark-to-market (losses)/gains from derivatives (6)	Note 8	(96)	(94)	56
Benefits from the resolution of tax matters (7)	Note 12	281	–	–
Malware incident incremental expenses		(84)	–	–
U.S. tax reform discrete net tax benefit (8)	Note 14	59	–	–
Effective tax rate	Note 14	22.0%	8.9%	7.5%

(1) To lock in an expected U.S. dollar value of the cash to be received in euros upon closing of the JDE coffee business transactions, we entered into currency exchange forward contracts beginning in May 2014, when the transaction was announced. We recognized related currency hedging net gains of $436 million in 2015. See Note 2, *Divestitures and Acquisitions,* for more information on the JDE coffee business transactions and related hedging transactions.
(2) Excludes the impact of remeasurement losses and 2014-2018 Restructuring Program charges that are shown separately.
(3) The gain on equity method investment transactions is recorded outside of pre-tax operating results on the consolidated statement of earnings.
(4) Please see the *Non-GAAP Financial Measures* section at the end of this item for additional discussion of CEO transition remuneration.
(5) Divestiture-related costs in 2017 totaled $34 million ($31 million in operating income and $3 million in interest and other expense, net).
(6) Unrealized gains or losses on commodity and forecasted currency transaction derivatives. 2015 amounts exclude coffee commodity and currency derivative impacts that are included within the coffee operating results throughout the following sections.
(7) Refer to Note 12, *Commitments and Contingencies – Tax Matters,* for more information. Primarily includes the reversal of tax liabilities in connection with the resolution of a Brazilian indirect tax matter and settlement of pre-acquisition Cadbury tax matters.
(8) Refer to Note 14, *Income Taxes*, for more information on the impact of the U.S. tax reform.

Consolidated Results of Operations

The following discussion compares our consolidated results of operations for 2017 with 2016 and 2016 with 2015.

2017 compared with 2016

	For the Years Ended December 31, 2017	For the Years Ended December 31, 2016	$ change	% change
	(in millions, except per share data)			
Net revenues	$ 25,896	$ 25,923	$ (27)	(0.1)%
Operating income	3,506	2,569	937	36.5%
Earnings from continuing operations	2,936	1,669	1,267	75.9%
Net earnings attributable to Mondelēz International	2,922	1,659	1,263	76.1%
Diluted earnings per share attributable to Mondelēz International	1.91	1.05	0.86	81.9%

Net Revenues – Net revenues decreased $27 million (0.1%) to $25,896 million in 2017, and Organic Net Revenue (1) increased $220 million (0.9%) to $25,490 million. Power Brands net revenues increased 2.9%, including a favorable currency impact, and Power Brands Organic Net Revenue increased 2.1%. Emerging markets net revenues increased 3.7%, including a favorable currency impact, and emerging markets Organic Net Revenue increased 3.6%. The underlying changes in net revenues and Organic Net Revenue are detailed below:

	2017
Change in net revenues (by percentage point)	
Total change in net revenues	**(0.1)%**
Add back the following items affecting comparability:	
Favorable currency	(0.3)pp
Impact of acquisition	(0.2)pp
Impact of divestitures	1.5pp
Total change in Organic Net Revenue (1)	**0.9%**
Higher net pricing	1.5pp
Unfavorable volume/mix	(0.6)pp

(1) Please see the *Non-GAAP Financial Measures* section at the end of this item.

Net revenue decline of 0.1% was driven by the impact of divestitures, partially offset by our underlying Organic Net Revenue growth of 0.9%, favorable currency and the impact of an acquisition. The impact of divestitures resulted in a year-over-year decline in net revenues of $383 million for 2017. Our underlying Organic Net Revenue increase was driven by higher net pricing, partially offset by unfavorable volume/mix. Net pricing was up, which includes the benefit of carryover pricing from 2016 as well as the effects of input cost-driven pricing actions taken during 2017. Higher net pricing was reflected in Latin America and AMEA, partially offset by lower net pricing in North America and Europe. Unfavorable volume/mix was reflected in all segments except Europe, in part due to expected shipments that we did not realize following the second quarter malware incident. Favorable year-over-year currency impacts increased net revenues by $77 million, due primarily to the strength of several currencies relative to the U.S. dollar, including the Brazilian real, euro, Russian ruble, Australian dollar, Indian rupee and South African rand, partially offset by the strength of the U.S. dollar relative to several currencies, including the Egyptian pound, British pound sterling, Argentinean peso, Nigerian naira, Turkish lira, Philippine peso and Chinese yuan. The November 2, 2016 acquisition of a business and license to manufacture, market and sell Cadbury-branded biscuits in additional key markets added $59 million (constant currency basis) of incremental net revenues for 2017.

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Operating Income – Operating income increased $937 million (36.5%) to $3,506 million in 2017, Adjusted Operating Income (1) increased $376 million (9.9%) to $4,178 million and Adjusted Operating Income on a constant currency basis (1) increased $376 million (9.9%) to $4,178 million due to the following:

	Operating Income (in millions)	Change
Operating Income for the Year Ended December 31, 2016	**$ 2,569**	
2014-2018 Restructuring Program costs (2)	1,086	
Intangible asset impairment charges (3)	137	
Mark-to-market losses from derivatives (4)	94	
Acquisition integration costs (5)	7	
Acquisition-related costs (5)	1	
Divestiture-related costs (6)	86	
Operating income from divestitures (6)	(153)	
Gain on divestiture (6)	(9)	
Gain on sale of intangible assets (7)	(15)	
Other/rounding	(1)	
Adjusted Operating Income (1) for the Year Ended December 31, 2016	**$ 3,802**	
Higher net pricing	370	
Higher input costs	(173)	
Unfavorable volume/mix	(160)	
Lower selling, general and administrative expenses	405	
Gains on sales of property in 2016 (8)	(46)	
VAT-related settlement in 2016	(54)	
Property insurance recovery	27	
Impact from acquisition (8)	8	
Other	(1)	
Total change in Adjusted Operating Income (constant currency) (1)	**376**	**9.9%**
Currency translation	–	
Total change in Adjusted Operating Income (1)	**376**	**9.9%**
Adjusted Operating Income (1) for the Year Ended December 31, 2017	**$ 4,178**	
2014-2018 Restructuring Program costs (2)	(792)	
Intangible asset impairment charges (3)	(109)	
Mark-to-market losses from derivatives (4)	(96)	
Malware incident incremental expenses	(84)	
Acquisition integration costs (5)	(3)	
Divestiture-related costs (6)	(31)	
Operating income from divestitures (6)	61	
Net gain on divestitures (6)	186	
Benefits from resolution of tax matters (9)	209	
CEO transition remuneration	(14)	
Other/rounding	1	
Operating Income for the Year Ended December 31, 2017	**$ 3,506**	**36.5%**

(1) Refer to the *Non-GAAP Financial Measures* section at the end of this item.
(2) Refer to Note 6, *2014-2018 Restructuring Program,* for more information.
(3) Refer to Note 2, *Divestitures and Acquisitions,* and Note 5, *Goodwill and Intangible Assets*, for more information on trademark impairments.
(4) Refer to Note 8, *Financial Instruments*, Note 16, *Segment Reporting*, and *Non-GAAP Financial Measures* appearing later in this section for more information on the unrealized gains/losses on commodity and forecasted currency transaction derivatives.
(5) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the acquisition of a biscuit business in Vietnam.
(6) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2017 sales of a confectionery business in France, a grocery business in Australia and New Zealand, certain licenses of KHC-owned brands used in our grocery business within our Europe region, sale of one of our equity method investments and sale of a confectionary business in Japan. Additionally, the 2016 amount includes a sale of a confectionery business in Costa Rica.
(7) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2016 intangible asset sale in Finland.

(8) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2016 purchase of a license to manufacture, market and sell Cadbury-branded biscuits in additional key markets and other property sales in 2016.
(9) Refer to Note 12, *Commitments and Contingencies – Tax Matters,* for more information. Primarily includes the reversal of tax liabilities in connection with the resolution of a Brazilian indirect tax matter and settlement of pre-acquisition Cadbury tax matters.

During 2017, we realized higher net pricing while input costs increased modestly. Higher net pricing, which included the carryover impact of pricing actions taken in 2016 as well as the effects of input cost-driven pricing actions taken during 2017, was driven by Latin America and AMEA, partially offset by lower net pricing in North America and Europe. The increase in input costs was driven by higher raw material costs which were partially offset by lower manufacturing costs due to productivity. Unfavorable volume/mix was driven by North America, Latin America and AMEA, which was partially offset by favorable volume/mix in Europe.

Total selling, general and administrative expenses decreased $629 million from 2016, due to a number of factors noted in the table above, including in part, the benefits from the resolution of tax matters, lower implementation costs incurred for the 2014-2018 Restructuring Program, lower divestiture-related costs, a property insurance recovery in AMEA and lower intangible asset impairment charges. The decreases were partially offset by gains on sales of property in 2016, unfavorable currency impact, Value-added tax (“VAT”) related settlements in 2016 and incremental expenses incurred due to the malware incident.

Excluding the factors noted above, selling, general and administrative expenses decreased $405 million from 2016. The decrease was driven primarily by lower overhead costs and lower advertising and consumer promotion costs due to continued cost reduction efforts in both areas.

Currency changes during the year did not impact operating income as the strength of the U.S. dollar relative to several currencies, including the Egyptian pound, British pound sterling and Argentinean peso, was offset by the strength of several currencies relative to the U.S. dollar, including the euro, Brazilian real, Russian ruble, Australian dollar, Indian rupee and South African rand.

Operating income margin increased from 9.9% in 2016 to 13.5% in 2017. The increase in operating income margin was driven primarily by an increase in our Adjusted Operating Income margin, lower 2014-2018 Restructuring Program costs, the benefits from the resolution of tax matters, the net gain on divestitures and lower divestiture-related costs, partially offset by incremental costs related to the malware incident and CEO transition remuneration costs. Adjusted Operating Income margin increased from 15.0% in 2016 to 16.3% in 2017. The increase in Adjusted Operating Income margin was driven primarily by lower overheads and lower advertising and consumer promotion costs due to continued cost reduction efforts in both areas.

Net Earnings and Earnings per Share Attributable to Mondelēz International – Net earnings attributable to Mondelēz International of $2,922 million increased by $1,263 million (76.1%) in 2017. Diluted EPS attributable to Mondelēz International was $1.91 in 2017, up $0.86 (81.9%) from 2016. Adjusted EPS (1) was $2.14 in 2017, up $0.28 (15.1%) from 2016. Adjusted EPS on a constant currency basis (1) was $2.13 in 2017, up $0.27 (14.5%) from 2016.

		Diluted EPS
Diluted EPS Attributable to Mondelēz International for the Year Ended December 31, 2016	**$**	**1.05**
2014-2018 Restructuring Program costs (2)		0.51
Intangible asset impairment charges (2)		0.06
Mark-to-market losses from derivatives (2)		0.05
Acquisition integration costs (2)		0.01
Divestiture-related costs (2)		0.05
Net earnings from divestitures (2)		(0.08)
Gain on sale of intangible assets (2)		(0.01)
Loss related to interest rate swaps (3)		0.04
Loss on debt extinguishment and related expenses (4)		0.17
Gain on equity method investment transaction (5)		(0.03)
Equity method investee acquisition-related and other adjustments (6)		0.04
Adjusted EPS (1) for the Year Ended December 31, 2016	**$**	**1.86**
Increase in operations		0.22
Increase in equity method investment net earnings		0.02
Gains on sales of property in 2016 (2)		(0.02)
VAT-related settlements in 2016		(0.04)
Property insurance recovery		0.01
Impact from acquisition (2)		–
Lower interest and other expense, net (7)		0.08
Changes in shares outstanding (8)		0.05
Changes in income taxes (9)		(0.05)
Adjusted EPS (constant currency) (1) for the Year Ended December 31, 2017	**$**	**2.13**
Favorable currency translation		0.01
Adjusted EPS (1) for the Year Ended December 31, 2017	**$**	**2.14**
2014-2018 Restructuring Program costs (2)		(0.39)
Intangible asset impairment charges (2)		(0.05)
Mark-to-market losses from derivatives (2)		(0.06)
Malware incident incremental expenses		(0.04)
Acquisition integration costs (2)		–
Divestiture-related costs (2)		(0.02)
Net earnings from divestitures (2)		0.03
Net gain on divestitures (2)		0.11
Benefits from resolution of tax matters (2)		0.13
CEO transition remuneration		(0.01)
U.S. tax reform discrete net tax benefit (10)		0.04
Gain on equity method investment transaction (11)		0.02
Equity method investee acquisition-related and other adjustments (6)		0.01
Diluted EPS Attributable to Mondelēz International for the Year Ended December 31, 2017	**$**	**1.91**

(1) Refer to the *Non-GAAP Financial Measures* section appearing later in this section.
(2) See the *Operating Income* table above and the related footnotes for more information.
(3) Refer to Note 8, *Financial Instruments*, for more information on our interest rate swaps, which we no longer designate as cash flow hedges effective the first quarter of 2016 due to changes in financing and hedging plans.
(4) Refer to Note 7, *Debt and Borrowing Arrangements*, for more information on our loss on debt extinguishment and related expenses in connection with our debt tender offers.
(5) Refer to Note 2, *Divestitures and Acquisitions – Keurig Transaction*, for more information on the 2016 acquisition of an interest in Keurig.

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(6) Includes our proportionate share of unusual or infrequent items, such as acquisition and divestiture-related costs, restructuring program costs and discrete U.S. tax reform impacts recorded by our JDE and Keurig equity method investees.
(7) Excludes the currency impact on interest expense related to our non-U.S. dollar-denominated debt which is included in currency translation.
(8) Refer to Note 10, *Stock Plans*, for more information on our equity compensation programs, Note 11, *Capital Stock*, for more information on our share repurchase program and Note 15, *Earnings Per Share*, for earnings per share weighted-average share information.
(9) Refer to Note 14, *Income Taxes*, for more information on the items affecting income taxes.
(10) Refer to Note 14, *Income Taxes*, for more information on the impact of the U.S. tax reform.
(11) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2017 sale of an interest in one of our equity method investments.

2016 compared with 2015

	For the Years Ended December 31, 2016	2015	$ change	% change
	(in millions, except per share data)			
Net revenues	$ 25,923	$ 29,636	$ (3,713)	(12.5)%
Operating income	2,569	8,897	(6,328)	(71.1)%
Earnings from continuing operations	1,669	7,291	(5,622)	(77.1)%
Net earnings attributable to Mondelēz International	1,659	7,267	(5,608)	(77.2)%
Diluted earnings per share attributable to Mondelēz International	1.05	4.44	(3.39)	(76.4)%

Net Revenues – Net revenues decreased $3,713 million (12.5%) to $25,923 million in 2016, and Organic Net Revenue (1) increased $390 million (1.5%) to $26,411 million. Power Brands net revenues decreased 10.9%, primarily due to the deconsolidation of our historical coffee business, unfavorable currency and the deconsolidation of our historical Venezuelan operations, and Power Brands Organic Net Revenue increased 3.3%. Emerging markets net revenues decreased 19.1%, primarily due to the deconsolidation of our historical Venezuelan operations, unfavorable currency and the deconsolidation of our historical coffee business, and emerging markets Organic Net Revenue increased 2.7%. The underlying changes in net revenues and Organic Net Revenue are detailed below:

	2016
Change in net revenues (by percentage point)	
Total change in net revenues	**(12.5)%**
Add back of the following items affecting comparability:	
Historical coffee business (1)	5.6pp
Unfavorable currency	4.8pp
Historical Venezuelan operations (2)	3.7pp
Impact of accounting calendar change	0.3pp
Impact of acquisitions	(0.4)pp
Impact of divestitures	–
Total change in Organic Net Revenue (3)	**1.5%**
Higher net pricing	1.6pp
Unfavorable volume/mix	(0.1)pp

(1) Includes our historical global coffee business prior to the July 2, 2015 JDE coffee business transactions. Refer to Note 2, *Divestitures and Acquisitions,* and *Non-GAAP Financial Measures* appearing later in this section for more information.
(2) Includes the historical results of our Venezuelan subsidiaries (including Venezuela currency impacts) prior to the December 31, 2015 deconsolidation. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for more information.
(3) Please see the *Non-GAAP Financial Measures* section at the end of this item.

Net revenue decline of 12.5% was driven by the impact of the deconsolidation of our historical coffee business, unfavorable currency, the deconsolidation of our historical Venezuelan operations and the year-over-year impact of the 2015 accounting calendar change, partially offset by our underlying Organic Net Revenue growth of 1.5%, and the impact of acquisitions. The adjustment for deconsolidating our historical coffee business resulted in a year-over-year decrease in net revenues of $1,627 million for 2016. Unfavorable currency impacts decreased net revenues by $1,233 million, due primarily to the strength of the U.S. dollar relative to several currencies, including the Argentinean peso, British pound sterling, Mexican peso, Brazilian real, Chinese yuan and Russian ruble. The deconsolidation of our historical Venezuelan operations resulted in a year-over-year decrease in net revenues of $1,217 million for 2016. The North America segment accounting calendar change in 2015 resulted in a year-over-year decrease in net revenues of $76 million for 2016. Our underlying Organic Net Revenue growth was driven by higher net pricing, partially offset by unfavorable volume/mix. Net pricing was up, which includes the benefit of carryover pricing from 2015 as well as the effects of input cost-driven pricing actions taken during 2016. Higher net pricing was reflected in Latin America and AMEA, partially offset by lower net pricing in Europe and North America. Unfavorable volume/mix was reflected in Latin America and AMEA, mostly offset by favorable volume/mix in Europe and North America. Unfavorable volume/mix in Latin America and AMEA was largely due to price elasticity as well as strategic decisions to exit certain low-margin product lines. The impact of acquisitions primarily includes the July 15, 2015 acquisition of a biscuit operation in Vietnam, which added $71 million of incremental net revenues for 2016, and the November 2, 2016 acquisition of a business and a license to manufacture, market and sell Cadbury-branded biscuits in additional key markets, which added $16 million of incremental net revenues for 2016.

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Operating Income – Operating income decreased $6,328 million (71.1%) to $2,569 million in 2016, Adjusted Operating Income (1) increased $486 million (14.7%) to $3,802 million and Adjusted Operating Income on a constant currency basis (1) increased $657 million (19.8%) to $3,973 million due to the following:

	Operating Income (in millions)	Change
Operating Income for the Year Ended December 31, 2015	**$ 8,897**	
2012-2014 Restructuring Program costs (2)	(4)	
2014-2018 Restructuring Program costs (2)	1,002	
Intangible asset impairment charges (3)	71	
Mark-to-market gains from derivatives (4)	(56)	
Acquisition integration costs (5)	9	
Acquisition-related costs (5)	8	
Operating income from divestiture (6)	(182)	
Gain on divestiture (6)	(13)	
Operating income from Venezuelan subsidiaries (7)	(281)	
Remeasurement of net monetary assets in Venezuela (7)	11	
Loss on deconsolidation of Venezuela (7)	778	
Costs associated with the coffee business transactions (8)	278	
Gain on the JDE coffee business transactions (8)	(6,809)	
Reclassification of historical coffee business operating income (9)	(342)	
Reclassification of equity method investment earnings (10)	(51)	
Adjusted Operating Income (1) for the Year Ended December 31, 2015	**$ 3,316**	
Higher net pricing	422	
Higher input costs	(131)	
Favorable volume/mix	11	
Lower selling, general and administrative expenses	318	
Gains on sales of property (11)	46	
Higher VAT-related settlements	24	
Impact from acquisitions (11)	4	
Impact of accounting calendar change (12)	(36)	
Other	(1)	
Total change in Adjusted Operating Income (constant currency) (1)	**657**	**19.8%**
Unfavorable currency translation	(171)	
Total change in Adjusted Operating Income (1)	**486**	**14.7%**
Adjusted Operating Income (1) for the Year Ended December 31, 2016	**$ 3,802**	
2014-2018 Restructuring Program costs (2)	(1,086)	
Intangible asset impairment charges (3)	(137)	
Mark-to-market losses from derivatives (4)	(94)	
Acquisition integration costs (5)	(7)	
Acquisition-related costs (5)	(1)	
Divestiture-related costs (13)	(86)	
Operating income from divestiture (6)	153	
Gain on divestiture (6)	9	
Gain on sale of intangible assets (14)	15	
Other/rounding	1	
Operating Income for the Year Ended December 31, 2016	**$ 2,569**	**(71.1)%**

(1) Refer to the *Non-GAAP Financial Measures* section at the end of this item.
(2) Refer to Note 6, *2014-2018 Restructuring Program*, for more information. Refer to the Annual Report on Form 10-K for the year ended December 31, 2016 for additional information in Note 6, *Restructuring Programs*.

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(3) Refer to Note 5, *Goodwill and Intangible Assets*, for more information on the impairment charges recorded in 2016 and 2015 related to trademarks.
(4) Refer to Note 8, *Financial Instruments*, Note 16, *Segment Reporting*, and *Non-GAAP Financial Measures* appearing later in this section for more information on these unrealized gains and losses on commodity and forecasted currency transaction derivatives.
(5) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the acquisition of a biscuit business in Vietnam.
(6) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the December 1, 2016 sale of a confectionery business in Costa Rica. The sale of the confectionery business in Costa Rica generated a pre-tax and after-tax gain of $9 million in 2016. Refer to our Annual Report on Form 10-K for the year ended December 31, 2016 for more information on the April 23, 2015 divestiture of Ajinomoto General Foods, Inc. ("AGF"). The divestiture of AGF generated a pre-tax gain of $13 million and after-tax loss of $9 million in 2015.
(7) Includes the historical results of our Venezuelan subsidiaries prior to the December 31, 2015 deconsolidation. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for more information on the deconsolidation and remeasurement loss in 2015.
(8) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the JDE coffee business transactions.
(9) Includes our historical global coffee business prior to the July 2, 2015 divestiture. We reclassified the results of our historical coffee business from Adjusted Operating Income and included them with equity method investment earnings in Adjusted EPS to facilitate comparisons of past and future coffee operating results. Refer to Note 2, *Divestitures and Acquisitions*, and *Non-GAAP Financial Measures* appearing later in this section for more information.
(10) Historically, we have recorded income from equity method investments within our operating income as these investments operated as extensions of our base business. Beginning in the third quarter of 2015, to align with the accounting for JDE earnings, we began to record the earnings from our equity method investments in after-tax equity method investment earnings outside of operating income. In periods prior to July 2, 2015, we have reclassified the equity method earnings from Adjusted Operating Income to evaluate our operating results on a consistent basis.
(11) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2016 purchase of a license to manufacture, market and sell Cadbury-branded biscuits in additional key markets and other property sales in 2016.
(12) Refer to Note 1, *Summary of Significant Accounting Policies – Accounting Calendar Change*, for more information on the accounting calendar change in 2015.
(13) Includes costs incurred and accrued related to the planned sale of a confectionery business in France. Refer to Note 2, *Divestitures and Acquisitions,* for more information.
(14) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2016 intangible asset sale in Finland.

During 2016, we realized higher net pricing while input costs increased modestly. Higher net pricing, which included the carryover impact of pricing actions taken in 2015, was reflected in Latin America and AMEA, partially offset by lower net pricing in Europe and North America. The increase in input costs was driven by higher raw material costs, in part due to higher currency exchange transaction costs on imported materials, which were partially offset by lower manufacturing costs due to productivity. Favorable volume/mix was driven by Europe and North America, which was mostly offset by unfavorable volume/mix in Latin America and AMEA.

Total selling, general and administrative expenses decreased $1,037 million from 2015, due to a number of factors noted in the table above, including in part, the deconsolidation of our historical coffee business, a favorable currency impact, lower costs associated with the JDE coffee business transactions, the deconsolidation of our Venezuelan operations, gains on the sales of property, VAT-related settlements and the absence of devaluation charges related to our net monetary assets in Venezuela in 2016. The decreases were partially offset by increases from divestiture-related costs associated with the planned sale of a confectionery business in France, the reclassification of equity method investment earnings, higher implementation costs incurred for the 2014-2018 Restructuring Program and the impact of acquisitions.

Excluding the factors noted above, selling, general and administrative expenses decreased $318 million from 2015. The decrease was driven primarily by lower overhead costs due to continued cost reduction efforts.

We recorded a benefit of $54 million in 2016 from VAT-related settlements in Latin America as compared to $30 million in 2015. Unfavorable currency impacts decreased operating income by $171 million due primarily to the strength of the U.S. dollar relative to most currencies, including the British pound sterling, Argentinean peso and Mexican peso.

Operating income margin decreased from 30.0% in 2015 to 9.9% in 2016. The decrease in operating income margin was driven primarily by last year's pre-tax gain on the JDE coffee business transactions, the deconsolidation of our historical coffee business, the deconsolidation of our Venezuelan operations, the unfavorable year-over-year change in mark-to-market gains/losses from derivatives, higher costs incurred for the 2014-2018 Restructuring Program, divestiture-related costs associated with the planned sale of a confectionery business in France, higher intangible asset impairment charges and the reclassification of equity method earnings. The items that decreased our operating income margin were partially offset by the prior-year loss on the Venezuela deconsolidation, an increase in our Adjusted Operating Income margin and the absence of costs associated with the JDE coffee business transactions. Adjusted Operating Income margin increased from 12.7% in 2015 to 15.0% in 2016. The increase in Adjusted Operating Income margin was driven primarily by lower overheads from cost reduction programs, improved gross margin reflecting productivity efforts, gains on sales of property and VAT-related settlements.

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Net Earnings and Earnings per Share Attributable to Mondelēz International – Net earnings attributable to Mondelēz International of $1,659 million decreased by $5,608 million (77.2%) in 2016. Diluted EPS attributable to Mondelēz International was $1.05 in 2016, down $3.39 (76.4%) from 2015. Adjusted EPS (1) was $1.86 in 2016, up $0.33 (21.6%) from 2015. Adjusted EPS on a constant currency basis (1) was $1.92 in 2016, up $0.39 (25.5%) from 2015.

		Diluted EPS
Diluted EPS Attributable to Mondelēz International for the Year Ended December 31, 2015	**$**	**4.44**
2014-2018 Restructuring Program costs (2)		0.45
Intangible asset impairment charges (3)		0.03
Mark-to-market gains from derivatives (4)		(0.03)
Acquisition integration costs (5)		–
Acquisition-related costs (5)		–
Net earnings from divestiture (6)		(0.07)
Loss on divestiture (6)		0.01
Net earnings from Venezuelan subsidiaries (7)		(0.10)
Remeasurement of net monetary assets in Venezuela (7)		0.01
Loss on deconsolidation of Venezuela (7)		0.48
Gain on the JDE coffee business transactions (8)		(4.05)
(Income) / costs associated with the JDE coffee business transactions (8)		(0.01)
Loss related to interest rate swaps (9)		0.01
Loss on debt extinguishment and related expenses (10)		0.29
Equity method investee acquisition-related and other adjustments (11)		0.07
Adjusted EPS (1) for the Year Ended December 31, 2015	**$**	**1.53**
Increase in operations		0.28
Decrease in operations from historical coffee business, net of increase in equity method investment net earnings (12)		(0.05)
Gains on sales of property (5)		0.02
VAT-related settlements		0.03
Impact of acquisitions (5)		–
Impact of accounting calendar change (13)		(0.01)
Lower interest and other expense, net (14)		–
Changes in shares outstanding (15)		0.08
Changes in income taxes (16)		0.04
Adjusted EPS (constant currency) (1) for the Year Ended December 31, 2016	**$**	**1.92**
Unfavorable currency translation		(0.06)
Adjusted EPS (1) for the Year Ended December 31, 2016	**$**	**1.86**
2014-2018 Restructuring Program costs (2)		(0.51)
Intangible asset impairment charges (3)		(0.06)
Mark-to-market losses from derivatives (4)		(0.05)
Acquisition integration costs (5)		(0.01)
Acquisition-related costs (5)		–
Divestiture-related costs (17)		(0.05)
Net earnings from divestiture (6)		0.08
Gain on divestiture (6)		–
Gain on sale of intangible assets (5)		0.01
Loss related to interest rate swaps (9)		(0.04)
Loss on debt extinguishment and related expenses (10)		(0.17)
Gain on equity method investment transaction (18)		0.03
Equity method investee acquisition-related and other adjustments (11)		(0.04)
Diluted EPS Attributable to Mondelēz International for the Year Ended December 31, 2016	**$**	**1.05**

(1) Refer to the *Non-GAAP Financial Measures* section appearing later in this section.
(2) Refer to Note 6, *2014-2018 Restructuring Program*, for more information.
(3) Refer to Note 5, *Goodwill and Intangible Assets*, for more information on the impairment charges recorded in 2016 and 2015 related to trademarks.

(4) Refer to Note 8, *Financial Instruments*, Note 16, *Segment Reporting*, and *Non-GAAP Financial Measures* appearing later in this section for more information on these unrealized gains and losses on commodity and forecasted currency transaction derivatives.
(5) Refer to Note 2, *Divestitures and Acquisitions,* for more information on the 2016 purchase of a license to manufacture, market and sell Cadbury-branded biscuits in additional key markets, 2016 intangible asset sale in Finland, 2015 acquisitions of a biscuit operation in Vietnam and Enjoy Life Foods and other property sales in 2016.
(6) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the December 1, 2016 sale of a confectionery business in Costa Rica. The sale of the confectionery business in Costa Rica generated a pre-tax and after-tax gain of $9 million in 2016. Refer to our Annual Report on Form 10-K for the year ended December 31, 2016 for more information on the April 23, 2015 divestiture of AGF. The divestiture of AGF generated a pre-tax gain of $13 million and after-tax loss of $9 million in 2015.
(7) Includes the historical results of our Venezuelan subsidiaries prior to the December 31, 2015 deconsolidation. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for more information on the deconsolidation and remeasurement loss in 2015.
(8) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the JDE coffee business transactions. Net gains of $436 million in 2015 on the currency hedges related to the coffee business transactions were recorded in interest and other expense, net and are included in the income/(costs) associated with the coffee business transactions of $(0.01) in the table above.
(9) Refer to Note 8, *Financial Instruments*, for more information on our interest rate swaps, which we no longer designate as cash flow hedges due to a change in financing and hedging plans.
(10) Refer to Note 7, *Debt and Borrowing Arrangements*, for more information on our loss on debt extinguishment and related expenses in connection with our debt tender offers.
(11) Includes our proportionate share of unusual or infrequent items, such as acquisition and divestiture-related costs and restructuring program costs, recorded by our JDE and Keurig equity method investees.
(12) Includes our historical global coffee business prior to the July 2, 2015 deconsolidation. We reclassified the results of our historical coffee business from Adjusted Operating Income and included them with equity method investment earnings in Adjusted EPS to facilitate comparisons of past and future coffee operating results. Refer to Note 2, *Divestitures and Acquisitions*, and *Non-GAAP Financial Measures* appearing later in this section for more information.
(13) Refer to Note 1, *Summary of Significant Accounting Policies,* for more information on the accounting calendar change in 2015.
(14) Excludes the favorable currency impact on interest expense related to our non-U.S. dollar-denominated debt which is included in currency translation.
(15) Refer to Note 10, *Stock Plans*, for more information on our equity compensation programs, Note 11, *Capital Stock,* for more information on our share repurchase program and Note 15, *Earnings Per Share*, for earnings per share weighted-average share information.
(16) Refer to Note 14, *Income Taxes*, for more information on items affecting income taxes.
(17) Includes costs incurred and accrued related to the planned sale of a confectionery business in France. Refer to Note 2, *Divestitures and Acquisitions,* for more information.
(18) Refer to Note 2, *Divestitures and Acquisitions – Keurig Transaction*, for more information on the 2016 acquisition of an interest in Keurig.

Results of Operations by Reportable Segment

Our operations and management structure are organized into four reportable operating segments:

- Latin America
- AMEA
- Europe
- North America

On October 1, 2016, we integrated our EEMEA operating segment into our Europe and Asia Pacific operating segments to further leverage and optimize the operating scale built within the Europe and Asia Pacific regions. Russia, Ukraine, Turkey, Belarus, Georgia and Kazakhstan were combined within our Europe operating segment, while the remaining Middle East and African countries were combined within our Asia Pacific region to form a new AMEA regional operating segment. We have reflected the segment change as if it had occurred in all periods presented.

We manage our operations by region to leverage regional operating scale, manage different and changing business environments more effectively and pursue growth opportunities as they arise in our key markets. Our regional management teams have responsibility for the business, product categories and financial results in the regions.

Historically, we have recorded income from equity method investments within our operating income as these investments were part of our base business. Beginning in the third quarter of 2015, to align with the accounting for our new coffee equity method investment in JDE, we began to record the earnings from our equity method investments in equity method investment earnings outside of segment operating income. For the six months ended December 31, 2015, after-tax equity method investment net earnings were less than $1 million on a combined basis. Earnings from equity method investments through July 2, 2015 recorded within segment operating income were $52 million in AMEA and $4 million in North America. See Note 1, *Summary of Significant Accounting Policies – Principles of Consolidation,* and Note 2, *Divestitures and Acquisitions,* for additional information.

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In 2015, we also began to report stock-based compensation for our corporate employees within general corporate expenses that were reported within our North America region. We reclassified $32 million of corporate stock-based compensation expense in 2015 from the North America segment to general corporate expenses.

We use segment operating income to evaluate segment performance and allocate resources. We believe it is appropriate to disclose this measure to help investors analyze segment performance and trends. See Note 16, *Segment Reporting,* for additional information on our segments and *Items Affecting Comparability of Financial Results* earlier in this section for items affecting our segment operating results.

Our segment net revenues and earnings, reflecting our current segment structure for all periods presented, were:

	For the Years Ended December 31,		
	2017	2016	2015
		(in millions)	
Net revenues:			
Latin America (1)	$ 3,566	$ 3,392	$ 4,988
AMEA (2)	5,739	5,816	6,002
Europe (2)	9,794	9,755	11,672
North America	6,797	6,960	6,974
Net revenues	$ 25,896	$ 25,923	$ 29,636

(1) Net revenues of $1,217 million for 2015 from our Venezuelan subsidiaries are included in our consolidated financial statements. Beginning in 2016, we account for our Venezuelan subsidiaries using the cost method of accounting and no longer include net revenues of our Venezuelan subsidiaries within our consolidated financial statements. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for more information.

(2) On July 2, 2015, we contributed our global coffee businesses primarily from our Europe and AMEA segments. Net revenues of our global coffee business were $1,561 million in Europe and $66 million in AMEA for the year ended December 31, 2015. Refer to Note 2, *Divestitures and Acquisitions – JDE Coffee Business Transactions*, for more information.

	For the Years Ended December 31,		
	2017	2016	2015
		(in millions)	
Earnings before income taxes:			
Operating income:			
Latin America	$ 565	$ 271	$ 485
AMEA	516	506	389
Europe	1,680	1,267	1,350
North America	1,120	1,078	1,105
Unrealized (losses)/gains on hedging activities (mark-to-market impacts)	(96)	(94)	96
General corporate expenses	(287)	(291)	(383)
Amortization of intangibles	(178)	(176)	(181)
Net gain on divestitures	186	9	6,822
Loss on deconsolidation of Venezuela	–	–	(778)
Acquisition-related costs	–	(1)	(8)
Operating income	3,506	2,569	8,897
Interest and other expense, net	(382)	(1,115)	(1,013)
Earnings before income taxes	$ 3,124	$ 1,454	$ 7,884

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Latin America

	For the Years Ended December 31,			
	2017	2016	$ change	% change
	(in millions)			
Net revenues	$ 3,566	$ 3,392	$ 174	5.1%
Segment operating income	565	271	294	108.5%

	For the Years Ended December 31,			
	2016	2015	$ change	% change
	(in millions)			
Net revenues	$ 3,392	$ 4,988	$ (1,596)	(32.0)%
Segment operating income	271	485	(214)	(44.1)%

2017 compared with 2016:

Net revenues increased $174 million (5.1%), due to higher net pricing (7.7 pp) and favorable currency (1.9 pp), partially offset by unfavorable volume/mix (4.2 pp) and the impact of a divestiture (0.3 pp). Higher net pricing was reflected across all categories driven primarily by Argentina, Brazil and Mexico. Favorable currency impacts were due primarily to the strength of several currencies in the region relative to the U.S. dollar, primarily the Brazilian real, partially offset by the strength of the U.S. dollar relative to the Argentinean peso and Mexican peso. Unfavorable volume/mix, which occurred across most of the region, was largely due to the impact of pricing-related elasticity. In addition, only a portion of the shipments delayed at the end of the second quarter due to the malware incident was recovered. Unfavorable volume/mix was driven by declines in all categories except chocolate and candy. On December 1, 2016, we sold a small confectionery business in Costa Rica.

Segment operating income increased $294 million (108.5%), primarily due to higher net pricing, the benefit from the resolution of a Brazilian indirect tax matter of $153 million, lower manufacturing costs, lower costs incurred for the 2014-2018 Restructuring Program, favorable currency and lower advertising and consumer promotion costs. These favorable items were partially offset by higher raw material costs, unfavorable volume/mix and higher other selling, general and administrative expenses (net of prior-year VAT-related settlements).

2016 compared with 2015:

Net revenues decreased $1,596 million (32.0%), due to the deconsolidation of our Venezuelan operations (21.9 pp), unfavorable currency (14.8 pp), unfavorable volume/mix (5.3 pp) and the impact of a divestiture (0.1 pp), partially offset by higher net pricing (10.1 pp). The deconsolidation of our Venezuelan operations resulted in a year-over-year decrease in net revenues of $1,217 million. Unfavorable currency impacts were due primarily to the strength of the U.S. dollar relative to most currencies in the region, including the Argentinean peso and Mexican peso. Unfavorable volume/mix, which primarily occurred in Brazil and Argentina, was largely due to the impact of pricing-related elasticity as well as strategic decisions to exit certain low-margin product lines. Unfavorable volume/mix was driven by declines in all categories except for cheese & grocery. Higher net pricing was reflected across all categories driven primarily by Argentina, Brazil and Mexico.

Segment operating income decreased $214 million (44.1%), primarily due to higher raw material costs, the deconsolidation of our Venezuelan operations, unfavorable volume/mix and unfavorable currency. These unfavorable items were partially offset by higher net pricing, lower other selling, general and administrative expenses (including higher year-over year VAT-related settlements), lower manufacturing costs, lower advertising and consumer promotion costs, lower costs incurred for the 2014-2018 Restructuring Program and the absence of remeasurement losses in 2016 related to our net monetary assets in Venezuela.

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AMEA

	For the Years Ended December 31, 2017	2016	$ change	% change
	(in millions)			
Net revenues	$ 5,739	$ 5,816	$ (77)	(1.3)%
Segment operating income	516	506	10	2.0%

	For the Years Ended December 31, 2016	2015	$ change	% change
	(in millions)			
Net revenues	$ 5,816	$ 6,002	$ (186)	(3.1)%
Segment operating income	506	389	117	30.1%

2017 compared with 2016:

Net revenues decreased $77 million (1.3%), due to the impact of divestitures (2.2 pp), unfavorable currency (1.8 pp) and unfavorable volume/mix (0.2 pp), partially offset by higher net pricing (2.9 pp). The impact of divestitures, primarily related to the grocery & cheese business in Australia and New Zealand that was divested on July 4, 2017, resulted in a year-over-year decline in net revenues of $128 million for 2017. Unfavorable currency impacts were due primarily to the strength of the U.S. dollar relative to several currencies in the region, including the Egyptian pound, Nigerian naira, Philippine peso, Chinese yuan and Japanese yen, partially offset by the strength of several other currencies in the region relative to the U.S. dollar, including the Australian dollar, Indian rupee and South African rand. Unfavorable volume/mix was driven by declines in refreshment beverages, cheese & grocery, gum and candy, partially offset by gains in chocolate and biscuits. In addition, only a portion of the shipments delayed at the end of the second quarter due to the malware incident was recovered. Higher net pricing was reflected across all categories except cheese & grocery.

Segment operating income increased $10 million (2.0%), primarily due to higher net pricing, lower other selling, general and administrative expenses (including a property insurance recovery), lower manufacturing costs and lower advertising and consumer promotion costs. These favorable items were mostly offset by higher raw material costs, unfavorable currency, unfavorable volume/mix, higher costs incurred for the 2014-2018 Restructuring Program, the impact of divestitures and higher intangible asset impairment charges.

2016 compared with 2015:

Net revenues decreased $186 million (3.1%), due to unfavorable currency (3.9 pp), the adjustment for deconsolidating our historical coffee business (1.1 pp) and unfavorable volume/mix (1.0 pp), partially offset by higher net pricing (1.7 pp) and the impact of an acquisition (1.2 pp). Unfavorable currency impacts were due primarily to the strength of the U.S. dollar relative to most currencies in the region, including the Chinese yuan, Indian rupee, South African rand, Egyptian pound, Nigerian naira, Philippine peso and Australian dollar, partially offset by the strength of the Japanese yen relative to the U.S. dollar. The adjustment for deconsolidating our historical coffee business resulted in a year-over-year decrease in net revenues of $66 million. Unfavorable volume/mix, including the unfavorable impact of strategic decisions to exit certain low-margin product lines, was driven by declines in candy, refreshment beverages, cheese & grocery and chocolate, partially offset by gains in biscuits and gum. Higher net pricing was driven by chocolate, candy, biscuits and refreshment beverages, partially offset by lower net pricing in gum and cheese & grocery. The acquisition of a biscuit operation in Vietnam in July 2015 added net revenues of $71 million (constant currency basis).

Segment operating income increased $117 million (30.1%), primarily due to lower manufacturing costs, higher net pricing, lower other selling, general and administrative expenses, lower costs incurred for the 2014-2018 Restructuring Program, the absence of costs associated with the coffee business transactions and the impact of the Vietnam acquisition. These favorable items were partially offset by higher raw material costs, the reclassification of equity method investment earnings, unfavorable volume/mix, unfavorable currency, the deconsolidation of our historical coffee business and the impact of divestitures.

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Europe

	For the Years Ended December 31, 2017	For the Years Ended December 31, 2016	$ change	% change
	(in millions)			
Net revenues	$ 9,794	$ 9,755	$ 39	0.4%
Segment operating income	1,680	1,267	413	32.6%

	For the Years Ended December 31, 2016	For the Years Ended December 31, 2015	$ change	% change
	(in millions)			
Net revenues	$ 9,755	$ 11,672	$ (1,917)	(16.4)%
Segment operating income	1,267	1,350	(83)	(6.1)%

2017 compared with 2016:

Net revenues increased $39 million (0.4%), due to favorable volume/mix (1.4 pp), favorable currency (1.0 pp), and the impact of an acquisition (0.6 pp), partially offset by the impact of divestitures (2.5 pp) and lower net pricing (0.1 pp). Favorable volume/mix was driven by chocolate and biscuits, partially offset by declines in gum, cheese & grocery, candy and refreshment beverages. In addition, a portion of the shipments delayed at the end of the second quarter due to the malware incident was not recovered. Favorable currency impacts reflected the strength of several other currencies relative to the U.S. dollar, primarily the euro and Russian ruble, partially offset by the strength of the U.S. dollar against several currencies in the region, including the British pound sterling and Turkish lira. The November 2016 acquisition of a business and license to manufacture, market and sell Cadbury-branded biscuits added net revenues of $59 million (constant currency basis). The impact of divestitures, primarily due to the sale of a confectionery business in France, resulted in a year-over-year decline in net revenues of $234 million for 2017. Lower net pricing was driven by biscuits, mostly offset by higher net pricing in all other categories.

Segment operating income increased $413 million (32.6%), primarily due to lower manufacturing costs, lower costs incurred for the 2014-2018 Restructuring Program, lower other selling, general and administrative expenses, lower divestiture-related costs, lower advertising and consumer promotion costs, the benefit from the settlement of a Cadbury tax matter, favorable volume/mix, lower intangible asset impairment charges, favorable currency and the impact of an acquisition. These favorable items were partially offset by higher raw material costs, the impact of divestitures, incremental costs incurred due to the malware incident, lower net pricing and a prior-year gain on the sale of an intangible asset.

2016 compared with 2015:

Net revenues decreased $1,917 million (16.4%), due to the adjustment for deconsolidating our historical coffee business (12.9 pp), unfavorable currency (4.4 pp), lower net pricing (0.4 pp) and the impact of divestitures (0.2 pp), partially offset by favorable volume/mix (1.3 pp) and the impact of an acquisition (0.2 pp). The adjustment for deconsolidating our historical coffee business resulted in a year-over-year decrease in net revenues of $1,561 million. Unfavorable currency impacts reflected the strength of the U.S. dollar against most currencies in the region, primarily the British pound sterling. Lower net pricing was reflected across most categories except candy and gum. Favorable volume/mix, including the unfavorable impact of strategic decisions to exit certain low-margin product lines, was driven by biscuits, chocolate and cheese & grocery, partially offset by declines in gum, candy and refreshment beverages. The purchase of the license to manufacture, market and sell Cadbury-branded biscuits in November 2016 added net revenues of $16 million (constant currency basis).

Segment operating income decreased $83 million (6.1%), primarily due to the deconsolidation of our historical coffee business, unfavorable currency, higher raw material costs, divestiture-related costs, higher costs incurred for the 2014-2018 Restructuring Program, lower net pricing, higher intangible asset impairment charges and the impact of divestitures. These unfavorable items were partially offset by the absence of costs associated with the JDE coffee business transactions, lower manufacturing costs, lower other selling, general and administrative expenses, favorable volume/mix and a gain on the sale of an intangible asset.

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North America

	For the Years Ended December 31,			
	2017	2016	$ change	% change
	(in millions)			
Net revenues	$ 6,797	$ 6,960	$ (163)	(2.3)%
Segment operating income	1,120	1,078	42	3.9 %

	For the Years Ended December 31,			
	2016	2015	$ change	% change
	(in millions)			
Net revenues	$ 6,960	$ 6,974	$ (14)	(0.2)%
Segment operating income	1,078	1,105	(27)	(2.4)%

2017 compared with 2016:

Net revenues decreased $163 million (2.3%), due to unfavorable volume/mix (1.8 pp), lower net pricing (0.6 pp) and the impact of divestitures (0.1 pp), partially offset by favorable currency (0.2 pp). Unfavorable volume/mix, primarily caused by shipments delayed at the end of the second quarter due to the malware incident that were not recovered, was driven by declines in gum, biscuits and candy, partially offset by a gain in chocolate. Lower net pricing was reflected in biscuits and chocolate, partially offset by higher net pricing in candy and gum. Favorable currency impact was due to the strength of the Canadian dollar relative to the U.S. dollar.

Segment operating income increased $42 million (3.9%), primarily due to lower costs incurred for the 2014-2018 Restructuring Program, lower other selling, general and administrative expenses (net of the prior-year's gain on sale of property), lower manufacturing costs, lower advertising and consumer promotion costs and lower raw material costs. These favorable items were partially offset by unfavorable volume/mix, incremental costs incurred due to the malware incident, lower net pricing, the impact of divestitures and prior-year gain on the sale of an intangible asset.

2016 compared with 2015:

Net revenues decreased $14 million (0.2%), due to the impact of an accounting calendar change made in the prior year (1.1 pp), unfavorable currency (0.3 pp) and lower net pricing (0.2 pp), mostly offset by favorable volume/mix (1.4 pp). The prior-year change in North America's accounting calendar resulted in a year-over-year decrease in net revenues of $76 million. Unfavorable currency impact was due to the strength of the U.S. dollar relative to the Canadian dollar. Lower net pricing was reflected in biscuits and candy, partially offset by higher net pricing in chocolate and gum. Favorable volume/ mix, including the unfavorable impact of strategic decisions to exit certain low-margin product lines, was driven by gains in biscuits and candy, partially offset by declines in gum and chocolate.

Segment operating income decreased $27 million (2.4%), primarily due to higher costs incurred for the 2014-2018 Restructuring Program, higher advertising and consumer promotion costs, intangible asset impairment charges, the year-over-year impact of the prior-year accounting calendar change, higher raw material costs and lower net pricing. These unfavorable items were mostly offset by lower other selling, general and administrative expenses (including the gain on sale of property), lower manufacturing costs, favorable volume/mix and the gain on the sale of an intangible asset.

Critical Accounting Estimates

We prepare our consolidated financial statements in conformity with U.S. GAAP. The preparation of these financial statements requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from those estimates and assumptions. Note 1, *Summary of Significant Accounting Policies*, to the consolidated financial statements includes a summary of the significant accounting policies we used to prepare our consolidated financial statements. We have discussed the selection and disclosure of our critical accounting policies and estimates with our Audit Committee. The following is a review of our most significant assumptions and estimates.

Goodwill and Non-Amortizable Intangible Assets:
We have historically annually tested goodwill and non-amortizable intangible assets for impairment as of October 1. This year, we voluntarily changed the annual impairment assessment date from October 1 to July 1. We believe this measurement date, which represents a change in the method of applying an accounting principle, is preferable because it better aligns with our strategic business planning process and financial forecasts which are key components of the annual impairment tests. The change in the measurement date did not delay, accelerate or prevent an impairment charge. Each quarter, we have evaluated goodwill and intangible asset impairment risks and recognized any related impairments to date. As such, the change in the annual test date was applied on July 1, 2017.

We assess goodwill impairment risk throughout the year by performing a qualitative review of entity-specific, industry, market and general economic factors affecting our goodwill reporting units. We review our operating segment and reporting unit structure for goodwill testing annually or as significant changes in the organization occur. Annually, we may perform qualitative testing, or depending on factors such as prior-year test results, current year developments, current risk evaluations and other practical considerations, we may elect to do quantitative testing instead. In our quantitative testing, we compare a reporting unit's estimated fair value with its carrying value. We estimate a reporting unit's fair value using a discounted cash flow method which incorporates planned growth rates, market-based discount rates and estimates of residual value. This year, for our Europe and North America reporting units, we used a market-based, weighted-average cost of capital of 7.2% to discount the projected cash flows of those operations. For our Latin America and AMEA reporting units, we used a risk-rated discount rate of 10.2%. Estimating the fair value of individual reporting units requires us to make assumptions and estimates regarding our future plans and industry and economic conditions, and our actual results and conditions may differ over time. If the carrying value of a reporting unit's net assets exceeds its fair value, we would recognize an impairment charge for the amount by which the carrying value exceeds the reporting unit fair value.

In 2017, 2016 and 2015, there were no impairments of goodwill. In connection with our 2017 annual impairment testing, each of our reporting units had sufficient fair value in excess of carrying value. While all reporting units passed our annual impairment testing, if we do not meet business performance expectations or specific valuation factors outside of our control, such as discount rates, change significantly, then the estimated fair values of a reporting unit or reporting units might decline and lead to a goodwill impairment in the future.

Annually, we assess non-amortizable intangible assets for impairment by performing a qualitative review and assessing events and circumstances that could affect the fair value or carrying value of the indefinite-lived intangible assets. If significant potential impairment risk exists for a specific asset, we quantitatively test it for impairment by comparing its estimated fair value with its carrying value. We determine estimated fair value using planned growth rates, market-based discount rates and estimates of royalty rates. If the carrying value of the asset exceeds its estimated fair value, the asset is impaired and its carrying value is reduced to the estimated fair value.

During our 2017 annual testing of non-amortizable intangible assets, we recorded $70 million of impairment charges in the third quarter of 2017 related to five trademarks. The impairments arose due to lower than expected product growth in part driven by decisions to redirect support from these trademarks to other regional and global brands. We recorded charges related to candy and gum trademarks of $52 million in AMEA, $11 million in Europe, $5 million in Latin America and $2 million in North America. The impairment charges were calculated as the excess of the carrying value over the estimated fair value of the intangible assets on a global basis and were recorded within asset impairment and exit costs. We primarily use a relief of royalty valuation method, which utilizes estimates of future sales, growth rates, royalty rates and discount rates in determining a brand's global fair value. We also noted thirteen brands, including the five impaired trademarks, with $963 million of aggregate book value as of December 31, 2017 that each had a fair value in excess of book value of 10% or less. We believe our current plans for each of these brands will allow them to continue to not be impaired, but if we do not meet the product line expectations or specific valuation factors outside of our control, such as discount rates, change significantly, then a brand or brands could become impaired in the future. In 2016, we recorded charges related to biscuits, candy and gum trademarks of $41 million in AMEA, $32 million in North America, $22 million in Europe, and $3 million in Latin America. In 2015, we recorded a $44 million charge related to candy and biscuit trademarks in AMEA, $22 million in Europe and $5 million in Latin America.

Refer to Note 5, *Goodwill and Intangible Assets*, for additional information.

Trade and marketing programs:
We promote our products with trade and sales incentives as well as marketing and advertising programs. These programs include, but are not limited to, new product introduction fees, discounts, coupons, rebates and volume-based incentives as well as cooperative advertising, in-store displays and consumer marketing promotions. Trade and sales incentives are recorded as a reduction to revenues based on amounts estimated due to customers and consumers at the end of a period. We base these estimates principally on historical utilization and redemption rates. For interim reporting purposes, advertising and consumer promotion expenses are charged to operations as a percentage of volume, based on estimated sales volume and estimated program spending. We do not defer costs on our year-end consolidated balance sheet and all marketing and advertising costs are recorded as an expense in the year incurred.

Employee Benefit Plans:
We sponsor various employee benefit plans throughout the world. These include primarily pension plans and postretirement healthcare benefits. For accounting purposes, we estimate the pension and postretirement healthcare benefit obligations utilizing assumptions and estimates for discount rates; expected returns on plan assets; expected compensation increases; employee-related factors such as turnover, retirement age and mortality; and health care cost trends. We review our actuarial assumptions on an annual basis and make modifications to the assumptions based on current rates and trends when appropriate. Our assumptions also reflect our historical experiences and management's best judgment regarding future expectations. These and other assumptions affect the annual expense and obligations recognized for the underlying plans.

As permitted by U.S. GAAP, we generally amortize the effect of changes in the assumptions over future periods. The cost or benefit of plan changes, such as increasing or decreasing benefits for prior employee service (prior service cost), is deferred and included in expense on a straight-line basis over the average remaining service period of the employees expected to receive benefits.

Since pension and postretirement liabilities are measured on a discounted basis, the discount rate significantly affects our plan obligations and expenses. The expected return on plan assets assumption affects our pension plan expenses, as many of our pension plans are partially funded. The assumptions for discount rates and expected rates of return and our process for setting these assumptions are described in Note 9, *Benefit Plans*, to the consolidated financial statements.

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While we do not anticipate further changes in the 2018 assumptions for our U.S. and non-U.S. pension and postretirement health care plans, as a sensitivity measure, a fifty-basis point change in our discount rates or the expected rate of return on plan assets would have the following effects, increase/(decrease), on our annual benefit plan costs:

	As of December 31, 2017			
	U.S. Plans		Non-U.S. Plans	
	Fifty-Basis-Point		Fifty-Basis-Point	
	Increase	Decrease	Increase	Decrease
	(in millions)			
Effect of change in discount rate on pension costs	$ (16)	$ 17	$ (67)	$ 76
Effect of change in expected rate of return on plan assets on pension costs	(8)	8	(43)	43
Effect of change in discount rate on postretirement health care costs	(3)	4	(1)	1

Income Taxes:
As a global company, we calculate and provide for income taxes in each tax jurisdiction in which we operate. The provision for income taxes includes the amounts payable or refundable for the current year, the effect of deferred taxes and impacts from uncertain tax positions. Our provision for income taxes is significantly affected by shifts in the geographic mix of our pre-tax earnings across tax jurisdictions, changes in tax laws and regulations, tax planning opportunities available in each tax jurisdiction and the ultimate outcome of various tax audits.

Deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and tax bases of our assets and liabilities and for operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates that will apply to taxable income in the years in which those differences are expected to be recovered or settled. Valuation allowances are established for deferred tax assets when it is more likely than not that a tax benefit will not be realized.

We believe our tax positions comply with applicable tax laws and that we have properly accounted for uncertain tax positions. We recognize tax benefits in our financial statements from uncertain tax positions only if it is more likely than not that the tax position will be sustained by the taxing authorities based on the technical merits of the position. The amount we recognize is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon resolution. We evaluate uncertain tax positions on an ongoing basis and adjust the amount recognized in light of changing facts and circumstances, such as the progress of a tax audit or expiration of a statute of limitations. We believe the estimates and assumptions used to support our evaluation of uncertain tax positions are reasonable. However, final determination of historical tax liabilities, whether by settlement with tax authorities, judicial or administrative ruling or due to expiration of statutes of limitations, could be materially different from estimates reflected on our consolidated balance sheet and historical income tax provisions. The outcome of these final determinations could have a material effect on our provision for income taxes, net earnings or cash flows in the period in which the determination is made.

As a result of the U.S. tax reform and the related SEC guidance, we included provisional estimates in our consolidated financial statements for some impacts of the new tax legislation. We were unable to make a reasonable estimate for other provisions of the legislation and did not include an estimate in our consolidated financial statements. See Note 14, *Income Taxes*, for further discussion of the provisional amounts related to U.S. tax reform included in our financial statements and a discussion of the items for which no estimate could be made, as well as additional information on our effective tax rate, current and deferred taxes, valuation allowances and unrecognized tax benefits.

Contingencies:
See Note 12, *Commitments and Contingencies*, to the consolidated financial statements.

New Accounting Guidance:
See Note 1, *Summary of Significant Accounting Policies*, to the consolidated financial statements for a discussion of new accounting standards.

Liquidity and Capital Resources

We believe that cash from operations, our revolving credit facilities and our authorized long-term financing will provide sufficient liquidity for our working capital needs, planned capital expenditures, future contractual obligations, share repurchases, transition tax liability on our historical accumulated foreign earnings due to the U.S. tax reform and payment of our anticipated quarterly dividends. We continue to utilize our commercial paper program, international credit lines and long-term debt issuances for regular funding requirements. We also use intercompany loans with our international subsidiaries to improve financial flexibility. Overall, we do not expect any negative effects to our funding sources that would have a material effect on our liquidity.

Net Cash Provided by Operating Activities:
Operating activities provided net cash of $2,593 million in 2017, $2,838 million in 2016 and $3,728 million in 2015. Cash flows from operating activities were lower in 2017 than 2016 primarily due to increases in working capital including higher tax and VAT-related payments in 2017 and lower operating cash flows from divested businesses, partially offset by higher net earnings and lower pension contributions in 2017. Cash flows from operating activities were lower in 2016 than 2015 due to higher contributions to our pension benefit plans in 2016 and higher working capital cash improvements in 2015 than in 2016.

Net Cash Provided by/(Used in) Investing Activities:
Net cash used in investing activities was $301 million in 2017 and $1,029 million in 2016 and net cash provided by investing activities was $2,649 million in 2015. The decrease in net cash used in investing activities in 2017 relative to 2016 was due to higher net proceeds received from divestitures in 2017, no acquisition-related payments in 2017 as in 2016, and lower capital expenditures in 2017. The increase in net cash used in investing activities in 2016 relative to 2015 primarily relates to $4.7 billion of proceeds, net of divested cash and transaction costs, from the contribution of our global coffee businesses to JDE, the divestiture of AGF and the cash receipt of $1.0 billion due to the settlement of currency exchange forward contracts related to our coffee business transactions in 2015.

Capital expenditures were $1,014 million in 2017, $1,224 million in 2016 and $1,514 million in 2015. We continue to make capital expenditures primarily to modernize manufacturing facilities and support new product and productivity initiatives. We expect 2018 capital expenditures to be up to $1.0 billion, including capital expenditures in connection with our 2014-2018 Restructuring Program. We expect to continue to fund these expenditures from operations.

Net Cash Used in Financing Activities:
Net cash used in financing activities was $3,361 million in 2017, $1,862 million in 2016 and $5,883 million in 2015. The increase in net cash used in financing activities in 2017 relative to 2016 was primarily due to lower net issuances of short-term and long-term debt as well as an increase in dividends paid, partly offset by lower Common Stock repurchases compared to the prior year. The decrease in net cash used in financing activities in 2016 relative to 2015 was primarily due to higher short-term debt issuances and $1.0 billion of lower share repurchases following the exceptional year of share repurchases using proceeds from the global coffee business transactions in 2015.

Debt:
From time to time we refinance long-term and short-term debt. Refer to Note 7, *Debt and Borrowing Arrangements*, for details of our tender offers, debt issuances and maturities during 2016-2017. The nature and amount of our long-term and short-term debt and the proportionate amount of each varies as a result of current and expected business requirements, market conditions and other factors. Due to seasonality, in the first and second quarters of the year, our working capital requirements grow, increasing the need for short-term financing. The second half of the year typically generates higher cash flows. As such, we may issue commercial paper or secure other forms of financing throughout the year to meet short-term working capital needs.

During 2016, one of our subsidiaries, Mondelez International Holdings Netherlands B.V. ("MIHN"), issued debt totaling $4.5 billion. The operations held by MIHN generated approximately 74.5% (or $19.3 billion) of the $25.9 billion of consolidated net revenue during fiscal year 2017 and represented approximately 75.5% (or $19.8 billion) of the $26.2 billion of net assets as of December 31, 2017.

On February 3, 2017, our Board of Directors approved a new $5 billion long-term financing authority to replace the prior authority. As of December 31, 2017, we had $4.7 billion of long-term financing authority remaining.

In the next 12 months, we expect $1.2 billion of long-term debt will mature as follows: fr.250 million Swiss franc notes ($257 million as of December 31, 2017) in January 2018, $478 million in February 2018, £76 million sterling notes ($103 million as of December 31, 2017) in July 2018, and $322 million in August 2018. We expect to fund these repayments with a combination of cash from operations and the issuance of commercial paper or long-term debt.

Our total debt was $17.7 billion at December 31, 2017 and $17.2 billion at December 31, 2016. Our debt-to-capitalization ratio was 0.40 at December 31, 2017 and 0.41 at December 31, 2016. At December 31, 2017, the weighted-average term of our outstanding long-term debt was 6.2 years. Our average daily commercial borrowings were $4.4 billion in 2017, $2.2 billion in 2016 and $2.2 billion in 2015. We had $3.4 billion of commercial paper borrowings outstanding at December 31, 2017 and $2.4 billion outstanding as of December 31, 2016. We expect to continue to use commercial paper to finance various short and long-term financing needs and to continue to comply with our long-term debt covenants. Refer to Note 7, *Debt and Borrowing Arrangements*, for more information on our debt and debt covenants.

Commodity Trends

We regularly monitor worldwide supply, commodity cost and currency trends so we can cost-effectively secure ingredients, packaging and fuel required for production. During 2017, the primary drivers of the increase in our aggregate commodity costs were higher currency-related costs on our commodity purchases and increased costs for dairy, cocoa, sugar, packaging and other raw materials.

A number of external factors such as weather conditions, commodity market conditions, currency fluctuations and the effects of governmental agricultural or other programs affect the cost and availability of raw materials and agricultural materials used in our products. We address higher commodity costs and currency impacts primarily through hedging, higher pricing and manufacturing and overhead cost control. We use hedging techniques to limit the impact of fluctuations in the cost of our principal raw materials; however, we may not be able to fully hedge against commodity cost changes, such as dairy, where there is a limited ability to hedge, and our hedging strategies may not protect us from increases in specific raw material costs. Due to competitive or market conditions, planned trade or promotional incentives, fluctuations in currency exchange rates or other factors, our pricing actions may also lag commodity cost changes temporarily.

We expect price volatility and a slightly higher aggregate cost environment to continue in 2018. While the costs of our principal raw materials fluctuate, we believe there will continue to be an adequate supply of the raw materials we use and that they will generally remain available from numerous sources.

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Off-Balance Sheet Arrangements and Aggregate Contractual Obligations

We have no significant off-balance sheet arrangements other than the contractual obligations discussed below.

Guarantees:
As discussed in Note 12, *Commitments and Contingencies*, we enter into third-party guarantees primarily to cover the long-term obligations of our vendors. As part of these transactions, we guarantee that third parties will make contractual payments or achieve performance measures. At December 31, 2017, we had no material third-party guarantees recorded on our consolidated balance sheet.

Guarantees do not have, and we do not expect them to have, a material effect on our liquidity.

Aggregate Contractual Obligations:
The following table summarizes our contractual obligations at December 31, 2017.

	Payments Due				
	Total	2018	2019-20	2021-22	2023 and Thereafter
			(in millions)		
Debt (1)	$ 14,196	$ 1,162	$ 3,545	$ 4,127	$ 5,362
Interest expense (2)	3,330	348	556	431	1,995
Capital leases	3	1	2	–	–
Operating leases (3)	920	245	352	169	154
Purchase obligations: (4)					
Inventory and production costs	5,328	3,083	1,645	256	344
Other	831	694	130	6	1
	6,159	3,777	1,775	262	345
U.S. tax reform transition liability (5)	1,317	128	200	200	789
Other long-term liabilities (6)	423	21	135	65	202
Total	$ 26,348	$ 5,682	$ 6,565	$ 5,254	$ 8,847

(1) Amounts include the expected cash payments of our debt excluding capital leases, which are presented separately in the table above. The amounts also exclude $64 million of net unamortized non-cash bond premiums, discounts, bank fees and mark-to-market adjustments related to our interest rate swaps recorded in total debt.
(2) Amounts represent the expected cash payments of our interest expense on our long-term debt. Interest calculated on our euro, British pound sterling and Swiss franc notes was forecasted using currency exchange rates as of December 31, 2017. An insignificant amount of interest expense was excluded from the table for a portion of our other non-U.S. debt obligations due to the complexities involved in forecasting expected interest payments.
(3) Operating lease payments represent the minimum rental commitments under non-cancelable operating leases.
(4) Purchase obligations for inventory and production costs (such as raw materials, indirect materials and supplies, packaging, co-manufacturing arrangements, storage and distribution) are commitments for projected needs to be utilized in the normal course of business. Other purchase obligations include commitments for marketing, advertising, capital expenditures, information technology and professional services. Arrangements are considered purchase obligations if a contract specifies all significant terms, including fixed or minimum quantities to be purchased, a pricing structure and approximate timing of the transaction. Most arrangements are cancelable without a significant penalty and with short notice (usually 30 days). Any amounts reflected on the consolidated balance sheet as accounts payable and accrued liabilities are excluded from the table above.
(5) In connection with the U.S. tax reform, we currently estimate paying a $1.3 billion transition tax liability through 2026. The amounts and timing of our tax payments are likely to change as a result of additional guidance expected to be issued in 2018. See Note 14, *Income Taxes*, for additional information on the U.S. tax reform and its impact on our financial statements.
(6) Other long-term liabilities include estimated future benefit payments for our postretirement health care plans through December 31, 2027 of $235 million. We are unable to reliably estimate the timing of the payments beyond 2027; as such, they are excluded from the above table. There are also another $126 million of various other long-term liabilities that are expected to be paid over the next 5 years. In addition, the following long-term liabilities included on the consolidated balance sheet are excluded from the table above: accrued pension costs, unrecognized tax benefits, insurance accruals and other accruals. As of December 31, 2017, our unrecognized tax benefit, including associated interest and penalties, classified as a long-term payable is $649 million. We currently expect to make approximately $289 million in contributions to our pension plans in 2018.

Equity and Dividends

Stock Plans:
See Note 10, *Stock Plans*, to the consolidated financial statements for more information on our stock plans and grant activity during 2015-2017.

Share Repurchases:
See Note 11, *Capital Stock*, to the consolidated financial statements for more information on our share repurchase program.

Between 2013 and 2017, our Board of Directors authorized the repurchase of a total of $13.7 billion of our Common Stock through December 31, 2018. On January 31, 2018, our Finance Committee, with authorization delegated from our Board of Directors, approved an increase of $6.0 billion in the share repurchase program, raising the authorization to $19.7 billion of Common Stock repurchases, and extended the program through December 31, 2020. We repurchased approximately $13 billion of shares ($2.2 billion in 2017, $2.6 billion in 2016, $3.6 billion in 2015, $1.9 billion in 2014 and $2.7 billion in 2013), at a weighted-average cost of $38.86 per share, through December 31, 2017. The number of shares that we ultimately repurchase under our share repurchase program may vary depending on numerous factors, including share price and other market conditions, our ongoing capital allocation planning, levels of cash and debt balances, other demands for cash, such as acquisition activity, general economic or business conditions and board and management discretion. Additionally, our share repurchase activity during any particular period may fluctuate. We may accelerate, suspend, delay or discontinue our share repurchase program at any time, without notice.

Dividends:
We paid dividends of $1,198 million in 2017, $1,094 million in 2016 and $1,008 million in 2015. On August 2, 2017, the Finance Committee, with authorization delegated from our Board of Directors, approved a 16% increase in the quarterly dividend to $0.22 per common share or $0.88 per common share on an annualized basis. On July 19, 2016, our Board of Directors approved a 12% increase in the quarterly dividend to $0.19 per common share or $0.76 per common share on an annual basis. On July 23, 2015, our Board of Directors approved a 13% increase in the quarterly dividend to $0.17 per common share or $0.68 per common share on an annual basis. The declaration of dividends is subject to the discretion of our Board of Directors and depends on various factors, including our net earnings, financial condition, cash requirements, future prospects and other factors that our Board of Directors deems relevant to its analysis and decision making.

For U.S. income tax purposes only, the Company has determined that 100% of the distributions paid to its shareholders in 2017 are characterized as a qualified dividend paid from U.S. earnings and profits. Shareholders should consult their tax advisors for a full understanding of the tax consequences of the receipt of dividends.

Non-GAAP Financial Measures

We use non-GAAP financial information and believe it is useful to investors as it provides additional information to facilitate comparisons of historical operating results, identify trends in our underlying operating results and provide additional insight and transparency on how we evaluate our business. We use non-GAAP financial measures to budget, make operating and strategic decisions and evaluate our performance. We have detailed the non-GAAP adjustments that we make in our non-GAAP definitions below. The adjustments generally fall within the following categories: acquisition & divestiture activities, gains and losses on intangible asset sales and non-cash impairments, major program restructuring activities, constant currency and related adjustments, major program financing and hedging activities and other major items affecting comparability of operating results. We believe the non-GAAP measures should always be considered along with the related U.S. GAAP financial measures. We have provided the reconciliations between the GAAP and non-GAAP financial measures below, and we also discuss our underlying GAAP results throughout our *Management's Discussion and Analysis of Financial Condition and Results of Operations* in this Form 10-K.

Our primary non-GAAP financial measures are listed below and reflect how we evaluate our current and prior-year operating results. As new events or circumstances arise, these definitions could change. When our definitions change, we provide the updated definitions and present the related non-GAAP historical results on a comparable basis (1).

- "Organic Net Revenue" is defined as net revenues excluding the impacts of acquisitions, divestitures (2), our historical global coffee business (3), our historical Venezuelan operations, accounting calendar changes and currency rate fluctuations (4). We also evaluate Organic Net Revenue growth from emerging markets and our Power Brands.
    - Our emerging markets include our Latin America region in its entirety; the AMEA region, excluding Australia, New Zealand and Japan; and the following countries from the Europe region: Russia, Ukraine, Turkey, Kazakhstan, Belarus, Georgia, Poland, Czech Republic, Slovak Republic, Hungary, Bulgaria, Romania, the Baltics and the East Adriatic countries. (Our developed markets include the entire North America region, the Europe region excluding the countries included in the emerging markets definition, and Australia, New Zealand and Japan from the AMEA region.)
    - Our Power Brands include some of our largest global and regional brands such as *Oreo, Chips Ahoy!, Ritz, TUC/Club Social* and *belVita* biscuits; *Cadbury Dairy Milk, Milka* and *Lacta* chocolate; *Trident* gum; *Halls* candy and *Tang* powdered beverages.

- "Adjusted Operating Income" is defined as operating income excluding the impacts of the 2012-2014 Restructuring Program (5); the 2014-2018 Restructuring Program (5); Venezuela remeasurement and deconsolidation losses and historical operating results; gains or losses (including non-cash impairment charges) on goodwill and intangible assets; divestiture (2) or acquisition gains or losses and related integration and acquisition costs; the JDE coffee business transactions (3) gain and net incremental costs; the operating results of divestitures (2); our historical global coffee business operating results (3); mark-to-market impacts from commodity and forecasted currency transaction derivative contracts (6); equity method investment earnings historically reported within operating income (7); benefits from resolution of tax matters (8) ; CEO transition remuneration (9) and incremental expenses related to the malware incident. We also present "Adjusted Operating Income margin," which is subject to the same adjustments as Adjusted Operating Income. We also evaluate growth in our Adjusted Operating Income on a constant currency basis (4).

- "Adjusted EPS" is defined as diluted EPS attributable to Mondelēz International from continuing operations excluding the impacts of the 2012-2014 Restructuring Program (5); the 2014-2018 Restructuring Program (5); Venezuela remeasurement and deconsolidation losses and historical operating results; losses on debt extinguishment and related expenses; gains or losses (including non-cash impairment charges) on goodwill and intangible assets; divestiture (2) or acquisition gains or losses and related integration and acquisition costs; the JDE coffee business transactions (3) gain, transaction hedging gains or losses and net incremental costs; gain on equity method investment transactions; net earnings from divestitures (2); mark-to-market impacts from commodity and forecasted currency transaction derivative contracts (6); gains or losses on interest rate swaps no longer designated as accounting cash flow hedges due to changed financing and hedging plans; benefits from resolution of tax matters (8); CEO transition remuneration (9); incremental expenses related to the malware incident and the U.S. tax reform discrete impacts (10). Similarly, within Adjusted EPS, our equity method investment net earnings exclude our proportionate share of our investees' unusual or infrequent items (11). We also evaluate growth in our Adjusted EPS on a constant currency basis (4).

(1) When items no longer impact our current or future presentation of non-GAAP operating results, we remove these items from our non-GAAP definitions. During 2017, we added to the non-GAAP definitions the exclusion of: benefits from the resolution of tax matters (see footnote (8) below), CEO transition remuneration (see footnote (9) below), incremental expenses related to the malware incident (discussed under *Malware Incident*) and the U.S. tax reform discrete impacts (see footnote (10) below).
(2) Divestitures include completed sales of businesses and exits of major product lines upon completion of a sale or licensing agreement.
(3) We continue to have an ongoing interest in the legacy coffee business we deconsolidated in 2015 as part of the JDE coffee business transactions. For historical periods prior to the July 15, 2015 coffee business deconsolidation, we have reclassified any net revenue or operating income from the historical coffee business and included them where the coffee equity method investment earnings are presented within Adjusted EPS. As such, Organic Net Revenue and Adjusted Operating Income in all periods do not include the results of our legacy coffee businesses, which are shown within Adjusted EPS.
(4) Constant currency operating results are calculated by dividing or multiplying, as appropriate, the current-period local currency operating results by the currency exchange rates used to translate the financial statements in the comparable prior-year period to determine what the current-period U.S. dollar operating results would have been if the currency exchange rate had not changed from the comparable prior-year period.
(5) Non-GAAP adjustments related to the 2014-2018 Restructuring Program reflect costs incurred that relate to the objectives of our program to transform our supply chain network and organizational structure. Costs that do not meet the program objectives are not reflected in the non-GAAP adjustments. Refer to our Annual Report on Form 10-K for the year ended December 31, 2016 for more information on the 2012-2014 Restructuring Program.
(6) During the third quarter of 2016, we began to exclude unrealized gains and losses (mark-to-market impacts) from outstanding commodity and forecasted currency transaction derivatives from our non-GAAP earnings measures until such time that the related exposures impact our operating results. Since we purchase commodity and forecasted currency transaction contracts to mitigate price volatility primarily for inventory requirements in future periods, we made this adjustment to remove the volatility of these future inventory purchases on current operating results to facilitate comparisons of our underlying operating performance across periods. We also discontinued designating commodity and forecasted currency transaction derivatives for hedge accounting treatment. To facilitate comparisons of our underlying operating results, we have recast all historical non-GAAP earnings measures to exclude the mark-to-market impacts.
(7) Historically, we have recorded income from equity method investments within our operating income as these investments operated as extensions of our base business. Beginning in the third quarter of 2015, we began to record the earnings from our equity method investments in after-tax equity method investment earnings outside of operating income following the deconsolidation of our coffee business. Refer to Note 1, *Summary of Significant Accounting Policies,* in our Annual Report on Form 10-K for the year ended December 31, 2016 for more information.
(8) During 2017, we recorded benefits from the reversal of tax liabilities in connection with the resolution of a Brazilian indirect tax matter and settlement of pre-acquisition Cadbury tax matters. See Note 12, *Commitments and Contingencies—Tax Matters*, for additional information.
(9) On November 20, 2017, Dirk Van de Put succeeded Irene Rosenfeld as CEO of Mondelēz International in advance of her retirement at the end of March 2018. In order to incent Mr. Van de Put to join us, we provided him compensation with a total combined target value of $42.5 million to make him whole for incentive awards he forfeited or grants that were not made to him when he left his former employer. The compensation we granted took the form of cash, deferred stock units, performance share units and stock options. In connection with Irene Rosenfeld's retirement, we made her outstanding grants of performance share units for the 2016-2018 and 2017-2019 performance cycles eligible for continued vesting and approved a $0.5 million salary for her service as Chairman from January through March 2018. We refer to these elements of Mr. Van de Put's and Ms. Rosenfeld's compensation arrangements together as "CEO transition remuneration." We are excluding amounts we expense as CEO transition remuneration from our 2017 and future non-GAAP results because those amounts are not part of our regular compensation program and are incremental to amounts we would have incurred as ongoing CEO compensation. As a result, in 2017, we excluded amounts expensed for the cash payment to Mr. Van de Put and partial vesting of his equity grants. In 2018, we expect to exclude amounts paid for Ms. Rosenfeld's service as Chairman and partial vesting of Mr. Van de Put's and Ms. Rosenfeld's equity grants.
(10) On December 22, 2017, the United States enacted tax reform legislation that included a broad range of business tax provisions. As further detailed in Note 14, *Income Taxes*, our accounting for the new legislation is not complete and we have made reasonable estimates for some tax provisions. We exclude the discrete U.S. tax reform impacts from our Adjusted EPS as they do not reflect our ongoing tax obligations under U.S. tax reform.
(11) We have excluded our proportionate share of our equity method investees' unusual or infrequent items such as acquisition and divestiture related costs, restructuring program costs and discrete U.S. tax reform impacts, in order to provide investors with a comparable view of our performance across periods. Although we have shareholder rights and board representation commensurate with our ownership interests in our equity method investees and review the underlying operating results and unusual or infrequent items with them each reporting period, we do not have direct control over their operations or resulting revenue and expenses. Our use of equity method investment net earnings on an adjusted basis is not intended to imply that we have any such control. Our GAAP "diluted EPS attributable to Mondelēz International from continuing operations" includes all of the investees' unusual and infrequent items.

We believe that the presentation of these non-GAAP financial measures, when considered together with our U.S. GAAP financial measures and the reconciliations to the corresponding U.S. GAAP financial measures, provides you with a more complete understanding of the factors and trends affecting our business than could be obtained absent these disclosures. Because non-GAAP financial measures vary among companies, the non-GAAP financial measures presented in this report may not be comparable to similarly titled measures used by other companies. Our use of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for any U.S. GAAP financial measure. A limitation of these non-GAAP financial measures is they exclude items detailed below that have an impact on our U.S. GAAP reported results. The best way this limitation can be addressed is by evaluating our non-GAAP financial measures in combination with our U.S. GAAP reported results and carefully evaluating the following tables that reconcile U.S. GAAP reported figures to the non-GAAP financial measures in this Form 10-K.

Organic Net Revenue:
Applying the definition of "Organic Net Revenue", the adjustments made to "net revenues" (the most comparable U.S. GAAP financial measure) were to exclude the impact of currency, our historical Venezuelan operations, the adjustment for deconsolidating our historical coffee business, an accounting calendar change, acquisitions and divestitures. We believe that Organic Net Revenue reflects the underlying growth from the ongoing activities of our business and provides improved comparability of results. We also evaluate our Organic Net Revenue growth from emerging markets and Power Brands, and these underlying measures are also reconciled to U.S. GAAP below.

	For the Year Ended December 31, 2017			For the Year Ended December 31, 2016		
	Emerging Markets	Developed Markets	Total	Emerging Markets	Developed Markets	Total
		(in millions)			(in millions)	
Net Revenue	$ 9,707	$ 16,189	$ 25,896	$ 9,357	$ 16,566	$ 25,923
Impact of currency	(19)	(58)	(77)	–	–	–
Impact of acquisitions	–	(59)	(59)	–	–	–
Impact of divestitures	–	(270)	(270)	(10)	(643)	(653)
Organic Net Revenue	$ 9,688	$ 15,802	$ 25,490	$ 9,347	$ 15,923	$ 25,270

	For the Year Ended December 31, 2017			For the Year Ended December 31, 2016 (3)		
	Power Brands	Non-Power Brands	Total	Power Brands	Non-Power Brands	Total
		(in millions)			(in millions)	
Net Revenue	$ 18,913	$ 6,983	$ 25,896	$ 18,372	$ 7,551	$ 25,923
Impact of currency	(97)	20	(77)	–	–	–
Impact of acquisitions	(59)	–	(59)	–	–	–
Impact of divestitures	–	(270)	(270)	–	(653)	(653)
Organic Net Revenue	$ 18,757	$ 6,733	$ 25,490	$ 18,372	$ 6,898	$ 25,270

	For the Year Ended December 31, 2016			For the Year Ended December 31, 2015		
	Emerging Markets	Developed Markets	Total	Emerging Markets	Developed Markets	Total
		(in millions)			(in millions)	
Net Revenue	$ 9,357	$ 16,566	$ 25,923	$ 11,570	$ 18,066	$ 29,636
Impact of currency	895	338	1,233	–	–	–
Historical Venezuelan operations (1)	–	–	–	(1,217)	–	(1,217)
Historical coffee business (2)	–	–	–	(442)	(1,185)	(1,627)
Impact of accounting calendar change	–	–	–	–	(76)	(76)
Impact of acquisitions	(71)	(21)	(92)	–	–	–
Impact of divestitures	(10)	(643)	(653)	(8)	(687)	(695)
Organic Net Revenue	$ 10,171	$ 16,240	$ 26,411	$ 9,903	$ 16,118	$ 26,021

	For the Year Ended December 31, 2016			For the Year Ended December 31, 2015 (3)		
	Power Brands	Non-Power Brands	Total	Power Brands	Non-Power Brands	Total
		(in millions)			(in millions)	
Net Revenue	$ 18,372	$ 7,551	$ 25,923	$ 20,612	$ 9,024	$ 29,636
Impact of currency	856	377	1,233	–	–	–
Historical Venezuelan operations (1)	–	–	–	(823)	(394)	(1,217)
Historical coffee business (2)	–	–	–	(1,199)	(428)	(1,627)
Impact of accounting calendar change	–	–	–	(59)	(17)	(76)
Impact of acquisitions	(92)	–	(92)	–	–	–
Impact of divestitures	–	(653)	(653)	–	(695)	(695)
Organic Net Revenue	$ 19,136	$ 7,275	$ 26,411	$ 18,531	$ 7,490	$ 26,021

(1) Includes the historical results of our Venezuelan subsidiaries prior to the December 31, 2015 deconsolidation. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for more information.
(2) Includes our historical global coffee business prior to the July 2, 2015 JDE coffee business transactions. Refer to Note 2, *Divestitures and Acquisitions*, and our non-GAAP definitions appearing earlier in this section for more information.
(3) Each year we reevaluate our Power Brands and confirm the brands in which we will continue to make disproportionate investments. As such, we may make changes in our planned investments in primarily regional Power Brands following our annual review cycles. For 2017, we made limited changes to our list of regional Power Brands and as such, we reclassified 2016 and 2015 Power Brand net revenues on a basis consistent with the current list of Power Brands.

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Adjusted Operating Income:
Applying the definition of “Adjusted Operating Income”, the adjustments made to “operating income” (the most comparable U.S. GAAP financial measure) were to exclude 2012-2014 Restructuring Program costs; 2014-2018 Restructuring Program costs; impairment charges related to intangible assets; mark-to-market impacts from commodity and forecasted currency transaction derivative contracts; incremental expenses related to the malware incident; acquisition integration costs; acquisition-related costs; divestiture-related costs; the operating results of divestitures; net gain on divestitures; gain on sale of intangible assets; benefits from the resolution of tax matters; CEO transition remuneration; Venezuela historical operating results and remeasurement and deconsolidation losses; the JDE coffee business transactions gain and net incremental costs; operating income from our historical coffee business and equity method investment earnings reclassified to after-tax earnings in Q3 2015 in connection with the coffee business transactions. We also present “Adjusted Operating Income margin,” which is subject to the same adjustments as Adjusted Operating Income, and evaluate Adjusted Operating Income on a constant currency basis. We believe these measures provide improved comparability of underlying operating results.

	For the Years Ended December 31,			
	2017	2016	$ Change	% Change
	(in millions)			
Operating Income	**$ 3,506**	**$ 2,569**	**$ 937**	**36.5%**
2014-2018 Restructuring Program costs (1)	792	1,086	(294)	
Intangible asset impairment charges (2)	109	137	(28)	
Mark-to-market losses from derivatives (3)	96	94	2	
Malware incident incremental expenses	84	–	84	
Acquisition integration costs (4)	3	7	(4)	
Acquisition-related costs (4)	–	1	(1)	
Divestiture-related costs (5)	31	86	(55)	
Operating income from divestiture (5)	(61)	(153)	92	
Net gain on divestitures (5)	(186)	(9)	(177)	
Gain on sale of intangible assets (6)	–	(15)	15	
Benefits from resolution of tax matters (7)	(209)	–	(209)	
CEO transition remuneration	14	–	14	
Other/rounding	(1)	(1)	–	
Adjusted Operating Income	**$ 4,178**	**$ 3,802**	**$ 376**	**9.9%**
Currency translation	–	–	–	
Adjusted Operating Income (constant currency)	**$ 4,178**	**$ 3,802**	**$ 376**	**9.9%**

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	For the Years Ended December 31, 2016	2015	$ Change	% Change
	(in millions)			
Operating Income	**$ 2,569**	**$ 8,897**	**$ (6,328)**	**(71.1)%**
2012-2014 Restructuring Program costs (1)	–	(4)	4	
2014-2018 Restructuring Program costs (1)	1,086	1,002	84	
Intangible asset impairment charges (2)	137	71	66	
Mark-to-market losses/(gains) from derivatives (3)	94	(56)	150	
Acquisition integration costs (4)	7	9	(2)	
Acquisition-related costs (4)	1	8	(7)	
Divestiture-related costs (5)	86	–	86	
Operating income from divestiture (5)	(153)	(182)	29	
Net gain on divestiture (5)	(9)	(13)	4	
Gain on sale of intangible assets (6)	(15)	–	(15)	
Operating income from Venezuelan subsidiaries (8)	–	(281)	281	
Remeasurement of net monetary assets in Venezuela (8)	–	11	(11)	
Loss on deconsolidation of Venezuela (8)	–	778	(778)	
Costs associated with JDE coffee business transactions (9)	–	278	(278)	
Gain on the JDE coffee business transactions (9)	–	(6,809)	6,809	
Reclassification of historical coffee business operating income (10)	–	(342)	342	
Reclassification of equity method investment earnings (11)	–	(51)	51	
Other/rounding	(1)	–	(1)	
Adjusted Operating Income	**$ 3,802**	**$ 3,316**	**$ 486**	**14.7%**
Impact of unfavorable currency	171	–	171	
Adjusted Operating Income (constant currency)	**$ 3,973**	**$ 3,316**	**$ 657**	**19.8%**

(1) Refer to Note 6, *2014-2018 Restructuring Program,* for more information. Refer to the Annual Report on Form 10-K for the year ended December 31, 2016 for additional information in Note 6, *Restructuring Programs*.
(2) Refer to Note 2, *Divestitures and Acquisitions,* and Note 5, *Goodwill and Intangible Assets*, for more information on trademark impairments.
(3) Refer to Note 8, *Financial Instruments*, Note 16, *Segment Reporting,* and *Non-GAAP Financial Measures* appearing earlier in this section for more information on these unrealized losses/gains on commodity and forecasted currency transaction derivatives.
(4) Refer to Note 2, *Divestitures and Acquisitions,* for more information on the acquisition of a biscuit business in Vietnam.
(5) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2017 sales of a confectionery business in France, a grocery business in Australia and New Zealand, certain licenses of KHC-owned brands used in our grocery business within our Europe region, sale of one of our equity method investments and sale of a confectionary business in Japan. Additionally, the 2016 amount includes a sale of a confectionery business in Costa Rica.
(6) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2016 intangible asset sale in Finland.
(7) Refer to Note 12, *Commitments and Contingencies – Tax Matters,* for more information. Primarily includes the reversal of tax liabilities in connection with the resolution of a Brazilian indirect tax matter and settlement of pre-acquisition Cadbury tax matters.
(8) Includes the historical results of our Venezuelan subsidiaries prior to the December 31, 2015 deconsolidation. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for more information on the deconsolidation and remeasurement loss in 2015.
(9) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the JDE coffee business transactions.
(10) Includes our historical global coffee business prior to the July 2, 2015 deconsolidation. We reclassified the results of our historical coffee business from Adjusted Operating Income and included them with equity method investment earnings in Adjusted EPS to facilitate comparisons of past and future coffee operating results. Refer to Note 2, *Divestitures and Acquisitions,* and *Non-GAAP Financial Measures* appearing later in this section for more information.
(11) Historically, we have recorded income from equity method investments within our operating income as these investments operated as extensions of our base business. Beginning in the third quarter of 2015, to align with the accounting for JDE earnings, we began to record the earnings from our equity method investments in equity method investment earnings outside of operating income. In periods prior to July 2, 2015, we have reclassified the equity method earnings from Adjusted Operating Income to evaluate our operating results on a consistent basis.

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Adjusted EPS:
Applying the definition of "Adjusted EPS" (1), the adjustments made to "diluted EPS attributable to Mondelēz International" (the most comparable U.S. GAAP financial measure) were to exclude 2014-2018 Restructuring Program costs; impairment charges related to intangible assets; mark-to-market impacts from commodity and forecasted currency transaction derivative contracts; incremental expenses related to the malware incident; acquisition integration costs; divestiture-related costs; net earnings from divestitures; after-tax gains/losses on divestitures; gain on sale of intangible assets; benefits from the resolution of tax matters; CEO transition remuneration; losses on interest rate swaps no longer designated as accounting cash flow hedges due to changed financing and hedging plans; losses on debt extinguishment and related expenses; U.S. tax reform discrete net tax benefit; Venezuela historical operating results and remeasurement and deconsolidation losses; the JDE coffee business transactions gain, hedging gains and net incremental costs; operating income from our historical coffee business; equity method investment earnings reclassified to after-tax earnings in Q3 2015 in connection with the coffee business transactions; gain on equity method investment transactions; and our proportionate share of unusual or infrequent items recorded by our JDE and Keurig equity method investees. We also evaluate Adjusted EPS on a constant currency basis. We believe Adjusted EPS provides improved comparability of underlying operating results.

	For the Years Ended December 31, 2017	For the Years Ended December 31, 2016	$ Change	% Change
Diluted EPS attributable to Mondelēz International	**$ 1.91**	**$ 1.05**	**$ 0.86**	**81.9%**
2014-2018 Restructuring Program costs (2)	0.39	0.51	(0.12)	
Intangible asset impairment charges (2)	0.05	0.06	(0.01)	
Mark-to-market losses from derivatives (2)	0.06	0.05	0.01	
Malware incident incremental expenses	0.04	–	0.04	
Acquisition integration costs (2)	–	0.01	(0.01)	
Divestiture-related costs (2)	0.02	0.05	(0.03)	
Net earnings from divestitures (2)	(0.03)	(0.08)	0.05	
Net gain on divestitures (2)	(0.11)	–	(0.11)	
Gain on sale of intangible assets (2)	–	(0.01)	0.01	
Benefits from resolution of tax matters (2)	(0.13)	–	(0.13)	
CEO transition remuneration	0.01	–	0.01	
Loss related to interest rate swaps (3)	–	0.04	(0.04)	
Loss on debt extinguishment and related expenses (4)	–	0.17	(0.17)	
U.S. tax reform discrete net tax benefit (5)	(0.04)	–	(0.04)	
Gain on equity method investment transactions (6)	(0.02)	(0.03)	0.01	
Equity method investee acquisition-related and other adjustments (7)	(0.01)	0.04	(0.05)	
Adjusted EPS	**$ 2.14**	**$ 1.86**	**$ 0.28**	**15.1%**
Impact of favorable currency	(0.01)	–	(0.01)	
Adjusted EPS (constant currency)	**$ 2.13**	**$ 1.86**	**$ 0.27**	**14.5%**

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	For the Years Ended December 31, 2016	2015	$ Change	% Change
Diluted EPS attributable to Mondelēz International	**$ 1.05**	**$ 4.44**	**$ (3.39)**	**(76.4)%**
2014-2018 Restructuring Program costs (2)	0.51	0.45	0.06	
Intangible asset impairment charges (2)	0.06	0.03	0.03	
Mark-to-market losses/(gains) from derivatives (2)	0.05	(0.03)	0.08	
Acquisition integration costs (2)	0.01	–	0.01	
Net earnings from divestiture (2)	(0.08)	(0.07)	(0.01)	
Divestiture-related costs (2)	0.05	–	0.05	
Net loss on divestiture (2)	–	0.01	(0.01)	
Gain on sale of intangible assets (2)	(0.01)	–	(0.01)	
Net earnings from Venezuelan subsidiaries (8)	–	(0.10)	0.10	
Loss on deconsolidation of Venezuela (8)	–	0.48	(0.48)	
Remeasurement of net monetary assets in Venezuela (8)	–	0.01	(0.01)	
Gain on the JDE coffee business transactions (9)	–	(4.05)	4.05	
(Income)/costs associated with the JDE coffee business transactions (9)	–	(0.01)	0.01	
Loss related to interest rate swaps (3)	0.04	0.01	0.03	
Loss on debt extinguishment and related expenses (4)	0.17	0.29	(0.12)	
Gain on equity method investment transactions (6)	(0.03)	–	(0.03)	
Equity method investee acquisition-related and other adjustments (7)	0.04	0.07	(0.03)	
Adjusted EPS	**$ 1.86**	**$ 1.53**	**$ 0.33**	**21.6%**
Impact of unfavorable currency	0.06	–	0.06	
Adjusted EPS (constant currency)	**$ 1.92**	**$ 1.53**	**$ 0.39**	**25.5%**

(1) The tax expense/(benefit) of each of the pre-tax items excluded from our GAAP results was computed based on the facts and tax assumptions associated with each item, and such impacts have also been excluded from Adjusted EPS.

- For the year ended December 31, 2017, taxes for the: 2014-2018 Restructuring Program costs were $(190) million, intangible asset impairment charges were $(30) million, acquisition integration costs were zero, gain on equity method investment transactions were $15 million, net gain on divestitures were $7 million, net earnings on divestitures were $15 million, divestiture-related costs were $8 million, loss on debt extinguishment and related costs were $(4) million, malware incident incremental costs were $(27) million, benefits from resolution of tax matters were $75 million, equity method investee acquisition-related and other adjustments were $35 million, CEO transition remuneration were $(5) million, mark-to-market gains/(losses) from derivatives were $(6) million and U.S. tax reform were $(59) million.
- For the year ended December 31, 2016, taxes for the: 2014-2018 Restructuring Program costs were $(288) million, intangible asset impairment charges were $(37) million, gain on sale of intangible assets were $3 million, acquisition integration costs were zero, net earnings from divestitures were $40 million, divestiture-related costs were $(15) million, loss on debt extinguishment and related costs were $(163) million, loss related to interest rate swaps were $(36) million and mark-to-market gains/(losses) from derivatives were $(11) million.
- For the year ended December 31, 2015, taxes for the: 2014-2018 Restructuring Program costs were $(262) million, income/costs associated with the JDE coffee business transactions were $145 million, net earnings from Venezuelan subsidiaries were $107 million, gain on the JDE coffee business transactions were $183 million, intangible asset impairment charges were $(13) million, net earnings from divestitures were $80 million, loss on debt extinguishment and related costs were $(275) million, loss related to interest rate swaps were $(13) million and mark-to-market gains/(losses) from derivatives were $15 million.

(2) See the *Adjusted Operating Income* table above and the related footnotes for more information.

(3) Refer to Note 8, *Financial Instruments*, for more information on our interest rate swaps, which we no longer designate as cash flow hedges during the first quarter of 2016 due to changes in financing and hedging plans.

(4) Refer to Note 7, *Debt and Borrowing Arrangements*, for more information on our loss on debt extinguishment and related expenses in connection with our debt discharge.

(5) Refer to Note 14, *Income Taxes*, for more information on the impact of the U.S. tax reform.

(6) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the 2017 sale of one of our equity method investments and the 2016 acquisition of an interest in Keurig.

(7) Includes our proportionate share of unusual or infrequent items, such as acquisition and divestiture-related costs, restructuring program costs and discrete U.S. tax reform impacts recorded by our JDE and Keurig equity method investees.

(8) Includes the historical results of our Venezuelan subsidiaries prior to the December 31, 2015 deconsolidation. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for more information on the deconsolidation and remeasurement loss in 2015.

(9) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the JDE coffee business transactions. Net gains of $436 million in 2015 on the currency hedges related to the JDE coffee business transactions were recorded in interest and other expense, net and are included in (income)/costs associated with the JDE coffee business transactions of $(0.01) in the table above.

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Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

As we operate globally, we are primarily exposed to currency exchange rate, commodity price and interest rate market risks. We monitor and manage these exposures as part of our overall risk management program. Our risk management program focuses on the unpredictability of financial markets and seeks to reduce the potentially adverse effects that the volatility of these markets may have on our operating results. We principally utilize derivative instruments to reduce significant, unanticipated earnings fluctuations that may arise from volatility in currency exchange rates, commodity prices and interest rates. For additional information on our derivative activity and the types of derivative instruments we use to hedge our currency exchange, commodity price and interest rate exposures, see Note 8, *Financial Instruments*.

Many of our non-U.S. subsidiaries operate in functional currencies other than the U.S. dollar. Fluctuations in currency exchange rates create volatility in our reported results as we translate the balance sheets, operating results and cash flows of these subsidiaries into the U.S. dollar for consolidated reporting purposes. The translation of non-U.S. dollar denominated balance sheets and statements of earnings of our subsidiaries into the U.S. dollar for consolidated reporting generally results in a cumulative translation adjustment to other comprehensive income within equity. A stronger U.S. dollar relative to other functional currencies adversely affects our consolidated earnings and net assets while a weaker U.S. dollar benefits our consolidated earnings and net assets. While we hedge significant forecasted currency exchange transactions as well as certain net assets of non-U.S. operations and other currency impacts, we cannot fully predict or eliminate volatility arising from changes in currency exchange rates on our consolidated financial results. See *Consolidated Results of Operations* and *Results of Operations by Reportable Segment* under *Discussion and Analysis of Historical Results* for currency exchange effects on our financial results. For additional information on the impact of currency policies, recent currency devaluations, the deconsolidation of our Venezuelan operation and the historical remeasurement of our Venezuelan net monetary assets on our financial condition and results of operations, also see Note 1, *Summary of Significant Accounting Policies —Currency Translation and Highly Inflationary Accounting*.

We also continually monitor the market for commodities that we use in our products. Input costs may fluctuate widely due to international demand, weather conditions, government policy and regulation and unforeseen conditions. To manage input cost volatility, we enter into forward purchase agreements and other derivative financial instruments. We also pursue productivity and cost saving measures and take pricing actions when necessary to mitigate the impact of higher input costs on earnings.

We regularly evaluate our variable and fixed-rate debt as well as current and expected interest rates in the markets in which we raise capital. Our primary exposures include movements in U.S. Treasury rates, corporate credit spreads, London Interbank Offered Rates (“LIBOR”), Euro Interbank Offered Rate (“EURIBOR”) and commercial paper rates. We periodically use interest rate swaps and forward interest rate contracts to achieve a desired proportion of variable versus fixed rate debt based on current and projected market conditions. Our weighted-average interest rate on our total debt was 2.1% as of December 31, 2017, down from 2.2% as of December 31, 2016.

There were no significant changes in the types of derivative instruments we use to hedge our exposures between December 31, 2016 and December 31, 2017. See Note 8, *Financial Instruments*, for more information on 2017 and 2018 derivative activity.

Value at Risk:
We use a value at risk (“VAR”) computation to estimate: 1) the potential one-day loss in the fair value of our interest rate-sensitive financial instruments; and 2) the potential one-day loss in pre-tax earnings of our currency and commodity price-sensitive derivative financial instruments. The VAR analysis was done separately for our currency exchange, fixed income and commodity risk portfolios as of each quarter end during the periods presented below. The instruments included in the VAR computation were currency exchange forwards and options for currency exchange risk, debt and swaps for interest rate risk, and commodity forwards, futures and options for commodity risk. Excluded from the computation were anticipated transactions, currency trade payables and receivables, and net investments in non-U.S. subsidiaries, which the above-mentioned instruments are intended to hedge.

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The VAR model assumes normal market conditions, a 95% confidence interval and a one-day holding period. A parametric delta-gamma approximation technique was used to determine the expected return distribution in interest rates, currencies and commodity prices for the purpose of calculating the fixed income, currency exchange and commodity VAR, respectively. The parameters used for estimating the expected return distributions were determined by observing interest rate, currency exchange, and commodity price movements over the prior quarter for the calculation of VAR amounts at December 31, 2017 and 2016, and over each of the four prior quarters for the calculation of average VAR amounts during each year. The values of currency and commodity options do not change on a one-to-one basis with the underlying currency or commodity and were valued accordingly in the VAR computation.

As of December 31, 2017 and December 31, 2016, the estimated potential one-day loss in fair value of our interest rate-sensitive instruments, primarily debt, and the estimated potential one-day loss in pre-tax earnings from our currency and commodity instruments, as calculated in the VAR model, were:

	Pre-Tax Earnings Impact				Fair Value Impact			
	At 12/31/17	Average	High	Low	At 12/31/17	Average	High	Low
	(in millions)							
Instruments sensitive to:								
Interest rates					$ 31	$ 45	$ 55	$ 31
Foreign currency rates	$ 15	$ 16	$ 22	$ 11				
Commodity prices	14	17	24	14				

	Pre-Tax Earnings Impact				Fair Value Impact			
	At 12/31/16	Average	High	Low	At 12/31/16	Average	High	Low
	(in millions)							
Instruments sensitive to:								
Interest rates					$ 62	$ 62	$ 91	$ 45
Foreign currency rates	$ 10	$ 18	$ 26	$ 10				
Commodity prices	16	12	16	10				

This VAR computation is a risk analysis tool designed to statistically estimate the maximum expected daily loss, under the specified confidence interval and assuming normal market conditions, from adverse movements in interest rates, currency exchange rates and commodity prices. The computation does not represent actual losses in fair value or earnings we will incur, nor does it consider the effect of favorable changes in market rates. We cannot predict actual future movements in market rates and do not present these VAR results to be indicative of future movements in market rates or to be representative of any actual impact that future changes in market rates may have on our future financial results.

Item 8. Financial Statements and Supplementary Data.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Mondelēz International, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Mondelēz International, Inc. and its subsidiaries as of December 31, 2017 and 2016, and the related consolidated statements of earnings, comprehensive earnings, equity and cash flows for each of the three years in the period ended December 31, 2017, including the related notes and financial statement schedule listed in the index appearing under Item 15(a) (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control—Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2017 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control—Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the Report of Management on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PRICEWATERHOUSECOOPERS LLP

Chicago, Illinois
February 9, 2018

PRICEWATERHOUSECOOPERS LLP has served as the Company's auditor since 2001.

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Mondelēz International, Inc. and Subsidiaries
Consolidated Statements of Earnings
For the Years Ended December 31
(in millions of U.S. dollars, except per share data)

	2017	2016	2015
Net revenues	$ 25,896	$ 25,923	$ 29,636
Cost of sales	15,831	15,795	18,124
Gross profit	10,065	10,128	11,512
Selling, general and administrative expenses	5,911	6,540	7,577
Asset impairment and exit costs	656	852	901
Net gain on divestitures	(186)	(9)	(6,822)
Loss on deconsolidation of Venezuela	–	–	778
Amortization of intangibles	178	176	181
Operating income	3,506	2,569	8,897
Interest and other expense, net	382	1,115	1,013
Earnings before income taxes	3,124	1,454	7,884
Provision for income taxes	(688)	(129)	(593)
Gain on equity method investment transactions	40	43	–
Equity method investment net earnings	460	301	–
Net earnings	2,936	1,669	7,291
Noncontrolling interest earnings	(14)	(10)	(24)
Net earnings attributable to Mondelēz International	$ 2,922	$ 1,659	$ 7,267
Per share data:			
Basic earnings per share attributable to Mondelēz International	$ 1.93	$ 1.07	$ 4.49
Diluted earnings per share attributable to Mondelēz International	$ 1.91	$ 1.05	$ 4.44
Dividends declared	$ 0.82	$ 0.72	$ 0.64

See accompanying notes to the consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Earnings
For the Years Ended December 31
(in millions of U.S. dollars)

	2017	2016	2015
Net earnings	$ 2,936	$ 1,669	$ 7,291
Other comprehensive earnings/(losses), net of tax:			
Currency translation adjustment	1,201	(925)	(2,990)
Pension and other benefit plans	(57)	(153)	340
Derivative cash flow hedges	8	(75)	(44)
Total other comprehensive earnings/(losses)	1,152	(1,153)	(2,694)
Comprehensive earnings	4,088	516	4,597
less: Comprehensive earnings/(losses) attributable to noncontrolling interests	42	(7)	(2)
Comprehensive earnings attributable to Mondelēz International	$ 4,046	$ 523	$ 4,599

See accompanying notes to the consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Consolidated Balance Sheets, as of December 31
(in millions of U.S. dollars, except share data)

	2017	2016
ASSETS		
Cash and cash equivalents	$ 761	$ 1,741
Trade receivables (net of allowances of $50 at December 31, 2017 and $58 at December 31, 2016)	2,691	2,611
Other receivables (net of allowances of $98 at December 31, 2017 and $93 at December 31, 2016)	835	859
Inventories, net	2,557	2,469
Other current assets	676	800
Total current assets	7,520	8,480
Property, plant and equipment, net	8,677	8,229
Goodwill	21,085	20,276
Intangible assets, net	18,639	18,101
Prepaid pension assets	158	159
Deferred income taxes	319	358
Equity method investments	6,345	5,585
Other assets	366	350
TOTAL ASSETS	$ 63,109	$ 61,538
LIABILITIES		
Short-term borrowings	$ 3,517	$ 2,531
Current portion of long-term debt	1,163	1,451
Accounts payable	5,705	5,318
Accrued marketing	1,728	1,745
Accrued employment costs	721	736
Other current liabilities	2,959	2,636
Total current liabilities	15,793	14,417
Long-term debt	12,972	13,217
Deferred income taxes	3,376	4,721
Accrued pension costs	1,669	2,014
Accrued postretirement health care costs	419	382
Other liabilities	2,689	1,572
TOTAL LIABILITIES	36,918	36,323
Commitments and Contingencies (Note 12)		
EQUITY		
Common Stock, no par value (5,000,000,000 shares authorized and 1,996,537,778 shares issued at December 31, 2017 and December 31, 2016)	–	–
Additional paid-in capital	31,915	31,847
Retained earnings	22,749	21,149
Accumulated other comprehensive losses	(9,998)	(11,122)
Treasury stock, at cost (508,401,694 shares at December 31, 2017 and 468,172,237 shares at December 31, 2016)	(18,555)	(16,713)
Total Mondelēz International Shareholders’ Equity	26,111	25,161
Noncontrolling interest	80	54
TOTAL EQUITY	26,191	25,215
TOTAL LIABILITIES AND EQUITY	$ 63,109	$ 61,538

See accompanying notes to the consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Consolidated Statements of Equity
(in millions of U.S. dollars, except per share data)

	Mondelēz International Shareholders' Equity						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Earnings/ (Losses)	Treasury Stock	Noncontrolling Interest	Total Equity
Balances at January 1, 2015	$ –	$ 31,651	$ 14,529	$ (7,318)	$ (11,112)	$ 103	$ 27,853
Comprehensive earnings/(losses):							
Net earnings	–	–	7,267	–	–	24	7,291
Other comprehensive earnings/(losses), net of income taxes	–	–	–	(2,668)	–	(26)	(2,694)
Exercise of stock options and issuance of other stock awards	–	109	(70)	–	272	–	311
Common Stock repurchased	–	–	–	–	(3,622)	–	(3,622)
Cash dividends declared ($0.64 per share)	–	–	(1,026)	–	–	–	(1,026)
Dividends paid on noncontrolling interest and other activities	–	–	–	–	–	(13)	(13)
Balances at December 31, 2015	$ –	$ 31,760	$ 20,700	$ (9,986)	$ (14,462)	$ 88	$ 28,100
Comprehensive earnings/(losses):							
Net earnings	–	–	1,659	–	–	10	1,669
Other comprehensive earnings/(losses), net of income taxes	–	–	–	(1,136)	–	(17)	(1,153)
Exercise of stock options and issuance of other stock awards	–	87	(94)	–	350	–	343
Common Stock repurchased	–	–	–	–	(2,601)	–	(2,601)
Cash dividends declared ($0.72 per share)	–	–	(1,116)	–	–	–	(1,116)
Dividends paid on noncontrolling interest and other activities	–	–	–	–	–	(27)	(27)
Balances at December 31, 2016	$ –	$ 31,847	$ 21,149	$ (11,122)	$ (16,713)	$ 54	$ 25,215
Comprehensive earnings/(losses):							
Net earnings	–	–	2,922	–	–	14	2,936
Other comprehensive earnings/(losses), net of income taxes	–	–	–	1,124	–	28	1,152
Exercise of stock options and issuance of other stock awards	–	68	(83)	–	360	–	345
Common Stock repurchased	–	–	–	–	(2,202)	–	(2,202)
Cash dividends declared ($0.82 per share)	–	–	(1,239)	–	–	–	(1,239)
Dividends paid on noncontrolling interest and other activities	–	–	–	–	–	(16)	(16)
Balances at December 31, 2017	$ –	$ 31,915	$ 22,749	$ (9,998)	$ (18,555)	$ 80	$ 26,191

See accompanying notes to the consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31
(in millions of U.S. dollars)

	2017	2016	2015
CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES			
Net earnings	$ 2,936	$ 1,669	$ 7,291
Adjustments to reconcile net earnings to operating cash flows:			
Depreciation and amortization	816	823	894
Stock-based compensation expense	137	140	136
U.S. tax reform transition tax	1,317	–	–
Deferred income tax benefit	(1,206)	(141)	(30)
Asset impairments and accelerated depreciation	334	446	345
Loss on early extinguishment of debt	11	428	748
Loss on deconsolidation of Venezuela	–	–	778
Gains on divestitures and JDE coffee business transactions	(186)	(9)	(6,822)
JDE coffee business transactions currency-related net gains	–	–	(436)
Gain on equity method investment transactions	(40)	(43)	–
Equity method investment net earnings	(460)	(301)	(56)
Distributions from equity method investments	152	75	58
Other non-cash items, net	(225)	(43)	199
Change in assets and liabilities, net of acquisitions and divestitures:			
Receivables, net	(24)	31	44
Inventories, net	(18)	62	(49)
Accounts payable	5	409	659
Other current assets	14	(176)	28
Other current liabilities	(637)	60	152
Change in pension and postretirement assets and liabilities, net	(333)	(592)	(211)
Net cash provided by operating activities	2,593	2,838	3,728
CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES			
Capital expenditures	(1,014)	(1,224)	(1,514)
Proceeds from JDE coffee business transactions currency hedge settlements	–	–	1,050
Acquisitions, net of cash received	–	(246)	(527)
Proceeds from divestitures, net of disbursements	604	303	4,735
Reduction of cash due to Venezuela deconsolidation	–	–	(611)
Capital contribution to JDE	–	–	(544)
Proceeds from sale of property, plant and equipment and other assets	109	138	60
Net cash (used in)/provided by investing activities	(301)	(1,029)	2,649
CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES			
Issuances of commercial paper, maturities greater than 90 days	1,808	1,540	613
Repayments of commercial paper, maturities greater than 90 days	(1,911)	(1,031)	(710)
Net issuances/(repayments) of other short-term borrowings	1,027	1,741	(931)
Long-term debt proceeds	350	5,640	4,624
Long-term debt repaid	(1,470)	(6,186)	(4,975)
Repurchase of Common Stock	(2,174)	(2,601)	(3,622)
Dividends paid	(1,198)	(1,094)	(1,008)
Other	207	129	126
Net cash used in financing activities	(3,361)	(1,862)	(5,883)
Effect of exchange rate changes on cash and cash equivalents	89	(76)	(255)
Cash and cash equivalents:			
(Decrease)/increase	(980)	(129)	239
Balance at beginning of period	1,741	1,870	1,631
Balance at end of period	$ 761	$ 1,741	$ 1,870
Cash paid:			
Interest	$ 398	$ 630	$ 747
Income taxes	$ 848	$ 527	$ 745

See accompanying notes to the consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies

Description of Business:
Mondelēz International, Inc. was incorporated in 2000 in the Commonwealth of Virginia. Mondelēz International, Inc., through its subsidiaries (collectively "Mondelēz International," "we," "us" and "our"), sells food and beverage products to consumers in approximately 160 countries.

Principles of Consolidation:
The consolidated financial statements include Mondelēz International, Inc. as well as our wholly owned and majority owned subsidiaries. All intercompany transactions are eliminated. The noncontrolling interest represents the noncontrolling investors' interests in the results of subsidiaries that we control and consolidate. Through December 31, 2015, the operating results of our Venezuelan subsidiaries are included in our consolidated financial statements. As of the close of the fourth quarter of 2015, we deconsolidated our Venezuelan operations from our consolidated financial statements and recognized a loss on deconsolidation. See *Currency Translation and Highly Inflationary Accounting: Venezuela* below for more information.

We account for investments in which we exercise significant influence under the equity method of accounting. On July 2, 2015, we contributed our global coffee businesses to a new company, Jacobs Douwe Egberts ("JDE"), in which we now hold an equity interest (collectively, the "JDE coffee business transactions"). Historically, our coffee businesses and the income from equity method investments were recorded within our operating income as these businesses were part of our base business. While we retain an ongoing interest in coffee through equity method investments including JDE, Keurig Green Mountain Inc. ("Keurig") and Dongsuh Foods Corporation ("DSF"), and we have significant influence with our equity method investments, we do not control these operations directly. As such, in the third quarter of 2015, we began to recognize equity method investment earnings, consisting primarily of investments in coffee businesses, outside of operating income and segment income. For periods prior to the third quarter of 2015, our historical coffee business and equity method investment earnings were included within our operating income and segment income. (For the six months ended December 31, 2015, after-tax equity method investment net earnings were less than $1 million on a combined basis and thus are not shown on our consolidated statement of earnings for this period.) Please see Note 2, *Divestitures and Acquisitions – JDE Coffee Business Transactions*, *Keurig Transaction* and *Planned Keurig Dr Pepper Transaction*, and Note 16, *Segment Reporting*, for more information on these transactions.

We use the cost method of accounting for investments in which we do not exercise significant influence or control. Under the cost method of accounting, earnings are recognized to the extent cash is received.

Use of Estimates:
We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which require us to make estimates and assumptions that affect a number of amounts in our consolidated financial statements. Significant accounting policy elections, estimates and assumptions include, among others, pension and benefit plan assumptions, valuation assumptions of goodwill and intangible assets, useful lives of long-lived assets, restructuring program liabilities, marketing program accruals, insurance and self-insurance reserves and income taxes. We base our estimates on historical experience and other assumptions that we believe are reasonable. If actual amounts differ from estimates, we include the revisions in our consolidated results of operations in the period the actual amounts become known. Historically, the aggregate differences, if any, between our estimates and actual amounts in any year have not had a material effect on our consolidated financial statements.

Segment Change:
On October 1, 2016, we integrated our Eastern Europe, Middle East, and Africa ("EEMEA") operating segment into our Europe and Asia Pacific operating segments to further leverage and optimize the operating scale built within the Europe and Asia Pacific regions. Russia, Ukraine, Turkey, Belarus, Georgia and Kazakhstan were combined within our Europe region, while the remaining Middle East and African countries were combined within our Asia Pacific region to form a new Asia, Middle East and Africa ("AMEA") operating segment. We have reflected the segment change as if it had occurred in all periods presented.

As of October 1, 2016, our operations and management structure were organized into four reportable operating segments:

- Latin America
- AMEA
- Europe
- North America

See Note 16, *Segment Reporting*, for additional information on our segments.

Currency Translation and Highly Inflationary Accounting:
We translate the results of operations of our subsidiaries from multiple currencies using average exchange rates during each period and translate balance sheet accounts using exchange rates at the end of each period. We record currency translation adjustments as a component of equity (except for highly inflationary currencies) and realized exchange gains and losses on transactions in earnings.

Highly inflationary accounting is triggered when a country’s three-year cumulative inflation rate exceeds 100%. It requires the remeasurement of financial statements of subsidiaries in the country, from the functional currency of the subsidiary to our U.S. dollar reporting currency, with currency remeasurement gains or losses recorded in earnings. In 2017, none of our consolidated subsidiaries were accounted for as highly inflationary economies.

Argentina. We continue to closely monitor inflation and the potential for the economy to become highly inflationary for accounting purposes. As of December 31, 2017, the Argentinian economy was not designated as highly inflationary and we continued to record currency translation adjustments within equity and realized exchange gains and losses on transactions in earnings. Our Argentinian operations contributed $601 million, or 2.3% of consolidated net revenues in 2017. The net monetary liabilities of our Argentinian operations as of December 31, 2017 were not material.

Ukraine. Based on inflation data published by the National Bank of Ukraine, Ukraine’s three-year cumulative inflation rate dropped and remained below 100% by the end of 2017. As such, Ukraine is no longer highly inflationary and we continue to record currency translation adjustments within equity and realized exchange gains and losses on transactions in earnings. Our Ukrainian operations contributed $73 million, or 0.3%, of consolidated net revenues in 2017. The net monetary assets of our Ukrainian operations as of December 31, 2017 were not material.

Venezuela. From January 1, 2010 through December 31, 2015, we accounted for the results of our Venezuelan subsidiaries using the U.S. dollar as the functional currency as prescribed by U.S. GAAP for highly inflationary economies.

Effective as of the close of the 2015 fiscal year, we concluded that we no longer met the accounting criteria for consolidation of our Venezuelan subsidiaries due to a loss of control over our Venezuelan operations and an other-than-temporary lack of currency exchangeability. The economic and regulatory environment in Venezuela and the progressively limited access to dollars to import goods through the use of any of the available currency mechanisms impaired our ability to operate and control our Venezuelan businesses. As a result of these factors, we concluded that we no longer met the criteria for the consolidation of our Venezuelan subsidiaries.

As of the close of the 2015 fiscal year, we deconsolidated and changed to the cost method of accounting for our Venezuelan operations. We recorded a $778 million pre-tax loss on December 31, 2015 as we reduced the value of our cost method investment in Venezuela and all Venezuelan receivables held by our other subsidiaries to realizable fair value, resulting in full impairment. The recorded loss also included historical cumulative translation adjustments related to our Venezuelan operations that had previously been recorded in accumulated other comprehensive losses within equity. The fair value of our investments in our Venezuelan subsidiaries was estimated based on discounted cash flow projections of current and expected operating losses in the foreseeable future and our ability to operate the business on a sustainable basis. Our fair value estimate included U.S. dollar exchange and discount rate assumptions that reflected the inflation and economic uncertainty in Venezuela.

For 2015, the operating results of our Venezuela operations were included in our consolidated statements of earnings. During this time, we recognized a number of currency-related remeasurement losses resulting from devaluations of the Venezuela bolivar exchange rates we historically used to source U.S. dollars for purchases of imported raw materials, packaging and other goods and services. The following table sets forth the 2015 remeasurement losses, the deconsolidation loss and historical operating results and financial position of our Venezuelan subsidiaries for the period presented:

	For the Year Ended December 31, 2015 (in millions)
Net revenues	$ 1,217
Operating income (excluding remeasurement and deconsolidation loss)	266
Remeasurement loss in Q1 2015: 11.50 to 12.00 bolivars to the U.S. dollar	(11)
Loss on deconsolidation	(778)

	As of December 31, 2015 (1) (in millions)
Cash	$ 611
Net monetary assets	405
Net assets	658

(1) Represents the financial position of our Venezuelan subsidiaries on December 31, 2015 prior to deconsolidation.

Beginning in 2016, we no longer included net revenues, earnings or net assets of our Venezuelan subsidiaries within our consolidated financial statements. Under the cost method of accounting, earnings are only recognized to the extent cash is received. Given the current and ongoing difficult economic, regulatory and business environment in Venezuela, there continues to be significant uncertainty related to our operations in Venezuela. In early 2018, the profitability and cash flows of our local operations significantly deteriorated following the issuance of new government price controls. We are engaging with authorities on the pricing restrictions, however, if the situation is not resolved, it could significantly impede our ability to continue to operate in Venezuela.

Other Countries. Since we sell our products in approximately 160 countries and have operations in over 80 countries, we monitor economic and currency-related risks and seek to take protective measures in response to these exposures. Some of the countries in which we do business have recently experienced periods of significant economic uncertainty and exchange rate volatility, including Brazil, China, Mexico, Russia, United Kingdom (Brexit), Turkey, Egypt, Nigeria and South Africa. We continue to monitor operations, currencies and net monetary exposures in these countries. At this time, we do not anticipate a risk to our operating results from changing to highly inflationary accounting in these countries.

Cash and Cash Equivalents:
Cash and cash equivalents include demand deposits with banks and all highly liquid investments with original maturities of three months or less.

Transfers of Financial Assets:
We account for transfers of financial assets, such as uncommitted revolving non-recourse accounts receivable factoring arrangements, when we have surrendered control over the related assets. Determining whether control has transferred requires an evaluation of relevant legal considerations, an assessment of the nature and extent of our continuing involvement with the assets transferred and any other relevant considerations. We use receivable factoring arrangements periodically when circumstances are favorable to manage liquidity. We have a factoring arrangement with a major global bank for a maximum combined capacity of $1.0 billion. Under the program, we may sell eligible short-term trade receivables to the bank in exchange for cash. We then continue to collect the receivables sold, acting solely as a collecting agent on behalf of the bank. The outstanding principal amount of receivables under this arrangement amounted to $804 million as of December 31, 2017, $644 million as of December 31, 2016 and $570 million as of December 31, 2015. The incremental cost of factoring receivables under this arrangement were no more than $6 million in each of the years presented. The proceeds from the sales of receivables are included in cash from operating activities in the consolidated statements of cash flows.

Accounting Calendar Change:
In connection with moving toward a common consolidation date across the Company, in the first quarter of 2015, we changed the consolidation date for our North America segment from the last Saturday of each period to the last calendar day of each period. The change had a favorable impact of $76 million on net revenues and $36 million on operating income in 2015. As a result of this change, each of our operating subsidiaries now reports results as of the last calendar day of the period.

Inventories:
We value our inventory using the average cost method. We also record inventory allowances for overstock and obsolete inventories due to ingredient and packaging changes.

Long-Lived Assets:
Property, plant and equipment are stated at historical cost and depreciated by the straight-line method over the estimated useful lives of the assets. Machinery and equipment are depreciated over periods ranging from 3 to 20 years and buildings and building improvements over periods up to 40 years.

We review long-lived assets, including amortizable intangible assets, for realizability on an ongoing basis. Changes in depreciation, generally accelerated depreciation, are determined and recorded when estimates of the remaining useful lives or residual values of long-term assets change. We also review for impairment when conditions exist that indicate the carrying amount of the assets may not be fully recoverable. In those circumstances, we perform undiscounted operating cash flow analyses to determine if an impairment exists. When testing for asset impairment, we group assets and liabilities at the lowest level for which cash flows are separately identifiable. Any impairment loss is calculated as the excess of the asset's carrying value over its estimated fair value. Fair value is estimated based on the discounted cash flows for the asset group over the remaining useful life or based on the expected cash proceeds for the asset less costs of disposal. Any significant impairment losses would be recorded within asset impairment and exit costs in the consolidated statements of earnings.

Software Costs:
We capitalize certain computer software and software development costs incurred in connection with developing or obtaining computer software for internal use. Capitalized software costs are included in property, plant and equipment and amortized on a straight-line basis over the estimated useful lives of the software, which do not exceed seven years.

Goodwill and Non-Amortizable Intangible Assets:
We have historically annually tested goodwill and non-amortizable intangible assets for impairment as of October 1. In 2017, we voluntarily changed the annual impairment assessment date from October 1 to July 1. We believe this measurement date, which represents a change in the method of applying an accounting principle, is preferable because it better aligns with our strategic business planning process and financial forecasts, which are key components of the annual impairment tests. The change in the measurement date did not delay, accelerate or prevent an impairment charge. Each quarter, we have evaluated goodwill and intangible asset impairment risks and recognized any related impairments to date. As such, the change in the annual test date was applied on July 1, 2017.

We assess goodwill impairment risk throughout the year by performing a qualitative review of entity-specific, industry, market and general economic factors affecting our goodwill reporting units. We review our operating segment and reporting unit structure for goodwill testing annually or as significant changes in the organization occur. Annually, we may perform qualitative testing, or depending on factors such as prior-year test results, current year developments, current risk evaluations and other practical considerations, we may elect to do quantitative testing instead. In our quantitative testing, we compare a reporting unit's estimated fair value with its carrying value. We estimate a reporting unit's fair value using a discounted cash flow method that incorporates planned growth rates, market-based discount rates and estimates of residual value. This year, for our Europe and North America reporting units, we used a market-based, weighted-average cost of capital of 7.2% to discount the projected cash flows of those operations. For our Latin America and AMEA reporting units, we used a risk-rated discount rate of 10.2%. Estimating the fair value of individual reporting units requires us to make assumptions and estimates regarding our future plans, industry and economic conditions, and our actual results and conditions may differ over time. If the carrying value of a reporting unit's net assets exceeds its fair value, we would recognize an impairment charge for the amount by which the carrying value exceeds the reporting unit's fair value.

Annually we assess non-amortizable intangible assets for impairment by performing a qualitative review and assessing events and circumstances that could affect the fair value or carrying value of the indefinite-lived intangible assets. If significant potential impairment risk exists for a specific asset, we quantitatively test it for impairment by comparing its estimated fair value with its carrying value. We determine estimated fair value using planned growth rates, market-based discount rates and estimates of royalty rates. If the carrying value of the asset exceeds its fair value, we consider the asset impaired and reduce its carrying value to the estimated fair value. We amortize definite-lived intangible assets over their estimated useful lives and evaluate them for impairment as we do other long-lived assets.

Insurance and Self-Insurance:
We use a combination of insurance and self-insurance for a number of risks, including workers' compensation, general liability, automobile liability, product liability and our obligation for employee healthcare benefits. We estimate the liabilities associated with these risks on an undiscounted basis by evaluating and making judgments about historical claims experience and other actuarial assumptions and the estimated impact on future results.

Revenue Recognition:
We predominantly sell food and beverage products across several product categories and in all regions as disclosed in Note 16, *Segment Reporting*. We recognize revenue when control over the products transfers to our customers, which generally occurs upon delivery or shipment of the products. We account for product shipping, handling and insurance as fulfillment activities with revenues for these activities recorded within net revenue and costs recorded within cost of sales. Any taxes collected on behalf of government authorities are excluded from net revenues. A small percentage of our net revenues relates to the licensing of our intellectual property, predominantly brand and trade names, and we record these revenues over the license term.

Revenues are recorded net of trade and sales incentives and estimated product returns. Known or expected pricing or revenue adjustments, such as trade discounts, rebates or returns, are estimated at the time of sale. We base these estimates principally on historical utilization and redemption rates. Estimates that affect revenue, such as trade incentives and product returns, are monitored and adjusted each period until the incentives or product returns are realized.

Key sales terms, such as pricing and quantities ordered, are established on a very frequent basis such that most customer arrangements and related incentives have a one year or shorter duration. As such, we do not capitalize contract inception costs and we capitalize product fulfillment costs in accordance with U.S. GAAP and our inventory policies. We do not have any significant unbilled receivables at the end of any period. Deferred revenues are not material and primarily include customer advance payments typically collected a few days before product delivery, at which time, deferred revenues are reclassified and recorded as net revenues. We generally do not receive noncash consideration for the sale of goods nor do we grant payment financing terms greater than one year.

Marketing, Advertising and Research and Development:
We promote our products with marketing and advertising programs. These programs include, but are not limited to, cooperative advertising, in-store displays and consumer marketing promotions. For interim reporting purposes, advertising and consumer promotion expenses are charged to operations as a percentage of volume, based on estimated sales volume and estimated program spending. We do not defer costs on our year-end consolidated balance sheet and all marketing and advertising costs are recorded as an expense in the year incurred. Advertising expense was $1,248 million in 2017, $1,396 million in 2016 and $1,542 million in 2015. We expense product research and development costs as incurred. Research and development expense was $366 million in 2017, $376 million in 2016 and $409 million in 2015. We record marketing and advertising as well as research and development expenses within selling, general and administrative expenses.

Stock-based Compensation:
Stock-based compensation awarded to employees and non-employee directors is valued at fair value on the grant date. We record stock-based compensation expense over the vesting period, generally three years. Forfeitures are estimated on the grant date for all of our stock-based compensation awards.

Employee Benefit Plans:
We provide a range of benefits to our current and retired employees. These include pension benefits, postretirement health care benefits and postemployment benefits depending upon jurisdiction, tenure, job level and other factors. Local statutory requirements govern many of the benefit plans we provide around the world. Local government plans generally cover health care benefits for retirees outside the United States, Canada and United Kingdom. Our U.S., Canadian and U.K. subsidiaries provide health care and other benefits to most retired employees. Our postemployment benefit plans provide primarily severance benefits for eligible salaried and certain hourly employees. The cost for these plans is recognized in earnings primarily over the working life of the covered employee.

Financial Instruments:
We use financial instruments to manage our currency exchange rate, commodity price and interest rate risks. We monitor and manage these exposures as part of our overall risk management program, which focuses on the unpredictability of financial markets and seeks to reduce the potentially adverse effects that the volatility of these markets may have on our operating results. A principal objective of our risk management strategies is to reduce significant, unanticipated earnings fluctuations that may arise from volatility in currency exchange rates, commodity prices and interest rates, principally through the use of derivative instruments.

We use a combination of primarily currency forward contracts, futures, options and swaps; commodity forward contracts, futures and options; and interest rate swaps to manage our exposure to cash flow variability, protect the value of our existing currency assets and liabilities and protect the value of our debt. See Note 8, *Financial Instruments,* for more information on the types of derivative instruments we use.

We record derivative financial instruments on a gross basis and at fair value in our consolidated balance sheets within other current assets or other current liabilities due to their relatively short-term duration. Cash flows from derivative instruments are classified in the consolidated statements of cash flows based on the nature of the derivative instrument. Changes in the fair value of a derivative that is designated as a cash flow hedge, to the extent that the hedge is effective, are recorded in accumulated other comprehensive earnings/(losses) and reclassified to earnings when the hedged item affects earnings. Changes in fair value of economic hedges and the ineffective portion of all hedges are recognized in current period earnings. Changes in the fair value of a derivative that is designated as a fair value hedge, along with the changes in the fair value of the related hedged asset or liability, are recorded in earnings in the same period. We use non-U.S. dollar denominated debt to hedge a portion of our net investment in non-U.S. operations against adverse movements in exchange rates, with currency movements related to the debt and net investment and the related deferred taxes recorded within currency translation adjustment in accumulated other comprehensive earnings/(losses).

In order to qualify for hedge accounting, a specified level of hedging effectiveness between the derivative instrument and the item being hedged must exist at inception and throughout the hedged period. We must also formally document the nature of and relationship between the derivative and the hedged item, as well as our risk management objectives, strategies for undertaking the hedge transaction and method of assessing hedge effectiveness. Additionally, for a hedge of a forecasted transaction, the significant characteristics and expected term of the forecasted transaction must be specifically identified, and it must be probable that the forecasted transaction will occur. If it is no longer probable that the hedged forecasted transaction will occur, we would recognize the gain or loss related to the derivative in earnings.

When we use derivatives, we are exposed to credit and market risks. Credit risk exists when a counterparty to a derivative contract might fail to fulfill its performance obligations under the contract. We reduce our credit risk by entering into transactions with counterparties with high quality, investment grade credit ratings, limiting the amount of exposure with each counterparty and monitoring the financial condition of our counterparties. We also maintain a policy of requiring that all significant, non-exchange traded derivative contracts with a duration of one year or longer are governed by an International Swaps and Derivatives Association master agreement. Market risk exists when the value of a derivative or other financial instrument might be adversely affected by changes in market conditions and commodity prices, currency exchange rates or interest rates. We manage derivative market risk by limiting the types of derivative instruments and derivative strategies we use and the degree of market risk that we plan to hedge through the use of derivative instruments.

Commodity derivatives. We are exposed to price risk related to forecasted purchases of certain commodities that we primarily use as raw materials. We enter into commodity forward contracts primarily for wheat, sugar and other sweeteners, soybean and vegetable oils and cocoa. Commodity forward contracts generally are not subject to the accounting requirements for derivative instruments and hedging activities under the normal purchases exception. We also use commodity futures and options to hedge the price of certain input costs, including cocoa, energy costs, sugar and other sweeteners, wheat, packaging, dairy, corn, and soybean and vegetable oils. We also sell commodity futures to unprice future purchase commitments, and we occasionally use related futures to cross-hedge a commodity exposure. We are not a party to leveraged derivatives and, by policy, do not use financial instruments for speculative purposes. During the third quarter of 2016, we discontinued designating commodity derivatives for hedge accounting treatment. Any unrealized gains or losses (mark-to-market impacts) and realized gains or losses are recorded in earnings.

Currency exchange derivatives. We use various financial instruments to mitigate our exposure to changes in exchange rates from third-party and intercompany current and forecasted transactions. These instruments may include currency exchange forward contracts, futures, options and swaps. Based on the size and location of our businesses, we use these instruments to hedge our exposure to certain currencies, including the euro, pound sterling, Swiss franc, Canadian dollar and Mexican peso. During the third quarter of 2016, we discontinued designating currency exchange derivatives for hedge accounting treatment. Any unrealized gains or losses (mark-to-market impacts) and realized gains or losses are recorded in earnings (see Note 8, *Financial Instruments*, for additional information).

Interest rate cash flow and fair value hedges. We manage interest rate volatility by modifying the pricing or maturity characteristics of certain liabilities so that the net impact on expense is not, on a material basis, adversely affected by movements in interest rates. As a result of interest rate fluctuations, hedged fixed-rate liabilities appreciate or depreciate in market value. We expect the effect of this unrealized appreciation or depreciation to be substantially offset by our gains or losses on the derivative instruments that are linked to these hedged liabilities. We use derivative instruments, including interest rate swaps that have indices related to the pricing of specific liabilities as part of our interest rate risk management strategy. As a matter of policy, we do not use highly leveraged derivative instruments for interest rate risk management. We use interest rate swaps to economically convert a portion of our fixed-rate debt into variable-rate debt. Under the interest rate swap contracts, we agree with other parties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts, which is calculated based on an agreed-upon notional amount. We use interest rate swaps to hedge the variability of interest payment cash flows on a portion of our future debt obligations. We also execute cross-currency interest rate swaps to hedge interest payments on newly issued debt denominated in a different currency than the functional currency of the borrowing entity. Substantially all of these derivative instruments are highly effective and qualify for hedge accounting treatment.

Hedges of net investments in non-U.S. operations. We have numerous investments outside the United States. The net assets of these subsidiaries are exposed to changes and volatility in currency exchange rates. We use local currency denominated debt to hedge our non-U.S. net investments against adverse movements in exchange rates. We designated our euro, pound sterling and Swiss franc denominated borrowings as a net investment hedge of a portion of our overall European operations. The gains and losses on our net investment in these designated European operations are economically offset by losses and gains on our euro, pound sterling and Swiss franc denominated borrowings. The change in the debt's value, net of deferred taxes, is recorded in the currency translation adjustment component of accumulated other comprehensive earnings/(losses).

Income Taxes:
Our provision for income taxes includes amounts payable or refundable for the current year, the effects of deferred taxes and impacts from uncertain tax positions. We recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial statement and tax basis of our assets and liabilities, operating loss carryforwards and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply in the years in which those differences are expected to reverse.

The realization of certain deferred tax assets is dependent on generating sufficient taxable income in the appropriate jurisdiction prior to the expiration of the carryforward periods. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion, or all, of the deferred tax assets will not be realized. When assessing the need for a valuation allowance, we consider any carryback potential, future reversals of existing taxable temporary differences (including liabilities for unrecognized tax benefits), future taxable income and tax planning strategies.

We recognize tax benefits in our financial statements from uncertain tax positions only if it is more likely than not that the tax position will be sustained based on the technical merits of the position. The amount we recognize is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon resolution. Future changes related to the expected resolution of uncertain tax positions could affect tax expense in the period when the change occurs.

We monitor for changes in tax laws and reflect the impacts of tax law changes in the period of enactment. In response to the United States tax reform legislation enacted on December 22, 2017 ("U.S. tax reform"), the U.S. Securities and Exchange Commission ("SEC") issued guidance that allows us to record provisional amounts for the impacts of U.S. tax reform if the full accounting cannot be completed before we file our 2017 financial statements. For provisions of the tax law where we are unable to make a reasonable estimate of the impact, the guidance allows us to continue to apply the historical tax provisions in computing our income tax liability and deferred tax assets and liabilities as of December 31, 2017. The guidance also allows us to finalize accounting for the U.S. tax reform changes within one year of the December 22, 2017 enactment date. See Note 14, *Income Taxes*, for additional information on how we recorded the impacts of the U.S. tax reform.

New Accounting Pronouncements:
In August 2017, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") to simplify the application of hedge accounting and increase the transparency of hedge results. The updated standard changes how companies can assess the effectiveness of their hedging relationships. For cash flow and net investment hedges as of the adoption date, the ASU requires a modified retrospective transition approach. Presentation and disclosure requirements related to this ASU are required prospectively. The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We intend to early adopt this standard in the first quarter of 2018 and we do not expect it to have a significant impact on our consolidated financial statements, including the cumulative-effect adjustment required upon adoption.

In May 2017, the FASB issued an ASU to clarify when changes to the terms or conditions of a share-based payment award must be accounted for as modifications. The ASU is applied prospectively to awards that are modified on or after the adoption date. The ASU is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. We will adopt the standard on January 1, 2018 and we do not expect a material impact to our consolidated financial statements.

In March 2017, the FASB issued an ASU to amend the amortization period for certain purchased callable debt securities held at a premium, shortening the period to the earliest call date instead of the maturity date. The standard does not impact securities held at a discount as the discount continues to be amortized to maturity. The ASU is applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption. The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We will adopt the standard on January 1, 2019. We do not expect a material impact to our consolidated financial statements.

In March 2017, the FASB issued an ASU to improve the presentation of net periodic pension cost and net periodic postretirement benefit cost. The standard requires employers to disaggregate the service cost component from the other components of net benefit cost and disclose the amount and location where the net benefit cost is recorded in the income statement or capitalized in assets. The standard is to be applied on a retrospective basis for the change in presentation in the income statement and prospectively for the change in presentation on the balance sheet. The ASU is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. We will adopt the standard on January 1, 2018. We will reclassify net benefit costs other than service costs below operating income, with no impact to our net earnings. For information on our service cost and other components of net periodic benefit cost for pension, postretirement benefit and postemployment plans, see Note 9, *Benefit Plans*.

In January 2017, the FASB issued an ASU that clarifies the definition of a business with the objective of adding guidance to assist companies with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The definition of a business may affect many areas of accounting including acquisitions, disposals, goodwill and consolidation. The ASU is applied on a prospective basis and is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. We will adopt this standard on January 1, 2018 and we do not expect a material impact to our consolidated financial statements.

In November 2016, the FASB issued an ASU that requires the change in restricted cash or cash equivalents to be included with other changes in cash and cash equivalents in the statement of cash flows. The ASU is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. We will adopt this standard on January 1, 2018 and we do not expect a material impact on our consolidated statements of cash flows.

In October 2016, the FASB issued an ASU that requires the recognition of tax consequences of intercompany asset transfers other than inventory when the transfer occurs and removes the exception to postpone recognition until the asset has been sold to an outside party. The standard is to be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings. The ASU is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. We will adopt this standard on January 1, 2018 and we do not expect a material impact to our consolidated financial statements.

In August 2016, the FASB issued an ASU to provide guidance on eight specific cash flow classification issues and reduce diversity in practice in how some cash receipts and cash payments are presented and classified in the statement of cash flows. The ASU is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. We will adopt this standard on January 1, 2018 and we do not expect a material impact to our consolidated financial statements.

In February 2016, the FASB issued an ASU on lease accounting. The ASU revises existing U.S. GAAP and outlines a new model for lessors and lessees to use in accounting for lease contracts. The guidance requires lessees to recognize a right-of-use asset and a lease liability on the balance sheet for all leases, with the exception of short-term leases. In the statement of earnings, lessees will classify leases as either operating (resulting in straight-line expense) or financing (resulting in a front-loaded expense pattern). The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We anticipate adopting the new standard on January 1, 2019. We continue to make progress in our due diligence and assess the impact of the new standard across our operations and on our consolidated financial statements, which will consist primarily of recording lease assets and liabilities on our balance sheet for our operating leases.

In January 2016, the FASB issued an ASU that provides updated guidance for the recognition, measurement, presentation and disclosure of financial assets and liabilities. The standard requires that equity investments (other than those accounted for under equity method of accounting or those that result in consolidation of the investee) be measured at fair value, with changes in fair value recognized in net income. The standard also impacts financial liabilities under the fair value option and the presentation and disclosure requirements for financial instruments. The ASU is effective for fiscal years beginning after December 15, 2017. We will adopt this standard on January 1, 2018 and we do not expect a material impact to our consolidated financial statements.

In May 2014, the FASB issued an ASU on revenue recognition from contracts with customers. The ASU outlines a new, single comprehensive model for companies to use in accounting for revenue. The core principle is that an entity should recognize revenue to depict the transfer of control over promised goods or services to a customer in an amount that reflects the consideration the entity expects to be entitled to receive in exchange for the goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows from customer contracts, including significant judgments made in recognizing revenue. In 2016 and 2017, the FASB issued several ASUs that clarified principal versus agent (gross versus net) revenue presentation considerations, confirmed the accounting for certain prepaid stored-value products and clarified the guidance for identifying performance obligations within a contract, the accounting for licenses and partial sales of nonfinancial assets. The FASB also issued two ASUs providing technical corrections, narrow scope exceptions and practical expedients to clarify and improve the implementation of the new revenue recognition guidance. The revenue guidance is effective for annual reporting periods beginning after December 15, 2017, with early adoption permitted as of the original effective date (annual reporting periods beginning after December 15, 2016). The ASU may be applied retrospectively to historical periods presented or as a cumulative-effect adjustment as of the date of adoption. We adopted the new standard on January 1, 2018 on a full retrospective basis. There was no material financial impact from adopting the new revenue standards.

Note 2. Divestitures and Acquisitions

JDE Coffee Business Transactions:
On July 2, 2015, we completed transactions to combine our wholly owned coffee businesses with those of D.E Master Blenders 1753 B.V. ("DEMB") to create a new company, JDE. Through March 7, 2016, we held a 43.5% interest in JDE. Following the March 7, 2016 exchange of a portion of our investment in JDE for an interest in Keurig, we held a 26.5% equity interest in JDE. (See discussion under *Keurig Transaction* below.) The remaining 73.5% equity interest in JDE was held by a subsidiary of Acorn Holdings B.V. ("AHBV," owner of DEMB prior to July 2, 2015). Following the transactions

discussed under *JDE Stock-Based Compensation Arrangements* below, as of December 31, 2017, we hold a 26.5% voting interest, a 26.4% ownership interest and a 26.2% profit and dividend sharing interest in JDE. We recorded JDE equity earnings of $129 million in 2017 and $100 million in 2016 and equity losses of $58 million in 2015. We also recorded $49 million of cash dividends received during the first quarter of 2017.

The consideration we received in the JDE coffee business transactions completed on July 2, 2015 consisted of €3.8 billion of cash ($4.2 billion as of July 2, 2015), a 43.5% equity interest in JDE and $794 million in receivables (related to sales price adjustments and tax formation cost payments). During the third quarter of 2015, we also recorded $283 million of cash and receivables from JDE related to reimbursement of costs that we incurred in separating our coffee businesses. The cash and equity consideration we received at closing reflects our retaining our interest in our Korea-based joint venture, DSF. During the second quarter of 2015, we also completed the sale of our interest in a Japanese coffee joint venture, Ajinomoto General Foods, Inc. ("AGF"). In lieu of contributing our interest in the AGF joint venture to JDE, we contributed the net cash proceeds from this sale as part of the overall JDE coffee business transactions.

On July 5, 2016, we received an expected cash payment of $275 million from JDE to settle the receivable related to tax formation costs that were part of the initial sales price.

In connection with the contribution of our global coffee businesses to JDE on July 2, 2015, we recorded a final pre-tax gain of $6.8 billion (or $6.6 billion after-tax) in 2015 after final adjustments described below. As previously reported, we deconsolidated net assets totaling $2.9 billion and reduced accumulated other comprehensive losses for the transfer of coffee business-related pension obligations by $90 million. We also recorded approximately $1.0 billion of pre-tax net gains related to hedging the expected cash proceeds from the transactions as described further below. During the fourth quarter of 2015, we and JDE concluded negotiations of a sales price adjustment and completed the valuation of our investment in JDE. Primarily due to the negotiated resolution of the sales price adjustment in the fourth quarter of 2015, we recorded a $313 million reduction in the pre-tax gain on the coffee transaction, reducing the $7.1 billion estimated gain in the third quarter of 2015 to the $6.8 billion final gain for 2015. As part of our sales price negotiations, we retained the right to collect future cash payments if certain estimated pension liabilities are realized over an agreed amount in the future. As such, we may recognize additional income related to this negotiated term in the future.

The final value of our 43.5% investment in JDE on July 2, 2015 was €4.1 billion ($4.5 billion as of July 2, 2015). The fair value of the JDE investment was determined using both income-based and market-based valuation techniques. The discounted cash flow analysis reflected growth, discount and tax rates and other assumptions reflecting the underlying combined businesses and countries in which the combined coffee businesses operate. The fair value of the JDE investment also included the fair values of the *Carte Noire* and *Merrild* businesses, which JDE agreed to divest to comply with the conditioned approval by the European Commission related to the JDE coffee business transactions. As of the end of the first quarter of 2016, these businesses were sold by JDE. As the July 2, 2015 fair values for these businesses were recorded by JDE at their pending sales values, we did not record any gain or loss on the sales of these businesses in our share of JDE's earnings.

In 2014 and 2015, in connection with the expected receipt of cash in euros at the time of closing, we entered into a number of consecutive currency exchange forward contracts to lock in an equivalent expected value in U.S. dollars as of the date the JDE coffee business transactions were first announced in May 2014. Cumulatively, we realized aggregate net gains and received cash of approximately $1.0 billion on these hedging contracts that increased the cash we received in connection with the JDE coffee business transactions from $4.2 billion in cash consideration received to $5.2 billion. In connection with these currency contracts and the transfer of the sale proceeds to our subsidiaries that deconsolidated net assets and shares, we recognized a net gain of $436 million in 2015 within interest and other expense, net.

We also incurred incremental expenses related to readying our global coffee businesses for the transactions that totaled $278 million for the year ended December 31, 2015. Of these total expenses, $123 million was recorded within asset impairment and exit costs in 2015 and the remainder was recorded within selling, general and administrative expenses of primarily our Europe segment, as well as within general corporate expenses.

JDE Capital Increase:
On December 18, 2015, AHBV and we agreed to provide JDE additional capital to pay down some of its debt with lenders. Our pro rata share of the capital increase was €499 million ($544 million as of December 18, 2015) and was made in return for a pro rata number of additional shares in JDE such that our ownership in JDE did not change following the capital increase. To fund our share of the capital increase, we contributed €460 million ($501 million) of JDE receivables and made a €39 million ($43 million) cash payment.

JDE Stock-Based Compensation Arrangements:
On June 30, 2016, we entered into agreements with AHBV and its affiliates to establish a new stock-based compensation arrangement tied to the issuance of JDE equity compensation awards to JDE employees. This arrangement replaced a temporary equity compensation program tied to the issuance of AHBV equity compensation to JDE employees. New Class C, D and E JDE shares were authorized and issued for investments made by, and vested stock-based compensation awards granted to, JDE employees. Under these arrangements, share ownership dilution from the JDE Class C, D and E shareholders is limited to 2%. We retained our 26.5% voting rights and have a slightly lower portion of JDE's profits and dividends than our shareholder ownership interest as certain employee shareholders receive a slightly larger share. Upon execution of the agreements and the creation of the Class C, D and E JDE shares, as a percentage of the total JDE issued shares, our Class B shares decreased from 26.5% to 26.4% and AHBV's Class A shares decreased from 73.5% to 73.22%, while the Class C, D and E shares, held by AHBV and its affiliates until the JDE employee awards vest, comprised 0.38% of JDE's shares. Additional Class C shares are available to be issued when planned long-term incentive plan ("JDE LTIP") awards vest, generally over the next five years. When the JDE Class C shares are issued in connection with the vested JDE LTIP awards, the Class A and B relative ownership interests will decrease. Based on estimated achievement and forfeiture assumptions, we do not expect our JDE ownership interest to decrease below 26.27%.

JDE Tax Matter Resolution:
On July 19, 2016, the Supreme Court of Spain reached a final resolution on a challenged JDE tax position held by a predecessor DEMB company that resulted in an unfavorable tax expense of €114 million. As a result, our share of JDE's equity earnings during the third quarter of 2016 was negatively affected by €30 million ($34 million).

Keurig Transaction:
On March 3, 2016, a subsidiary of AHBV completed a $13.9 billion acquisition of all of the outstanding common stock of Keurig through a merger transaction. On March 7, 2016, we exchanged with a subsidiary of AHBV a portion of our equity interest in JDE with a carrying value of €1.7 billion (approximately $2.0 billion as of March 7, 2016) for an interest in Keurig with a fair value of $2.0 billion based on the merger consideration per share for Keurig. We recorded the difference between the fair value of Keurig and our basis in JDE shares as a $43 million gain on the equity method investment exchange in March 2016. Immediately following the exchange, our ownership interest in JDE was 26.5% and our interest in Keurig was 24.2%. Both AHBV and we hold our investments in Keurig through a combination of equity and interests in a shareholder loan, with pro-rata ownership of each. Our initial $2.0 billion investment in Keurig includes a $1.6 billion Keurig equity interest and a $0.4 billion shareholder loan receivable, which are reported on a combined basis within equity method investments on our consolidated balance sheet as of December 31, 2017. The shareholder loan has a 5.5% interest rate and is payable at the end of a seven-year term on February 27, 2023. We recorded Keurig equity earnings of $208 million in 2017 (of which, approximately $119 million relates to the provisional tax benefit Keurig recorded as a result of U.S. tax reform), and $77 million in 2016. We recorded shareholder loan interest of $24 million in 2017 and $20 million in 2016. Additionally, we received shareholder loan interest payments of $30 million in 2017 and $14 million in 2016 and dividends of $14 million in 2017 and $4 million in 2016.

Planned Keurig Dr Pepper Transaction:
On January 29, 2018, we announced that we would exchange our ownership interest in Keurig for equity in Keurig Dr Pepper, which is contingent upon the successful completion of a planned merger of Keurig with Dr Pepper Snapple Group, Inc. Following the close of the merger in mid-2018, we expect our ownership in Keurig Dr Pepper to be 13-14%. We expect to account for this new investment under the equity method as we have for Keurig, resulting in our recognizing our share of their earnings within our earnings and our share of their dividends within our cash flows. We will have the right to nominate two directors to the board of Keurig Dr Pepper and will have certain governance rights over Keurig Dr Pepper following the transaction.

Summary Financial Information for Equity Method Investments:
Summarized financial information for JDE, Keurig, DSF and our other equity method investments is reflected below.

	As of December 31, 2017	As of December 31, 2016
	(in millions)	
Current assets	$ 4,732	$ 4,458
Noncurrent assets	38,282	35,089
Total assets	$ 43,014	$ 39,547
Current liabilities	$ 5,822	$ 4,148
Noncurrent liabilities	15,424	16,472
Total liabilities	$ 21,246	$ 20,620
Equity attributable to shareowners of investees	$ 21,685	$ 18,868
Equity attributable to noncontrolling interests	83	59
Total net equity of investees	$ 21,768	$ 18,927
Mondelēz International ownership interests	24-50%	24-50%
Mondelēz International share of investee net equity (1)	$ 5,905	$ 5,145
Keurig shareholder loan	440	440
Equity method investments	$ 6,345	$ 5,585

	For the Years Ended December 31, 2017	2016	2015
		(in millions)	
Net revenues	$ 12,781	$ 10,923	$ 4,993
Gross profit	4,891	4,219	1,551
Income from continuing operations	1,604	839	96
Net income	1,604	839	97
Net income attributable to investees	$ 1,594	$ 838	$ 97
Mondelēz International ownership interests	24%-50%	24%-50%	40%-50%
Mondelēz International share of investee net income	$ 436	$ 281	$ 56
Keurig shareholder loan interest income	24	20	–
Equity method investment net earnings (2)	$ 460	$ 301	$ 56

(1) Includes approximately $360 million of basis differences between the U.S. GAAP accounting basis for our equity method investments and the U.S. GAAP accounting basis of our investees' equity.

(2) Historically, we have recorded income from equity method investments within our operating income as these investments operated as extensions of our base business. Beginning in the third quarter of 2015, to align with the accounting for JDE earnings, we began to record the earnings from our equity method investments in after-tax equity method investment earnings outside of operating income. For the six months ended December 31, 2015, after-tax equity method investment net earnings were less than $1 million on a combined basis. Earnings from equity method investments recorded within segment operating income were $56 million for the six months ended July 2, 2015. See Note 1, *Summary of Significant Accounting Policies – Principles of Consolidation,* for additional information.

Other Divestitures and Acquisitions:
On December 28, 2017, we completed the sale of a confectionery business in Japan. We received cash proceeds of ¥2.8 billion Japanese Yen ($24 million as of December 28, 2017) and recorded an immaterial pre-tax loss on the divestiture within our AMEA segment.

On October 2, 2017, we completed the sale of one of our equity method investments and received cash proceeds of $65 million. We recorded a pre-tax gain of $40 million within the gain on equity method investment transactions and $15 million of tax expense.

In connection with the 2012 spin-off of Kraft Foods Group, Inc. (now a part of The Kraft Heinz Company ("KHC")), Kraft Foods Group and we each granted the other various licenses to use certain trademarks in connection with particular product categories in specified jurisdictions. On August 17, 2017, we entered into two agreements with KHC to terminate the licenses of certain KHC-owned brands used in our grocery business within our Europe region and to transfer to KHC inventory and certain other assets. On August 17, 2017, the first transaction closed and we received cash proceeds of €9 million ($11 million as of August 17, 2017) and on October 23, 2017, the second transaction closed and we received cash proceeds of €2 million ($3 million as of October 23, 2017). The gain on both transactions combined was immaterial.

On July 4, 2017, we completed the sale of most of our grocery business in Australia and New Zealand to Bega Cheese Limited for $456 million Australian dollars ($347 million as of July 4, 2017). We divested $27 million of current assets, $135 million of non-current assets and $4 million of current liabilities based on the July 4, 2017 exchange rate. We recorded a pre-tax gain of $247 million Australian dollars ($187 million as of July 4, 2017) on the sale. We also recorded divestiture-related costs of $2 million and a foreign currency hedge loss of $3 million during 2017. In the fourth quarter of 2017, we recorded a $3 million inventory-related working capital adjustment, increasing the pre-tax gain to $190 million in 2017.

On April 28, 2017, we completed the sale of several manufacturing facilities in France and the sale or license of several local confectionery brands. We received cash of approximately €157 million ($169 million as of April 28, 2017), net of cash divested with the businesses. On April 28, 2017, we divested $44 million of current assets, $155 million of non-current assets, $8 million of current liabilities and $22 million of non-current liabilities based on the April 28, 2017 exchange rate. We recorded a $3 million loss on the sale and divestiture-related costs of $27 million in 2017 and $84 million in 2016. These divestiture-related costs were recorded within cost of sales and selling, general and administrative expenses primarily within our Europe segment. In prior periods, we recorded a $5 million impairment charge in May 2016 for a candy trademark to reduce the overall net assets to the estimated net sales proceeds after transaction costs. On March 31, 2016, we recorded a $14 million impairment charge for another gum & candy trademark as a portion of its carrying value would not be recoverable based on future cash flows expected under a planned license agreement with the buyer.

During the year ended December 31, 2016, we also completed the following sale transactions:

- On December 31, 2016, we completed the sale of a chocolate factory in Belgium. In connection with this transaction, we recorded a pre-tax loss of €65 million ($68 million as of December 31, 2016), within asset impairment and exit costs in our Europe segment. The loss includes a fixed asset impairment charge of €30 million ($31 million as of December 31, 2016), a loss on disposal of €22 million ($23 million as of December 31, 2016) and incremental expenses we incurred and accrued of €13 million ($14 million as of December 31, 2016) related to selling the factory.
- On December 1, 2016, we completed the sale of a confectionery business in Costa Rica represented by a local brand. The sales price was $28 million and we recorded a pre-tax gain of $9 million within gains on divestiture within our Latin America segment. We divested approximately $11 million of property, plant and equipment, $4 million of goodwill and $2 million of inventory. In connection with this transaction, we incurred $2 million of transaction costs and accrued expenses.
- On August 26, 2016, we recorded a $7 million gain for the sale of a U.S.-owned biscuit trademark. The gain was recorded within selling, general and administrative expenses in 2016.
- On May 2, 2016, we completed the sale of certain local biscuit brands in Finland as part of our strategic decisions to exit select small and local brands and shift investment towards our Power Brands. The sales price was €14 million ($16 million as of May 2, 2016) and we recorded a pre-tax gain of $6 million ($5 million after tax) within selling, general and administrative expenses of our Europe segment in the year ended December 31, 2016. We divested $8 million of indefinite-lived intangible assets and less than $1 million of other assets. We received cash proceeds of €12 million ($14 million as of May 2, 2016) upon closing and another €2 million ($2 million as of October 31, 2016) of consideration following the completion of post-closing requirements. The additional $2 million of consideration increased the pre-tax gain to $8 million ($6 million after tax) through December 31, 2016.

On November 2, 2016, we purchased from Burton's Biscuit Company certain intangibles, which included the license to manufacture, market and sell Cadbury-branded biscuits in additional key markets around the world, including in the United Kingdom, France, Ireland, North America and Saudi Arabia. The transaction was accounted for as a business combination. Total cash paid for the acquired assets was £199 million ($245 million as of November 2, 2016). During the third quarter of 2017, we completed the valuation work and finalized the purchase price allocation of $66 million to definite-lived intangible assets, $173 million to goodwill, $2 million to property, plant and equipment and $4 million to inventory, reflecting a November 2, 2016 exchange rate. The acquisition added incremental net revenues of $59 million in 2017 and $16 million in 2016 and added incremental operating income of $8 million in 2017 and $1 million in 2016.

During the third quarter of 2016, we completed the acquisition of a Vietnamese biscuit operation within our AMEA segment. On July 15, 2015, we acquired an 80% interest in the biscuit operation and on August 22, 2016, we acquired the remaining 20% interest. Total cash paid for the biscuit operation, intellectual property, non-compete and consulting agreements less purchase price adjustments was 12,404 billion Vietnamese dong ($569 million using applicable exchange rates on July 15, 2015, November 27, 2015 and August 22, 2016). On August 22, 2016, in connection with acquiring the remaining 20% interest in the biscuit operation, escrowed funds of $70 million were released and we retained an agreed $20 million related to two outstanding acquisition-related matters. We subsequently released $5 million in 2016 and $9 million in 2017 to the sellers and expect to pay $4 million within five years as remaining indemnified obligations are resolved. On August 22, 2016, we also made a final payment of 759 billion Vietnamese dong ($35 million as of August 22, 2016) for the non-compete and consulting agreements. The non-compete and consulting agreements were recorded as prepaid contracts within other current and non-current assets and will be amortized into net earnings over the term of the agreements. During the third quarter of 2016, we also finalized the valuation and purchase price allocation of the acquired net assets of the business, which included $10 million of inventory, $49 million of property, plant and equipment, $86 million of intangible assets, $385 million of goodwill and $31 million of other net liabilities. In periods following the initial July 15, 2015 first closing date, the allocation of the net asset fair values had an immaterial impact on our operating results. The acquisition added incremental net revenues of $71 million in 2016 and $121 million in 2015 and added incremental operating income of $5 million in 2016 and $21 million in 2015. Within selling, general and administrative expenses, we recorded integration costs of $7 million in 2016 and $9 million in 2015 and acquisition costs of $7 million in 2015.

Sales of Property:

On November 9, 2016, we completed the sale of a manufacturing plant in Russia and recorded total expenses of $12 million, including a related fixed asset impairment charge of $4 million within asset impairments and exit costs. The sale of the land, buildings and equipment generated cash proceeds of $6 million.

In 2016, we also sold property within our North America segment and from our centrally held corporate assets. In the third quarter of 2016, we sold property in North America that generated cash proceeds of $10 million and a pre-tax gain of $6 million and we sold a corporate aircraft hangar that generated cash proceeds of $3 million and a pre-tax gain of $1 million. In the second quarter of 2016, we also sold property within our North America segment and from our centrally held corporate assets. The North America sale generated cash proceeds of $40 million and a pre-tax gain of $33 million. The corporate aircraft sale generated cash proceeds of $20 million and a pre-tax gain of $6 million. The gains were recorded within selling, general and administrative expenses and cash proceeds were recorded in cash flows from other investing activities in the year ended December 31, 2016.

Note 3. Inventories

Inventories consisted of the following:

	As of December 31,	
	2017	2016
	(in millions)	
Raw materials	$ 711	$ 722
Finished product	1,975	1,865
	2,686	2,587
Inventory reserves	(129)	(118)
Inventories, net	$ 2,557	$ 2,469

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Note 4. Property, Plant and Equipment

Property, plant and equipment consisted of the following:

	As of December 31, 2017	As of December 31, 2016
	(in millions)	
Land and land improvements	$ 458	$ 471
Buildings and building improvements	2,979	2,801
Machinery and equipment	11,195	10,302
Construction in progress	1,048	1,113
	15,680	14,687
Accumulated depreciation	(7,003)	(6,458)
Property, plant and equipment, net	$ 8,677	$ 8,229

Capital expenditures as presented on the statement of cash flow were $1.0 billion, $1.2 billion and $1.5 billion for the years ending December 31, 2017, 2016 and 2015 and excluded $357 million, $343 million and $322 million for accrued capital expenditures not yet paid.

In connection with our restructuring program, we recorded non-cash property, plant and equipment write-downs (including accelerated depreciation and asset impairments) of $206 million in 2017, $301 million in 2016 and $264 million in 2015 (see Note 6, *2014-2018 Restructuring Program*). These charges related to property, plant and equipment were recorded in the consolidated statements of earnings within asset impairment and exit costs and in the segment results as follows:

	For the Years Ended December 31, 2017	2016	2015
		(in millions)	
Latin America	$ 36	$ 22	$ 46
AMEA	81	44	88
Europe	58	122	65
North America	30	111	65
Corporate	1	2	–
Non-cash property, plant and equipment write-downs	$ 206	$ 301	$ 264

Note 5. Goodwill and Intangible Assets

Goodwill by reportable operating segment was:

	As of December 31, 2017	As of December 31, 2016
	(in millions)	
Latin America	$ 901	$ 897
AMEA	3,371	3,324
Europe	7,880	7,170
North America	8,933	8,885
Goodwill	$ 21,085	$ 20,276

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Intangible assets consisted of the following:

	As of December 31,	
	2017	2016
	(in millions)	
Non-amortizable intangible assets	$ 17,671	$ 17,004
Amortizable intangible assets	2,386	2,315
	20,057	19,319
Accumulated amortization	(1,418)	(1,218)
Intangible assets, net	$ 18,639	$ 18,101

Non-amortizable intangible assets consist principally of brand names purchased through our acquisitions of Nabisco Holdings Corp., the Spanish and Portuguese operations of United Biscuits, the global *LU* biscuit business of Groupe Danone S.A. and Cadbury Limited. Amortizable intangible assets consist primarily of trademarks, customer-related intangibles, process technology, licenses and non-compete agreements.

Amortization expense for intangible assets was $178 million in 2017, $176 million in 2016 and $181 million in 2015. For the next five years, we estimate annual amortization expense of approximately $175 million for the next three years and approximately $85 million in years four and five, reflecting December 31, 2017 exchange rates.

Changes in goodwill and intangible assets consisted of:

	2017		2016	
	Goodwill	Intangible Assets, at cost	Goodwill	Intangible Assets, at cost
	(in millions)			
Balance at January 1	$ 20,276	$ 19,319	$ 20,664	$ 19,847
Changes due to:				
Currency	909	954	(464)	(540)
Divestitures	(114)	(100)	(4)	(8)
Acquisitions	15	(7)	80	158
Asset impairments	–	(109)	–	(137)
Other	(1)	–	–	(1)
Balance at December 31	$ 21,085	$ 20,057	$ 20,276	$ 19,319

Changes to goodwill and intangibles were:

- Divestitures – During 2017, in connection with the divestiture of several manufacturing facilities, primarily in France, we divested $23 million of goodwill and $62 million of amortizable and non-amortizable intangible assets. In 2017, we also completed a sale of most of our grocery business in Australia and New Zealand and divested $86 million of related goodwill. Furthermore, we completed a sale of a confectionery business in Japan and divested $5 million of goodwill and $24 million of definite lived intangible assets. Finally, we divested $14 million of definite lived intangible asset as part of our sale of one of our equity method investments. During 2016, we divested $4 million of goodwill related to the sale of a confectionery business in Costa Rica and we sold $8 million of non-amortizable intangible assets in Finland. See Note 2, *Divestitures and Acquisitions*, for additional information.
- Acquisitions – During 2017, we recorded a $15 million adjustment to goodwill and a $7 million adjustment to indefinite lived assets in connection with finalizing the valuation and purchase price allocation for the Burton's Biscuit Company purchase completed in the fourth quarter of 2016. In connection with the completion of the purchase of a Vietnam biscuit operation in 2016, we finalized the purchase price allocation of the consideration paid to the net assets acquired and recorded $25 million of amortizable intangible assets and $61 million of non-amortizable intangible assets related to acquired trademarks and customer-related intangible assets. A preliminary goodwill balance was recorded in 2015 and subsequently adjusted by $76 million to $385 million in 2016 to reflect finalized intangible asset and other asset fair valuations. See Note 2, *Divestitures and Acquisitions*, for additional information.

- Asset impairments – We recorded $109 million of intangible asset impairments in 2017, $137 million in 2016 and $83 million in 2015. Charges related to our annual testing of non-amortizable intangible assets were $70 million in 2017, $98 million in 2016 and $71 million in 2015. During 2017, we also recorded a $38 million intangible asset impairment charge resulting from a category decline and lower than expected product growth related to a gum trademark in our North America segment and a $1 million intangible asset impairment charge related to a transaction. In 2016, we also recorded $20 million of impairment charges within our Europe segment related to the planned sale of a confectionery business in France (see Note 2, *Divestitures and Acquisitions – Other Divestitures and Acquisitions*, for additional information) and we also recorded $19 million of charges in our Europe, North America and AMEA segments resulting from the discontinuation of four biscuit products and one candy product. In 2015, we recorded $12 million of impairment charges within the loss on deconsolidation of Venezuela related to a biscuit trademark.

We have historically annually tested goodwill and non-amortizable intangible assets for impairment as of October 1. This year, we voluntarily changed the annual impairment assessment date from October 1 to July 1. We believe this measurement date, which represents a change in the method of applying an accounting principle, is preferable because it better aligns with our strategic business planning process and financial forecasts, which are key components of the annual impairment tests. The change in the measurement date did not delay, accelerate or prevent an impairment charge. Each quarter, we have evaluated goodwill and intangible asset impairment risks and recognized any related impairments to date. As such, the change in the annual test date was applied on July 1, 2017.

In 2017, 2016 and 2015, there were no goodwill impairments and each of our reporting units had sufficient fair value in excess of its carrying value. While all reporting units passed our annual impairment testing, if planned business performance expectations are not met or specific valuation factors outside of our control, such as discount rates, change significantly, then the estimated fair values of a reporting unit or reporting units might decline and lead to a goodwill impairment in the future.

During our 2017 annual testing of non-amortizable intangible assets, we recorded $70 million of impairment charges in the third quarter related to five trademarks. We also noted thirteen brands, including the five impaired trademarks, with $963 million of aggregate book value as of December 31, 2017 that each had a fair value in excess of book value of 10% or less. We believe our current plans for each of these brands will allow them to continue to not be impaired, but if the product line expectations are not met or specific valuation factors outside of our control, such as discount rates, change significantly, then a brand or brands could become impaired in the future.

Note 6. 2014-2018 Restructuring Program

On May 6, 2014, our Board of Directors approved a $3.5 billion restructuring program and up to $2.2 billion of capital expenditures. On August 31, 2016, our Board of Directors approved a $600 million reallocation between restructuring program cash costs and capital expenditures so that now the $5.7 billion program consists of approximately $4.1 billion of restructuring program costs ($3.1 billion cash costs and $1 billion non-cash costs) and up to $1.6 billion of capital expenditures. The primary objective of the 2014-2018 Restructuring Program is to reduce our operating cost structure in both our supply chain and overhead costs. The program is intended primarily to cover severance as well as asset disposals and other manufacturing-related one-time costs. Since inception, we have incurred total restructuring and related implementation charges of $3.3 billion related to the 2014-2018 Restructuring Program. We expect to incur the full $4.1 billion of program charges by year-end 2018.

Restructuring Costs:
We recorded restructuring charges of $535 million in 2017, $714 million in 2016 and $711 million in 2015 within asset impairment and exit costs. The 2014-2018 Restructuring Program liability activity for the years ended December 31, 2017 and 2016 was:

	Severance and related costs	Asset Write-downs	Total
		(in millions)	
Liability balance, January 1, 2016	$ 395	$ –	$ 395
Charges	402	312	714
Cash spent	(315)	–	(315)
Non-cash settlements/adjustments	(9)	(312)	(321)
Currency	(9)	–	(9)
Liability balance, December 31, 2016	$ 464	$ –	$ 464
Charges	323	212	535
Cash spent	(347)	–	(347)
Non-cash settlements/adjustments	(3)	(212)	(215)
Currency	27	–	27
Liability balance, December 31, 2017	$ 464	$ –	$ 464

We spent $347 million in 2017 and $315 million in 2016 in cash severance and related costs. We also recognized non-cash pension settlement losses (See Note 9, *Benefit Plans)*, non-cash asset write-downs (including accelerated depreciation and asset impairments) and other non-cash adjustments totaling $215 million in 2017 and $321 million in 2016. At December 31, 2017, $412 million of our net restructuring liability was recorded within other current liabilities and $52 million was recorded within other long-term liabilities.

Implementation Costs:
Implementation costs are directly attributable to restructuring activities; however, they do not qualify for special accounting treatment as exit or disposal activities. We believe the disclosure of implementation costs provides readers of our financial statements with more information on the total costs of our 2014-2018 Restructuring Program. Implementation costs primarily relate to reorganizing our operations and facilities in connection with our supply chain reinvention program and other identified productivity and cost saving initiatives. The costs include incremental expenses related to the closure of facilities, costs to terminate certain contracts and the simplification of our information systems. Within our continuing results of operations, we recorded implementation costs of $257 million in 2017, $372 million in 2016 and $291 million in 2015. We recorded these costs within cost of sales and general corporate expense within selling, general and administrative expenses.

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Restructuring and Implementation Costs in Operating Income:
During 2017, 2016 and 2015, and since inception of the 2014-2018 Restructuring Program, we recorded restructuring and implementation costs within operating income by segment (as revised to reflect our current segment structure) as follows:

	Latin America	AMEA	Europe	North America (1)	Corporate (2)	Total
			(in millions)			
For the Year Ended December 31, 2017						
Restructuring Costs	$ 93	$ 141	$ 195	$ 94	$ 12	$ 535
Implementation Costs	43	43	68	58	45	257
Total	$ 136	$ 184	$ 263	$ 152	$ 57	$ 792
For the Year Ended December 31, 2016						
Restructuring Costs	$ 111	$ 96	$ 310	$ 183	$ 14	$ 714
Implementation Costs	54	48	88	121	61	372
Total	$ 165	$ 144	$ 398	$ 304	$ 75	$ 1,086
For the Year Ended December 31, 2015						
Restructuring Costs	$ 145	$ 181	$ 243	$ 114	$ 28	$ 711
Implementation Costs	39	26	78	69	79	291
Total	$ 184	$ 207	$ 321	$ 183	$ 107	$ 1,002
Total Project 2014-2017 (3)						
Restructuring Costs	$ 430	$ 448	$ 844	$ 448	$ 64	$ 2,234
Implementation Costs	152	129	272	253	221	1,027
Total	$ 582	$ 577	$ 1,116	$ 701	$ 285	$ 3,261

(1) During 2017 and 2016, our North America region implementation costs included incremental costs that we incurred related to renegotiating collective bargaining agreements that expired at the end of February 2016 for eight U.S. facilities and related to executing business continuity plans for the North America business.
(2) Includes adjustment for rounding.
(3) Includes all charges recorded since program inception on May 6, 2014 through December 31, 2017.

Note 7. Debt and Borrowing Arrangements

Short-Term Borrowings:
Our short-term borrowings and related weighted-average interest rates consisted of:

	As of December 31,			
	2017		2016	
	Amount Outstanding (in millions)	Weighted-Average Rate	Amount Outstanding (in millions)	Weighted-Average Rate
Commercial paper	$ 3,410	1.7%	$ 2,371	1.0%
Bank loans	107	11.5%	160	10.6%
Total short-term borrowings	$ 3,517		$ 2,531	

As of December 31, 2017, commercial paper issued and outstanding had between 2 and 75 days remaining to maturity. Commercial paper borrowings increased since the 2016 year-end primarily as a result of issuances to finance the payment of long-term debt maturities, dividend payments and share repurchases during the year.

Bank loans include borrowings on primarily uncommitted credit lines maintained by some of our international subsidiaries to meet short-term working capital needs. Collectively, these credit lines amounted to $2.0 billion at December 31, 2017 and $1.8 billion at December 31, 2016. Borrowings on these lines were $107 million at December 31, 2017 and $160 million at December 31, 2016.

Borrowing Arrangements:
On March 1, 2017, to supplement our commercial paper program, we entered into a $1.5 billion revolving credit agreement for a 364-day senior unsecured credit facility that is scheduled to expire on February 28, 2018. The agreement includes the same terms and conditions as our existing $4.5 billion multi-year credit facility discussed below. As of December 31, 2017, no amounts were drawn on the facility.

We also maintain a $4.5 billion multi-year senior unsecured revolving credit facility for general corporate purposes, including working capital needs, and to support our commercial paper program. On October 14, 2016, the revolving credit agreement, which was scheduled to expire on October 11, 2018, was extended through October 11, 2021. The revolving credit agreement includes a covenant that we maintain a minimum shareholders' equity of at least $24.6 billion, excluding accumulated other comprehensive earnings/(losses) and the cumulative effects of any changes in accounting principles. At December 31, 2017, we complied with this covenant as our shareholders' equity, as defined by the covenant, was $36.1 billion. The revolving credit facility agreement also contains customary representations, covenants and events of default. There are no credit rating triggers, provisions or other financial covenants that could require us to post collateral as security. As of December 31, 2017, no amounts were drawn on the facility.

Long-Term Debt:
Our long-term debt consisted of (interest rates are as of December 31, 2017):

	As of December 31,	
	2017	2016
	(in millions)	
U.S. dollar notes, 1.385% to 7.000% (weighted-average effective rate 3.414%), due through 2040	$ 8,327	$ 8,812
Euro notes, 1.000% to 2.375% (weighted-average effective rate 1.930%), due through 2035	3,653	3,980
Pound sterling notes, 3.875% to 7.250% (weighted-average effective rate 4.441%), due through 2045	456	418
Swiss franc notes, 0.050% to 1.125% (weighted-average effective rate 0.627%), due through 2025	1,694	1,449
Capital leases and other obligations	5	9
Total	14,135	14,668
Less current portion of long-term debt	(1,163)	(1,451)
Long-term debt	$12,972	$13,217

Deferred debt issuance costs of $33 million as of December 31, 2017 and $40 million as of December 31, 2016 are netted against the related debt in the table above. Deferred financing costs related to our revolving credit facility are classified in long-term other assets and were immaterial for all periods presented.

As of December 31, 2017, aggregate maturities of our debt and capital leases based on stated contractual maturities, excluding unamortized non-cash bond premiums, discounts, bank fees and mark-to-market adjustments of $(64) million, were (in millions):

2018	2019	2020	2021	2022	Thereafter	Total
$1,163	$2,651	$896	$3,373	$754	$5,362	$14,199

On April 12, 2017, we discharged $488 million of our 6.500% U.S. dollar-denominated debt. We paid $504 million, representing principal as well as past and future interest accruals from February 2017 through the August 2017 maturity date. We recorded an $11 million loss on debt extinguishment within interest expense and a $5 million reduction in accrued interest.

On March 30, 2017, *fr.*175 million (approximately $175 million) of our 0.000% Swiss franc-denominated notes matured. The notes and accrued interest to date were paid with net proceeds from the *fr.*350 million Swiss franc-denominated notes issued on March 13, 2017.

On March 13, 2017, we launched an offering of *fr.*350 million of Swiss franc-denominated notes, or $349 million in U.S. dollars as of March 31, 2017, consisting of:

- *fr.*225 million (or $224 million) of 0.050% fixed rate notes that mature on March 30, 2020
- *fr.*125 million (or $125 million) of 0.617% fixed rate notes that mature on September 30, 2024

On March 30, 2017, we received net proceeds of *fr.*349 million (or $349 million) that were used for general corporate purposes.

On January 26, 2017, €750 million (approximately $801 million) of our 1.125% euro-denominated notes matured. The notes and accrued interest to date were paid with the issuance of commercial paper and cash on hand.

On December 16, 2016, we redeemed $850 million of 2.250% fixed rate notes, maturing on February 1, 2019, that were issued on January 16, 2014. The notes were redeemed at a redemption cost equal to $866 million, plus accrued and unpaid interest of $7 million. In connection with this redemption, during the three months ended December 31, 2016, we recorded a $19 million loss on debt extinguishment within interest and other expense, net.

On October 31, 2016, we completed a cash tender offer and retired $3.18 billion of U.S. dollar, euro and British pound sterling-denominated notes. We financed the repurchase of the notes, including the payment of accrued interest and other costs incurred, from net proceeds received on October 28, 2016 from the $3.75 billion note issuance and the term loans described below. In connection with retiring this debt, during the three months ended December 31, 2016, we recorded a $409 million loss on debt extinguishment within interest expense related to the amount we paid to retire the debt in excess of its carrying value and from recognizing unamortized premiums and deferred financing costs in earnings at the time of the debt extinguishment. Cash costs related to tendering the debt are included in long-term debt repayments in the consolidated statement of cash flows for the year ended December 31, 2016. We also recognized $1 million in interest income related to the partial settlement of fair value hedges due to the tender.

On October 19, 2016, Mondelez International Holdings Netherlands B.V. ("MIHN"), a wholly owned subsidiary of Mondelēz International, Inc., launched an offering of $3.75 billion of notes, guaranteed by Mondelēz International, Inc. The $1.75 billion of 1.625% notes and the $500 million of floating rate notes will mature on October 28, 2019 and the $1.5 billion of 2.0% notes will mature on October 28, 2021. On October 28, 2016, we received proceeds, net of discounts and associated financing costs, of $3.73 billion. Proceeds from the notes issuance were used for general corporate purposes, including to grant loans or make distributions to Mondelēz International, Inc. or its subsidiaries to fund the October 2016 cash tender offer and near-term debt maturities. We recorded approximately $20 million of deferred financing costs and discounts, which will be amortized into interest expense over the life of the notes. We entered into cross-currency swaps, serving as cash flow hedges, so that the U.S. dollar-denominated debt payments will effectively be paid in euros over the life of the debt.

On October 14, 2016, MIHN executed a $1.5 billion bank term loan facility. The loan facility consists of two $750 million loans, one with a three-year maturity and the other with a five-year maturity. The term loans can be drawn at any time for 60 days after signing. On October 25, 2016, we gave notice of our intent to fully draw on the loan with a five-year maturity, and funding occurred on October 28, 2016. Proceeds from the $750 million term loan may be used for general corporate purposes, including funding of the tender offer or other debt. On October 25, 2016, we also gave notice of our intent to terminate the $750 million loan with the three-year maturity.

On February 9, 2016, $1,750 million of our 4.125% U.S. dollar notes matured. The notes and accrued interest to date were paid with net proceeds from the *fr.*400 million Swiss franc-denominated notes issued on January 26, 2016 and the €700 million euro-denominated notes issued on January 21, 2016, as well as cash on hand and the issuance of commercial paper. As we refinanced $1,150 million of the matured notes with net proceeds from the long-term debt issued in January 2016, we reflected this amount within long-term debt as of December 31, 2015.

On January 26, 2016, we issued *fr.*400 million of Swiss franc-denominated notes, or $399 million in U.S. dollars locked in with a forward currency contract on January 12, 2016, consisting of:

- *fr.*250 million (or $249 million) of 0.080% fixed rate notes that mature on January 26, 2018
- *fr.*150 million (or $150 million) of 0.650% fixed rate notes that mature on July 26, 2022

We received proceeds, net of premiums and deferred financing costs, of $398 million that were used to partially fund the February 2016 note maturity and for other general corporate purposes. We recorded approximately $1 million of premiums and deferred financing costs, which will be amortized into interest expense over the life of the notes.

On January 21, 2016, we issued €700 million of euro-denominated 1.625% notes, or $760 million in U.S. dollars locked in with a forward currency contract on January 13, 2016. The euro-denominated notes will mature on January 20, 2023. We received proceeds, net of discounts and deferred financing costs, of $752 million that were used to partially fund the February 2016 note maturity and for other general corporate purposes. We recorded approximately $8 million of discounts and deferred financing costs, which will be amortized into interest expense over the life of the notes.

Our weighted-average interest rate on our total debt was 2.1% as of December 31, 2017, 2.2% as of December 31, 2016 and 3.7% as of December 31, 2015.

Fair Value of Our Debt:
The fair value of our short-term borrowings at December 31, 2017 and December 31, 2016 reflects current market interest rates and approximates the amounts we have recorded on our consolidated balance sheets. The fair value of our long-term debt was determined using quoted prices in active markets (Level 1 valuation data) for the publicly traded debt obligations. At December 31, 2017, the aggregate fair value of our total debt was $18,354 million and its carrying value was $17,652 million. At December 31, 2016, the aggregate fair value of our total debt was $17,882 million and its carrying value was $17,199 million.

Interest and Other Expense, net:
Interest and other expense, net within our results of continuing operations consisted of:

	For the Years Ended December 31,		
	2017	2016	2015
		(in millions)	
Interest expense, debt	$ 396	$ 515	$ 609
Loss on debt extinguishment and related expenses	11	427	753
JDE coffee business transactions currency-related net gains	–	–	(436)
Loss related to interest rate swaps	–	97	34
Other (income)/expense, net	(25)	76	53
Interest and other expense, net	$ 382	$ 1,115	$ 1,013

See Note 2, *Divestitures and Acquisitions,* and Note 8, *Financial Instruments,* for information on the currency exchange forward contracts associated with the JDE coffee business transactions. See Note 8, *Financial Instruments*, for information on the loss related to U.S. dollar interest rate swaps no longer designated as accounting cash flow hedges during 2016 and 2015. Also see Note 12, *Commitments and Contingencies*, for information on the $59 million of other income recorded in 2017 in connection with the resolution of a Brazilian indirect tax matter and the reversal of related accrued interest.

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Note 8. Financial Instruments

Fair Value of Derivative Instruments:
Derivative instruments were recorded at fair value in the consolidated balance sheets as follows:

	As of December 31,			
	2017		2016	
	Asset Derivatives	Liability Derivatives	Asset Derivatives	Liability Derivatives
	(in millions)			
Derivatives designated as accounting hedges:				
Currency exchange contracts	$ –	$ –	$ 19	$ 8
Commodity contracts	–	–	17	22
Interest rate contracts	15	509	108	19
	$ 15	$ 509	$ 144	$ 49
Derivatives not designated as accounting hedges:				
Currency exchange contracts	$ 65	$ 76	$ 29	$ 43
Commodity contracts	84	229	112	167
Interest rate contracts	15	11	27	19
	$ 164	$ 316	$ 168	$ 229
Total fair value	$ 179	$ 825	$ 312	$ 278

Derivatives designated as accounting hedges include cash flow and fair value hedges and derivatives not designated as accounting hedges include economic hedges. Non-U.S. dollar denominated debt, designated as a hedge of our net investments in non-U.S. operations, is not reflected in the table above, but is included in long-term debt summarized in Note 7, *Debt and Borrowing Arrangements*. We record derivative assets and liabilities on a gross basis on our consolidated balance sheets. The fair value of our asset derivatives is recorded within other current assets and the fair value of our liability derivatives is recorded within other current liabilities.

The fair values (asset/(liability)) of our derivative instruments were determined using:

	As of December 31, 2017			
	Total Fair Value of Net Asset/(Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in millions)			
Currency exchange contracts	$ (11)	$ –	$ (11)	$ –
Commodity contracts	(145)	(138)	(7)	–
Interest rate contracts	(490)	–	(490)	–
Total derivatives	$ (646)	$ (138)	$ (508)	$ –

	As of December 31, 2016			
	Total Fair Value of Net Asset/(Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in millions)			
Currency exchange contracts	$ (3)	$ –	$ (3)	$ –
Commodity contracts	(60)	(86)	26	–
Interest rate contracts	97	–	97	–
Total derivatives	$ 34	$ (86)	$ 120	$ –

Level 1 financial assets and liabilities consist of exchange-traded commodity futures and listed options. The fair value of these instruments is determined based on quoted market prices on commodity exchanges. Our exchange-traded derivatives are generally subject to master netting arrangements that permit net settlement of transactions with the same counterparty when certain criteria are met, such as in the event of default. We also are required to maintain cash margin accounts in connection with funding the settlement of our open positions, and the margin requirements generally fluctuate daily based on market conditions. We have recorded margin deposits related to our exchange-traded derivatives of $171 million as of December 31, 2017 and $133 million as of December 31, 2016 within other current assets. Based on our net asset or liability positions with individual counterparties, in the event of default and immediate net settlement of all of our open positions, for derivatives we have in a net asset position, our counterparties would owe us a total of $34 million as of December 31, 2017 and $48 million as of December 31, 2016. As of December 31, 2017, we have no Level 1 derivatives in a net liability position, and as of December 31, 2016 we would have owed $2 million for derivatives in a net liability position.

Level 2 financial assets and liabilities consist primarily of over-the-counter ("OTC") currency exchange forwards, options and swaps; commodity forwards and options; and interest rate swaps. Our currency exchange contracts are valued using an income approach based on observable market forward rates less the contract rate multiplied by the notional amount. Commodity derivatives are valued using an income approach based on the observable market commodity index prices less the contract rate multiplied by the notional amount or based on pricing models that rely on market observable inputs such as commodity prices. Our calculation of the fair value of interest rate swaps is derived from a discounted cash flow analysis based on the terms of the contract and the observable market interest rate curve. Our calculation of the fair value of financial instruments takes into consideration the risk of nonperformance, including counterparty credit risk. Our OTC derivative transactions are governed by International Swap Dealers Association agreements and other standard industry contracts. Under these agreements, we do not post nor require collateral from our counterparties. The majority of our commodity and currency exchange OTC derivatives do not have a legal right of set-off. In connection with our OTC derivatives that could be net-settled in the event of default, assuming all parties were to fail to comply with the terms of the agreements, for Level 2 derivatives we have in a net liability position, we would owe $523 million as of December 31, 2017 and $40 million as of December 31, 2016, and for Level 2 derivatives we have in a net asset position, our counterparties would owe us a total of $26 million as of December 31, 2017 and $162 million as of December 31, 2016. We manage the credit risk in connection with these and all our derivatives by entering into transactions with counterparties with investment grade credit ratings, limiting the amount of exposure with each counterparty and monitoring the financial condition of our counterparties.

Derivative Volume:
The net notional values of our derivative instruments were:

	Notional Amount	
	As of December 31,	
	2017	2016
	(in millions)	
Currency exchange contracts:		
Intercompany loans and forecasted interest payments	$ 7,089	$ 3,343
Forecasted transactions	2,213	1,452
Commodity contracts	1,204	837
Interest rate contracts	6,532	6,365
Net investment hedge – euro notes	3,679	4,012
Net investment hedge – pound sterling notes	459	419
Net investment hedge – Swiss franc notes	1,694	1,447

Cash Flow Hedges:
Cash flow hedge activity, net of taxes, within accumulated other comprehensive earnings/(losses) included:

	For the Years Ended December 31, 2017	2016	2015
	(in millions)		
Accumulated (loss)/gain at beginning of period	$ (121)	$ (45)	$ (2)
Transfer of realized (gains)/losses in fair value to earnings	27	53	–
Unrealized gain/(loss) in fair value	(19)	(129)	(43)
Accumulated (loss)/gain at end of period	$ (113)	$ (121)	$ (45)

After-tax gains/(losses) reclassified from accumulated other comprehensive earnings/(losses) into net earnings were:

	For the Years Ended December 31, 2017	2016	2015
	(in millions)		
Currency exchange contracts – forecasted transactions	$ (3)	$ (1)	$ 83
Commodity contracts	(24)	(4)	(52)
Interest rate contracts	–	(48)	(31)
Total	$ (27)	$ (53)	$ –

After-tax gains/(losses) recognized in other comprehensive earnings/(losses) were:

	For the Years Ended December 31, 2017	2016	2015
	(in millions)		
Currency exchange contracts – forecasted transactions	$ (38)	$ 8	$ 40
Commodity contracts	7	(34)	(35)
Interest rate contracts	12	(103)	(48)
Total	$ (19)	$ (129)	$ (43)

Cash flow hedge ineffectiveness was not material for all periods presented.

Within interest and other expense, net, we recorded pre-tax losses of $97 million in the first quarter of 2016 and $34 million in the first quarter of 2015 related to amounts excluded from effectiveness testing. These amounts relate to interest rate swaps no longer designated as cash flow hedges due to changes in financing plans. Due to lower overall costs and our decision to hedge a greater portion of our net investments in operations that use currencies other than the U.S. dollar as their functional currencies, we changed our plans to issue U.S. dollar-denominated debt and instead issued euro and Swiss franc-denominated notes in 2016 and euro, British pound sterling and Swiss franc-denominated notes in 2015. Amounts excluded from effectiveness testing were not material for all other periods presented.

We record pre-tax (i) gains or losses reclassified from accumulated other comprehensive earnings/(losses) into earnings, (ii) gains or losses on ineffectiveness and (iii) gains or losses on amounts excluded from effectiveness testing in:

- cost of sales for commodity contracts;
- cost of sales for currency exchange contracts related to forecasted transactions; and
- interest and other expense, net for interest rate contracts and currency exchange contracts related to intercompany loans.

Based on current market conditions, we would expect to transfer unrealized losses of $1 million (net of taxes) for interest rate cash flow hedges to earnings during the next 12 months.

Cash Flow Hedge Coverage:
As of December 31, 2017, our longest dated cash flow hedges are interest rate swaps that hedge forecasted interest rate payments over the next 5 years and 10 months.

Fair Value Hedges:
Pre-tax gains/(losses) due to changes in fair value of our interest rate swaps and related hedged long-term debt were recorded in interest and other expense, net:

	For the Years Ended December 31,		
	2017	2016	2015
	(in millions)		
Derivatives	$ (4)	$ (6)	$ (1)
Borrowings	4	6	1

Fair value hedge ineffectiveness and amounts excluded from effectiveness testing were not material for all periods presented.

Economic Hedges:
Pre-tax gains/(losses) recorded in net earnings for economic hedges were:

	For the Years Ended December 31,			Recognized in Earnings
	2017	2016	2015	
	(in millions)			
Currency exchange contracts:				
Intercompany loans and forecasted interest payments	$ 13	$ 21	$ 29	Interest and other expense, net
Forecasted transactions	(37)	(76)	29	Cost of sales
Forecasted transactions	(2)	11	435	Interest and other expense, net
Forecasted transactions	3	7	(12)	Selling, general and administrative expenses
Commodity contracts	(218)	(101)	(38)	Cost of sales
Total	$ (241)	$ (138)	$ 443	

In connection with the coffee business transactions, we entered into a number of consecutive euro to U.S. dollar currency exchange forward contracts in 2015 to lock in an equivalent expected value in U.S. dollars. The mark-to-market gains and losses on the derivatives were recorded in earnings. We recorded net gains of $436 million for the year ended December 31, 2015 within interest and other expense, net in connection with the forward contracts and the transferring of proceeds to our subsidiaries where coffee net assets and shares were deconsolidated. The currency hedge and related gains and losses were recorded within interest and other expense, net. See Note 2, *Divestitures and Acquisitions — JDE Coffee Business Transactions*, for additional information.

Hedges of Net Investments in International Operations:
After-tax gains/(losses) related to hedges of net investments in international operations in the form of euro, pound sterling and Swiss franc-denominated debt were:

	For the Years Ended December 31,			Location of Gain/(Loss) Recognized in AOCI
	2017	2016	2015	
	(in millions)			
Euro notes	$ (323)	$ 73	$ 268	Currency
Pound sterling notes	(26)	148	42	Translation
Swiss franc notes	(49)	12	9	Adjustment

Through February 8, 2018, we entered into cross-currency interest rate swaps and forwards with an aggregate notional value of $3.2 billion to hedge our non-U.S. net investments against adverse movements in exchange rates. We designated these swaps and forwards as net investment hedges related to our operations in our Europe and AMEA regions.

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Note 9. Benefit Plans

Pension Plans

Obligations and Funded Status:

The projected benefit obligations, plan assets and funded status of our pension plans were:

	U.S. Plans		Non-U.S. Plans	
	2017	2016	2017	2016
	(in millions)			
Projected benefit obligation at January 1	$ 1,614	$ 1,566	$ 9,814	$ 9,547
Service cost	46	57	156	147
Interest cost	62	61	199	229
Benefits paid	(32)	(32)	(471)	(425)
Settlements paid	(111)	(91)	–	–
Actuarial losses	179	52	180	1,284
Divestiture	–	–	(14)	(5)
Currency	–	–	976	(979)
Other	4	1	12	16
Projected benefit obligation at December 31	1,762	1,614	10,852	9,814
Fair value of plan assets at January 1	1,620	1,247	7,926	7,721
Actual return on plan assets	217	118	592	1,079
Contributions	23	378	482	419
Benefits paid	(32)	(32)	(471)	(425)
Settlements paid	(111)	(91)	–	–
Divestiture	–	–	–	(4)
Currency	–	–	798	(863)
Other	–	–	–	(1)
Fair value of plan assets at December 31	1,717	1,620	9,327	7,926
Net pension (liabilities)/assets at December 31	$ (45)	$ 6	$ (1,525)	$ (1,888)

The accumulated benefit obligation, which represents benefits earned to the measurement date, was $1,715 million at December 31, 2017 and $1,540 million at December 31, 2016 for the U.S. pension plans. The accumulated benefit obligation for the non-U.S. pension plans was $10,610 million at December 31, 2017 and $9,531 million at December 31, 2016.

Salaried and non-union hourly employees hired after January 1, 2009 in the U.S. and after January 1, 2011 in Canada (or earlier for certain legacy Cadbury employees) are no longer eligible to participate in the defined benefit pension plans. These employees are given an enhanced Company contribution to our employee defined contribution plans. For those salaried and non-union hourly employees who are currently participating in the defined benefit pension plans in the U.S. and Canada, benefit accruals will cease December 31, 2019.

The combined U.S. and non-U.S. pension plans resulted in a net pension liability of $1,570 million at December 31, 2017 and $1,882 million at December 31, 2016. We recognized these amounts in our consolidated balance sheets as follows:

	As of December 31,	
	2017	2016
	(in millions)	
Prepaid pension assets	$ 158	$ 159
Other current liabilities	(59)	(27)
Accrued pension costs	(1,669)	(2,014)
	$ (1,570)	$ (1,882)

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Certain of our U.S. and non-U.S. plans are underfunded with an accumulated benefit obligations in excess of plan assets. For these plans, the projected benefit obligations, accumulated benefit obligations and the fair value of plan assets were:

	U.S. Plans		Non-U.S. Plans	
	As of December 31,		As of December 31,	
	2017	2016	2017	2016
	(in millions)			
Projected benefit obligation	$ 94	$ 96	$ 9,345	$ 8,386
Accumulated benefit obligation	90	88	9,138	8,168
Fair value of plan assets	2	2	7,709	6,451

We used the following weighted-average assumptions to determine our benefit obligations under the pension plans:

	U.S. Plans		Non-U.S. Plans	
	As of December 31,		As of December 31,	
	2017	2016	2017	2016
	(in millions)			
Discount rate	3.68%	4.19%	2.20%	2.31%
Expected rate of return on plan assets	5.50%	6.25%	4.90%	5.14%
Rate of compensation increase	4.00%	4.00%	3.31%	3.29%

Year-end discount rates for our U.S., Canadian, Eurozone and U.K. plans were developed from a model portfolio of high quality, fixed-income debt instruments with durations that match the expected future cash flows of the benefit obligations. Year-end discount rates for our remaining non-U.S. plans were developed from local bond indices that match local benefit obligations as closely as possible. Changes in our discount rates were primarily the result of changes in bond yields year-over-year. We determine our expected rate of return on plan assets from the plan assets' historical long-term investment performance, current asset allocation and estimates of future long-term returns by asset class.

At the end of 2015, we changed the approach used to measure service and interest costs for pension benefits. For 2015, we measured service and interest costs utilizing a single weighted-average discount rate derived from the yield curve used to measure the plan obligations. For 2016, we measured service and interest costs by applying the specific spot rates along that yield curve to the plans' liability cash flows. We believe the new approach provided a more precise measurement of service and interest costs by aligning the timing of the plans' liability cash flows to the corresponding spot rates on the yield curve. The impact of this change was a decrease in net periodic pension cost of approximately $64 million for the year ended December 31, 2016. This change did not affect the measurement of our plan obligations. We accounted for this change as a change in accounting estimate and, accordingly, accounted for it on a prospective basis.

Components of Net Periodic Pension Cost:
Net periodic pension cost consisted of the following:

	U.S. Plans			Non-U.S. Plans		
	For the Years Ended December 31,			For the Years Ended December 31,		
	2017	2016	2015	2017	2016	2015
	(in millions)					
Service cost	$ 46	$ 57	$ 64	$ 156	$ 147	$ 188
Interest cost	62	61	67	199	229	307
Expected return on plan assets	(101)	(97)	(93)	(434)	(418)	(478)
Amortization:						
Net loss from experience differences	37	42	43	167	120	141
Prior service cost/(benefit) (1)	2	2	2	(3)	(3)	15
Settlement losses and other expenses (2)	35	30	19	6	6	2
Net periodic pension cost	$ 81	$ 95	$ 102	$ 91	$ 81	$ 175

(1) For the year ended December 31, 2015, amortization of prior service cost includes $17 million of pension curtailment losses related to employees who transitioned to JDE upon the contribution of our global coffee business. Refer to Note 2, *Divestitures and Acquisitions – JDE Coffee Business Transactions*, for more information.

(2) Settlement losses include $11 million for the year ended December 31, 2017, $15 million for the year ended December 31, 2016 and $9 million for the year ended December 31, 2015 of pension settlement losses for employees who elected lump-sum payments in connection with our 2014-2018 Restructuring Program. Retired employees who elected lump-sum payments resulted in net settlement losses of $21 million for our U.S. plans and $6 million for our non-U.S. plans in 2017, $15 million for our U.S. plans and $6 million for our non-U.S. plans in 2016 and $10 million for our U.S. plans and $2 million for our non-U.S. plans in 2015. See Note 6, *2014-2018 Restructuring Program*, for more information.

For the U.S. plans, we determine the expected return on plan assets component of net periodic benefit cost using a calculated market return value that recognizes the cost over a four year period. For our non-U.S. plans, we utilize a similar approach with varying cost recognition periods for some plans, and with others, we determine the expected return on plan assets based on asset fair values as of the measurement date.

As of December 31, 2017, for the combined U.S. and non-U.S. pension plans, we expected to amortize from accumulated other comprehensive earnings/(losses) into net periodic pension cost during 2018:

- an estimated $209 million of net loss from experience differences; and
- less than $1 million of estimated prior service credit.

We used the following weighted-average assumptions to determine our net periodic pension cost:

	U.S. Plans			Non-U.S. Plans		
	For the Years Ended December 31,			For the Years Ended December 31,		
	2017	2016	2015	2017	2016	2015
Discount rate	4.19%	4.50%	4.20%	2.31%	3.11%	2.99%
Expected rate of return on plan assets	6.25%	6.75%	7.25%	5.14%	5.87%	5.96%
Rate of compensation increase	4.00%	4.00%	4.00%	3.29%	3.18%	3.26%

Plan Assets:
The fair value of pension plan assets was determined using the following fair value measurements:

	As of December 31, 2017			
Asset Category	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in millions)			
U.S. equity securities	$ 2	$ 2	$ –	$ –
Non-U.S. equity securities	5	5	–	–
Pooled funds - equity securities	2,340	848	1,492	–
Total equity securities	2,347	855	1,492	–
Government bonds	3,237	34	3,203	–
Pooled funds - fixed-income securities	602	449	153	–
Corporate bonds and other fixed-income securities	2,102	133	1,179	790
Total fixed-income securities	5,941	616	4,535	790
Real estate	156	120	13	23
Private equity	2	–	–	2
Cash	86	66	20	–
Other	2	1	–	1
Total assets in the fair value hierarchy	$ 8,534	$ 1,658	$ 6,060	$ 816
Investments measured at net asset value	2,439			
Total investments at fair value	$ 10,973			

Asset Category	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	As of December 31, 2016			
	(in millions)			
U.S. equity securities	$ 1	$ 1	$ –	$ –
Non-U.S. equity securities	427	427	–	–
Pooled funds - equity securities	1,524	286	1,235	3
Total equity securities	1,952	714	1,235	3
Government bonds	3,009	37	2,972	–
Pooled funds - fixed-income securities	756	103	618	35
Corporate bonds and other fixed-income securities	852	357	(43)	538
Total fixed-income securities	4,617	497	3,547	573
Real estate	170	98	50	22
Private equity	2	–	–	2
Cash	73	72	1	–
Other	3	1	–	2
Total assets in the fair value hierarchy	$ 6,817	$ 1,382	$ 4,833	$ 602
Investments measured at net asset value	2,667			
Total investments at fair value	$ 9,484			

We excluded plan assets of $71 million at December 31, 2017 and $62 million at December 31, 2016 from the above tables related to certain insurance contracts as they are reported at contract value, in accordance with authoritative guidance.

Fair value measurements:

- Level 1 – includes primarily U.S and non-U.S. equity securities and government bonds valued using quoted prices in active markets.
- Level 2 – includes primarily pooled funds, including assets in real estate pooled funds, valued using net asset values of participation units held in common collective trusts, as reported by the managers of the trusts and as supported by the unit prices of actual purchase and sale transactions. Level 2 plan assets also include corporate bonds and other fixed-income securities, valued using independent observable market inputs, such as matrix pricing, yield curves and indices.
- Level 3 – includes investments valued using unobservable inputs that reflect the plans’ assumptions that market participants would use in pricing the assets, based on the best information available.
  - Fair value estimates for pooled funds are calculated by the investment advisor when reliable quotations or pricing services are not readily available for certain underlying securities. The estimated value is based on either cost or last sale price for most of the securities valued in this fashion.
  - Fair value estimates for private equity investments are calculated by the general partners using the market approach to estimate the fair value of private investments. The market approach utilizes prices and other relevant information generated by market transactions, type of security, degree of liquidity, restrictions on the disposition, latest round of financing data, company financial statements, relevant valuation multiples and discounted cash flow analyses.
  - Fair value estimates for private debt placements are calculated using standardized valuation methods, including but not limited to income-based techniques such as discounted cash flow projections or market-based techniques utilizing public and private transaction multiples as comparables.
  - Fair value estimates for real estate investments are calculated by the investment managers using the present value of future cash flows expected to be received from the investments, based on valuation methodologies such as appraisals, local market conditions, and current and projected operating performance.
  - Fair value estimates for certain fixed-income securities such as insurance contracts are calculated based on the future stream of benefit payments discounted using prevailing interest rates based on the valuation date.
- Net asset value – primarily includes equity funds, fixed income funds, real estate funds, hedge funds and private equity investments for which net asset values are normally used.

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Changes in our Level 3 plan assets, which are recorded in other comprehensive earnings/(losses), included:

Asset Category	January 1, 2017 Balance	Net Realized and Unrealized Gains/ (Losses)	Net Purchases, Issuances and Settlements	Net Transfers Into/(Out of) Level 3	Currency Impact	December 31, 2017 Balance
			(in millions)			
Non-U.S. equity	$ 3	$ –	$ –	$ (3)	$ –	$ –
Pooled funds-fixed-income securities	35	–	(16)	(21)	2	–
Corporate bond and other fixed-income securities	538	10	182	–	60	790
Real estate	22	1	–	–	–	23
Private equity and other	4	–	–	(1)	–	3
Total Level 3 investments	$ 602	$ 11	$ 166	$ (25)	$ 62	$ 816

Asset Category	January 1, 2016 Balance	Net Realized and Unrealized Gains/ (Losses)	Net Purchases, Issuances and Settlements	Net Transfers Into/(Out of) Level 3	Currency Impact	December 31, 2016 Balance
			(in millions)			
Non-U.S. equity	$ –	$ –	$ –	$ 3	$ –	$ 3
Pooled funds-fixed-income securities	26	6	15	(7)	(5)	35
Corporate bond and other fixed-income securities	665	21	(41)	–	(107)	538
Real estate	230	–	(184)	(3)	(21)	22
Private equity and other	3	–	–	1	–	4
Total Level 3 investments	$ 924	$ 27	$ (210)	$ (6)	$ (133)	$ 602

The increases in Level 3 pension plan investments during 2017 were primarily due to net purchases in corporate bonds and other fixed income securities, which includes private debt placements, and the effects of currency. The decreases in Level 3 pension plan investments during 2016 were primarily due to net settlements in real estate funds and the effects of currency.

The percentage of fair value of pension plan assets was:

	U.S. Plans		Non-U.S. Plans	
	As of December 31,		As of December 31,	
Asset Category	2017	2016	2017	2016
Equity securities	15%	33%	28%	29%
Fixed-income securities	85%	63%	60%	57%
Real estate	–	4%	6%	5%
Hedge funds	–	–	4%	6%
Private equity	–	–	1%	2%
Cash	–	–	1%	1%
Total	100%	100%	100%	100%

For our U.S. plans, our investment strategy is to reduce the risk of underfunded plans in part through appropriate asset allocation within our plan assets. We attempt to maintain our target asset allocation by rebalancing between asset classes as we make contributions and monthly benefit payments. The strategy involves using indexed U.S. equity and international equity securities and actively managed U.S. investment grade fixed-income securities (which constitute 95% or more of fixed-income securities) with smaller allocations to high yield fixed-income securities.

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For our non-U.S. plans, the investment strategy is subject to local regulations and the asset/liability profiles of the plans in each individual country. In aggregate, the asset allocation targets of our non-U.S. plans are broadly characterized as a mix of approximately 32% equity securities (including investments in real estate), approximately 66% fixed-income securities and approximately 2% for other types of securities. Our investment strategy for our largest non-U.S. plan, which comprises 63% of our non-U.S. pension assets, is designed to balance risk and return by diversifying across a wide range of return-seeking and liability matching assets, invested in a range of both active and passive mandates. We target an allocation of approximately 23% in equity securities, 20% credit, and 57% liability matching assets. The strategy uses indexed global developed equities, actively managed global investment grade and alternative credit, real estate and other liability matching assets including a buy-in annuity policy.

Employer Contributions:
In 2017, we contributed $23 million to our U.S. pension plans and $470 million to our non-U.S. pension plans. The non-U.S. amount included a non-recurring $250 million contribution made in connection with a new funding agreement for a Company plan in the United Kingdom. In addition, employees contributed $12 million to our non-U.S. plans. We make contributions to our pension plans in accordance with local funding arrangements and statutory minimum funding requirements. Discretionary contributions are made to the extent that they are tax deductible and do not generate an excise tax liability.

In 2018, we estimate that our pension contributions will be $39 million to our U.S. plans and $250 million to our non-U.S. plans based on current tax laws. Our actual contributions may be different due to many factors, including changes in tax and other benefit laws, significant differences between expected and actual pension asset performance or interest rates.

Future Benefit Payments:
The estimated future benefit payments from our pension plans at December 31, 2017 were (in millions):

	2018	2019	2020	2021	2022	2023-2027
U.S. Plans	$ 120	$ 83	$ 89	$ 93	$ 93	$ 498
Non-U.S. Plans	375	375	387	409	409	2,196

Multiemployer Pension Plans:
In accordance with obligations we have under collective bargaining agreements, we made contributions to multiemployer pension plans of $26 million in 2017, $25 million in 2016 and $31 million in 2015. There are risks of participating in multiemployer pension plans that are different from single employer plans. Contributions made by a participating employer are not segregated to be used to provide benefits for participants related to that participating employer. If a participating employer stops contributing to the plan, the unfunded vested obligations of the plan are borne by the remaining participating employers.

The only individually significant multiemployer plan we participate in as of December 31, 2017 is the Bakery and Confectionery Union and Industry International Pension Fund (the "Fund"). Our contributions to the Fund exceeded 5% of total contributions to the Fund for fiscal years 2017, 2016 and 2015. Our contributions to the Fund were $22 million in 2017, $21 million in 2016 and $27 million in 2015. Our contributions to other multiemployer pension plans that were not individually significant were $4 million in 2017, $4 million in 2016 and $4 million in 2015. Our contributions are based on our contribution rates under our collective bargaining agreements, the number of our eligible employees and Fund surcharges.

Pension Fund	EIN / Pension Plan Number	Pension Protection Act Zone Status	FIP / RP Status Pending / Implemented	Surcharge Imposed	Expiration Date of Collective-Bargaining Agreements
Bakery and Confectionery Union and Industry International Pension Fund	526118572	Red	Implemented	Yes	2/29/2016

Effective January 1, 2012, the Fund's zone status changed to "Red". As a result of this certification, beginning in July 2012, we were charged a 10% surcharge on our contribution rates. The Fund subsequently adopted a rehabilitation plan on November 7, 2012 that required contribution increases and reductions to benefit provisions. As of August 28, 2016, the 10% surcharge was no longer applicable and we were required to pay higher contributions under the Fund's rehabilitation plan. Although our collective bargaining agreements with the Fund expired during 2016 and while we continue to renegotiate the agreements, we continue to make contributions to the Fund.

Other Costs:
We sponsor and contribute to employee defined contribution plans. These plans cover eligible salaried, non-union and union employees. Our contributions and costs are determined by the matching of employee contributions, as defined by the plans. Amounts charged to expense in continuing operations for defined contribution plans totaled $43 million in 2017, $44 million in 2016 and $45 million in 2015.

Postretirement Benefit Plans
Obligations:
Our postretirement health care plans are not funded. The changes in and the amount of the accrued benefit obligation were:

	As of December 31,	
	2017	2016
	(in millions)	
Accrued benefit obligation at January 1	$ 394	$ 511
Service cost	7	12
Interest cost	15	20
Benefits paid	(15)	(14)
Plan amendments (1)	–	(149)
Currency	8	3
Assumption changes	30	34
Actuarial losses/(gains)	(4)	(23)
Accrued benefit obligation at December 31	$ 435	$ 394

(1) Plan amendments in 2016 included a change in eligibility requirements related to medical and life insurance benefits and a change in benefits for Medicare-eligible participants.

The current portion of our accrued postretirement benefit obligation of $16 million at December 31, 2017 and $12 million at December 31, 2016 was included in other current liabilities.

We used the following weighted-average assumptions to determine our postretirement benefit obligations:

	U.S. Plans		Non-U.S. Plans	
	As of December 31,		As of December 31,	
	2017	2016	2017	2016
Discount rate	3.66%	4.14%	4.24%	4.55%
Health care cost trend rate assumed for next year	6.25%	6.50%	5.56%	5.50%
Ultimate trend rate	4.81%	5.00%	5.56%	5.68%
Year that the rate reaches the ultimate trend rate	2024	2020	2018	2018

Year-end discount rates for our U.S., Canadian and U.K. plans were developed from a model portfolio of high quality, fixed-income debt instruments with durations that match the expected future cash flows of the benefit obligations. Year-end discount rates for our remaining non-U.S. plans were developed from local bond indices that match local benefit obligations as closely as possible. Changes in our discount rates were primarily the result of changes in bond yields year-over-year. Our expected health care cost trend rate is based on historical costs.

At the end of 2015, we changed the approach used to measure service and interest costs for other postretirement benefits. For 2015, we measured service and interest costs utilizing a single weighted-average discount rate derived from the yield curve used to measure the plan obligations. For 2016, we measured service and interest costs by applying the specific spot rates along that yield curve to the plans' liability cash flows. We believe the new approach provided a more precise measurement of service and interest costs by aligning the timing of the plans' liability cash flows to the corresponding spot

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rates on the yield curve. The impact of this change was a decrease in net periodic postretirement cost of approximately $4 million for the year ended December 31, 2016. This change does not affect the measurement of our plan obligations. We accounted for this change as a change in accounting estimate and, accordingly, accounted for it on a prospective basis.

Assumed health care cost trend rates have a significant impact on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	As of December 31, 2017	
	One-Percentage-Point	
	Increase	Decrease
	(in millions)	
Effect on postretirement benefit obligation	$ 49	$ (40)
Effect on annual service and interest cost	3	(2)

Components of Net Periodic Postretirement Health Care Costs:
Net periodic postretirement health care costs consisted of the following:

	For the Years Ended December 31,		
	2017	2016	2015
	(in millions)		
Service cost	$ 7	$ 12	$ 15
Interest cost	15	20	22
Amortization:			
Net loss from experience differences	14	10	13
Prior service credit (1)	(40)	(20)	(7)
Net periodic postretirement health care costs	$ (4)	$ 22	$ 43

(1) In the fourth quarter of 2016, the prior service credit included a one-time $9 million curtailment gain related to a change in the eligibility requirement resulting in ongoing amortization of $10 million. In 2017, we continue to amortize prior service credit and recorded $40 million on a full year basis.

As of December 31, 2017, we expected to amortize from accumulated other comprehensive earnings/(losses) into pre-tax net periodic postretirement health care costs during 2018:

- an estimated $18 million of net loss from experience differences, and
- an estimated $39 million of prior service credit.

We used the following weighted-average assumptions to determine our net periodic postretirement health care cost:

	U.S. Plans			Non-U.S. Plans		
	For the Years Ended December 31,			For the Years Ended December 31,		
	2017	2016	2015	2017	2016	2015
Discount rate	4.14%	4.60%	4.20%	4.55%	4.77%	4.52%
Health care cost trend rate	6.50%	6.50%	6.50%	5.50%	5.50%	5.18%

Future Benefit Payments:
Our estimated future benefit payments for our postretirement health care plans at December 31, 2017 were (in millions):

	2018	2019	2020	2021	2022	2023-2027
U.S. Plans	$ 11	$ 12	$ 13	$ 15	$ 16	$ 85
Non-U.S. Plans	5	5	6	6	6	55

Other Costs:
We made contributions to multiemployer medical plans totaling $18 million in 2017, $19 million in 2016 and $20 million in 2015. These plans provide medical benefits to active employees and retirees under certain collective bargaining agreements.

Postemployment Benefit Plans

Obligations:

Our postemployment plans are primarily not funded. The changes in and the amount of the accrued benefit obligation at December 31, 2017 and 2016 were:

	As of December 31,	
	2017	2016
	(in millions)	
Accrued benefit obligation at January 1	$ 71	$ 95
Service cost	5	7
Interest cost	4	6
Benefits paid	(6)	(9)
Assumption changes	–	(21)
Actuarial losses/(gains)	2	(7)
Accrued benefit obligation at December 31	$ 76	$ 71

The accrued benefit obligation was determined using a weighted-average discount rate of 6.5% in 2017 and 6.2% in 2016, an assumed weighted-average ultimate annual turnover rate of 0.3% in 2017 and 2016, assumed compensation cost increases of 4.0% in 2017 and 2016 and assumed benefits as defined in the respective plans.

Postemployment costs arising from actions that offer employees benefits in excess of those specified in the respective plans are charged to expense when incurred.

Components of Net Periodic Postemployment Costs:

Net periodic postemployment costs consisted of the following:

	For the Years Ended December 31,		
	2017	2016	2015
		(in millions)	
Service cost	$ 5	$ 7	$ 7
Interest cost	4	6	5
Amortization of net gains	(3)	(1)	–
Net periodic postemployment costs	$ 6	$ 12	$ 12

As of December 31, 2017, the estimated net gain for the postemployment benefit plans that we expected to amortize from accumulated other comprehensive earnings/(losses) into net periodic postemployment costs during 2018 was approximately $3 million.

Note 10. Stock Plans

Under our Amended and Restated 2005 Performance Incentive Plan (the “Plan”), we are authorized through May 21, 2024 to issue a maximum of 243.7 million shares of our Common Stock to employees and non-employee directors. As of December 31, 2017, there were 67.2 million shares available to be granted under the Plan.

Stock Options:

Stock options (including stock appreciation rights) are granted at an exercise price equal to the market value of the underlying stock on the grant date, generally become exercisable in three annual installments beginning on the first anniversary of the grant date and have a maximum term of ten years.

We account for our employee stock options under the fair value method of accounting using a Black-Scholes methodology to measure stock option expense at the date of grant. The fair value of the stock options at the date of grant is amortized to expense over the vesting period. We recorded compensation expense related to stock options held by our employees of $50 million in 2017, $57 million in 2016 and $50 million in 2015 in our results from continuing operations. The deferred tax benefit recorded related to this compensation expense was $12 million in 2017, $15 million in 2016 and $13 million in 2015. The unamortized compensation expense related to our employee stock options was $44 million at December 31, 2017 and is expected to be recognized over a weighted-average period of 1.2 years.

Our weighted-average Black-Scholes fair value assumptions were:

	Risk-Free Interest Rate	Expected Life	Expected Volatility	Expected Dividend Yield	Fair Value at Grant Date
2017	2.04%	6 years	22.75%	1.74%	$ 8.57
2016	1.40%	6 years	23.11%	1.61%	$ 7.86
2015	1.70%	6 years	18.51%	1.61%	$ 6.12

The risk-free interest rate represents the constant maturity U.S. government treasuries rate with a remaining term equal to the expected life of the options. The expected life is the period over which our employees are expected to hold their options. Volatility reflects historical movements in our stock price for a period commensurate with the expected life of the options. The dividend yield reflects the dividend yield in place at the time of the historical grants.

Stock option activity is reflected below:

	Shares Subject to Option	Weighted-Average Exercise or Grant Price Per Share	Average Remaining Contractual Term	Aggregate Intrinsic Value
Balance at January 1, 2015	56,431,551	$ 24.19		$ 685 million
Annual grant to eligible employees	8,899,530	36.94		
Additional options issued	901,340	35.84		
Total options granted	9,800,870	36.84		
Options exercised (1)	(6,444,515)	22.94		$ 108 million
Options cancelled	(2,753,798)	32.35		
Balance at December 31, 2015	57,034,108	26.12		$1,068 million
Annual grant to eligible employees	7,517,290	39.70		
Additional options issued	115,800	42.26		
Total options granted	7,633,090	39.74		
Options exercised (1)	(8,883,101)	24.09		$ 174 million
Options cancelled	(2,182,485)	35.23		
Balance at December 31, 2016	53,601,612	28.02		$ 874 million
Annual grant to eligible employees	6,012,140	43.20		
Additional options issued	162,880	42.54		
Total options granted	6,175,020	43.18		
Options exercised (1)	(9,431,009)	26.17		$ 170 million
Options cancelled	(1,910,968)	38.10		
Balance at December 31, 2017	48,434,655	29.92	5 years	$ 626 million
Exercisable at December 31, 2017	37,240,858	26.58	4 years	$ 604 million

(1) Cash received from options exercised was $257 million in 2017, $221 million in 2016 and $148 million in 2015. The actual tax benefit realized for the tax deductions from the option exercises totaled $31 million in 2017, $31 million in 2016 and $58 million in 2015.

Deferred Stock Units, Performance Share Units and Restricted Stock:
Historically we have made grants of deferred stock units, performance share units and restricted stock. Beginning in 2016, we only grant deferred stock units and performance share units and no longer grant restricted stock. We may grant shares of deferred stock units to eligible employees, giving them, in most instances, all of the rights of shareholders, except that they may not sell, assign, pledge or otherwise encumber the shares and our deferred stock units do not have voting rights until vested. Shares of deferred stock units are subject to forfeiture if certain employment conditions are not met. Deferred stock units generally vest on the third anniversary of the grant date. Performance share units granted under our 2005 Plan vest based on varying performance, market and service conditions. The unvested performance share units have no voting rights and do not pay dividends. Dividend equivalents accumulated over the vesting period are paid only after the performance share units vest.

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The fair value of the deferred stock units, performance share units and restricted stock at the date of grant is amortized to earnings over the vesting period. The fair value of our deferred stock units and restricted stock is measured at the market price of our Common Stock on the grant date. Performance share unit awards generally have targets tied to both performance and market-based conditions. For market condition components, market volatility and other factors are taken into consideration in determining the grant date fair value and the related compensation expense is recognized regardless of whether the market condition is satisfied, provided that the requisite service has been provided. For performance condition components, we estimate the probability that the performance conditions will be achieved each quarter and adjust compensation expenses accordingly. The grant date fair value of performance share units is determined based on the Monte Carlo simulation model for the market-based total shareholder return component and the market price of our Common Stock on the grant date for performance-based components. The number of performance share units that ultimately vest ranges from 0-200 percent of the number granted, based on the achievement of the performance and market-based components. We recorded compensation expense related to deferred stock units, performance share units and restricted stock of $87 million in 2017, $83 million in 2016 and $86 million in 2015 in our results from continuing operations. The deferred tax benefit recorded related to this compensation expense was $23 million in 2017, $22 million in 2016 and $24 million in 2015. The unamortized compensation expense related to our deferred stock units, performance share units and restricted stock was $138 million at December 31, 2017 and is expected to be recognized over a weighted-average period of 1.8 years.

Our performance share unit, deferred stock unit and restricted stock activity is reflected below:

	Number of Shares	Grant Date	Weighted-Average Fair Value Per Share (4)	Weighted-Average Aggregate Fair Value (4)
Balance at January 1, 2015	10,582,640		$ 28.86	
Annual grant to eligible employees:		Feb. 18, 2015		
Performance share units	1,598,290		38.81	
Restricted stock	386,910		36.94	
Deferred stock units	866,640		36.94	
Additional shares granted (1)	1,087,322	Various	36.00	
Total shares granted	3,939,162		37.44	$ 147 million
Vested (2)	(3,905,745)		24.66	$ 96 million
Forfeited (2)	(1,197,841)		32.63	
Balance at December 31, 2015	9,418,216		33.71	
Annual grant to eligible employees:		Feb. 22, 2016		
Performance share units	1,406,500		34.35	
Deferred stock units	1,040,790		39.70	
Additional shares granted (3)	864,851	Various	32.90	
Total shares granted	3,312,141		35.65	$ 118 million
Vested (2)	(3,992,902)		28.15	$ 112 million
Forfeited (2)	(1,143,828)		37.58	
Balance at December 31, 2016	7,593,627		36.90	
Annual grant to eligible employees:		Feb. 16, 2017		
Performance share units	1,087,010		43.14	
Deferred stock units	845,550		43.20	
Additional shares granted (3)	1,537,763	Various	42.22	
Total shares granted	3,470,323		42.75	$ 148 million
Vested (2)	(2,622,807)		35.78	$ 94 million
Forfeited (2)	(771,438)		38.69	
Balance at December 31, 2017	7,669,705		39.74	

(1) Includes performance share units, deferred stock units and restricted stock.
(2) Includes performance share units, deferred stock units and restricted stock. The actual tax benefit realized for the tax deductions from the shares vested totaled $7 million in 2017, $18 million in 2016 and $18 million in 2015.
(3) Includes performance share units and deferred stock units.
(4) Performance share units reflect grant date fair values. Prior-year weighted average fair value per share has been revised.

Note 11. Capital Stock

Our amended and restated articles of incorporation authorize 5.0 billion shares of Class A common stock (“Common Stock”) and 500 million shares of preferred stock. There were no preferred shares issued and outstanding at December 31, 2017, 2016 and 2015. Shares of Common Stock issued, in treasury and outstanding were:

	Shares Issued	Treasury Shares	Shares Outstanding
Balance at January 1, 2015	1,996,537,778	(332,896,779)	1,663,640,999
Shares repurchased	–	(91,875,878)	(91,875,878)
Exercise of stock options and issuance of other stock awards	–	8,268,033	8,268,033
Balance at December 31, 2015	1,996,537,778	(416,504,624)	1,580,033,154
Shares repurchased	–	(61,972,713)	(61,972,713)
Exercise of stock options and issuance of other stock awards	–	10,305,100	10,305,100
Balance at December 31, 2016	1,996,537,778	(468,172,237)	1,528,365,541
Shares repurchased	–	(50,598,902)	(50,598,902)
Exercise of stock options and issuance of other stock awards	–	10,369,445	10,369,445
Balance at December 31, 2017	1,996,537,778	(508,401,694)	1,488,136,084

Stock plan awards to employees and non-employee directors are issued from treasury shares. At December 31, 2017, 123 million shares of Common Stock held in treasury were reserved for stock options and other stock awards.

Share Repurchase Program:
Between 2013 and 2017, our Board of Directors authorized the repurchase of a total of $13.7 billion of our Common Stock through December 31, 2018. On January 31, 2018, our Finance Committee, with authorization delegated from our Board of Directors, approved an increase of $6.0 billion in the share repurchase program, raising the authorization to $19.7 billion of Common Stock repurchases, and extended the program through December 31, 2020. Repurchases under the program are determined by management and are wholly discretionary. Prior to January 1, 2017, we had repurchased approximately $10.8 billion of Common Stock pursuant to this authorization. During 2017, we repurchased approximately 50.6 million shares of Common Stock at an average cost of $43.51 per share, or an aggregate cost of approximately $2.2 billion, all of which was paid during the period except for approximately $28 million settled in January 2018. All share repurchases were funded through available cash and commercial paper issuances. As of December 31, 2017, we have approximately $0.6 billion in remaining share repurchase capacity. As of January 31, 2018, subsequent to approximately $0.1 billion of share repurchases in January, our remaining share repurchase capacity was $6.5 billion.

Note 12. Commitments and Contingencies

Legal Proceedings:
We are subject to legal proceedings, claims and governmental inspections or investigations incidental to our business, including those specified below.

In February 2013 and March 2014, Cadbury India Limited (now known as Mondelez India Foods Private Limited), a subsidiary of Mondelēz International, and other parties received show cause notices from the Indian Central Excise Authority (the "Excise Authority") calling upon the parties to demonstrate why the Excise Authority should not collect a total of 3.7 billion Indian rupees ($59 million as of December 31, 2017) of unpaid excise tax and an equivalent amount of penalties, as well as interest, related to production at the same Indian facility. We contested these demands for unpaid excise taxes, penalties and interest. On March 27, 2015, after several hearings, the Commissioner of the Excise Authority issued an order denying the excise exemption that we claimed for the Indian facility and confirming the Excise Authority's demands for total taxes and penalties in the amount of 5.8 billion Indian rupees ($91 million as of December 31, 2017). We have appealed this order. In addition, the Excise Authority issued additional show cause notices in February 2015, December 2015 and October 2017 on the same issue but covering the periods January to October 2014, November 2014 to September 2015 and October 2015 to June 2017, respectively. These notices added a total of 4.9 billion Indian rupees ($77 million as of December 31, 2017) of unpaid excise taxes as well as penalties to be determined up to an amount equivalent to that claimed by the Excise Authority plus interest. With the implementation of the new Goods and Services Tax in India in July 2017, we will not receive any further show cause notices for additional amounts on this issue. We believe that the decision to claim the excise tax benefit is valid and we are continuing to contest the show cause notices through the administrative and judicial process.

In April 2013, the staff of the U.S. Commodity Futures Trading Commission ("CFTC") advised us and Kraft Foods Group that it was investigating activities related to the trading of December 2011 wheat futures contracts that occurred prior to the Spin-Off of Kraft Foods Group. We cooperated with the staff in its investigation. On April 1, 2015, the CFTC filed a complaint against Kraft Foods Group and Mondelēz Global LLC ("Mondelēz Global") in the U.S. District Court for the Northern District of Illinois, Eastern Division (the "CFTC action"). The complaint alleges that Kraft Foods Group and Mondelēz Global (1) manipulated or attempted to manipulate the wheat markets during the fall of 2011; (2) violated position limit levels for wheat futures and (3) engaged in non-competitive trades by trading both sides of exchange-for-physical Chicago Board of Trade wheat contracts. The CFTC seeks civil monetary penalties of either triple the monetary gain for each violation of the Commodity Exchange Act (the "Act") or $1 million for each violation of Section 6(c)(1), 6(c)(3) or 9(a)(2) of the Act and $140,000 for each additional violation of the Act, plus post-judgment interest; an order of permanent injunction prohibiting Kraft Foods Group and Mondelēz Global from violating specified provisions of the Act; disgorgement of profits; and costs and fees. In December 2015, the court denied Mondelēz Global and Kraft Foods Group's motion to dismiss the CFTC's claims of market manipulation and attempted manipulation, and the parties are now in discovery. Additionally, several class action complaints were filed against Kraft Foods Group and Mondelēz Global in the U.S. District Court for the Northern District of Illinois by investors in wheat futures and options on behalf of themselves and others similarly situated. The complaints make similar allegations as those made in the CFTC action and seek class action certification; an unspecified amount for damages, interest and unjust enrichment; costs and fees; and injunctive, declaratory and other unspecified relief. In June 2015, these suits were consolidated in the Northern District of Illinois. In June 2016, the court denied Mondelēz Global and Kraft Foods Group's motion to dismiss, and the parties are now in discovery. It is not possible to predict the outcome of these matters; however, based on our Separation and Distribution Agreement with Kraft Foods Group dated as of September 27, 2012, we expect to bear any monetary penalties or other payments in connection with the CFTC action.

We are a party to various legal proceedings incidental to our business, including those noted above in this section. At present we believe that the ultimate outcome of these proceedings, individually and in the aggregate, will not materially harm our financial position, results of operations or cash flows. However, legal proceedings and government investigations are subject to inherent uncertainties, and unfavorable rulings or other events could occur. Unfavorable resolutions could involve substantial monetary damages. In addition, in matters for which conduct remedies are sought, unfavorable resolutions could include an injunction or other order prohibiting us from selling one or more products at all or in particular ways, precluding particular business practices or requiring other remedies. An unfavorable outcome might result in a material adverse impact on our business, results of operations or financial position.

Third-Party Guarantees:
We enter into third-party guarantees primarily to cover long-term obligations of our vendors. As part of these transactions, we guarantee that third parties will make contractual payments or achieve performance measures. At December 31, 2017, we had no material third-party guarantees recorded on our consolidated balance sheet.

Tax Matters:
As part of our 2010 Cadbury acquisition, we became the responsible party for tax matters under a February 2, 2006 dated Deed of Tax Covenant between the Cadbury Schweppes PLC and related entities (“Schweppes”) and Black Lion Beverages and related entities. The tax matters included an ongoing transfer pricing case with the Spanish tax authorities related to the Schweppes businesses Cadbury divested prior to our acquisition of Cadbury. During the first quarter of 2017, the Spanish Supreme Court decided the case in our favor. As a result of the final ruling, during the first quarter of 2017, we recorded a favorable earnings impact of $46 million in selling, general and administrative expenses and $12 million in interest and other expense, net, for a total pre-tax impact of $58 million due to the non-cash reversal of Cadbury-related accrued liabilities related to this matter. In 2017, we recorded additional income of $4 million related to bank guarantee releases within selling, general and administrative expenses and interest and other expense, net.

During the first quarter of 2017, the Brazilian Supreme Court (the “Court”) ruled against the Brazilian tax authorities in a leading case related to the computation of certain indirect taxes. The Court ruled that the indirect tax base should not include a value-added tax known as “ICMS”. By removing the ICMS from the tax base, the Court effectively eliminated a “tax on a tax.” Our Brazilian subsidiary had received an injunction against making payments for the “tax on a tax” in 2008 and since that time until December 2016, had accrued this portion of the tax each quarter in the event that the tax was reaffirmed by the Brazilian courts. On September 30, 2017, based on legal advice and the publication of the Court’s decision related to this case, we determined that the likelihood that the increased tax base would be reinstated and assessed against us was remote. Accordingly, we reversed our accrual of 667 million Brazilian reais, or $212 million as of September 30, 2017, of which, $153 million was recorded within selling, general and administrative expenses and $59 million was recorded within interest and other expense, net. The Brazilian tax authority is seeking potential clarification or adjustment of the terms of enforcement with the Court. We continue to monitor developments in this matter and currently do not expect a material future impact on our financial statements.

Leases:
Rental expenses recorded in continuing operations were $284 million in 2017, $317 million in 2016 and $331 million in 2015. As of December 31, 2017, minimum rental commitments under non-cancelable operating leases in effect at year-end were (in millions):

2018	2019	2020	2021	2022	Thereafter	Total
$ 245	$ 202	$ 150	$ 102	$ 67	$ 154	$ 920

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Note 13. Reclassifications from Accumulated Other Comprehensive Income

The following table summarizes the changes in the accumulated balances of each component of accumulated other comprehensive earnings/(losses) attributable to Mondelēz International. Amounts reclassified from accumulated other comprehensive earnings/(losses) to net earnings (net of tax) were net losses of $174 million in 2017, $250 million in 2016 and $350 million in 2015.

	For the Years Ended December 31,		
	2017	2016	2015
		(in millions)	
Currency Translation Adjustments:			
Balance at beginning of period	$ (8,914)	$ (8,006)	$ (5,042)
Currency translation adjustments	987	(847)	(2,905)
Reclassification to earnings related to:			
Venezuela deconsolidation	–	–	99
Equity method investment transactions	–	57	–
Tax (expense)/benefit	214	(135)	(184)
Other comprehensive earnings/(losses)	1,201	(925)	(2,990)
Less: (earnings)/loss attributable to noncontrolling interests	(28)	17	26
Balance at end of period	(7,741)	(8,914)	(8,006)
Pension and Other Benefit Plans:			
Balance at beginning of period	$ (2,087)	$ (1,934)	$ (2,274)
Net actuarial gain/(loss) arising during period	(71)	(491)	(60)
Tax (expense)/benefit on net actuarial gain/(loss)	50	70	3
Losses/(gains) reclassified into net earnings:			
Amortization of experience losses and prior service costs (1)	174	150	207
Settlement losses (1)	38	36	111
Venezuela deconsolidation	–	–	2
Tax (expense)/benefit on reclassifications (2)	(65)	(46)	(69)
Currency impact	(183)	128	146
Other comprehensive earnings/(losses)	(57)	(153)	340
Balance at end of period	(2,144)	(2,087)	(1,934)
Derivative Cash Flow Hedges:			
Balance at beginning of period	$ (121)	$ (46)	$ (2)
Net derivative gains/(losses)	(17)	(151)	(75)
Tax (expense)/benefit on net derivative gain/(loss)	9	20	30
Losses/(gains) reclassified into net earnings:			
Currency exchange contracts - forecasted transactions (3)	4	3	(90)
Commodity contracts (3)	29	9	64
Interest rate contracts (4)	–	83	47
Tax (expense)/benefit on reclassifications (2)	(6)	(42)	(21)
Currency impact	(11)	3	1
Other comprehensive earnings/(losses)	8	(75)	(44)
Balance at end of period	(113)	(121)	(46)
Accumulated other comprehensive income attributable to Mondelēz International:			
Balance at beginning of period	$ (11,122)	$ (9,986)	$ (7,318)
Total other comprehensive earnings/(losses)	1,152	(1,153)	(2,694)
Less: (earnings)/loss attributable to noncontrolling interests	(28)	17	26
Other comprehensive earnings/(losses) attributable to Mondelēz International	1,124	(1,136)	(2,668)
Balance at end of period	$ (9,998)	$ (11,122)	$ (9,986)

(1) These reclassified losses are included in the components of net periodic benefit costs disclosed in Note 9, *Benefit Plans*. Settlement losses include the transfer of coffee business-related pension obligations in the amount of $90 million in 2015.
(2) Taxes reclassified to earnings are recorded within the provision for income taxes.
(3) These reclassified gains or losses are recorded within cost of sales.
(4) These reclassified losses are recorded within interest and other expense, net.

Note 14. Income Taxes

On December 22, 2017, new U.S. tax reform legislation was enacted that included a broad range of complex provisions impacting the taxation of businesses. Certain impacts of the new legislation would generally require accounting to be completed in the period of enactment, however in response to the complexities of this new legislation, the SEC issued guidance to provide companies with relief. Specifically, when the initial accounting for items under the new legislation is incomplete, the guidance allows us to recognize provisional amounts when reasonable estimates can be made or to continue to apply the prior tax law if a reasonable estimate of the impact cannot be made. The SEC has provided up to a one-year window for companies to finalize the accounting for the impacts of this new legislation and we anticipate finalizing our accounting during 2018.

While our accounting for the new U.S. tax legislation is not complete, we have made reasonable estimates for some provisions and recognized a $59 million discrete net tax benefit in our 2017 financial statements. This net benefit is primarily comprised of a $1,311 million provisional deferred tax benefit from revaluing our net U.S. deferred tax liabilities to reflect the new U.S. corporate tax rate as well as an additional $61 million provisional deferred tax benefit related to changes in our indefinite reinvestment assertion, partially offset by a $1,317 million provisional charge for the estimated transition tax.

In general, the transition tax is as a result of the deemed repatriation imposed by the new legislation that results in the taxation of our accumulated foreign earnings and profits (“E&P”) at a 15.5% rate on liquid assets (i.e. cash and other specified assets) and 8% on the remaining unremitted foreign E&P, both net of foreign tax credits. At this time, we have not yet gathered, prepared and analyzed the necessary information in sufficient detail to complete the complex calculations necessary to finalize the amount of our transition tax. We believe that our provisional calculations result in a reasonable estimate of the transition tax and related foreign tax credit, and as such have included those amounts in our year-end income tax provision. We do not believe that it is more likely than not that we will realize the benefit of the estimated excess foreign tax credit carryforward created by the deemed repatriation and have thus recognized a full valuation allowance against this deferred tax asset. As we complete the analysis of accumulated foreign E&P and related foreign taxes paid on an entity by entity basis and finalize the amounts held in cash or other specified assets, we will update our provisional estimate of the transition tax and related foreign tax credit, including any excess credit carryforward and the corresponding valuation allowance.

Our estimate of the deferred tax benefit due to the revaluation of our net U.S. deferred tax liabilities is also a provisional amount under the SEC’s guidance. Due to the newly enacted U.S. tax rate change, timing differences that are estimated balances as of the date of enactment and year-end will result in changes to our estimate of the deferred rate change when those estimates are finalized with the filing of the 2017 income tax return. This is a result of the different federal income tax rates in effect for 2017 (35%) and 2018 (21%). Since many of the year-end deferred tax balances include estimates of events that have not yet occurred such as payments expected to be made during 2018 but which are deductible on the 2017 tax return, these amounts cannot yet be known to finalize the impact of the tax rate change.

As a result of U.S. tax reform, we have changed our indefinite reinvestment assertion for most companies owned directly by our U.S. subsidiaries, and as such, we may need to accrue deferred taxes. As of year end, we have calculated the impact to accrue the deferred tax assets related to two entities where the deferred tax benefits are now expected to be realized in the foreseeable future. However, we do not have the necessary information gathered, prepared and analyzed to make a reasonable estimate of the impact of any remaining outside basis differences inherent in the rest of our foreign subsidiaries. We will gather the information necessary and compute the outside basis differences for those subsidiaries where we are no longer indefinitely reinvested and record any new deferred taxes as reasonable estimates are available. We estimate that the unremitted earnings as of December 31, 2017 in those subsidiaries where we expect to continue to be indefinitely reinvested is approximately $2 billion. It is impracticable for us to determine the amount of unrecognized deferred tax liabilities on these indefinitely reinvested earnings. Future tax law changes or changes in the needs of our non-U.S. subsidiaries could require us to recognize deferred tax liabilities on a portion, or all, of our accumulated earnings that were previously expected to be indefinitely reinvested.

The legislation also establishes new provisions that will affect our 2018 results, including but not limited to, a reduction in the U.S. corporate tax rate on domestic operations; the creation of a new minimum tax called the base erosion anti-abuse tax (BEAT); a new provision that taxes U.S. allocated expenses (e.g. interest and general administrative expenses) as well as currently taxes certain income from foreign operations (Global Intangible Low-Tax Income, or “GILTI”); a general elimination of U.S. federal income taxes on dividends from foreign subsidiaries; a new limitation on deductible interest expense; the repeal of the domestic manufacturing deduction; and limitations on the deductibility of certain employee compensation.

While the new legislation generally eliminates U.S. federal income tax on dividends from foreign subsidiaries going forward, certain income earned by certain subsidiaries must be included currently in our U.S. taxable income under the new GILTI inclusion rules (as a result of U.S. expense allocation rules). Because of the complexity of the new GILTI tax rules, we are continuing to evaluate this provision of the legislation and the application of U.S. GAAP. Under U.S. GAAP, we are allowed to make an accounting policy election and either treat taxes due from GILTI as a current-period expense when they are incurred or factor such amounts into our measurement of deferred taxes. Our selection of an accounting policy with respect to the new GILTI rules will depend in part on analyzing our global income to determine whether we expect to have future U.S. inclusions in taxable income related to GILTI, and if so, what the impact is expected to be. We have not yet computed a reasonable estimate of the effect of this provision, and therefore, we have not made a policy decision regarding whether to record deferred taxes related to GILTI nor have we made any adjustments related to GILTI tax in our year-end financial statements.

Earnings/(losses) from continuing operations before income taxes and the provision for income taxes consisted of:

	For the Years Ended December 31,		
	2017	2016	2015
	(in millions)		
Earnings/(losses) from continuing operations before income taxes:			
United States	$ 354	$ (364)	$ 43
Outside United States	2,770	1,818	7,841
Total	$ 3,124	$ 1,454	$ 7,884
Provision for income taxes:			
United States federal:			
Current	$ 1,322	$ (227)	$ (90)
Deferred	(1,256)	141	136
	66	(86)	46
State and local:			
Current	33	7	6
Deferred	33	8	(3)
	66	15	3
Total United States	132	(71)	49
Outside United States:			
Current	541	490	707
Deferred	15	(290)	(163)
Total outside United States	556	200	544
Total provision for income taxes	$ 688	$ 129	$ 593

We recorded an out-of-period adjustment of $14 million net expense in 2015 that had an immaterial impact on the annual provision for income taxes.

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The effective income tax rate on pre-tax earnings differed from the U.S. federal statutory rate for the following reasons:

	For the Years Ended December 31,		
	2017	2016	2015
U.S. federal statutory rate	35.0%	35.0%	35.0%
Increase/(decrease) resulting from:			
State and local income taxes, net of federal tax benefit excluding IRS audit impacts	0.8%	0.8%	(0.1)%
Foreign rate differences	(10.8)%	(18.6)%	(2.5)%
Changes in judgment on realizability of deferred tax assets	3.2%	–	–
Reversal of other tax accruals no longer required	(1.7)%	(7.7)%	(1.4)%
Tax accrual on investment in Keurig	2.7%	2.3%	–
Excess tax benefits from equity compensation	(1.2)%	–	–
Tax legislation (non-U.S. tax reform)	(2.7)%	(4.0)%	(0.5)%
U.S. tax reform - deferred benefit from tax rate change	(42.0)%	–	–
U.S. tax reform - transition tax	42.2%	–	–
U.S. tax reform - changes in indefinite reinvestment assertion	(2.0)%	–	–
Gains on coffee business transactions and divestitures	–	–	(26.9)%
Business sales	(0.9)%	–	–
Loss on deconsolidation of Venezuela	–	–	3.5%
Non-deductible expenses	0.4%	0.9%	0.3%
Other	(1.0)%	0.2%	0.1%
Effective tax rate	22.0%	8.9%	7.5%

Our 2017 effective tax rate of 22.0% was favorably impacted by the mix of pre-tax income in various non-U.S. tax jurisdictions and net tax benefits from $117 million of discrete one-time events, partially offset by an increase in domestic earnings as compared to the prior year. The discrete net tax benefits included the provisional net impact from U.S. tax reform discussed previously, favorable audit settlements and statutes of limitations in various jurisdictions, and the net reduction of our French and Belgian deferred tax liabilities resulting from tax legislation enacted during 2017 that reduced the corporate income tax rates in each country, partially offset by the addition of a valuation allowance in one of our Chinese entities.

Our 2016 effective tax rate of 8.9% was favorably impacted by the mix of pre-tax income in various non-U.S. tax jurisdictions and net tax benefits from $161 million of discrete one-time events. The discrete net tax benefits related to favorable audit settlements and statutes of limitations in various jurisdictions and the net reduction of our U.K. and French deferred tax liabilities resulting from tax legislation enacted during 2016 that reduced the corporate income tax rates in each country.

Our 2015 effective tax rate of 7.5% was favorably impacted by the one-time third quarter sale of our coffee business that resulted in a pre-tax gain of $6,809 million and $184 million of related tax expense, as well as $27 million of tax costs incurred to remit proceeds up from lower-tier foreign subsidiaries to allow cash to be redeployed within our retained foreign operations. The benefit of the third quarter transaction was partially offset by the tax costs associated with the sale of our interest in AGF in the first half of the year and the impact of deconsolidating our Venezuelan operations on December 31, 2015. Excluding the impacts of these transactions, our effective tax rate would have been 17.8%, reflecting favorable impacts from the mix of pre-tax income in various non-U.S. tax jurisdictions and net tax benefits from $119 million of discrete one-time events. The remaining discrete one-time events primarily related to favorable tax audit settlements and expirations of statutes of limitations in several jurisdictions and the net reduction of U.K. deferred tax liabilities resulting from tax legislation enacted during 2015 that reduced the U.K. corporate income tax rate.

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The tax effects of temporary differences that gave rise to deferred income tax assets and liabilities consisted of the following:

	As of December 31, 2017	As of December 31, 2016
	(in millions)	
Deferred income tax assets:		
Accrued postretirement and postemployment benefits	$ 191	$ 214
Accrued pension costs	313	370
Other employee benefits	155	237
Accrued expenses	269	379
Loss carryforwards	773	619
Tax credit carryforwards	370	—
Other	342	331
Total deferred income tax assets	2,413	2,150
Valuation allowance	(853)	(310)
Net deferred income tax assets	$ 1,560	$ 1,840
Deferred income tax liabilities:		
Intangible assets	$ (3,977)	$ (5,174)
Property, plant and equipment	(452)	(557)
Other	(188)	(472)
Total deferred income tax liabilities	(4,617)	(6,203)
Net deferred income tax liabilities	$ (3,057)	$ (4,363)

Our significant valuation allowances are in the U.S., Mexico, China and Ireland. The U.S. valuation allowance relates to excess foreign tax credits generated by the deemed repatriation under U.S. tax reform. The valuation allowance in China results from a change in judgment as to the realizability of one of our Chinese entity's deferred tax assets. The Mexico and Ireland valuation allowances relate to loss carryforwards where we do not currently expect to generate gains of the proper character to utilize the carryforwards in the future.

At December 31, 2017, the Company has pre-tax loss carryforwards of $4,060 million, of which $1,105 million will expire at various dates between 2018 and 2037 and the remaining $2,955 million can be carried forward indefinitely.

The changes in our unrecognized tax benefits were:

	For the Years Ended December 31, 2017	2016	2015
		(in millions)	
January 1	$ 610	$ 756	$ 852
Increases from positions taken during prior periods	33	18	34
Decreases from positions taken during prior periods	(93)	(123)	(74)
Increases from positions taken during the current period	64	90	84
Decreases relating to settlements with taxing authorities	(54)	(75)	(13)
Reductions resulting from the lapse of the applicable statute of limitations	(29)	(43)	(41)
Currency/other	48	(13)	(86)
December 31	$ 579	$ 610	$ 756

As of January 1, 2017, our unrecognized tax benefits were $610 million. If we had recognized all of these benefits, the net impact on our income tax provision would have been $549 million. Our unrecognized tax benefits were $579 million at December 31, 2017, and if we had recognized all of these benefits, the net impact on our income tax provision would have been $524 million. Within the next 12 months, our unrecognized tax benefits could increase by approximately $40 million due to unfavorable audit developments or decrease by approximately $150 million due to audit settlements and the expiration of statutes of limitations in various jurisdictions. We include accrued interest and penalties related to uncertain tax positions in our tax provision. We had accrued interest and penalties of $189 million as of January 1, 2017 and $212 million as of December 31, 2017. Our 2017 provision for income taxes included $26 million for interest and penalties.

Our income tax filings are regularly examined by federal, state and non-U.S. tax authorities. Our 2013-2015 U.S. federal income tax filings are currently under examination by the IRS. U.S. state and non-U.S. jurisdictions have statutes of limitations generally ranging from three to five years; however, these statutes are often extended by mutual agreement with the tax authorities. Years still open to examination by non-U.S. tax authorities in major jurisdictions include (earliest open tax year in parentheses): Brazil (2012), China (2007), France (2014), India (2005), Italy (2012) and the United Kingdom (2015).

Note 15. Earnings Per Share

Basic and diluted earnings per share ("EPS") were calculated as follows:

	For the Years Ended December 31,		
	2017	2016	2015
	(in millions, except per share data)		
Net earnings	$ 2,936	$ 1,669	$ 7,291
Noncontrolling interest (earnings)	(14)	(10)	(24)
Net earnings attributable to Mondelēz International	$ 2,922	$ 1,659	$ 7,267
Weighted-average shares for basic EPS	1,513	1,556	1,618
Plus incremental shares from assumed conversions of stock options and long-term incentive plan shares	18	17	19
Weighted-average shares for diluted EPS	1,531	1,573	1,637
Basic earnings per share attributable to Mondelēz International	$ 1.93	$ 1.07	$ 4.49
Diluted earnings per share attributable to Mondelēz International	$ 1.91	$ 1.05	$ 4.44

We exclude antidilutive Mondelēz International stock options from our calculation of weighted-average shares for diluted EPS. We excluded antidilutive stock options of 8.5 million for the year ended December 31, 2017, 7.8 million for the year ended December 31, 2016 and 5.1 million for the year ended December 31, 2015.

Note 16. Segment Reporting

We manufacture and market primarily snack food products, including biscuits (cookies, crackers and salted snacks), chocolate, gum & candy and various cheese & grocery products, as well as powdered beverage products. We manage our global business and report operating results through geographic units.

Our operations and management structure are organized into four reportable operating segments:

- Latin America
- AMEA
- Europe
- North America

On October 1, 2016, we integrated our EEMEA operating segment into our Europe and Asia Pacific operating segments to further leverage and optimize the operating scale built within the Europe and Asia Pacific regions. Russia, Ukraine, Turkey, Belarus, Georgia and Kazakhstan were combined within our Europe operating segment, while the remaining Middle East and African countries were combined within our Asia Pacific region to form the AMEA operating segment. We have reflected the segment change as if it had occurred in all periods presented.

We manage our operations by region to leverage regional operating scale, manage different and changing business environments more effectively and pursue growth opportunities as they arise in our key markets. Our regional management teams have responsibility for the business, product categories and financial results in the regions.

Historically, we have recorded income from equity method investments within our operating income as these investments were part of our base business. Beginning in the third quarter of 2015, to align with the accounting for our new coffee equity method investment in JDE, we began to record the earnings from our equity method investments in equity method investment earnings outside of segment operating income. For the six months ended December 31, 2015, after-tax equity method investment net earnings were less than $1 million on a combined basis. Earnings from equity method investments through July 2, 2015 recorded within segment operating income were $52 million in AMEA and $4 million in North America. See Note 1, *Summary of Significant Accounting Policies – Principles of Consolidation,* and Note 2, *Divestitures and Acquisitions*, for additional information.

In 2015, we also began to report stock-based compensation for our corporate employees within general corporate expenses that were reported within our North America region. We reclassified $32 million of corporate stock-based compensation expense in 2015 from the North America segment to general corporate expenses.

We use segment operating income to evaluate segment performance and allocate resources. We believe it is appropriate to disclose this measure to help investors analyze segment performance and trends. Segment operating income excludes unrealized gains and losses on hedging activities (which are a component of cost of sales), general corporate expenses (which are a component of selling, general and administrative expenses), amortization of intangibles, gains and losses on divestitures, loss on deconsolidation of Venezuela and acquisition-related costs (which are a component of selling, general and administrative expenses) in all periods presented. We exclude these items from segment operating income in order to provide better transparency of our segment operating results. Furthermore, we centrally manage interest and other expense, net. Accordingly, we do not present these items by segment because they are excluded from the segment profitability measure that management reviews.

Our segment net revenues and earnings, reflecting our current segment structure for all periods presented, were:

	For the Years Ended December 31,		
	2017	2016	2015
	(in millions)		
Net revenues:			
Latin America (1)	$ 3,566	$ 3,392	$ 4,988
AMEA (2)	5,739	5,816	6,002
Europe (2)	9,794	9,755	11,672
North America	6,797	6,960	6,974
Net revenues	$ 25,896	$ 25,923	$ 29,636

(1) Net revenues of $1,217 million for 2015 from our Venezuelan subsidiaries are included in our consolidated financial statements. Beginning in 2016, we account for our Venezuelan subsidiaries using the cost method of accounting and no longer include net revenues of our Venezuelan subsidiaries within our consolidated financial statements. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela,* for more information.

(2) On July 2, 2015, we contributed our global coffee businesses primarily from our Europe and AMEA segments. Net revenues of our global coffee business were $1,561 million in Europe and $66 million in AMEA for the year ended December 31, 2015. Refer to Note 2, *Divestitures and Acquisitions – JDE Coffee Business Transactions*, for more information.

	For the Years Ended December 31, 2017	2016	2015
	(in millions)		
Earnings before income taxes:			
Operating income:			
Latin America	$ 565	$ 271	$ 485
AMEA	516	506	389
Europe	1,680	1,267	1,350
North America	1,120	1,078	1,105
Unrealized (losses)/gains on hedging activities (mark-to-market impacts)	(96)	(94)	96
General corporate expenses	(287)	(291)	(383)
Amortization of intangibles	(178)	(176)	(181)
Net gain on divestitures	186	9	6,822
Loss on deconsolidation of Venezuela	–	–	(778)
Acquisition-related costs	–	(1)	(8)
Operating income	3,506	2,569	8,897
Interest and other expense, net	(382)	(1,115)	(1,013)
Earnings before income taxes	$ 3,124	$ 1,454	$ 7,884

No single customer accounted for 10% or more of our net revenues from continuing operations in 2017. Our five largest customers accounted for 15.6% and our ten largest customers accounted for 21.4% of net revenues from continuing operations in 2017.

Items impacting our segment operating results are discussed in Note 1, *Summary of Significant Accounting Policies*, including the Venezuela deconsolidation and currency devaluation, Note 2, *Divestitures and Acquisitions,* Note 4, *Property, Plant and Equipment,* Note 5, *Goodwill and Intangible Assets,* Note 6, *2014-2018 Restructuring Program* and Note 12, *Commitments and Contingencies*. Also see Note 7, *Debt and Borrowing Arrangements*, and Note 8, *Financial Instruments,* for more information on our interest and other expense, net for each period.

Total assets, depreciation expense and capital expenditures by segment, reflecting our current segment structure for all periods presented, were:

	For the Years Ended December 31, 2017	2016	2015
	(in millions)		
Total assets:			
Latin America	$ 4,948	$ 5,156	$ 4,673
AMEA	9,883	10,031	10,460
Europe	21,611	19,934	21,026
North America	20,709	20,694	21,175
Equity method investments	6,345	5,585	5,387
Unallocated assets and adjustments (1)	(387)	138	122
Total assets	$ 63,109	$ 61,538	$ 62,843

(1) Unallocated assets consist primarily of cash and cash equivalents, deferred income taxes, centrally held property, plant and equipment, prepaid pension assets and derivative financial instrument balances. Final adjustments for jurisdictional netting of deferred tax assets and liabilities is done at a consolidated level.

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	For the Years Ended December 31, 2017	2016	2015
	(in millions)		
Depreciation expense:			
Latin America	$ 107	$ 92	$ 94
AMEA	157	161	155
Europe	239	253	299
North America	135	141	165
Total depreciation expense	$ 638	$ 647	$ 713

	For the Years Ended December 31, 2017	2016	2015
	(in millions)		
Capital expenditures:			
Latin America	$ 226	$ 321	$ 354
AMEA	280	349	381
Europe	278	294	517
North America	230	260	262
Total capital expenditures	$ 1,014	$ 1,224	$ 1,514

Geographic data for net revenues (recognized in the countries where products are sold) and long-lived assets, excluding deferred tax, goodwill, intangible assets and equity method investments, were:

	For the Years Ended December 31, 2017	2016	2015
	(in millions)		
Net revenues:			
United States	$ 6,275	$ 6,329	$ 6,302
Other	19,621	19,594	23,334
Total net revenues	$ 25,896	$ 25,923	$ 29,636

	As of December 31, 2017	2016	2015
	(in millions)		
Long-lived assets:			
United States	$ 1,468	$ 1,508	$ 1,551
Other	7,733	7,229	7,238
Total long-lived assets	$ 9,201	$ 8,737	$ 8,789

No individual country within Other exceeded 10% of our net revenues or long-lived assets for all periods presented.

Net revenues by product category, reflecting our current segment structure for all periods presented, were:

	For the Year Ended December 31, 2017				
	Latin America (1)	AMEA	Europe	North America	Total (1)
			(in millions)		
Biscuits	$ 779	$ 1,634	$ 2,880	$ 5,479	$ 10,772
Chocolate	862	2,011	4,933	293	8,099
Gum & Candy	919	919	775	1,025	3,638
Beverages	665	569	121	–	1,355
Cheese & Grocery	341	606	1,085	–	2,032
Total net revenues	$ 3,566	$ 5,739	$ 9,794	$ 6,797	$ 25,896

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	For the Year Ended December 31, 2016				
	Latin America (1)	AMEA	Europe	North America	Total (1)
	(in millions)				
Biscuits	$ 734	$ 1,588	$ 2,703	$ 5,565	$ 10,590
Chocolate	743	1,901	4,840	255	7,739
Gum & Candy	938	953	916	1,140	3,947
Beverages	657	611	177	–	1,445
Cheese & Grocery	320	763	1,119	–	2,202
Total net revenues	$ 3,392	$ 5,816	$ 9,755	$ 6,960	$ 25,923

	For the Year Ended December 31, 2015				
	Latin America (1)	AMEA	Europe (3)	North America	Total (1)
	(in millions)				
Biscuits	$ 1,605	$ 1,539	$ 2,680	$ 5,569	$ 11,393
Chocolate	840	1,928	5,050	256	8,074
Gum & Candy	1,091	1,003	1,015	1,149	4,258
Beverages (2)	767	730	1,763	–	3,260
Cheese & Grocery	685	802	1,164	–	2,651
Total net revenues	$ 4,988	$ 6,002	$ 11,672	$ 6,974	$ 29,636

(1) In 2015, our consolidated net revenues included Venezuela net revenues of $763 million in biscuits, $340 million in cheese & grocery, $66 million in gum & candy and $48 million in beverages. Following the deconsolidation of our Venezuela operations at the end of 2015, our 2016 and 2017 consolidated net revenues no longer include the net revenues of our Venezuelan subsidiaries. Refer to Note 1, *Summary of Significant Accounting Policies – Currency Translation and Highly Inflationary Accounting: Venezuela*, for more information.

(2) On July 2, 2015, we contributed our global coffee businesses primarily from our Europe and AMEA segment beverage categories. Net revenues of our global coffee business were $1,561 million in Europe and $66 million in AMEA for the year ended December 31, 2015. Refer to Note 2, *Divestitures and Acquisitions – JDE Coffee Business Transactions*, for more information.

(3) During 2016, we realigned some of our products across product categories primarily within our Europe segment and as such, we reclassified the product category net revenues on a basis consistent with the 2016 presentation.

Note 17. Quarterly Financial Data (Unaudited)

Our summarized operating results by quarter are detailed below.

	2017 Quarters			
	First	Second	Third	Fourth
	(in millions, except per share data)			
Net revenues	$ 6,414	$ 5,986	$ 6,530	$ 6,966
Gross profit	2,525	2,324	2,552	2,664
Provision for income taxes	(154)	(84)	(272)	(178)
Gain on equity method investment transactions	–	–	–	40
Equity method investment net earnings	66	67	103	224
Net earnings (1)	$ 633	$ 500	$ 993	$ 810
Noncontrolling interest	(3)	(2)	(1)	(8)
Net earnings attributable to Mondelēz International	$ 630	$ 498	$ 992	$ 802
Weighted-average shares for basic EPS	1,529	1,519	1,507	1,497
Plus incremental shares from assumed conversions of stock options and long-term incentive plan shares	21	20	17	16
Weighted-average shares for diluted EPS	1,550	1,539	1,524	1,513
Per share data:				
Basic EPS attributable to Mondelēz International:	$ 0.41	$ 0.33	$ 0.66	$ 0.54
Diluted EPS attributable to Mondelēz International:	$ 0.41	$ 0.32	$ 0.65	$ 0.53
Dividends declared	$ 0.19	$ 0.19	$ 0.22	$ 0.22
Market price - high	$ 45.48	$ 47.23	$ 44.48	$ 43.98
- low	$ 41.30	$ 42.92	$ 40.04	$ 39.19

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	2016 Quarters			
	First	Second	Third	Fourth
	(in millions, except per share data)			
Net revenues	$ 6,455	$ 6,302	$ 6,396	$ 6,770
Gross profit	2,535	2,516	2,488	2,589
Provision for income taxes	(49)	(118)	(40)	78
Gain on equity method investment transactions	43	–	–	–
Equity method investment net earnings	85	102	31	83
Net earnings (1)	$ 557	$ 471	$ 548	$ 93
Noncontrolling interest	(3)	(7)	–	–
Net earnings attributable to Mondelēz International	$ 554	$ 464	$ 548	$ 93
Weighted-average shares for basic EPS	1,569	1,557	1,557	1,540
Plus incremental shares from assumed conversions of stock options and long-term incentive plan shares	18	19	19	19
Weighted-average shares for diluted EPS	1,587	1,576	1,576	1,559
Per share data:				
Basic EPS attributable to Mondelēz International:	$ 0.35	$ 0.30	$ 0.35	$ 0.06
Diluted EPS attributable to Mondelēz International:	$ 0.35	$ 0.29	$ 0.35	$ 0.06
Dividends declared	$ 0.17	$ 0.17	$ 0.19	$ 0.19
Market price - high	$ 44.45	$ 45.75	$ 46.36	$ 46.40
- low	$ 35.88	$ 39.53	$ 41.96	$ 40.50

(1) See the following table for significant items that affected the comparability of earnings each quarter.

Basic and diluted EPS are computed independently for each of the periods presented. Accordingly, the sum of the quarterly EPS amounts may not equal the total for the year.

During 2017 and 2016, we recorded the following pre-tax (charges)/gains in earnings from continuing operations:

	2017 Quarters			
	First	Second	Third	Fourth
	(in millions)			
Asset impairment and exit costs	$ (166)	$ (187)	$ (183)	$ (120)
Net gain on divestitures	–	(3)	187	2
Divestiture-related costs	(19)	(9)	2	(8)
Loss on early extinguishment of debt and related expenses	–	(11)	–	–
Benefits from the resolution of tax matters	58	–	215	8
	$ (127)	$ (210)	$ 221	$ (118)

	2016 Quarters			
	First	Second	Third	Fourth
	(in millions)			
Asset impairment and exit costs	$ (154)	$ (166)	$ (190)	$ (342)
Divestiture-related costs	–	(84)	–	(2)
Loss related to interest rate swaps	(97)	–	–	–
Loss on early extinguishment of debt and related expenses	–	–	–	(427)
	$ (251)	$ (250)	$ (190)	$ (771)

Items impacting our operating results are discussed in Note 1, *Summary of Significant Accounting Policies,* including the Venezuela deconsolidation and currency devaluations, Note 2, *Divestitures and Acquisitions*, Note 5, *Goodwill and Intangible Assets*, Note 6, *2014-2018 Restructuring Program,* and Note 7, *Debt and Borrowing Arrangements*.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We have established disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and such information is accumulated and communicated to our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate to allow timely decisions regarding required disclosure. Management, together with our CEO and CFO, evaluated the effectiveness of the Company's disclosure controls and procedures as of December 31, 2017. Based on this evaluation, the CEO and CFO concluded that our disclosure controls and procedures were effective as of December 31, 2017.

Report of Management on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed by, or under the supervision of, our CEO and CFO, or persons performing similar functions, and effected by the Company's Board of Directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those written policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles;
- provide reasonable assurance that receipts and expenditures are being made only in accordance with management and director authorization; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2017. Management based this assessment on criteria for effective internal control over financial reporting described in *Internal Control Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Based on this assessment, management concluded that the Company's internal control over financial reporting is effective as of December 31, 2017, based on the criteria in *Internal Control Integrated Framework* issued by the COSO.

PricewaterhouseCoopers LLP, an independent registered public accounting firm, has audited the effectiveness of our internal control over financial reporting as of December 31, 2017, as stated in their report that appears under Item 8.

February 9, 2018

Changes in Internal Control Over Financial Reporting

Management, together with our CEO and CFO, evaluated the changes in our internal control over financial reporting during the quarter ended December 31, 2017. During the fourth quarter of 2017, due to the malware incident, we continued to add supplemental information technology and internal controls over financial reporting. Additionally, we continued to work with outsourced partners to further simplify and standardize processes and focus on scalable, transactional processes across all regions. We continued to transition some of our transactional data processing as well as financial and employee services for a number of countries across Europe and AMEA to three outsourced partners and/or internal service centers. Pursuant to our service agreements, the controls previously established around these accounting functions will be maintained by our outsourced partners or by us, and they are subject to management's internal control testing. There were no other changes in our internal control over financial reporting during the quarter ended December 31, 2017, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Information required by this Item 10 is included under the heading “Executive Officers of the Registrant” in Part I, Item 1 of this Form 10-K, as well as under the headings “Election of Directors,” “Corporate Governance – Governance Guidelines,” “Corporate Governance – Codes of Conduct,” “Board Committees and Membership – Audit Committee” and “Ownership of Equity Securities – Section 16(a) Beneficial Ownership Reporting Compliance” in our definitive Proxy Statement for our Annual Meeting of Shareholders scheduled to be held on May 16, 2018 (“2018 Proxy Statement”). All of this information from the 2018 Proxy Statement is incorporated by reference into this Annual Report.

The information on our web site is not, and shall not be deemed to be, a part of this Annual Report or incorporated into any other filings we make with the SEC.

Item 11. Executive Compensation.

Information required by this Item 11 is included under the headings “Board Committees and Membership – Human Resources and Compensation Committee,” “Compensation of Non-Employee Directors,” “Compensation Discussion and Analysis,” “Executive Compensation Tables” and “Human Resources and Compensation Committee Report for the Year Ended December 31, 2017” in our 2018 Proxy Statement. All of this information is incorporated by reference into this Annual Report.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The number of shares to be issued upon exercise or vesting of grants issued under, and the number of shares remaining available for future issuance under, our equity compensation plans at December 31, 2017 were:

Equity Compensation Plan Information

	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (1)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (2)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a)) (3)
	(a)	(b)	(c)
Equity compensation plans approved by security holders	55,850,812	$ 29.92	67,170,082

(1) Includes outstanding options, deferred stock and performance share units and excludes restricted stock.
(2) Weighted average exercise price of outstanding options only.
(3) Shares available for grant under our Amended and Restated 2005 Performance Incentive Plan.

Information related to the security ownership of certain beneficial owners and management is included in our 2018 Proxy Statement under the heading “Ownership of Equity Securities” and is incorporated by reference into this Annual Report.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Information required by this Item 13 is included under the headings “Corporate Governance – Director Independence” and “Corporate Governance – Review of Transactions with Related Persons” in our 2018 Proxy Statement. All of this information is incorporated by reference into this Annual Report.

Item 14. Principal Accountant Fees and Services.

Information required by this Item 14 is included under the heading “Board Committees and Membership – Audit Committee” in our 2018 Proxy Statement. All of this information is incorporated by reference into this Annual Report.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) Index to Consolidated Financial Statements and Schedules

Schedules other than those listed above have been omitted either because such schedules are not required or are not applicable.

(b) The following exhibits are filed as part of, or incorporated by reference into, this Annual Report:

2.1 Separation and Distribution Agreement between the Registrant and Kraft Foods Group, Inc., dated as of September 27, 2012 (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 1, 2012).*

2.2 Canadian Asset Transfer Agreement, by and between Mondelez Canada Inc. and Kraft Canada Inc., dated as of September 29, 2012 (incorporated by reference to Exhibit 2.3 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).*

2.3 Master Ownership and License Agreement Regarding Patents, Trade Secrets and Related Intellectual Property, among Kraft Foods Global Brands LLC, Kraft Foods Group Brands LLC, Kraft Foods UK Ltd. and Kraft Foods R&D Inc., dated as of October 1, 2012 (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on October 1, 2012).*

2.4 Addendum to the Master Ownership and License Agreement Regarding Patents, Trade Secrets and Related Intellectual Property, by and among Intercontinental Great Brands, LLC Kraft Foods Global Brands LLC, Mondelēz UK LTD, Kraft Foods R&D Inc. and Kraft Foods Group Brands LLC, dated May 9, 2017 (incorporated by reference to Exhibit 2.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 2, 2017).

2.5 Master Ownership and License Agreement Regarding Trademarks and Related Intellectual Property, by and between Kraft Foods Global Brands LLC and Kraft Foods Group Brands LLC., dated as of September 27, 2012 (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on October 1, 2012).*

2.6 First Amendment to the Master Ownership and License Agreement Regarding Trademarks and Related Intellectual Property, among Intercontinental Great Brands LLC and Kraft Foods Group Brands LLC, dated as of July 15, 2013 (incorporated by reference to Exhibit 2.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on April 30, 2015).*

2.7 Second Amendment to the Master Ownership and License Agreement Regarding Trademarks and Related Intellectual Property, among Intercontinental Great Brands LLC and Kraft Foods Group Brands LLC, dated as of October 1, 2014 (incorporated by reference to Exhibit 2.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on April 30, 2015).*

2.8 Amendment to the Master Ownership and License Agreement Regarding Trademarks and Related Intellectual Property, among Intercontinental Great Brands LLC and Kraft Foods Group Brands LLC, effective as of September 28, 2016 (incorporated by reference to Exhibit 2.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 2, 2017).

3.1	Amended and Restated Articles of Incorporation of the Registrant, effective March 14, 2013 (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 8, 2013).
3.2	Amended and Restated By-Laws of the Registrant, effective as of October 9, 2015 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 7, 2015).
4.1	The Registrant agrees to furnish to the SEC upon request copies of any instruments defining the rights of holders of long-term debt of the Registrant and its consolidated subsidiaries that does not exceed 10 percent of the total assets of the Registrant and its consolidated subsidiaries.
4.2	Indenture, by and between the Registrant and Deutsche Bank Trust Company Americas (as successor trustee to The Bank of New York and The Chase Manhattan Bank), dated as of October 17, 2001 (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-3 (Reg. No. 333-86478) filed with the SEC on April 18, 2002).
4.3	Supplemental Indenture, by and between the Registrant and Deutsche Bank Trust Company Americas, Deutsche Bank AG, London Branch and Deutsche Bank Luxembourg S.A., dated as of December 11, 2013 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the SEC on December 11, 2013).
4.4	Indenture between the Registrant and Deutsche Bank Trust Company Americas, as trustee, dated as of March 6, 2015 (incorporated by reference to Exhibit 4.4 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 24, 2017).
4.5	Indenture, by and between Mondelez International Holdings Netherlands B.V, the Registrant and Deutsche Bank Trust Company Americas, dated as of October 28, 2016 (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 28, 2016).
10.1	$4.5 Billion Amended and Restated Five-Year Revolving Credit Agreement, by and among the Registrant, the initial lenders named therein, and JPMorgan Chase Bank, N.A. as administrative agent, dated October 14, 2016 (incorporated by reference to Exhibit 10.1 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 24, 2017).
10.2	$1.5 Billion Term Loan Agreement, by and among Mondelēz International Holdings Netherlands B.V., the Registrant, the lenders named therein and JPMorgan Chase Bank, N.A., as administrative agent, dated October 14, 2016 (incorporated by reference to Exhibit 10.2 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 24, 2017).
10.3	$1.5 Billion Revolving Credit Agreement, dated March 1, 2017, by and among the Registrant, the lenders, arrangers and agents named therein and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 1, 2017).
10.4	Tax Sharing and Indemnity Agreement, by and between the Registrant and Kraft Foods Group, Inc., dated as of September 27, 2012 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 1, 2012).
10.5	Global Contribution Agreement by and among Mondelēz International Holdings, LLC, Acorn Holdings B.V., Charger Top HoldCo B.V. and Charger OpCo B.V., dated May 7, 2014 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2014).**
10.6	Amendment Agreement to Global Contribution Agreement by and among Mondelēz International Holdings LLC, Acorn Holdings B.V., Jacobs Douwe Egberts B.V. (formerly Charger Top HoldCo B.V.) and Jacobs Douwe Egberts International B.V. (formerly Charger OpCo B.V.), dated July 28, 2015 (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on July 31, 2015).**
10.7	Amended and Restated Shareholders' Agreement Relating to Charger Top Holdco B.V. by and among Delta Charger Holdco B.V., JDE Minority Holdings B.V., Mondelēz Coffee Holdco B.V. and Jacobs Douwe Egberts B.V., dated March 7, 2016 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on April 28, 2016).**

10.8	Shareholders' Agreement Relating to Maple Parent Holdings Corp. by and among Maple Holdings II B.V., Mondelēz International Holdings LLC and Maple Parent Holdings Corp., dated March 27, 2016 (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on April 28, 2016).**
10.9	Settlement Agreement, between the Registrant and Kraft Foods Group, Inc., dated June 22, 2015 (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on July 31, 2015).
10.10	Mondelēz International, Inc. Amended and Restated 2005 Performance Incentive Plan, amended and restated as of February 3, 2017 (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 3, 2017).+
10.11	Form of Mondelēz International, Inc. Amended and Restated 2005 Performance Incentive Plan Non-Qualified Global Stock Option Agreement (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 3, 2017).+
10.12	Form of Mondelēz International, Inc. Amended and Restated 2005 Performance Incentive Plan Global Long-Term Incentive Grant Agreement (incorporated by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 3, 2017).+
10.13	Form of Mondelēz International, Inc. Amended and Restated 2005 Performance Incentive Plan Global Deferred Stock Unit Agreement.+
10.14	Mondelēz International, Inc. Long-Term Incentive Plan, restated as of October 2, 2012 (incorporated by reference to Exhibit 10.9 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.15	Mondelēz Global LLC Supplemental Benefits Plan I, effective as of September 1, 2012 (incorporated by reference to Exhibit 10.10 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.16	Mondelēz Global LLC Supplemental Benefits Plan II, effective as of September 1, 2012 (incorporated by reference to Exhibit 10.11 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.17	Form of Mondelēz Global LLC Amended and Restated Cash Enrollment Agreement (incorporated by reference to Exhibit 10.12 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.18	Form of Mondelēz Global LLC Amended and Restated Employee Grantor Trust Enrollment Agreement (incorporated by reference to Exhibit 10.13 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.19	Mondelēz International, Inc. Amended and Restated 2006 Stock Compensation Plan for Non-Employee Directors, amended and restated as of October 1, 2012 (incorporated by reference to Exhibit 10.14 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.20	Mondelēz International, Inc. 2001 Compensation Plan for Non-Employee Directors, amended as of December 31, 2008 and restated as of January 1, 2013 (incorporated by reference to Exhibit 10.15 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.21	Mondelēz International, Inc. Change in Control Plan for Key Executives, amended February 2, 2017 (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 3, 2017).+
10.22	Mondelēz Global LLC Executive Deferred Compensation Plan, effective as of October 1, 2012 (incorporated by reference to Exhibit 10.17 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+

10.23	Mondelēz Global LLC Executive Deferred Compensation Plan Adoption Agreement, effective as of October 1, 2012 (incorporated by reference to Exhibit 10.18 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.24	Deferred Compensation Plan Trust Document, by and between Mondelēz Global LLC and Wilmington Trust Retirement and Institutional Services Company, dated as of September 18, 2012 (incorporated by reference to Exhibit 10.19 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 25, 2013).+
10.25	Offer of Employment Letter, between the Registrant and Dirk Van de Put, dated July 27, 2017 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on August 2, 2017).+
10.26	Offer of Employment Letter, between the Registrant and Irene B. Rosenfeld, dated June 22, 2006 (incorporated by reference to Exhibit 10.29 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2006).+
10.27	Amendment to Offer of Employment Letter, between the Registrant and Irene B. Rosenfeld, amended as of December 31, 2008 (incorporated by reference to Exhibit 10.20 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 27, 2009).+
10.28	Offer of Employment Letter, between the Registrant and Daniel P. Myers, dated June 20, 2011 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 4, 2011).+
10.29	Offer of Employment Letter, between Mondelēz Global LLC and Brian T. Gladden, dated September 26, 2014 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 9, 2014).+
10.30	Offer of Employment Letter, between Mondelēz Global LLC and Roberto de Oliveira Marques, dated February 20, 2015 (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on April 30, 2015).+
10.31	Offer of Employment Letter, between Mondelēz Global LLC and Glen Walter, dated October 15, 2017.+
10.32	Retirement Agreement and General Release, between Mondelēz Global LLC and David Brearton, dated December 15, 2015 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on December 18, 2015).+
10.33	Retirement Agreement and General Release, between Mondelēz International Holdings LLC and Gustavo H. Abelenda, dated as of December 31, 2016 (incorporated by reference to Exhibit 10.30 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 24, 2017).+
10.34	Separation Agreement and General Release, between Mondelēz Global LLC and Roberto de Oliveira Marques, dated May 24, 2017 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on May 26, 2017).+
10.35	Form of Indemnification Agreement for Non-Employee Directors (incorporated by reference to Exhibit 10.28 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 27, 2009).+
10.36	Indemnification Agreement between the Registrant and Irene B. Rosenfeld, dated January 27, 2009 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on February 2, 2009).+
10.37	Indemnification Agreement between the Registrant and Dirk Van de Put, dated November 20, 2017.+
12.1	Computation of Ratios of Earnings to Fixed Charges.
21.1	Subsidiaries of the Registrant.

23.1	Consent of PricewaterhouseCoopers LLP, Independent Registered Public Accounting Firm.
31.1	Certification of the Registrant's Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Registrant's Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certifications of the Registrant's Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.1	The following materials from Mondelēz International's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, formatted in XBRL (eXtensible Business Reporting Language): (i) the Consolidated Statements of Earnings, (ii) the Consolidated Statements of Comprehensive Earnings, (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Equity, (v) the Consolidated Statements of Cash Flows and (vi) Notes to Consolidated Financial Statements.

* Upon request, Mondelēz International, Inc. agrees to furnish to the U.S. Securities and Exchange Commission, on a supplemental basis, a copy of any omitted schedule or exhibit to such agreement.

** Portions of this exhibit (indicated by asterisks) have been omitted pursuant to a request for confidential treatment and have been separately filed with the SEC.

\+ Indicates a management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary

Not applicable.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MONDELĒZ INTERNATIONAL, INC.

By: /s/ BRIAN T. GLADDEN
(Brian T. Gladden
Executive Vice President
and Chief Financial Officer)

Date: February 9, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ DIRK VAN DE PUT **(Dirk Van de Put)**	Director and Chief Executive Officer	February 9, 2018
/s/ BRIAN T. GLADDEN **(Brian T. Gladden)**	Executive Vice President and Chief Financial Officer	February 9, 2018
/s/ NELSON URDANETA **(Nelson Urdaneta)**	Vice President, Corporate Controller and Chief Accounting Officer	February 9, 2018
/s/ IRENE B. ROSENFELD **(Irene B. Rosenfeld)**	Chairman of the Board of Directors	February 9, 2018
/s/ LEWIS W.K. BOOTH **(Lewis W.K. Booth)**	Director	February 9, 2018
/s/ CHARLES E. BUNCH **(Charles E. Bunch)**	Director	February 9, 2018
/s/ LOIS D. JULIBER **(Lois D. Juliber)**	Director	February 9, 2018
/s/ MARK D. KETCHUM **(Mark D. Ketchum)**	Director	February 9, 2018
/s/ JORGE S. MESQUITA **(Jorge S. Mesquita)**	Director	February 9, 2018
/s/ JOSEPH NEUBAUER **(Joseph Neubauer)**	Director	February 9, 2018
/s/ NELSON PELTZ **(Nelson Peltz)**	Director	February 9, 2018
/s/ FREDRIC G. REYNOLDS **(Fredric G. Reynolds)**	Director	February 9, 2018
/s/ CHRISTIANA S. SHI **(Christiana S. Shi)**	Director	February 9, 2018
/s/ PATRICK T. SIEWERT **(Patrick T. Siewert)**	Director	February 9, 2018
/s/ JEAN-FRANÇOIS M. L. VAN BOXMEER **(Jean-François M. L. van Boxmeer)**	Director	February 9, 2018

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Mondelēz International, Inc. and Subsidiaries
Valuation and Qualifying Accounts
For the Years Ended December 31, 2017, 2016 and 2015
(in millions)

Col. A	Col. B	Col. C		Col. D	Col. E
		Additions			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts (a)	Deductions (b)	Balance at End of Period
2017:					
Allowance for trade receivables	$ 58	$ 21	$ (8)	$ 21	$ 50
Allowance for other current receivables	93	6	6	7	98
Allowance for long-term receivables	20	(1)	3	1	21
Allowance for deferred taxes	310	549	25	31	853
	$ 481	$ 575	$ 26	$ 60	$ 1,022
2016:					
Allowance for trade receivables	$ 54	$ 18	$ (1)	$ 13	$ 58
Allowance for other current receivables	109	(2)	(13)	1	93
Allowance for long-term receivables	16	1	3	–	20
Allowance for deferred taxes	303	67	(28)	32	310
	$ 482	$ 84	$ (39)	$ 46	$ 481
2015:					
Allowance for trade receivables	$ 66	$ 14	$ (11)	$ 15	$ 54
Allowance for other current receivables	91	12	7	1	109
Allowance for long-term receivables	14	5	(3)	–	16
Allowance for deferred taxes	345	46	(35)	53	303
	$ 516	$ 77	$ (42)	$ 69	$ 482

Notes:
(a) Primarily related to divestitures, acquisitions and currency translation.
(b) Represents charges for which allowances were created.

Exhibit 10.13

MONDELĒZ INTERNATIONAL, INC.
AMENDED AND RESTATED 2005 PERFORMANCE INCENTIVE PLAN
(Amended and Restated as of February 3, 2017)

GLOBAL DEFERRED STOCK UNIT AGREEMENT

MONDELĒZ INTERNATIONAL, INC., a Virginia corporation (the "Company"), hereby grants to the employee (the "Employee") named in the award statement provided to the Employee (the "Award Statement") as of the date set forth in the Award Statement (the "Grant Date") pursuant to the provisions of the Mondelēz International, Inc. Amended and Restated 2005 Performance Incentive Plan, as amended from time to time (the "Plan"), Deferred Stock Units (the "Grant") representing a right to receive a corresponding number of shares of Common Stock of the Company set forth in the Award Statement, upon and subject to the restrictions, terms and conditions set forth below (including the country-specific terms set forth in the attached Appendix A), in the Award Statement and in the Plan. Capitalized terms not otherwise defined in this Global Deferred Stock Unit Agreement (this "Agreement") shall have the same meaning as defined under the Plan. All references to action of or approval by the Committee shall be deemed to include action of or approval by any other person(s) to whom the Committee has delegated authority to act.

The Grant is subject to the following terms and conditions (including the country-specific terms set forth in Appendix A to this Agreement):

The Employee must either execute and deliver an acceptance of the terms set forth in this Agreement or electronically accept the terms set forth in this Agreement, in the manner and within a period specified by the Committee. The Committee may, in its sole discretion, cancel the Deferred Stock Units if the Employee fails to accept this Agreement and related documents within the specified period or using the procedures for acceptance established by the Committee.

1. Restrictions. Except as expressly provided in this Agreement, the restrictions on the Deferred Stock Units shall lapse and the Deferred Stock Units shall vest on the Vesting Date shown in the Award Statement (the "Vesting Date"), provided that the Employee remains an active employee of the Mondelēz Group during the entire period commencing on the Grant Date and ending on the Vesting Date.

2. Termination of Employment Before Vesting Date. Unless determined otherwise by the Committee or except as expressly provided in this Agreement, if the Employee terminated employment with the Mondelēz Group prior to the Vesting Date, the Employee shall forfeit all rights to the Deferred Stock Units and the shares of Common Stock underlying the Deferred Stock Units. If the Employee terminates employment with the Mondelēz Group prior to the Vesting Date due to:

(a) the Employee's death or Disability (as defined below in Section 21), the restrictions on the Deferred Stock Units shall lapse and the Deferred Stock Units shall become fully vested on the date of death or Disability; or

(b) upon the Employee's Retirement (as defined below in Section 21), or as otherwise determined by the Committee, and provided the Deferred Stock Units are not otherwise accounted for, or included in, the Employee's severance or retirement arrangement with the Mondelēz Group and the Employee timely executes a general release and waiver of claims in a form and manner determined by the Company in its sole discretion, then the Deferred Stock Units will vest on a pro-rata basis. The proration amount will be a fraction, the numerator of which is the number of months (excluding the month of the Grant Date and including partial months thereafter, rounded up to the next whole month) the Employee was actively employed by the Mondelēz Group during the vesting period and the denominator of which is the total number of months in the vesting period.

For purposes of this Agreement, the Employee's employment shall be deemed to be terminated when he or she is no longer actively employed by the Mondelēz Group (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Employee is employed or the terms of the Employee's employment agreement, if any). The Employee shall not be considered actively employed during any period for which he or she is receiving, or is eligible to receive, salary continuation, notice period or garden leave payments, or other comparable benefits or through other such arrangements that may be entered into that give rise to separation or notice pay. The Committee shall have the exclusive discretion to determine when the Employee is no longer actively employed for purposes of the Deferred Stock Units. Unless otherwise determined by the Committee, leaves of absence shall not constitute a termination of employment for purposes of this Agreement.

3. Voting and Dividend Rights. The Employee does not have the right to vote the Deferred Stock Units or receive dividends or dividend equivalents prior to the date, if any, such Deferred Stock Units vest and are paid to the Employee in the form of Common Stock pursuant to the terms hereof. However, the Employee shall receive cash payments (less applicable Tax-Related Items (as defined below)) in lieu of dividends otherwise payable with respect to shares of Common Stock equal in number to the Deferred Stock Units that have not been forfeited, as such dividends are paid.

4. Transfer Restrictions. This Grant and the Deferred Stock Units are non-transferable and may not be assigned, hypothecated or otherwise pledged and shall not be subject to execution, attachment or similar process. Upon any attempt to effect any such disposition, or upon the levy of any such process, the Grant shall immediately become null and void and the Deferred Stock Units shall be forfeited. These restrictions shall not apply, however, to any payments received pursuant to Section 8 below.

5. Withholding Taxes. The Employee acknowledges that regardless of any action taken by the Company or, if different, the Employee's employer (the "Employer"), the ultimate liability for all income tax, social security, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Employee's participation in the Plan and legally applicable to the Employee or deemed by the Company or the Employer, in their discretion, to be an appropriate charge to the Employee even if legally applicable to the Company or the Employer ("Tax-Related Items") is and remains his or her responsibility and may exceed the amount actually withheld by the Company or the Employer. The Employee further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Deferred Stock Units, including the grant, vesting or payment of this Grant, the receipt of any dividends or cash payments in lieu of dividends, or the subsequent sale of shares of Common Stock; and (b) do not commit to and are under no obligation to structure the terms of the grant of the Deferred Stock Units or any aspect of the Employee's participation in the Plan to reduce or eliminate his or her liability for Tax-Related Items or achieve any particular tax result. Further, if the Employee becomes subject to any Tax-Related Items in more than one jurisdiction, the Employee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for (including report) Tax-Related Items in more than one jurisdiction.

The Employee acknowledges and agrees that the Company may refuse to issue or deliver shares of Common Stock upon vesting of the Deferred Stock Units if Employee fails to comply with his or her Tax-Related Items obligations or the Company has not received payment in a form acceptable to the Company for all applicable Tax-Related Items, as well as amounts due to the Company as "theoretical taxes", if applicable, pursuant to the then-current international assignment and tax and/or social insurance equalization policies and procedures of the Mondelēz Group, or arrangements satisfactory to the Company for the payment thereof have been made.

In this regard, the Employee authorizes the Company and/or the Employer, in their sole discretion and without any notice or further authorization by the Employee, to satisfy any applicable withholding obligations with regard to all Tax-Related Items legally due by the Employee (or otherwise due by the Employee as set forth in this Section 5) and any theoretical taxes from the Employee's wages or other cash compensation paid by the Company and/or the Employer or from proceeds of the sale of the shares of Common Stock issued upon vesting of the Deferred Stock Units. Alternatively, or in addition, the Company may (i) deduct the number of Deferred Stock Units having an aggregate value equal to the amount of Tax-Related Items and any theoretical taxes due from the total number of Deferred Stock Units awarded, vested, paid or otherwise becoming subject to current taxation; (ii) instruct the broker it has selected for this purpose (on the Employee's behalf and at the Employee's direction pursuant to this authorization without further consent) to sell any shares of Common Stock that the Employee acquires upon vesting of the Deferred Stock Units to meet the Tax-Related Items withholding obligation and any theoretical taxes, except to the extent that such a sale would violate any U.S. federal securities law or other applicable law; and/or (iii) satisfy the Tax-Related Items and any theoretical taxes arising from the granting or vesting of this Grant, as the case may be, through any other method established by the Company. Notwithstanding the foregoing, if the Employee is subject to the short-swing profit rules of Section 16(b) of the Exchange Act , the Company will withhold in Deferred Stock Units upon the relevant withholding event or the Committee may determine that a particular method be used to satisfy any required withholding. Finally, the Employee agrees to pay to the Company or the Employer any amount of Tax-Related Items and any theoretical taxes that the Company or the Employer may be required to withhold or account for as a result of the Employee's participation in the Plan that cannot be satisfied by the means previously described.

Depending upon the withholding method, the Company may withhold or account for Tax-Related Items and any theoretical taxes by considering applicable minimum statutory withholding amounts (in accordance with Section 14(d) of the Plan) or other applicable withholding rates, including maximum applicable rates, in which case the Employee may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent shares of Common Stock. If the obligation for Tax-Related Items is satisfied by withholding in Deferred Stock Units, for tax purposes, the Employee is deemed to have been issued the full number of shares of Common Stock underlying the Grant, notwithstanding that a number of Deferred Stock Units are held back solely for the purpose of paying the Tax-Related Items and/or any theoretical taxes due as a result of any aspect of the Employee's participation in the Plan.

6. Death of Employee. If any of the Deferred Stock Units shall vest upon the death of the Employee, any Common Stock received in payment of the vested Deferred Stock Units shall be registered in the name of and delivered to the estate of the Employee.

7. Payment of Deferred Stock Units. Each Deferred Stock Unit granted pursuant to this Grant represents an unfunded and unsecured promise of the Company to issue to the Employee, on or as soon as practicable, but not later than 30 days, after the date the Deferred Stock Units vest pursuant to Section 1 or 2 and otherwise subject to the terms of this Agreement (including the country-specific terms set forth in Appendix A to this Agreement), the value of one share of the Common Stock. Except as otherwise expressly provided and subject to the terms of this Agreement (including Appendix A hereto), such issuance shall be made to the Employee (or, in the event of his or her death to the Employee's estate or beneficiary as provided above) in the form of Common Stock as soon as practicable following the vesting of the Deferred Stock Units pursuant to Section 1 or 2.

8. Special Payment Provisions. Notwithstanding anything in this Agreement to the contrary, if the Employee (i) is subject to U.S. federal income tax on any part of the payment of the Deferred Stock Units, (ii) is a "specified employee" within the meaning of Section 409A(a)(2)(B) of the Internal Revenue Code (the "Code"), and (iii) will become eligible for Retirement (A) for Deferred Stock Units with a Vesting Date between January 1 and March 15, before the calendar year preceding the Vesting Date and (B) for Deferred Stock Units with a Vesting Date after March 15, before the calendar year in which such Vesting Date occurs, then any payment of Deferred Stock Units under Section 7 that is on account of his or her separation from service within the meaning of Section 409A(a)(2)(A)(i) of the Code shall be delayed until six months following such separation from service. In addition, if such an Employee is not vested in his or her Deferred Stock Units, and the Employee (i) becomes eligible for Retirement while employed by a subsidiary or affiliate of the Company that would not be a "service recipient" with respect to the Grant within the meaning of the regulations under Section 409A of the Code or (ii) becomes eligible for Retirement and subsequently transfers to a subsidiary or affiliate of the Company that would not be a "service recipient" with respect to the Grant within the meaning of the regulations under Section 409A of the Code, then the Employee's Deferred Stock Units shall be paid to the Employee at such time in accordance with Section 7 (based on the value of shares of Common Stock at the time of payment), subject to a six-month delay from the date treated as a separation from service within the meaning of Section 409A(a)(2)(A)(i) of the Code.

9. Restrictions and Covenants.

(a) In addition to such other conditions as may be established by the Company or the Committee, in consideration for making a Grant under the terms of the Plan, the Employee agrees and covenants as follows for a period of twelve (12) months following the date of the Employee's termination of employment from the Mondelēz Group:

1. to protect the Mondelēz Group's legitimate business interests in its confidential information, trade secrets and goodwill, and to enable the Mondelēz Group's ability to reserve these for the exclusive knowledge and use of the Mondelēz Group, which is of great competitive importance and commercial value to the Mondelēz Group, the Employee, without the express written permission of the Executive Vice President of Human Resources of the Company, will not engage in any conduct in which the Employee contributes his/her knowledge and skills, directly or indirectly, in whole or in part, as an executive, employer, employee, owner, operator, manager, advisor, consultant, agent, partner, director, stockholder, officer, volunteer, intern or any other similar capacity to a competitor or to an entity engaged in the same or similar business as the Mondelēz Group, including those engaged in the business of production, sale or marketing of snack foods (including, but not limited to gum, chocolate, confectionary products, biscuits or any other product or service the Employee has reason to know has been under development by the Mondelēz Group during the Employee's employment with the Mondelēz Group). The Employee will not engage in any activity that may require or inevitably require the Employee's use or disclosure of the Mondelēz Group's confidential information, proprietary information and/or trade secrets;

2. to protect the Mondelēz Group's investment in its employees and to ensure the long-term success of the business, the Employee, without the express written permission of the Executive Vice President of Human Resources of the Company, will not directly or indirectly solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment of any employee of the Mondelēz Group; and

3. to protect the Mondelēz Group's investment in its development of goodwill and customers and to ensure the long-term success of the business, the Employee will not directly or indirectly solicit (including, but not limited to, e-mail, regular mail, express mail, telephone, fax, instant message, SMS text messaging and social media) or attempt to directly or indirectly solicit, contact or meet with the current or prospective customers of the Mondelēz Group for the purpose of offering or accepting goods or services similar to or competitive with those offered by the Mondelēz Group.

The provisions contained herein in Section 9 are not in lieu of, but are in addition to the continuing obligation of the Employee (which the Employee acknowledges by accepting any Grant under the Plan) to not use or disclose the Mondelēz Group's trade secrets or Confidential Information known to the Employee until any particular trade secret or Confidential Information becomes generally known (through no fault of the Employee), whereupon the restriction on use and disclosure shall cease as to that item. For purposes of this agreement, "Confidential Information" includes, but is not limited to, certain sales, marketing, strategy, financial, product, personnel, manufacturing, technical and other proprietary information and material which are the property of the Mondelēz Group. The Employee understands that this list is not exhaustive, and that Confidential Information also includes other information that is marked or otherwise identified as confidential or proprietary, or that would otherwise appear to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used.

(b) A main purpose of the Plan is to strengthen the alignment of long-term interests between employees and the Mondelēz Group by providing an ownership interest in the Company, and to prevent former employees whose interests become adverse to the Company from maintaining that ownership interest. By acceptance of any Grant (including the Deferred Stock Units) under the Plan, the Employee acknowledges and agrees that if the Employee breaches any of the covenants set forth in Section 9(a):

1. all unvested Grants (including any unvested Deferred Stock Units) shall be immediately forfeited;

2. the Company may cancel, rescind, suspend, withhold or otherwise limit or restrict any unexpired, unpaid or deferred Grants (including the Deferred Stock Units) at any time if the Employee is not in compliance with all terms and conditions set forth in the Plan and this Agreement including, but not limited to, Section 9(a);

3. the Employee shall repay to the Mondelēz Group the net proceeds of any Plan benefit that occurs at any time after the earlier of the following two dates: (i) the date twelve months immediately preceding any such violation; or (ii) the date six (6) months prior to the Employee's termination of employment with the Mondelēz Group. The Employee shall repay to the Mondelēz Group the net proceeds in such a manner and on such terms and conditions as may be required by the Mondelēz Group, and the Mondelēz Group shall be entitled to set-off against the amount of any such net proceeds any amount owed to the Employee by the Mondelēz Group, to the extent that such set-off is not inconsistent with Section 409A of the Code or other applicable law. For purposes of this paragraph, net proceeds shall mean the fair market value of the shares of Common Stock less any Tax-Related Items; and

4. the Mondelēz Group shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security as the Employee acknowledges that such breach would cause the Mondelēz Group to suffer irreparable harm. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

(c) If any provision contained in this Section 9 shall for any reason, whether by application of existing law or law which may develop after the Employee's acceptance of a Grant under the Plan be determined by a court of competent jurisdiction to be overly broad as to scope of activity, duration or territory, the Employee agrees to join the Mondelēz Group in requesting such court to construe such provision by limiting or reducing it so as to be enforceable to the extent compatible with then applicable law.

(d) Notwithstanding the foregoing, no section of this Agreement is intended to or shall limit, prevent, impede or interfere with the Employee's non-waivable right, without prior notice to the Company, to provide information to the government, participate in investigations, testify in proceedings regarding the Mondelēz Group's past or future conduct, engage in any activities protected under whistleblower statutes, or to receive and fully retain a monetary award from a government-administered whistleblower award program for providing information directly to a government agency. The Employee does not need prior authorization from the Mondelēz Group to make any such reports or disclosures and is not required to notify the Mondelēz Group that the Employee has made such reports or disclosures.

10. Clawback Policy/ Forfeiture. The Employee understands and agrees that in the Committee's sole discretion, the Company may cancel all or part of the Deferred Stock Units or require repayment by the Employee to the Company of all or part of any cash payment or shares of Common Stock underlying any vested Deferred Stock Units pursuant to any recovery, recoupment, clawback and/or other forfeiture policy maintained by the Company, including a violation of Section 9 above, from time to time. In addition, any payments or benefits the Employee may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with the requirements under the U.S. Securities Act of 1933, as amended (the "Securities Act"), the Exchange Act, rules promulgated by the Commission or any other applicable law, including the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or any securities exchange on which the Common Stock is listed or traded, as may be in effect from time to time.

11. Original Issue or Transfer Taxes. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to the delivery of the shares of Common Stock underlying the vested Deferred Stock Units, except as otherwise provided in Section 5.

12. Grant Confers No Rights to Continued Employment. Nothing contained in the Plan or this Agreement (including the country-specific terms set forth in Appendix A to this Agreement) shall give any employee the right to be retained in the employment of any member of the Mondelēz Group, affect the right of any Employer to terminate any employee, or be interpreted as forming or amending an employment or service contract with any member of the Mondelēz Group. The adoption and maintenance of the Plan shall not constitute an inducement to, or condition of, the employment of the Employee.

13. Nature of the Grant. In accepting the Deferred Stock Units, the Employee acknowledges, understands, and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the Grant is exceptional, voluntary and occasional and does not create any contractual or other right to receive future Grants, or benefits in lieu of Deferred Stock Units, even if Deferred Stock Units have been granted in the past;

(c) all decisions with respect to future Grants, if any, will be at the sole discretion of the Committee;

(d) the Employee's participation in the Plan is voluntary;

(e) the Deferred Stock Units and the shares of Common Stock, and the income and value of same, subject to the Deferred Stock Units are not intended to replace any pension rights or compensation;

(f) the Grant and the shares of Common Stock subject to the Deferred Stock Units, and the income and value of same, are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, pension, retirement or welfare benefits or similar mandatory payments;

(g) the future value of the underlying shares of Common Stock is unknown, indeterminable and cannot be predicted;

(h) unless otherwise agreed with the Company, the Deferred Stock Units and the shares of Common Stock underlying the Deferred Stock Units, and the income and value of same, are not granted as consideration for, or in connection with, the service the Employee may provide as a director of any entity of the Mondelēz Group;

(i) the Employee understands and agrees that the Employee should consult with the Employee's own personal tax, legal and financial advisors regarding the Employee's participation in the Plan before taking any action related to the Plan and that the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Employee's participation in the Plan or Employee's acquisition or sale of the underlying shares of Common Stock;

(j) unless otherwise provided in the Plan or by the Company in its discretion, the Grant of Deferred Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Deferred Stock Units or any such benefits transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Company's Common Stock; and

(k) if the Employee is providing services outside the United States:

i. the Deferred Stock Units and the shares of Common Stock subject to the Deferred Stock Units, and the income and value of same, are not part of normal or expected compensation or salary for any purpose;

ii. neither the Company, the Employer nor any member of the Mondelēz Group shall be liable for any foreign exchange rate fluctuation between the Employee's local currency and the United States Dollar that may affect the value of the Deferred Stock Units or any shares of Common Stock delivered to the Employee upon vesting of the Deferred Stock Units or of any proceeds resulting from the Employee's sale of such shares; and

iii. no claim or entitlement to compensation or damages shall arise from forfeiture of the Deferred Stock Units resulting from the termination of the Employee's employment or other service relationship by the Company or the Employer (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Employee is employed or the terms of his or her employment agreement, if any), and in consideration of the Grant, the Employee agrees not to institute any claim against the Mondelēz Group.

14. ***<u>Data Privacy</u>. The Employee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other grant materials ("<u>Data</u>") by and among the Mondelēz Group for the exclusive purpose of implementing, administering and managing Employee's participation in the Plan.***

The Employee understands that the Mondelēz Group may hold certain personal information about him or her, including, but not limited to, the Employee's name, home address, email address and telephone number, date of birth, social security, passport or insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, and details of the Deferred Stock Units or any other entitlement to shares of Common Stock, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the exclusive purpose of implementing, administering and managing the Plan.

The Employee understands that Data will be transferred to UBS Financial Services, Inc. ("<u>UBS</u>"), or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Employee understands that Data may also be transferred to the Company's independent registered public accounting firm, PricewaterhouseCoopers LLP, KPMG LLP or such other public accounting firm that may be engaged by the Company in the future. The Employee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than Employee's country. If the Employee resides outside the United States, the Employee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting the Employee's local human resources representative. The Employee authorizes the Company, UBS, PricewaterhouseCoopers LLP and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Employee's participation in the Plan. The Employee understands that Data will be held only as long as is necessary to implement, administer and manage the Employee's participation in the Plan. If the Employee resides outside the United States, the Employee understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Employee's local human resources representative. Further, the Employee understands that the Employee is providing the consents herein on a purely voluntary basis. If the Employee does not consent, or if the Employee later seeks to revoke his or her consent, the Employee's employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing the Employee's consent is that the Company would not be able to grant the Employee Deferred Stock Units or other equity awards or administer or maintain such grants. The Employee also understands that the Company has no obligation to substitute other forms of grants or compensation in lieu of the Deferred Stock Units as a consequence of the Employee's refusal or withdrawal of his or her consent. Therefore, the Employee understands that refusing or withdrawing his or her consent may affect the Employee's ability to participate in the Plan. For more information on the consequences of the Employee's refusal to consent or withdrawal of consent, the Employee understands that he or she may contact the Employee's local human resources representative.

15. Notices. Any notice required or permitted hereunder shall be (i) given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other party or (ii) delivered electronically through the Company's electronic mail system (including any notices delivered by a third-party) and shall be deemed effectively given upon such delivery. Any documents required to be given or delivered to the Employee related to current or future participation in the Plan may also be delivered through electronic means as described in Section 16 below.

16. Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

17. Language. If the Employee has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different from the English version, the English version will control.

18. Interpretation. The terms and provisions of the Plan (a copy of which will be made available online or furnished to the Employee upon written request to the Office of the Corporate Secretary, Mondelēz International, Inc., Three Parkway North, Deerfield, Illinois 60015, U.S.A.) are incorporated herein by reference. To the extent any provision in the Award Statement or this Agreement is inconsistent or in conflict with any term or provision of the Plan, the Plan shall govern. The Committee shall have the right to resolve all questions that may arise in connection with the Grant, including whether the Employee is no longer actively employed. Any interpretation, determination or other action made or taken by the Committee regarding the Plan or this Agreement shall be final, binding and conclusive.

19. Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall be binding upon and inure to the benefit of any successors or assigns of the Company and any person or persons who shall acquire any rights hereunder in accordance with this Agreement, the Award Statement or the Plan.

20. Entire Agreement; Governing Law. The Award Statement, the Plan and this Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Employee with respect to the subject matter hereof, and may not be modified adversely to the Employee's interest except as provided in the Award Statement, the Plan or this Agreement or by means of a writing signed by the Company and the Employee. Nothing in the Award Statement, the Plan and this Agreement (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. The Award Statement, the Plan and this Agreement are to be construed in accordance with and governed by the substantive laws of the Commonwealth of Virginia, U.S.A., without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the substantive laws of the Commonwealth of Virginia to the rights and duties of the parties. Unless otherwise provided in the Award Statement, the Plan or this Agreement, the Employee is deemed to submit to the exclusive jurisdiction of the Commonwealth of Virginia, U.S.A., and agrees that such litigation shall be conducted in the courts of Henrico County, Virginia, or the federal courts for the United States for the Eastern District of Virginia. This Agreement shall be interpreted and construed in a manner that avoids the imposition of taxes and other penalties under Section 409A of the Code, if applicable, including complying with Section 6(a)(vii) of the Plan in the event of a Change in Control. Notwithstanding the foregoing, under no circumstances shall any member of the Mondelēz Group be responsible for any taxes, penalties, interest or other losses or expenses incurred by the Employee due to any failure to comply with Section 409A of the Code.

21. Miscellaneous. In the event of any merger, share exchange, reorganization, consolidation, recapitalization, reclassification, distribution, stock dividend, stock split, reverse stock split, split-up, spin-off, issuance of rights or warrants or other similar transaction or event affecting the Common Stock after the date of this Grant, the Board of Directors of the Company or the Committee shall make adjustments to the number and kind of shares of Common Stock subject to this Grant, including, but not limited to, the substitution of equity interests in other entities involved in such transactions, to provide for cash payments in lieu of Deferred Stock Units, and to determine whether continued employment with any entity resulting from such a transaction will or will not be treated as continued employment with any member of the Mondelēz Group, in each case subject to any Board of Directors or Committee action specifically addressing any such adjustments, cash payments, or continued employment treatment.

For the purposes of this Agreement, (a) the term "Disability" means permanent and total disability as determined under the procedures established by the Company for purposes of the Plan, and (b) the term "Retirement" means, unless otherwise determined by the Committee in its sole discretion, the termination of employment on or after the date the Employee is age 55 or older with at least ten (10) or more years of active continuous employment with the Mondelēz Group.

Notwithstanding the above, if the Company receives an opinion of counsel that there has been a legal judgment and/or legal development in the Employee's jurisdiction that likely would result in the favorable Retirement treatment (as set forth in paragraph 2) that applies to the Deferred Stock Units being deemed unlawful and/or discriminatory, then the Company will not apply the favorable Retirement treatment at the time of termination and the Deferred Stock Units will be treated as they would under the rules that apply if the Employee's employment is terminated for reasons other than Retirement, death or Disability.

22. Compliance With Law. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Common Stock, the Company shall not be required to deliver any Common Stock issuable upon settlement of the Deferred Stock Units prior to the completion of any registration or qualification of the shares of Common Stock under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the Commission or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Employee understands that the Company is under no obligation to register or qualify the shares of Common Stock with the Commission or any state, provincial or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares of Common Stock. Further, the Employee agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without the Employee's consent to the extent necessary to comply with securities or other laws applicable to the issuance of shares of Common Stock.

23. Agreement Severable. In the event that any provision in this Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

24. Headings. Headings of paragraphs and sections used in this Agreement are for convenience only and are not part of this Agreement, and must not be used in construing it.

25. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Employee's participation in the Plan, on the Deferred Stock Units and on any shares of Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

26. Insider Trading/Market Abuse Laws. The Employee acknowledges that the Employee is subject to insider trading and/or market abuse laws in applicable jurisdictions, which affect the Employee's ability to acquire, sell or attempt to sell shares of Common Stock under the Plan during such times as the Employee is considered to have "material nonpublic information" or "inside information" (as defined by the laws in the applicable jurisdiction or the Employee's country). The Employee also acknowledges that the Employee is subject to the Company's insider trading policy, and the requirements of applicable laws may or may not be consistent with the terms of the Company's insider trading policy. The Employee acknowledges that it is his or her responsibility to be informed of and compliant with any such laws, and should speak to his or her personal advisor on this matter.

27. Foreign Asset/Account Reporting Requirements. The Employee acknowledges that there may be certain foreign asset and/or account reporting requirements which may affect the Employee's ability to acquire or hold shares of Common Stock acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on shares of Common Stock acquired under the Plan) in a brokerage or bank account outside the Employee's country. The Employee may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Employee also may be required to repatriate sale proceeds or other funds received as a result of the Employee's participation in the Plan to his or her country through a designated bank or broker within a certain time after receipt. The Employee acknowledges that it is the Employee's responsibility to be compliant with such regulations, and the Employee should consult his or her personal legal advisor for any details.

28. Appendix. Notwithstanding any provisions in this Agreement, the Deferred Stock Units shall be subject to any special terms set forth in the Appendix to this Agreement for Employee's country. Moreover, if Employee relocates to one of the countries included in the Appendix, the special terms for such country will apply to Employee, to the extent the Company determines that the application of such terms is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

29. Waiver. The Employee acknowledges that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach by the Employee or any other participant of the Plan.

30. Conformity to Securities Laws. The Employee acknowledges that the Award Statement, the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Commission, including, without limitation, Rule 16b-3 under the Exchange Act. Notwithstanding anything herein to the contrary, the Award Statement, the Plan and this Agreement shall be administered, and the Grant is made, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Award Statement, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

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The Employee acknowledges that the Employee has reviewed the Plan, the Award Statement and this Agreement (including any appendices hereto) in their entirety and fully understands their respective provisions. The Employee agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan, the Award Statement or this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the Grant Date.

MONDELĒZ INTERNATIONAL, INC.

/s/ Carol J. Ward

Carol J. Ward
Vice President and Corporate Secretary

APPENDIX A

MONDELĒZ INTERNATIONAL, INC.
AMENDED AND RESTATED 2005 PERFORMANCE INCENTIVE PLAN
(Amended and Restated as of February 3, 2017)

ADDITIONAL TERMS AND CONDITIONS OF THE
GLOBAL DEFERRED STOCK UNIT AGREEMENT

This Appendix A includes additional terms and conditions that govern the Deferred Stock Units granted to the Employee under the Plan if he or she resides and/or works in one of the countries listed herein. If the Employee is a citizen or resident (or is considered as such for local law purposes) of a country other than the country in which the Employee is currently residing and/or working, or if the Employee transfers to another country after receiving the Deferred Stock Units, the Company shall, in its discretion, determine to what extent the special terms and conditions contained herein shall be applicable to the Employee. Certain capitalized terms used but not defined in this Appendix A have the meanings set forth in the Plan and/or the Global Deferred Stock Unit Agreement (the "Agreement").

This Appendix A also includes information regarding securities, exchange control and certain other issues of which the Employee should be aware with respect to participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of January 2017. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Employee not rely on the information in this Appendix A as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time the Employee vests in the Deferred Stock Units or sells shares of Common Stock acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Employee's particular situation, and the Company is not in a position to assure the Employee of a particular result. Accordingly, the Employee is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Employee's situation.

Finally, if the Employee is a citizen or resident of a country other than the one in which he or she is currently working, transfers employment after the Deferred Stock Units are granted, or is considered a resident of another country for local law purposes, the information contained herein may not be applicable to the Employee in the same manner.

ALGERIA

TERMS AND CONDITIONS

Deferred Stock Units Payable Only in Cash. Notwithstanding any discretion in the Plan or anything to the contrary in the Agreement (including paragraph 7 of the Agreement), the grant of Deferred Stock Units does not provide any right for the Employee to receive shares of Common Stock upon the Vesting Date. Deferred Stock Units granted to Employees in Algeria shall be paid in cash in an amount equal to the value of the shares of Common Stock on the Vesting Date.

ARGENTINA

TERMS AND CONDITIONS

Restrictions and Covenants. Notwithstanding anything to the contrary in the Agreement, paragraph 9 of the Agreement will not apply to Argentinian Employees.

NOTIFICATIONS

Type of Offering. Neither the grant of Deferred Stock Units, nor the issuance of shares of Common Stock subject to the grant, constitutes a public offering. The offering of the Plan is a private placement and is not subject to the supervision of any Argentine governmental authority.

Exchange Control Information. Following the sale of shares of Common Stock acquired under the Plan and/or the receipt of any dividends paid on such shares of Common Stock, the Employee may be subject to certain restriction in brining such funds back to Argentina. The Argentine bank handling the transaction may request certain documentation in connection with the request to transfer proceeds into Argentina (e.g., evidence of the sale, proof of the source of funds used to purchase such shares of Common Stock, etc.).

The Employee must comply with any and all Argentine currency exchange restrictions, approvals and reporting requirements in connection with the vesting of Deferred Stock Units.

Foreign Asset/Account Reporting Information. The Employee must report holdings of any equity interest in a foreign company (e.g., shares of Common Stock acquired under the Plan) on his or her annual tax return each year.

AUSTRALIA

TERMS AND CONDITIONS

Australian Offer Document. The Employee’s right to participate in the Plan and receive the grant of Deferred Stock Units under the Plan is subject to the terms and conditions as stated in the offer document, the Plan and the Agreement. By accepting the grant of the Deferred Stock Units, the Employee acknowledges and confirms that the Employee has received these documents.

No payment constituting breach of law in Australia. Notwithstanding anything else in the Plan or the Agreement, the Employee will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Employer is under no obligation to seek or obtain the approval of its shareholders in general meeting for the purpose of overcoming any such limitation or restriction.

NOTIFICATIONS

Exchange Control Information. Exchange control reporting is required for cash transactions exceeding AUD10,000 and for international fund transfers. If an Australian bank is assisting with the transaction, the bank will file the report on the Employee’s behalf.

Tax Information. The Plan is a plan to which subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

AUSTRIA

NOTIFICATIONS

Exchange Control Information. If the Employee holds shares of Common Stock acquired under the Plan or cash (including proceeds from the sale of shares of Common Stock) outside Austria, the Employee must submit a report to the Austrian National Bank as follows: (i) on a quarterly basis if the value of the shares and cash as of the last day of any given quarter meets or exceeds €30,000,000; the deadline for filing the quarterly report is the 15th day of the month following the end of the respective quarter and (ii) on an annual basis if the value of the shares and cash as of December 31 meets or exceeds €5,000,000; the deadline for filing the annual report is January 31 of the following year.

When the Employee sells shares of Common Stock acquired under the Plan, the Employee may be required to comply with certain exchange control obligations if the cash proceeds from the sale are held outside Austria. If the transaction volume of all accounts abroad exceeds €10,000,000, the movements and balances of all accounts must be reported monthly, as of the last day of the month, on or before the fifteenth day of the following month.

BAHRAIN

NOTIFICATIONS

Securities Notification. The Agreement does not constitute advertising or an offering of securities in Bahrain, nor does it constitute an allotment of securities in Bahrain. Any shares of Common Stock issued pursuant to the Deferred Stock Units under the Plan shall be deposited into a brokerage account in the United States. In no event will shares of Common Stock be issued or delivered in Bahrain. The issuance of shares of Common Stock pursuant to the Deferred Stock Units described herein has not and will not be registered in Bahrain and hence, the shares of Common Stock described herein may not be admitted or used for offering, placement or public circulation in Bahrain. Accordingly, the Employee may not make any public advertising or announcements regarding the Deferred Stock Units or shares of Common Stock in Bahrain, promote these shares of Common Stock to legal entities or individuals in Bahrain, or sell shares of Common Stock directly to other legal entities or individuals in Bahrain. The Employee acknowledges and agrees that he or she is permitted to sell shares of Common Stock acquired under the Plan through the designated broker appointed under the Plan, if any, provided that the sale of such shares takes place outside of Bahrain through the facilities of a stock exchange on which the shares of Common Stock are listed (i.e., the NASDAQ Global Select Market).

BELGIUM

NOTIFICATIONS

Foreign Asset/Account Reporting Information. The Employee is required to report any securities (e.g., shares of Common Stock acquired under the Plan) or bank accounts established outside of Belgium on his or her annual tax return. In a separate report, Belgium residents are also required to provide the National Bank of Belgium with the account details of any such foreign accounts (including the account number, bank name and country in which any such account was opened). This report, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium, www.nbb.be, under Kredietcentrales / Centrales des crédits caption. The Employee should consult a personal tax advisor with respect to the applicable reporting obligations.

BRAZIL

TERMS AND CONDITIONS

Compliance with Law. By accepting the Deferred Stock Units, the Employee acknowledges that he or she agrees to comply with applicable Brazilian laws and pay any and all applicable taxes associated with the vesting of the Deferred Stock Units, the receipt of any dividends and the sale of shares of Common Stock acquired under the Plan.

Labor Law Acknowledgment. The Employee agrees, for all legal purposes, (i) the benefits provided under the Agreement and the Plan are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Plan are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the shares of Common Stock associated with the Deferred Stock Units, if any, is not part of the Employee's remuneration from employment.

NOTIFICATIONS

Exchange Control Information. If the Employee holds assets and rights outside Brazil with an aggregate value exceeding US$100,000, he or she will be required to prepare and submit to the Central Bank of Brazil an annual declaration of such assets and rights, including: (i) bank deposits; (ii) loans; (iii) financing transactions; (iv) leases; (v) direct investments; (vi) portfolio investments, including shares of Common Stock acquired under the Plan; (vii) financial derivatives investments; and (viii) other investments, including real estate and other assets. Please note that foreign individuals holding Brazilian visas are considered Brazilian residents for purposes of this reporting requirement and must declare at least the assets held abroad that were acquired subsequent to the date of admittance as a resident of Brazil. Individuals holding assets and rights outside Brazil valued at less than US$100,000 are not required to submit a declaration. Please note that the US$100,000 threshold may be changed annually.

Tax on Financial Transaction (IOF). Repatriation of funds (*e.g.*, sale proceeds from the sale of shares of Common Stock and/or dividends) into Brazil and the conversion of USD into BRL associated with such fund transfers may be subject to the Tax on Financial Transactions. It is the Employee's responsibility to comply with any applicable Tax on Financial Transactions arising from his or her participation in the Plan. The Employee should consult with his or her personal tax advisor for additional details.

BULGARIA

NOTIFICATIONS

Exchange Control Information. If the Employee receives a payment related to the Plan in Bulgaria in excess of BGN 100,000 (or its equivalent in another currency, e.g., U.S. dollars), the Employee is required to submit a form with information regarding the source of the income to the bank receiving such payment (for statistical purposes) upon transfer or within 30 days of receipt.

In addition, the Employee will be required to file statistical forms with the Bulgarian national bank annually regarding his or her receivables in bank accounts abroad as well as securities held abroad (e.g., shares of Common Stock acquired under the Plan) if the total sum of all such receivables and securities equals or exceeds BGN50,000 as of the previous calendar year end. The reports are due by March 31.

The Employee should contact his or her bank in Bulgaria for additional information regarding these requirements.

<u>**CANADA**</u>

TERMS AND CONDITIONS

Form of Settlement. Deferred Stock Units granted to employees resident in Canada shall be paid in shares of Common Stock only.

Termination of Employment. The following provision supplements paragraph 2 of the Agreement:

The Employee's employment with the Mondelēz Group shall be deemed to be terminated and vesting of the Deferred Stock Units will terminate effective as of the date that is the earliest of: (1) the date the Employee's employment with the Mondelēz Group is terminated, (2) the date the Employee receives notice of termination of employment from the Mondelēz Group, or (3) the date the Employee is no longer actively employed or rendering services to the Mondelēz Group; regardless of the reason for such termination and whether or not later found to be invalid or in breach of any applicable law, including Canadian provincial employment law (including but not limited to statutory law, regulatory law and/or common law) or the terms of the Employee's employment or service agreement, if any. The Committee shall have the exclusive discretion to determine when the Employee is no longer actively employed or providing services and the termination date for purposes of the Agreement.

The following provisions apply for Employees resident in Quebec:

Data Privacy Notice and Consent. The following provision supplements paragraph 14 of the Agreement:

The Employee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Employee further authorizes the Mondelēz Group and the administrator of the Plan to disclose and discuss the Plan with their advisors. The Employee further authorizes the Mondelēz Group to record such information and to keep such information in his or her employee file.

Language Consent. The parties acknowledge that it is their express wish that the Agreement, including this Appendix A, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Consentement relatif à la langue utilisée. *Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à, la présente convention.*

NOTIFICATIONS

Securities Law Information. The Employee is permitted to sell shares of Common Stock acquired under the Plan through the designated broker appointed under the Plan, if any, provided that the sale of such shares takes place outside Canada through the facilities of a stock exchange on which the shares of Common Stock are listed (*i.e.*, the NASDAQ Global Select Market).

Foreign Asset/Account Reporting Information. The Employee is required to report any foreign property (including shares of Common Stock) annually on Form T1135 (Foreign Income Verification Statement) if the total cost of the Employee's foreign property exceeds C$100,000 at any time during the year. The form must be filed by April 30th of the following year. Foreign property includes shares of Common Stock acquired under the Plan and may include the Deferred Stock Units. The Deferred Stock Units must be reported—generally at a nil cost—if the $100,000 cost threshold is exceeded because of other foreign property the Employee holds. If shares of Common Stock are acquired, their cost generally is the adjusted cost base ("ACB") of the shares of Common Stock. The ACB would normally equal the fair market value of the shares of Common Stock at vesting for Deferred Stock Units, but if the Employee owns other shares of Common Stock, this ACB may have to be averaged with the ACB of the other shares of Common Stock. It is the Employee's responsibility to comply with applicable reporting obligations.

CHILE

NOTIFICATIONS

Securities Law Information. The offer of Deferred Stock Units constitutes a private offering of securities in Chile effective as of the Grant Date. The offer of Deferred Stock Units is made subject to general ruling N° 336 of the Chilean Superintendence of Securities and Insurance ("SVS"). The offer refers to securities not registered at the securities registry or at the foreign securities registry of the SVS, and, therefore, such securities are not subject to oversight of the SVS. Given that the Deferred Stock Units are not registered in Chile, the Company is not required to provide public information about the Deferred Stock Units or the shares of Common Stock in Chile. Unless the Deferred Stock Units and/or the shares of Common Stock are registered with the SVS, a public offering of such securities cannot be made in Chile.

Esta oferta de Unidades de Acciones Diferidas constituye una oferta privada de valores en Chile y se inicia en la Fecha de la Concesión. Esta oferta de Unidades de Acciones Diferidas se acoge a las disposiciones de la Norma de Carácter General N° 336 de la Superintendencia de Valores y Seguros de Chile ("SVS"). Esta oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la SVS, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse las Unidades de Acciones Diferidas de valores no registrados en Chile, no existe obligación por parte de la Compañía de entregar en Chile información pública respecto de las Unidades de Acciones Diferidas o sus Acciones. Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el Registro de Valores correspondiente.

Exchange Control Information. The Employee is not required to repatriate any funds he or she receives with respect to the Deferred Stock Units and/or the shares of Common Stock (*e.g.*, proceeds from the sale of shares of Common Stock or dividends received) to Chile. However, if the Employee decides to repatriate such funds, he or she must do so through the Formal Exchange Market (*i.e.*, a commercial bank or registered foreign exchange office) if the amount of the funds repatriated exceeds US$10,000. Further, if the value of the aggregate investments held by the Employee outside of Chile exceeds US$5,000,000 (*e.g.*, shares of Common Stock and cash proceeds acquired under the Plan), the Employee must report the investments annually to the Central Bank using Annex 3.1 of Chapter XII of the Foreign Exchange Regulations.

Exchange control requirements are subject to change. *The Employee should consult with his or her personal legal advisor regarding any exchange control obligations that may apply in connection with the Deferred Stock Units.*

Foreign Asset / Account Reporting Information. The Chilean Internal Revenue Service ("CIRS") requires all taxpayers to provide information annually regarding: (i) any taxes paid abroad which they will use as a credit against Chilean income taxes, and (ii) the results of foreign investments on a sworn statement which must be submitted electronically through the CIRS website at www.sii.cl before June 30 of each year.

The Employee's investment in the shares of Common Stock must also be registered with the CIRS for the Employee to be entitled to a foreign tax credit for any tax withheld on dividends abroad, if applicable, and such registration also provides evidence of the acquisition price of the shares of Common Stock which the Employee will need when the shares of Common Stock are sold. *The Employee should consult with his or her personal legal and tax advisors regarding how to register with the CIRS.*

CHINA

TERMS AND CONDITIONS

The following provisions apply to Employees who are People's Republic of China nationals working in China, as well as to any individuals who are otherwise subject to applicable exchange controls, as determined by the Company:

Settlement of Deferred Stock Units and Sale of Shares. Due to legal restrictions in China, upon the vesting of Deferred Stock Units, the Employee acknowledges that the Deferred Stock Units may be paid to the Employee in cash rather than shares of Common Stock. If shares of Common Stock are issued upon vesting of the Deferred Stock Units, in the Company's sole discretion, the shares may be required to be immediately sold. Thus, as a condition of the grant of the Deferred Stock Units, the Employee agrees to the immediate sale of any shares of Common Stock issued to Employee upon vesting and settlement of the Deferred Stock Units. The Employee further agrees that the Company is authorized to instruct its designated broker to assist with any mandatory sale of such shares of Common Stock (on the Employee's behalf pursuant to this authorization) and the Employee expressly authorizes the Company's designated broker to complete the sale of such shares. Upon any such sale of the shares, the proceeds, less any Tax-Related Items and broker's fees or commissions, will be remitted to the Employee in accordance with any applicable exchange control laws and regulations.

In the event that the Employee is not required to sell shares of Common Stock immediately upon vesting, any shares of Common Stock issued to the Employee must be maintained in an account with UBS Financial Services, Inc. or such other broker as may be designated by the Company until the shares of Common Stock are sold through that broker. In addition, the Employee acknowledges and agrees that he or she must sell any shares of Common Stock issued upon vesting as soon as practicable following the termination of the Employee's employment or other service relationship with the Mondelēz Group and in no event later than six months following the termination of the Employee's employment or other service relationship with the Mondelēz Group, or within any other such time frame as may be required by SAFE.

Exchange Control Restrictions. The Employee understands and agrees that, due to exchange control laws in China, he or she will be required to immediately repatriate to China the sale of shares of Common Stock acquired from the Deferred Stock Units and any dividend equivalents paid to the Employee in cash. The Employee further understands that, under local law, such repatriation of the cash proceeds will be effected through a special exchange control account established by a member of the Mondelēz Group and the Employee hereby consents and agrees that the proceeds from the sale of shares of Common Stock acquired from the Deferred Stock Units and any dividend equivalents paid to the Employee in cash will be transferred to such special account prior to being delivered to him or her. The proceeds may be paid in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid in U.S. dollars, the Employee acknowledges that he or she will be required to set up a U.S. dollar bank account in China so that the proceeds may be delivered to this account. If the proceeds are converted to local currency, the Employee acknowledges that the Mondelēz Group is under no obligation to secure any currency conversion rate and may face delays in converting the proceeds to local currency due to exchange control restrictions in China. The Employee agrees to bear any currency fluctuation risk between the date the shares of Common Stock acquired from the Deferred Stock Units are sold and any dividend equivalents are paid and the time that (i) the Tax-Related Items are converted to local currency and remitted to the tax authorities and (ii) net proceeds are converted to local currency and distributed to the Employee. The Employee acknowledges that the Mondelēz Group will not be held liable for any delay in delivering the proceeds to the Employee. The Employee agrees to sign any agreements, forms and/or consents that may be requested by the Company or the Company's designated broker to effectuate any of the remittances, transfers, conversions or other processes affecting the proceeds.

The Employee further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China. For Deferred Stock Units, these additional requirements may include, but are not limited to, a requirement to maintain any shares of Common Stock acquired from the Deferred Stock Units in an account with a Company-designated broker and/or to sell any shares of Common Stock that the Employee receives upon vesting of the Deferred Stock Units (as explained above) or upon termination of the Employee's service with the Mondelēz Group.

Foreign Asset/Account Reporting Information. Chinese residents may be required to report to the SAFE all details of their foreign financial assets and liabilities, as well as details of any economic transactions conducted with non-Chinese residents.

COLOMBIA

TERMS AND CONDITIONS

Labor Law Acknowledgement. The following provision supplements the acknowledgments contained in paragraph 12 of the Agreement:

The Employee acknowledges that pursuant to Article 128 of the Colombian Labor Code, the Plan and related benefits do not constitute a component of the Employee's "salary" for any legal purpose. Therefore, they will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

NOTIFICATIONS

Securities Law Information. The shares of Common Stock are not and will not be registered in the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the shares of Common Stock may not be offered to the public in Colombia. Nothing in this document should be construed as the making of a public offer of securities in Colombia.

Exchange Control Information. Investments in assets located outside Colombia (including shares of the Company's Common Stock) are subject to registration with the Central Bank (Banco de la República) if the aggregate value of the investments is US$500,000 or more (as of December 31 of the applicable calendar year). Further, upon the sale of shares that the Employee has registered with the Central Bank, the Employee must cancel the registration by March 31 of the following year. The Employee may be subject to fines for failing to cancel the registration.

If funds are remitted from Colombia through an authorized local financial institution, the authorized financial institution will automatically register the investment.

COSTA RICA

There are no country specific provisions.

CZECH REPUBLIC

TERMS AND CONDITIONS

Miscellaneous. The following provision replaces paragraph 21 of the Agreement:

In the event of any merger, share exchange, reorganization, consolidation, recapitalization, reclassification, distribution, stock dividend, stock split, reverse stock split, split-up, spin-off, issuance of rights or warrants or other similar transaction or event affecting the Common Stock after the date of this Grant, the Board of Directors of the Company or the Committee shall make adjustments to the number and kind of shares of Common Stock subject to this Grant, including, but not limited to, the substitution of equity interests in other entities involved in such transactions, to provide for cash payments in lieu of Deferred Stock Units, and to determine whether continued employment with any entity resulting from such a transaction will or will not be treated as continued employment with any member of the Mondelēz Group, in each case subject to any Board of Directors or Committee action specifically addressing any such adjustments, cash payments, or continued employment treatment.

For purposes of this Agreement, (a) the term "Disability" means permanent and total disability as determined under procedures established by the Company for purposes of the Plan, and (b) the term "Retirement" means, unless otherwise determined by the Committee in its sole discretion, retirement from active employment under a pension plan of the Mondelēz Group, an employment contract with any member of the Mondelēz Group, or a local labor contract, on or after the date specified as normal retirement age in the pension plan or employment contract, if any, under which the Employee is at that time accruing pension benefits for his or her current service (or, in the absence of a specified normal retirement age, the age at which pension benefits under such plan or contract become payable without reduction for early commencement and without any requirement of a particular period of prior service).

NOTIFICATIONS

Exchange Control Information. The Czech National bank may require the Employee to fulfill certain notification duties in relation to the acquisition of Common Stock and the opening and maintenance of a foreign account. In addition, the Employee may need to report the following even in the absence of a request from the Czech National bank: foreign direct investments with a value of CZK 2,500,000 or more in the aggregate or other foreign financial assets with a value of CZK 200,000,000 or more. Because exchange control regulations change frequently and without notice, the Employee should consult his or her personal legal advisor prior to the vesting of Deferred Stock Units, sale of Common Stock and before opening any foreign accounts in connection with the Plan to ensure compliance with current regulations. It is the Employee's responsibility to comply with any applicable Czech exchange control laws.

DENMARK

NOTIFICATIONS

Exchange Control Information. If the Employee establishes an account holding shares or an account holding cash outside Denmark, he or she must report the account to the Danish Tax Administration. The form which should be used in this respect can be obtained from a local bank. (These obligations are separate from and in addition to the obligations described below.)

Securities/Foreign Asset/Account Reporting Information. If the Employee holds shares acquired under the Plan in a brokerage account with a broker or bank outside Denmark, he or she is required to inform the Danish Tax Administration about the account. For this purpose, the Employee must file a Form V (Erklaering V) with the Danish Tax Administration. Both the Employee and the broker or bank must sign the Form V. By signing the Form V, the broker or bank undertakes an obligation, without further request each year and not later than on February 1 of the year following the calendar year to which the information relates, to forward information to the Danish Tax Administration concerning the shares of Common Stock in the account. In the event that the applicable broker or bank with which the account is held does not wish to, or, pursuant to the laws of the country in question, is not allowed to assume such obligation to report, the Employee acknowledges that he or she is solely responsible for providing certain details regarding the foreign brokerage account and shares of Common Stock deposited therein to the Danish Tax Administration as part of his or her annual income tax return. By signing the Form V, the Employee authorizes the Danish Tax Administration to examine the account.

In addition, if the Employee opens a brokerage account (or a deposit account with a U.S. bank) for the purpose of holding cash outside Denmark, he or she is also required to inform the Danish Tax Administration about this account. To do so, the Employee must file a Form K (Erklaering K) with the Danish Tax Administration. The Form K must be signed both by the Employee and by the applicable broker or bank where the account is held, unless an exemption from the broker/bank signature requirement is granted by the Danish Tax Administration. It is possible to seek the exemption on the Form K, which the Employee can do at the time he or she submits the Form K. By signing the Form K, the broker or bank undertakes an obligation, without further request each year and not later than on February 1 of the year following the calendar year to which the information relates, to forward information to the Danish Tax Administration concerning the content of the deposit account. In the event that the applicable financial institution (broker or bank) with which the account is held, does not wish to, or, pursuant to the laws of the country in question, is not allowed to assume such obligation to report, the Employee acknowledges that he or she is solely responsible for providing certain details regarding the foreign brokerage or bank account to the Danish Tax Administration as part of the Employee's annual income tax return. By signing the Form K, the Employee authorizes the Danish Tax Administration to examine the account.

ECUADOR

There are no country specific provisions.

EGYPT

NOTIFICATIONS

Exchange Control Information. If the Employee transfers funds into or out of Egypt in connection with the Deferred Stock Units, the Employee is required to transfer the funds through a registered bank in Egypt.

FINLAND

There are no country specific provisions.

FRANCE

TERMS AND CONDITIONS

Consent to Receive Information in English. By accepting the Grant, the Employee confirms having read and understood the Plan and Agreement, including all terms and conditions included therein, which were provided in the English language. The Employee accepts the terms of those documents accordingly.

En acceptant cette attribution, le Employé confirme avoir lu et compris le Plan et le Contrat y relatifs, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Employé accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If the Employee holds shares of Common Stock outside France or maintains a foreign bank account, he or she is required to report such to the French tax authorities when filing his or her annual tax return. Failure to comply could trigger significant penalties. Further, French residents with foreign account balances exceeding €1,000,000 may have additional monthly reporting obligations.

GERMANY

TERMS AND CONDITIONS

Miscellaneous. The following provision replaces paragraph 21 of the Agreement:

In the event of any merger, share exchange, reorganization, consolidation, recapitalization, reclassification, distribution, stock dividend, stock split, reverse stock split, split-up, spin-off, issuance of rights or warrants or other similar transaction or event affecting the Common Stock after the date of this Grant, the Board of Directors of the Company or the Committee shall make adjustments to the number and kind of shares of Common Stock subject to this Grant, including, but not limited to, the substitution of equity interests in other entities involved in such transactions, to provide for cash payments in lieu of Deferred Stock Units, and to determine whether continued employment with any entity resulting from such a transaction will or will not be treated as continued employment with any member of the Mondelēz Group, in each case subject to any Board of Directors or Committee action specifically addressing any such adjustments, cash payments, or continued employment treatment.

For purposes of this Agreement, (a) the term "Disability" means permanent and total disability as determined under procedures established by the Company for purposes of the Plan, and (b) the term "Retirement" means, unless otherwise determined by the Committee in its sole discretion, retirement from active employment under a pension plan of the Mondelēz Group, an employment contract with any member of the Mondelēz Group, or a local labor contract, on or after the date specified as normal retirement age in the pension plan or employment contract, if any, under which the Employee is at that time accruing pension benefits for his or her current service (or, in the absence of a specified normal retirement age, the age at which pension benefits under such plan or contract become payable without reduction for early commencement and without any requirement of a particular period of prior service).

NOTIFICATIONS

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. In case of payments in connection with securities (including proceeds realized upon the sale of shares of Common Stock), the report must be made by the 5th day of the month following the month in which the payment was received. The report must be filed electronically. The form of report ("*Allgemeine Meldeportal Statistik*") can be accessed via the *Bundesbank's* website (www.bundesbank.de) and is available in both German and English. The Employee is responsible for satisfying the reporting obligation.

GHANA

NOTIFICATIONS

Exchange Control Information. Foreign exchange transfers out of Ghana are limited to US$10,000 annually. The Employee should consult his or her legal advisor to ensure compliance with current regulations. It is the Employee's responsibility to comply with Ghana exchange control laws.

GREECE

There are no country specific provisions.

HONDURAS

There are no country specific provisions.

HONG KONG

TERMS AND CONDITIONS

Warning: The contents of this document have not been reviewed by any regulatory authority in Hong Kong. The Employee is advised to exercise caution in relation to the offer. If the Employee is in any doubt about any of the contents of the Agreement, including this Appendix, or the Plan, the Employee should obtain independent professional advice. The Deferred Stock Units and any shares of Common Stock issued pursuant to the grant do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Mondelēz Group. The Agreement, including this Appendix, the Plan and other incidental communication materials have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong. The Deferred Stock Units and any related documentation are intended only for the personal use of each eligible employee of the Mondelēz Group and may not be distributed to any other person.

Form of Settlement. Deferred Stock Units granted to employees resident in Hong Kong shall be paid in shares of Common Stock only.

Sale of Shares. Shares of Common Stock received under the Plan are accepted as a personal investment. In the event the Deferred Stock Units vest and shares of Common Stock are issued to the Employee within six months of the Grant Date, the Employee agrees that he or she will not dispose of the shares of Common Stock acquired prior to the six-month anniversary of the Grant Date.

HUNGARY

There are no country specific provisions.

INDIA

TERMS AND CONDITIONS

Exchange Control Restrictions. The Employee must repatriate any cash dividends paid on shares of Common Stock within one-hundred eighty (180) days and all proceeds received from the sale of shares of Common Stock to India within ninety (90) days of receipt. The Employee must maintain the foreign inward remittance certificate received from the bank where the foreign currency is deposited in the event that the Reserve Bank of India or the Employer requests proof of repatriation. It is the Employee's responsibility to comply with applicable exchange control laws in India.

Foreign Asset/Account Reporting Information. The Employee is required to declare foreign bank accounts and any foreign financial assets (including shares of Common Stock held outside India) in his or her annual tax return. It is the Employee's responsibility to comply with this reporting obligation and the Employee should consult with his or her personal tax advisor in this regard.

INDONESIA

NOTIFICATIONS

Exchange Control Information. Indonesian residents must provide the Indonesian central bank, Bank Indonesia, with information on foreign exchange activities on an online monthly report no later than the fifteenth day of the following month.

In addition, if the Employee remits funds into or out of Indonesia, the Indonesian bank through which the transaction is made will submit a report on the transaction to the Bank Indonesia for statistical reporting purposes. For transactions of USD $10,000 or more, a description of the transaction must be included in the report. Although the bank through which the transaction is made is required to make the report, the Employee must complete a "Transfer Report Form." The Transfer Report Form will be provided to the Employee by the bank through which the transaction is made.

IRELAND

TERMS AND CONDITIONS

Miscellaneous. The following provision replaces paragraph 21 of the Agreement:

In the event of any merger, share exchange, reorganization, consolidation, recapitalization, reclassification, distribution, stock dividend, stock split, reverse stock split, split-up, spin-off, issuance of rights or warrants or other similar transaction or event affecting the Common Stock after the date of this Grant, the Board of Directors of the Company or the Committee shall make adjustments to the number and kind of shares of Common Stock subject to this Grant, including, but not limited to, the substitution of equity interests in other entities involved in such transactions, to provide for cash payments in lieu of Deferred Stock Units, and to determine whether continued employment with any entity resulting from such a transaction will or will not be treated as continued employment with any member of the Mondelēz Group, in each case subject to any Board of Directors or Committee action specifically addressing any such adjustments, cash payments, or continued employment treatment.

For purposes of this Agreement, (a) the term "Disability" means permanent and total disability as determined under procedures established by the Company for purposes of the Plan, and (b) the term "Retirement" means, unless otherwise determined by the Committee in its sole discretion, retirement from active employment under a pension plan of the Mondelēz Group, an employment contract with any member of the Mondelēz Group, or a local labor contract, on or after the date specified as normal retirement age in the pension plan or employment contract, if any, under which the Employee is at that time accruing pension benefits for his or her current service (or, in the absence of a specified normal retirement age, the age at which pension benefits under such plan or contract become payable without reduction for early commencement and without any requirement of a particular period of prior service).

NOTIFICATIONS

Director Notification Requirement. If the Employee is a director, shadow director or secretary of an Irish subsidiary or affiliate, the Employee must notify the Irish subsidiary or affiliate in writing if (1) the Employee receives or disposes of an interest exceeding 1% of the Company (e.g., Deferred Stock Units, shares of Common Stock, etc.), (2) the Employee becomes aware of an event giving rise to a notification requirement, or (3) the Employee becomes a director or secretary if such an interest exists at that time. This notification requirement also applies with respect to the interests of a spouse or children under the age of 18 (whose interests will be attributed to the director, shadow director or secretary).

ITALY

TERMS AND CONDITIONS

Data Privacy Notice. The following provision replaces in its entirety paragraph 14 of the Agreement:

The Employee understands that the Mondelēz Group may hold certain personal information about the Employee, including, but not limited to, the Employee's name, home address, email address and telephone number, date of birth, social insurance (to the extent permitted under Italian law), passport or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Mondelēz Group, details of all Deferred Stock Units or other entitlement to shares of Common Stock granted, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the exclusive purpose of implementing, managing and administering the Plan ("Data").

The Employee also understands that providing the Company with Data is necessary for the performance of the Plan and that the Employee's refusal to provide such Data would make it impossible for the Company to perform its contractual obligations and may affect the Employee's ability to participate in the Plan. The Controller of personal data processing is Mondelēz International, Inc., with registered offices at Three Parkway North, Deerfield, Illinois 60015, United States of America, and, pursuant to Legislative Decree no. 196/2003, its representative in Italy is, Mondelēz Italia S.r.L. Via Nizzoli, 3, Milano, Italy 20147.

The Employee understands that Data will not be publicized, but it may be transferred to banks, other financial institutions or brokers involved in the management and administration of the Plan. The Employee understands that Data may also be transferred to the Company's independent registered public accounting firm, PricewaterhouseCoopers LLP, KPMG LLP or such other public accounting firm that may be engaged by the Company in the future. The Employee understands that Data may also be transferred to the Company's stock plan service provider, UBS Financial Services, Inc., or such other administrator that may be engaged by the Company in the future. The Employee further understands that the Mondelēz Group will transfer Data among themselves as necessary for the purpose of implementing, administering and managing the Employee's participation in the Plan, and that the Mondelēz Group may further transfer Data to third parties assisting the Company in the implementation, administration and management of the Plan, including any requisite transfer of Data to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired at vesting of the Deferred Stock Units. Such recipients may receive, possess, use, retain and transfer Data in electronic or other form, for the purposes of implementing, administering and managing the Employee's participation in the Plan. The Employee understands that these recipients may be located in or outside the European Economic Area, such as in the United States or elsewhere. Should the Company exercise its discretion in suspending all necessary legal obligations connected with the management and administration of the Plan, it will delete Data as soon as it has completed all the necessary legal obligations connected with the management and administration of the Plan.

The Employee understands that Data-processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions, as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

The processing activity, including communication, the transfer of Data abroad, including outside the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require the Employee's consent thereto as the processing is necessary to performance of contractual obligations related to implementation, administration and management of the Plan. The Employee understands that, pursuant to Section 7 of the Legislative Decree no. 196/2003, the Employee has the right to, including but not limited to, access, delete, update, correct or terminate, for legitimate reason, the Data processing. Furthermore, the Employee is aware that Data will not be used for direct marketing purposes. In addition, Data provided can be reviewed and questions or complaints can be addressed by contacting the Employee's local human resources representative.

Plan Document Acknowledgment. In accepting the grant of Deferred Stock Units, the Employee acknowledges that he or she has received a copy of the Plan and the Agreement and has reviewed the Plan and the Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Agreement, including this Appendix A.

The Employee further acknowledges that he or she has read and specifically and expressly approves the following paragraphs of the Global Deferred Stock Unit Agreement: paragraph 1 on Restrictions; paragraph 2 on Termination of Employment Before Vesting Date; paragraph 4 on Transfer Restrictions; paragraph 5 on Withholding Taxes; paragraph 6 on Death of Employee; paragraph 7 on Payment of Deferred Stock Units; paragraph 12 on Grant Confers No Rights to Continued Employment; paragraph 13 on the Nature of the Grant; paragraph 16 on Electronic Delivery and Acceptance; paragraph 17 on Language; paragraph 20 on Entire Agreement;Governing Law; paragraph 21 on Miscellaneous; paragraph 22 on Compliance With Law; paragraph 25 on Imposition of Other Requirements; paragraph 26 on Insider Trading/Market Abuse Laws; paragraph 28 on Waiver; and the Data Privacy Notice included in this Appendix A.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. Italian residents who, during the fiscal year, hold investments abroad or foreign financial assets (*e.g.*, cash, shares of Common Stock, Deferred Stock Units) which may generate income taxable in Italy are required to report such on their annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due. The same reporting obligations apply to Italian residents who, even if they do not directly hold investments abroad or foreign financial assets (*e.g.*, cash, shares of Common Stock, Deferred Stock Units), are beneficial owners of the investment pursuant to Italian money laundering provisions.

Foreign Financial Assets Tax. The fair market value of any shares of Common Stock held outside Italy is subject to a foreign assets tax. The fair market value is considered to be the value of the shares of Common Stock on the NASDAQ Global Select Market on December 31 of each year or on the last day the Employee held the shares (in such case, or when the shares of Common Stock are acquired during the course of the year, the tax is levied in proportion to the actual days of holding over the calendar year). The Employee should consult with his or her personal tax advisor about the foreign financial assets tax.

JAPAN

NOTIFICATIONS

Exchange Control Information. If the Employee acquires shares of Common Stock valued at more than ¥100,000,000 in a single transaction, the Employee must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days of the purchase of the shares of Common Stock.

Foreign Asset/Account Reporting Information. The Employee will be required to report details of any assets held outside Japan as of December 31st (including any shares of Common Stock acquired under the Plan) to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report will be due by March 15th each year. The Employee should consult with his or her personal tax advisor as to whether the reporting obligation applies to the Employee and whether the Employee will be required to include details of any outstanding Deferred Stock Units, shares of Common Stock or cash held by the Employee in the report.

KENYA

Tax Registration Notification. Under Tax Procedure Act, 2015, the Employee is required to complete and submit a tax registration application to the Commissioner of Income Tax within 30 days of first vesting in the Deferred Stock Units. The registration should be completed through the online portal "I TAX" and is a one-time only registration. The Employee is solely responsible for ensuring compliance with all registration requirements in Kenya.

LEBANON

Securities Law Information. The Plan does not constitute the marketing or offering of securities in Lebanon pursuant to Law No. 161 (2011), the Capital Markets Law. Offerings under the Plan are being made only to eligible employees of the Mondelēz Group.

LITHUANIA

There are no country specific provisions.

MALAYSIA

TERMS AND CONDITIONS

Data Privacy Notice. The following provision replaces in its entirety paragraph 14 of the Agreement:

The Employee explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Employee's personal data as described in this Agreement and any other Deferred Stock Unit grant materials ("Data") by and among, as applicable, the Employer and the Mondelēz Group for the exclusive purpose of implementing, administering and managing the Employee's participation in the Plan. The Data is supplied by the Employer and also by the Employee through information collected in connection with the Agreement and the Plan.

The Employee understands that the Company and the Employer may hold certain personal information about the Employee, including, but not limited to, the Employee's name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Deferred Stock Units or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the exclusive purpose of implementing, administering and managing the Plan.

The Employee understands that Data will be transferred to UBS Financial Services, Inc. ("UBS"), or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Employee understands that Data may also be transferred to the Company's independent registered public accounting firm, PricewaterhouseCoopers LLP, or such other public accounting firm that may be engaged by the Company in the future. The Employee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Employee's country. The Employee understands that the Employee may request a list with the names and addresses of any potential recipients of the Data by contacting the Employee's local human resources representative at Mondelez Sales Sdn Bhd, Level 9, 1 First Avenue, 2A, Dataran Bandar Utama, Bandar Utama Damasara, 47800 Petaling Jaya, Selangor, Malaysia. The Employee authorizes the Company, UBS and any other possible recipients which may assist the Company (presently or in the future) with implementing,

Pekerja dengan ini secara eksplisit dan tanpa sebarang keraguan mengizinkan pengumpulan, penggunaan dan pemindahan, dalam bentuk elektronik atau lain-lain, data peribadi Pekerja seperti yang diterangkan dalam Perjanjian ini serta mana-mana bahan-bahan geran Unit Saham Tertunda ("Data") oleh dan di antara, seperti mana yang terpakai, Majikan serta Kumpulan Mondelez untuk tujuan ekslusif bagi melaksanakan, mentadbir dan menguruskan penyertaan Pekerja dalam Pelan. Data telah dibekalkan oleh pihak Majikan dan juga oleh Pekerja melalui informasi yang telah dikumpul berkaitan dengan Perjanjian dan Pelan.

Pekerja memahami bahawa Syarikat dan Majikan mungkin memegang maklumat peribadi tertentu tentang Pekerja, termasuk, tetapi tidak terhad kepada, nama Pekerja, alamat rumah dan nombor telefon, almat emal, tarikh lahir, insurans sosial, nombor pasport atau pengenalan lain, gaji, kewarganegaraan, jawatan, apa-apa syer dalam Saham atau jawatan pengarah yang dipegang dalam Syarikat, maklumat berkaitan semua Unit Saham Tertunda atau apa-apa kelayakan lain untuk syer dalam saham yang dianugerahkan, dibatalkan, dilaksanakan, terletak hak, tidak diletak hak ataupun yang belum dijelaskan bagi faedah Pekerja, untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan Pelan tersebut.

Pekerja memahami bahawa Data tersebut akan dipindahkan ke UBS Financial Services, Inc. ("UBS") atau pembekal perkhidmatan pelan saham lain yang mungkin dipilih oleh Syarikat pada masa hadapan, yang membantu Syarikat melaksanakan, mentadbir dan menguruskan Pelan tersebut. Pekerja memahami bahawa Data juga mungkin dipindahkan kepada firma akauntansi awam berdaftar bebas Syarikat, PricewaterhouseCoopers LLP, atau firma akauntansi awam lain yang mungkin digunakan oleh Syarikat pada masa hadapan. Pekerja turut memahami bahawa penerima Data mungkin berada di Amerika Syarikat atau negara lain dan negara asal penerima Data (contohnya, Amerika Syarikat) mungkin mempunyai undang-undang data peribadi serta perlindungan yang berbeza daripada negara asal Pekerja. Pekerja memahami bahawa Pekerja boleh meminta satu senarai yang mengandungi nama dan alamat penerima-penerima Data yang berpotensi dengan menghubungi wakil sumber manusia tempatan Pekerja di Mondelez Sales Sdn

administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Employee's participation in the Plan. The Employee understands that Data will be held only as long as is necessary to implement, administer and manage the Employee's participation in the Plan. The Employee understands that the Employee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Employee's local human resources representative. Further, the Employee understands that he or she is providing the consents herein on a purely voluntary basis. If the Employee does not consent, or if the Employee later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected; the only consequence of refusing or withdrawing the Employee's consent is that the Company would not be able to grant the Employee Deferred Stock Units or other equity awards or administer or maintain such awards. The Employee also understands that the Company has no obligation to substitute other forms of awards or compensation in lieu of the Deferred Stock Units as a consequence of the Employee's refusal or withdrawal of his or her consent. Therefore, the Employee understands that refusing or withdrawing his or her consent may affect the Employee's ability to participate in the Plan. For more information on the consequences of the Employee's refusal to consent or withdrawal of consent, the Employee understands that he or she may contact his or her local human resources representative.

Bhd, Level 9, 1 First Avenue, 2A, Dataran Bandar Utama, Bandar Utama Damasara, 47800 Petaling Jaya, Selangor, Malaysia.

Pekerjadengan ini membenarkan Syarikat, UBS dan mana-mana pihak yang mungkin menerima Data yang mungkin membantu pihak Syarikat (sekarang atau pada masa hadapan) dengan melaksanakan, mentadbir dan menguruskan Pelan untuk menerima, mempunya, mengguna, menyimpan serta memindah Data tersebut, dalam bentuk elektronik atau lain-lain, bagi tujuan tunggal untuk melaksana, mentadbir dan mengurus penyertaan Pekerja dalam Pelan. Pekerja memahami bahawa Data hanya akan disimpan untuk tempoh yang diperlukan untuk melaksana, mentadbir, dan mengurus penyertaan Pekerja dalam Pelan. Pekerja memahami bahawa Pekerja boleh, pada bila-bila masa, melihat Data, meminta maklumat tambahan mengenai penyimpanan dan pemprosesan Data, meminta bahawa pindaan-pindaan dilaksanakan ke atas Data atau menolak atau menarik balik persetujuan dalam ini, dalam mana-mana kes tanpa sebarang kos, dengan menghubungi secara bertulis wakil sumber manusia tempatannya. Selanjutnya, Pekerja memahami bahawa Pekerja memberikan persetujuan di sini secara sukarela. Jikalau, Pekerja tidak bersetuju, atau sekiranaya Pekerja kemudiannya membatalkan persetujuannya, status pekerjaan atau perkhidmatan dan kerjaya Pekerja dengan Majikan tidak akan terjejas; satu-satunya akibat jika Pekerja tidak bersetuju atau menarik balik persetujuan Pekerja adalah bahawa Syarikat tidak akan dapat memberikan kepada Pekerja opsyen atau anugerah-anugerah ekuiti yang lain atau mentadbir atau mengekalkan anugerah tersebut. Pekerja turut memahami bahawa pihak Syarikat tidak mempunyai sebarang kewajiban untuk menggantikan bentuk anugerah yang lain atau memberikan sebarang bentuk kompensasi sebagai pengganti opsyen disebabkan keengganan atau penarikan balik persetujuan Pekerja. Oleh kerana itu, Pekerja memahami bahawa keengganan atau penarikan balik persetujuan Pekerja boleh menjejaskan keupayaan Pekerja untuk mengambil bahagian dalam Pelan. Untuk maklumat lanjut mengenai akibat keengganan Pekerja untuk memberikan keizinan atau penarikan balik keizinan, Pekerja memahami bahawa Pekerja boleh menghubungi wakil sumber manusia tempatannya.

NOTIFICATIONS

Director Notification Obligation. If the Employee is a director of the Company's Malaysian subsidiary or affiliate, the Employee is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the Malaysian subsidiary or affiliate in writing when the Employee receives or disposes of an interest (*e.g.*, Deferred Stock Units or shares of Common Stock) in the Company or any related company. Such notifications must be made within 14 days of receiving or disposing of any interest in the Company or any related company.

MEXICO

TERMS AND CONDITIONS

Labor Law Policy. In accepting the grant of the Deferred Stock Units, the Employee expressly recognizes that Mondelēz International, Inc., with registered offices at Three Parkway North, Deerfield, Illinois 60015, U.S.A., is solely responsible for the administration of the Plan and that the Employee's participation in the Plan and acquisition of shares of Common Stock do not constitute an employment relationship between the Employee and Mondelēz International, Inc. since the Employee is participating in the Plan on a wholly commercial basis and his or her sole Employer is Mondelez Mexico S. de R.L. de C.V., located at H. Congreso de la Union 5840, Colonia Tres Estrellas, Mexico City, CP 07820 Mexico. Based on the foregoing, the Employee expressly recognizes that the Plan and the benefits that he or she may derive from participating in the Plan do not establish any rights between the Employee and the Employer, Mondelez Mexico S. de R.L. de C.V., and do not form part of the employment conditions and/or benefits provided by Mondelez Mexico S. de R.L. de C.V., and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Employee's employment.

The Employee further understands that his or her participation in the Plan is as a result of a unilateral and discretionary decision of Mondelēz International, Inc.; therefore, Mondelēz International, Inc. reserves the absolute right to amend and/or discontinue the Employee's participation at any time without any liability to the Employee.

Plan Document Acknowledgment. By accepting the Deferred Stock Units, the Employee acknowledges that he or she has received copies of the Plan, has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement.

In addition, by accepting the Agreement, the Employee further acknowledges that he or she has read and specifically and expressly approves the terms and conditions in paragraph 13 of the Agreement ("Nature of the Grant."), in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) none of the Company or any Parent, Subsidiary or Affiliate is responsible for any decrease in the value of the shares of Common Stock underlying the Deferred Stock Units.

Finally, the Employee hereby declares that he or she does not reserve to him- or herself any action or right to bring any claim against Mondelēz International, Inc. for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and the Employee therefore grants a full and broad release to Mondelēz International, Inc., its affiliates, branches, representation offices, its shareholders, officers, agents or legal representatives with respect to any claim that may arise.

TÉRMINOS Y CONDICIONES

Política Laboral y Reconocimiento/Aceptación. Al aceptar el otorgamiento de las Acciones Diferidas, el Empleado expresamente reconoce que Mondelēz International, Inc., con domicilio registrado ubicado en Three Parkway North, Deerfield, Illinois 60015, U.S.A., es la única responsable por la administración del Plan y que la participación del Empleado en el Plan y en su caso la adquisición de Acciones no constituyen ni podrán interpretarse como una relación de trabajo entre el Empleado y Mondelēz International, Inc., ya que el Empleado participa en el Plan en un marco totalmente comercial y su único Patrón lo es Mondelez Mexico S. de R.L. de C.V. con domicilio en H. Congreso de la Union 5840, Colonia Tres Estrellas, Mexico, D.F. 07820 Mexico. Derivado de lo anterior, el Empleado expresamente reconoce que el Plan y los beneficios que pudieran derivar de la participación en el Plan no establecen derecho alguno entre el Empleado y el Patrón, Mondelez Mexico S. de R.L. de C.V. y no forma parte de las condiciones de trabajo y/o las prestaciones otorgadas por Mondelez Mexico S. de R.L. de C.V. y que cualquier modificación al Plan o su terminación no constituye un cambio o impedimento de los términos y condiciones de la relación de trabajo del Empleado.

Asimismo, el Empleado reconoce que su participación en el Plan es resultado de una decisión unilateral y discrecional de Mondelēz International, Inc.; por lo tanto, Mondelēz International, Inc. se reserva el absoluto derecho de modificar y/o terminar la participación del Empleado en cualquier momento y sin responsabilidad alguna frente el Empleado.

Reconocimiento del Plan de Documentos. Al aceptar el otorgamiento de las Acciones Diferidas, el Empleado reconoce que ha recibido copias del Plan, que ha revisado el Plan y el Acuerdo en su totalidad y que entiende y acepta completamente todas las disposiciones contenidas en el Plan y en el Acuerdo.

Adicionalmente, al aceptar el Acuerdo, el Empleado reconoce que ha leído y que aprueba específica y expresamente los términos y condiciones contenidos en el párrafo 13 del Acuerdo ("La Naturaleza del Otorgamiento") en el cual se encuentra claramente descrito y establecido lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el mismo es ofrecido por la Compañía de forma completamente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) ni la Compañíao cualqiuer Sociedad controlante, Subsidiaria o Filial son responsables por ninguna disminución en el valor de las Acciones subyacentes de las Acciones Diferidas.

Finalmente, el Empleado por este medio declara que no se reserve derecho o acción alguna que ejercitar en contra de Mondelēz International, Inc. por cualquier compensación o daño en relación con las disposiciones del Plan o de los beneficios derivados del Plan y por lo tanto, el Empleado otorga el más amplio finiquito que en derecho proceda a Mondelēz International, Inc., sus afiliadas, subsidiarias, oficinas de representación, sus accionistas, funcionarios, agentes o representantes legales en relación con cualquier demanda que pudiera surgir.

MOROCCO

TERMS AND CONDITIONS

Deferred Stock Units Payable Only in Cash. Notwithstanding any discretion in the Plan or anything to the contrary in the Agreement (including paragraph 7 of the Agreement), the grant of Deferred Stock Units does not provide any right for the Employee to receive shares of Common Stock upon the Vesting Date. Deferred Stock Units granted to Employees in Morocco shall be paid in cash in an amount equal to the value of the shares of Common Stock on the Vesting Date.

NETHERLANDS

TERMS AND CONDITIONS

Miscellaneous. The following provision replaces paragraph 21 of the Agreement:

In the event of any merger, share exchange, reorganization, consolidation, recapitalization, reclassification, distribution, stock dividend, stock split, reverse stock split, split-up, spin-off, issuance of rights or warrants or other similar transaction or event affecting the Common Stock after the date of this Grant, the Board of Directors of the Company or the Committee shall make adjustments to the number and kind of shares of Common Stock subject to this Grant, including, but not limited to, the substitution of equity interests in other entities involved in such transactions, to provide for cash payments in lieu of Deferred Stock Units, and to determine whether continued employment with any entity resulting from such a transaction will or will not be treated as continued employment with any member of the Mondelēz Group, in each case subject to any Board of Directors or Committee action specifically addressing any such adjustments, cash payments, or continued employment treatment.

For purposes of this Agreement, (a) the term "Disability" means permanent and total disability as determined under procedures established by the Company for purposes of the Plan, and (b) the term "Retirement" means, unless otherwise determined by the Committee in its sole discretion, retirement from active employment under a pension plan of the Mondelēz Group, an employment contract with any member of the Mondelēz Group, or a local labor contract, on or after the date specified as normal retirement age in the pension plan or employment contract, if any, under which the Employee is at that time accruing pension benefits for his or her current service (or, in the absence of a specified normal retirement age, the age at which pension benefits under such plan or contract become payable without reduction for early commencement and without any requirement of a particular period of prior service).

NEW ZEALAND

TERMS AND CONDITIONS

Notifications

Securities Law Information. WARNING: *The Employee is being offered Deferred Stock Units which allows the Employee to acquire shares of Common Stock in accordance with the terms of the Plan and the Agreement. The shares of Common Stock, if issued, give the Employee a stake in the ownership of the Company. The Employee may receive a return if dividends are paid.*

If the Company runs into financial difficulties and is wound up, the Employee will be paid only after all creditors and holders of preference shares have been paid. The Employee may lose some or all of his or her investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision.

The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, the Employee may not be given all the information usually required. The Employee will also have fewer other legal protections for this investment.

The Employee understands that he or she should ask questions, read all documents carefully, and seek independent financial advice before participating in the Plan.

The shares of Common Stock are quoted and approved for trading on the NASDAQ Global Select Market in the United States of America. This means that, if the Employee acquires shares of Common Stock under the Plan, the Employee may be able to sell his or her investment on the NASDAQ if there are interested buyers. The price will depend on the demand for the shares of Common Stock.

For information on risk factors impacting the Company's business that may affect the value of the shares of Common Stock, the Employee should refer to the risk factors discussion in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov, as well as on the Company's website at http://ir.mondelezinternational.com/sec.cfm.

NIGERIA

There are no country specific provisions.

NORWAY

There are no country specific provisions.

PAKISTAN

NOTIFICATIONS

Exchange Control Information. The Employee is required immediately to repatriate to Pakistan the proceeds from the sale of any Common Stock acquired from participation in Plan, including the proceeds from the sale of Common Stock acquired upon vesting of the Deferred Stock Units. The proceeds must be converted into local currency and the receipt of proceeds must be reported to the State Bank of Pakistan (the "SBP") by filing a "Proceeds Realization Certificate" issued by the bank converting the proceeds with the SBP. The repatriated amounts cannot be credited to a foreign currency account. The Employee should consult his or her personal advisor prior to repatriation of the sale proceeds to ensure compliance with applicable exchange control regulations in Pakistan, as such regulations are subject to frequent change. The Employee is responsible for ensuring compliance with all exchange control laws in Pakistan.

PERU

TERMS AND CONDITIONS

Labor Law Acknowledgement. The following provision supplements the acknowledgment contained in paragraph 12 of the Agreement:

By accepting the Deferred Stock Units, the Employee acknowledges, understands and agrees that the Deferred Stock Units are being granted *ex gratia* to the Employee with the purpose of rewarding him or her.

NOTIFICATIONS

Securities Law Information. The grant of Deferred Stock Units is considered a private offering in Peru; therefore, it is not subject to registration. For more information concerning this offer, please refer to the Plan, the Agreement and any other grant documents made available to you by the Company. For more information regarding the Company, please refer to the Company's most recent annual report on Form 10-K and quarterly report on Form 10-Q available at www.sec.gov.

PHILIPPINES

NOTIFICATIONS

Securities Law Information. This offering is subject to exemption from the requirements of securities registration with the Philippines Securities and Exchange Commission, under Section 10.1 (k) of the Philippine Securities Regulation Code.

THE SECURITIES BEING OFFERED OR SOLD HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE. ANY FURTHER OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.

For further information on risk factors impacting the Company's business that may affect the value of the shares of Common Stock, the Employee may refer to the risk factors discussion in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov, as well as on the Company's website at http://ir.mondelezinternational.com/sec.cfm. In addition, the Employee may receive, free of charge, a copy of the Company's Annual Report, Quarterly Reports or any other reports, proxy statements or communications distributed to the Company's stockholders by contacting Office of the Corporate Secretary, Mondelēz International, Inc., Three Parkway North, Deerfield, Illinois 60015, U.S.A.

The Employee acknowledges he or she is permitted to dispose or sell shares of Common Stock acquired under the Plan provided the offer and resale of such shares takes place outside the Philippines through the facilities of a stock exchange on which the shares of Common Stock are listed. The shares of Common Stock are currently listed on the NASDAQ Global Select Market in the United States of America.

POLAND

NOTIFICATIONS

Exchange Control Information. Polish resident who maintain bank or brokerage accounts holding cash and foreign securities (including shares of Common Stock) abroad must report information to the National Bank of Poland on transactions and balances of the securities deposited in such accounts if the value of such transactions or balances (calculated individually or together with other assets or liabilities held abroad) exceeds PLN 7,000,000. If required, the reports are due on a quarterly basis. Polish residents are also required to transfer funds through a bank account in Poland if the transferred amount in any single transaction exceeds a specified threshold (currently €15,000). Further, upon the request of a Polish bank, Polish residents are required to inform the bank about all foreign exchange transactions performed through such bank. In addition, Polish residents are required to store documents connected with any foreign exchange transaction for a period of five years from the date the transaction occurred.

PORTUGAL

TERMS AND CONDITIONS

Language Consent. The Employee hereby expressly declares that he or she has full knowledge of the English language and has read, understood and fully accepted and agreed with the terms and conditions established in the Plan and the Agreement.

Conhecimento da Lingua. *O Contratado, pelo presente instrumento, declara expressamente que tem pleno conhecimento da língua inglesa e que leu, compreendeu e livremente aceitou e concordou com os termos e condições estabelecidas no Plano e no Acordo de Atribuição ("Agreement" em inglês).*

NOTIFICATIONS

Exchange Control Information. If the Employee acquires shares of Common Stock under the Plan and does not hold the shares of Common Stock with a Portuguese financial intermediary, he or she may need to file a report with the Portuguese Central Bank. If the shares of Common Stock are held by a Portuguese financial intermediary, it will file the report for the Employee.

PUERTO RICO

There are no country specific provisions.

ROMANIA

NOTIFICATIONS

Exchange Control Information. If the Employee deposits proceeds from the sale of Common Stock in a bank account in Romania, the Employee may be required to provide the Romanian bank assisting with the transaction with appropriate documentation explaining the source of the income. The Employee should consult with a personal legal advisor to determine whether the Employee will be required to submit such documentation to the Romanian bank.

RUSSIA

TERMS AND CONDITIONS

U.S. Transaction. The Employee understands that acceptance of the grant of Deferred Stock Units results in a contract between the Employee and the Company completed in the United States and that the Agreement is governed by the laws of the Commonwealth of Virginia, without regard to choice of law principles thereof. Any Common Stock to be issued upon vesting of the Deferred Stock Units shall be delivered to the Employee through a brokerage account in the U.S. The Employee may hold the Common Stock in his or her brokerage account in the U.S.; however, in no event will Common Stock issued to the Employee under the Plan be delivered to the Employee in Russia. The Employee is not permitted to sell the Common Stock directly to other Russian legal entities or individuals.

Settlement of Deferred Stock Units and Sale of Shares. Notwithstanding anything to the contrary in the Agreement, depending on the development of local regulatory requirements, the Employee acknowledges that the Deferred Stock Units may be paid to the Employee in cash rather than shares of Common Stock. If shares of Common Stock are issued upon vesting of the Deferred Stock Units, in the Company's sole discretion, the shares may be required to be immediately sold. The Employee further agrees that the Company is authorized to instruct its designated broker to assist with any mandatory sale of such shares of Common Stock (on the Employee's behalf pursuant to this authorization) and the Employee expressly authorizes the Company's designated broker to complete the sale of such shares. Upon any such sale of the shares, the proceeds, less any Tax-Related Items and broker's fees or commissions, will be remitted to the Employee in accordance with any applicable exchange control laws and regulations.

Securities Law Information. The Employee acknowledges that the Agreement, the grant of Deferred Stock Units, the Plan and all other materials the Employee may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia and therefore, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia.

Data Privacy. The following provision supplements paragraph 14 of the Agreement:

The Employee understands and agrees that he or she must complete and return a Consent to Processing of Personal Data (the "Consent") form to the Company. Further, the Employee understands and agrees that if the Employee does not complete and return a Consent form to the Company, the Company will not be able to grant Deferred Stock Units to the Employee or other Grants or administer or maintain such Grants. Finally, the Employee understands that the Company has no obligation to substitute other forms of Grants or compensation in lieu of the Deferred Stock Units if the Employee fails to complete and return the Consent. Therefore, the Employee understands that refusing to complete a Consent form or withdrawing his or her consent may affect the Employee's ability to participate in the Plan.

NOTIFICATIONS

Exchange Control Information. Within a reasonably short time after the sale of shares of Common Stock acquired under the Plan, the cash proceeds must be initially credited to the Employee through a foreign currency account at an authorized bank in Russia. After the proceeds are initially received in Russia, they may be further remitted to foreign banks subject to the following limitations: (i) the foreign account may be opened only for individuals; (ii) the foreign account may not be used for business activities; and (iii) the Russian tax authorities must be given notice about the opening/closing of each foreign account within one month of the account opening/closing.

As an express statutory exception to this requirement, cash dividends paid on shares of Common Stock can be paid directly into a foreign bank or brokerage account opened with a foreign bank located in Organisation for Economic Cooperation Development ("OECD") or Financial Action Task Force ("FATF") countries without first remitting them to a bank account in Russia. Other statutory exceptions may also apply.

The Employee is strongly advised to contact his or her personal advisor before any Deferred Stock Units vest or shares of Common Stock are sold, as significant penalties may apply in the case of non-compliance with exchange control requirements, and because such exchange control requirements may change.

Labor Law Information. If the Employee continues to hold shares of Common Stock acquired at vesting of Deferred Stock Units after an involuntary termination of employment, the Employee will not be eligible to receive unemployment benefits in Russia.

Foreign Asset/Account Reporting Information. Russian residents are required to notify Russian tax authorities within one (1) month of opening, closing or changing the details of a foreign account. Russian residents also are required to report (i) the beginning and ending balances in such a foreign bank accounts each year and (ii) transactions related to such foreign accounts during the year to the Russian tax authorities, on or before June 1 of the following year. The tax authorities can require the Employee to provide appropriate supporting documents related to transactions in a foreign bank account. The Employee is encouraged to contact his or her personal advisor before remitting proceeds from participation in the Plan to Russia as exchange control requirements may change.

Anti-Corruption Information. Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (e.g., shares of foreign companies such as the Company). Accordingly, the Employee should inform the Company if the Employee is covered by these laws because the Employee should not hold shares of Common Stock acquired under the Plan.

SAUDI ARABIA

TERMS AND CONDITIONS

Deferred Stock Units Payable Only in Cash. Notwithstanding any discretion in the Plan or anything to the contrary in the Agreement (including paragraph 7 of the Agreement), the grant of Deferred Stock Units does not provide any right for the Employee to receive shares of Common Stock upon the Vesting Date. Deferred Stock Units granted to Employees in Saudi Arabia shall be paid in cash in an amount equal to the value of the shares of Common Stock on the Vesting Date less any Tax-Related Items.

NOTIFICATIONS

This document may not be distributed in the Kingdom except to such persons as are permitted (*e.g.*, Participants) under the Offers of Securities Regulations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If the Employee does not understand the contents of this document he or she should consult an authorized financial advisor.

SERBIA

NOTIFICATIONS

Exchange Control Information. Pursuant to the Law on Foreign Exchange Transactions, the Employee is permitted to acquire shares of Common Stock under the Plan, but a report may need to be made of the acquisition of such Common Stock, the value of the shares of Common Stock at vesting of the Deferred Stock Units and, on a quarterly basis, any changes in the value of the shares of Common Stock. An exemption from this reporting obligation may apply for Deferred Stock Units on the basis that the shares are acquired for no consideration. Because the exchange control regulations in Serbia may change without notice, the Employee should consult with his or her personal advisor with respect to all applicable reporting obligations.

SINGAPORE

TERMS AND CONDITIONS

Transfer Restrictions. The Employee understands that if he or she acquires shares of Common Stock under the Plan, the shares are subject to a six-month holding period during which time the Employee may not sell any shares of Common Stock acquired under the Plan unless such shares have been previously issued, are listed for quotation or quoted on the Singapore Exchange Securities Trading Limited ("SGX-ST") and are traded on the SGX-ST.

NOTIFICATIONS

Securities Law Information. The grant of Deferred Stock Units is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA") and is not made to the Employee with a view to the Deferred Stock Units being subsequently offered for sale to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Employee should note that the Deferred Stock Units are subject to section 257 of the SFA and the Employee will not be able to make any subsequent sale of the shares of Common Stock in Singapore, or any offer of such subsequent sale of the shares of Common Stock subject to the Grants in Singapore, unless such sale or offer in is made (i) after six months from the Grant Date or (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Chief Executive Officer and Director Notification Requirement. The chief executive officer ("CEO"), directors, associate directors and shadow directors of a Singapore subsidiary or affiliate are subject to certain notification requirements under the Singapore Companies Act. The CEO, directors, associate directors and shadow directors must notify the Singapore subsidiary or affiliate in writing of an interest (*e.g.*, Deferred Stock Units, shares of Common Stock, etc.) in the Company or any related companies within two business days of (i) its acquisition or disposal, (ii) any change in a previously disclosed interest (*e.g.,* when the shares of Common Stock are sold), or (iii) becoming the CEO or a director, associate director or shadow director.

SLOVAK REPUBLIC

There are no country specific provisions.

SLOVENIA

NOTIFICATIONS

Foreign Asset/Account Reporting Information. Slovenian residents may be required to report the opening of bank and/or brokerage accounts to tax authorities within eight (8) days of opening such account. The Employee should consult with his or her personal tax advisor to determine whether this requirement will be applicable to any accounts opened in connection with the Employee's participation in the Plan (e.g., the Employee's brokerage account with the Company's designated broker).

SOUTH AFRICA

TERMS AND CONDITIONS

Securities Law Notice. In compliance with South African Securities Law, the documents listed below are available for the Employee's review on the Company's public site or intranet site, as applicable, as listed below:

1. The Company's most recent Annual Report (Form 10-K): from the investor relations section of the Company's website at http://www.mondelezinternational.com/investors.
2. The Company's most recent Plan prospectus: a copy of which can be found on the Company's Intranet site located at: https://intranet.mdlz.com/sites/globalhr/comp/Pages/Legal-Documents.aspx.

The Employee acknowledges that he or she may have copies of the above documents sent to him or her, at no charge, on written request being mailed to Office of the Corporate Secretary, Mondelēz International, Inc., Three Parkway North, Deerfield, Illinois 60015 U.S.A. The telephone number at the executive offices is +1 847-943-4000.

Withholding Taxes. The following provision supplements paragraph 5 of the Agreement:

By accepting the Deferred Stock Units, the Employee agrees to notify the Employer of the amount of any gain realized upon vesting of the Deferred Stock Units. If the Employee fails to advise the Employer of the gain realized upon vesting of the Deferred Stock Units, he or she may be liable for a fine. The Employee will be responsible for paying any difference between the actual tax liability and the amount withheld.

Exchange Control Obligations. The Employee is solely responsible for complying with applicable South African exchange control regulations. Since the exchange control regulations change frequently and without notice, the Employee should consult his or her legal advisor prior to the acquisition or sale of the shares of Common Stock under the Plan to ensure compliance with current regulations. As noted, it is the Employee's responsibility to comply with South African exchange control laws, and neither the Company nor the Employer will be liable for any fines or penalties resulting from failure to comply with applicable laws.

NOTIFICATIONS

Exchange Control Information. Under current South African exchange control policy, if the Employee is a South African resident, he or she may invest a maximum of ZAR11,000,000 per annum in offshore investments, including in shares of Common Stock. The first ZAR1,000,000 annual discretionary allowance requires no prior authorization. The next ZAR10,000,000 requires tax clearance. This limit does not apply to non-resident employees. It is the Employee's responsibility to ensure that he or she does not exceed this limit and obtains the necessary tax clearance for remittances exceeding ZAR1,000,000. The Employee should note that this is a cumulative allowance and that his or her ability to remit funds for the purchase of shares of Common Stock will be reduced if the Employee's foreign investment limit is utilized to make a transfer of funds offshore that is unrelated to the Plan. There is no repatriation requirement on the sale proceeds if the ZAR11,000,000 limit is not exceeded.

SOUTH KOREA

NOTIFICATIONS

Exchange Control Information. Exchange control laws require South Korean residents who realize US$500,000 or more from the sale of shares of Common Stock or the receipt of dividends paid on such shares of Common Stock in a single transaction to repatriate the proceeds to South Korea within three years of receipt.

Foreign Asset/Account Reporting Information. South Korean residents must declare all foreign financial accounts (*e.g.*, non-South Korean bank accounts, brokerage accounts, etc.) to the South Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds KRW 1 billion (or an equivalent amount in foreign currency) on any month-end date during a calendar year. The Employee should consult with his or her personal tax advisor to determine how to value the Employee's foreign accounts for purposes of this reporting requirement and whether the Employee is required to file a report with respect to such accounts.

SPAIN

TERMS AND CONDITIONS

Nature of Grant. The following provision supplements paragraph 13 of the Agreement:

In accepting the Deferred Stock Units, the Employee consents to participation in the Plan and acknowledges that he or she has received a copy of the Plan.

The Employee understands and agrees that, as a condition of the grant of the Deferred Stock Units, except as provided for in paragraph 2 of the Agreement, the termination of the Employee's employment for any reason (including for the reasons listed below) will automatically result in the loss of the Deferred Stock Units that may have been granted to the Employee and that have not vested on the date of termination.

In particular, the Employee understands and agrees that any unvested Deferred Stock Units as of Employee's termination date will be forfeited without entitlement to the underlying shares of Common Stock or to any amount as indemnification in the event of a termination by reason of, including, but not limited to: resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without good cause (i.e., subject to a "despido improcedente"), individual or collective layoff on objective grounds, whether adjudged to be with cause or adjudged or recognized to be without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer, and under Article 10.3 of Royal Decree 1382/1985.

Furthermore, the Employee understands that the Company has unilaterally, gratuitously and discretionally decided to grant the Deferred Stock Units under the Plan to individuals who may be employees of the Mondelēz Group. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Mondelēz Group on an ongoing basis other than to the extent set forth in the Agreement. Consequently, the Employee understands that the Deferred Stock Units are granted on the assumption and condition that the Deferred Stock Units and the shares of Common Stock issued upon vesting shall not become a part of any employment or contract (with the Mondelēz Group, including the Employer) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Furthermore, the Employee understands and freely accepts that there is a no guarantee that any benefit whatsoever will arise from the Deferred Stock Units, which is gratuitous and discretionary, since the future value of the underlying shares of Common Stock is unknown and unpredictable. In addition, the Employee understands that the grant of the Deferred Stock Units would not be made to the Employee but for the assumptions and conditions referred to above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant to the Employee of the Deferred Stock Units shall be null and void.

NOTIFICATIONS

Securities Law Information. No “offer of securities to the public”, as defined under Spanish law, has taken place or will take place in the Spanish territory. The Agreement (including this Appendix) has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Exchange Control Information. The Employee must declare the acquisition, ownership and disposition of shares of Common Stock to the Spanish Dirección General de Comercio e Inversiones (the “DGCI”) of the Ministry of Economy and Competitiveness on a Form D-6. Generally, the declaration must be made in January for shares of Common Stock owned as of December 31 of the prior year and/or shares of Common Stock acquired or disposed of during the prior year; however, if the value of the shares of Common Stock acquired or disposed of or the amount of the sale proceeds exceeds €1,502,530 (or if the Employee holds 10% or more of the share capital of the Company), the declaration must be filed within one month of the acquisition or disposition, as applicable.

In addition, the Employee is required to declare electronically to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including any shares of Common Stock acquired under the Plan) and any transactions with non-Spanish residents (including any payments of shares of Common Stock made to the Employee by the Company) depending on the value of such accounts and instruments and the amount of the transactions during the relevant year as of December 31 of the relevant year.

Foreign Asset/Accounting Reporting Information. If the Employee holds rights or assets (*e.g.*, shares of Common Stock or cash held in a bank or brokerage account) outside Spain with a value in excess of €50,000 per type of right or asset (*e.g.*, shares of Common Stock, cash, etc.) as of December 31 each year, the Employee is required to report certain information regarding such rights and assets on tax form 720. After such rights and/or assets are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously-reported rights or assets increases by more than €20,000, or if ownership of the asset is transferred or relinquished during the year. If the value of such rights and/or assets does not exceed €50,000, a summarized form of declaration may be presented. The reporting must be completed by the March 31 each year. The Employee should consult his or her personal tax advisor for details regarding this requirement.

SWAZILAND

There are no country specific provisions.

SWEDEN

There are no country specific provisions.

SWITZERLAND

NOTIFICATIONS

Securities Law Information. The offer of Deferred Stock Units is considered a private offering in Switzerland and is therefore not subject to registration in Switzerland. Neither this document nor any other materials relating to the Deferred Stock Units constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, and neither this document nor any other materials relating to the Deferred Stock Units may be publicly distributed nor otherwise made publicly available in Switzerland. Neither this document nor any other offering or marketing material relating to the Deferred Stock Units have been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Market Supervisory Authority (FINMA)).

TAIWAN

TERMS AND CONDITIONS

Data Privacy Consent. The Employee hereby acknowledges that he or she has read and understood the terms regarding collection, processing and transfer of Data contained in paragraph 14 of the Agreement and by participating in the Plan, the Employee agrees to such terms. In this regard, upon request of the Company or the Employer, the Employee agrees to provide an executed data privacy consent form to the Employer or the Company (or any other agreements or consents that may be required by the Employer or the Company) that the Company and/or the Employer may deem necessary to obtain under the data privacy laws in the Employee's country, either now or in the future. The Employee understands he or she will not be able to participate in the Plan if the Employee fails to execute any such consent or agreement.

NOTIFICATIONS

Securities Law Information. The Deferred Stock Units and the shares of Common Stock to be issued pursuant to the Plan are available only to employees of the Mondelēz Group. The grant of Deferred Stock Units does not constitute a public offer of securities.

Exchange Control Information. The Employee may acquire and remit foreign currency (including proceeds from the sale of shares of Common Stock) into and out of Taiwan up to US$5,000,000 per year. If the transaction amount is TWD$500,000 or more in a single transaction, the Employee must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank. The Employee should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

THAILAND

NOTIFICATIONS

Exchange Control Information. If the proceeds from the sale of shares of Common Stock are equal to or greater than US$50,000 in a single transaction, the Employee must repatriate all cash proceeds to Thailand immediately following the receipt of the cash proceeds and then either convert such proceeds to Thai Baht or deposit the proceeds into a foreign currency account opened with a commercial bank in Thailand within 360 days of repatriation. In addition, the Employee must specifically report the inward remittance to the Bank of Thailand on a foreign exchange transaction form. If the Employee fails to comply with these obligations, the Employee may be subject to penalties assessed by the Bank of Thailand.

The Employee should consult his or her personal advisor prior to taking any action with respect to remittance of proceeds from the sale of shares of Common Stock into Thailand. The Employee is responsible for ensuring compliance with all exchange control laws in Thailand.

TURKEY

NOTIFICATIONS

Securities Law Information. Under Turkish law, the Employee is not permitted to sell shares of Common Stock acquired under the Plan in Turkey. The shares of Common Stock are currently traded on the NASDAQ Global Select Market, which is located outside Turkey and the shares of Common Stock may be sold through this exchange.

Exchange Control Information. The Employee may be required to engage a Turkish financial intermediary to assist with the sale of shares of Common Stock acquired under the Plan. To the extent a Turkish financial intermediary is required in connection with the sale of any Shares acquired under the Plan, the Employee is solely responsible for engaging such Turkish financial intermediary. The Employee should consult his or her personal legal advisor prior to the vesting of the Deferred Stock Units or any sale of shares of Common Stock to ensure compliance with the current requirements.

UKRAINE

TERMS AND CONDITIONS

Deferred Stock Units Payable Only in Cash. Notwithstanding any discretion in the Plan or anything to the contrary in the Agreement (including paragraph 7 of the Agreement), the grant of Deferred Stock Units does not provide any right for the Employee to receive shares of Common Stock upon the Vesting Date. Deferred Stock Units granted to Employees in Ukraine shall be paid in cash in an amount equal to the value of the shares of Common Stock on the Vesting Date.

NOTIFICATIONS

Exchange Control Information. The Employee is solely responsible for complying with applicable Ukraine exchange control regulations. Since the exchange control regulations change frequently and without notice, the Employee should consult his or her legal advisor prior to the acquisition or sale of shares of Common Stock under the Plan to ensure compliance with current regulations. As noted, it is the Employee's responsibility to comply with the Ukraine exchange control laws, and the Mondelēz Group will not be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

UNITED ARAB EMIRATES

NOTIFICATIONS

Securities Law Information. Participation in the Plan is being offered only to selected Employees and is in the nature of providing equity incentives to Employees in the United Arab Emirates. The Plan and the Agreement are intended for distribution only to such Employees and must not be delivered to, or relied on by, any other person. Prospective purchasers of the securities offered should conduct their own due diligence on the securities.

If the Employee does not understand the contents of the Plan and the Agreement, the Employee should consult an authorized financial adviser. The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with the Plan. Neither the Ministry of Economy nor the Dubai Department of Economic Development have approved the Plan or the Agreement nor taken steps to verify the information set out therein, and have no responsibility for such documents.

UNITED KINGDOM ("U.K.")

TERMS AND CONDITIONS

Miscellaneous. The following provision replaces paragraph 21 of the Agreement:

In the event of any merger, share exchange, reorganization, consolidation, recapitalization, reclassification, distribution, stock dividend, stock split, reverse stock split, split-up, spin-off, issuance of rights or warrants or other similar transaction or event affecting the Common Stock after the date of this Grant, the Board of Directors of the Company or the Committee shall make adjustments to the number and kind of shares of Common Stock subject to this Grant, including, but not limited to, the substitution of equity interests in other entities involved in such transactions, to provide for cash payments in lieu of Deferred Stock Units, and to determine whether continued employment with any entity resulting from such a transaction will or will not be treated as continued employment with any member of the Mondelēz Group, in each case subject to any Board of Directors or Committee action specifically addressing any such adjustments, cash payments, or continued employment treatment.

For purposes of this Agreement, (a) the term "Disability" means permanent and total disability as determined under procedures established by the Company for purposes of the Plan, and (b) the term "Retirement" means, unless otherwise determined by the Committee in its sole discretion, retirement from active employment under a pension plan of the Mondelēz Group, an employment contract with any member of the Mondelēz Group, or a local labor contract, on or after the date specified as normal retirement age in the pension plan or employment contract, if any, under which the Employee is at that time accruing pension benefits for his or her current service (or, in the absence of a specified normal retirement age, the age at which pension benefits under such plan or contract become payable without reduction for early commencement and without any requirement of a particular period of prior service).

Withholding Taxes. The following provision supplements paragraph 5 of the Agreement:

If payment or withholding of income tax is not made within 90 days of the end of the U.K. tax year (April 6 - April 5) in which the event giving rise to the liability for income tax occurs or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date"), the amount of any uncollected income tax will constitute a loan owed by the Employee to the Employer, effective on the Due Date. The Employee agrees that the loan will bear interest at the then-current Official Rate of Her Majesty's Revenue and Customs ("HMRC"), it will be immediately due and repayable, and the Company or the Employer may recover it at any time thereafter by any of the means referred to in paragraph 5 of the Agreement. Notwithstanding the foregoing, if the Employee is a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the Employee will not be eligible for such a loan to cover the income tax liability. In the event that the Employee is a director or executive officer and the income tax is not collected from or paid by the Employee by the Due Date, the amount of any uncollected income tax liability may constitute a benefit to the Employee on which additional income tax and national insurance contributions may be payable. The Employee acknowledges that Employee ultimately may be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company or the Employer may recover by any of the means referred to in paragraph 5 of the Agreement.

In addition, the Employee agrees that the Company and/or the Employer may calculate the Tax-Related Items to be withheld and accounted for by reference to the maximum applicable rates, without prejudice to any right the Employee may have to recover any overpayment from the relevant tax authorities.

UNITED STATES

NOTIFICATIONS

Exchange Control Information. If the Employee holds assets (*i.e*., Deferred Stock Units or Common Stock) or other financial assets in an account outside the United States and the aggregate amount of said assets is US$10,000 or more, the Employee is required to submit a report of Foreign Bank and Financial Account with the United States Internal Revenue Service by June 30 of the year following the year in which the assets in the Employee's account meet the US$10,000 threshold.

URUGUAY

There are no country specific provisions.

VENEZUELA

TERMS AND CONDITIONS

Investment Representation. As a condition of the grant of the Deferred Stock Units, the Employee acknowledges and agrees that any shares of Common Stock the Employee may acquire upon the settlement of the Deferred Stock Units are acquired as and intended to be an investment rather than for the resale of the shares of Common Stock and conversion of shares into foreign currency.

Exchange Control Information. Exchange control restrictions may limit the ability to vest in the Deferred Stock Units or remit funds into Venezuela following the receipt of the cash proceeds from the sale of shares of Common Stock acquired upon settlement of the Deferred Stock Units under the Plan. The Company reserves the right to further restrict the settlement of the Deferred Stock Units, or to amend or cancel the Deferred Stock Units at any time, in order to comply with the applicable exchange control laws in Venezuela. The Employee is responsible for complying with exchange control laws in Venezuela and neither the Company nor the Employer will be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws. Because exchange control laws and regulations change frequently and without notice, the Employee should consult with his or her personal legal advisor before accepting the Deferred Stock Units to ensure compliance with current regulations.

NOTIFICATIONS

Securities Law Information. The Deferred Stock Units granted under the Plan and the shares of Common Stock issued under the Plan are offered as a personal, private, exclusive transaction and are not subject to Venezuelan government securities regulations.

VIETNAM

TERMS AND CONDITIONS

Deferred Stock Units Payable Only in Cash. Notwithstanding any discretion in the Plan or anything to the contrary in the Agreement (including paragraph 7 of the Agreement), the grant of Deferred Stock Units does not provide any right for the Employee to receive shares of Common Stock upon the Vesting Date. Deferred Stock Units granted to Employees in Vietnam shall be paid in cash in an amount equal to the value of the shares of Common Stock on the Vesting Date less any Tax-Related Items.

Exhibit 10.31

Mondelēz Global LLC
East Hanover, NJ 07936 USA

mondelezinternational.com

PRIVATE AND CONFIDENTIAL

Mr. Glen Walter

October 15, 2017

OFFER LETTER

Dear Glen,

I am very pleased to provide you with this offer letter setting forth the terms of your offer of employment ("Offer Letter"). It confirms the verbal offer previously extended to you for the position of Executive Vice President and President North America, Mondelēz Global LLC (the "Company") reporting to the Chief Executive Officer, Mondelez International, Inc. This position is located in our North America Headquarters in East Hanover, New Jersey. Your employment commencement date will be as soon practicable.

Your annualized target compensation opportunity will be as follows:

Annualized Compensation (Target Opportunity)	
Annual Base Salary	$725,000
Annual Incentive Plan (Target—90%*)	$652,500
Target Annual Long-Term Incentive Range**	$1,050,000—$2,100,000—$3,150,000
Total Target Compensation Opportunity	$2,427,500—$3,477,500—$4,527,500

* Target as a percent of Annual Base Salary.

** The value of the long-term incentive grants reflects the range (i.e., minimum, midpoint and maximum) for the target value of your annual equity grants. The actual number of shares, units, or options will be determined pursuant to the Company's specific valuation methodology (e.g., Black-Scholes value for stock options).

Your Annual Base Salary will be subject to an annual review by the Board and adjustment in the Board's sole discretion.

Annual Incentive Plan

You will be eligible to participate in the Mondelēz International Management Incentive Plan (the “MIP”), the Company’s annual incentive program. Your target award opportunity under the MIP is equal to 90% of your Annual Base Salary. The actual amount you receive may be lower or higher, depending on your individual performance and the Company’s overall performance during the year. The maximum award under this program for 2017 is 200% of your target opportunity. The Company reserves the right to change the maximum award annually.

For the 2017 MIP plan year ending on December 31, 2017, your award will be prorated based on your date of hire. Your actual award will ultimately be determined based on your individual performance during your period of employment and the Company’s actual overall performance for the full 2017 plan year.

Long-Term Incentives (Annual Equity Program)

You will be eligible to fully participate in the Company’s annual equity program. Equity grants are typically made annually in February. For 2017, grants were delivered with 75% of the grant value in performance share units and 25% of the grant value in stock options (with the actual number of shares, units, or options determined pursuant to the Company’s specific valuation methodology). Your first full grant under the Company’s standard annual equity program will be awarded to you in February 2018.

All equity grants are subject to the terms and conditions of the Company’s Amended and Restated 2005 Performance Incentive Plan (“Plan”) and the applicable annual grant agreements. The annual equity program described above is based on our current design and the Company reserves the right to change the annual equity program at any time.

Sign-On Award

As part of your offer of employment, on your date of hire you will receive a sign-on equity grant with a value of $2,500,000. The equity grant will be take the form of deferred stock units that vest 100% on the third anniversary of your date of hire. Other than the vesting schedule specified here, these deferred stock units will be subject to all other terms and conditions set forth in the Plan and the Company’s standard Global Deferred Stock Unit Agreement as in effect on the date hereof.

Executive Deferred Compensation Plan

You will be eligible to participate in the Executive Deferred Compensation Plan. This program allows you to voluntarily defer a portion of your salary and/or your annual incentive award to a future date. Additional information about this program is available upon request.

Severance; Change in Control Plan

From your date of hire, you will be a participant in the Mondelēz International, Inc. Change in Control Plan for Key Executives (the "CIC Plan"). The CIC Plan provides certain benefits upon an involuntary termination without Cause or voluntary termination for Good Reason following a Change in Control. A copy of the CIC Plan will be separately provided.

For purposes of this Offer Letter:

- "Cause" has the meaning set forth in the CIC Plan.
- "Good Reason" has the meaning set forth in the CIC Plan.

Stock Ownership Guidelines

You will be required to attain and hold Company stock equal in value to four (4) times your annual base salary established at your date of hire. Under current guidelines, you will have five years from your date of hire to achieve this level of ownership. Stock held for ownership determination includes common stock held directly or indirectly and unvested deferred stock units. It does not include stock options or unvested performance share units. The Company reserves the right to change the guidelines at any time.

You will also be required to hold for a period of at least one year the "net" shares received upon vesting in the case of deferred stock units or performance share units or exercise in the case of stock options, from the respective vesting or exercise dates.

Net shares are the number of shares resulting from the vesting of deferred stock units or performance share units or the exercise of stock options reduced by the number of shares required to satisfy any applicable tax withholding or costs associated with the respective vesting or exercise.

Other Benefits

If your employment with the Company ends due to an involuntary termination other than for Cause (as defined above), you will receive severance arrangements no less favorable than those accorded recently terminated senior executives of the Company. For the avoidance of doubt, "senior executives" as referenced in this section shall exclude legacy Cadbury executives.

If your previous employer will not support your relocation back to the US, you will be eligible for relocation benefits for your move to the New York/New Jersey metropolitan area pursuant to the Company's standard relocation policy for executives at your level.

If you require it, you will receive international tax preparation services for up to 3 calendar years through the Company's expatriate tax preparation services provider, KPMG. The cost of such tax preparation services shall not count against any reimbursement under the Company's discretionary financial planning program described below.

Under the current policies in place, which are subject to change, you will be eligible for the Company's discretionary financial planning program, which reimburses you up to $7,500 per year for eligible financial planning expenses, and car allowance program, which provides a car allowance of up to $15,000 per year.

You will be eligible for Mondelēz Global LLC's comprehensive benefits package available to full-time salaried U.S. employees. You will be eligible for 30 days of paid time off annually. Details and terms of these comprehensive benefits will be provided separately.

Restrictive Covenants

As a condition to this offer of employment and corresponding consideration, you agree to the terms and conditions of the Confidential Information, Intellectual Property and Restrictive Covenants Agreement (the "Covenant Agreement") attached hereto as **Appendix A** and will acknowledge such Covenant Agreement by signing the Covenant Agreement simultaneously with this offer of employment.

Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")

No amount hereunder or under any other agreement that is subject to Code Section 409A ("Section 409A") shall be payable upon a termination of your employment unless such termination constitutes a "separation from service" with the Company under Section 409A. To the maximum extent permitted by applicable law, amounts payable to you pursuant to this Offer Letter shall be made in reliance upon the exception for certain involuntary terminations under a separation pay plan or as short-term deferral under Section 409A. For purposes of Section 409A, your right to receive any installment payments shall be treated as a right to receive a series of separate and distinct payments. To the extent any amount payable to you is subject to your entering into a release of claims with the Company and any such amount is a deferral of compensation under Section 409A and which amount could be payable to you in either of two taxable years, such payments shall be made or commence, as applicable, on the first date otherwise payable but in the later such taxable year and shall include all payments that otherwise would have been made before such date.

If you are a "specified employee" (within the meaning of Section 409A) as of your separation from service (within the meaning of Section 409A): (a) payment of any amounts under this Offer Letter (or under any severance arrangement pursuant to this Offer Letter) which the Company determines constitute the payment of nonqualified deferred compensation (within the meaning of Section 409A) and which would otherwise be paid upon your separation from service shall not be paid before the date that is six months after the date of your separation from service and any amounts that cannot be paid by reason of this limitation shall be accumulated and paid on the earlier of (x) your death and (y) the first day of the seventh month (or as soon as administratively possible thereafter) following the date of your separation from service (within the meaning of Section 409A); and (b) any welfare or other benefits (including under a severance arrangement) which the Company determines constitute the payment of nonqualified deferred compensation (within the meaning of Section 409A) and which would otherwise be provided upon your separation from service shall be provided at your sole cost during the first six-month period after your separation from service and, on the first day of the seventh month following your separation from service (or as soon as administratively possible), the Company shall reimburse you for the portion of such costs that would have been payable by the Company for that period if you were not a specified employee.

Payment of any reimbursement amounts and the provision of benefits by the Company pursuant to this Offer Letter (including any reimbursements or benefits to be provided pursuant to a severance arrangement) which the Company determines constitute nonqualified deferred compensation (within the meaning of Section 409A) shall be subject to the following:

(i) the amount of the expenses eligible for reimbursement or the in-kind benefits provided during any calendar year shall not affect the amount of the expenses eligible for reimbursement or the in-kind benefits to be provided in any other calendar year;

(ii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the calendar year in which the expense was incurred; and

(iii) your right to reimbursement or in-kind benefits is not subject to liquidation or exchange for any other benefit.

The parties hereto intend that all compensation, benefits and other payments made to you hereunder will be provided or paid to you in compliance with all applicable provisions, or an exemption or exception from the applicable provisions of Section 409A and the regulations and rulings issued thereunder, and the rulings, notices and other guidance issued by the Internal Revenue Service interpreting the same, and this Offer Letter shall be construed and administered in accordance with such intent. The parties also agree that this Offer Letter may be modified, as reasonably agreed by the parties, to the extent necessary to comply with all applicable requirements of, and to avoid the imposition of additional tax, interest and penalties under Section 409A in connection with the compensation, benefits and other payments to be provided or paid to you hereunder. Any such modification shall maintain the original intent and benefit to the Company and you of the applicable provision of this Offer Letter, to the maximum extent possible without violating Section 409A.

Mondelēz Global LLC
East Hanover, NJ 07936 USA

mondelezinternational.com

Other Terms and Conditions

You will be a U.S. employee of Mondelēz Global LLC and your employment status will be governed by and shall be construed in accordance with the laws of the United States. As such, your status will be that of an "at will" employee. This means that either you or Company is free to terminate the employment relationship at that time, for any reason, subject to your entitlements pursuant to this Offer Letter or any other plan or agreement applicable to a termination of your employment.

This offer is contingent upon successful completion of our pre-employment checks. These include:

1. a background check. The background screen is an investigative consumer report. Under the Fair Credit Reporting Act, you have the right to make a written request for information about the nature and scope of this report. If you wish to make such a request, you may direct your letter to my attention. You are also entitled to receive a written summary of your rights under the Fair Credit Reporting Act.
2. post-offer drug screen via current Company protocols and
3. proof of eligibility to work in the United States.

If you accept our offer, please sign below and return the signed letter to my attention at dpendleton@mdlz.com. Once your date of hire is established, you will be provided information about the arrangements for your post offer drug screen and the required documents for verifying your eligibility to work in the United States.

Should you have any questions concerning this information, please contact me.

/s/ David H. Pendleton	December 15, 2017
David H. Pendleton SVP Total Rewards & HR Solutions Mondelēz Global LLC	Date

I have read the above terms and conditions and, by signing below, do accept this offer. This letter does not, in any way, constitute an express or implied contract for employment.

/s/ Glen Walter	December 15, 2017
Glen Walter	Date

[Signature Page to Mr. Glen Walter Offer Letter]

Mondelēz Global LLC
East Hanover, NJ 07936 USA

mondelezinternational.com

APPENDIX A

CONFIDENTIAL INFORMATION, INTELLECTUAL PROPERTY AND RESTRICTIVE COVENANTS AGREEMENT

This Confidential Information, Intellectual Property and Restrictive Covenants Agreement ("Covenant Agreement") is made between the person specified in that certain offer of employment ("Executive") and Mondelēz International, Inc. (and any currently or previously-affiliated companies, parent companies, successors or predecessors, including Mondelēz Global LLC, Kraft Foods Inc., Kraft Foods Group, Inc., and Kraft Foods Global, Inc., hereafter, collectively, "MG").

WHEREAS, this Covenant Agreement is an extension of and incorporated into the offer of employment between Executive and MG under which MG desires and agrees to employ Executive and Executive desires and agrees to be employed by MG (the "Offer Letter"); and

WHEREAS, as part of performing Executive's responsibilities for MG, Executive will have access to MG's Confidential Information (as defined in Paragraph 2(a) below) and Intellectual Property (as defined in Paragraph 3(a) below).

NOW, THEREFORE, for good and valuable consideration, including the promises and covenants contained in this Covenant Agreement, including monetary consideration, Executive's employment with MG and Executive's access to and use of MG's Confidential Information and Intellectual Property, MG and Executive hereby agree as follows:

1. **Consideration.** In addition to Executive's employment with MG and Executive's access to and use of MG's Confidential Information, as consideration for this Covenant Agreement, MG will provide Executive with such consideration described in the Offer Letter, including, but not limited to, any sign on incentives and participation in the annual incentive plan and equity program. This Covenant Agreement shall control over any inconsistency with any other plan, program, practice or agreement providing for any covenant or restriction provided herein (and such other plan, program, practice or agreement shall be disregarded unless Executive agrees in writing that such other plan, program, practice or agreement controls).

2. **Confidential Information.**

(a) Executive recognizes that MG derives economic value from information and trade secrets created (whether by Executive or others) and used in MG's business which is not generally known by the public, including but not limited to certain sales, marketing, strategy, financial, product, personnel, manufacturing, technical and other proprietary information and material ("Confidential Information") which are the property of MG. Executive understands that this list is not exhaustive, and that Confidential Information also includes other information that is marked or otherwise identified as confidential or proprietary, or that would otherwise appear to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used. Executive expressly acknowledges and agrees that, by virtue of Executive's employment with MG, Executive will have access to and will use certain Confidential Information and that such Confidential Information constitutes MG's trade secrets and confidential and proprietary business information, all of which is MG's exclusive property. For purposes of this Covenant Agreement, Confidential Information does not include information that is or may become known to Executive or to the public from sources outside MG and through means other than a breach of this Covenant Agreement.

(b) Executive further understands and acknowledges that this Confidential Information and MG's ability to reserve it for the exclusive knowledge and use of MG is of great competitive importance and commercial value to MG. Executive agrees that Executive will treat all Confidential Information as strictly confidential and Executive will not, and will not permit any other person or entity to, directly or indirectly, without the prior written consent of MG: (i) use Confidential Information for the benefit of any person or entity other than MG; (ii) remove, copy, duplicate or otherwise reproduce any document or tangible item embodying or pertaining to any of the Confidential Information, except as required to perform Executive's responsibilities for MG; and (iii) while employed and thereafter, publish, release, disclose, deliver or otherwise make available to any third party any Confidential Information by any communication, including oral, documentary, electronic or magnetic information transmittal device or media. Notwithstanding the foregoing, Executive shall be permitted to disclose Confidential Information to the extent (x) required by law, subpoena, or applicable government or regulatory authority or (y) appropriate in connection with a legal dispute. To the extent legally permissible, executive shall promptly provide written notice of any such subpoena or order to MG's legal department.

(c) Executive agrees and understands that the obligations under this Covenant Agreement with regard to the non-disclosure and non-use of particular Confidential Information shall commence immediately upon Executive first having access to Confidential Information (whether before or after Executive begins employment with MG) and shall continue to exist during and after Executive's employment with MG for so long as such information remains Confidential Information and is not public knowledge other than as a result of the Executive's breach of this Covenant Agreement or breach by those acting in concert with Executive or on Executive's behalf. Nothing in this Agreement shall be construed to prohibit Executive from reporting conduct to, providing truthful information to, or participating in any investigation or proceeding conducted by any federal, state or local government agency or self-regulatory organization.

(d) Executive understands that improper use or disclosure of the Confidential Information by Executive will cause MG to incur financial costs, loss of business advantage, liability under confidentiality agreements with third parties, civil damages and criminal penalties.

(e) Protected Rights. Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission, or any other federal, state or local governmental agency or commission ("Government Agencies"). Executive further understands that this Agreement does not limit Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. This Agreement does not limit Executive's right to receive an award for information provided to any Government Agencies.

3. **Intellectual Property.**

(a) Disclosure and Assignment. Executive agrees to make prompt written disclosure to MG, to hold in trust for the sole right and benefit of MG, and to assign to MG all Executive's right, title and interest in and to any patents, trademarks, copyrights, ideas, inventions (whether not patented or patentable), original works of authorship (published or not), developments, improvements or trade secrets which Executive may solely or jointly conceive or reduce to practice, or cause to be conceived or reduced to practice, during the period of Executive's employment with MG and relating in any way to the business or contemplated business, research or development of MG (regardless of when or where the Intellectual Property is prepared or whose equipment or other resources is used in preparing the same) (collectively "Intellectual Property"). Executive recognizes, provided prompt and full disclosure by Executive to MG, that this Covenant Agreement will not be deemed to require assignment of any invention which was developed entirely on Executive's own time without using MG's equipment, supplies, facilities or trade secrets and neither relates to MG's actual or anticipated business, research or development, nor resulted from work performed by Executive (solely or jointly with others) for MG.

(b) Original Works. Executive acknowledges that all original works of authorship which have been or are made by Executive (solely or jointly with others) within the scope of Executive's employment with MG and which are protectable by copyright are the property of MG. To the extent that any such original works have not already been transferred to or owned by MG, Executive hereby assigns all of Executive's right, title and interest in those works to MG.

(c) Cooperation. Executive agrees to assist MG in every reasonable and proper way to obtain and enforce United States and foreign proprietary rights relating to any and all patents, trademarks, inventions, original works of authorship, developments, improvements or trade secrets of MG in any and all countries. Executive will execute, verify and deliver (i) such documents and perform such other acts (including appearing as a witness) as MG may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such proprietary rights and the assignment thereof, and (ii) assignments of such proprietary rights to MG or its designee. Executive's obligation to assist MG with respect to proprietary rights in any and all countries shall continue beyond the termination of employment.

(d) Other Obligations. In addition to Executive's other obligations under this Paragraph 3, Executive shall promptly disclose to MG fully and in writing all patent applications filed by Executive or on Executive's behalf. At the time of each such disclosure, Executive shall advise MG in writing of any inventions that Executive believes are not required to be assigned pursuant to this Paragraph. Executive shall at that time provide to MG in writing all evidence necessary to substantiate that belief. Executive understands that MG will keep in confidence, will not disclose to third parties and will not use for any unauthorized purpose without Executive's consent, any proprietary information disclosed in writing to MG pursuant to this Covenant Agreement relating to inventions that are not required to be assigned pursuant to this subparagraph 3(d) and which were created or developed by Executive after termination of Executive's employment. Executive will preserve the confidentiality of any such invention that is or may be required to be assigned, in whole or in part, pursuant to this Paragraph 3. Executive agrees to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by MG) of all proprietary information developed by Executive and all inventions made by Executive during the period of employment at MG, which records shall be available to and remain the sole property of MG at all times. If MG becomes aware of a situation where it appears that its trade secrets are being used and/or disclosed by you, it will enforce its rights to the fullest degree allowed by law, including Federal or State trade secret law. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

4. **Restrictive Covenants.** Executive understands and agrees that the nature of Executive's position with MG provides Executive with access to and knowledge of MG's Confidential Information and places Executive in a position of trust and confidence with MG. Because of MG's legitimate business interests and for the consideration afforded in this Covenant Agreement and Offer Letter, Executive agrees that during Executive's employment with MG and for a period of twelve (12) months following the termination of Executive's employment from MG for any reason (the "Restricted Period"), Executive shall not engage in the following Prohibited Conduct:

(a) Non-Competition. Executive agrees that during the Restricted Period and in any geographic area in which Executive directly or indirectly performed responsibilities for MG or where Executive's knowledge of Confidential Information would be useful to a competitor in competing against MG, Executive will not engage in any conduct in which Executive contributes Executive's knowledge and skills, directly or indirectly, in whole or in part, as an executive, employee, employer, owner, operator, manager, advisor, consultant, agent, partner, director, stockholder, officer, volunteer, intern or any other similar capacity to a competitor or to an entity engaged in the same or similar business as MG, including those engaged in the business of production, sale or marketing of snack foods (including, but not limited to gum, chocolate, confectionary products, biscuits or any other product or service Executive had reason to know was under development by MG during Executive's employment with MG) ("Competitive Business") without the written consent of MG's Executive Vice President of Global Human Resources, or designee, such consent to be provided by MG in its sole and absolute discretion. Under no circumstances may Executive engage in any activity that may require or inevitably require Executive's use or disclosure of MG's Confidential Information.

(b) Non-Solicitation of Customers or Accounts. Executive understands and acknowledges that MG has expended and continues to expend significant time and expense in pursuing and retaining its customers and accounts, and that the loss of customers and accounts would cause significant and irreparable harm to MG. Executive therefore agrees that during the Restricted Period and for Executive or the direct or indirect benefit of any entity engaged in the same or similar business as MG, including those engaged in the business of production, sale or marketing of snack foods (including but not limited to gum, chocolate, confectionary products, biscuits or any other product or service Executive had reason to know was under development by MG during Executive's employment with MG), Executive will not (i) solicit business from or perform services for, or for the benefit of, any customer or account of MG with which Executive had contact, participated in the contact, or about which Executive had knowledge of Confidential Information by reason of Executive's relationship with MG within the twelve (12) month period prior to Executive's separation of employment from MG, or (ii) solicit business from or perform services for, or for the benefit of, any customer or account MG actively pursued for business and with which Executive had contact, participated in the contact, or about which Executive had knowledge of Confidential Information by reason of Executive's relationship with MG within the twelve (12) month period prior to Executive's separation of employment from MG.

(c) Non-Solicitation of Employees. Executive understands and acknowledges that MG has expended and continues to expend significant time and expense in recruiting and training its employees, and that the loss of employees would cause significant and irreparable harm to MG. Executive therefore agrees and covenants that during the Restricted Period Executive will not directly, or indirectly, solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment of any executive of MG.

(d) Judicial Amendment. Executive and MG acknowledge the reasonableness of the agreements set forth in this Section 4 and the specifically acknowledge the reasonableness of the geographic area, duration of time and subject matter that are part of the covenant not to compete contained in Section 4(a)-(c). Executive further acknowledges that Executive's skills are such that Executive can be gainfully employed in noncompetitive employment and that the parties' agreement not to compete will in no manner prevent Executive from earning a living. Notwithstanding the foregoing, in the event it is judicially determined that any of the limitations contained in this Section 4 are unreasonable, illegal or offensive under any applicable law and may not be enforced as agreed herein, the parties agree that the unreasonable, illegal or offensive portions of this Section 4, whether they relate to duration, area or subject matter, shall be and hereby are revised to conform with all applicable laws and that this Agreement, as modified, shall remain in full force and effect and shall not be rendered void or illegal.

5. **Return of MG Property.** Unless otherwise specified by MG in a separation or other similar-type agreement, within five (5) days of Executive's separation of employment from MG or as such other time as specified in the sole discretion of MG, Executive shall return all Confidential Information and all other MG property (whether in electronic or paper form) in Executive's possession, including documents, files, manuals, handbooks, notes, keys and any other items, files or documents (whether in electronic or paper form).

6. **No Disparagement or Harm.** Executive agrees that, in discussing Executive's relationship with MG and its affiliated and parent companies and their business and affairs, Executive will not disparage, discredit or otherwise refer to in a detrimental manner MG, its affiliated and parent companies or their officers, directors and Executives. MG agrees that, in discussing Executive's relationship with MG and its affiliated and parent companies and their business and affairs, MG (via any authorized public statement), officers or members of MG's Board of Directors will not disparage, discredit or otherwise refer to Executive in a detrimental manner. This Paragraph does not, in any way, restrict or impede Executive or MG (or its officers and directors), respectively, from exercising protected rights including the right to communicate with any federal, state or local agency or self-regulatory agency, including any with which a charge has been filed, to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation or order. Respectively, and to the extent legally permissible, executive shall promptly provide written notice of any such order to MG's legal department and the Company shall promptly provide written notice of any such order to Executive.

7. **Remedies.** Should Executive or MG breach any of the provisions contained in Paragraphs 2 through 6 of this Covenant Agreement, in addition to any other remedies available to MG or Executive, as applies, if Executive is the breaching party, Executive will be obligated to pay back to MG any payment(s) received pursuant to the Offer Letter. MG and Executive further acknowledge and agree that MG or Executive, as may apply, will or would suffer irreparable injury in the event of a breach or violation or threatened breach or violation of the provisions set forth in this Covenant Agreement, and agree that in the event of a breach or violation of such provisions the aggrieved party will be awarded injunctive relief by a court of competent jurisdiction to prohibit any such violation or breach, and that such right to injunctive relief will be in addition to any other remedy which may be ordered by the court or an arbitrator. The equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

8. **Notification.** Executive agrees that in the event Executive is offered to enter into an employment relationship with a third party at any time during the Restricted Period, Executive shall immediately advise said other third party of the existence of this Covenant Agreement and shall immediately provide said person or entity with a copy of this Covenant Agreement.

9. **Arbitration of Claims.** In the event either Executive or MG contests the interpretation or application of any of the terms of this Covenant Agreement, the complaining party shall notify the other in writing of the provision that is being contested. If the parties cannot satisfactorily resolve the dispute within thirty (30) days, the matter will be submitted to arbitration. An arbitrator will be chosen pursuant to the American Arbitration Association's ("AAA") Employment Arbitration Rules and Mediation Procedures. The arbitrator's fees and expenses and filing fees shall be borne by MG. The hearing shall be held at a mutually agreeable location and the arbitrator shall issue a written award which shall be final and binding upon the parties. Executive agrees to waive the right to a jury trial. Notwithstanding anything contained in this Paragraph 9, MG and Executive shall each have the right to institute judicial proceedings against the other party or anyone acting by, through or under the other party, in order to enforce its rights under Paragraphs 2 through 6 through specific performance, injunction, or similar equitable relief. Claims not covered by arbitration are those claims seeking injunctive and other relief due to unfair competition, due to the use or unauthorized disclosure of trade secrets or confidential information, due to wrongful conversion, breach of the Intellectual Property covenants, and the breach of the restrictive covenants set forth in Paragraphs 2 through 6.

10. **Entire Agreement and Severability.** This is the entire agreement between Executive and MG on the subject matter of this Covenant Agreement. This Covenant Agreement may not be modified or canceled in any manner except by a writing signed by both Executive and an authorized MG official. Executive acknowledges that MG has made no representations or promises to Executive, other than those in this Covenant Agreement. If any provision in this Covenant Agreement is found to be unenforceable, all other provisions will remain fully enforceable. The covenants set forth in this Covenant Agreement shall be considered and construed as separate and independent covenants. Should any part or provision of any provision of this Covenant Agreement be held invalid, void or unenforceable in any court of competent jurisdiction, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Covenant Agreement. If the release and waiver of claims provisions of any agreement related to this Covenant Agreement are held to be unenforceable, the parties agree to enter into a release and waiver agreement that is enforceable**.**

11. **Not a Contract of Employment.** Executive acknowledges and understands that nothing in this Covenant Agreement is intended to, nor should be construed to, alter the at-will nature of Executive's employment relationship with MG, nor to guarantee Executive's employment for any specified term. Notwithstanding any provision of this Covenant Agreement, Executive and/or MG may terminate Executive's employment at-will, for any reason permitted by law, with or without notice, and upon such termination, the rights and obligations set forth herein shall continue as expressly provided, subject to.

12. **Tolling.** Should Executive violate any of the terms of the confidentiality or restrictive covenant obligations in this Covenant Agreement, the obligation at issue will run from the first date on which Executive ceases to be in violation of such obligation.

13. **Attorneys' Fees.** Should either party breach any of the provisions of Paragraphs 2 through 6 of this Covenant Agreement, to the extent authorized by state law, the non-prevailing party (as determined by the trier of fact) will be responsible for payment of all reasonable attorneys' fees and costs that the prevailing party incurs in the course of such proceeding (including demonstrating the existence of a breach and any other contract enforcement efforts or successfully defending against an allegation of such breach).

14. **Governing Law.** This Covenant Agreement shall be governed under and construed in accordance with the laws of the State of Illinois without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than Illinois. Executive agrees that any legal proceeding concerning this Covenant Agreement may only be brought and held in a state or federal court located in the State of Illinois. Executive consents to the personal jurisdiction of such courts and agrees not to claim that any such courts are inconvenient or otherwise inappropriate.

15. **Successors and Assigns.** This Covenant Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors and permitted assigns. Executive may not assign Executive's rights and obligations under this Covenant Agreement without prior written consent of MG. MG may assign this Covenant Agreement and/or its rights or obligations under this Covenant Agreement. Any and all rights and remedies of MG under this Covenant Agreement shall inure to the benefit of and be enforceable by any successor or assignee of MG.

[Signatures are on the following page]

IN WITNESS WHEREOF, the parties agree that this Covenant Agreement is an extension of and incorporated into the Offer Letter between Executive and MG, and the parties have executed this Offer Letter freely and voluntarily with the intention of being legally bound by it.

MONDELEZ GLOBAL LLC

By: /s/ David H. Pendleton

Print Name: David H. Pendleton

Dated: December 15, 2017

EXECUTIVE

By: /s/ Glen Walter

Print Name: Glen Walter

Dated: December 15, 2017

[Signature Page to Confidential Information, Intellectual Property and Restrictive Covenants Agreement- Appendix A to Glen Walter Offer Letter]

Exhibit 10.37

INDEMNITY AGREEMENT

This Indemnification Agreement ("Agreement") is made as of November 20, 2017 by and between Mondelēz International, Inc., a Virginia corporation (the "Company"), and Dirk Van de Put ("Indemnitee").

RECITALS

WHEREAS, highly competent persons have become more reluctant to serve publicly-held corporations as a director unless they are provided with adequate indemnification against risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Articles of Incorporation of the Company and the Virginia Stock Corporation Act (the "Virginia Act") expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors and other persons with respect to indemnification;

WHEREAS, it is reasonable and prudent for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, its directors to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be protected, and to confirm that when they cease to be directors they will continue to be entitled to such indemnification and advancement of expenses; and

WHEREAS, this Agreement is a supplement to and in furtherance of the Articles of Incorporation of the Company and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to serve as a director of the Company. Indemnitee may at any time and for any reason resign from the board of directors. This Agreement shall not be deemed an employment contract between the Company and Indemnitee. The foregoing notwithstanding, this Agreement shall continue in force after Indemnitee has ceased to serve as a director of the Company.

Section 2. Definitions. As used in this Agreement:

(a) A "Change in Control" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person (as defined below) is or becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company representing thirty percent (30%) or more of the combined voting power of the Company's then outstanding securities;

(ii) Change in Board of Directors. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has effected, or entered into an agreement with the Company to effect, a transaction described in Sections 2(a)(i), 2(a)(iii) or 2(a)(iv)) whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a least a majority of the members of the Board;

(iii) Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity;

(iv) Dissolution or Disposition of Assets. The approval by the shareholders of the Company of the dissolution of the Company or of an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; and

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act (as defined below), whether or not the Company is then subject to such reporting requirement.

For purposes of this Section 2(a), the following terms shall have the following meanings:

(A) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(B) "Person" shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(C) "Beneficial Owner" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner shall exclude any Person otherwise becoming a Beneficial Owner by reason of the shareholders of the Company approving a merger of the Company with another entity, and further provided, that any calculation of securities beneficially owned by a Beneficial Owner shall include securities that are the subject of a derivative that creates for the Beneficial Owner the economic equivalent of ownership in such securities for the Beneficial Owner by tying the value of the derivative to the price or value of such securities.

(b) “Corporate Status” describes the status of a person who is or was a director, officer, employee or agent of the Company or of any other corporation, limited liability company, partnership or joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Company.

(c) “Disinterested Director” means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(d) “Enterprise” shall mean the Company and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary.

(e) “Expenses” shall include all reasonable attorneys’ fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(f) “Independent Counsel” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past three years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to indemnify such counsel fully against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(g) The term “Proceeding” shall include any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative or investigative nature, in which Indemnitee was, is or will be involved as a party or otherwise by reason of the fact that Indemnitee is or was a director of the Company, by reason of any action taken by Indemnitee or of any action on Indemnitee’s part while acting as director of the Company, or by reason of the fact that Indemnitee is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement; except one initiated by Indemnitee to enforce Indemnitee’s rights under this Agreement.

(h) Reference to “other enterprise” shall include employee benefit plans; references to “fines” shall include any excise tax assessed with respect to any employee benefit plan; references to “serving at the request of the Company” shall include any service as a director of the Company which imposes duties on, or involves services by, such director respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed not to have engaged in willful misconduct or a knowing violation of criminal law.

Section 3. (a) Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, including a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on his behalf in connection with such Proceeding or any claim, issue or matter therein, except for indemnification of the Indemnitee for Indemnitee’s willful misconduct or his knowing violation of the criminal law.

(b) Settlement.

(i) The Company shall have no obligation to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding Indemnitee effected without the Company’s prior written consent, not to be unreasonably withheld.

(ii) The Company shall not, without the prior written consent of Indemnitee (not to be unreasonably withheld), consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (A) includes an admission of fault of Indemnitee, any non-monetary remedy affecting or obligation of Indemnitee, or monetary obligation for which Indemnitee is not indemnified hereunder or (B) with respect to any Proceeding with respect to which Indemnitee is likely to be or is made a party, witness or participant or is otherwise entitled to seek indemnification hereunder, does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee.

Section 4. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement (other than Section 6(a) or (c) of this Agreement), to the fullest extent permitted by applicable law and to the extent that Indemnitee is a party to (or a participant in) and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall, subject to Section 6(a) and (c) of this Agreement, indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each successfully resolved claim, issue or matter. If the Indemnitee is not wholly successful in such Proceeding, the Company also shall, subject to Section 6(a) and (c) of this Agreement, indemnify Indemnitee against all Expenses reasonably incurred in connection with a claim, issue or matter related to any claim, issue, or matter on which the Indemnitee was successful. For purposes of this Section 4 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 5. Indemnification For Expenses of a Witness. Notwithstanding any other provision of this Agreement (other than Section 6(a) and (c) of this Agreement), to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a witness in any Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

Section 6. Exclusions. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; or

(b) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended; or

(c) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee prior to a Change of Control against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board of Directors of the Company authorized the Proceeding (or any part of any Proceeding) prior to its initiation or (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

Section 7. Advances of Expenses.

(a) In accordance with the pre-existing requirement of Section VI C of the Articles of Incorporation of the Company, and notwithstanding any provision of this Agreement to the contrary but subject to Section 7(c) of this Agreement, the Company shall advance, to the extent not prohibited by law, the Expenses reasonably incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made within 30 days after the receipt by the Company of a statement or statements requesting such advances (supported by statements in reasonable detail of Expenses incurred or to be incurred within the next 30 days) from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Advances shall include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. The Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement which shall constitute an undertaking that the Indemnitee will repay the advance to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company.

(b) In the event the Company is obligated under this Section 7 hereof to pay, and pays the Expenses of any Proceeding against Indemnitee, the Company, if appropriate, shall be entitled to assume the defense of such Proceeding, with counsel approved by Indemnitee, which approval shall not be unreasonably withheld, upon the delivery to Indemnitee of written notice of its election so to do. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same Proceeding, provided that (i) Indemnitee shall have the right to employ Indemnitee's counsel in any such Proceeding at Indemnitee's expense; and (ii) if (A) the employment of counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of any such defense or (C) the Company shall not, in fact, have employed counsel approved by Indemnitee to assume the defense of such Proceeding, then the fees and expenses of Indemnitee's counsel shall be at the expense of the Company.

(c) This Section 7 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 6(a) or (c) of this Agreement.

Section 8. Procedure for Notification and Defense of Claim. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of such action, suit or proceeding. The omission to notify the Company will not relieve the Company from any liability which it may have to Indemnitee otherwise than under this Agreement. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

Section 9. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 8, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case in accordance with Section 13.1-701B of the Virginia Act and Section VI C of the Company's Articles of Incorporation. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including reasonable attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(b) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 9(a) hereof, the Independent Counsel shall be selected as provided in this Section 9(b). If a Change in Control shall not have occurred, the Independent Counsel shall be selected by the Board of Directors, and the Company shall give written notice to Indemnitee advising Indemnitee of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred, the Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board of Directors, in which event the preceding sentence shall apply), and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within 10 days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within twenty (20) days after the later of submission by Indemnitee of a written request for indemnification pursuant to Section 8 hereof and the final disposition of the Proceeding, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition the Virginia Court (as defined in Section 20 of this Agreement) for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the Court or by such other person as the Court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 9(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 11(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

Section 10. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 8 of this Agreement, and the Company shall have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Neither the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) Subject to Section 11(e), if the person, persons or entity empowered or selected under Section 9 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within sixty (60) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 10(b) shall not apply if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 9(a) of this Agreement.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee was guilty of willful misconduct or a knowing violation of criminal law.

(d) Actions of Others. The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 11. Remedies of Indemnitee.

(a) Subject to Section 11(e), in the event that (i) a determination is made pursuant to Section 9 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 7 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 9(a) of this Agreement within 90 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 4 or 5 or the last sentence of Section 9(a) of this Agreement within ten (10) days after receipt by the Company of a written request therefor, or (v) payment of indemnification pursuant to Section 3 of this Agreement is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication by a court of his entitlement to such indemnification or advancement of Expenses. Alternatively, Indemnitee, at his option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within one hundred eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 11(a); provided, however, that the foregoing clause shall not apply in respect of a proceeding brought by Indemnitee to enforce Indemnitee's rights under Section 4 of this Agreement. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 9(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 11 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 11 the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(c) If a determination shall have been made pursuant to Section 9(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 11, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 11 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement. The Company shall indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advance of Expenses from the Company under this Agreement or under any directors' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, as the case may be.

(e) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

Section 12. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Company's Articles of Incorporation, any agreement, a vote of shareholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Virginia law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Company's Articles of Incorporation and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees or agents of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim eligible for indemnification pursuant to the terms hereof, the Company has director liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(d) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(e) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee with respect to service at the request of the Company as a director, officer, employee or agent of any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of expenses from such other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise with respect to such service.

Section 13. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (i) ten (10) years after the date that Indemnitee shall have ceased to serve as a director of the Company or (ii) one (1) year after the final termination of any Proceeding then pending in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by Indemnitee pursuant to Section 11 of this Agreement relating thereto. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and Indemnitee's heirs, executors and administrators.

Section 14. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 15. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to continue to serve as a director of the Company and/or to confirm to Indemnitee that after Indemnitee ceases to be a director Indemnitee will continue to be entitled to indemnification and advancement of expenses by the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in continuing to serve as a director of the Company and has provided other good and valuable consideration in connection with this Agreement, the sufficiency and receipt of which are hereby acknowledged.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of, the Articles of Incorporation of the Company and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 16. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties thereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver.

Section 17. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter that may be subject to indemnification or advancement of Expenses covered hereunder. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation that it may have to the Indemnitee under this Agreement or otherwise; provided, however, that a delay in giving such notice shall not deprive Indemnitee of any right to be indemnified under this Agreement unless, and then only to the extent that, such delay is materially prejudicial to the defense of such claim.

Section 18. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(i) if to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee shall provide to the Company; and

(ii) if to the Company to Secretary, Mondelēz International, Inc., Three Parkway North, Deerfield, IL 60015.

or to any other address as may have been furnished to Indemnitee by the Company or vice versa.

Section 19. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

Section 20. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Virginia, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 11(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Circuit Court for Henrico County, Commonwealth of Virginia (the "Virginia Court"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Virginia Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Virginia Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Virginia Court has been brought in an improper or inconvenient forum.

Section 21. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 22. Miscellaneous. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

MONDELĒZ INTERNATIONAL, INC.	INDEMNITEE
By: /s/ Carol J. Ward	By: /s/ Dirk Van de Put
Name: Carol J. Ward	Name: Dirk Van de Put
Office: Vice President and Corporate Secretary	Address: 156 W. Superior, Chicago, IL 60654

EXHIBIT 12.1

Mondelēz International, Inc. and Subsidiaries
Computation of Ratios of Earnings to Fixed Charges
(in millions of dollars, except ratio)

	Years Ended December 31,				
	2017	**2016**	**2015**	**2014**	**2013**
Earnings from continuing operations before income taxes	$ 3,124	$ 1,454	$ 7,884	$ 2,554	$ 2,392
Add / (Deduct):					
Equity in net earnings of less than 50% owned affiliates (1)	–	–	(56)	(112)	(107)
Distributed income from less than 50% owned affiliates	152	75	58	61	66
Fixed charges	491	721	825	965	1,145
Interest capitalized, net of amortization	(5)	(6)	(7)	(3)	(2)
Earnings available for fixed charges	$ 3,762	$ 2,244	$ 8,704	$ 3,465	$ 3,494
Fixed charges:					
Interest incurred:					
Interest expense (2)	$ 391	$ 609	$ 714	$ 882	$ 1,031
Capitalized interest	5	6	7	3	2
	396	615	721	885	1,033
Portion of rent expense deemed to represent interest factor	95	106	104	80	112
Fixed charges	$ 491	$ 721	$ 825	$ 965	$ 1,145
Ratio of earnings to fixed charges	7.7	3.1	10.6	3.6	3.1

Notes:

(1) With the deconsolidation of our global coffee businesses on July 2, 2015, we began to recognize predominantly coffee-related equity method investment earnings outside of pre-tax earnings within earnings from continuing operations after income taxes. Refer to Note 1, *Summary of Significant Accounting Policies – Principles of Consolidation*.

(2) Excludes interest related to uncertain tax positions, which is recorded in our tax provision.

Mondelēz International, Inc.
Subsidiaries - 2017

Entity Name	Country
LU Algerie S.p.A.	Algeria
Cadbury Bebidas De Argentina S.A.	Argentina
Mondelez Argentina S.A.	Argentina
Nabisco Inversiones S.R.L.	Argentina
Van Mar SA	Argentina
A.C.N. 005 088 460 Pty Ltd	Australia
Cadbury Marketing Services Pty Limited	Australia
General Foods Pty. Ltd.	Australia
KF (Australia) Pty. Ltd.	Australia
Kraft Jacobs Suchard (Australia) Pty. Ltd.	Australia
Lanes Biscuits Pty. Ltd.	Australia
Lanes Food (Australia) Pty. Ltd.	Australia
MacRobertson Pty Limited	Australia
Mondelez Australia (Foods) Ltd	Australia
Mondelez Australia Group Co Pty Ltd	Australia
Mondelez Australia Group Investments LP	Australia
Mondelez Australia Holdings Pty. Ltd.	Australia
Mondelez Australia Investments Pty Ltd	Australia
Mondelez Australia Pty. Ltd.	Australia
Mondelez Australia Services Pty. Ltd.	Australia
Mondelez New Zealand Holdings (Australia) Pty. Ltd.	Australia
Recaldent Pty Ltd	Australia
Mirabell Salzburger Confiserie-und Bisquit GmbH	Austria
Mondelez Austria Services GmbH	Austria
Mondelez Oesterreich GmbH	Austria
Mondelez Oesterreich Production GmbH	Austria
Salzburger Suesswarenfabrik K.G.	Austria
Fulmer Corporation Limited	Bahamas
Mondelez Bahrain Biscuits WLL	Bahrain
Mondelez Bahrain W.L.L.	Bahrain
OOO Mondelez International Bel	Belarus
Confibel SPRL	Belgium
Kraft Foods Belgium Intellectual Property	Belgium
Mondelez Belgium Biscuits Production NV	Belgium
Mondelez Belgium BVBA	Belgium
Mondelez Belgium Chocolate Production BVBA	Belgium
Mondelez Belgium Manufacturing Services BVBA	Belgium
Mondelez Belgium Services BVBA	Belgium
Mondelez Namur Production SPRL	Belgium
Mondelez de Alimentos Bolivia S.R.L.	Bolivia
Cadbury Botswana (Proprietary) Limited	Botswana
Cadbury Confy (Proprietary) Limited	Botswana
Mondelez Brasil Ltda.	Brazil
Mondelez Brasil Norte Nordeste Ltda.	Brazil
Mondelez Bulgaria EOOD	Bulgaria
Mondelez Bulgaria Holding AD	Bulgaria

Entity Name	Country
Mondelez Bulgaria Production EOOD	Bulgaria
152999 Canada Inc.	Canada
3072440 Nova Scotia Company	Canada
MCI Finance Inc.	Canada
Mondelez Asia Pacific (Alberta) GP ULC	Canada
Mondelez Canada Holdings ULC	Canada
Mondelez Canada Inc.	Canada
TCI Realty Holdings Inc.	Canada
Mondelez Chile S.A.	Chile
Cadbury Confectionery (Guangzhou) Co., Limited	China
Cadbury Food Co. Limited China	China
Cadbury Marketing Services Co Ltd Shanghai	China
Mondelez Beijing Food Co., Ltd.	China
Mondelez China Co., Ltd	China
Mondelez Jiangmen Food Co., Ltd.	China
Mondelez Shanghai Business Services Co., Ltd.	China
Mondelez Shanghai Food Co., Ltd.	China
Mondelez Shanghai Foods Corporate Management Co., Ltd.	China
Mondelez Suzhou Food Co., Ltd.	China
Nabisco Food (Suzhou) Co. Ltd.	China
Mondelez Colombia S.A.S.	Colombia
Servicios Comerciales Colombia SAS	Colombia
El Gallito Industrial, S.A.	Costa Rica
Mondelez Business Services Costa Rica Limitada	Costa Rica
Mondelez Costa Rica Limitada	Costa Rica
Mondelez Zagreb d.o.o.	Croatia
Mondelez CR Biscuit Production s.r.o.	Czech Republic
Mondelez Czech Republic s.r.o.	Czech Republic
Opavia Lu s.r.o.	Czech Republic
Kraft Foods Danmark Intellectual Property ApS	Denmark
Mondelez Danmark ApS	Denmark
Mondelez Dominicana, S.A.	Dominican Republic
Mondelez Ecuador Cia. Ltda.	Ecuador
Mondelez Egypt Foods S.A.E.	Egypt
Mondelez Egypt Trading SAE	Egypt
Mondelez El Salvador, Ltda. de C.V.	El Salvador
Mondelez Eesti Osauhing	Estonia
Kraft Foods Finland Production Oy	Finland
Mondelez Finland OY	Finland
Generale Biscuit Glico France	France
Generale Biscuit SAS	France
Kraft Foods France Biscuit S.A.S.	France
Kraft Foods France Intellectual Property S.A.S.	France
Mondelez France Antilles Guyane Distribution SAS	France
Mondelez France Biscuit Distribution SAS	France
Mondelez France Biscuits Production SAS	France
Mondelez France Ocean Indien Distribution SAS	France
Mondelez France R&D SAS	France

Entity Name	Country
Mondelez France S.A.S.	France
Mondelez Toulouse Confectionery Production SAS	France
Mondelez Georgia LLC	Georgia
Carlton Lebensmittel Vertriebs GmbH	Germany
Don Snack Foods Handelsgesellschaft GmbH	Germany
Kraft Foods Deutschland Biscuits Grundstuecksverwaltungs GmbH & Co. KG	Germany
Kraft Foods Deutschland Holding Grundstuecksverwaltungs GmbH & Co. KG	Germany
Kraft Foods Deutschland Production Grundstuecksverwaltungs GmbH & Co. KG	Germany
Marabou GmbH	Germany
Mondelez Deutschland Biscuits Production GmbH	Germany
Mondelez Deutschland GmbH	Germany
Mondelez Deutschland R&D GmbH	Germany
Mondelez Deutschland Services GmbH & Co. KG	Germany
Mondelez Deutschland Snacks Production GmbH & Co. KG	Germany
Suchard GmbH	Germany
Tobler GmbH	Germany
Cadbury Ghana Limited	Ghana
Lapworth Commodities Limited	Ghana
Mondelez Hellas Production S.A.	Greece
Mondelez Hellas S.A.	Greece
Mondelez Guatemala, Ltda.	Guatemala
Landers Centro Americana, Fabricantes de Molinos Marca “Corona” S.A. de C.V.	Honduras
Mondelez Honduras, S. de R.L.	Honduras
Cadbury Trading Hong Kong Ltd.	Hong Kong
Mondelez Hong Kong Limited	Hong Kong
Gyori Keksz Kft SARL	Hungary
Mondelez Hungaria IP Kft	Hungary
Mondelez Hungaria Kft	Hungary
C S Business Services (India) Pvt. Limited	India
Induri Farm Limited	India
KJS India Private Limited	India
Mondelez India Foods Private Limited	India
P.T. Cadbury Indonesia	Indonesia
P.T. Cipta Manis Makmur	Indonesia
P.T. Kraft Symphoni Indonesia	Indonesia
P.T. Kraft Ultrajaya Indonesia	Indonesia
P.T. Mondelez Indonesia	Indonesia
P.T. Mondelez Indonesia Manufacturing	Indonesia
P.T. Mondelez Indonesia Trading	Indonesia
Alreford DAC	Ireland
Berkeley Re DAC	Ireland
Cadbury Schweppes Ireland Limited	Ireland
Cadbury Schweppes Treasury America	Ireland
Cadbury Schweppes Treasury International	Ireland
Cadbury Schweppes Treasury Services	Ireland
Kraft Foods Ireland Intellectual Property Ltd	Ireland
Mondelez Ireland Insurance Holdings Ltd.	Ireland
Mondelez Ireland Limited	Ireland

Entity Name	Country
Mondelez Ireland Production Limited	Ireland
Trebor (Dublin) Limited	Ireland
Trebor Ireland Limited	Ireland
Greencastle Drinks	Ireland
Fattorie Osella S.p.A.	Italy
Kraft Foods Italia Intellectual Property S.r.l.	Italy
Mondelez Italia Biscuits Production S.p.A	Italy
Mondelez Italia S.r.l.	Italy
Mondelez Italia Services S.r.l.	Italy
Meito Adams Company Limited	Japan
Mondelez Japan Ltd	Japan
Mondelez Kazakhstan LLP	Kazakhstan
Cadbury Kenya Limited	Kenya
Dong Suh Foods Corporation	Korea
Migabang Limited Company	Korea
SIA Mondelez Latvija	Latvia
Cadbury Adams Middle East Offshore S.A.L.	Lebanon
Cadbury Adams Middle East S.A.L.	Lebanon
AB Kraft Foods Lietuva	Lithuania
UAB Mondelez Baltic	Lithuania
UAB Mondelez Lietuva Production	Lithuania
Adams Marketing (M) Sdn Bhd	Malaysia
Cadbury Confectionery Malaysia Sdn. Bhd.	Malaysia
Cadbury Confectionery Sales (M) Sdn. Bhd.	Malaysia
Mondelez Malaysia Sales Sdn. Bhd.	Malaysia
Mondelez Malaysia Sdn. Bhd.	Malaysia
Cadbury Mauritius Ltd	Mauritius
Corporativo Mondelez, S. en N.C. de C.V.	Mexico
Mondelez Mexico, S. de R.L. de C.V.	Mexico
Productos Mondelez, S. de R.L. de C.V.	Mexico
Servicios Integrales Mondelez, S. de R.L. de C.V.	Mexico
Servicios Mondelez, S. de R.L. de C.V.	Mexico
Mondelez Maroc SA	Morocco
STE Immobiliere Ibrahim D'Ain Sebaa	Morocco
Springer Schokoladenfabrik (Pty) Limited	Namibia
Abades B.V.	Netherlands
Aztecanana BV	Netherlands
Cadbury CIS B.V.	Netherlands
Cadbury Enterprises Holdings B.V.	Netherlands
Cadbury Holdings B.V.	Netherlands
Cadbury Netherlands International Holdings B.V.	Netherlands
Gernika, B.V.	Netherlands
Kraft Foods Central & Eastern Europe Service B.V.	Netherlands
Kraft Foods Česko Holdings BV	Netherlands
Kraft Foods Entity Holdings B.V.	Netherlands
Kraft Foods Holland Holding BV	Netherlands
Kraft Foods Intercontinental Netherlands C.V.	Netherlands
Kraft Foods LA MB Holding B.V.	Netherlands

Entity Name	Country
Kraft Foods LA MC B.V.	Netherlands
Kraft Foods LA NMB B.V.	Netherlands
Kraft Foods LA NVA B.V.	Netherlands
Kraft Foods LA VA Holding B.V.	Netherlands
Kraft Foods Nederland Biscuit C.V.	Netherlands
Kraft Foods Nederland Intellectual Property BV	Netherlands
Kraft Foods North America and Asia B.V.	Netherlands
KTL S. de R.L. de C.V.	Netherlands
Mondelez Coffee Holdco BV	Netherlands
Mondelez Espana Biscuits Holdings B.V.	Netherlands
Mondelez International Holdings Netherlands B.V.	Netherlands
Mondelez Nederland B.V.	Netherlands
Mondelez Nederland Services B.V.	Netherlands
Mondelez Netherlands RUS Holdings B.V.	Netherlands
Mondelez New Zealand	New Zealand
Mondelez New Zealand Investments	New Zealand
Mondelez Nicaragua, S.A.	Nicaragua
Cadbury Nigeria PLC	Nigeria
Kraft Foods Norge Intellectual Property AS	Norway
Mondelez Norge A/S	Norway
Mondelez Norge Production AS	Norway
Mondelez Pakistan Limited	Pakistan
Mondelez Panama, S. de R.L.	Panama
Mondelez Peru S.A.	Peru
Mondelez Philippines, Inc.	Philippines
Nabisco Philippines Inc.	Philippines
Lu Polska Sp. z.o.o.	Poland
Mondelez International RD&Q Sp. z.o.o.	Poland
Mondelez Polska Production sp. z.o.o.	Poland
Mondelez Polska Sp. z.o.o.	Poland
Mondelez Portugal, Unipessoal Lda.	Portugal
Mondelez Puerto Rico LLC	Puerto Rico
Mondelez Romania S.A.	Romania
Mon’delez Rus LLC	Russia
Mondelez Arabia for Trading LLC	Saudi Arabia
Nabisco Arabia Co. Ltd.	Saudi Arabia
Mondelez d.o.o. Beograd	Serbia
Mondelez Procurement d.o.o. Beograd	Serbia
Kraft Foods Holdings Singapore Pte. Ltd.	Singapore
Kraft Foods Trading Singapore Pte. Ltd.	Singapore
Kraft Helix Singapore Pte. Ltd.	Singapore
Kuan Enterprises Pte. Ltd.	Singapore
Mondelez Asia Pacific Pte. Ltd.	Singapore
Mondelez Business Services AP Pte Ltd	Singapore
Mondelez International AMEA PTE. Ltd.	Singapore
Mondelez Singapore Pte. Ltd.	Singapore
Symphony Biscuits Holdings Pte. Ltd.	Singapore
Mondelez European Business Services Centre s.r.o.	Slovakia

Entity Name	Country
Mondelez Slovakia Holding a.s.	Slovakia
Mondelez Slovakia Intellectual Property s.r.o.	Slovakia
Mondelez Slovakia s.r.o.	Slovakia
Mondelez SR Production s.r.o.	Slovakia
Mondelez, trgovska druzba, d.o.o, Ljubjana	Slovenia
Cadbury South Africa (Pty) Limited	South Africa
Chapelat-Humphries Investments (Pty) Limited	South Africa
Mondelez South Africa (Pty) Ltd.	South Africa
South Africa LP	South Africa
Kraft Foods Espana Holdings S.L.U.	Spain
Kraft Foods Espana Intellectual Property SLU	Spain
Mondelez Espana Commercial, S.L.U.	Spain
Mondelez Espana Confectionery Production, SLU	Spain
Mondelez Espana Galletas Production, S.L.U.	Spain
Mondelez Espana Postres Production, S.A.U.	Spain
Mondelez Espana Production, S.L.U.	Spain
Mondelez Espana Services, S.L.U.	Spain
Mondelez Iberia Holdings, S.L.U.	Spain
Mondelez Iberia Snacking Holdings, S.L.U.	Spain
Chapelat Swaziland (Proprietary) Limited	Swaziland
Cadbury (Swaziland) (Pty) Limited	Swaziland/South Africa
Kraft Foods Sverige Holding AB	Sweden
Kraft Foods Sverige Intellectual Property AB	Sweden
Mondelez Sverige AB	Sweden
Mondelez Sverige Production AB	Sweden
Kraft Foods Biscuits Holding GmbH	Switzerland
Kraft Foods Holding (Europa) GmbH	Switzerland
Kraft Foods Schweiz Holding GmbH	Switzerland
Mondelez CTPS Schweiz GmbH	Switzerland
Mondelez Europe GmbH	Switzerland
Mondelez Europe Procurement GmbH	Switzerland
Mondelez Europe Services GmbH	Switzerland
Mondelez International Finance AG	Switzerland
Mondelez Schweiz GmbH	Switzerland
Mondelez Schweiz Holding GmbH	Switzerland
Mondelez Schweiz Production GmbH	Switzerland
Mondelez World Travel Retail GmbH	Switzerland
Taloca GmbH	Switzerland
Mondelez Taiwan Limited	Taiwan
Mondelez (Thailand) Co., Ltd.	Thailand
Mondelez International (Thailand) Co., Ltd	Thailand
Kraft Foods (Trinidad) Unlimited	Trinidad
Kent Gida Maddeleri Sanayii ve Ticaret Anonim Sirketi	Turkey
Cadbury South Africa (Holdings)	UK
LLC Chipsy LYUKS	Ukraine
Private Joint Stock Company “Mondelez Ukraina”	Ukraine
Mondelez Eastern Europe Middle East & Africa FZE	United Arab Emirates
Brentwick Limited	United Kingdom

Entity Name	Country
Cadbury Eight LLP	United Kingdom
Cadbury Four LLP	United Kingdom
Cadbury International Limited	United Kingdom
Cadbury Limited	United Kingdom
Cadbury Nine LLP	United Kingdom
Cadbury Nominees Limited	United Kingdom
Cadbury Russia Limited	United Kingdom
Cadbury Russia Two Ltd	United Kingdom
Cadbury Schweppes Finance Limited	United Kingdom
Cadbury Schweppes Investments Ltd	United Kingdom
Cadbury Schweppes Overseas Limited	United Kingdom
Cadbury Seven LLP	United Kingdom
Cadbury Six LLP	United Kingdom
Cadbury Ten LLP	United Kingdom
Cadbury Three LLP	United Kingdom
Cadbury Two LLP	United Kingdom
Cadbury UK Limited	United Kingdom
Cadbury US Holdings Limited	United Kingdom
Chromium Acquisitions Limited	United Kingdom
Chromium Assets Limited	United Kingdom
Chromium Suchex LLP	United Kingdom
Chromium Suchex No. 3 LLP	United Kingdom
Craven Keiller	United Kingdom
Ernest Jackson & Co Limited	United Kingdom
Galactogen Products Limited	United Kingdom
Green & Black's Limited	United Kingdom
Hesdin Investments Limited	United Kingdom
Kraft Foods Investment Holdings UK Limited	United Kingdom
Kraft Foods UK Intellectual Property Limited	United Kingdom
Kraft Foods UK IP & Production Holdings Ltd.	United Kingdom
Kraft Russia Limited	United Kingdom
L. Rose & Co., Limited	United Kingdom
Mondelez International Services Limited	United Kingdom
Mondelez UK Biscuit Financing Ltd	United Kingdom
Mondelez UK Confectionery Production Limited	United Kingdom
Mondelez UK Finance Company Limited	United Kingdom
Mondelez UK Holdings & Services Limited	United Kingdom
Mondelez UK Limited	United Kingdom
Mondelez UK R&D Limited	United Kingdom
Reading Scientific Services Limited	United Kingdom
Schweppes Limited	United Kingdom
Somerdale Limited	United Kingdom
Speedy Assetco Limited	United Kingdom
The Old Leo Company Limited	United Kingdom
Trebor Bassett Limited	United Kingdom
Trebor International Limited	United Kingdom
Vantas International Limited	United Kingdom
Enjoy Life Natural Brands, LLC	United States

Entity Name	Country
Intercontinental Brands LLC	United States
Intercontinental Great Brands LLC	United States
KFI-USLLC IX	United States
KFI-USLLC VII	United States
KFI-USLLC VIII	United States
KFI-USLLC XI	United States
KFI-USLLC XIV	United States
Kraft Foods Asia Pacific Services LLC	United States
Kraft Foods Biscuit Brands Kuan LLC	United States
Kraft Foods Holdings LLC	United States
Kraft Foods International Beverages LLC	United States
Kraft Foods International Europe Holdings LLC	United States
Kraft Foods International Holdings Delaware LLC	United States
Kraft Foods International Services LLC	United States
Kraft Foods Latin America Holding LLC	United States
Kraft Foods R & D, Inc.	United States
Mondelēz BTN Holdings LLC	United States
Mondelēz Global LLC	United States
Mondelez International Delaware LLC	United States
Mondelez International Financing Delaware LLC	United States
Mondelēz International Holdings LLC	United States
Mondelēz International Service Holdings LLC	United States
Mondelēz International Service LLC	United States
Mondelēz International, Inc.	United States
Redbird Services LLC	United States
C.A.S. Uruguay S.A.	Uruguay
Mondelez Uruguay S.A.	Uruguay
Cadbury Adams, S.A.	Venezuela
Cadbury Beverages de Venezuela CA	Venezuela
Compania Venezolana de Conservas C.A.	Venezuela
Covenco Holding C.A.	Venezuela
Mondelez VZ, C.A. (fka Kraft Foods Venezuela, C. A.)	Venezuela
Promotora Cadbury Adams, C.A.	Venezuela
Tevalca Holdings C.A.	Venezuela
Mondelez Kinh Do Vietnam JSC	Vietnam
North Kinh Do One Member Company Limited	Vietnam
Cadbury Schweppes Zimbabwe (Private) Limited	Zimbabwe

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (File No. 333-216408) and Form S-8 (Nos. 333-197088, 333-184178, 333-183993, 333-182066, 333-174665, 333-165736, 333-133559 and 333-125992) of Mondelēz International, Inc. of our report dated February 9, 2018 relating to the consolidated financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PRICEWATERHOUSECOOPERS LLP
Chicago, Illinois
February 9, 2018

EXHIBIT 31.1

Certifications

I, Dirk Van de Put, certify that:

1. I have reviewed this annual report on Form 10-K of Mondelēz International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 9, 2018

/s/ DIRK VAN DE PUT
Dirk Van de Put
Chief Executive Officer

EXHIBIT 31.2

Certifications

I, Brian T. Gladden, certify that:

1. I have reviewed this annual report on Form 10-K of Mondelēz International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 9, 2018

/s/ BRIAN T. GLADDEN

Brian T. Gladden
Executive Vice President and
Chief Financial Officer

EXHIBIT 32.1

**CERTIFICATIONS OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Dirk Van de Put, Chief Executive Officer of Mondelēz International, Inc. (“Mondelēz International”), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that Mondelēz International’s Annual Report on Form 10-K for the year ended December 31, 2017, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in Mondelēz International’s Annual Report on Form 10-K fairly presents in all material respects Mondelēz International’s financial condition and results of operations.

/s/ DIRK VAN DE PUT

Dirk Van de Put
Chief Executive Officer
February 9, 2018

I, Brian T. Gladden, Executive Vice President and Chief Financial Officer of Mondelēz International, Inc. (“Mondelēz International”), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that Mondelēz International’s Annual Report on Form 10-K for the year ended December 31, 2017, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in Mondelēz International’s Annual Report on Form 10-K fairly presents in all material respects Mondelēz International’s financial condition and results of operations.

/s/ BRIAN T. GLADDEN

Brian T. Gladden
Executive Vice President and
Chief Financial Officer
February 9, 2018

A signed original of these written statements required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Mondelēz International, Inc. and will be retained by Mondelēz International, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.