Mondelez International Inc - Climate Change 2018



C0. Introduction

C_{0.1}

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

Mondelēz International, Inc. (NASDAQ: MDLZ) is a global snacking powerhouse, with 2017 revenue of approx. \$26 billion. Creating delicious moments of joy in 160 countries, we are a leader in chocolate, biscuits, gum, candy and powdered beverages, with many iconic brands, including Nabisco, Oreo, LU, belVita, Cadbury, Milka, Cadbury Dairy Milk, Toblerone, Trident, Halls, and Tang. Mondelēz International is a proud member of the Standard and Poor's 500, NASDAQ 100 and Dow Jones Sustainability Index-World and North America.

Our environmental policy is:

"Mondelēz International is committed to reducing the environmental impact of our activities, preventing pollution and promoting the sustainability of the natural resources upon which we depend, while providing quality products that meet the needs of our consumers. We also are committed to the continuous improvement of our environmental performance and to meeting or exceeding the requirements of all applicable environmental laws and regulations. We expect all Mondelēz International employees to carry out their job responsibilities in accordance with this policy and to report any environmental concerns they have to management."

People globally are increasingly interested in well-being and a sustainable future. People expect more from companies and their products. We strongly believe our growth is linked to enhancing the well-being of the planet, the people who make and enjoy our products, and the communities we serve.

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

"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."

Sustainability is about preserving our world and its people. We need to find ways to use less fossil-fuel energy, water and other resources; switch to renewable energy where feasible; and reduce the waste we generate. We know we can't do everything, so we focus on those areas where we can have the greatest impact: sustainable agriculture and reducing the environmental footprint of our own operations.

For many years, we've listened to and worked with smallholder farmers to promote sustainable supply chains. With our partners, we help increase the farmers' output, improve their livelihoods, build thriving communities, and protect the environment. For example, we have taken direct action for building a sustainable cocoa supply with our \$400 million Cocoa Life program. And we're improving sustainability in our wheat supply by working with farmers in North America and through our Harmony program in Europe.

In 2015, we established new 2020 sustainability goals that placed us at the forefront of the fight against climate change and support our 2020 ambition to be the leader in well-being snacks while driving down costs and creating efficiencies to accelerate our growth.

Working with leading organizations, our sustainability goals focus on reducing key end-to-end environmental impacts – from the field through distribution. We started operating as a new company in 2013. With 2013 as our baseline, by 2020*, we will:

· Reduce absolute CO2 emissions from manufacturing by 15%. This aligns with current approaches to setting science-based targets

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to support the global effort to limit climate change to less than 2°C.

- \cdot Reduce absolute incoming water use in manufacturing, focusing on priority sites where water is most scarce. We aim for 10% reduction at those priority sites.
- · Reduce total manufacturing waste by 20%.
- · Eliminate 65,000 tonnes of packaging, without contributing to food waste.

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

- · All cocoa will ultimately be sustainably sourced
- Source 100% of our EU wheat need via Harmony by 2022 [goal updated in 2018]
- Maintain 100% RSPO palm oil
- 100% palm oil traceable to the mill from suppliers with aligned policies
- 100% cage-free eggs in US and Canada by 2020 and rest of the world by 2025 (except Russia, Ukraine and China, where supply chain is developing and requires a longer period to secure cage-free)

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

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

C_{0.2}

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2017	December 31 2017	No	<not applicable=""></not>
	<not Applicable></not 	<not Applicable></not 	<not applicable=""></not>	<not applicable=""></not>
	<not Applicable></not 	<not Applicable></not 	<not applicable=""></not>	<not applicable=""></not>
	<not Applicable></not 	<not Applicable></not 	<not applicable=""></not>	<not applicable=""></not>

C_{0.3}

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

Other, please specify (NA, LA, EU, AMEA)

C_{0.4}

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

USD

C0.5

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

Operational control

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

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Please select
Processing/Manufacturing	Please select
Distribution	Please select
Consumption	Please select

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

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

C1. Governance

C1.1

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

C1.1a

(C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board/Executive board	The Governance, Membership and Public Affairs Committee ("Governance Committee") of our Board of Directors is responsible for overseeing sustainability as part of our strategy to Grow our Impact, with regular briefings from our Chief Well-being, Sustainability, Public and Government Affairs Officer.
Chief Executive Officer (CEO)	Our CEO is engaged in the review and progress of our Grow our Impact Strategy in conjunction with the Governance, Membership and Public Affairs Committee ("Governance Committee") of our Board of Directors, which is responsible for overseeing sustainability as part of our strategy to Grow our Impact, with regular briefings from our Chief Well-being, Sustainability, Public and Government Affairs Officer. For Mondelēz International, sustainability is part of one of our three global growth strategies "Grow our Impact". We take a comprehensive approach to the Grow our Impact strategy, integrating it throughout our business processes. Our sustainability goals are part of our strategic planning process, and therefore, progress and key activities are regularly reported to the Board and the business unit leadership teams. CO2 and energy are key focus areas in our sustainability strategy. See C1.2a.
Chief Sustainability Officer (CSO)	Our strategy is managed by a cross-functional sust leadership team with members from our key global functions and regions. The team recommends sust strategy and goals and oversees their implementation and reporting of results. It is led by our Dir, Global Sustainability, who reports to the Chief Well-being, Sustainability, Public and; Government Affairs Officer, who in turn, reports on sust to our CEO and the Governance Committee. Also, executive sponsorship is provided by our EVP & General Counsel, EVP Integrated Supply Chain, EVP Research Development and; Quality, and EVP and; Region President. Clear business goals have been set as part of the sust strategy led by this Officer. In addition, each business unit (BU) is responsible for integrating sust into their strategic plans, including our operational goals such as CO2 reduction. The BUs are responsible for developing a plan that will enable them to deliver sust performance that will contribute to the overall corporate sust
Chief Risk Officer (CRO)	

C1.1b

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

	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies Monitoring and overseeing progress against goals and targets for addressing climate- related issues	The Governance, Membership and Public Affairs Committee ("Governance Committee") of our Board of Directors is responsible for overseeing sustainability as part of our strategy to Grow our Impact, with regular briefings from our Chief Well-being, Sustainability, Public and; Government Affairs Officer.

C1.2

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

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

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(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.

For Mondelēz International, sustainability is part of one of our three global growth strategies "Grow our Impact" Our growth is linked to enhancing the well-being of the people who make and enjoy our products, the communities we serve and the planet and its limited resources.

We take a comprehensive approach to the Grow our Impact strategy, integrating it throughout our business processes. Our CEO is engaged in the review and progress of the strategy in conjunction with the Governance, Membership and Public Affairs Committee (Governance Committee) of our Board of Directors, which is responsible for overseeing sustainability as part of our strategy to Grow our Impact, with regular briefings from our Chief Well-being, Sustainability, Public & Government Affairs Officer (CSO).

Our strategy is managed by a cross-functional sustainability leadership team with members from our key global functions and regions. The team recommends sustainability strategy and goals and oversees their implementation and reporting of results. It is led by our Director, Global Sustainability, who reports to the CSO, who in turn, reports on sustainability to our executive and the Governance Committee. In addition, executive sponsorship is provided by our EVP and General Counsel, EVP Integrated Supply Chain (COO), EVP Research Development and Quality and EVP and Region President.

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

In 2015, established new 2020 sustainability goals that placed us at the forefront of the fight against climate change and support our 2020 ambition to be the leader in well-being snacks while driving down costs and creating efficiencies to accelerate our growth. We adopted science-based targets to reduce absolute CO2 emissions from manufacturing as part of our ambitious end-to-end approach. This represents a transition from normalized (to production) targets to an absolute target. We will also implement deforestation interventions in key agriculture supply programs, such as Cocoa Life and our Palm Oil Action Plan, and as progress is made on the ground, will publicly report the resulting end-to-end carbon footprint reduction.

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

C1.3

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

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Recognition (non-monetary)

Activity incentivized

Emissions reduction project

Comment

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

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment

Achievement of sustainability goals (including energy/CO2 reduction) as part of overall business unit goals may translate into monetary reward through standard monetary incentives at all levels and functions and according to performance.

C2. Risks and opportunities

C2.1

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

	From (years)	To (years)	Comment
Short-term			
Medium-term			
Long-term			

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

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

C2.2a

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

	of monitoring	How far into the future are risks considered?	
Row 1	Six-monthly or more frequently	>6 years	We have a robust Enterprise Risk Management (ERM) process for identifying, measuring, monitoring, and managing risks, with oversight by the Risk and Compliance Committee (MRCC), which reports annually to the Audit Committee. The executive sponsors of the MRCC are the EVP and Chief Financial Officer, and the EVP and General Counsel. The purpose of the MRCC is to manage our process to identify and assess the most significant inherent risks to us so we may adequately mitigate them and/or monitor them across the company. All identified risks are vetted by the MRCC and remain under the MRCC's governance. Ownership of specific risks is assigned at the Leadership Team (MLT) level (MLT members report directly to the CEO). As owners of each specific risk, MLT members are responsible for verifying that appropriate mitigation controls and monitoring systems are in place. The risk universe considered during this process is wide and varied. Climate change is included in this risk universe.

C2.2b

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

In table 2.2a, we describe our enterprise risk management process.

In addition, we publicly describe our approach to assess materiality for sustainability issues in our Impact for Growth progress report. In our 2017 report, we state:

The four areas of action outlined in our Impact For Growth platform define our concept of materiality for social and environmental purposes. As a global snacks powerhouse, our worldwide reach and leadership position enables us to bring together diverse voices and identify new ideas to drive meaningful change on issues central to our business and our world.

Since 2012, we have sat down with internal and external experts to review the impact of major societal issues on our business, and to shape our strategic responses to them. This includes representatives from our Well-being Leadership team, as well as from our regional business units and global functions. External experts include World Wildlife Fund, Quantis and various investment groups. In addition, we consider perspectives from our ongoing stakeholder engagement, as well as participation in various shareholder indices.

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

Below are the top environmental* and social issues:

- 1. Consumer well-being promote improved health and well-being through portfolio enhancements and community partnerships
- 2. Supply security of key agricultural commodities and social challenges in supply chain
- 3. Environmental footprint of agriculture and our operations
- 4. Safety of our people and products
- * We refer to our major environmental challenges collectively as the sustainability of resources and agriculture

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We monitor current regulations and compliance with them as they directly and indirectly relate to climate risks. This is done at multiple levels, within a business unit and within the legal function. Identified risks are elevated within management appropriately and are part of our enterprise risk management (ERM) process.
Emerging regulation	Relevant, always included	We monitor emerging regulations as they directly and indirectly relate to climate risks. This is done at multiple levels, within a business unit and within the legal function. Identified risks are elevated within management appropriately and are part of our ERM process.
Technology	Relevant, sometimes included	As opportunities arise, we review new technologies that may reduce our CO2 emissions and energy use to meet our corporate sustainability goals. An example is the use of satellite monitoring of deforestation in supply chains.
Legal	Please select	
Market	Relevant, always included	We address market issues through a variety of ways, including through our sustainable agriculture programs, direct sourcing criteria, and commodity hedging. Risks considered include: environmental risks across our supply chain could damage our reputation and brand image. We manage it by our raw material sourcing programs.
Reputation	Relevant, always included	We consider reputational risks associated with climate change during our ERM process. These risks are managed, ultimately, by the Audit Committee, which receives regular updates from our Chief Well-being, Sustainability, Public and Government Affairs Officer. Risks considered include: environmental risks across our supply chain could damage our reputation and brand image. We manage it by our raw material sourcing programs. We acknowledge the reputational risks related to climate change in our 10K Annual Report filed February 2018 (e.g., page 14).
Acute physical	Relevant, always included	As an example, as acknowledged in our 10K Annual Report filed February 2018 (page 14), we have identified the risk that severe weather and climate change-related events can affect commodity pricing. At the asset level, we do business continuity planning for a variety of business matters. We have a business plan to react to disruptions caused by a given crisis, including potential facility interruptions, key sourcing interruptions and system interruptions. At the corporate level, we manage global reputational risks related to issues raised by continuity planning and raw material sourcing programs.
Chronic physical	Relevant, always included	The same considerations for acute physical apply for chronic physical.
Upstream	Relevant, always included	We consider risks in our upstream supply because of their contribution to our end-to-end environmental footprint and because raw material supplies are vulnerable to climate change. As an example, as acknowledged in our 10K Annual Report filed February 2018 (page 14), we have identified the risk that severe weather and climate change-related events can affect commodity pricing. We manage these risks by our raw material sourcing programs.
Downstream	Please select	

C2.2d

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

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

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

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

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

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

C2.3

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

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Please select

Type of financial impact driver

Please select

Company- specific description

Fuel/energy taxes and regulations. Increased cost to generate and purchase energy.

Time horizon

Short-term

Likelihood

Unknown

Magnitude of impact

Unknown

Potential financial impact

Explanation of financial impact

Management method

Our sustainability strategy and our targets to reduce energy consumption and CO2 emission in our operations constitute a concrete approach to mitigating these risks by anticipating regulatory requirements.

Cost of management

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Please select

Type of financial impact driver

Please select

Company- specific description

Renewable energy regulation Increased raw material cost due, among others, to the distortive effects of biofuel incentives.

Time horizon

Unknown

Likelihood

Unknown

Magnitude of impact

Unknown

Potential financial impact

Explanation of financial impact

Management method

Our sustainability strategy and our targets to reduce energy consumption and CO2 emission in our operations constitute a concrete approach to mitigating these risks by anticipating regulatory requirements.

Cost of management

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Physical risk

Primary climate-related risk driver

Please select

Type of financial impact driver

Please select

Company- specific description

Other physical climate drivers. In our 2016 10K Annual Report risk factors, we disclose that the price of commodities and other inputs may be influenced by climate change risks, and provide example of those risks. We also discuss reputational and supply chain risks. See "Commodity and other input prices . . ." section on page 12 of the 2016 10K Annual Report.

Time horizon

Long-term

Likelihood

Unknown

Magnitude of impact

Unknown

Potential financial impact

Explanation of financial impact

"Although we monitor our exposure to commodity prices and hedge against input price increases, we cannot fully hedge against changes in commodity costs, and our hedging strategies may not protect us from increases in specific raw material costs." See 2016 10k Annual Report at page 12.

Management method

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

Cost of management

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Please select

Risk type

Physical risk

Primary climate-related risk driver

Please select

Type of financial impact driver

Please select

Company- specific description

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

Time horizon

Unknown

Likelihood

Unknown

Magnitude of impact

Unknown

Potential financial impact

Explanation of financial impact

Management method

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

Cost of management

Comment

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Please select

Type of financial impact driver

Please select

Company- specific description

Changing consumer behavior. In our 2016 10K Annual Report, we acknowledge that "adverse publicity about . . . environmental and human and workplace rights risks in our supply chain could damage our reputation and brand image, undermine our customers' confidence and reduce demand for our products, even if . . . these matters are immaterial to our operations." See 2016 10K Annual Report at 10.

Time horizon

Unknown

Likelihood

Unknown

Magnitude of impact

Unknown

Potential financial impact

Explanation of financial impact

Management method

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

Cost of management

Comment

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Please select

Type of financial impact driver

Please select

Company- specific description

Other regulatory drivers. The main risks for us and other food companies are the following: cost of complying with regulatory targets. One example is taxes on carbon emissions.

Time horizon

Unknown

Likelihood

Unknown

Magnitude of impact

Please select

Potential financial impact

Explanation of financial impact

Management method

Our sustainability strategy and our targets to reduce energy consumption and CO2 emissions in our operations constitute a concrete approach to mitigating these risks by anticipating regulatory requirements.

Cost of management

Comment

C2.4

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

Yes, we have identified opportunities but are unable to realize them

C2.4b

(C2.4b) Why do you not consider your organization to have climate-related opportunities?

	Primary reason	Please explain
Row 1	Other, please specify	There may be opportunities linked to climate change regulation. Due to our ongoing efforts to reduce energy use and CO2e emissions and the ambitious targets we set, we may be in a better position to anticipate regulatory requirements, avoid cost and gain competitive advantage. Carbon offsets may provide financial incentives for farmers in our supply chain, while also mitigating climate change effects and providing marketing opportunities for our brands by communicating to conscious consumers about improved farming practices. Further tightening of emission caps and a clarification of international rules could make these opportunities more attractive from a cost/benefit perspective. Promotion of more efficient biofuels that do not use food crops may limit the impact that biofuels incentives may have on our agricultural supply chain. We work with some of our partners on activities aimed at preventing deforestation and mitigating related climate change effects. We announced our commitment to combat deforestation in cocoa at the UN Climate Summit COP21, where world leaders met in Paris to negotiate a new climate agreement. Mondelēz International committed to lead private sector action in Côte d'Ivoire's national program to combat deforestation in cocoa. These actions will contribute to the United Nations' sponsored REDD+ program. We also work with the Roundtable on Sustainable Palm Oil and support the NY Declaration on Forests. We have opportunities to strengthen supplier relationships to seek common, non-competitive, solutions to face potential climate change challenges like weather, water and crop-specific uncertainties in yields and production locations. Climate change presents opportunities in the way we develop and market our products, especially in the EU and US. For example: • We're working to bring more products to market that have sustainably grown ingredients.

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

	Impact	Description
Products and services	Please select	
Supply chain and/or value chain	Please select	
Adaptation and mitigation activities	Please select	
Investment in R&D	Please select	
Operations	Please select	
Other, please specify	Please select	

C2.6

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

	Relevance	Description
Revenues	Please select	
Operating costs	Please select	
Capital expenditures / capital allocation	Please select	
Acquisitions and divestments	Please select	
Access to capital	Please select	
Assets	Please select	
Liabilities	Please select	
Other	Please select	

C3. Business Strategy

C3.1

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

Yes

C3.1a

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

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

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

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

- 1. We annually perform a comprehensive analysis of our env footprint, which includes carbon, water and land impacts across our whole lifecycle. This work provides us with a better understanding of the impacts across our supply chain and enables us to focus activities where it matters.
- 2. A key strategic goal for us is to Grow our Impact (see pages 2 and 7 of our 10K Annual Report filed February 2018), and we seek to do that by sourcing our products sustainably, reducing the env impact of our operations and packaging, and being mindful of the limited resources available around the world. We continue to leverage our global operating scale to secure sustainable raw materials and work with suppliers to drive meaningful social and env changes, focusing on where we can make the most impact.
- 3. Key aspects of climate change that influence our strategy are the need to mitigate the carbon footprint of our operations and supply chain. In addition, people around the globe are increasingly interested in well-being and ensuring a sustainable future. We know people expect more from companies and the products they make and sell. We believe our growth is linked to enhancing the well-being of the planet, the people, and the communities we serve.

Sustainability is about preserving our world and its people. We all depend on just one planet. Our sustainability journey has put us on a path that is making a real difference. We know we can't do everything, so our focus is in those areas where we can have the greatest impact: sustainable agriculture and reducing the env footprint of our own operations.

4. In 2015, we established new sustainability goals that placed us at the forefront of the fight against climate change and support our 2020 ambition to be the leader in well-being snacks while driving down costs and creating efficiencies to accelerate our growth.

Working with leading organizations, our sustainability goals focus on reducing key end-to-end env impacts – from the field through distribution. By 2020*, we will:

- Reduce absolute CO2 emissions from manufacturing by 15%.
- Reduce10% absolute incoming water use in manufacturing, focusing on sites where water is most scarce.
- Reduce total manufacturing waste by 20%.
- Eliminate 65,000 tonnes of packaging, without contributing to food waste.
- *By 2020 vs 2013 baseline, our first full year of operations.

In addition, we have set the following sustainable ag goals

- All cocoa will ultimately be sustainably sourced
- Source 100% of our EU wheat need via Harmony by 2022 [goal updated in 2018]
- · Maintain 100% RSPO palm oil
- 100% palm oil traceable to the mill from suppliers with aligned policies
- 100% cage-free eggs in US, Canada by 2020 and rest of world by 2025 (except Russia, Ukraine and China, where supply chain is developing and requires a longer period to secure cage-free)

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

Our sustainability goals are applied across our business units and are included in their strategic plans.

We look at two key impact areas to reduce GHG emissions: direct and indirect control. Matters within our direct control are a relatively minor portion of our total footprint, but we have direct influence. From 2013-2017, we reduced energy-related emissions 10% on an absolute basis. For areas beyond our direct control, notably ag, which accounts for the largest share of our CO2e footprint, we have a longer-term strategy and consider our ability to secure the ag commodities we need to make our products and the impact that those ag commodities have on global warming.

We have focused where we may have better influence and opportunity to drive change. In 2012, through our Cocoa Life initiative, we

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have committed \$400 million over 10 years to this large and our most comprehensive program to date to support sustainable production and improve the livelihoods of cocoa farmers. We are also tackling other commodities, such as sugar, palm oil, wheat, and dairy.

We also expanded our buying of RSPO certificates and segregated palm oil during 2013 to cover 100 percent of our palm oil purchases – two years ahead of our commitment. In 2014, we launched an ambitious action plan laying out steps so that the palm oil we buy is produced on legally held land, doesn't lead to deforestation or loss of peat land and respects human rights. We updated the plan in 2016, setting out new milestones to increase suppliers' accountability for sustainability across their own operations and third-party suppliers.

We are using life-cycle thinking to help uncover ways to eliminate waste in manufacturing, measure how product and pkging innovations improve on previous designs, and provide a common system to measure and explain those benefits. We're leveraging our consumers and partners where we can and we have several success stories from packaging innovations in 2016:

- North America: 23% thinner packaging for Oreo biscuits eliminated 1,496 MT of cartons annually.
- Latin America: Primary and secondary packaging redesign for Tang powdered beverages led to the following material reductions: 5% in flexible films, 12% in cartons, 19% in corrugate and 46% in trucks required to transport the finished product.
- 5. Our long-term strategy will continue to be influenced by climate change as we implement our sustainability goals. Our CO2 reduction goal aligns with approaches to setting science-based targets to support the global effort to limit climate change to less than 2°C. Likewise, our sourcing strategy will continue to take account of climate change as we seek to secure sustainable supplies of critical raw materials in the long term and to reduce the impact that those ag commodities have on climate change.
- 6. The Paris Agreement influenced the business strategy in two key ways:

First, we adopted the science-based target methodology to set our CO2 emissions reduction goal.

Secondly, we increased our commitments to address deforestation in our key ag supply chains, based on the insight from our lifecycle assessment that deforestation within our supply chain represents the largest contributor to our footprint. We announced our commitment to combat deforestation in cocoa at, COP21. We committed to lead private sector action in Côte d'Ivoire's national program to combat deforestation. Deforestation accounts for over 10 percent of global GHG emissions and represents a major opportunity to reduce CO2 release into the atmosphere.

7. We use forward-looking scenario analyses, including a 2°C scenario, to inform our goal setting process. Our CO2 reduction goal aligns with approaches to setting science-based targets to support the global effort to limit climate change to less than 2°C, and we plan energy efficiency and renewable energy projects in our operations to enable us to meet goals.

C3.1d

(C3.1d) Provide details of your organization's use of climate-related scenario analysis.

Climate- related scenarios	Details
Other, please specify	1. We perform annually a comprehensive analysis of our environmental footprint, which includes carbon, water and land impacts across our whole lifecycle. This work provides us with a better understanding of the impacts across our supply chain and enables us to focus activities where it matters. 2. We use forward-looking scenario analyses, including a 2°C scenario, to inform our goal setting process. Our CO2 reduction goal aligns with approaches to setting science-based targets to support the global effort to limit climate change to less than 2°C, and we plan energy efficiency and renewable energy projects in our operations to enable us to meet this goal. Likewise, our sourcing strategy will continue to take account of climate change as we seek to secure sustainable supplies of critical raw materials in the long term and to reduce the impact that those agricultural commodities have on climate change. 3. We also have worked with WWF to identify key environmental risks, including climate change, for our key commodities. This has informed our risk management procedures by analyzing what may affect our raw materials supplies. 4. The Paris Agreement influenced the business strategy in two key ways: First, we adopted the science-based target methodology to set our CO2 emissions reduction goal. Secondly, we increased our commitments to address deforestation in our key agricultural supply chains, based on the insight from our lifecycle assessment that deforestation within our supply chain represents the largest contributor to our footprint. We announced our commitment to combat deforestation in cocoa at, COP21. We committed to lead private sector action in Côte d'Ivoire's national program to combat deforestation. Deforestation accounts for over 10 percent of global GHG emissions and represents a major opportunity to reduce CO2 release into the atmosphere.

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C4.1

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

Absolute target

C4.1a

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

Target reference number

Abs 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

90

% reduction from base year

15

Base year

2013

Start year

2013

Base year emissions covered by target (metric tons CO2e)

1608260

Target year

2020

Is this a science-based target?

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

% achieved (emissions)

10

Target status

Underway

Please explain

In 2015, we established new 2020 sustainability goals that placed us at the forefront of the fight against climate change and support our 2020 ambition to be the leader in well-being snacks while driving down costs and creating efficiencies to accelerate our growth. We adopted science-based targets to reduce absolute CO2 emissions from manufacturing by 15% from base year 2013 as part of our ambitious end-to-end approach. This represents a transition from normalized (to production) targets to an absolute target.

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target

Waste

KPI - Metric numerator

20% reduction from base year for manufacturing

KPI - Metric denominator (intensity targets only)

Base year

2013

Start year

2013

Target year

2020

KPI in baseline year

418745

KPI in target year

335000

% achieved in reporting year

15

Target Status

Underway

Please explain

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

Part of emissions target

We achieved 75% of our 2020 target by year end 2017.

Is this target part of an overarching initiative?

Other, please specify (CGF - Consumer Goods Forum)

Target

Other, please specify

KPI - Metric numerator

10% reduction from base year focusing on priority sites in manufacturing where water is most scarce

KPI - Metric denominator (intensity targets only)

Base year

2013

Start year

2013

Target year

2020

KPI in baseline year

3953100

KPI in target year

3558000

% achieved in reporting year

25

Target Status

Underway

Please explain

Units are cubic meters. Our 2020 goal is 10% reduction from base year focusing on priority sites in manufacturing where water is most scarce Our 2020 water goal includes the anticipated impact of expansions for new lines and sites, which will add to our future absolute water use and, therefore, not evident in 2017 performance. Our incoming water usage volumes are recalculated annually

and adjusted, if necessary, to incorporate changes in quantification methodologies, significant data corrections, and corporate structural changes, including acquisitions or divestitures.

Part of emissions target

We surpassed our 2020 target by year end 2017 and reduced our water usage by 15% more. Our 2020 water goal includes the anticipated impact of expansions for new lines and sites, which will add to our future absolute water use and, therefore, not evident in 2017 performance.

Is this target part of an overarching initiative?

Other, please specify (Global water scarcity)

C4.3

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

Yes

C4.3a

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

	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	205	
To be implemented*	22	1792
Implementation commenced*	91	18560
Implemented*	65	6820
Not to be implemented		

C4.3b

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

Activity type

Energy efficiency: Processes

Description of activity

Other, please specify (EMS, Heat Recovery, Wastewater, Waste Reduc)

Estimated annual CO2e savings (metric tonnes CO2e)

2037

Scope

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in CC0.4)

Investment required (unit currency - as specified in CC0.4)

Payback period

Please select

Estimated lifetime of the initiative

Comment

Activity type

Energy efficiency: Building services

Description of activity

Other, please specify (boiler optimizations, heating, cooling,)

Estimated annual CO2e savings (metric tonnes CO2e)

4368

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in CC0.4)

Investment required (unit currency - as specified in CC0.4)

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

Activity type

Other, please specify (HSE & Sustainability)

Description of activity

<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)

412

Scope

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in CC0.4)

Investment required (unit currency - as specified in CC0.4)

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

C4.3c

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

Method	Comment
Compliance with regulatory requirements/standards	At production facility level. Examples: EU Emission Trading Scheme (see relevant section of CDP); European IPPC legislation; UK Climate legislation
Employee engagement	Some examples: Smart Sustainability Competition, Earth Week initiatives, environmental volunteering initiatives, Green Teams, carpool networks, incentives for biking and running to work, parking spots dedicated for hybrid vehicles. Our employee communications and engagement programs at all of our manufacturing and office sites worldwide includes energy/CO2 awareness activities.
Dedicated budget for energy efficiency	Dedicated budget for energy efficiency, renewable energy projects, and other emissions reduction activities in our operations enables us to meet our publicly available science-based CO2 reduction goal.
Dedicated budget for other emissions reduction activities	Dedicated budget for energy efficiency, renewable energy projects, and other emissions reduction activities in our operations enables us to meet our publicly available science-based CO2 reduction goal.

C4.5

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

Yes

C4.5a

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

Level of aggregation

Group of products

Description of product/Group of products

We have changed packaging on numerous products. These changes have resulted in emissions avoidance because of the materials used and more efficient transportation.

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

Low-carbon product

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

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

9

Comment

Our Eco-Calc packaging tool is based on lifecycle principles to assess effects of packaging reduction, end of life (EOL), and sourcing. It encourages material reduction, more recycled content, efficiency, and less CO2e and energy use.

C5. Emissions methodology

C5.1

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

Scope 1

Base year start

January 1 2013

Base year end

December 31 2013

Base year emissions (metric tons CO2e)

744531

Comment

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

Scope 2 (location-based)

Base year start

January 1 2013

Base year end

December 31 2013

Base year emissions (metric tons CO2e)

850269

Comment

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

Scope 2 (market-based)

Base year start

January 1 2013

Base year end

December 31 2013

Base year emissions (metric tons CO2e)

900402

Comment

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

C5.2

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

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Climate Leaders: Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment

US EPA Climate Leaders: Indirect Emissions from Purchases/ Sales of Electricity and Steam

US EPA Climate Leaders: Direct Emissions from Stationary Combustion

C6. Emissions data

C6.1

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

Row 1

Gross global Scope 1 emissions (metric tons CO2e)

778304

End-year of reporting period

<Not Applicable>

Comment

C6.2

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

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

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

Row 1

Scope 2, location-based

852939

Scope 2, market-based (if applicable)

907536

End-year of reporting period

<Not Applicable>

Comment

Both location and market based emissions have reduced compared to last year for various reasons including our reduction efforts, rationalizing sites and production volumes, updated Scope 2 emission factors.

C6.4

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

Yes

C6.4a

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

Source

Non-manufacturing buildings (e.g., offices, warehouses, etc.)

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why the source is excluded

Some non-manufacturing buildings are not included because data have not been validated. GHG emissions based on available data have been determined to be insignificant compared to available data from our other non-manufacturing buildings.

Source

Leased product warehouses

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why the source is excluded

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

Source

Leased sales cars

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why the source is excluded

Some sales cars are operationally controlled but not included. GHG emissions are insignificant compared to owned sales fleet.

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

8964770

Emissions calculation methodology

EMISSIONS ACCURACY +/- 40%. Used regionalized LCI data, which also covers category 'Purchased Goods and Services – Cradle-to-Grave Emissions,' in our supply chain. Agricultural raw materials are the main source of CO2 scope 3 emissions, with packaging production contributing an important, but clearly secondary, source of emissions. Our most prominent commodities are: cocoa, wheat, dairy, sugar, vegetable oils, and nuts. The supply chain was characterized based on the total mass of purchases of nearly 100 food input material categories and three packaging material categories. For each of these material categories, information on the life cycle GHG emissions was taken from a variety of sources, including the most prominent Ecoinvent database, scientific literature and other available data. In cases where data for the exact commodity or category could not be found, the most suitable proxy available was selected to avoid large gaps. Emissions are determined as the mass purchased multiplied by these factors of GHG emissions per weight. For packaging materials, processing to produce a finished package has been assumed based on emissions information from the Ecoinvent database. In the case of agricultural commodities that require additional processing beyond the level of their representation in the database, insufficient information is available to represent such processes, except in the case that it takes place in one of our facilities. We engaged third-party experts in 2011 to review and help improve our methodology and quality of data.

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

Explanation

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

Not relevant.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

457311

Emissions calculation methodology

EMISSIONS ACCURACY +/- 20% Emissions from all direct uses of energy have been calculated based on amounts of electricity and fuel used throughout the company and applying cradle-to-gate emission factors from the Ecoinvent database, consistent with the methodology used throughout the Scope 3 calculations described here. From this result, the Scope 2 emissions, described above, were subtracted.

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

Explanation

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1005369

Emissions calculation methodology

EMISSIONS ACCURACY +/- 30% Data excludes warehouses. We use third-party transportation companies (common carriers) to transport raw materials to manufacturing facilities. The primary GHG emission source from common carriers is CO2 from diesel fuel combustion. Transportation CO2 emissions for production materials were estimated based on a number of simplifying assumptions: average distance (e.g., source country to country of use), common modes of transport, average fuel efficiency, assumed shipment weights, etc. The calculation is based on the multiplication of life cycle emissions information for the relevant modes of transport (in units of emission per weight*distance) from the Ecoinvent database.

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

Explanation

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

74429

Emissions calculation methodology

EMISSIONS ACCURACY +/- 50% Landfill, incineration and recycling of operation waste, inbound packaging, etc.

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

Explanation

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

80431

Emissions calculation methodology

EMISSIONS ACCURACY +/- 20% Employee air, car and rail business travel emissions were estimated using spend data and EIO-LCA emission model

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

Explanation

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

210026

Emissions calculation methodology

EMISSIONS ACCURACY +/- 20%. Assumptions: Passenger car, 30 miles per day, 235 days/ yr.

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

Explanation

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

Not relevant.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

641840

Emissions calculation methodology

EMISSIONS ACCURACY +/- 25% Data excludes warehouses. We use third-party transportation companies (common carriers) to supplement our need to transport finished product from manufacturing facilities to distribution centers, warehouses and customers. The primary GHG emission source from common carriers is CO2 from diesel fuel combustion. The calculation is based on the multiplication of life cycle emissions information for the relevant modes of transport per gallons consumed from the Ecoinvent database.

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

Explanation

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

Not relevant.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

90737

Emissions calculation methodology

EMISSIONS ACCURACY +/- 40% The emissions reported here reflect a rough prediction of the emissions from the use of products. The end-of-life of the food products themselves is not included. The emissions during the use of products include refrigeration for dairy and cheeses. Assumptions have been made based on the proportion of the total of our products sold that are likely to undergo each use. For simplicity, it has currently been assumed that all use activities are fueled by electricity. Approximations are then made of the amount of electricity use required per kilogram of product. These approximations are made based on preliminary estimates of typical consumer behaviors and are generic among product categories. The total amount of electricity use is then estimated based on emissions factors taken from the Ecoinvent database for several countries or an adapted dataset from IEA electricity statistics.

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

Explanation

End of life treatment of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

692102

Emissions calculation methodology

EMISSIONS ACCURACY +/- 40% The end-of-life of packaging is determined based on the amount of various categories of packaging material that have been purchased in the relevant time period (with the assumption that this is also representative of the amount of packaging disposed in the same period). The proportions of various fates (landfilling, recycling and incineration) of each material have been determined by information available for several countries, which has then been applied as an approximation of disposal routes within each of the five global sales regions. Emissions information is taken from the Ecoinvent database to determine the amount of GHG emissions occurring during the landfilling, recycling and incineration of any given material. Generally, an "avoided burden" approach is taken at the end-of-life routes that result in a beneficial co-product of disposal. For example, in the case of recycling a plastic, it is assumed that the production of virgin plastic is avoided, and for the combustion of a plastic, it is assumed that a given amount of heat and/or electricity has been recovered and therefore prevented the production of electricity or heat by other means.

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

Explanation

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

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

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

Franchises are so far not associated with our business.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

Investments are so far not associated with our business.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

Not relevant.to our business

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

Not relevant.to our business

C6.7

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

Please select

C-AC6.8/C-FB6.8/C-PF6.8

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

Please select

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

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

C6.10

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

Intensity figure

0.0000631

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

1631243

Metric denominator

unit total revenue

Metric denominator: Unit total

25869000000

Scope 2 figure used

Location-based

% change from previous year

4.4

Direction of change

Decreased

Reason for change

Revenue was less than prior year.

Intensity figure

19.65

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

1631243

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

83000

Scope 2 figure used

Location-based

% change from previous year

3.4

Direction of change

Increased

Reason for change

Number of FTEs was less than prior year.

Intensity figure

0.325

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

1631243

Metric denominator

unit of production

Metric denominator: Unit total

5016885

Scope 2 figure used

Location-based

% change from previous year

2.5

Direction of change

Decreased

Reason for change

Production was less than prior year.

C7. Emissions breakdowns

(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?

Yes

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
Other, please specify (CO2 eq.)	778304	IPCC Fourth Assessment Report (AR4 - 100 year)
CO2		IPCC Fourth Assessment Report (AR4 - 100 year)
CH4		IPCC Fourth Assessment Report (AR4 - 100 year)
N2O		IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
North America	256648
Europe	270303
Latin America (LATAM)	106666
Asia, Australasia, Middle East and Africa	144747

C7.3

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

By activity

C7.3c

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

Activity	Scope 1 emissions (metric tons CO2e)
Manufacturing	634394
Private Fleet	53005
Non manufacturing facilities	25856
Executive Transportation	1306
Sales fleet	64743

C7.5

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

Country/Region	Scope 2, location- based (metric tons CO2e)	Scope 2, market- based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
North America	201980	263835	462183	83
Europe	272458	345262	757806	30202
Latin America (LATAM)	76527	77110	270326	0
Asia, Australasia, Middle East and Africa	301974	256615	442705	78257

C7.6

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

C7.6c

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

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Manufacturing	818653	864310
Non-manufacturing	34285	43226

C7.9

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

Decreased

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<not Applicable></not 		
Other emissions reduction activities		<not Applicable></not 		About the same. Emissions from our emissions reductions activities (e.g., energy saving projects, cleaner fuel use onsite) are about the same as prior year.
Divestment		<not Applicable></not 		About the same. We divested a few small plants in 2017. Historical data were excluded, and we recalculated 2013 base year emissions. Location-based emission factors were updated as needed for remaining sites.
Acquisitions		<not Applicable></not 		
Mergers		<not Applicable></not 		
Change in output		<not Applicable></not 		
Change in methodology		<not Applicable></not 		
Change in boundary		<not Applicable></not 		
Change in physical operating conditions		<not Applicable></not 		
Unidentified		<not Applicable></not 		
Other		<not Applicable></not 		

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(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy? More than 5% but less than or equal to 10%

C8.2

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

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	Please select	0	3035585	3035585
Consumption of purchased or acquired electricity	<not Applicable></not 	108543	1824477	1933020
Consumption of purchased or acquired heat	<not Applicable></not 	0	2776	2776
Consumption of purchased or acquired steam	<not Applicable></not 	0	60233	60233
Consumption of purchased or acquired cooling	<not Applicable></not 	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of self-generated non-fuel renewable energy	<not Applicable></not 	0	<not applicable=""></not>	0
Total energy consumption	<not Applicable></not 	108543	4923071	5031614

C8.2b

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

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

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

Fuels (excluding feedstocks)

Natural Gasoline

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

2797722

MWh fuel consumed for the self-generation of electricity 26670

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Propane Liquid

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

1171

MWh fuel consumed for the self-generation of electricity

0

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Butane

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

25718

MWh fuel consumed for the self-generation of electricity

0

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

94018

MWh fuel consumed for the self-generation of electricity

0

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Light Distillate

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

58034

MWh fuel consumed for the self-generation of electricity

0

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Heavy Gas Oil

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

21650

MWh fuel consumed for the self-generation of electricity

0

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Coal

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

37274

MWh fuel consumed for the self-generation of electricity

0

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

Fuels (excluding feedstocks)

Petroleum Products

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

n

MWh fuel consumed for the self-generation of electricity

Λ

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

C8.2d

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

Butane

Emission factor

61.6

Unit

kg CO2e per GJ

Emission factor source

EPA 2014

Comment

Scope 1 emission factor

Coal

Emission factor

99

Unit

kg CO2e per GJ

Emission factor source

2017 WRI GHG Emission Factors

Comment

Scope 1 emission factors

Heavy Gas Oil

Emission factor

77.8

Unit

kg CO2e per GJ

Emission factor source

2017 WRI GHG Emission Factors

Comment

Scope 1 emission factors for heavy fuel oil

Light Distillate

Emission factor

74.5

Unit

kg CO2e per GJ

Emission factor source

2017 WRI GHG Emission Factors

Comment

Scope 1 emission factors for light fuel oil

Liquefied Petroleum Gas (LPG)

Emission factor

66.3

Unit

kg CO2e per GJ

Emission factor source

2017 WRI GHG Emission Factors

Comment

Scope 1 emission factor

Natural Gasoline

Emission factor

56.3

Unit

kg CO2e per GJ

Emission factor source

2017 WRI GHG Emission Factors

Comment

Scope 1 emission factors

Petroleum Products

Emission factor

73.7

Unit

kg CO2e per GJ

Emission factor source

2017 WRI GHG Emission Factors

Comment

Scope 1 emission factor

Propane Liquid

Emission factor

59.8

Unit

kg CO2e per GJ

Emission factor source

EPA 2014

Comment

Scope 1 emission factor

C8.2e

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

		Generation that is consumed by the organization (MWh)		Generation from renewable sources that is consumed by the organization (MWh)
Electricity	23055	23055	237.4	237.4
Heat				
Steam				
Cooling				

C8.2f

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

Basis for applying a low-carbon emission factor

Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

Low-carbon technology type

Hydropower

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

43634

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

0

Comment

Basis for applying a low-carbon emission factor

Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

Low-carbon technology type

Solar PV

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

2346

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

n

Comment

Basis for applying a low-carbon emission factor

Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

Low-carbon technology type Other low-carbon technology, please specify (Renewable energy)	
MWh consumed associated with low-carbon electricity, heat, steam or cooling 30202	
Emission factor (in units of metric tons CO2e per MWh) 0	
Comment Primarily wind farms and hydropower	
Basis for applying a low-carbon emission factor Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates	
Low-carbon technology type Other low-carbon technology, please specify (Coal fired gas plant)	
MWh consumed associated with low-carbon electricity, heat, steam or cooling 32317	
Emission factor (in units of metric tons CO2e per MWh) 0.14	
Comment	
Basis for applying a low-carbon emission factor Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates	
Low-carbon technology type Wind	
MWh consumed associated with low-carbon electricity, heat, steam or cooling	
Emission factor (in units of metric tons CO2e per MWh)	
Comment	

C9. Additional metrics

C9.1

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

Description

Waste

Metric value

0

Metric numerator

Metric ton waste

Metric denominator (intensity metric only)

Metric ton product

% change from previous year

35

Direction of change

Decreased

Please explain

The waste metric is 0.0025 metric ton waste per metric ton product.

Description

Energy use

Metric value

1.01

Metric numerator

MWh energy

Metric denominator (intensity metric only)

Metric ton product

% change from previous year

0

Direction of change

No change

Please explain

Description

Other, please specify (Water)

Metric value

0

Metric numerator

Megaliters of incoming water

Metric denominator (intensity metric only)

Metric ton product

% change from previous year

5.15

Direction of change

Decreased

Please explain

The water metric is 0.000602 megaliters of incoming water per metric ton product.

C10. Verification

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

	Verification/assurance status	
Scope 1	Third-party verification or assurance process in place	
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place	
Scope 3	Third-party verification or assurance process in place	

C10.1a

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

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Mondelez - GHG Verification Statement 2017.pdf

Mondelez - EPI Verification Statement 2017 (1).pdf

Page/ section reference

All (file attached but status showing as (0/1))

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Mondelez - GHG Verification Statement 2017.pdf

Page/ section reference

ΑII

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Mondelez - GHG Verification Statement 2017.pdf

Page/ section reference

ΑII

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

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

Scope

Scope 3- all relevant categories

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Attach the statement

Mondelez - GHG Verification Statement 2017.pdf

Page/section reference

ΑII

Relevant standard

ISO14064-3

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)? Yes C11.1a (C11.1a) Select the carbon pricing regulation(s) which impacts your operations. **EU ETS** C11.1b (C11.1b) Complete the following table for each of the emissions trading systems in which you participate. **EU ETS** % of Scope 1 emissions covered by the ETS 4.08 Period start date January 1 2017 Period end date December 31 2017 Allowances allocated 12721 Allowances purchased 19000 Verified emissions in metric tons CO2e 31755 **Details of ownership** Facilities we own and operate Comment C11.1d (C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating? We periodically evaluate exposure to EU ETS and decide if this justifies a centralized approach or local management. We continued to pursue a strategy of reducing emission at source, supported by evaluating internal trading before external trading. C11.2 (C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period? No C11.3

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(C11.3) Does your organization use an internal price on carbon?

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

C12. Engagement

C12.1

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

Yes, our suppliers

C12.1a

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

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Other, please specify (suppliers are partners in Cocoa Life)

% of suppliers by number

35

% total procurement spend (direct and indirect)

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

The number represents the proportion of our cocoa sourced via Cocoa Life during 2017. Our ultimate aim is to source all cocoa sustainably, mainly via Cocoa Life. At the end of 2017, we reached 120,500 farmers in 1,085 communities.

Comment

Our climate change strategy addresses deforestation in our raw material supply chain, with a particular focus on cocoa and palm oil. Cocoa Life is an integrated cocoa sourcing strategy, addressing farming, community, livelihoods, youth and environment. As part of Cocoa Life's climate change strategy, we have REDD+ partnerships with the governments of Cote d'Ivoire and Ghana, focused on addressing deforestation in cocoa producing areas. Cocoa Life helps to transform markets by connecting consumers with cocoa origin communities through the use of an on-pack logo on selected brands, including Cadbury Dairy Milk, Cote d'Or and Marabou. In addition to Cocoa Life, we helped instigate the sector-wide Cocoa and Forest Initiative, working with cocoa and chocolate companies, the governments of Cote d'Ivoire and Ghana and international partners.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Other, please specify (Traceability to mill)

% of suppliers by number

100

% total procurement spend (direct and indirect)

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

The number represents the proportion of our palm oil supply covered by our Palm Oil Action Plan. Since 2013 100% of our supply has been RSPO and in 2017 96% was traceable to the mill and 99% from suppliers with policies aligned to ours.

Comment

Our climate change strategy addresses deforestation in our raw material supply chain, with a particular focus on cocoa and palm oil. Among other things, our Palm Oil Action Plan requires suppliers to improve practices across entire operations. It also focuses on risk assessment and engagement of third-party suppliers to drive accountability for traded oil. Key provisions require suppliers to: • Map and assess the risk for all supplying mills on Global Forest Watch to increase transparency and enable deforestation alerts • Provide assurance that no deforestation occurs on their own concessions and exclude third-party suppliers who do not immediately cease deforestation • Work with recognized third-party experts to protect labor rights

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

Trade associations

Other

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution	
Other, please specify (Sustainable palm oil)	Support	We shared our commitment at the UN Climate Summit in September 2014 to extend our support for UNDP's plans to work with the Government of Indonesia and companies to support the scale up of sustainable palm oil in Indonesia via a commodity platform approach. In addition, we co-chair the Consumer Goods Forum's Palm Oil Working Group, which published palm oil sourcing guidelines for members during 2015; we work with the Roundtable on Sustainable Palm Oil; and we supported the NY Declaration on Forests.	The goal is to support the scale-up sustainable palm oil in Indonesia via a commodity platform approach.	
Climate finance	Support We announced our commitment to combat deforestation in cocoa at the UN Climate Summit COP21, where world leaders met in Paris to negotiate a new climate agreement. Mondelēz International committed to lead private sector action in Côte d'Ivoire's national program to combat deforestation in cocoa. These actions will		experts to map and monitor forested areas, and train farmers in good agricultural practices and agroforestry. The \$280 million Initiative for Sustainable Forest Landscapes, launched in November 2013, seeks to scale up land-management practices across large landscapes to protect forests and securing green supply chains. In Ghana, Mondelēz International is contributing \$5 million USD over five years to the Ghana Cocoa Forest REDD+ Program	

C12.3b

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

C12.3c

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

Trade association

Consumer Goods Forum

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Consumer Goods Forum ("CGF") is a global, parity-based industry network that is driven by its members to encourage the global adoption of practices and standards that serves the consumer goods industry worldwide. It brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries, and it reflects the diversity of the industry in geography, size, product category and format. Its member companies have combined sales of EUR 3.5 trillion and directly employ nearly 10 million people, with a further 90 million related jobs estimated along the value chain. It is governed by its Board of Directors, which comprises more than 50 manufacturer and retailer CEOs The Consumer Goods Forum's environmental sustainability work positions the consumer goods industry as a leader in tackling climate change, reducing waste and improving environmental stewardship in global supply chains In pulling its weight to tackle climate change, the CGF has identified three key areas where its members are well-positioned to effect significant change. These are: • Reducing food waste across operations and throughout the rest of the value chain • Tackling deforestation • Phasing out the most polluting refrigerants To help the industry align around a common set of targets, CGF members have publicly committed to certain business practices through resolutions on deforestation (2010), refrigeration (2010 and 2016) and food waste (2015): these issues continue to be recognised as significant sources of greenhouse gasses. There is additional work with stakeholders to drive progress towards broader international goals, such as those set by the UN Sustainable Development Goals with a focus on developing partnerships (SDG 17). The CGF's environmental work is also working on SDG 12 (ensure sustainable consumption for all), SDG 13 (Combat climate change and its impacts) and SDG 15 (Protect the planet) By joining forces and acting collectively, members of The Consumer Goods Forum have a transformative impact.

How have you, or are you attempting to, influence the position?

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

C12.3e

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

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

C12.3f

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

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

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports in accordance with the CDSB Framework

Status

Complete

Attach the document

C12.4.pdf

Content elements

Governance

Strategy

Risks & opportunities

Other metrics

Publication

In voluntary communications

Status

Please select

Attach the document

Sustainability 2 0 Infographic_FINAL_10 20 15.jpg

Content elements

Emission targets

Other metrics

Other, please specify (sustainability performance against goals)

Publication

In voluntary communications

Status

Complete

Attach the document

Cocoa_Life_Climate_Change_Position_Paper_053117.PDF

Content elements

Please select

Publication

In voluntary communications

Status

Complete

Attach the document

palm oil action plan.pdf

Content elements

Please select

Publication

In voluntary communications

Status

Complete

Attach the document

MDLZ_News_2015_10_21_General_Releases.pdf

Content elements

Emission targets

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C-FI

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

C14.1

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

	Job title	Corresponding job category
Row 1	Director Global Sustainability	Other, please specify (Director Global Sustainability)

SC. Supply chain module

SC0.0

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

SC0.1

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

	Annual Revenue
Row 1	25869000000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).			
SC1.3			
(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?			
Allocation challenges Please explain what would help you overcome these challenges			
SC1.4			
(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future? Please select			
SC2.1			
(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.			
SC2.2			
(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives? Please select			
SC3.1			
(SC3.1) Do you want to enroll in the 2018-2019 CDP Action Exchange initiative? Please select			
SC3.2			
(SC3.2) Is your company a participating supplier in CDP's 2017-2018 Action Exchange initiative? Please select			

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services, if so, what functionality will you be using?

Please select

SC4.2d

(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members? Please select

Submit your response

In which language are you submitting your response? English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors	Yes, submit Supply Chain Questions now
		Customers	

Please confirm below

I have read and accept the applicable Terms

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