# Module: Introduction

## Page: W0. Introduction

### W0.1

**Introduction**

**Please give a general description and introduction to your organization**

Mondelēz International, Inc. (NASDAQ: MDLZ) is a global snacking powerhouse, with 2016 revenue of approx. $26 billion. Creating moments of joy in 165 countries, we are a leader in chocolate, biscuits, gum, candy and powdered beverages, with iconic brands including Nabisco, Oreo, LU, belVita, Cadbury, Milka, 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.
Today, 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 who make and enjoy our products, and the communities we serve.
A strategic goal for us is to Grow our Impact, and we seek to do that by sourcing our products sustainably, reducing the environmental impact of our operations and packaging, and being mindful of the limited resources available. We continue to leverage our global operating scale to secure sustainable raw materials and work with suppliers to drive social and environmental changes, focusing on where we can make the most impact. For example, we have taken direct accountability for building a sustainable cocoa supply with our $400 million Cocoa Life program.
Growing our positive impact for people and the planet is not only at the core of who we are as a company, it also helps to accelerate our growth. Smart and sustainable use of natural resources to reduce our end-to-end environmental impact is necessary now more than ever.
Sustainability is about preserving our world and its people. We need to find ways to use less fossil-fuel energy, water and other resources, switching to renewable energy where feasible, as well as reduce the waste we generate. 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.
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 environmental footprint of our own operations.
In 2015, we established new 2020 sustainability goals that 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.
By 2020*, we will:

- Reduce absolute CO2 emissions from manufacturing by 15%.
- Reduce absolute incoming water use by 10% in manufacturing, focusing on priority 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.

We have set the following sustainable agriculture goals:
• All cocoa will ultimately be sustainably sourced
• Maintain 75% of Western European biscuits volume made with Harmony wheat
• 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 EU by 2025

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

Our focus on climate change is also consistent with our environmental policy:
“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."
Done right, we know building sustainability into our business is good for the planet, people and, ultimately, our profits.

## W0.2

### Reporting year

**Please state the start and end date of the year for which you are reporting data**

| Period for which data is reported |
|---|
| Fri 01 Jan 2016 - Sat 31 Dec 2016 |

## W0.3

### Reporting boundary

**Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported**

Companies, entities or groups over which operational control is exercised

## W0.4

**Exclusions**

**Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?**

Yes

## W0.4a

**Exclusions**

**Please report the exclusions in the following table**

| Exclusion | Please explain why you have made the exclusion |
|---|---|
| Some non-manufacturing buildings, including offices and warehouses in some regions, may not be included. | Water use in these facilities is insignificant compared to our global manufacturing operations. |

## Further Information

Visit www.mondelezinternational.com and www.facebook.com/mondelezinternational. The Dow Jones Sustainability Index selects the top 10% of global companies and top 20% of North American companies based on an extensive review of financial and sustainability programs within each industry. We improved our overall score to reach the 95th percentile of our industry and achieved perfect scores in health and nutrition, raw material sourcing and water-related risks.

# Module: Current State

## Page: W1. Context

### W1.1

**Please rate the importance (current and future) of water quality and water quantity to the success of your organization**

| Water quality and quantity | Direct use importance rating | Indirect use importance rating | Please explain |
|---|---|---|---|
| Sufficient amounts of good quality freshwater available for use | Vital for operations | Important | A lack of good quality freshwater might disrupt our operations in factories. A sufficient amount of good quality freshwater is important to our purchased agricultural commodities. |
| Sufficient amounts of recycled, brackish and/or produced water available for use | Neutral | Neutral | Recycled, brackish/ produced water has little impact on our operations except in a small number of factories that use once through borrowed water for cooling purposes. Recycled, brackish/ produced water has little impact on our supply chain. |

### W1.2

**For your total operations, please detail which of the following water aspects are regularly measured and monitored and provide an explanation as to why or why not**

| Water aspect | % of sites/facilities/operations | Please explain |
|---|---|---|
| Water withdrawals- total volumes | 76-100 | We use a database system (called Enablon) to track water withdrawal volume each month by site in terms of: municipal water consumption, borehole/well water consumption, river cooling water (borrowed), rain water harvested, and other water (e.g., tankered, onsite surface water consumption, etc.). |
| Water withdrawals- volume by sources | 76-100 | Enablon tracks water withdrawal volume each month by site in terms of: municipal water consumption, borehole/well water consumption, river cooling water (borrowed), rain water |

| Water aspect | % of sites/facilities/operations | Please explain |
|---|---|---|
| | | harvested, and other water (e.g., tankered, onsite surface water consumption, etc.) |
| Water discharges- total volumes | 76-100 | Enablon tracks water discharge volume each month per site in terms of: wastewater discharged to municipal sewer, wastewater discharged directly to water body (river/lake/sea), wastewater tankered away for disposal, outgoing (borrowed) cooling water, and all other wastewater. |
| Water discharges- volume by destination | 76-100 | Enablon tracks water discharge volume each month per site in terms of: wastewater discharged to municipal sewer, wastewater discharged directly to water body (river/lake/sea), wastewater tankered away for disposal, outgoing (borrowed) cooling water, and all other wastewater. |
| Water discharges- volume by treatment method | 76-100 | Plants regularly measure and monitor water discharges volume by treatment methods, though we do not have a centralized system for tracking this information. |
| Water discharge quality data- quality by standard effluent parameters | 76-100 | Plants regularly measure and monitor water discharges quality by standard effluent parameters, though we do not have a centralized system for tracking this information. |
| Water consumption- total volume | 76-100 | Water consumption is calculated as the difference between total water withdrawal and total water discharge. |
| Facilities providing fully-functioning WASH services for all workers | 76-100 | This is tracked as part of employee Health & Safety requirements at our facilities. Water use, which would include for these services, is incorporated into plant water use monthly reporting in our manufacturing database, Enablon. |

**W1.2a**

**Water withdrawals: for the reporting year, please provide total water withdrawal data by source, across your operations**

| Source | Quantity (megaliters/year) | How does total water withdrawals for this source compare to the last reporting year? | Comment |
|---|---|---|---|
| Fresh surface water | 5065 | Higher | This includes tankered, onsite surface water and borrowed cooling water. The thresholds for |

| Source | Quantity (megaliters/year) | How does total water withdrawals for this source compare to the last reporting year? | Comment |
|---|---|---|---|
| | | | comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |
| Brackish surface water/seawater | | Not applicable | |
| Rainwater | 30 | Lower | Rain water harvested. The thresholds for comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |
| Groundwater - renewable | | Not applicable | |
| Groundwater - non-renewable | 4343 | Lower | Borehole/well water consumption. We do not differentiate between renewable or non-renewable groundwater or track them separately. To be conservative, we have categorized the volume as non-renewable, though some of it may be renewable. The thresholds for comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |
| Produced/process water | | Not applicable | |
| Municipal supply | 7863 | Lower | Municipal water consumption. The thresholds for comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |
| Wastewater from another organization | | Not applicable | |
| Total | 17300 | Lower | Many of our plants have made significant progress by optimizing cleaning procedures, continuous checks for potential leakages and employees' involvement in sustainability efforts. The thresholds for comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |

**W1.2b**

**Water discharges: for the reporting year, please provide total water discharge data by destination, across your operations**

| Destination | Quantity (megaliters/year) | How does total water discharged to this destination compare to the last reporting year? | Comment |
|---|---|---|---|
| Fresh surface water | 7548 | About the same | Wastewater discharged directly to water body (river/lake/sea) + outgoing (borrowed) cooling water. The thresholds for comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |
| Brackish surface water/seawater | | Not applicable | |
| Groundwater | | Not applicable | |
| Municipal/industrial wastewater treatment plant | 6083 | Higher | Wastewater discharged to municipal sewer + wastewater tankered away for disposal + all other wastewater. The thresholds for comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |
| Wastewater for another organization | | Not applicable | |
| Total | 13630 | Higher | The thresholds for comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |

**W1.2c**

**Water consumption: for the reporting year, please provide total water consumption data, across your operations**

| Consumption (megaliters/year) | How does this consumption figure compare to the last reporting year? | Comment |
|---|---|---|

| Consumption (megaliters/year) | How does this consumption figure compare to the last reporting year? | Comment |
|---|---|---|
| 3670 | Lower | This is calculated as the difference of water withdrawal and water discharge. Many of our plants have made significant progress by optimizing cleaning procedures, continuous checks for potential leakages and employees' involvement in sustainability efforts. The thresholds for comparing quantity year on year were defined as: Lower: less than -1% About the same: between -1% and +1% Higher: greater than +1% |

**W1.3**

**Do you request your suppliers to report on their water use, risks and/or management?**

Yes

**W1.3a**

**Please provide the proportion of suppliers you request to report on their water use, risks and/or management and the proportion of your procurement spend this represents**

| Proportion of suppliers % | Total procurement spend % | Rationale for this coverage |
|---|---|---|
| 26-50 | | As a founding member of AIM-PROGRESS, we adhere to the Sedex Member Ethical Trade Audit. This audit evaluates suppliers against a common set of Corporate Social Responsibility standards to drive efficiency on performance improvement for the consumer goods industry. In 2016, 218 of our key suppliers – 99 percent of our 2016 target group of highest priority suppliers – completed the audit, in addition to the 388 suppliers audited in 2014 and 286 audited in 2015. |

## W1.3b

Please choose the option that best explains why you do not request your suppliers to report on their water use, risks and/or management

| Primary reason | Please explain |
|---|---|
| | |

## W1.4

**Has your organization experienced any detrimental impacts related to water in the reporting year?**

No

## W1.4a

Please describe the detrimental impacts experienced by your organization related to water in the reporting year

| Country | River basin | Impact driver | Impact | Description of impact | Length of impact | Overall financial impact | Response strategy | Description of response strategy |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |

## W1.4b

Please choose the option below that best explains why you do not know if your organization experienced any detrimental impacts related to water in the reporting year and any plans you have to investigate this in the future

| Primary reason | Future plans |
|---|---|
| | |

**Further Information**

## Module: Risk Assessment

### Page: W2. Procedures and Requirements

**W2.1**

**Does your organization undertake a water-related risk assessment?**

Water risks are assessed

**W2.2**

**Please select the options that best describe your procedures with regard to assessing water risks**

| Risk assessment procedure | Coverage | Scale | Please explain |
|---|---|---|---|
| Comprehensive company-wide risk assessment | Direct operations and supply chain | All facilities and some suppliers | Water-related risks are considered in the company's enterprise risk management process. See question 2.1b of our CDP Climate response for a description of this process. |

## W2.3

**Please state how frequently you undertake water risk assessments, at what geographical scale and how far into the future you consider risks for each assessment**

| Frequency | Geographic scale | How far into the future are risks considered? | Comment |
|---|---|---|---|
| Annually | Facility | >6 years | We use the WRI Aqueduct Water Risk Mapping tool, a complementary tool to WBSCD water tool, to map our sites in terms of overall water risk, water quality and legislative/media risk. We have already taken the results of the Aqueduct tool to help prioritize sites for focused water reduction assessments. We also have helped develop Ecolab and Trucost's Water Risk Monetizer tool that should start to help us quantify water-related risks in financial terms. http://waterriskmonetizer.com/. |
| Annually | Business unit | >6 years | We perform a comprehensive analysis of our environmental footprint, which includes carbon (air), water and land impacts across our whole lifecycle. This work has provided us with a better understanding of the impacts across our supply chain and will enable us to focus activities where it matters: CO2, water, and land use. We update this analysis annually to help further refine our strategy. |

## W2.4

**Have you evaluated how water risks could affect the success (viability, constraints) of your organization's growth strategy?**

Yes, evaluated over the next 10 years

## W2.4a

**Please explain how your organization evaluated the effects of water risks on the success (viability, constraints) of your organization's growth strategy?**

Our water use awareness and management programs cover all sites in areas that are either currently water stressed or predicted to be water stressed in the near future (that is, by 2025 per WBCSD). We map water use and water stress using the WBCSD tool annually and will be developing programs to focus activity on those plants with the highest consumption in the most heavily stressed areas (both present and predicted). Many of our factories in water-stressed areas continue to implement water management programs and any new factories are also required to include water reduction design principles, especially if in a priority location for water risk management (for example our new factory in Sri City, India). While we mapped water use and water stress using the WBCSD Global Water Tool, we started in 2013 to also use the new WRI Aqueduct Water Risk Mapping tool to map our sites in terms of overall water risk. We perform a comprehensive analysis of our environmental footprint, which includes carbon (air), water, and land impacts across our whole lifecycle. This work has provided us with a better understanding of the impacts across our supply chain and will enable us to focus activities where it matters: CO2, water, and land use. We update this analysis annually to help further refine our strategy. The water aspects of this analysis also assess human health and ecosystem damage potential resulting from freshwater consumption and water degradation.

## W2.4b

**What is the main reason for not having evaluated how water risks could affect the success (viability, constraints) of your organization's growth strategy, and are there any plans in place to do so in the future?**

| Main reason | Current plans | Timeframe until evaluation | Comment |
|---|---|---|---|

## W2.5

**Please state the methods used to assess water risks**

| Method | Please explain how these methods are used in your risk assessment |
|---|---|
| Life Cycle Assessment<br>WBCSD Global Water Tool<br>WRI Aqueduct | We perform a comprehensive analysis of our environmental footprint, which includes carbon (air), water, and land impacts across our whole lifecycle. This work has provided us with a better understanding of the impacts across our supply chain and will enable us to focus activities where it matters: CO2, water, and land use. We update this analysis annually to help further refine our strategy. The water aspects of this analysis also assess water use and its impact on human health and ecosystems, including from supply chain, direct operations to consumer use and waste disposal. The results help us prioritize risks and programs to address them. Various programs |

| Method | Please explain how these methods are used in your risk assessment |
|---|---|
| Other: Ecolab-Trucost Water Risk Monetizer | we participate in address a number of water risks along our agricultural supply chains. We also use the WBCSD water scarcity Global Water definition to estimate a water stress factor for each of our operations. Meanwhile, WRI Aqueduct is used to map our facility water risks, including physical risk (both quality and quantity), regulatory risks and reputational risks. All business units/regions have annual water reduction targets. Water use and water discharge reporting and tracking are done monthly using our manufacturing database (Enablon). |

**W2.6**

**Which of the following contextual issues are always factored into your organization's water risk assessments?**

| Issues | Choose option | Please explain |
|---|---|---|
| Current water availability and quality parameters at a local level | Relevant, included | Sufficient water availability is vital for our operations. We use the WRI Aqueduct Water Risk Mapping tool, a complementary tool to WBSCD water tool, to map our sites in terms of overall water risk and water quality at the local level. |
| Current water regulatory frameworks and tariffs at a local level | Relevant, included | Our operations need to understand and manage local water regulatory frameworks and risks. |
| Current stakeholder conflicts concerning water resources at a local level | Relevant, not yet included | Such conflicts may be considered at a local risk assessment level by a given manufacturing facility. They are not “always” included, though, at present. |
| Current implications of water on your key commodities/raw materials | Relevant, included | A sufficient amount of good quality freshwater is important to our purchased agricultural commodities. We use the WRI Aqueduct Water Risk Mapping tool, a complementary tool to WBSCD water tool to better understand the implications of water on our key commodities/raw materials. |
| Current status of ecosystems and habitats at a local level | Relevant, included | It is important for facilities to understand and manage local ecosystems and their impact upon them. We use the WRI Aqueduct Water Risk Mapping tool, a complementary tool to WBSCD water tool, to map ecosystems and habitats near our sites. |
| Current river basin management plans | Relevant, not yet included | These plans may be considered at a local risk assessment level by a given manufacturing facility. They are not “always” included, though, at present. |
| Current access to fully-functioning WASH services for all employees | Relevant, included | This is tracked as part of employee Health & Safety requirements at our facilities to assure the safety of our employees and the products they make. |

| Issues | Choose option | Please explain |
|---|---|---|
| Estimates of future changes in water availability at a local level | Relevant, included | It is vital for our facilities to ensure they have sufficient water availability in the long-term. |
| Estimates of future potential regulatory changes at a local level | Relevant, included | Our operations need to understand and manage how local water regulatory frameworks and risks may evolve in future. |
| Estimates of future potential stakeholder conflicts at a local level | Relevant, not yet included | Such conflicts may be considered at a local risk assessment level by a given manufacturing facility. They are not “always” included, though, at present. |
| Estimates of future implications of water on your key commodities/raw materials | Relevant, included | It is important to understand whether sufficient good quality freshwater will be available in future to our purchased agricultural commodities. |
| Estimates of future potential changes in the status of ecosystems and habitats at a local level | Relevant, included | It is important for facilities to understand and manage how local ecosystems and their impact upon them may evolve. |
| Scenario analysis of availability of sufficient quantity and quality of water relevant for your operations at a local level | Relevant, included | It is important for our facilities to scenario plan future water availability and quality. |
| Scenario analysis of regulatory and/or tariff changes at a local level | Relevant, included | It is important for our facilities to scenario plan future regulatory or tariff changes. |
| Scenario analysis of stakeholder conflicts concerning water resources at a local level | Relevant, not yet included | The WRI Aqueduct water risk tool we currently use does not include scenario analyses relating to this issue. |
| Scenario analysis of implications of water on your key commodities/raw materials | Relevant, not yet included | The WRI Aqueduct water risk tool we currently use does not include scenario analyses relating to this issue. |
| Scenario analysis of potential changes in the status of ecosystems and habitats at a local level | Relevant, included | It is important for facilities to understand and manage how local ecosystems and their impact upon them may evolve. |
| Other | | |

**W2.7**

**Which of the following stakeholders are always factored into your organization's water risk assessments?**

| Stakeholder | Choose option | Please explain |
|---|---|---|
| Customers | Relevant, included | Consumer use is considered as part of our water footprint assessment. It is not, though, a driver of our water footprint. |
| Employees | Relevant, included | We engage with our employees in multiple ways about water use. Sustainability employee engagement program at all of our manufacturing sites worldwide includes water management awareness activities. |
| Investors | | |
| Local communities | Relevant, included | Local communities are considered at a local risk assessment level by a given manufacturing facility. |
| NGOs | | |
| Other water users at a local level | Relevant, included | Other water users are considered at a local risk assessment level by a given manufacturing facility. |
| Regulators | Relevant, included | Regulators are considered at a local risk assessment level by a given manufacturing facility. |
| River basin management authorities | Relevant, included | River basin management authorities may be considered at a local risk assessment level by a given manufacturing facility, especially facilities in water stressed areas. |
| Statutory special interest groups at a local level | Relevant, not yet included | Statutory special interest groups may be considered at a local risk assessment level by a given manufacturing facility. |
| Suppliers | Relevant, included | Our water footprint assessment takes a life cycle approach to assess water use and its impact on human health and ecosystems, including from supply chain and direct operations to consumer use and waste disposal. |
| Water utilities at a local level | Relevant, included | Water utilities/suppliers are considered at a local risk assessment level by a given manufacturing facility. |
| Other | | |

## W2.8

**Please choose the option that best explains why your organisation does not undertake a water-related risk assessment**

| Primary reason | Please explain |
|---|---|
| | |

**Further Information**

## Module: Implications

### Page: W3. Water Risks

**W3.1**

**Is your organization exposed to water risks, either current and/or future, that could generate a substantive change in your business, operations, revenue or expenditure?**

Yes, supply chain only

**W3.2**

**Please provide details as to how your organization defines substantive change in your business, operations, revenue or expenditure from water risk**

**W3.2a**

**Please provide the number of facilities* per river basin exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure; and the proportion of company-widefacilities** this represents

| Country | River basin | Number of facilities exposed to water risk | Proportion of company-wide facilities that this represents (%) | Comment |
|---|---|---|---|---|

## W3.2b

For each river basin mentioned in W3.2a, please provide the proportion of the company's total financial value that could be affected by water risks

| Country | River basin | Financial reporting metric | Proportion of chosen metric that could be affected | Comment |
|---|---|---|---|---|

## W3.2c

Please list the inherent water risks that could generate a substantive change in your business, operations, revenue or expenditure, the potential impact to your direct operations and the strategies to mitigate them

| Country | River basin | Risk driver | Potential impact | Description of potential impact | Timeframe | Likelihood | Magnitude of potential financial impact | Response strategy | Costs of response strategy | Details of strategy and costs |
|---|---|---|---|---|---|---|---|---|---|---|

## W3.2d

**Please list the inherent water risks that could generate a substantive change in your business operations, revenue or expenditure, the potential impact to your supply chain and the strategies to mitigate them**

| Country | River basin | Risk driver | Potential impact | Description of potential impact | Timeframe | Likelihood | Magnitude of potential financial impact | Response strategy | Costs of response strategy | Details of strategy and costs |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Physical-Climate change<br>Physical-Drought<br>Physical-Flooding<br>Physical-Increased water stress | Higher operating costs | 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. | 1-3 years | Probable | | Other: 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 | At least $400 million. That is the amount committed over 10 years to agricultural signature program Cocoa Life. | 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. |

## W3.2e

**Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your direct operations that could generate a substantive change in your business, operations, revenue or expenditure**

| Primary reason | Please explain |
|---|---|
| Risks exist, but no substantive impact anticipated | We certainly recognize that we are exposed to risks: in terms of physical risks, localized episodic extreme weather events could temporarily disrupt our manufacturing and product distribution in affected areas. But, there are no substantive impacts anticipated. |

## W3.2f

**Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your supply chain that could generate a substantive change in your business, operations, revenue or expenditure**

| Primary reason | Please explain |
|---|---|

## W3.2g

**Please choose the option that best explains why you do not know if your organization is exposed to water risks that could generate a substantive change in your business operations, revenue or expenditure and discuss any future plans you have to assess this**

| Primary reason | Future plans |
|---|---|
| | |

**Further Information**

## Page: W4. Water Opportunities

### W4.1

**Does water present strategic, operational or market opportunities that substantively benefit/have the potential to benefit your organization?**

No

### W4.1a

**Please describe the opportunities water presents to your organization and your strategies to realize them**

| Country or region | Opportunity | Strategy to realize opportunity | Estimated timeframe | Comment |
|---|---|---|---|---|
| | | | | |

### W4.1b

**Please choose the option that best explains why water does not present your organization with any opportunities that have the potential to provide substantive benefit**

| Primary reason | Please explain |
|---|---|
| Opportunities exist, but nothing substantive | We acknowledge there may be opportunities linked to water and we believe they deserve attention. However, we have concluded that opportunities cited in this question cannot be categorized as having the potential to generate substantive change in our business operations in terms of new product or business growth opportunities related to water. Due to our past and ongoing efforts to reduce water use and the ambitious target we set (see question 0.1) we may be able to gain some competitive advantage. |

### W4.1c

**Please choose the option that best explains why you do not know if water presents your organization with any opportunities that have the potential to provide substantive benefit**

| Primary reason | Please explain |
|---|---|
| | |

**Further Information**

## Module: Accounting

### Page: W5. Facility Level Water Accounting (I)

### W5.1

**Water withdrawals: for the reporting year, please complete the table below with water accounting data for all facilities included in your answer to W3.2a**

| Facility reference number | Country | River basin | Facility name | Total water withdrawals (megaliters/year) at this facility | How does the total water withdrawals at this facility compare to the last reporting year? | Please explain |
|---|---|---|---|---|---|---|

**Further Information**

## Page: W5. Facility Level Water Accounting (II)

### W5.1a

Water withdrawals: for the reporting year, please provide withdrawal data, in megaliters per year, for the water sources used for all facilities reported in W5.1

| Facility reference number | Fresh surface water | Brackish surface water/seawater | Rainwater | Groundwater (renewable) | Groundwater (non-renewable) | Produced/process water | Municipal water | Wastewater from another organization | Comment |
|---|---|---|---|---|---|---|---|---|---|

### W5.2

Water discharge: for the reporting year, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

| Facility reference number | Total water discharged (megaliters/year) at this facility | How does the total water discharged at this facility compare to the last reporting year? | Please explain |
|---|---|---|---|

## W5.2a

**Water discharge: for the reporting year, please provide water discharge data, in megaliters per year, by destination for all facilities reported in W5.2**

| Facility reference number | Fresh surface water | Municipal/industrial wastewater treatment plant | Seawater | Groundwater | Wastewater for another organization | Comment |
|---|---|---|---|---|---|---|

## W5.3

**Water consumption: for the reporting year, please provide water consumption data for all facilities reported in W3.2a**

| Facility reference number | Consumption (megaliters/year) | How does this compare to the last reporting year? | Please explain |
|---|---|---|---|

## W5.4

**For all facilities reported in W3.2a what proportion of their water accounting data has been externally verified?**

| Water aspect | % verification | What standard and methodology was used? |
|---|---|---|

**Further Information**

# Module: Response

## Page: W6. Governance and Strategy

### W6.1

**Who has the highest level of direct responsibility for water within your organization and how frequently are they briefed?**

| Highest level of direct responsibility for water issues | Frequency of briefings on water issues | Comment |
|---|---|---|
| Board of individuals/Sub-set of the Board or other committee appointed by the Board | Scheduled - twice per year | For Mondelēz International, sustainability is one part of one of our three global growth strategies “Grow our Impact”. 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. Water is a key focus area in our sustainability strategy. |

### W6.2

**Is water management integrated into your business strategy?**

Yes

### W6.2a

**Please choose the option(s) below that best explains how water has positively influenced your business strategy**

| Influence of water on business strategy | Please explain |
|---|---|
| Establishment of sustainability goals | Establishing water goals has helped us to better manage our stewardship of water resources by focusing our facility managers on water consumption and methods to reduce it. Our 2020 goals have further refined our approach by focusing on those facilities where water is most scarce. For example, our meals facility at Manama, Bahrain reduced water consumption by nine million litres in 2016. |
| Establishment of a clear water strategy | Our 2020 sustainability goals announced in October 2015, set ambitious targets that include cutting our absolute water footprint by reducing water use by 10% in manufacturing by 2020 vs. 2013 baseline, focusing on priority sites where water is most scarce. This builds on our prior water reduction goals, which started in 2006. By evolving our strategy on priority sites, we are able to focus our efforts where they have the most difference and also to support our business development by anticipating the impact of expansions for new lines and sites. |
| Exploration of water valuation practices | We have helped develop Ecolab and Trucost's Water Risk Monetizer tool that should start to help us quantify water-related risks in financial terms. http://waterriskmonetizer.com/. |
| Exploration of environmental impact | We monitor water usage worldwide on a monthly basis and report to senior management on a quarterly basis. We annually update a lifecycle assessment of the entire company, including the supply chain and use of our products, to determine where we have the greatest impact on water, as well as air, and land. By monitoring environmental impact in this way, we are able to focus efforts on where they have the most impact. For example, 10% of the farmers in our North America wheat program joined The Nature Conservancy's Saginaw Bay Regional Conservation Partnership Program, which Mondelez supports. |
| Investment in staff/training | We have partnered with Nalco and have offered the Nalco Customer Learning Center as one source for knowledge on operations that use water in industrial applications. Nalco is an Ecolab company, "the global leader in water, hygiene and energy technologies and services that protect people and vital resources." http://www.nalco.com/ |
| Water resource considerations are factored into location planning for new operations | Our engineering management standard requires all facilities and functions to integrate our environmental requirements concerning changes or new projects for equipment, buildings, facilities, and processes to facilitate legal compliance and to reduce environmental impact, including the use of natural sources, such as water. |
| Water resource considerations are factored into site expansions | Our engineering management standard requires all facilities and functions to integrate our environmental requirements concerning changes or new projects for equipment, buildings, facilities, and processes to facilitate legal compliance and to reduce environmental impact, including the use of natural sources, such as water. |
| Publicly demonstrated our commitment to water | Our new water reductions target for 2020 was announced at the end of 2015 and is an average 10% absolute reduction in incoming water at identified sites in water stressed areas (vs 2013 baseline). We have been reporting on our progress for water reductions along the way, having first established a water reduction goal in 2006. Our current progress is in our 2016 Call for Well-being Progress Report. |
| Greater supplier engagement | We expect our suppliers and external manufacturers worldwide to live up to the same standards we have set for ourselves. We require certain direct suppliers to undergo the SEDEX/AIM-PROGRESS process, which includes questions about water use, risk, and management. |
| Greater employee engagement | We engage with our employees in multiple ways about water use. For example, our annual Health Safety Environmental |

| Influence of water on business strategy | Please explain |
|---|---|
| | Month employee engagement program at all of our manufacturing sites worldwide includes water management awareness activities. |
| Tighter operational performance standards | Our new water reductions target for 2020 was announced at the end of 2015 and is an average 10% absolute reduction in incoming water at identified sites in water stressed areas (vs 2013 baseline), using absolute rather than normalized metrics. |
| Water management incentives established for employees | Water targets are tied to plant performance incentives, which can affect employee compensation. |
| Water management incentives established for senior management | Our sustainability goals, which include water targets, are considered as part of senior management incentives. |

**W6.2b**

**Please choose the option(s) below that best explains how water has negatively influenced your business strategy**

| Influence of water on business strategy | Please explain |
|---|---|
| Other: | Prices for raw materials, other supplies, and energy are volatile and can fluctuate due to conditions that are difficult to predict. These conditions include water risk. |

**W6.2c**

**Please choose the option that best explains why your organization does not integrate water management into its business strategy and discuss any future plans to do so**

| Primary reason | Please explain |
|---|---|
| | |

**W6.3**

**Does your organization have a water policy that sets out clear goals and guidelines for action?**

Yes

**W6.3a**

**Please select the content that best describes your water policy (tick all that apply)**

| Content | Please explain why this content is included |
|---|---|
| Publicly available Company-wide | Our environmental policy includes water. Our environmental policy is as follows: “We are 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 of our employees to carry out their job responsibilities in accordance with this policy and to report any environmental concerns they have to management.” Our policy, which is available on our website at http://www.mondelezinternational.com/well-being/sustainable-resources-and-agriculture/environmental-footprint, requires us to set water use reduction targets for our operations and incorporate water issues into our internal environmental standards. Our new target for 2020 to reduce water in manufacturing 10% focusing on priority locations where water is most scarce vs. 2013 baseline was announced in Oct 2015. Our contracts include an environment provision and we expect our suppliers to meet our Code of Conduct (see Rule 6 about environment). |

**W6.4**

**How does your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) during the most recent reporting year compare to the previous reporting year?**

| Water CAPEX (+/- % change) | Water OPEX (+/- % change) | Motivation for these changes |
|---|---|---|
| | | |

**Further Information**

## Page: W7. Compliance

**W7.1**

**Was your organization subject to any penalties, fines and/or enforcement orders for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations in the reporting year?**

No

**W7.1a**

**Please describe the penalties, fines and/or enforcement orders for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations and your plans for resolving them**

| Facility name | Incident | Incident description | Frequency of occurrence in reporting year | Financial impact | Currency | Incident resolution |
|---|---|---|---|---|---|---|
| | | | | | | |

W7.1b

What proportion of your total facilities/operations are associated with the incidents listed in W7.1a?

W7.1c

Please indicate the total financial impacts of all incidents reported in W7.1a as a proportion of total operating expenditure (OPEX) for the reporting year. Please also provide a comparison of this proportion compared to the previous reporting year

| Impact as % of OPEX | Comparison to last year |
|---|---|
| | |

**Further Information**

Plants complete a Letter of Assurance annually and no significant fine happened. Following the Dow Jones Sustainability Index definition of significant penalties which are penalties over $10,000.

## Page: W8. Targets and Initiatives

**W8.1**

**Do you have any company wide targets (quantitative) or goals (qualitative) related to water?**

Yes, targets only

**W8.1a**

**Please complete the following table with information on company wide quantitative targets (ongoing or reached completion during the reporting period) and an indication of progress made**

| Category of target | Motivation | Description of target | Quantitative unit of measurement | Base-line year | Target year | Proportion of target achieved, % value |
|---|---|---|---|---|---|---|
| Absolute reduction of water withdrawals | Water stewardship | From 2013-2020, our target is set to reduce water in manufacturing by 10% at priority sites where water is most scare. | Other: % reduction of water sourced from non-borrowed supply, and excludes rainwater | 2013 | 2020 | 100% |

## W8.1b

**Please describe any company wide qualitative goals (ongoing or reached completion during the reporting period) and your progress in achieving these**

| Goal | Motivation | Description of goal | Progress |
|---|---|---|---|

## W8.1c

**Please explain why you do not have any water-related targets or goals and discuss any plans to develop these in the future**

**Further Information**

8.1a: Absolute reduction of water withdrawals was achieved at 180% of 2020 target. Our 2020 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 2016 performance.

## Module: Linkages/Tradeoff

### Page: W9. Managing trade-offs between water and other environmental issues

**W9.1**

**Has your organization identified any linkages or trade-offs between water and other environmental issues in its value chain?**

Yes

**W9.1a**

**Please describe the linkages or trade-offs and the related management policy or action**

| Environmental issues | Linkage or trade-off | Policy or action |
|---|---|---|
| Our comprehensive and groundbreaking analysis of our environmental footprint includes carbon (air), water, and land impacts across our whole lifecycle. This work provides us with a better understanding of our supply chain and enables us to focus our activities. This review was first conducted in 2011 and has been updated annually to further refine our strategy. The 2016 results help determine our new environmental sustainability goals for 2020 on carbon, waste, and water. | Linkage | Our lifecycle assessment helped to inform our sustainability strategy |

**Further Information**

## Module: Sign Off

## Page: Sign Off

### W10.1

**Please provide the following information for the person that has signed off (approved) your CDP water response**

| Name | Job title | Corresponding job category |
|---|---|---|
| Jonathan Horrell | Director, Global Sustainability | Environment/Sustainability manager |

### W10.2

**Please indicate that your organization agrees for CDP to transfer your publicly disclosed data regarding your response strategies to the CEO Water Mandate Water Action Hub.**

**Note: Only your responses to W1.4a (response to impacts) and W3.2c&d (response to risks) will be shared and then reviewed as a potential collective action project for inclusion on the WAH website.**

**By selecting Yes, you agree that CDP may also share the email address of your registered CDP user with the CEO Water Mandate. This will allow the Hub administrator to alert your company if its response data includes a project of potential interest to other parties using water resources in the geographies in which you operate. The Hub will publish the project with the associated contact details. Your company will be provided with a secure log-in allowing it to amend the project profile and contact details.**

No

### Further Information

**CDP 2017 Water 2017 Information Request**