



SNACKING MADE RIGHT

2019 Summary Report

CHAIRMAN & CEO'S LETTER

A message from Dirk Van de Put



Dirk Van de Put
Chairman & CEO
Mondelēz International

Successful companies do more than focus on financial results – they create value for the world at large and improve the lives of those they impact. At Mondelēz International, we are guided by our purpose to empower people to snack right by providing the right snack, for the right moment, made the right way.

As the world deals with a global pandemic, that purpose feels more important today than ever. It drives us to prioritize the health and safety of our colleagues, while continuing to provide the sustenance and moments of enjoyment that consumers need.

While many things have changed due to COVID-19, the issues we are tackling and the opportunities we are pursuing remain the same. In fact, there is an even greater need to accelerate our progress. We have long believed in using our global scale to create meaningful, lasting impact, and as you read our 2019 Snacking Made Right Report, I hope you agree we've continued to make significant progress to drive positive change, including:

- We delivered all of our 2020 environmental reduction goals on CO₂, water and waste ahead of schedule
- Waste providing \$87 million in cost savings in 2019 and we eliminated ~65,000 tons of packaging
- We sourced ~63% of the volume of cocoa needed for our global chocolate brands through the Cocoa Life program, an increase of 20 points vs. 2018
- Within our product portfolio, our offering of portion control options for consumers increased to 16% of our snacks net revenues, ahead of our 15% goal for 2020
- And our Mondelēz International Foundation allocated 100% of its \$50 million commitment to community healthy lifestyle programs

We are proud of what we accomplished last year. We're fulfilling our mission – to lead the future of snacking – by continuing to align our actions to the goals set out in our 2025 Snacking Made Right strategy. These goals, rooted in our purpose, mission and values, include:

- Creating a sustainable supply chain of key ingredients
 - Scaling sustainable sourcing program Cocoa Life to 100% of cocoa volume for our chocolate brands by 2025
- Addressing climate change and reducing our end-to-end environmental impact
 - 10% reduction in CO₂ emissions by 2025 vs 2018 baseline with a focus on protecting and restoring forests through our signature sustainable sourcing programs
- Advancing zero net waste
 - 100% packaging recyclable and labeled with recycling information by 2025 with a focus on tackling plastic waste
 - 15% reduction in food waste in manufacturing and 50% reduction in food waste from distribution
- Respecting the rights of everyone across our value chain
 - 100% CLMRS coverage of Cocoa Life communities in West Africa by 2025

As we look to build an even stronger business, we will continue to support and empower colleagues, consumers, suppliers, and customers around the world. Now is the time for companies to do what's right. I am confident that our approach to sustainability, well-being and how we do business helps to create a better future.

Dirk



SPOTLIGHT ON CLIMATE CHANGE

2025 GOAL: End-to-end CO₂ emissions reductions and 100% packaging recyclable by 2025. For all our futures and for the future of the planet, it is critical we play our part in tackling climate change. To this end, we have created this goal in line with the Science Based Targets initiative and Task Force on Climate-related Financial Disclosures.



SPOTLIGHT ON GOVERNANCE

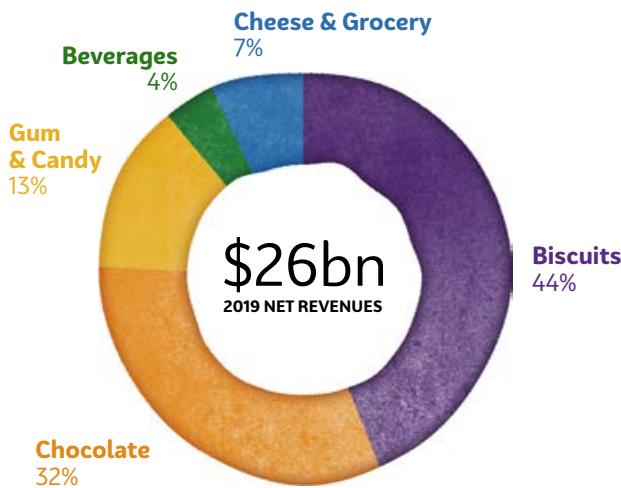
We promote strong compliance and governance throughout our company, to achieve long-term success and build ever greater trust with our stakeholders.

ABOUT US

What we do

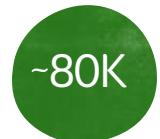
We love consumers. And we love snacks – they're our world, and we want to make that world right for everybody.

REVENUES BY CATEGORY 2019



Our reach

We are a global snacking business with a strong local presence.



~80K
We have approximately 80,000 employees



4
4 regions with 14 BUs



>150
Our snacks are enjoyed in over 150 countries

Our brands

Oreo, belVita, LU Petit Beurre, Cadbury Dairy Milk, Milka, Toblerone, Sour Patch Kids and Trident gum to name a few – we make and bake great snacks for millions of people around the world every day.

GLOBAL BRANDS

9 global brands:



LOCAL JEWELS

60+ local jewels, including:



Our purpose

We empower people to snack right. We do it by offering...

The right snack...

BROAD PORTFOLIO + WELL-BEING

This is about giving people a wide range of high-quality snacks so they can make great informed choices. From indulgent treats to wholesome bites, we want to create snacks that people truly love and feel good about.

...for the right moment...

EASY ACCESS + MINDFUL SNACKING

This is about making it easy for people to enjoy snacks wherever they are in the world, whatever time of day and to do so mindfully.

...made the right way

SUSTAINABLE SNACKING + TAKE A STAND

This is about taking the lead in making sure our snacks are not only right for people but also right for the planet – from the raw materials we rely on to the communities we live in and work with and the climate we all need to care for.

Our Impact

Empowering people to snack right – it's our way to grow well as a business, and do well for people and the planet, and it's about real lasting impact.

\$800M

We are investing \$800 million to positively impact people and the planet in local communities.¹

2019 ACHIEVEMENTS

63%

of our cocoa volume for our chocolate brands is sourced via Cocoa Life.

100%

palm oil certified by Roundtable on Sustainable Palm Oil ("RSPO") while pushing for more reforms.

93%

packaging designed to be recyclable.

76%

child labor due diligence via Child Labor Monitoring and Remediation Systems ("CLMRS") across Cocoa Life communities in Ghana.

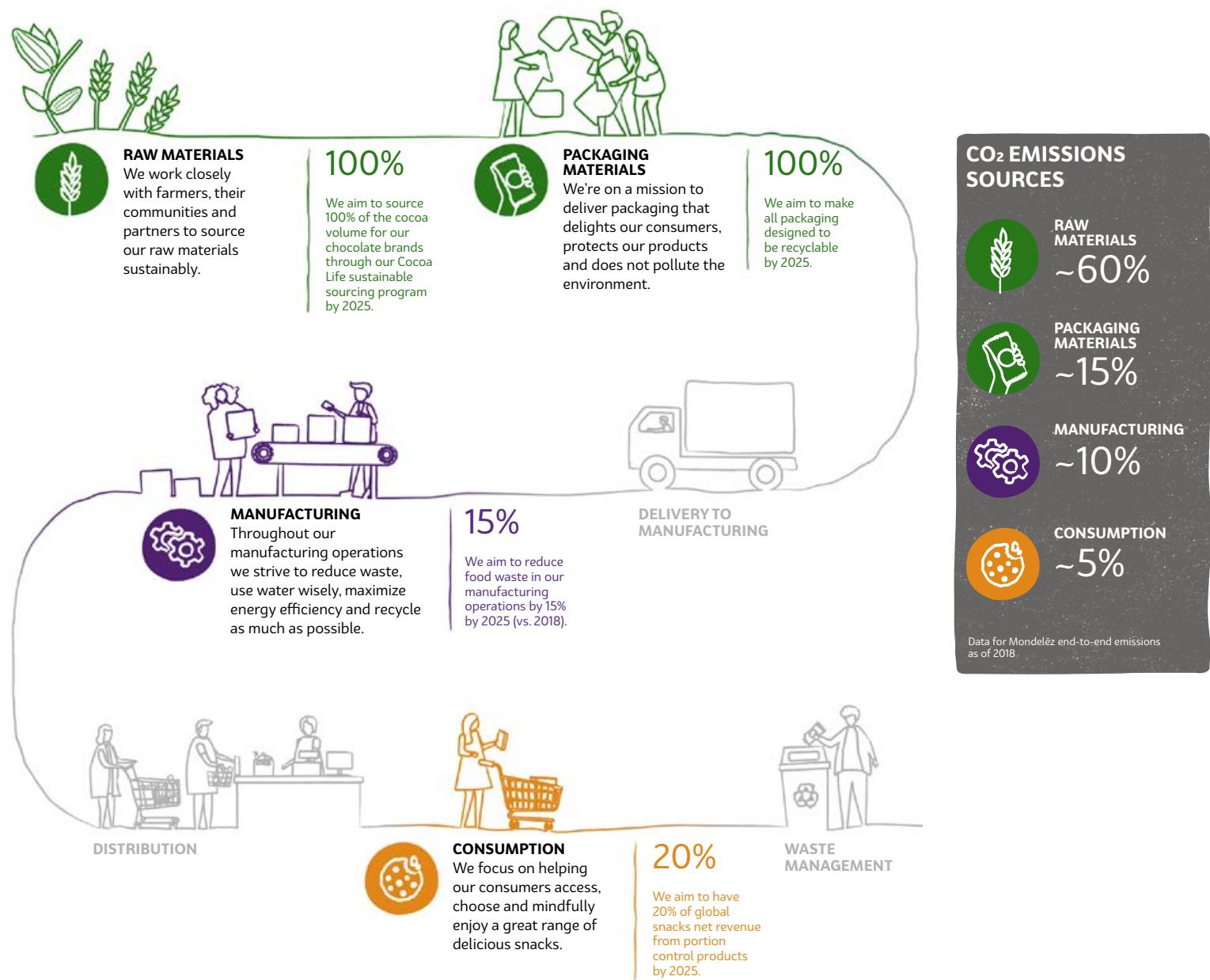
16%

snacks revenue from portion control options.

OUR PRIORITIES

From the farmers and communities we work closely with through to the consumers who buy and enjoy our snacks – we do everything we can to ensure snacking is made right, all the way along our value chain.

To be effective, particularly in the fight against climate change, we need to prioritize. Our strategic focus areas and 2025 goals map to those areas of our value chain that account for our greatest impact on the environment. They are also aligned to what is most material to our long-term business success. By focusing our efforts in those areas, we can drive meaningful change for our company and the world around us.



OUR PROGRESS

We focus on offering the right snacks, for the right moment, made the right way. We are on track against our 2020 targets and in some cases, we've already achieved many of them ahead of schedule.

We have communicated that we are tracking adoption of standards such as those published by the Sustainability Accounting Standards Board ("SASB") and the Task Force on Climate-related Financial Disclosures ("TCFD"). We will reflect shareholder feedback as we continue to align our sustainability reporting with evolving standards. For more information on the areas of alignment between those standards and our current disclosure please visit our website where we have published SASB and TCFD indices and further data.

	2020 GOAL	2019 PROGRESS	2025 GOAL	2019 PROGRESS
RIGHT SNACK				
 Well-being	Well-being snacks grow at twice the rate of traditional snacks	More needed Traditional snacks growth outpaced well-being snacks growth	Renovate and innovate to meet consumers well-being needs	On track Roadmap developed
RIGHT MOMENT				
 Portion control	15% global snacks net revenue from portion control snacks	Exceeded 16%	20% global snacks net revenue from portion control snacks	On track 16%
 Mindful snacking	-	-	100% mindful snacking labelling across packaging globally	On track Roadmap developed
RIGHT WAY				
 Sustainable ingredients	Cocoa Scale up Cocoa Life, our \$400 million investment to cocoa farming	On track	100% of cocoa volume for our chocolate brands through Cocoa Life	On track 63%
	Wheat 100% of EU biscuits use Harmony Wheat by 2022	On track 65%	-	-
	Palm oil 100% RSPO palm oil	Achieved 100%	Support sector wide action against consistent policies; maintain 100% RSPO	On track 100%
 Environmental impact	CO₂ emissions 15% reduction in CO ₂ emissions across manufacturing operations*	Achieved 15%*	10% end-to-end CO ₂ emissions reduction**	On track Roadmap in progress
	Water reduction 10% reduction in priority water usage*	Exceeded 27%*	10% reduction in priority water usage in areas where water is most scarce**	On track Roadmap in progress
	Total waste 20% reduction in manufacturing total waste*	Exceeded 21%*	15% reduction in food waste in manufacturing**	On track Roadmap in progress
 Packaging innovation	Eliminate 65,000 tons of packaging	On track 64,850 tons	50% reduction in food waste from distribution**	On track Roadmap in progress
 Social sustainability	Human rights 100% human rights due diligence system coverage in own operations and priority tier-1 suppliers	Achieved 100%	100% human rights due diligence system coverage in own operations and tier-1 suppliers	On track 100%
	Child labor Scale up Child Labor Monitoring & Remediation Systems in Cocoa Life communities in West Africa	On track 27%	100% Cocoa Life communities in West Africa have Child Labor Monitoring & Remediation Systems	On track 27%

*2013 baseline against all 2020 Goals and 2019 Progress

**2018 baseline

OUR APPROACH

We're on a mission to lead the future of snacking by offering people around the world the right snack, for the right moment, made the right way.

To this end, we have a clear approach and have set transparent goals to achieve by 2025:

SPOTLIGHT ON BUSINESS STRATEGY

At Mondelēz International, we are focused on our three strategic priorities: growth, execution and culture. We're accelerating consumer-centric growth; we're driving excellence in execution; and we're building a winning growth culture.

RIGHT SNACK



BROAD PORTFOLIO

We offer a wide range of delicious, high-quality snacks from indulgent to wholesome.



WELL-BEING

We renovate and innovate our portfolio to satisfy consumers' current and changing well-being needs.

RIGHT MOMENT



EASY ACCESS

We help consumers with easy access to the right snacks throughout their day.



MINDFUL SNACKING

We inspire mindful ways of snacking, to help people savor each bite and experience more satisfaction.

2025 GOALS:

Portion control

20%

20% of global snacks net revenue from portion control products by 2025.

Mindful snacking

100%

Snack Mindfully icon with portion guidance on 100% of packages globally by 2025.

RIGHT WAY



SUSTAINABLE SNACKING

We strive to create a future where people and planet thrive.



TAKE A STAND

We stand up for what we believe and do business the right way.

2025 GOALS:

Sustainable ingredients

100%

Sourcing 100% of the cocoa volume needed for our chocolate brands by 2025.

Environmental impact

↓10%

Reduce end to end absolute CO₂ emissions by 10% by 2025 vs 2018 baseline.

Packaging innovation

100%

Make 100% of our packaging recyclable and labeled with consumer recycling information by 2025.

Social sustainability

100%

100% adoption of child labor due diligence across Cocoa Life communities in West Africa.

RIGHT SNACK

GOAL PROGRESS

Traditional snacks growth outpaces well-being snacks growth



PROTEIN-RICH BREAKFAST

Protein is one of the top three benefits our Generation X consumer is looking for, and we know it is especially important in the morning. As a growing morning brand, we want to make sure we are offering this important benefit, so our belVita Protein soft bake range offers 10g of high quality protein per serving.

We're committed to offering a wide range of delicious, high-quality snacks, and to keep on improving them to meet our customers' well-being needs.



UN Sustainable Development Goals

Top tier: Priority SDGs where our impact is most closely linked:



Additional tier: We also seek to positively impact the following SDGs:

- 9 – Industry, Innovation and Infrastructure
- 17 – Partnership for the Goals

RIGHT MOMENT

GOAL PROGRESS

16%

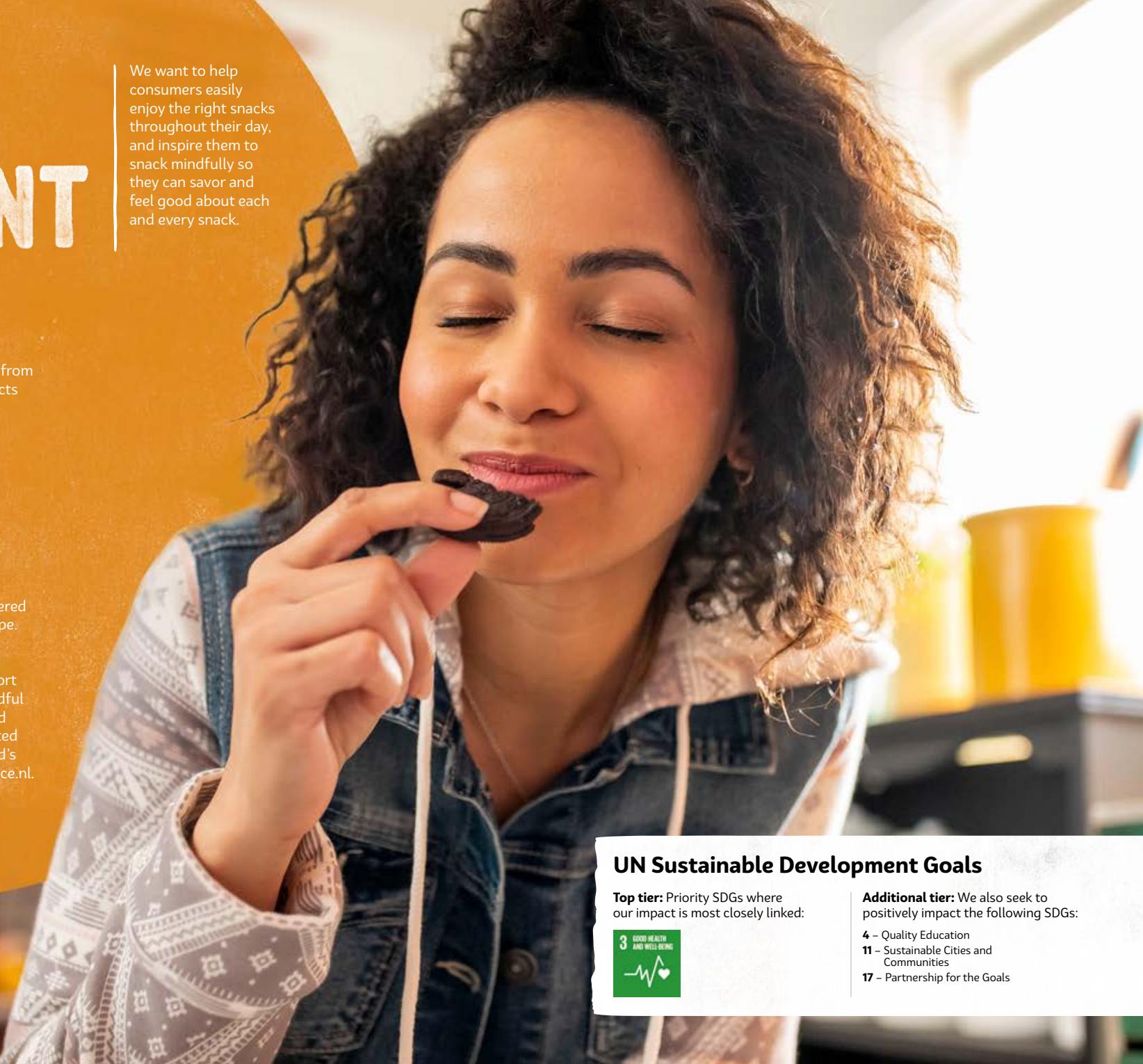
of snacks net revenue from portion control products



SNACK MINDFULLY

In 2019, our Prince biscuits brand pioneered the Snack Mindfully messaging in Europe. Packs have the "Snack Mindfully" logo on the front, highlighting how many biscuits are in a portion, as well as a short description on the back explaining mindful snacking, with an example of a balanced afternoon snack. There is also a dedicated page for more information on the brand's website, www.luprince.be / www.luprince.nl.

We want to help consumers easily enjoy the right snacks throughout their day, and inspire them to snack mindfully so they can savor and feel good about each and every snack.



UN Sustainable Development Goals

Top tier: Priority SDGs where our impact is most closely linked:



Additional tier: We also seek to positively impact the following SDGs:

- 4 – Quality Education
- 11 – Sustainable Cities and Communities
- 17 – Partnership for the Goals

RIGHT WAY

GOAL PROGRESS

SUSTAINABLE SNACKING

2017 2018 2019

SUSTAINABLE INGREDIENTS

All cocoa volume for our chocolate brands sourced through Cocoa Life (goal: 100% by 2025)	35%	43%	63%
EU wheat need via Harmony (goal: 100% by 2022)	60%	60%	65%
RSPO palm oil	100%	100%	100%
Palm oil traceable to the mill	95%	96%	97%
Palm oil from suppliers with aligned policies	99%	99%	98%
Cage-free eggs in U.S. and Canada by 2020 and rest of world by 2025 (goal: 100% globally, excl Russia and Ukraine)	15%	15%	17%

ENVIRONMENTAL IMPACT

Reduction of absolute CO ₂ emissions from manufacturing	10%	10%	15%
Reduction in priority water usage in areas where water is most scarce*	25%	22%	27%
Reduction in total waste from manufacturing*	15%	13%	21%

PACKAGING INNOVATION

Tonnes of packaging eliminated	53.5K	59.6K	64.8K
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SOCIAL SUSTAINABILITY

100% human rights due diligence system coverage in own operations and priority tier-1 suppliers

27%

Cocoa Life communities in West Africa with child labor monitoring and remediation



USING RENEWABLE SOLAR ENERGY IN THE USA

We will purchase energy from a 65 MW solar installation, enabling us to reduce our CO₂ emissions by 80,000 metric tons.

We're focused on making our snacks more sustainably by using less energy, water and waste, with ingredients consumers know and trust.



UN Sustainable Development Goals

Top tier: Priority SDGs where our impact is most closely linked:



Additional tier: We also seek to positively impact the following SDGs:

- 1 – No Poverty
- 4 – Quality Education
- 5 – Gender Equality
- 7 – Affordable and Clean Energy
- 9 – Industry, Innovation and Infrastructure
- 10 – Reduced Inequalities
- 11 – Sustainable Cities and Communities
- 14 – Life Below Water
- 16 – Peace, Justice and Strong Institutions
- 17 – Partnership for the Goals



**For More Information on Our Company,
Purpose and Strategies Visit:**
www.mondelezinternational.com



ABOUT THIS REPORT

The scope of this report and the performance against our quantitative goals is our entire company from January 1, 2019 to December 31, 2019, including all manufacturing facilities under our direct control, unless stated otherwise. Where quantitative goals are linked to revenue, such as our published Well-being Snacks and Communities goals, coverage is for all Mondelēz International revenue except Venezuela, for which results are excluded from our consolidated financial statements. Where quantitative goals are linked to operations, such as our manufacturing environmental goals (CO₂, water, waste) and employee safety and food safety goals, coverage is all operations under the control of our integrated supply chain function. Data for our manufacturing environmental goals are subject to final verification by SGS. The verification statement will be available on our website.

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