

Know the Chain Food and Beverage Benchmark: Company Engagement Questionnaire

Mondelēz International, June 2016

Introduction

By leveraging our position as the world's largest snack company and focusing where we can make the greatest impact, we continue to build on our heritage of leadership in sustainability – a heritage which includes being the first company to adopt certification for mainstream chocolate brands; to go beyond third-party certification by taking direct accountability for building a sustainable cocoa supply (via **Cocoa Life**); and to require palm oil suppliers to adopt forest protection and sustainability policies for their entire supply base – not just palm oil supplied to Mondelēz International.

Layout of Mondelez International's response

As requested Mondelez International has compiled a list of publicly available documents in response to the questions submitted by Know the Chain. To assist Know the Chain in navigating the data associated with these responses, Mondelez has extracted relevant sections in response to the questions below.

As such the following response is structured as follows

Question

Key public documents: a list of all publically available relevant documents with weblinks

Key extract: Relevant extracts lifted from each document and included below each question.

Under some questions:

Key public documents (associated): this refers to documents not developed by Mondelez International but illustrative of Mondelez's approach

1. Please share links to any policy statements, reports, or other documents that you would like to be taken into account in a review of your company's approach to managing forced labor risks in the supply chain.

Publicly available documents as web links	
Mondelēz International Code of Conduct	http://www.mondelezinternational.com/~media/mondelezcorporate/uploads/downloads/employeecodeofconduct.pdf
Mondelēz International Compliance and Integrity	http://www.Mondelēzinternational.com/about-us/compliance-and-integrity#humanRights
Mondelēz International Company Action Platform	https://business-humanrights.org/en/mondel%C4%93z-international-1
Mondelēz International Palm Oil Action Plan, June 2014	http://www.mondelezinternational.com/~media/MondelezCorporate/uploads/downloads/Palm_Oil_Action_Plan.pdf
Mondelēz International Governance, Membership and Public Affairs Committee Charter	http://www.mondelezinternational.com/~media/MondelezCorporate/uploads/downloads/7%20-%20GovernancemembershipandPACcharter.pdf
Program for Responsible Sourcing (progress)	http://www.mondelezinternational.com/Procurement/Responsible-Sourcing/Program-for-Responsible-Sourcing-PROGRESS
The Call for Well-being 2015 Progress Report	http://www.mondelezinternational.com/~media/MondelezCorporate/uploads/downloads/cfwbprogressreport.pdf
Mondelēz International Strengthens Efforts to Address Child Labor in Cocoa Production, May 23 rd 2016	http://ir.mondelezinternational.com/releasedetail.cfm?releaseid=972380
Cocoa Life Principles	http://www.cocoalife.org/the%20program/our%20principles
Cocoa Life – Where we operate	http://www.cocoalife.org/the%20program/our%20reach
Cocoa Life: Empowering Cocoa Farmers and Communities 2015 Progress Report	http://www.mondelezinternational.com/about-us/compliance-and-integrity#humanRights
Cocoa Life Gender Action Plans: Ghana and Côte d'Ivoire	http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/April%202014%20Gender%20Action%20Plans%20Ghana%20and%20Cote%20dIvoire.pdf
Cocoa Life Mainstreaming Gender Equality in Cocoa 2015 Update	http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/Feb%202015%20Cocoa%20Life%20Mainstreaming%20gender%20equality%20in%20cocoa%202015%20update.pdf
Cocoa Life Guidance Document for publication (2013)	http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/October%202013%20Cocoa%20Life%20Guidance%20Document%20Child%20Labour.pdf
Cocoa Life Child Labour Interventions	http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/July%202015%20Cocoa%20Life%20%20Child%20Labor%20Interventions%20Update
Cocoa Life Côte d'Ivoire Needs Assessment Executive Summary April 2015	http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/April%202015%20Cocoa%20Life%20Cote%20dIvoire%20Needs%20Assessment%20Exec%20Summary.pdf

Children at the Heart: Assessment of child labour and child slavery in Côte d'Ivoire's cocoa sector and recommendations to Mondelēz International	http://www.cocoalife.org/~media/CocoaLife/Files/pdf/Library/FULL_REPORT_Cote_Ivoire_Mondelez_Embode_ChildrenattheHeart.pdf
Children at the Heart: Assessment of child labour and child slavery in Ghana's cocoa sector and recommendations to Mondelēz International	http://www.cocoalife.org/~media/CocoaLife/Files/pdf/Library/FULL_REPORT_Ghana_Mondelez_Embo de_ChildrenattheHeart.pdf
Gender assessment in the pilot communities, CARE International 14 th March 2014	http://www.cocoalife.org/~media/cocoalife/news%20articles%20pdf/cote%20divoire%20gender%20a ssesment%20by%20care%20international.pdf
Gender Inequality in the Ghanaian Cocoa Sector Michael J. Hiscox & Rebecca Goldstein (Harvard University) April 23 rd 2014	http://www.cocoalife.org/~media/cocoalife/news%20articles%20pdf/ghana%20gender%20assessmen t%20by%20harvard%20university.pdf
Mondelēz International Palm Oil and deforestation	http://www.mondelezinternational.com/~media/mondelezcorporate/uploads/downloads/palm_oil_s tatement.pdf
Mondelēz International Palm Oil Action Plan	http://www.Mondelezinternational.com/~media/Mondelezcorporate/uploads/downloads/palm_oil_action_plan.pdf?la=en
AIM - Progress	http://www.aim-progress.com
Sedex Members Ethical Trade Audit (SMETA) Measurement Criteria	http://www.sedexglobal.com/wp-content/uploads/2014/11/1b.-Publicly-availablity-SMETA-Measurement-Criteria-4-Pillar-5.0.pdf
UN Women's Empowerment Principles	http://www.weprinciples.org
Statement in Opposition to AFL – CIO Proposal February 2016	http://pendingmaterials.proxyvote.com/609207/20160309/NPS_276760/#/90/

Commitment and governance

Awareness and commitment

2. Has your company made a formal commitment (e.g. adopted a policy) to address human trafficking and forced labor? Please include a link to the commitment.

Key public documents:

- **Mondelēz International Code of Conduct**
<http://www.Mondelēzinternational.com/~media/Mondelēzcorporate/uploads/downloads/employnecodeofconduct.pdf>
- **Mondelēz International Compliance and Integrity including Human Rights**
<http://www.Mondelēzinternational.com/about-us/compliance-and-integrity>
- **Cocoa Life Guidance Document – For Publication – UPDATED October 2013**
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/October%202013%20Cocoa%20Life%20Guidance%20Document%20Child%20Labour.pdf>
- **Palm Oil and deforestation**
http://www.Mondelēzinternational.com/~media/Mondelēzcorporate/uploads/downloads/palm_oil_statement.pdf
- **(UN Women’s Empowerment Principles 2010)**
<http://www.weprinciples.org/Site/Companies/#search>

Key extracts:

Mondelēz Code of Conduct – Rule 3: Treat People Fairly (P.6)

“Discrimination, harassment, verbal abuse, child labor, physical abuse and the like erode trust; those and other forms of unfair treatment are exactly the opposite of what Mondelēz International stands for”

Mondelēz International Compliance and Integrity

Human rights

“The subject of human rights encompasses a range of topics broad in scope and immense in gravity. A tremendous amount of thought, sacrifice and passion has been brought to bear on the subject. While governments and non-governmental organizations have a primary role in protecting human rights, corporations have an important role as well. In our view, our role should focus on where we can make a difference in our business operations, with our direct suppliers, and in the broader community.

Our core belief is that people should be treated fairly and with dignity, which we demonstrate in the following ways:

Our Own Operations. *Our corporate Code of Conduct sets out 10 rules that guide everything we do. The third rule states that employees will “Treat People Fairly.” We implement the code through detailed policies that provide guidelines for our employees in certain areas. In addition, we have a robust Compliance and Integrity Program to help us train and monitor in these areas. To learn more, see our Corporate Responsibility Guidelines below.*

Our Direct Suppliers. *We want to work with suppliers whose own standards of conduct align with ours. To learn more, see our Corporate Responsibility Expectations for Direct Suppliers below.*

The Broader Community. Beyond careful oversight of our own operations and our influence over direct suppliers, we are working to address systemic issues. For example, we have longstanding relationships with certification schemes like Fairtrade for agricultural products like cocoa. We also work and invest with many valued partners like, The Bill and Melinda Gates Foundation, Deutsche Gesellschaft für Technische Zusammenarbeit GmbH (GTZ), the International Cocoa Initiative, the World Cocoa Foundation, and our partners within our signature sustainability programs such as Cocoa Life and Harmony on projects to help improve the lives of farmers and their families.

We encourage you to read more about our commitment to sustainable resources and agriculture in the Well-Being area of our website. We are also involved in a number of charitable endeavors addressing malnutrition, hunger, and emergency responses to natural disasters.”

corporate responsibility guidelines

“Forced Labor. Mondelez International prohibits the use of forced labor in our operations, i.e., any work or service that a worker performs involuntarily, including under threat of physical harm or other penalty.

Child Labor. Mondelez International prohibits the unlawful employment or exploitation of children in our workplace. In accordance with the conventions of the International Labor Organization (ILO) and national laws, the minimum age for employment is the highest of the following ages: (i) 15 years of age, (ii) the local minimum employment age, or (iii) the mandatory schooling age. All temporary workers used by Mondelez International and all third-party contractors who perform work on our premises are required to meet these minimum-age requirement”

Cocoa Life Guidance Document – For Publication – UPDATED October 2013 (p.14)

Child Labor

“We now have a responsibility to build on all we have learned to help eliminate child labor in cocoa growing communities. Our priority must be to confront and address this in our supply chain, but we must also show leadership by shining a spotlight on the issue and advocating for others in our industry and beyond...

In our own business, we are clear on the standards that we expect. We will not directly or indirectly, employ any children under the age of 18 unless necessary and legal, and the following are met:

- *Compliance with the minimum employment age limit defined by national law or by International Labour Organisation (“ILO”) Convention 138, whichever is higher*
- *Employees are at least 15 years of age (and no exceptions allowed by the ILO or national law will apply)*
- *Employment does not expose them to undue risks that can harm physical, mental or emotional development*

However, as the industry leader, having a child labor policy is not enough. We need to go further to ensure our standards are met and help address the underlying drivers of child labor.

There is no one size fits all model that can be applied to all origins to immediately reduce and prevent child labor. Our approach will vary between countries and communities. But we can commit to a set of principles that will guide our work”))

“Our approach will vary between countries and communities. But we can commit to a set of principles that will guide our work:

- *Active - we will seek out occurrences of child labor rather than wait to discover them and respond humanely and responsibly*
- *Transparent - we will be open about what we find*
- *Local - we will tailor our approach to the particular circumstances in each origin community*
- *Adaptable - our program will evolve as we learn from our experience and best practice*
- *Collaborative - we will work with partners internally and externally to maximize our impact*

In each origin we will apply these principles to develop robust local solutions through:

- *National Situation Assessment - every three years we will review the national child rights environment to benchmark performance, ensure program addresses local circumstances and works within national frameworks*
- *Child Work Action Plan - creation of Child Labor and Child Slavery response and remediation procedures and integration of initiatives to respect and support child rights in all Cocoa Life communities*
- *Communication and training - Communication of the Child Work Action Plan to partners and suppliers, including training on the child labor and child slavery response and remediation procedures*
- *Program implementation - delivery of the child rights programs identified in the Action Plan*
- *Monitoring and evaluation - ongoing assessment and verification of our interventions, with details published online”*

Palm Oil and deforestation

“We source palm oil predominantly from Malaysia and Indonesia, and to a lesser degree from Colombia, Brazil, Mexico and West Africa. Currently, we purchase less than 0.6% of worldwide production as the market is very fragmented.

We are concerned about the potential long-term environmental and social impacts of palm oil production, including deforestation and human rights.

We are taking steps to ensure that the palm oil we buy is produced on legally held land, does not lead to deforestation or loss of peat land, respects human rights, including land rights, and does not use forced or child labor.

Women’s Empowerment Principles

Mondelēz are signatory to the Women’s Empowerment Principles

Supply chain standards

3. **Does your company have a supply chain standard that requires suppliers to uphold workers’ fundamental rights and freedoms, including the elimination of forced labor? Please include a link to the standard, and provide information on how frequently the standard is updated.**

Key public documents

- **Mondelēz International Compliance and Integrity**
<http://www.Mondelēzinternational.com/about-us/compliance-and-integrity> and in particular corporate responsibility expectations supplier contract provisions
<http://www.Mondelēzinternational.com/about-us/compliance-and-integrity#directSuppliers>

- **Program for Responsible Sourcing (progress)**
<http://www.Mondelēzinternational.com/Procurement/Responsible-Sourcing/Program-for-Responsible-Sourcing-PROGRESS>
- **The Call for Well-Being Progress Report 2015**
http://www.Mondelēzinternational.com/~media/MondelēzCorporate/uploads/downloads/cfw_bprogressreport.pdf
- **Cocoa Life Principles** <http://www.cocoalife.org/the%20program/our%20principles>
- **Palm Oil and deforestation**
http://www.Mondelēzinternational.com/~media/Mondelēzcorporate/uploads/downloads/palm_oil_statement.pdf

Key extracts

Mondelēz Compliance and Integrity corporate responsibility expectations

supplier contract provisions

The Standard is updated on a regular basis.

“In addition to complying with all laws and regulations, Supplier must comply with the following in connection with the goods and services provided to Mondelēz International:

Forced Labor. *Supplier will not use any forced labor, which means any work or service performed involuntarily under threat of physical or other penalty. Supplier shall respect the freedom of movement of its workers and not restrict their movement by controlling identity papers, holding money deposits, or taking any other action to prevent workers from terminating their employment. If workers enter into employment agreements with Supplier, workers should do so voluntarily.*

Child Labor. *Supplier will not directly (or indirectly through the use of its subcontractors) employ any children under the age of 18 years unless legal, necessary, and appropriate and the following are met:*

- *Supplier will comply with the minimum employment age limit defined by national law or by International Labor Organization (“ILO”) Convention 138, whichever is higher. The ILO Convention 138 minimum employment age is the local mandatory schooling age, but not less than 15 years of age (14 in certain developing countries), subject to exceptions allowed by the ILO and national law.*
- *Supplier will ensure that employees working in facilities that are manufacturing or packaging Mondelēz International finished products, serving as temporary employees to Mondelēz International, or present at Mondelēz International facilities, are at least 15 years of age (and no exceptions allowed by the ILO or national law will apply).*
- *Supplier must demonstrate that their employment does not expose them to undue physical risks that can harm physical, mental, or emotional development*

Program for responsible sourcing (PROGRESS)

“We are one of the founding members of an industry forum called AIM-PROGRESS. This initiative supports a common set of Corporate Social Responsibility (CSR) standards and drives efficiencies on performance improvement for the consumer goods industry.¹

While there are several AIM-PROGRESS recognised audit protocols, Mondelēz International along with many in the industry require a SMETA style audit. The SMETA (Sedex Member Ethical Trade Audit) protocol”.

Additional information lifted from external websites to illustrate AIM-Progress and Sedex process as it related to forced labour

- AIM-PROGRESS members use 4-pillar audits that cover human rights & labour standards, health & safety, environment and business integrity²
- The SMETA audit evaluates our internal manufacturing sites and suppliers against a common set of Corporate Social Responsibility standards to drive efficiency on performance improvement for the consumer goods industry. These standards include a detailed focus on labor rights, including forced and child labor³
- Sedex also provides guidance on spotting the signs of forced labor as detailed in the Sedex Guidance on Operational Practice & Indicators of Forced Labour⁴
- See also
 - ‘supplier ethical data exchange (sedex)
<http://www.Mondelēzinternational.com/Procurement/Responsible-Sourcing/Supplier-Ethical-Data-Exchange-SEDEX>
 - ‘Mondelēz International remains committed to responsible production and sourcing practices’
http://www.Mondelēzinternational.com/~media/MondelēzCorporate/uploads/downloads/procurement/PROGRESS_and_SEDEX_Mdlz.pdf
 - Procurement overview <http://www.Mondelēzinternational.com/procurement.aspx>

The Call for Well-Being Progress Report 2015 p10

- *“We work with thousands of suppliers, consultants and business partners around the world. We are taking steps to align what they do for us with our own values and goals.*
- *We have laid out our expectations to all our direct suppliers in our published supplier contract provisions and supply chain transparency statements.*
- *As a founding member of AIM-PROGRESS, we also adhere to the Sedex Member Ethical Trade Audit protocol. This audit evaluates our internal manufacturing sites and suppliers against a common set of Corporate Social Responsibility standards to drive efficiency on performance improvement for the consumer goods industry. In 2015, 286 of our key suppliers – 99 percent of our 2015 target group of highest priority suppliers – completed the audit, in addition to the 388 suppliers audited in 2014”.*

Extract from Cocoa Life Principles

² <http://www.aim-progress.com/page.php?pmenu=115&id=117>

³ <http://www.sedexglobal.com/wp-content/uploads/2014/11/1b.-Publicly-availability-SMETA-Measurement-Criteria-4-Pillar-5.0.pdf>

⁴ <http://www.sedexglobal.com/wp-content/uploads/2011/06/Sedex-Guidance-on-Operational-Practice-and-Indicators-of-Forced-Labour.pdf>

“Cocoa Life is farmer centric, empowered by strong partnerships, and aligned with our sourcing. These three non-negotiable principles inform every choice we make, every goal we set, and every initiative we launch”

Palm Oil and deforestation

“We source palm oil predominantly from Malaysia and Indonesia, and to a lesser degree from Colombia, Brazil, Mexico and West Africa. Currently, we purchase less than 0.6% of worldwide production as the market is very fragmented.

We are concerned about the potential long-term environmental and social impacts of palm oil production, including deforestation and human rights.

We are taking steps to ensure that the palm oil we buy is produced on legally held land, does not lead to deforestation or loss of peat land, respects human rights, including land rights, and does not use forced or child labor.”

Management

4. Who within your company is responsible for the implementation of your company’s supply chain policies and standards relevant to human trafficking and forced labor? Please indicate the committee, team or officer, and describe the scope of their responsibility and how they interact with other internal teams, groups or departments?

Key public documents

- **Governance, Membership and Public Affairs Committee Charter Effective October 2012**
<http://www.Mondelēzinternational.com/~media/MondelēzCorporate/uploads/downloads/7%20-%20GovernancemembershipandPACcharter.pdf>

Company input

Our Board of Directors, which is led by our Chairman and CEO, Irene B. Rosenfeld has ultimate responsibility for all our policies relating to Human Rights. In terms of implementing our policies and standards as they relate to our Supply Chain, Daniel Myers EVP, Integrated Supply Chain has overall responsibility, working closely with Karen May, EVP and Chief HR Officer.

Key extract:

Governance, Membership and Public Affairs Committee Charter Effective October 2012

“The Governance, Membership and Public Affairs Committee (The “Committee”) of the Board of Directors (the “Board”) of Mondelēz International, Inc. (Mondelēz International” or the “Company”) will...oversee policies and programs related to social responsibility, corporate citizenship and public policy issues significant to the Company”

Training

5. Does your company conduct training programs for internal decision-makers and suppliers’ management teams on risks, policies and standards related to human trafficking and forced labor (this may include training on elements such as passport retention, payment of wages, and vulnerable groups such as migrant workers)? Please describe.

Key public documents:

- **Mondelēz International Compliance and Integrity** and in particular supply chain transparency and labor practices www.Mondelēzinternational.com/about-us/compliance-and-integrity
- **Cocoa Life: Empowering Cocoa Farmers and Communities 2015 Progress Report**
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/Cocoa%20Life%20Progress%20Report>

Key extracts:

Mondelēz International Compliance and Integrity

“Mondelēz International provides specialized training for procurement employees. This training helps them identify and mitigate labor-related sourcing risks and includes a section on human trafficking and slavery”

Cocoa Life: Empowering Cocoa Farmers and Communities 2015 Progress Report (p25)

“The Cocoa Life training program focuses on several areas of significant need in Ghana. For example, we conduct education on cocoa farm maintenance and discuss important issues related to the prevention of child labor” (p.25)

“We create programs as part of cocoa life to help cocoa farmers in Côte D’Ivoire invest in their farms and grow their small businesses. The program starts with inspiring young adults to pursue cocoa farming in their own communities as an alternative to moving to big cities to look for employment. We also increase access to youth to learn life skills, such as leadership development financial literacy and business principles, empowering them to build sustainable communities” (p.41)

“Cocoa Life also provides livelihood support to marginalized tribal communities by introducing cocoa cultivation and regularly offering training programs for women farmers and farm workers”. (p58)

Stakeholder engagement

6. In the last three years, has your company engaged on human trafficking and forced labor, especially as it relates to the supply chain a) with local stakeholders such as NGOs, trade unions or policy makers or b) in multistakeholder initiatives? Please describe with whom your company has engaged, the purpose of the engagement and how it relates to forced labor and human trafficking in the supply chain, and your company’s role and level of engagement.

Key public documents

- **The Call for Well-Being Progress Report 2015**
<http://www.Mondelēzinternational.com/~media/MondelēzCorporate/uploads/downloads/cfwbprogressreport.pdf>

Key extracts

The Call for Well-Being Progress Report 2015

Partnerships are Crucial to Program Success (p.18)

“Partnership is the key to lasting change. Cocoa Life integrates the work of stakeholders to achieve common goals (including gender equity and the elimination of child labor in the cocoa supply chain) in ways that are relevant and tailored to Cocoa Life farming communities around the world. We work

with communities, suppliers, non- governmental organisations and national cocoa authorities – including the Ghana Cocoa Board (COCOBOD), Conseil du Café-Cocoa in Côte d’Ivoire and the Indonesian Coffee and Cocoa Research Institute (ICCR) – to build lasting change.

Together, we implement national strategies for sustainable environmental management, including the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation (REDD+), ensuring that field – level realities feed into national dialogues and policies.

The Cocoa Life program has also brought together a range of other partners including CARE International, Save the Children, Solidaridad, Voluntary Services Overseas (VSO), and World Vision, to ensure holistic development for farm families and empowerment of farming communities.

Cocoa Life Advisory Members

We work with a group of advisors and strategic partners from outside of the business to help develop our approach and provide oversight of the implementation of Cocoa Life (including) Andrew Bovarnick, Lead Natural Resource Economist and Global Head of the United Nations Development Programme’s Green Commodities Program, Aidan McQuade – Director of Anti- Slavery International, the World’s leading anti- slavery charity, David McLaughlin- Managing Director and Vice President of Agriculture at World Wildlife Fund and specialist in sustainable supply chain transformation, (and) Mil Niepold – mediation expert of The Mara Partners, focused on finding solutions to social and human rights issues through dialogue.”

Palm Oil (p.23)

“We believe progress in the palm oil sector requires us to go well beyond our own supply chain to achieve sector-wide change involving all participants in palm oil. That’s why we use our position as a global company to help catalyze change across the industry through broad scale partnership and engagement. One example is our support and collaboration with the United Nations Development Programme (UNDP), the Government of Indonesia, and other partners to develop the Indonesia Sustainable Palm Oil (SPO) Initiative. The initiative aims to develop national capacity to promote and scale up sustainable palm oil by strengthening smallholder farmers, supporting national policy reform and reducing deforestation through public-private partnerships. In addition, we co-chair the Consumer Goods Forum’s Palm Oil Working Group – which published palm oil sourcing guidelines for members during 2015 – and we serve on the Roundtable for Sustainable Palm Oil (RSPO) Board of Governors.

Within our supply chain, we are tackling through our Palm Oil Action Plan, which engages our suppliers to implement traceability and more sustainable production practices.

Working with World Wildlife Fund and the UNDP, we developed an action plan in 2014 outlining steps needed to ensure the palm oil we buy is produced on legally held land, does not lead to deforestation or loss of peat land, respects human rights – including land rights – and does not use forced or child labor. The plan will be updated during 2016 to recent progress made to date.

Our approach was driven by growing concerns regarding the long-term environment and societal impacts of palm oil production, including deforestation and human rights. In 2013, we achieved our goal of having RSPO coverage of 100 percent of the palm oil we buy⁵. We achieved this through a combination of RSPO-certified oil and Greenpalm certificates that support sustainable production”.

⁵ Our RSPO coverage refers to palm oil, not PKO, which is excluded on basis of complexity and low usage (2015: c4%).

Traceability and risk assessment

Traceability

7. Please describe your company's supply chain tracing processes. Does your company publicly disclose a) the names and locations of first-tier suppliers, and b) some information on suppliers beyond the first tier? If yes, please provide a URL.

Key public documents

- **Mondelēz International Palm Oil Action Plan**
http://www.Mondelēzinternational.com/~media/Mondelēzcorporate/uploads/downloads/palm_oil_action_plan.pdf?la=en
- **Cocoa Life Guidance Document – For Publication – UPDATED October 2013**
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/October%202013%20Cocoa%20Life%20Guidance%20Document%20Child%20Labour.pdf>
- **Cocoa Life – Where we operate** <http://www.cocoalife.org/the%20program/our%20reach>

Key extracts

Mondelēz International Palm Oil Action Plan

“The Roundtable for Sustainable Palm Oil (RSPO) provides the most widely supported approach to developing and enforcing standards for sustainable palm oil production⁶. We're purchasing RSPO palm oil, covering 100% of our use since 2013 through a combination of RSPO-certified oil and Greenpalm certificates that support sustainable production”

Cocoa Life Guidance Document

“Cocoa Life upholds its principles throughout the supply chain. We strive to ensure that all of our partners, along all of our cocoa supply chains, support our approach. Our program and our sourcing contracts are aligned. This means the program is implemented with farmers within our supply chain and the program is aligned with our buying contracts, or vice versa. We aim for transparency to farmer level. Linkage to our products is a core part of supply chain stewardship”.

Cocoa Life - Where we Operate

“Currently you can find cocoa farmers in our key origins: Ghana, Côte d'Ivoire and Indonesia by searching on country, region and community level. As the program scales up, more cocoa farming communities will be added. And, since we offer Cocoa Life farmers the opportunity to sell us their cocoa, this tool will evolve into a map of Mondelēz International's cocoa supply.”

Risk assessment

8. Please describe your companies' risk assessment processes. Please include specific examples of when your company has conducted forced labor risk or impact assessments focused on a particular commodity, region or group (e.g. migrant workers in a specific context), as well as

⁶ Including in relation to labor practices which are part of the RSPO's Principles and Criteria

forced labor risks identified through these risk assessment processes (e.g. high risk commodities or high risk sourcing countries).

Company input

For our own operations and direct suppliers, we identify potential human rights issues and vulnerable groups, as well as address mitigation and monitoring. We do this through [AIM-PROGRESS](#), of which we are a founding member. We also adhere to the [Sedex Member Ethical Trade Audit](#) protocol, which is part of AIM-PROGRESS. This audit evaluates our internal manufacturing sites and suppliers against a common set of corporate social responsibility standards to drive efficiency on performance improvement for the consumer goods industry. In 2015, 286 of our key suppliers – 99 percent of our 2015 target group of highest priority suppliers – completed the audit, in addition to the 388 suppliers audited in 2014

In addition to our own Code of Conduct and our contract requirements with suppliers, we have developed an extensive approach to identifying potential human rights impacts further upstream in our supply chain through our signature Cocoa Life program and our Palm Oil Action Plan. Our Cocoa Life program involves the external assessment of our approach in this area from third party experts in this area, including Anti-Slavery International, WWF and Care International. While we had already identified cocoa and palm oil as areas of potential human rights issues, including child labor for cocoa and smallholder land rights for palm oil, we worked with the external experts to mitigate and monitor. For Cocoa Life, we studied gender inequity and have put into place programs with KPIs to address that systemic issue. See Cocoa Life - Mainstreaming Gender Equality in Cocoa. We did the same for child labor. See Cocoa Life Child Labor Interventions. For palm oil, we work with third parties to identify specific vulnerable groups and what human rights issues they face, including land rights potential abuses for smallholder farmers. We also work with third parties, including our suppliers, to mitigate and monitor these potential issues

We participate in a number of rigorous external assessments that are conducted within our operations, including AIM Progress. Our direct suppliers have yearly initial risk screenings to determine whether to do a more detailed risk assessment. During a deeper assessment (if needed), we determine whether a supplier needs a business continuity plan (BCP) and/or to be assessed using PROGRESS/SEDEX. This is part of the basis for the 100% of business activities that undergo a human rights assessment. The remainder of the percentage is that our own operations undergo AIM PROGRESS questionnaires and audits and we assess our commodities and other activities as part of our enterprise risk assessment. Taken together this correlates to approximately 100pc provided above for percent business activities assessed.

We use SEDEX to identify environmental and social risks in our facilities and direct material suppliers. Self-assessment questionnaires and audits measure occupational health & safety, labor, business integrity, and environmental risks. It helps prioritize matters and determine critical, major, and minor issues in those areas. Manufacturing suppliers and internal sites complete an se and are audited via a common protocol as directed. Through this process, we will reach some of both critical and non-critical suppliers. BCPs address any audit findings.

As part of our Cocoa Life program, when we enter a new community, our partners conduct a thorough participatory needs assessment. Cocoa Life addresses child labor directly, as well as its root causes. Our NGO partners, like CARE International and Solidaridad, raise awareness of child labor in Cocoa Life communities with training for both children and parents. As part of this commitment, Cocoa Life has partnered with Embode, an independent human rights consultancy to analyse the environment and national child protection infrastructure in Côte d'Ivoire, Ghana and Indonesia. Embode was selected

to conduct this work for Cocoa Life under the guidance of two of its external advisors: Aidan McQuade of Anti-Slavery International and Mil Niepold of The Consensus Building Institute.

Key documents include the following and provide specific examples of issues assessment

- Children at the Heart: Assessment of child labour and child slavery in Côte d'Ivoire's cocoa sector and recommendations to Mondelēz International Embode 2016
http://www.cocoalife.org/~media/CocoaLife/Files/pdf/Library/FULL_REPORT_Cote_Ivoire_Mondelēz_Embode_ChildrenattheHeart.pdf
- Children at the Heart: Assessment of child labour and child slavery in Ghana's cocoa sector and recommendations to Mondelēz International Embode 2016
http://www.cocoalife.org/~media/CocoaLife/Files/pdf/Library/FULL_REPORT_Ghana_Mondelēz_Embode_ChildrenattheHeart.pdf
- Gender Inequality in the Ghanaian Cocoa Sector Micheal J. Hiscox & Rebecca Goldstein Harvard University. April 23rd 2014
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/2014%20April%2023%20Gender%20inequality%20in%20the%20Ghanean%20cocoa%20sector.%20Assesment%20by%20Harvard%20University.pdf>
- Gender assessment in the pilot communities Report submitted by CARE International to Mondelēz International 14th March 2014
<http://www.cocoalife.org/~media/cocoalife/news%20articles%20pdf/cote%20ivoire%20gender%20assessment%20by%20care%20international.pdf>
- Cocoa Life Gender Action Plans Ghana and Côte d'Ivoire April 2014
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/April%202014%20Gender%20Action%20Plans%20Ghana%20and%20Cote%20dIvoire.pdf>, as well as the 2015 update (<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/Feb%202015%20Cocoa%20Life%20Mainstreaming%20gender%20equality%20in%20cocoa%202015%20update.pdf>).

Purchasing practices

9. Does your company make an effort to avoid purchasing practices that increase the risk of human trafficking and forced labor in the supply chain (e.g. short-term contracts, excessive downward pressure on pricing, sudden changes of workload?) Please elaborate.

Key public documents

- **Cocoa Life: Empowering Cocoa Farmers and Communities 2015 Progress Report**
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/Cocoa%20Life%20Progress%20Report>

Key extracts

Cocoa Life: Empowering Cocoa Farmers and Communities 2015 Progress Report

"Needs assessments are conducted when the program is starting in selected regions and aim to build participation and engage farmers and their communities in the Cocoa Life program. To gather this information, one-on-one interviews and focus groups are conducted with farmers, community leaders, women's groups, youth associations, government, nongovernmental organizations (NGOs) and private partners in Côte d'Ivoire and the other origins. The information is then analyzed to better understand the challenges farmers and their communities face. It is also used to identify ways Cocoa Life can

support farmers in furthering their own development and transforming the communities into thriving places to live.”

Supplier selection

10. Does your company assess risks of forced labor at potential suppliers prior to entering into contracts with them (this may include aspects such as passport retention and payment of wages)? Please describe.

Key public documents

- **Mondelēz International Compliance and Integrity**
<http://www.Mondelēzinternational.com/about-us/compliance-and-integrity#humanRights>
- **Cocoa Life Côte d’Ivoire Needs Assessment Executive Summary April 2015**
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/April%202015%20Cocoa%20Life%20Cote%20dIvoire%20Needs%20Assessment%20Exec%20summary.pdf>
- **Cocoa Life: Empowering Cocoa Farmers and Communities 2015 Progress Report**
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/Cocoa%20Life%20Progress%20Report>

Company input

All new suppliers are screened through the Restricted Party Screening program to determine whether any supplier appears on an embargo list (e.g. USA, UN, EU etc.).

Key extracts

Mondelēz International Compliance and Integrity

“Supplier selection and risk analysis We begin with the selection process. As we evaluate suppliers, we want to be familiar with their own codes of conduct and reputations, as well as their ability to deliver quality, service and total value to Mondelēz International”

“corporate responsibility in supplier contracts Once we determine a good fit with a supplier or business partner, we develop a contract that not only provides the core commercial terms but specifically incorporates our corporate responsibility expectations (see below). For example, we would include legally enforceable provisions on child labor and worker safety. Over the next several years, we will work toward having these corporate responsibility expectations in all contracts with suppliers and business partners”

Cocoa Life Côte d’Ivoire Needs Assessment Executive Summary April 2015

“A needs assessment is carried out for each Cocoa Life origin in the early stages of program design. It helps us and our partners to understand problems and their root causes, and to identify how we can support thriving communities in that origin”

Cocoa Life: Empowering Cocoa Farmers and Communities 2015 Progress Report (p.14)

“The needs assessment covers all focus areas and informs the program design with partners. As a next step, community members develop a Community Action Plan (CAP), facilitated by the Cocoa Life partners, which provides a detailed roadmap for community activation. The CAP is entirely generated and owned by the community.”

11. How does your company take into consideration the capacity of suppliers to meet fluctuating demands (to reduce the risk of undeclared subcontracting)?

Integration into supplier contracts

12. Does your company integrate its supply chain standards addressing forced labor and human trafficking into suppliers' contracts?

Key public documents

- **Mondelēz International Compliance and Integrity**

<http://www.Mondelēzinternational.com/about-us/compliance-and-integrity#humanRights>

Key extracts

Mondelēz International Compliance and Integrity

“Forced Labor. Supplier will not use any forced labor, which means any work or service performed involuntarily under threat of physical or other penalty. Supplier shall respect the freedom of movement of its workers and not restrict their movement by controlling identity papers, holding money deposits, or taking any other action to prevent workers from terminating their employment. If workers enter into employment agreements with Supplier, workers should do so voluntarily.

Child Labor. Supplier will not directly (or indirectly through the use of its subcontractors) employ any children under the age of 18 years unless legal, necessary, and appropriate and the following are met:

- Supplier will comply with the minimum employment age limit defined by national law or by International Labor Organization (“ILO”) Convention 138, whichever is higher. The ILO Convention 138 minimum employment age is the local mandatory schooling age, but not less than 15 years of age (14 in certain developing countries), subject to exceptions allowed by the ILO and national law.
- Supplier will ensure that employees working in facilities that are manufacturing or packaging Mondelēz International finished products, serving as temporary employees to Mondelēz International, or present at Mondelēz International facilities, are at least 15 years of age (and no exceptions allowed by the ILO or national law will apply).
- Supplier must demonstrate that their employment does not expose them to undue physical risks that can harm physical, mental, or emotional development

Diversity and Inclusion. Supplier will hire, compensate, promote, discipline, and provide other conditions of employment based solely on an individual’s performance and ability to do the job (except as required under collective bargaining agreements). Supplier will not discriminate based on a person’s race, color, religion, gender, age, ethnic or national origin, veteran status, disability, sexual orientation or preference, gender identity, marital status, citizenship status, genetic information, or any legally protected personal characteristic or status.

Harassment and Abuse. Supplier will provide a workplace free from harassment, which can take many forms, including sexual, verbal, physical or visual behavior that creates an offensive, hostile, or intimidating environment.

Safety and Health. Supplier will (i) endeavor to provide safe working conditions, (ii) provide its employees with appropriate protection from exposure to hazardous materials, and (iii) provide its employees with access to potable water and clean sanitation facilities.

Third-Party Representation. Supplier will respect the decision of its employees to join and support a union as well as their decision to refrain from doing so where legally permitted.

Working Hours and Compensation. Within the bounds of normal seasonal and other fluctuations in business requirements, Supplier will (i) maintain a reasonable overall pattern of required working hours and days off for its employees so that total work hours per week do not regularly exceed industry norms; (ii) pay fair and timely compensation, including any required premium payments for overtime work; and (iii) advise new employees at the time of hiring if mandatory overtime is a condition of employment.

Disciplinary Procedures. Supplier will not use corporal punishment or other forms of mental or physical coercion as a form of discipline.

Business Integrity. Supplier will promote honesty and integrity in its business conduct by raising ethical awareness among its employees and providing direction and education on ethical issues. Further, Supplier will not: pay or accept bribes, arrange or accept kickbacks, or participate in illegal inducements in business or government relationships”.

- (Reiterated in **Mondelez International European Terms and Conditions of Purchase** <http://www.mdlzmeuap.com/purchase-terms?language=English>)

13. Does your company have a process to cascade standards on forced labor down the supply chain (e.g. requiring first-tier suppliers to ensure that their own suppliers implement standards that are in line with the company’s standards)? Please describe.

Key public documents

- **Mondelez International Supplier Portal** <http://www.mondelezinternational.com/procurement>

Key public documents (associated)

- **Sedex Members Ethical Trade Audit (SMETA) Measurement Criteria** <http://www.sedexglobal.com/wp-content/uploads/2014/11/1b.-Publicly-availability-SMETA-Measurement-Criteria-4-Pillar-5.0.pdf>

Key extracts

Mondelez International Supplier Portal

“We look to our supply partners to commit to the same dream by helping us drive extraordinary value through innovative products and services of the highest quality at competitive costs.”

Sedex Members Ethical Trade Audit (SMETA) Measurement Criteria

“0.7 Checks that the ETI Base Code or client specific codes have been communicated to on-site workers including, local labour laws/labour rights and how this has been done e.g. posters, worker trainings etc. (In cases where literacy level is low, what method of communication is used).

0.8 Establishes what action is taken to communicate and implement the code in its own supply chain e.g. to raw material suppliers.”

Recruitment

Recruitment approach

14. Please describe your company's recruitment approach, including a) whether your company requires recruitment agencies in its supply chain to uphold workers' rights (this may include aspects such as written contracts, access to passports, and regular payment of wages), b) whether it has a policy on direct employment (i.e. a policy prohibiting suppliers in its supply chain from using recruitment agencies), and c) whether it requires suppliers to disclose to the company the recruiters that they use.

Recruitment fees

15. Please describe your company's approach to recruitment fees in the supply chain, including whether your company requires that no fees be charged to supply chain workers during recruitment processes, and whether and how your company ensures that fees paid by workers are reimbursed.

Key public documents (associated):

- **Sedex Members Ethical Trade Audit (SMETA) Measurement Criteria**
<http://www.sedexglobal.com/wp-content/uploads/2014/11/1b.-Publicly-availability-SMETA-Measurement-Criteria-4-Pillar-5.0.pdf>.

Key extracts

Sedex Members Ethical Trade Audit (SMETA) Measurement Criteria

- A check on fees is performed as part of the Sedex Member Ethical Trade Audit process
- 2.1f: "Is there a process for preventing worker debt from e.g. recruitment fees and how is this checked?"
- 10A.8: "Checks that the facility has applicable records relating to any agencies used such as contracts (Service Level Agreement) or invoices. That appropriate records for agency workers are kept on site"

Recruitment audits

16. Does your company audit recruiters used in its supply chain, to assess risks of forced labor and human trafficking, and/or require suppliers to audit their recruiters?

Worker voice

Communication of policies to workers

17. Please describe how your company communicates its human trafficking and forced labor related policies and standards to workers in its supply chain, and whether your company makes its policies and standards available in the languages of suppliers' workers (including migrant workers).

Our Cocoa Life program includes awareness raising among farmers and farming communities in relation to child labor.

Worker voice

18. Please describe how your company engages with workers in its supply chain on labor related issues and rights outside of the context of the factories/farms in which they work? (whether directly or in partnership with stakeholders).

Key public documents

- **Cocoa Life: Empowering cocoa farmers and communities 2015 Progress Report**
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/Cocoa%20Life%20Progress%20Report>
- **Mondelēz International Compliance and Integrity**
<http://www.Mondelēzinternational.com/about-us/compliance-and-integrity>

Key extracts

Cocoa Life: Empowering cocoa farmers and communities 2015 Progress Report

“Cocoa Life addresses child labor directly, as well as its root causes. Our NGO partners, like CARE International and Solidaridad, raise awareness of child labor in Cocoa Life communities with training for both children and parents. And importantly, Cocoa Life helps to address the root causes of child labor with actions to improve the livelihoods of farmers, empower women, and promote education”

Mondelēz International Compliance and Integrity

“Beyond careful oversight of our own operations and our influence over direct suppliers, we are working to address systemic issues. For example, we have longstanding relationships with certification schemes like Fairtrade for agricultural products like cocoa. We also work and invest with many valued partners like The Bill and Melinda Gates Foundation, the International Cocoa Initiative, the World Cocoa Foundation, and our partners within our signature sustainability programs, such as Cocoa Life and Harmony, on projects to help improve the lives of farmers and their families”.

Worker empowerment

19. Please explain how your company encourages its suppliers to ensure workplace environments where workers are able to organize, including through alternative forms of organizing, where there are regulatory constraints on freedom of association.

Key public documents

- **Mondelēz International Compliance and Integrity**
<http://www.Mondelēzinternational.com/about-us/compliance-and-integrity>

Key extracts

Mondelēz International Compliance and Integrity

“Third-Party Representation. We aim to have constructive relationships with our employees and their unions. Mondelēz International respects the interests of its employees to join (or not join) a union. In those situations where our employees have third-party representation, we will work with employee representatives in a direct and straightforward manner”

Grievance mechanism

20. Please describe your company's grievance mechanism, and clearly indicate whether it is available to workers in the supply chain, and how it is communicated to workers in the supply chain. Please also note whether you require your suppliers to establish a grievance mechanism and to convey the same expectation to their suppliers.

Key public documents:

- **Mondelēz International Compliance and Integrity**
<http://www.Mondelēzinternational.com/about-us/compliance-and-integrity>
- **Statement in Opposition to AFL CIO Proposal**
http://pendingmaterials.proxyvote.com/609207/20160309/NPS_276760/#/90/

Key extracts:

Mondelēz International Compliance and Integrity

"We expect employees to ask questions and raise concerns about business practices when they see something they think might be wrong. There may be times when employees are not comfortable speaking with their supervisors, business integrity officers or human resources contacts, or simply wish to remain anonymous. Consistent with applicable local law, we have a toll-free and in some countries a collect call/reverse charge telephone [HelpLine](#) and an online version [WebLine](#) so that our employees can confidentially and, if they wish, anonymously report instances of suspected wrongdoing or ask questions about compliance matters. Our [HelpLine](#) operates in more than 90 countries"

"In 2015, our business integrity group received more than 1,700 contacts from around the world through our "Speaking Up" channels. These contacts included questions about our compliance policies and program or matters that we referred to other departments for handling. We received reports of misconduct that required investigation. Some of these matters resulted in disciplinary action, including the separation of people from the company when appropriate."

"To make sure that senior management and the Board of Directors are aware of any potentially significant matters, our business integrity group reports investigations to members of our executive team and the [Audit Committee](#) of the Board of Directors."

Statement in Opposition to AFL CIO Proposal

"If an employee reports a violation, we will investigate it fully. Conducting independent, efficient and effective investigations is vital to our commitment to effective corporate governance and an environment that respects human rights. Furthermore, anyone who retaliates against another employee for raising a concern in good faith will face discipline, which may include termination. People outside of the Company may also bring concerns to our attention using our Integrity Helpline or Integrity WebLine, mail or email".

Monitoring

Auditing process

21. Please describe your supplier auditing process including whether the process includes a) scheduled and non-scheduled visits, b) a review of relevant documents (documents may include wage slips, information on labor recruiters, contracts, etc), and c) interviews with workers.

Key public documents

- **Cocoa Life: Empowering Cocoa Farmers and Communities; 2015 Progress Report**
<http://www.cocoalife.org/~media/cocoalife/Files/pdf/Library/Cocoa%20Life%20Progress%20Report>

Company input

For our own operations and direct suppliers, we identify potential human rights issues and vulnerable groups, as well as address mitigation and monitoring. We do this through [AIM-PROGRESS](#), of which we are a founding member. We also adhere to the [Sedex Member Ethical Trade Audit](#) protocol (which allow for announced, semi announced and unannounced audits), which is part of AIM-PROGRESS. This audit evaluates our internal manufacturing sites and suppliers against a common set of corporate social responsibility standards to drive efficiency on performance improvement for the consumer goods industry. (These standards include a detailed focus on labor rights, including forced labor, and a review of relevant documents) In 2015, 286 of our key suppliers – 99 percent of our 2015 target group of highest priority suppliers – completed the audit, in addition to the 388 suppliers audited in 2014. (The audits include both management and worker interviews).

Cocoa Life: Empowering Cocoa Farmers and Communities; 2015 Progress Report (p.16)

“Cocoa Life aims for a scalable transformation at farm level. As part of its long-term Cocoa Life roadmap, in 2014, Mondelēz International released its Measurement, Evaluation, Verification and Learning plan. This committed that Cocoa Life would be externally verified.

Cocoa Life began engaging an independent research team to provide third-party verification of the program and measurement of its impact on the ground. Cocoa Life uses these results to learn about how the program is delivering on its goals and make the adjustments necessary to meet its objectives. The verification consists of

- *Annual outcome assessment against the 10 Global KPIs*
- *Impact evaluation, every three years, comparing participating communities with control communities*

Additionally it is very important to have transparency in the supply chain to help empower farmers. Supply chain verification is, therefore a critical element of Cocoa Life so it is known that participating farmers are part of a healthy supply chain and that their terms of trade are clear and respected. Cocoa Life has engaged FLOCERT, a leading global certification body, to trace both the flow of Cocoa Life cocoa from Cocoa Life farms and the premium that is then paid to benefit the farmers. FLOCERT provides verification services for social, trade and environmental standards and private codes of conduct. In 2015, these verification efforts focused first in Côte d’Ivoire, where the team began to track supply chain volumes between farmer organizations and first buyer.

FLOCERT’s FLOTIS tracking system is now operational for all the volume that is recognized as Cocoa Life. The system tracks volumes sold by Cocoa Life farmers to suppliers and matches with the volumes bought by Mondelēz International from the same suppliers. It also tracks payment from Mondelēz International to the suppliers and, in turn, to the Cocoa Life communities, and verifies that premiums have been paid to the Cocoa Life farmer groups”.

Audit disclosure

22. Does your company disclose

- a) The percentage of suppliers audited annually
- b) The percentage of unannounced audits
- c) Information on who carried out the audits (this may include further information on the expertise of auditors such as relevant certifications, in cases where third-party audits are used, the names of the auditors, and in cases where internal auditors are used, details on department/team/group within which the auditor(s) sits), and
- d) A summary of findings, including details of any violations revealed?

Please provide a URL with the relevant information.

Key public documents

- **The Call for Well- being 2015 Progress Report**
http://www.Mondelēzinternational.com/~media/MondelēzCorporate/uploads/downloads/cfw_bprogressreport.pdf

Key extracts

The Call for Well – being 2015 Progress Report

“As a founding member of AIM-PROGRESS, we also adhere to the Sedex Member Ethical Trade Audit protocol. This audit evaluates our internal manufacturing sites and suppliers against a common set of Corporate Social Responsibility standards to drive efficiency on performance improvement for the consumer goods industry. In 2015, 286 of our key suppliers – 99 percent of our 2015 target group of highest priority suppliers – completed the audit, in addition to the 388 suppliers audited in 2014.”

Remedy

Corrective action plans

23. Does your company have a process for creating corrective action plans when violations are discovered through an auditing process? Please describe this process and the elements of a corrective action plan.

Key public documents

- **Mondelēz International Compliance and Integrity**
<http://www.Mondelēzinternational.com/About-Us/Compliance-and-Integrity.aspx#supplyChain>

Company input

We ask critical suppliers to run a SMETA audit. They purchase the audit directly and therefore own the report and follow-up. In the past we relied on audit companies to follow-up the non-compliances found and ensure those are being marked complete in SEDEX. Non-compliances are classified within the 4 pillars of SMETA: Labor Standards, Health & Safety, Environment and Business Ethics and include a corrective action plan. However, in 2016 we started to contact suppliers directly and ask them to provide evidence that critical non-compliances have been closed out in time and/or to provide a commitment as to when this will be done.

Key extracts

Mondelēz Compliance and Integrity

“Our purchasing contracts require direct suppliers to comply with all laws and support Mondelēz International’s policies on child and forced labor. We have various tools to address non-compliance, which may include, but are not limited to, a corrective action plan. If the supplier does not resolve the issues of concern in a timely and satisfactory manner, Mondelēz International reserves the right to take more drastic action, such as termination of the business arrangement.”

Remedy

24. Does your company have a process to provide remedy to workers in its supply chain in cases where violations are discovered, including for responding to instances of forced labor and human trafficking? If yes, please provide examples of outcomes.

Key public documents

- **Statement in opposition to the AFL-CIO Proposal**
http://pendingmaterials.proxyvote.com/609207/20160309/NPS_276760/#/90/

Key extracts

Statement in opposition to the AFL-CIO Proposal

“We already have effective remediation processes in place that comply with applicable laws and dispute resolution processes in every country where we do business. We have found these processes to be clear, well understood, efficient and effective.... To date, we have successfully used our processes and policies to fully, timely and effectively address all situations that have arisen in the normal course of business.

In those situations where we have third-party representation, we deal with employee representatives in a direct and straightforward manner and are open to collective agreements as required in accordance with local and national procedures. Where we have third-party representation, we follow the provisions for addressing disputes laid out in our agreements and employ the legal mechanisms applicable in each country where we operate.

We have multiple ways for employees and people outside the Company to report concerns. We expect all Mondelēz International employees to report potential non-compliance with the law and our policies, including our Code of Conduct (as well as any other concerns). They can use our Integrity HelpLine (a toll-free and/or reverse charge service operated for us by a third party). It is accessible 24 hours a day, every day, language interpreters are available, and callers can choose to remain anonymous. Additionally, our Integrity WebLine is an online version of the Integrity HelpLine. If an employee reports a violation, we will investigate it fully. Conducting independent, efficient and effective investigations is vital to our commitment to effective corporate governance and an environment that respects human rights. Furthermore, anyone who retaliates against another employee for raising a concern in good faith will face discipline, which may include termination. People outside of the Company may also bring concerns to our attention using our Integrity HelpLine or Integrity WebLine, mail or email”.