

# Climate Change 2015 Information Request Mondelez International Inc

**Module: Introduction** 

Page: Introduction

#### CC0.1

Introduction

Please give a general description and introduction to your organization.

Mondel z International, Inc. (NASDAQ: MDLZ) is a global snacking powerhouse, with 2014 revenue of \$34.2 billion. Creating delicious moments of joy in 165 countries, Mondel z International is a world leader in chocolate, biscuits, gum, candy and powdered beverages, with billion-dollar brands such as Cadbury, Cadbury Dairy Milk and Milka chocolate, LU, Nabisco and Oreo biscuits, Tang powdered beverages and Trident gum. Mondel z International is a proud member of the Standard and Poor's 500, NASDAQ 100 and Dow Jones Sustainability Index. Visit www.mondelezinternational.com and www.facebook.com/mondelezinternational.

At Mondel z International, we know that the sustainable growth of our business is inextricably linked to the well-being of the people who make and enjoy our products, and the communities that we serve. That is why we launched our Call for Well-Being – a call to action for ourselves, our suppliers and our partners to work together to have a positive impact on the well-being of the world.

As explained in our annual report, the Call For Well-Being supports one of our five global growth strategies: "Protect the Well-being of Our Planet." It is focused on four areas that are critical to the well-being of the world and where we can make the greatest impact: mindful snacking, sustainability, community and safety. Our collective efforts in these areas are designed to enable our business to grow, operate more efficiently and help create a sustainable future for our farmers

Sustainability is about preserving our world and its people. We all depend on just one planet. So all of us need to work together and find ways to use less energy, water and other resources, 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're using our resources to amplify this ongoing conversation.

Our sustainability journey has put us on a path that is making a real difference. But 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.

To reduce our environmental footprint by 2015, we set the following goals:

- Cut our energy and water use in manufacturing by 15% per tonne of production versus 2010
- Reduce our greenhouse gas emissions and waste from manufacturing by 15% per tonne of production versus 2010
- Make 60% of our production in Zero Waste to Landfill sites
- Eliminate 50 million pounds (22,500 tons) of packaging material

We set goals to help transform and secure our agricultural supply

- All cocoa will ultimately be sustainably-sourced
- 70% of global coffee will be sustainably-sourced by 2015
- 75% of Western European biscuits volume made with Harmony wheat by 2015
- Palm oil: 100% RSPO by 2015

Beyond this, as the foundation for all our work in sustainable agriculture, we're embedding sustainability into our sourcing practices across our commodities.

For a number of years now, sustainability has been a strategic business priority for Mondel z International, having first set aggressive five-year goals to reduce energy, carbon dioxide emissions, water, waste and packaging in 2006, under our former name, Kraft Foods Inc. Our focus on climate change is also consistent with our environmental policy, which states:

"Mondel z 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 Mondel z International employees to carry out their job responsibilities in accordance with this policy and to report any environmental concerns they have to management.

Success requires vision and determination, great partners and seizing opportunities—from farm to fork. It's a journey. It'll take years. But we're in business for the long-term, which means we benefit from our investment in this area. And done right, we know building sustainability into our business is good for the planet, people and, ultimately, our profits.

### CC0.2

Reporting Year

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

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed Wed 01 Jan 2014 - Wed 31 Dec 2014

# CC0.3

Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response

Select country
United States of America
United Kingdom
Germany
Canada
Russia
Nigeria
France
Australia
Mexico
Argentina
Brazil
China
Ireland
Belgium
Poland
Italy
South Africa
India
Spain
Turkey
Egypt
Rest of world

#### CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

### CC0.6

Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire. If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email <a href="mailto:respond@cdp.net">respond@cdp.net</a>. If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <a href="mailto:https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx">https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx</a>.

**Further Information** 

**Module: Management** 

Page: CC1. Governance

### CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

# CC1.1a

 $\label{thm:position} Please\ identify\ the\ position\ of\ the\ individual\ or\ name\ of\ the\ committee\ with\ this\ responsibility$ 

For Mondel z International, sustainability is one part of our Call For Well-being, a set of coordinated actions that supports one of our five global strategies: "Protect the Well-being of Our Planet and Its People." Our collective efforts are designed to enable our business to grow, operate more efficiently and help create a sustainable future for our suppliers, farmers and consumers.

We take a comprehensive approach to well-being, integrating it throughout our business processes. Our CEO is engaged in the review and progress of our Well-being strategy in conjunction with our Board of Directors Committee responsible for overseeing public affairs, the Governance, Membership and Public Affairs Committee.

To guide our strategy, we established a Well-being Leadership Team that is managed by our Vice President of External Affairs with oversight from our Chief Growth Officer, our Chief R&D & Nutrition Officer, and our EVP Integrated Supply Chain, our EVP & President Mondelez Europe and EVP and General Counsel of the company. The team makes recommendations to the business and sets the global direction on sustainable agriculture and resources, health & wellness and safety. The team includes senior representatives from R&D and nutrition, marketing, global categories, procurement, government and corporate affairs, integrated supply chain, and scientific & regulatory affairs.

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

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

### CC1 2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

#### CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
All employees	Recognition (non-monetary)		
All employees	Monetary reward		

#### **Further Information**

### Page: CC2. Strategy

#### CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

### CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Annually	Board or individual/sub-set of the Board or committee appointed by the Board	Annual reviews of current risks and mitigating control expectations across all business regions, updating our risk register to include new and emerging risks, and holding discussions with each Region President and staff	> 6 years	Mondel z International has a robust Enterprise Risk Management (ERM) process for identifying, measuring, monitoring, and managing risks, with oversight by the Mondel z International Risk and Compliance Committee (MRCC), which reports annually to the Audit Committee. The executive sponsors of the MRCC are Brian Gladden, EVP and Chief Financial Officer, and Gerd Pleuhs, EVPand General Counsel. The purpose of the MRCC is to manage our process to identify and assess the most significant inherent risks to us so we may adequately mitigate them and/or monitor them across the company. All identified risks are vetted by the MRCC and remain under the MRCC's governance. Ownership of specific risks are assigned at the Mondel z International Leadership Team (MLT) level (MLT members report directly to the CEO). As owners of each specific risk, MLT members are responsible for verifying that appropriate mitigation controls and monitoring systems are in place.

### CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

Our ERM methodology is governed by the MRCC and includes annual reviews with all business regions as described above. The ERM process results in the identification of a variety of risks. The results of climate change risk and water-related risks are captured in the cost of commodities, unanticipated business disruptions, and other issues.

Manufacturing: as part of business continuity planning, plants are inspected to determine the impact to operating income (OI) in the event of a disaster. Critical Information Systems are evaluated using the same tools and methodology.

Procurement: all suppliers are evaluated using a standardized supplier based risk assessment process conducted each year.

We also conduct sensitivity and stress testing analysis on changes in water availability or quality. We map water use and water stress using the WBCSD tool. In 2013 we started to use the new WRI Aqueduct Water Risk Mapping tool, a complimentary tool to WBSCD, to map our sites in terms of overall water risk, including water availability, water quality and legislative/media risk.

Commodities: given the nature of challenges linked to sourcing agricultural commodities, we have developed specific ways of looking at longer-term challenges and risks. Notably, we have assessed with the World Wildlife Fund the long-term sustainability risks for many of our main commodities, including cocoa, coffee, palm oil and sugar. Also, we mapped our company's total environmental footprint: carbon (air), land and water. This work has provided us with a better understanding of the impacts across our supply chain and will enable us to focus activities.

### CC2.1c

How do you prioritize the risks and opportunities identified?

We use various multi-dimensional tools and models throughout the company to support the identification of corporate risks, to facilitate timely and effective risk response, and to have an adequate level of controls and safeguards, including SWOT analysis (Strength/Weakness/Opportunity/Threat), risk maps and third-party sources.

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

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

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

#### CC2.2

Is climate change integrated into your business strategy?

#### CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

At Mondel z International, we know that the sustainable growth of our business is inextricably linked to the well-being of the people who make and enjoy our products, and the communities that we serve. That is why we launched our Call for Well-Being - a call to action for ourselves, our suppliers and our partners to work together to have a positive impact on the well-being of the world.

As explained in our annual report, the Call For Well-Being supports one of our five global growth strategies: "Protect the Well-being of Our Planet." It is focused on four areas that are critical to the well-being of the world and where we can make the greatest impact: mindful snacking, sustainability, community and safety. Our collective efforts in these areas are designed to enable our business to grow, operate more efficiently and help create a sustainable future for our farmers and consumers.

Sustainability is about preserving our world and its people. We all depend on just one planet. So all of us need to work together and find ways to use less energy, water and other resources, 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're using our resources to amplify this ongoing conversation.

Our sustainability journey has put us on a path that is making a real difference. But 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.

To reduce our environmental footprint by 2015, we set the following goals:

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- Palm oil: 100% RSPO by 2015

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

We performed a comprehensive and groundbreaking 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. This review was initially conducted for Kraft Foods Global, Inc. in 2011. We update this analysis annually to help further refine our strategy. For more info, see: http://ir.mondelezinternational.com/releasedetail.cfm?ReleaseID=847172

We look at two key impact areas to reduce GHG emissions: direct and indirect control. Matters within our direct control are a relatively minor portion of our total footprint, but we have direct influence. We have ambitious manufacturing goals (above) to reduce manufacturing energy use and CO2 emissions related to energy use: From 2005-2010, we reduced energy use by 16% normalized to production. From 2010-2014 we reduced energy use an additional 7% when normalized to production. From 2005-2010 we reduced energy-related emissions by 18% when normalized to production. From 2010-2014 we reduced energyrelated emissions an additional 16% when normalized to production.

For indirect control, we are referring to areas beyond direct control, notably agriculture, which accounts for the largest share of our CO2e footprint. For this, we have a longer-term strategy and consider both the impact of climate change on our ability to secure the agricultural commodities we need to make our products and on the impact that those agricultural commodities have on global warming.

We have focused where we may have better influence and opportunity to drive change. In late 2012, through our Cocoa Life and Coffee Made Happy initiatives, we have committed \$600 million over the next 10 years to our largest and most comprehensive programs to date to support sustainable production and improve the livelihoods of millions of people in cocoa and coffee farming communities. We are tackling other commodities, such as sugar, palm oil, wheat and dairy.

We also expanded our buying of GreenPalm certificates and segregated palm oil during 2013 to cover 100 percent of our palm oil purchases – two years ahead of our commitment. GreenPalm is an RSPO-endorsed certificate-trading program that provides incentives to producers whose plantations conform to its criteria. In 2014, we launched an ambitious action plan laying out steps so that the palm oil we buy is produced on legally held land, doesn't lead to deforestation or loss of peat land and respects human rights.

We are using life-cycle thinking to help uncover ways to eliminate waste in manufacturing, measure how product and packaging innovations improve on previous designs, and provide a common system to measure and explain those benefits. For example, in 2012, the Tassimo single-serve beverage team in Europe used LCA to show that up-cycling the discs with partner TerraCycle can reduce a T Disc's carbon impact by about 20 percent compared to landfill. We're leveraging our consumers and partners where we can and we have several success stories:

Our Kenco coffee is a good example of sustainability influencing positive business results. Since we started using 100 percent Rainforest Alliance Certified coffee beans, consumers have responded, and the brand initially experienced sustained double-digit growth. Organic revenue growth was in the mid- to highsingle digits in 2012. We also have greatly reduced our packaging and have lowered our energy use and waste output in our Kenco manufacturing plants.

In Brazil, the Tang powdered beverage team has been working for several years to build sustainability into its business. They inspired more than 320,000 kids to join the brand's "Green Squad" to learn more about sustainability. And they've also partnered with TerraCycle to "upcycle" more than one million drink pouches into new consumer goods, such as pencil cases and even composite lumber for building, which life-cycle assessments (LCAs) done in 2010 show have less impact compared to similar goods made with non-upcycled material.

### CC2.2c

Does your company use an internal price of carbon?

No, and we currently don't anticipate doing so in the next 2 years

### CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers Trade associations Other

#### CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Other: Sustainable palm oil	Support	We shared our commitment at the UN Climate Summit in September 2014 to extend our support for UNDP's plans to work with the Government of Indonesia and companies to support the scale up of sustainable palm oil in Indonesia via a commodity platform approach. This is in addition to our work with the Roundtable on Sustainable Palm Oil and our support for the NY Declaration on Forests.	The goal is to support the scale up sustainable palm oil in Indonesia via a commodity platform approach
Other: Food security	Support	We are members of the project board of the New Vision for Agriculture Initiative, created by the Consumer Industries of the World Economic Forum with the overarching goal to provide food security for all in an environmentally sustainably way, while generating economic growth and opportunity.	We have the overarching goal of providing food security for all in an environmentally sustainably way, while generating economic growth and opportunity.
Climate finance	Support	For example, we have voiced support for the World Bank's BioCarbon Fund million initiative for sustainable forest landscapes.  See:http://www.worldbank.org/en/news/feature/2013/11/20/biocarbon-fund-initiative-promote-sustainable-forest-landscapes	The \$280 million Initiative for Sustainable Forest Landscapes, launched in November 2013, seeks to scale up land-management practices across large landscapes to protect forests and securing green supply chains. Since tropical deforestation is often driven by commodity production, such initiatives could play a role in eliminating deforestation and reducing greenhouse gas emissions in our supply chains, by helping fund the transition to more sustainable production practices.

### CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

### CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
Consumer Goods Forum	Consistent	In 2010, we supported the Consumer Goods Forum's resolutions to fight climate change by addressing deforestation and promoting sustainable refrigeration. In particular with regard to deforestation, policy plays an essential role.	We actively help develop CGF's deforestation position and we resolved to do our part in achieving the Forum's goal of assisting countries achieve net-zero deforestation. We remain active in helping CGF develop its work in this area and co-chaired the development of sourcing guidelines for palm oil and contributed to discussions between CGF and the Tropical Forest Alliance.
SAI Platform	Consistent	This global organization's vision is that sustainable agriculture is "the efficient production of safe, high quality agricultural products, in a way that protects and improves the natural environment, the social and economic conditions of farmers, their employees and local communities, and safeguards the health and welfare of all farmed species."	We are an executive board member and actively participate in SAI's position and projects.

### CC2.3g

Please provide details of the other engagement activities that you undertake

N/A

# CC2.3h

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

Engagement is coordinated by a corporate sustainability team, which includes key functions involved in setting and delivering sustainability strategy, including the Corporate and Government Affairs function which has responsibility for external engagement. Decisions to participate in engagement relating to climate change are reviewed by key members of the sustainability team and the Vice President External Affairs.

### CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

No opinion

#### CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

As a member of Consumer Goods Forum, we have supported CGF's call for an ambitious agreement at Paris COP.

#### **Further Information**

While we have not stated a position on two degrees, we are supportive of an ambitious agreement on climate change. As a member of Consumer Goods Forum, we have supported CGF's call for an ambitious agreement at Paris COP.

### Page: CC3. Targets and Initiatives

#### CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Intensity target

#### CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
Int1	Scope 1+2	95%	15%	metric tonnes CO2e per metric tonne of product	2010	0.35	2015	

#### CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	Decrease	18			Starting in 2011, the new CO2e normalized reduction target is for manufacturing only with 2010 as the base year. The goal was reset in 2011 following two major acquisitions of LU and Cadbury. Scope 3 emissions are not within the scope of our emission reduction target as defined in question 3.1b above. Currently, we only have an emission reduction intensity target for scope 1 and 2 emissions from manufacturing.

### CC3.1d

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Int1	80%	100%	In 2011, we reset our goals to include the Cadbury and LU businesses. Our aggressive energy reduction target of 15% reduction by 2015 is normalized to production and tied to plant performance goals, which we believe will reduce overall carbon emissions. We met and then exceeded that target early; so we are at 107% of our goal.

### CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

## CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

As part of our strategy to protect the well-being of our planet, we work to eliminate packaging material from our products. Our in-house packaging R&D teams evaluate new packaging formats using our proprietary Eco-Calculator tool to help eliminate packaging weight from new designs. We then have suppliers make the packaging materials by using our designs. We use those packaging materials in our facilities while making our products. Consumers, therefore, benefit from buying products with reduced packaging materials.

We exceeded our goal to eliminate 50 million pounds of packaging material between 2010 and 2015, having eliminated 89 million pounds by the end of 2013. We estimate this benefits products accounting for 7% of our revenue.

### CC3.3

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

Yes

### CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*	1	212614
Not to be implemented		

### CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Low carbon energy purchase	Scope 2: Purchasing electricity covered by Tracking instruments, Guarantees of Origin (Hydro). This activity is voluntary to external regulators.	212614	Scope 2	Voluntary				<1 year	There are no monetary savings, capital investment/ payback – instead we pay an annual premium per MWh for these GOO certificates.

### CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	At production facility level. Examples: EU Emission Trading Scheme (see relevant section of CDP); European IPPC legislation; UK Climate legislation
Employee engagement	Some examples: Earth Week initiatives, environmental volunteering initiatives, Green Teams, carpool networks, incentives for biking and running to work, parking spots dedicated for hybrid vehicles

# **Further Information**

# Page: CC4. Communication

### CC4.1

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

Publication	Status	Page/Section reference	Attach the document
In mainstream financial reports but have not used the CDSB Framework	Complete	Annual report 10k filing, page 11, risk factors	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC4.1/annual report 2014.pdf
In voluntary communications	Complete	2014 Call for Well Being Progress Report (pages 6, 11, 13-14, 16, 19-25)	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC4.1/CFWB 2014 Progress Report_FINAL.PDF
In voluntary communications	Complete	Cocoa Life Progress: verification framework	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC4.1/2014 06 11 MDLZ PR Cocoa Life Verification FINAL.pdf
In voluntary communications	Complete	Palm oil: action plan	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC4.1/2014 06 04 MDLZ PR Palm FINAL.pdf
In voluntary communications	Complete	Palm oil: 100% RSPO milestone	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC4.1/2014 01 16 MDLZ PR Palm Final.pdf
In voluntary communications	Complete	Coffee Made Happy: verification framework	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC4.1/CMH Nov 2014 PR.pdf
In voluntary communications	Complete	Air, land, water footprint	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC4.1/MDLZ_News_2011_12_14_General_Releases.pdf
In voluntary communications	Complete	Pages 3-4 of the easy- to-find corporate fact sheet (in About Us section of company site)	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC4.1/mondelez_intl_fact_sheet.pdf

**Further Information** 

### **Module: Risks and Opportunities**

# Page: CC5. Climate Change Risks

#### CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation Risks driven by changes in physical climate parameters Risks driven by changes in other climate-related developments

# CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other regulatory drivers	The main risks for Mondel z International and other food companies are the following: cost of complying with regulatory targets.	Increased operational cost	Unknown	Direct	Unknown	Unknown		Mondel z International's sustainability strategy and our targets to reduce energy consumption and CO2 emission in our operations constitute a concrete approach to mitigating these risks by anticipating regulatory requirements	
Fuel/energy taxes and regulations	Increased cost to generate and purchase energy.	Increased operational cost	Unknown	Direct	Unknown	Unknown		Mondel z International's sustainability strategy and our targets to reduce energy consumption and CO2 emission in our operations constitute a concrete approach to mitigating these risks by anticipating regulatory requirements	
Renewable energy regulation	Increased raw material cost due, among others, to the distortive effects of biofuel incentives.	Increased operational cost	Unknown	Indirect (Client)	Unknown	Unknown		Mondel z International's sustainability strategy and our targets to reduce energy consumption and CO2 emission in our operations constitute a concrete approach to mitigating these risks by anticipating regulatory requirements	

# CC5.1b

Please describe your inherent risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other physical climate drivers	In our 10K Annual Report risk factors, we report that severe	Increased operational cost	>6 years	Indirect (Supply chain)	Unknown	Unknown	We use hedging techniques to minimize the impact of price	Transforming our agricultural supply chains is an essential foundation for a	\$600 million committed over 10 years to agricultural signature

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	weather, the potential longer-term consequences of climate change on agricultural productivity and changes in governmental agricultural programs may influence the price of commodities. We also note that many of our commodities are grown by smallholder farmers who might lack the capacity to invest to increase productivity or adapt to these conditions. If we are not successful in our mitigation activities, if we are unable to price to cover increased costs or must reduce our prices, or if we are limited by supply constraints, our financial condition and results of operations could be materially adversely affected.						fluctuations in our principal raw materials. However, these strategies may not protect us from increases in specific raw material costs.	sustainable future. We've launched innovative, industry-leading holistic programs in key commodities like cocoa, coffee and wheat. Cocoa Life: 10 year, \$400 million investment, empowering more than 200,000 farmers and improving the lives of more than 1 million people. Coffee Made Happy: 10 year, \$200 million plan to create 1 million coffee entrepreneurs. Harmony: our European wheat program, Harmony, promotes biodiversity and good environmental practices in wheat production. Beyond this, as the foundation for all our work in sustainable agriculture, we're embedding sustainability into our sourcing practices across our commodities.	programs, Cocoa Life and Coffee Made Happy.
Change in precipitation extremes and droughts	In addition, localized episodic extreme weather events such as floods and severe storms have the potential to temporarily disrupt Mondel z International's business operations (including raw material sourcing, manufacturing and product distribution) in affected areas.	Reduction/disruption in production capacity	Unknown		Unknown	Unknown		Mondel z International has in place several protocols, including special situations management and emergency preparedness and response procedures. These allow us to address and help mitigate adverse effects.	

# CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	In our 10K Annual		Unknown	Indirect (Client)	Unknown	Unknown		To stay abreast of evolving	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	Report, we acknowledge that "adverse publicity about environmental and human rights risks in our supply chain could damage our reputation and brand image, undermine our customers' confidence and reduce demand for our products, even if these matters are immaterial to our operations."	Reduced demand for goods/services						consumer attitudes regarding climate change we regularly include questions related to sustainability in analyses of consumer attitudes and preferences. To avoid misleading marketing claims, we've developed a set of internal guidelines on environmental claims to guide the business in making the right decisions when considering these types of claims. With regard to land use/ deforestation, Mondel z International has engaged with suppliers, NGOs and the Consumer Goods Forum and, in specific cases, supported certain sustainability standards for commodities.	

**Further Information** 

### Page: CC6. Climate Change Opportunities

### CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

### CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

There may be opportunities linked to climate change regulation, and they deserve attention. However, based on our understanding of the CDP definition of "significance," we conclude that opportunities cited in this question cannot be categorized as having the potential to generate substantive change in our business. Due to our past and ongoing efforts to reduce energy use and CO2e emissions and the ambitious targets we set, we may be in a better position to anticipate regulatory requirements, avoid cost and gain competitive advantage. Carbon offsets may provide financial incentives for farmers in our supply chain, while also mitigating climate change effects and providing marketing opportunities for our brands by communicating to conscious consumers about improved farming practices. Further tightening of emission caps and a clarification of international rules could make these opportunities more attractive from a cost/benefit perspective. Promotion of more efficient biofuels that do not use food crops may limit the impact that biofuels incentives may have on our agricultural supply chain. We may look to work with some of our partners in activities they are performing on carbon offsetting or specifically on activities aimed at preventing deforestation and mitigating related climate change effects. For example, we support the World Bank's BioCarbon Fund \$280 million initiative for sustainable forest landscapes, which seeks to scale up land management practices across large landscapes to protect forests and secure green supply chains. Since tropical deforestation is often driven by commodity production, such initiatives could help eliminate deforestation and reduce CO2e emissions in our supply chain, by helping fund the transition to more sustainable production practices. As a member of the Consumer Goods Forum, we recently supported a call for governments to secure a binding global climate deal and implement UN REDD+ framework to use intergovernmental climate funding to fund avoided deforestation. We shared our co

## CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

We have opportunities to strengthen supplier relationships to seek common, non-competitive, solutions to face potential climate change challenges like weather, water and crop-specific uncertainties in yields and production locations.

#### CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Climate change presents opportunities in the way we develop and market our products, especially in the EU and US. For example:

- We're working to bring more products to market that have sustainably grown ingredients.
- We have already seen how focusing on sustainability can drive growth in our coffee business in Europe (see Kenco example at question 2.2a)

#### **Further Information**

# Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

### Page: CC7. Emissions Methodology

#### CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Fri 01 Jan 2010 - Fri 31 Dec 2010	1034029
Scope 2	Fri 01 Jan 2010 - Fri 31 Dec 2010	1079340

### CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
US EPA Climate Leaders: Direct Emissions from Stationary Combustion
US EPA Climate Leaders: Indirect Emissions from Purchases/Sales of Electricity and Steam
US EPA Climate Leaders: Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment
Other

### CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

US EPA Climate Leaders: Direct Emissions from Mobile Combustion Sources US EPA Climate Leaders: Design Principles US EPA GHG Reporting Regulations: 40 CFR 98

### CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR - 100 year)
CH4	IPCC Second Assessment Report (SAR - 100 year)
N2O	IPCC Second Assessment Report (SAR - 100 year)
HFCs	IPCC Second Assessment Report (SAR - 100 year)

### CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy Emission Factor Unit Reference

### **Further Information**

Emission factors are obtained from recognized sources, i.e. International Energy Agency, US EPA, Ecoinvent database, Economic Input-Output Life Cycle Assessment (EIO-LCA) model and Intergovernmental Panel on Climate Change. For electricity, country-specific CO2 emission factors are used.

### Attachments

https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/CDP2014 - Mondelez - Question 7 4 emissionFactors.pdf

Page: CC8. Emissions Data - (1 Jan 2014 - 31 Dec 2014)

### CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

### CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

1061261

### CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

765933

### CC8.4

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

### CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
Non-manufacturing buildings (e.g., offices)	Emissions are relevant but not yet calculated	Emissions are relevant but not yet calculated	A small number of non-manufacturing buildings in Mondel z International Latin America (LA) and Asia Pacific (AP) regions are operationally controlled but not included in this questionnaire. GHG emissions are insignificant compared to product warehouses in North America (NA), European Union (EU) and Central and Eastern Europe, Middle East & Africa (CEEMA) regions.
Leased product warehouses in LA and AP	Emissions are relevant but not yet calculated	Emissions are relevant but not yet calculated	A small number of leased product warehouses in Mondel z International LA and AP regions are operationally controlled but not included in this questionnaire. GHG emissions are insignificant, compared to product warehouses in NA, EU and CEEMA regions.
Leased sales	Emissions are relevant but not yet calculated	Emissions are not relevant	A small number of sales cars in Mondel z International LA and Asia Pacific (AP) regions are operationally controlled but not included in this questionnaire. GHG emissions are insignificant, compared to product warehouses in NA, EU and CEEMA regions.

### CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 5% but less than or equal to 10%	Data Gaps Assumptions	<ol> <li>Data variability associated with reported manufacturing data from those plants which have not yet fully implemented direct metering or sub-metering; (2) Few data gaps in warehouse energy data and sales vehicles operating in AP and LA regions.</li> </ol>
Scope 2	More than 5% but less than or equal to 10%	Data Gaps Assumptions	(1) Data variability associated with reported manufacturing data from those plants which have not yet fully implemented direct metering or sub-metering; (2) Few data gaps in warehouse energy data and sales vehicles operating in AP and LA regions.

### CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

# CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC8.6a/SGS_GHG Verification StatementFor2014Data 180615.pdf	All	ISO14064-3	100

### CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

### CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC8.7a/SGS_GHG Verification StatementFor2014Data 180615.pdf	All	ISO14064-3	100

#### CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Year on year change in emissions (Scope 1)	
Year on year change in emissions (Scope 2)	
Year on year change in emissions (Scope 1 and 2)	
Year on year change in emissions (Scope 3)	
Year on year emissions intensity figure	

### CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Vac

#### CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

10051

#### **Further Information**

An example of our renewable energy use that involves biologically sequestered carbon is at our Sucat, Philippines facility. At this facility, we're burning rice husks and coconut shells as a renewable energy source as part of our Go Green program.

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

#### CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

### CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
North America	216589
Western Europe	430479
Latin America (LATAM)	146121
Asia Pacific (or JAPA)	101384
Eastern Europe, Middle East, and Africa (EEMEA)	166689

### CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By activity

### CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Manufacturing	949189
Private Fleet	2658
DC - Mixing Centers	3048
DSD/Branch/Warehouses	970
HQ/Technology-R&D Centers	3490
Executive Transportation	1611
Sales Fleet	100295

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

### CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

### CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)	
North America	203866	441078	0	
Western Europe	98427	869518	577620	
Latin America (LATAM)	69857	316901	0	
Asia Pacific (or JAPA)	235858	340153	0	
Eastern Europe, Middle East, and Africa (EEMEA)	157925	319664	14806	

### CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By activity

### CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
Manufacturing	750342
HQ/Technology/R&D centers	9828
DC Mixing Centers	3669
DSD/Branch/Warehouses	2094

### **Further Information**

# Page: CC11. Energy

### CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

### CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	4521508
Electricity	2207583
Heat	17656
Steam	62074
Cooling	4521508

# CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	4186486
Distillate fuel oil No 5	49180
Distillate fuel oil No 2	83855
Propane	13588
Bituminous coal	37343
Wood or wood waste	14031
Other: On-site digester Methane Gas	1214
Other: coffee/cocoa/others residues	0
Other: bagasse	33105
Butane	41680
Liquefied petroleum gas (LPG)	60906
Other: Solar	120

### CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
Tracking instruments, Guarantees of Origin	136012.2	United Kingdom: Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	93582.8	Germany Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	52455.0	Poland Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	50749.6	France Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	43078.4	Sweden Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	32633.2	Belgium Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	28166.3	Spain Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	25742.1	Ireland Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	22608.8	Austria Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	17344.7	Slovak Republic Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	16966.6	Switzerland Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	15093.5	Bulgaria Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	14930.3	Norway Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	14806.2	Ukraine Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	9232.0	Lithuania Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	6313.3	Italy Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	5961.3	Greece Number of certificates equal to annual electricity consumption for the relevant sites within this country
Tracking instruments, Guarantees of Origin	6750.4	Czech Republic Number of certificates equal to annual electricity consumption for the relevant sites within this country

### **Further Information**

# Page: CC12. Emissions Performance

### CC12.1

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

### Decreased

# CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	14	Decrease	Our emission reduction activities from Guarantee Of Origin (GOO) low carbon electricity purchase (as detailed in CC3.3) and improving process energy efficiency, saved 290,543 metric tons of CO2e in 2014 that is equivalent to 14% of our total scope 1 and 2 emissions in 2013 (2068210 MT CO2e).
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other	3.4	Increase	Sales fleet emissions increased by 69,827 metric tons of CO2e in 2014, which is equivalent to 3.4% of 2013 scope 1 and 2 emissions.

# CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.0000534	metric tonnes CO2e	unit total revenue	8.9	Decrease	Mondelez generated 34244 Million USD net revenue with 1827194 MT CO2e emissions in 2014 and 35299 Million USD net revenue with 2068210 MT CO2e emissions in 2013. Our intensity figure decreased by 8.9% from 0.0000586 MT CO2e/ USD in 2013 to 0.0000534 MT CO2e/ USD in 2014.

#### CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
17.57	metric tonnes CO2e	FTE employee	9.1	Decrease	Mondel z employed approximately 104,000 people worldwide as of December 31, 2014 and approximately 107,000 as of December 31, 2013. Our employee headcount decreased 3% and our emissions decreased 11.7%; as a result, our intensity figure decreased 9.1% from 19.33 in 2013 to 17.57 in 2014.

### CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.313	metric tonnes CO2e	metric tonne of product	7.8	Decrease	Mondelez generated 5840643 MT of products with 1,827,194 MT CO2e emissions in 2014 and 6094720 MT of products with 2068210 MT CO2e emissions in 2013, which is equivalent to 0.313 MT CO2/MT of products in 2014 and 0.339 MT CO2/MT of products in 2013. The scope 1&2 emission intensity decrease of 7.8% is due to improved fuel use efficiency and purchase of low-carbon energy.

### **Further Information**

### Page: CC13. Emissions Trading

Do you participate in any emissions trading schemes?

# CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme	Period for which data	Allowances	Allowances	Verified emissions in metric	Details of
name	is supplied	allocated	purchased	tonnes CO2e	ownership
European Union ETS	Wed 01 Jan 2014 - Wed 31 Dec 2014	120993	0	161502	Facilities we own and operate

### CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

We periodically evaluate exposure to EU ETS and decide if this justifies a centralized approach or local management. During 2014 we coordinated activity across our sites, trading surplus allowances from site to site to comply with regulations. We continued to pursue a strategy of reducing emissions at source supported by internal trading before looking to external trading.

### CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

### **Further Information**

### Page: CC14. Scope 3 Emissions

### CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	12047027	EMISSIONS ACCURACY +/- 40% Used LCI data which also covers category 'Purchased Goods and Services — Cradle-to-Grave Emissions' In Mondel z International' supply chain, agricultural raw materials are the main source of CO2 scope 3 emissions, with packaging production contributing an important, but clearly secondary, source of emissions. The most prominent commodities for Mondel z International are: Dairy, Sugar, Grains, Vegetable Oils, Nuts, Cocoa and Coffee. Since 2011 we have been improving the accuracy of our Scope 3 emissions for many key commodities by regionalizing emission factors and gathering more precise geo-sourcing data to improve the fit for LCI datasets. The supply chain was characterized based on the total mass of purchases of nearly 100 food input material categories and six packaging material categories. For each of these material categories, information on the life cycle GHG emissions was taken from a variety of sources, including the most prominent Ecolnvent database, scientific literature and other available data. In cases where data for the exact commodity or category could not be found, the most suitable proxy available was selected to avoid large gaps. Emissions are determined as the mass purchased multiplied by these factors of GHG emissions per weight. For packaging materials, processing to produce a finished package has been assumed based on emissions information from the Ecoinvent database. In the case of agricultural commodities that require additional processing beyond the level of their representation in the database, insufficient information is available to represent such processes, except in the case that it takes place in a Mondel z International facility. We engaged third-party experts in 2011 to review and help improve our methodology and quality of data.		
Capital goods	Not relevant, explanation provided		quality of cated.		Capital goods are so far not associated with Mondel z International's business.
Fuel-and- energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	196801	EMISSIONS ACCURACY +/- 30% Emissions from all direct uses of energy have been calculated based on amounts of electricity and fuel used throughout the company and applying cradle-to-gate emission factors from the Ecoinvert database, consistent with the methodology used throughout the Scope 3 calculations described here. From this result, the Scope 2 emissions, described above, were subtracted.		
Upstream transportation and distribution	Relevant, calculated	1765475	EMISSIONS ACCURACY +/- 30% Data excludes warehouses. Mondel z International uses third-party transportation companies (common carriers) to transport raw materials to manufacturing facilities. The primary GHG emission source from common carrier s is CO2 from diesel fuel combustion. Transportation CO2 emissions for production materials were estimated for the highest volume inputs based on a number of simplifying assumptions: average distance (e.g., source country to country of use), common modes of transport, average fuel efficiency, assumed shipment weights, etc. The calculation is based on the multiplication of life cycle emissions information for the relevant modes of transport (in units of emission per weight*distance) from the Ecoinvent database.		
Waste generated in operations	Relevant, calculated	116873	EMISSIONS ACCURACY +/- 50% Landfill of operation waste, inbound packaging, etc.		
Business travel	Relevant, calculated	142088	EMISSIONS ACCURACY +/- 20% Employee air, car and rail business travel emissions were estimated using spend data and EIO-LCA emission model		
Employee commuting	Relevant, calculated Not relevant,	226360	EMISSIONS ACCURACY +/- 20% Passenger car, 30 miles per day, 235 days/ yr.		
Upstream leased assets	explanation provided				Not relevant.
Downstream transportation and distribution	Relevant, calculated	1246486	EMISSIONS ACCURACY +/- 25% Data excludes warehouses. Mondel z International uses third-party transportation companies (common carriers) to supplement its need to transport finished product from manufacturing facilities to distribution centers, warehouses and customers. The primary GHG emission source from common carriers is CO2 from diesel fuel combustion. The calculation is based on the multiplication of life cycle emissions information for the relevant modes of transport (in units of emission per weight*distance) from the Ecoinvent database.		
Processing of sold products	Not relevant, explanation provided				Not relevant.
Use of sold products	Relevant, calculated	834633	EMISSIONS ACCURACY +/- 40% The emissions reported here reflect a rough prediction of the emissions from the use of products. The end-of-life of the food products themselves is not included. The emissions during the use of products include aspects of refrigeration, freezing, baking, boiling, toasting, microwaving, and stovetop preparation. For		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			each of these categories, assumptions have been made of the proportion of total Mondel z International products sold that are likely to undergo each use. For simplicity, it has currently been assumed that all use activities are fueled by electricity. Approximations are then made of the amount of electricity use required per kilogram of product. These approximations are made based on preliminary estimates of typical consumer behaviors and are generic among product categories. The total amount of electricity use is then estimated based on emissions factors taken from the Ecoinvent database for several countries or an adapted dataset from IEA electricity statistics.		
End of life treatment of sold products	Relevant, calculated	568537	EMISSIONS ACCURACY +/- 40% The end-of-life of packaging is determined based on the amount of various categories of packaging material that have been purchased in the relevant time period (with the assumption that this is also representative of the amount of packaging disposed in the same period). The proportions of various fates (landfilling, recycling and incineration) of each material have been determined by information available for several countries, which has then been applied as an approximation of disposal routes within each of the five global sales regions. Emissions information is taken from the Ecoinvent database to determine the amount of GHG emissions occurring during the landfilling, recycling and incineration of any given material. Generally, an "avoided burden" approach is taken at the end-of-life routes that result in a beneficial co-product of disposal. For example, in the case of recycling a plastic, it is assumed that the production of virgin plastic is avoided, and for the combustion of a plastic, it is assumed that a given amount of heat and/or electricity has been recovered and therefore prevented the production of electricity or heat by other means.		
Downstream leased assets	Not relevant, explanation provided				Downstream leased assets is so far not associated with Mondel z International's business.
Franchises	Not relevant, explanation provided				Franchises is so far not associated with Mondelez International's business.
Investments	Not relevant, explanation provided				Investment is so far not associated with Mondelez International's business.
Other (upstream)	Relevant, calculated	123672	EMISSIONS ACCURACY +/- 20% The impact of others' production of HFCs is estimated based on the Ecoinvent database.		
Other (downstream)	Not relevant, explanation provided		THE SE IS SSURFACED BASED OF THE EQUITYOR DATABASE.		Not relevant.

# CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

### CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared Documents/Attachments/CC14.2a/SGS_GHG Verification StatementFor2014Data 180615.pdf		ISO14064-3	100

### CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Emissions reduction activities	72.4	Decrease	Our emission reduction projects (as detailed in section CC3.3) helped reduce scope 3 emissions from fuel production and electricity generation.
Waste generated in operations	Change in boundary	587.5	Increase	Expanded scope boundary to include many kinds of operational wastes.

#### CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

#### CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

We have undertaken a global footprinting assessment with Quantis International and reviewed by WWF. This review was initially conducted for Kraft Foods Global, Inc. in 2011. For more information, see www.mondelezinternational.com/mediacenter/country\_press\_releases/us/2011/multi\_media\_12142011.aspx. It was subsequently updated during 2012 to take account of our company split and helped to inform sustainability strategy for Mondelez International. This is an ongoing study – updated every year - that not only looks at climate change, but also water and land footprint. Across the three parameters, agriculture is the main impact factor. This guides our focus on sustainable agriculture. Our sustainable agriculture programs all address environmental impacts in ways that can be expected to reduce greenhouse gas emissions over time. While we have worked on sustainable agriculture for some time beforehand, we have since added specific numeric goals for sustainable agriculture to our other sustainability goals. As part of the new 2015 goals:

All cocoa will ultimately be sustainably sourced 70% of global coffee will be sustainably-sourced by 2015 75% of Western European biscuits volume made with Harmony wheat by 2015 Palm oil: 100% RSPO by 2015.

In 2013, we were the world's largest buyer of coffee from Rainforest Alliance Certified™ farms, the largest buyer for Fairtrade cocoa and one of the biggest buyers of cocoa from Rainforest Alliance Certified farms.

In November 2012, we announced a commitment to invest \$400 million over 10 years to boost livelihoods and living conditions of more than 200,000 farmers and over 1 million people in cocoa farming communities. Key focus areas are farming, community, livelihoods, youth and the environment.

Our \$200 million Coffee Made Happy program, announced in October 2012, aims to create more than 1 million coffee farming entrepreneurs by 2020 and builds on our existing goal to sustainably source 100 percent of our European coffee by 2015. Key pillars of the program are skills, society and environmental stewardship.

We met our palm target in 2013. We continue to work on palm oil issues, including with our direct suppliers. Our palm oil action plan specifically targets elimination of deforestation and new plantation developments on peat soil, as these are major drivers of emissions in the palm oil production sector.

All of these examples include, at the least, addressing climate change strategies, including helping farmers become more resilient to potential climate changes.

### CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comment
91500	80%	We engage with direct suppliers (Tier 1) and also farmers on climate change matters. The numbers here represent a portion of our engagement with farmers for just two commodities: coffee and cocoa. These are farmers who are actual or potential indirect suppliers of commodities with whom we are directly engaging. Between the two programs described here, we aim to reach 1.2 million farmers by 2022. Cocoa Life's long-term goal is to source all cocoa sustainably, mainly via Cocoa Life, which has a goal to reach over 200,000 cocoa farmers within the cocoa supply chain. Coffee Made Happy builds on our existing commitment to sustainably source 100% of coffee for our European coffee business. The goal is to reach over 1 million coffee farmers within the coffee supply chain to cover most of our coffee. See 14.4a above for more information. We are engaging with farmers of these and other commodities in other ways, too, such as third-party certification schemes (e.g., Rainforest Alliance).

### CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Other	We conducted an environmental footprinting analysis (through a consultant, Quantis) across our entire supply chain, from farm to consumption. The analysis assessed impacts to land, water and GHGs. It found that agriculture is the main impact. We use the footprint information to help inform our sustainability strategy.

### **Further Information**

For more information about our global Cocoa Life program (including videos), visit cocoalife.org. For more information about the Mondelez International footprint for air, land, and water, see attached.

### Attachments

https://www.cdp.net/sites/2015/37/42037/Climate Change 2015/Shared
Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/MDLZ\_News\_2011\_12\_14\_General\_Releases.pdf

Module: Sign Off

Page: CC15. Sign Off

CC15.1

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

Name Job title Corresponding job category

Jonathan Horrell Director, Global Sustainability Environment/Sustainability manager

**Further Information** 

Module: FBT

Page: FBT1. Agriculture

FBT1.1

Are agricultural activities, whether in your direct operations or elsewhere in your value chain, relevant to your climate change disclosure?

**Further Information** 

Page: FBT2. Processing

FBT2.1

Are processing activities, whether in your direct operations or elsewhere in your value chain, relevant to your climate change disclosure?

**Further Information** 

Page: FBT3. Distribution

FBT3.

Are distribution activities, whether in your direct operations or elsewhere in your value chain, relevant to your climate change disclosure?

**Further Information** 

Page: FBT4. Consumption

FBT4.1

Are emissions from the consumption of your products relevant to your climate change disclosure?

**Further Information** 

CDP: [D][-,-]