



Australian Modern Slavery Statement
2021

For the Reporting Period:
1 January 2020 to 31 December 2020



1. Identification of the reporting entities

Mondelēz International, Inc. (NASDAQ: MDLZ), headquartered in Chicago USA, is a publicly listed global food company involved in the manufacture and marketing of food products with net revenues of approximately US\$27 billion in 2020. The company's purpose is to empower people to snack right - our mission is to lead the future of snacking around the world by offering the right snack, for the right moment, made the right way. In Australia, Mondelēz International is one of the largest food manufacturers with more than 100 years of history and a portfolio of iconic brands.

Mondelez Australia Holdings Pty Ltd (ACN 004 880 817) is the indirect holding company of Mondelez Australia (Foods) Limited (ACN 004 125 071) and Mondelez Australia Pty Ltd (ACN 004 551 473). These are the three Reporting Entities under this joint Statement (referred to as **Mondelēz Australia** or the **Reporting Entities** in this report). All three entities operate under the management of a single leadership team, and using the same policies and processes.

Mondelēz Australia is part of the Mondelēz International, Inc. group of companies.

In this statement, the collective expressions "we", "us", "our", "ourselves", "the Group", "MDLZ", "Mondelēz International" and "Mondelēz Group" are used when we refer to Mondelēz International, Inc. and any entities which it owns or over which it has control. This is because we operate using group-wide policies and procedures to assess and manage modern slavery risks. It is not intended to convey how we are structured, managed or controlled.

2. Description of our business – structure, operations, production, supply chain

Mondelēz International's Australian head office is based in Melbourne, Victoria. The Group's key activities in Australia are the manufacture, marketing and sale of food products for local consumers. Mondelēz's Australian product portfolio is split into two distinct business lines: Meals and Snacking.

Mondelēz International's Australian manufacturing network includes six manufacturing plants, one located in each of Suttontown in South Australia, Burnie and Claremont in Tasmania, and Ringwood, Scoresby and Croydon in Victoria. We also have relationships with co-manufacturers for some products, who are primarily located in Australia. For distribution and warehousing, we use one owned, one leased and one multi-user site in Melbourne, and one multi-user site in each of Queensland and Western Australia. We have sales offices in Adelaide, Sydney, Perth, and Brisbane. In total across our Australian operation, we directly employ 2300 people.

Mondelēz International operates a global integrated supply chain model, and Mondelēz Australia sources its inputs from both related group companies, as well as third party suppliers. Across the globe, we have an extensive value chain with a large number of local, regional and global suppliers. Our business depends on a steady and high-quality supply of agricultural crops including wheat, cocoa, vegetable oils (including palm oil), hazelnuts, sugar, milk and eggs.

We partner with over 1000 local suppliers to source ingredients and materials for our products such as fresh milk, sugar, carton board, corrugated cardboard and various plastics. We purchase approximately 10% of Tasmania's total milk supply for our manufacturing needs, while 100% of the sugar in our Australian-made chocolate comes from Queensland farmers.

Cocoa for Australian made chocolate is sustainably sourced through our [Cocoa Life](#) sustainability program (see section 4 below for more detail).

In line with our Palm Oil Action Plan, in 2020 we achieved the traceability of 98% of our palm oil to the mill and 99% of the palm oil we buy was sourced from suppliers with policies aligned to ours. Additionally, palm oil purchased for Australian manufacturing is certified as segregated.

Our Australian business also procures goods and services from across the globe. During the reporting period, we sourced, raw materials, packaging, manufacturing equipment, IT, professional services facility services and office consumables from a range of countries including (listed in alphabetical order in Section 3 below). The business is largely focused on the manufacturing of chocolate and confectionery products, in local factories with labour engaged on enterprise work agreements.

3. Description of risks

At Mondelēz International, we are committed to respecting the human rights of people in our value chain. As discussed in more detail below, our Corporate Responsibility Guidelines and Code of Conduct guide us as we strive to ensure that human rights are respected within our own operations and our upstream supply chains.

As for our own operations, Mondelēz International's Australian business covers a range of areas from sales and marketing, administration to manufacturing. All of our operations are located in Australia, which is an inherently low risk jurisdiction according to the Minderoo Foundation/Walk Free Global Slavery Index. While the sales and marketing and administration activities in our operations are inherently low risk, we identify, according to international trends, that manufacturing can potentially be an inherently higher risk activity. The inherent risk potentially associated with manufacturing is reduced because it occurs in Australia and because there is a high level of unionisation of our manufacturing employees.

As for upstream supply chains, Mondelēz International's Australian supply chain covers a range of jurisdictions and categories of supplies. Countries from which Mondelēz Australia procures, vary in their level of human rights risks (based on the Walk Free Foundation's Global Slavery Index). In particular, Mondelēz International's Australian supply chain includes Australia, the Czech Republic, China, Côte d'Ivoire, Denmark, France, Ghana, India, Indonesia, Malaysia, New Zealand, Singapore, Thailand, the United States of America, and Vietnam.

Reflecting the broad range of products in our portfolio, Mondelēz International's Australian supply chain supply chain includes a wide array of materials from these jurisdictions, which in turn vary in terms of their associated risks. For example, we source primary inputs such as emulsifiers and fats, fruits and nuts, and palm oil from India, Turkey and Malaysia respectively, and we source cocoa from Côte d'Ivoire and Ghana. These jurisdictions and commodities pose higher potential risks than some other geographic and sector combinations, and steps we have taken to address human rights concerns with respect to palm oil and cocoa are described in detail below. We also source cleaning services and uniforms for our operations in Australia. While Australia generally is a low risk jurisdiction, we recognise that cleaning can be a higher risk sector in Australia. Similarly, while our direct suppliers for uniforms are in Australia, we recognise that some of our indirect suppliers are based in countries such as Malaysia and China and potentially pose higher risk.

4. Description of the actions we take to address the risks of modern slavery

Governance structure for human rights (including modern slavery)

The Mondelēz International Human Rights Working Group (**HRWG**) is a cross-functional team with members from the Impact, Human Resources, Compliance, Procurement, and Health & Safety functions. Together, the working group defines the company's human rights due diligence strategy and drives its implementation to embed it throughout the organisation's operations and supply chains.

The HRWG meets monthly to:

- Maintain the company's human rights due diligence strategy, in line with company values and commitment to respect human rights under the United Nations Guiding Principles.
- Oversee the implementation of the strategy and embedding of human rights due diligence throughout the organisation and our business relationships.
- Review and ensure appropriate action is taken to address human rights risks surfaced by due diligence systems.

The HRWG reports regularly to functional and business unit leaders and annually to the Mondelēz International Board of Directors' Governance, Membership & Public Affairs Committee.

Policies

Our [Human Rights Statement](#), our [Corporate Responsibility Guidelines](#) and [Code of Conduct](#) guide everything we do to ensure that human rights are respected within our own operations and our upstream supply chains. These set out our position against child and forced labour, as well as against discrimination, harassment, bullying and intimidation. We also seek to do business with partners who share the same commitment.

Our [Corporate Responsibility Guidelines](#) apply to the suppliers we work with. Per our contractual agreements, suppliers must comply with our [Corporate Responsibility Expectations](#).

Through our Speaking Up and Investigations Policy, we encourage and expect our employees to report concerns or questions regarding our Code of Conduct, including any related to human rights and modern slavery. We are also committed to non-retaliation, and we reinforce our "speaking up" and "non-retaliation" expectations through regular compliance training. Our [Integrity HelpLine](#) and [WebLine](#) are made available to our employees, contractors, subcontractors, and other third parties to raise concerns and to better enable Mondelēz International to appropriately address potential human rights impacts. Allegations related to human rights issues are handled with utmost urgency by the Compliance team.

Due diligence

Before engaging in new business relationships – and during the course of business - we conduct appropriate and risk-based due diligence, which includes screening potential suppliers against restricted party lists, which may include human rights related information. These systems support the identification of potential risks, help guide our approach for impact mitigation and monitoring, and inform our procurement practices.

In 2018, as part of our ongoing due diligence activities, we undertook a broad assessment of our human rights risks and due diligence systems with support from the specialist human rights consultancy [twentyfifty Ltd](#). The assessment included an analysis of previous social audit results and grievance mechanism data, interviews with internal stakeholders in key roles and geographies, and an analysis of external studies. The examination of our due diligence and risk management systems

validated good practices and identified further opportunities to work both internally and with our suppliers to address risks that are shared across the food industry such as child labour, health and safety, freedom of association and collective bargaining, land rights, water and sanitation, and women's rights.

Ongoing Monitoring and Compliance

We audit our manufacturing facilities and tier 1 suppliers adherence both to our policies and using the Sedex Members Ethical Trade Audit ([SMETA](#)) protocol under the [Program for Responsible Sourcing \(PROGRESS\)](#). SMETA is a social auditing methodology developed by Sedex. It enables businesses to assess their sites and suppliers to understand working conditions across various issues (e.g., forced labour, working hours, wages, etc.). Once an audit is complete the site or the supplier aim to define a Corrective Action Plan (CAPR) in collaboration with the auditor to address issues found.

In 2020, 100 per cent of both our 2019 and 2020 target groups of highest priority suppliers completed the SMETA audit.

Our supplier contracts include provisions on our [Corporate Responsibility Expectations](#).

Training

We developed two new global training courses for our people in 2020:

- 1) Human Rights module to raise all our employees' awareness of our commitments and policies, and the critical role they need to play in ensuring individual rights are respected.
- 2) A module on Forced Labour Risk Mitigation to build the capability of our people in key functions (Plant Leaders, Human Resources, Procurement, Corporate & Legal Affairs).

To complement this second module, we have also developed a Forced Labour Risk Mitigation Toolkit centred around the three [Priority Industry Principles against Forced Labour](#), to further equip teams with best practice guidance. The training and toolkit were made available globally during 2020, with a focused rollout to embed these initiatives in 2021.

In 2020, we also delivered Forced Labour Prevention 'train the trainer' workshops. The workshops were attended by managers, who hold key positions across the HR, Procurement, Corporate and Government Affairs, Compliance and Manufacturing functions and were selected based on a ranking of high-risk geographies from a forced labour perspective.

Community Initiatives and Stakeholder Engagement

The following outlines the actions we are undertaking under our signature programs: Cocoa Life, the International Cocoa Initiative, and the Palm Oil Action Plan. In our raw materials supply chain, our efforts have primarily focused on cocoa and palm oil because this is where we know that we can make the biggest difference from an environmental and social perspective. Beyond these, we're embedding sustainability into our sourcing practices for other raw materials. We're seeking more transparency, raising expectations of our suppliers and seeking to catalyse sector-wide change. Through this work we are addressing cross cutting themes such as good agricultural practices, deforestation, human rights (including labour rights such as forced and child labour), land rights, gender and environmental footprint.

Cocoa Life

In the cocoa supply chain, we address human rights risks through our signature cocoa sustainable sourcing program - Cocoa Life. Cocoa Life's USD\$400 million, 10-year commitment aims to empower more than 200,000 farmers and more than one million people in cocoa farming communities in Côte d'Ivoire, Ghana, Indonesia, Brazil, the Dominican Republic and India. When a new community joins the program, our NGO partners conduct a thorough participatory needs assessment on focus areas including labour risks such as forced and child labour. Based on this assessment and with support from our partners, community members develop a Community Action Plan, which provides a detailed roadmap for community activation. Based on this plan, and as part of the program's holistic approach, our partners then implement a range of activities that address the issues identified.

Our Cocoa Life program's holistic approach addresses the root causes of child labour through interventions to increase income, empower communities to advocate for their development, and the empowerment of women at household and community level through the [Women's Empowerment Action Plans](#). These action plans empower women to run more successful farms; take a more active role in community decision making; be able to give their children a quality education; make cocoa farming more attractive for young people; become more entrepreneurial; and protect their natural environment

In Côte d'Ivoire and Ghana, we are setting up a Child Labour Monitoring and Remediation System (**CLMRS**) in all 1,804 Cocoa Life communities. As of the end of 2020, 513 communities have been covered by a CLMRS, meaning community members have been informed of the dangers of child labour, remediation is under way for identified vulnerable children, the local school is involved, children are learning about their rights, and a committee of community volunteers is in place to be the focal point on child protection issues and to take action when a child is found to be in child labour.

International Cocoa Initiative

Mondelēz International is a founding member of the International Cocoa Initiative (**ICI**). We actively support the ICI in its work plan and strategy to support specific interventions that prevent, detect and respond to forced labour risks. This work plan and strategy were informed by a study and report prepared by Verité (commissioned by the ICI) into the forced labour risk in the cocoa supply chain of Côte d'Ivoire.

In 2019, ICI launched an innovation project to develop practical ways to identify and mitigate forced labour risks, put in place preventive measures, and allow people in situations of forced labour to raise the alarm and access support. These may include the provision of tailored assistance to at-risk workers or victims of abuse, for example through ensuring workers have written employment contracts, supporting workers to obtain due income, and allowing victims to raise the alert (such as through a toll-free hotline). The project is currently ongoing in ten cocoa-growing communities in Côte d'Ivoire and Ghana.

Mondelēz International is actively contributing through the ICI Board Forced Labour Subgroup, and through its participation in the innovation project, which is in part taking place in Cocoa Life communities. We are using the learnings from these activities to guide our response to forced labour risks through Cocoa Life and to inform the necessary industry collective action, and collaboration with governments to effectively mitigate this risk systemically.

Palm Oil Action Plan

Mondelēz International is committed to sourcing palm oil sustainably and eradicating deforestation and human rights violations in the palm oil sector. Given the small proportion of the global palm oil supply that we purchase, our direct impact on the supply chain is limited. Therefore, we seek to use our influence by engaging with stakeholders to support the transition to sustainable practices across the palm oil sector, as detailed in our [Palm Oil Action Plan](#). The plan requires that our suppliers respect the labour rights of all workers, including migrant workers, within both their own operations and through their supply chains. It also requires that they embed the Consumer Goods Forum (**CGF**) Priority Industry Principles against Forced Labour within their practices in their own operations as well as in their engagements with third-party suppliers. To ensure progress, we also require suppliers to provide annual assurance of continuous improvement, verified by third party labour rights experts.

In 2018, we also worked with the CGF and its Palm Oil Working Group in commissioning a report from the Fair Labor Association into forced labour risks across the Indonesian and Malaysian palm oil sectors. Based on the Fair Labor Association's findings, the CGF then developed an [action plan](#) to address forced labour risks in the Indonesian and Malaysian palm oil sectors (the two countries from which we source our palm oil). This goal in this plan is aligned with our own business's Palm Oil Action Plan.

We also contribute to the newly formed Collaborative Effort on Social Issues in Palm, which brings together both end-buyer companies and palm oil suppliers. We have served on the [Roundtable for Sustainable Palm Oil](#) Board of Governors between 2014 and 2018 and continue to support reforms to make sustainable palm oil the norm. We have supported the United Nations Development Program and the Government of Indonesia to develop its first National Action Plan for palm oil. We are supporting the development of the [Coalition for Sustainable Livelihoods](#), a group of civil society, private sector, and government organisations working collectively to strengthen smallholder livelihoods, improve agriculture and conserve forests in North Sumatra and Aceh, Indonesia.

In November 2020, a report we commissioned in partnership with Bunge Loders Crokiaan and Cargill was published offering an independent assessment of the issue of migrant labour (in which forced labour can occur) in the palm oil sector in Malaysia.

Other initiatives

Mondelēz International is a member of the [Human Rights Coalition of Action](#) within the Consumer Goods Forum. The coalition is dedicated to working to end forced labour in the consumer goods industry and will drive individual member company and collective action towards the implementation of the Priority Industry Principles into members' supply chains.

We recognise that ending child labour across the West African cocoa sector requires working with a number of stakeholders across the cocoa supply chain. Through our involvement with the [World Cocoa Foundation](#) and the ICI, we support a systemic approach to address the root causes of child labour and call for strong public-private partnerships with governments, development partners and civil society organisations

Mondelēz International is joining forces with government, suppliers, and other stakeholders to address children's poor access to quality education in cocoa-growing regions, a key root cause of child labour, which can only be addressed systemically. In April 2020, we [announced](#) our ~USD\$3 million investment in quality education and early childhood development through the Child Learning and Education Facility and Early Learning and Nutrition Facility initiatives led by the Jacobs Foundation. These two initiatives aim to raise a total of CHF150 million (approximately USD\$163 million). The goal is to improve access and quality of education for 5 million children, reaching 90%

of rural primary schools in Côte d'Ivoire through the construction of 2,500 classrooms, and tested interventions to improve teaching quality. These initiatives will strengthen the Ivorian educational system and benefit children of cocoa farmers across the sector, including those in our supply chain. Building on the success of this public-private initiative, we are encouraging the Jacobs Foundation to partner with the Ghanaian government to expand this initiative to our other key cocoa sourcing country in West Africa, Ghana.

In 2020 we co-commissioned a report offering an independent assessment of the issue of migrant labour in the palm oil sector in Malaysia. The study was conducted by the human rights consultancy Embode. The report 'The Road to Worthy Work and Valuable Labour' is publicly available on [Embode's website](#) and is summarised in our [Snacking Made Right 2020 ESG Report](#).

As part of our involvement in the Consumer Goods Forum's Human Rights Coalition of Action, we are working with the Fair Labor Association (FLA) and International Organization for Migration (IOM) to address human rights issues in the palm oil supply chain.

In 2016, we partnered with World Wildlife Fund (**WWF**) to assess the long-term environmental and social sustainability risks of our raw materials supply chain. The prioritised risk assessment run by WWF examined raw materials by source country based on publicly available, secondary data, covering our largest raw materials volume and spend. The findings from this report informed our prioritisation of cocoa and palm.

Beyond our active participation and leadership in collective action platforms, Mondelez International has been a [vocal advocate](#) in favour of mandatory human rights due diligence legislation. Recognising the systemic nature of human rights issues in global supply chains and the need for all actors along the supply chain to work together to address them, we support legislative efforts aimed at enabling practical, proactive, ongoing human rights due diligence which would require companies to identify and address risks in their value chain.

In 2019, we joined forces with peer and supplier companies as well as NGOs to call on the European Union, to strengthen human rights and environmental due diligence requirements of companies in global cocoa supply chains, and implement a smart policy mix to support the necessary environments in cocoa producing countries for the respect of human rights, including those of children.

5. Impacts of COVID-19

The Covid-19 pandemic has presented challenges in assessing and addressing risks. Whenever possible, we have adapted our approach while always putting the health and safety of people first. For example, to minimise delays of SMETA audits in our plants and supply chain, audits were performed virtually, using the [methodology developed by Sedex](#). In our cocoa supply chain, we adapted our actions through the Cocoa Life program in collaboration with relevant health authorities so as to continue supporting communities in our supply chain ([read more here](#)).

As of the end of May 2021, Mondelez International had contributed USD\$29 million to global COVID-19 relief efforts – including in support of food banks, healthcare systems, and humanitarian organisations – in the communities where we operate around the world.

We are working with Child Rights International in Ghana to build resilience and capacity to manage the virus within communities. This involves educating community members on protecting themselves and their communities from the virus, providing books for children to keep their minds active, and distributing Veronica buckets – an innovative hand sanitation product that originated in Ghana – to public areas. Soaps made by women's groups that are part of our [Cocoa Life](#) cocoa

sustainability program are providing vital sanitation across districts, while also creating an additional source of income for cocoa farming households. Women's groups in a number of Cocoa Life districts are also making face masks, which have been designed to meet health standards, using Cocoa Life cloth.

6. Assessment of the effectiveness of our actions

We assess the effectiveness of our actions through analysis of:

- compulsory training uptake of our [Code of Conduct](#);
- audit results at our manufacturing facilities and prioritized supplier facilities using the Sedex Members Ethical Trade Audit (SMETA) protocol under the [Program for Responsible Sourcing \(PROGRESS\)](#);
 - 100% of our manufacturing sites were independently audited following a three-year cycle, using the SMETA protocol, which includes forced labour risk indicators
 - We met our targets on audits of prioritised tier 1 supplier; 100% of 2019 and 2020's highest priority suppliers completed a SMETA audit
 - We conducted comprehensive Human Rights Impact Assessments in plants located in certain countries in 2020, and are working on integrating the learnings into our global practices in 2021.
- adherence to our [Corporate Responsibility Expectations](#) outlined to our suppliers;
- number and nature of contacts to our [Integrity HelpLine](#) and [WebLine](#); and
- supplier compliance with standards set out in our Cocoa Life program and Palm Oil Action Plan, and measurement of impact of our Cocoa Life program performed by IPSOS. ([See methodology here](#) and [results here](#)).
 - As of 2020, we have achieved traceability of 98% of our palm oil to the mill and 99% of the palm oil we buy was sourced from suppliers with policies aligned to ours.
 - We have increased our focus on supply chain transparency, including publishing a list of palm oil mills in our upstream supply chain and providing an online overview of the locations of Cocoa Life registered farms.

7. Consultation

In the course of preparing this report, Mondelez Australia has consulted with its local and global Procurement, Global Impact and Social Sustainability, and Corporate and Legal Affairs teams within the Mondelēz International group.

Mondelez Australia's local Procurement Operations and Global Procurement teams have day-to-day accountability for responsible sourcing issues and human rights reporting and compliance requirements. The Mondelez International Procurement team regularly consults with cross-functional experts representing Human Rights, Ethical Sourcing, Corporate Affairs, Environment and Safety, Human Resources and Legal Affairs.

As noted in section 1 above, all three reporting entities operate under the management of a single leadership team, which has been consulted in the preparation and approval of this statement.

8. Approval

This statement has been reviewed and approved by the Boards of Directors of the Reporting Entities, namely Mondelez Australia Holdings Pty Ltd (ACN 004 880 817), Mondelez Australia (Foods) Limited (ACN 004 125 071) and Mondelez Australia Pty Ltd (ACN 004 551 473) on 30 June 2021.

A handwritten signature in black ink, appearing to read "Darren O'Brien". The signature is written in a cursive, flowing style.

Darren O'Brien
President Japan, Australia and New Zealand of Mondelēz International and
Director of each of the Reporting Entities