



**Australian Modern Slavery Statement  
2022**

**For the Reporting Period:  
1 January 2021 to 31 December 2021**



## 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\$29 billion in 2021. 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 such as Cadbury, the Natural Confectionery Co., Pascall, Philadelphia and OREO.

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**). All three entities operate under the management of a single leadership team, share values and use 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 Mondelēz Australia's business – structure, operations, production, supply chain

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

Mondelēz Australia's 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. It also has relationships with co-manufacturers for some products, who are primarily located in Australia. For distribution and warehousing, Mondelēz Australia uses one owned, one leased and one multi-user site in Melbourne, and one multi-user site in each of Queensland and Western Australia. Mondelēz Australia has sales offices in Adelaide, Sydney, Perth, and Brisbane. In total across its operations, Mondelēz Australia directly employs approximately 2300 people.

In 2021, Mondelēz Australia Pty Ltd acquired Gourmet Food Holdings Pty Ltd (referred to as **Gourmet Food** in this report), which is a Melbourne-based manufacturer of premium quality crackers and biscuits. Included in the acquisition was Gourmet Food's pre-packaged seafood business, MaxFoods Pty Ltd, including the Ocean Blue brand, however MaxFoods Pty Ltd was subsequently sold on 1 November 2021. Because the Gourmet Food business is not yet integrated fully with the Mondelēz Australia policies and processes, it is submitting a separate statement under the *Modern Slavery Act 2018* (Cth). Please refer to that statement for information on Gourmet Food's operations, supply chain, modern slavery risks and actions.

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.

Many local Australian suppliers provide ingredients and materials for use in Mondelez Australia's products, such as fresh milk, sugar, carton board, corrugated cardboard and various plastics. For example, approximately 10% of Tasmania's total milk supply is purchased for Mondelez Australia's manufacturing needs, while 100% of the sugar in Mondelez Australia's locally-made chocolate comes from Queensland farmers.

Mondelez Australia relies on goods and services procured from across the globe. During the reporting period, Mondelez Australia's manufacturing operations used raw materials from a range of countries including (but not limited to) Australia, Ghana, Côte d'Ivoire, the Netherlands, Singapore, Turkey, Malaysia, China, Bahrain, India and Indonesia. The Mondelez Australia business is largely focused on the manufacturing of chocolate and confectionery products, in local factories with labour engaged on enterprise work and labour hire agreements.

### 3. Description of risks

At Mondelez International, we are committed to respecting the human rights of people in our value chain. As described in our Human Rights Policy, we are committed to using the United Nations Guiding Principles on Business and Human Rights (**UNGPs**) as a framework for preventing and mitigating human rights risks. The UNGPs help us understand the ways in which we may be connected to negative human rights impacts (which include modern slavery practices):

- **Cause** – the risk that our own operations may result directly in modern slavery practices
- **Contribute** – the risk that our operations and/or actions in our supply chain may contribute to modern slavery practices, for example facilitating or incentivising modern slavery through our purchasing practices or decisions
- **Direct linkage** – the risk that our operations or products may be connected to modern slavery practices through our business partners and other participants in our supply chain

As discussed in more detail below, our Corporate Responsibility Guidelines and Code of Conduct guide us as we strive to uphold the UNGPs and ensure that human rights are respected within our own operations and our upstream supply chains.

#### Operations

Mondelez Australia's business operations cover a range of areas from sales and marketing, administration to manufacturing. All of its operations are located in Australia, which is an inherently low risk jurisdiction according to the Minderoo Foundation/Walk Free Global Slavery Index (referred to as the **Global Slavery Index** in this report). While the sales and marketing and administration activities in its operations are inherently low risk, it was identified, according to international trends, that manufacturing can potentially be an inherently higher risk activity and Mondelez Australia, as a manufacturer, could be exposed to the risk of causing or contributing to adverse human rights impacts (including modern slavery) through its own operations.

Mondelez Australia uses labour hire in its Australian factories, and while the labour hire sector presents an increased risk of modern slavery, the inherent risk potentially associated with labour hire is reduced because it occurs in Australia, a jurisdiction with comparatively strong labour laws and protections.

Aside from its labour hire staff, Mondelēz Australia has a high level of unionisation of its primary manufacturing employees, which reduces the overall modern slavery risk in the manufacturing arm of its operations.

Mondelēz Australia also acknowledges that 'hidden' instances of modern slavery can occur in services that support its primary operations, such as cleaning, security and facilities management.

### **Supply Chain**

Mondelēz Australia's supply chain covers a range of jurisdictions and categories of suppliers. According to the UNGPs' continuum of involvement, Mondelēz Australia recognises that there is the potential for it to contribute or be directly linked to adverse human rights impacts (including modern slavery) through its supply chain.

Before moving to the inherent risks of modern slavery in Mondelēz Australia's supply chain, the Australian business also acknowledges the adverse effects that its own procurement practices may have on suppliers, which may have the potential to contribute to modern slavery issues. Mondelēz Australia is cognisant that improving its forecast accuracy for suppliers can help to mitigate the undue pressure caused by demand spikes. An example of action Mondelēz Australia takes to reduce this risk is maintaining regular and open communication with its transport and logistics suppliers, to ensure it is maintaining workers' health and safety on the job. More specifically, Mondelēz Australia is also subject to Chain of Responsibility obligations relating to driver and road user safety. Mondelēz Australia incorporates references to those obligations into its contracts with transport and logistics providers, as well as into specific internal training for teams which book logistics services (for example, to provide an understanding of the amount of hours truck drivers are permitted to work in a given period).

### *Country risks*

Countries which provide goods to Mondelēz Australia vary in their level of modern slavery risks (based on the Global Slavery Index). In particular, Mondelēz Australia's top 25 suppliers for the reporting period procure from Australia, Ghana, Côte d'Ivoire, the Netherlands, Singapore and Turkey.

When reviewing supplier spend, Mondelēz Australia's procurement team considers primary spend up the supply chain in order to map source countries. Comparing this supplier mapping of its top 25 suppliers against the Global Slavery Index, Mondelēz Australia has found that:

- 4 of its top 25 suppliers source goods from moderate risk jurisdictions (Ghana, Côte d'Ivoire and Singapore);<sup>1</sup>
- 1 of its top 25 suppliers sources from both low (Australia) and moderate (Turkey) risk jurisdictions;<sup>2</sup> and
- the remaining 20 of its top 25 suppliers source exclusively from low risk jurisdictions (Australia and the Netherlands).

Mondelēz Australia acknowledges that these risk ratings may not accurately reflect the

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<sup>1</sup> Moderate risk being those jurisdictions that are assessed to have greater than 3 but less than 7 victims of modern slavery per 1,000 people, according to the Global Slavery Index.

<sup>2</sup> Low risk being those jurisdictions that are assessed to have less than 3 victims of modern slavery per 1,000 people, according to the Global Slavery Index.

complete risk of these jurisdictions, and it endeavours to consult with a variety of sources to determine modern slavery risks. For example, Mondelez Australia notes that Ghana and Côte d'Ivoire were specifically highlighted in the Global Slavery Index report as higher risk jurisdictions through the lens of their cocoa production, which is Mondelez Australia's primary procurement product from those countries.<sup>3</sup> Child labour is also a specific risk factor for these countries.<sup>4</sup>

#### *Sector risks*

Reflecting the broad range of products in its portfolio, Mondelez Australia's supply chain includes a wide array of materials from these jurisdictions, which in turn vary in terms of their associated risks.

Mondelez Australia's top 25 suppliers operate in a broad range of sectors, including provision of direct inputs and indirect supporting services to Mondelez Australia, including:

#### **Direct inputs:**

- Dairy/Dairy Products;
- Cocoa/Cocoa Products;
- Packaging;
- Sugar/Glucose Products; and
- Nuts/Dried Fruits.

#### **Indirect supporting services:**

- Transport and Logistics/Warehousing;
- Labour Hire;
- Marketing and Sales; and
- Facilities Management.

Mondelez Australia acknowledges that a large proportion of its suppliers operate in the cocoa, nuts, sugar (agriculture generally) and logistics and transport industries, sectors which have been linked to increased risks of modern slavery.<sup>5</sup> As acknowledged above, Mondelez Australia is also cognisant of the modern slavery risks labour hire can present throughout its supply chain and operations.

More specifically, Mondelez Australia sources primary inputs such as emulsifiers and fats, fruits and nuts, and palm oil from India, Turkey and Malaysia respectively, and it sources cocoa from Côte d'Ivoire and Ghana. Mondelez Australia also sources certain sweet and savoury biscuits from international jurisdictions, including Bahrain, China and Indonesia.

Mondelez Australia sources uniforms and personal protective equipment from Australian suppliers. However, it acknowledges that a proportion of these products are manufactured offshore including within Malaysia and China, and that there is a higher risk of labour exploitation of vulnerable workers (eg. women and children) in both the manufacturing of the textile products as well as supply of materials in those regions.

In combining information on source country and sector/product risks, Mondelez Australia is able to determine a level of inherent modern slavery risk within its supply chain and operations. Global steps we and Mondelez Australia have taken to address those risks are outlined below.

<sup>3</sup> See <https://www.globalslaveryindex.org/2018/findings/importing-risk/cocoa/>.

<sup>4</sup> See, for example, Verite, 'Strengthening Protections against Trafficking in Persons in Federal and Corporate Supply Chains'.

<sup>5</sup> See, for example, Verite, 'Strengthening Protections against Trafficking in Persons in Federal and Corporate Supply Chains'.

#### 4. Description of the actions we and Mondelēz Australia take to address the risks of modern slavery, including assessment of risks

##### **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. Through each of these teams, the work of the HRWG flows down into each of our operating jurisdictions, including Australia. This work is embedded through capability building (eg. training sessions) with our Human Resources and Health and Safety teams in the Asia, Middle East and Africa region.

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 UNGPs.
- 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 our International Board of Directors. We are working to increase the communication of relevant human rights and modern slavery risks from the business up to the HRWG.

##### **Policies**

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.

In December 2021, we also introduced a dedicated [Human Rights Policy](#), which demonstrates our continued commitment to pay all of our employees a living wage (see further information in our 'Other initiatives' section) and, together with our [Code of Conduct](#), reinforces our long-standing commitment to respect the human rights of people within our own operations and in our value chain.

Our [Supply Chain Expectations](#) apply to the suppliers we work with. Per our contractual agreements, suppliers must comply with our Corporate Social Responsibility requirements, which are available through our [Supplier Information Centre](#).

##### **Due diligence**

Before engaging in new business relationships (and during the course of business with our current suppliers) we conduct appropriate and risk-based due diligence on our suppliers.

This includes a request for proposal process and the integration of audit rights into our successful supplier contracts. We also screen potential suppliers against restricted party lists,

based on human rights assessments of our own operations and supply chain. For modern slavery, we seek to identify the following salient human rights risks/factors:

- child labour;
- forced labour;
- health and safety;
- freedom of association and collective bargaining;
- land rights;
- water and sanitation; and
- women's rights.

We also measure these risks against information from authorities on human rights and modern slavery (eg. the Global Slavery Index).

These systems support the identification of potential risks, help guide our approach for impact mitigation and monitoring, and inform our procurement practices. We monitor compliance with our policies through the [Program for Responsible Sourcing \(AIM-PROGRESS\)](#), of which we are a founding member. AIM-PROGRESS is a forum of fast-moving consumer goods businesses, which allows us to exchange views and share learnings regarding responsible sourcing practices, as well as leveraging mutual recognition of audits and other assessments.

In respect of our current supplier relationships, we also seek to understand our indirect supplier spend and secondary suppliers, 'upstream' of our direct contractors. We action this through various methods, including the inclusion of audit rights in our supply contracts. This helps us to determine how our suppliers actually uphold the human rights and modern slavery standards we set (eg. in our [Corporate Responsibility Expectations](#)).

We also have a Supplier Relationship Management team which ensure key performance indicators are met by our suppliers on a monthly basis and a broader Supplier Partnership Excellence team that reviews the general procurement strategy and upstream sourcing considerations with our suppliers on a yearly basis. These relationships help create a culture of communication regarding various quality and commercial issues, of which modern slavery and human rights more broadly may be raised.

As reported in Mondelez Australia's previous statement, 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. Following the examination of our due diligence and risk management systems, we continue to work with twentyfifty ltd to identify 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.

### **Remedy and grievance mechanisms**

Through its Speaking Up and Investigations Policy, Mondelez Australia encourages and expects

its employees to report concerns or questions regarding its 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.

On site, Mondelēz Australia has implemented training in its operations on workplace behaviour, escalation of issues and awareness of the Integrity HelpLine and WebLine. Internally, people leaders and human resources receive training on how to conduct investigations and respond to whistleblowing generally, including the provision of a detailed investigations 'toolkit'. Staff that conduct investigations receive coaching and guidance from internal subject matter experts, to successfully navigate the investigation and whistleblowing process.

We continue to improve access to the Integrity HelpLine and WebLine throughout our supply chains and operations, and seek to increase the use of the Integrity HelpLine and WebLine functions outside of the Mondelēz International business to adequately understand and implement controls to reduce modern slavery risks.

### **Ongoing Monitoring and Compliance**

As reported in Mondelēz Australia's previous statement, 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 (eg, 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 2021, many of our manufacturing sites had to postpone audits to respect local COVID-19 restrictions and strict health and safety protocols to protect the health of auditors and of our people. As a result, as the pandemic entered its third year, 38% of our global manufacturing sites have completed a SMETA audit over the past three years. In the AMEA (Asia, Middle East & Africa) and Latin America regions, 50% of our plants have completed a SMETA audit over the past three years. Our suppliers experienced similar disruptions. As a result, 49% of the 190 suppliers we prioritized in 2021, performed a SMETA audit. To minimise delays of SMETA audits in our plants and supply chain, audits were performed virtually, using the [methodology developed by Sedex](#). In 2021, we started a new auditing cycle using [Sedex's Radar risk assessment tool](#) to prioritize suppliers based on human rights related risk.

Despite the continued pandemic and related constraints, we are working hard to execute audits of our remaining global manufacturing sites and supply chain. Beyond our audit program, we continued to strengthen our human rights due diligence systems: building internal capability, embedding good practices within the relevant functions and local business units, and prioritizing key risks. Our supplier contracts include provisions on anti-slavery and our [Supply Chain Expectations](#).



## **Training**

Following the development of Human Rights at Mondelēz Training and the Forced Labour Risk Mitigation module, we have continued to roll out and uplift these trainings throughout our business.

In 2021, we continued rolling out our Human Rights at Mondelēz training program in support of our Human Rights Policy with the aim of completion by all direct employees by 2024. A general Human Rights module available in close to thirty languages is designed for all employees, including our manufacturing colleagues, and aims to raise awareness of key risks and the role that we all play in making sure that everyone is treated with care and integrity.

Furthermore, a more bespoke training session was also delivered to our Human Resources team members on the SMETA audit methodology to further strengthen their understanding of the methodology, take corrective action where needed, and continuously improve our systems and practices.

Mondelēz Australia also provides a general induction training for all new employees and labour hire staff in relation to their employment rights, among other things (eg. occupational health and safety, our whistleblowing program, etc.).

## **Labour Hire and Operations Management**

As outlined in the Description of Risks section above, Mondelēz Australia acknowledges that labour hire presents an increased inherent risk of modern slavery which cuts across both its operations and supply chain. Actions Mondelēz Australia takes to reduce this risk include:

- including anti-slavery provisions in labour hire agreements;
- undertaking compliance checks for the labour hire agencies, as well as general oversight of the labour hire recruitment process, from advertisement of work through to reference and identification checks;
- conducting a business review with hiring agencies every quarter to scrutinize workers' working rights, ensure workers are paid correctly at or above minimum wage in accordance with relevant awards or agreements, and ensure workers are treated in a fair and equal manner with dignity and respect;
- providing its people with access to dedicated channels through which they may voice concerns, either directly through Mondelēz Australia's Human Resources department or to the hiring agencies themselves. Mondelēz Australia is committed to protecting workers who voice concerns and will ensure that all disclosures are handled in compliance with Mondelēz Australia procedure, and are treated confidentially; and
- endeavouring to maintain communication with its labour hire providers to understand any current and emerging modern slavery risks. Mondelēz Australia regularly has an account manager on site at its Croydon facility (which has a high level of labour hire staff), as well as occasional site visits at its other operating facilities.

## **Community Initiatives and Stakeholder Engagement**

The following paragraphs outline the actions we are undertaking under our programs Cocoa Life 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 are embedding sustainability into our sourcing practices for other raw materials. We are seeking more transparency, raising expectations of our suppliers and seeking to catalyse sector-wide change. An example of our implementation of these values is through our supplier due diligence assessments.

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.

Mondelēz Australia seeks to evaluate its suppliers holistically – not only based on price or value propositions, but also incorporating assessments of sustainability, working conditions and modern slavery risks. For example, Mondelēz Australia's business is shifting its focus from international procurement to promoting Australian sourcing where possible.

### *Cocoa Life*

From January 2021, 100% of the cocoa for Mondelēz Australia's locally-made chocolate products has been sourced through our [Cocoa Life](#) sustainability program.

In the cocoa supply chain, we address human rights risks through our signature cocoa sustainability 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. At the end of 2020, 513 communities had been covered by a CLMRS. During 2021, we made significant progress in rolling out CLMRS, expanding our coverage to [1,548 communities](#). This means that our 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.

In 2021, and since the COVID-19 pandemic started, providing communities with critical support has been our utmost priority. Despite the challenges related to COVID 19, we have continued to scale up our program, creating tangible results in cocoa-growing communities. For example,

in 2021, we have trained over 200,000 farmers and community members in good environmental practices, we have distributed over 4.5 million shade trees throughout cocoa farming regions to provide additional sources of income and shade for cocoa growing, and restored approximately 1,200 hectares of degraded forest in West Africa. 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 throughout the pandemic ([read more here](#)).

2022 marks the 10-year anniversary of our Cocoa Life program. Our impact data, independently measured by Ipsos, a market research and consulting firm, demonstrates that the program delivered positive impact for more than 200,000 cocoa farmers, whose production represents 75% of our chocolate volume. Key highlights from our impact data shows farmers and their communities' social and economic resilience improved over the past ten years:

- Farmers' net incomes from cocoa and other sources are steadily rising, at an average of 15% in Ghana and 33% in Cote d'Ivoire (as of end 2021 vs. 2019), helping to pull more Cocoa Life farming households out of poverty and thereby address a key vulnerability for modern slavery.
- Communities are better equipped to drive their development with nearly all of them having community action plans in place, 70% of which are supported by local governments.

#### *Palm Oil Action Plan*

Mondelēz International is committed to sourcing palm oil sustainably and helping to eradicate 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, consistent with the UNGPs, we seek to use our leverage 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 2021, we maintained our goal of sourcing 100% Roundtable for Sustainable Palm Oil (RSPO) palm oil. In line with our Palm Oil Action Plan, in 2021 we achieved the traceability of 99% of our palm oil to the mill and 99% of the palm oil we buy was sourced from suppliers with policies aligned to our Palm Oil Action Plan and Corporate Responsibility Expectations for Direct Suppliers. The list of suppliers and mills that make up our palm oil supply is available on our website. Additionally, palm oil purchased for manufacturing in Australia is certified as segregated, which means it's kept separate from ordinary palm oil throughout the supply chain.

#### **Other initiatives**

In addition to our continuing work (as outlined in previous statements), Mondelēz International's two key focuses through 2021 and onward are the ongoing goals of paying all employees a living wage and improving on our human rights due diligence, in line with the increasing global recognition of this issue (for example, see the [European Commission's](#)

[adoption of the Directive on corporate sustainability due diligence](#)).

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.

As part of our continued membership of the Human Rights Coalition of Action within the Consumer Goods Forum, in 2021 we joined the [Human Rights Due Diligence Project](#). This project is key in supporting our progress towards our goal of having forced labour focused Human Rights Due Diligence systems in 100% of our own operations by 2025. The Human Rights Coalition of Action 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 in own operations and supply chains.

Building on our ongoing commitment to pay our employees a living wage in our recent Human Rights Policy, we joined the [Sustainable Trade Initiative \(IDH\) Living Wage roadmap](#) to help advance living wage and income in global supply chains, and we are also working with peers in the AIM-PROGRESS Living Wage working group. We will work with our suppliers with the goal of having all our strategic suppliers engaged on a living wage roadmap by 2030.

This followed our work in November 2021, in partnership with Wageningen University & Research (WUR), where we published a new paper, [Balancing the Living Income Challenge](#). This paper outlines the need for the cocoa sector to take a multi-actor approach for more farmers to achieve a living income. This paper comes after the executive summary paper, [No Silver Bullets](#), which we published with WUR in November 2020.

We also recently released our global [Human Rights Due Diligence & Modern Slavery Report for 2021](#), which is a Mondelēz Group-wide human rights statement published in line with the United Kingdom's *Modern Slavery Act*. This report also provides a helpful summary of the actions we take to measure and address modern slavery risks within our operations and supply chains, as well as how we measure the impact of our actions. It also complements our 2021 ESG report, '[Snacking Made Right](#)', which covers broader environmental and governance issues.

#### **4. Assessment of the effectiveness of actions**

We assess the effectiveness of our actions through analysis of:

- compulsory training on our Code of Conduct;
- audit results (measured against a common set of corporate social responsibility standards developed for the consumer goods industry) at our internal manufacturing facilities and prioritized supplier facilities using the Sedex Members Ethical Trade Audit (SMETA) protocol under the Program for Responsible Sourcing (PROGRESS);
- adherence to our Corporate Responsibility Expectations outlined to our suppliers;
- number and nature of contacts to our Integrity HelpLine and WebLine;
- 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); and

- our [Economic Inclusion and Supplier Diversity Commitments](#), where we have committed to invest and create jobs in the diverse communities where our employees and our customers live, work, socialize, and snack.

We continually evaluate and review how best to strengthen our approach to addressing human rights, including modern slavery. We believe that working through external and industry initiatives, with governments and non-government organizations (for example, the [AI Group](#) for Mondelez Australia), suppliers, and other businesses, is often the best way to address shared and systemic challenges. As noted in our Human Rights Policy, we will track and publicly report on our progress in this area on an annual basis.

## 5. Consultation

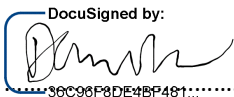
In the course of preparing this report, Mondelez Australia has consulted with representatives of its local and regional procurement, HR, legal and corporate affairs teams, Mondelez International's Global Impact and Social Sustainability team, as well as external subject matter experts.

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.

## 6. Approval

This joint statement was approved by the Board of Directors of Mondelez Australia Holdings Pty Ltd (ACN 004 880 817) on behalf of each of the Reporting Entities, on 30 June 2022.

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Darren O'Brien

Director, Mondelez Australia Holdings Pty Ltd (ACN 004 880 817)

30 June 2022