



**Australian Modern Slavery Statement
2023**

**For the Reporting Period:
1 January 2022 to 31 December 2022**



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\$31 billion in 2022. 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.

Mondelēz Australia Holdings Pty Ltd (ACN 004 880 817) is the indirect holding company of Mondelēz Australia (Foods) Limited (ACN 004 125 071) and Mondelēz 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 and markets in Asia. 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 2,560 people, with most employees employed on a full time basis.

In 2021, Mondelēz Australia Pty Ltd acquired Gourmet Food Holdings Pty Ltd (referred to as **Gourmet Food**), 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 was not yet integrated fully with the Mondelēz Australia policies and processes in 2022, 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 Mondelēz Australia's products, such as fresh milk, sugar, carton board, corrugated cardboard and various plastics. For example, approximately 11% of Tasmania's total milk supply is purchased for Mondelēz Australia's manufacturing needs, while approximately 100% of the sugar in Mondelēz Australia's locally-made chocolate comes from Queensland and New South Wales farmers.

Mondelēz Australia relies on goods and services procured from across the globe. During the reporting period, Mondelēz 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, Türkiye, Malaysia, China, India and Indonesia. The Mondelēz 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 Mondelēz 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 (referred to as the **UNGPs**) as a framework for preventing and mitigating human rights risks, including modern slavery 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

Mondelēz Australia's business operations cover a range of areas from sales and marketing to administration and 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**) (all references made are to the 2023 Global Slavery Index). While the sales, marketing and administration activities in its operations are inherently low risk, according to international trends it was identified that manufacturing can potentially be an inherently higher risk activity and Mondelēz 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.

Mondelēz Australia uses labour hire in its Australian factories to meet the fluctuating seasonal

demands of food production, 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 as it is a jurisdiction with comparatively strong labour laws and protections, including government inspectors and union activity.

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, and it takes steps to mitigate these risks in our sourcing activities, as set out in this statement.

Before moving to the inherent potential risks of modern slavery in Mondelēz Australia's supply chain, the Australian business also acknowledges the adverse effects that procurement practices may have on suppliers, which may have the potential to contribute to modern slavery issues. Mondelēz Australia is cognisant that sharing accurate forecasts for suppliers can help to mitigate the undue pressure caused by potential demand spikes. An example of action which 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 requirement to consider travel time against time slotting when booking loads to ensure sufficient time is allowed for travel).

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, Germany, New Zealand, USA and Türkiye.

When reviewing supplier spend, Mondelēz Australia's procurement team considers primary spend up the supply chain in order to map source countries. When assessing 22 of its top 25 suppliers¹ against the Global Slavery Index, Mondelēz Australia has found that:

- 4 of its top 25 suppliers source goods from moderate risk jurisdictions (USA and Thailand), among other jurisdictions;²
- 22 of its top 25 suppliers source goods from lower risk jurisdictions (Australia, Germany,

¹ Three of our top 25 suppliers are logistics companies. These three suppliers were not categorised when determining the figures below because they operate in numerous jurisdictions.

² 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.

Ghana and New Zealand), 15 of which source exclusively from these jurisdictions;³ and

- 5 of its top 25 suppliers source from higher risk jurisdictions (Côte d'Ivoire, Türkiye and India), among other jurisdictions.⁴

Mondelēz Australia acknowledges that these risk ratings may not accurately reflect the complete risk of these jurisdictions, and it endeavours to consult with a variety of sources to determine modern slavery risks. For example, Mondelēz 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 Mondelēz Australia's primary procurement product from those countries.⁵ Child labour is also identified in the Global Slavery Index as a specific risk factor for these countries.⁶

Sector risks

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

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

Direct inputs:

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

Indirect supporting services:

- Transport and Logistics/Warehousing;
- Labour Hire;
- Marketing and Sales; and
- Media services.

Mondelēz 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.⁷ As acknowledged above, Mondelēz Australia is also cognisant of the modern slavery risks labour hire can present throughout its supply chain and operations.

In 2022, we completed an assessment of human rights risks of our largest raw materials supply chains by volume and spend (see further information in our 'Due diligence' section). The assessment covered cocoa, dairy, hazelnuts, palm oil, soy, sugar beet, sugarcane and wheat. The assessment used a database of international human rights indicators to determine risk levels based on country and sector across a comprehensive list of potential issues. The assessment confirmed cocoa, palm oil and hazelnuts as priorities from a human rights risk

³ 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.

⁴ Higher risk being those jurisdictions that are assessed to have more than 7 victims of modern slavery per 1,000 people, according to the Global Slavery Index.

⁵ See <https://www.globalslaveryindex.org/2018/findings/importing-risk/cocoa/>

⁶ See, for example, Verite, 'Strengthening Protections against Trafficking in Persons in Federal and Corporate Supply Chains'.

⁷ See, for example, Verite, 'Strengthening Protections against Trafficking in Persons in Federal and Corporate Supply Chains'.

perspective.

Mondelēz 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, as identified in the Global Slavery Index. Machinery is sourced offshore, primarily from Europe.

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

4. Description of the actions Mondelēz Australia takes to assess and address the risks of modern slavery in its operations and supply chains

Governance structure for human rights (including modern slavery)

The Mondelēz International Human Rights Working Group (referred to as the **HRWG**) is a cross-functional team with members from the Impact, Human Resources, Compliance, Procurement, and Health & Safety functions. Together, the HRWG 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 met monthly during the reporting period, and continues to do so, 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 the Sustainability Huddle, made up of senior functional and business unit leaders including the SVP, Chief Impact & Sustainability Officer, the Chief Procurement Officer, VP People Lead Supply Chain, and heads of several key business units. The Sustainability Huddle meets monthly to oversee and steer the four pillars of the company's sustainability strategy, including the social sustainability pillar. As part of this oversight role in 2022, the Sustainability Huddle covered topics including the implications of upcoming human rights due diligence legislation in the European Union, the adoption of a living wage methodology, the enhancement of our Sedex Members Ethical Trade Audit (referred to as **SMETA**) social audit program and the company's strategy to help protect children in the cocoa supply chain.

Throughout the year, key strategic decisions and updates related to human rights are escalated to the global executive leadership team. Annually, a comprehensive overview of progress is shared with the 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.

In order to embed our human rights due diligence at all levels of the organisation and in all relevant functions, the Mondelēz Australia Lead Team, which is comprised of a cross-functional team of leaders from Corporate and Government Affairs, Legal, Finance, Supply Chain, Sales and Human Resources, implements the global approach into local practices, drives local initiatives and tracks progress against our global sustainability goals.

Policies and commitment

In addition to abiding by applicable law and regulation, we endeavor to respect all internationally recognised human rights, as relevant to our operations and as set out in the Universal Declaration of Human Rights. We support the principles concerning fundamental rights set out in the International Labor Organization Core Conventions and the International Bill of Human Rights. Our commitment to this goal is demonstrated by our role as a signatory to the UN Women's Empowerment Principles and our adoption of the Consumer Goods Forum's (referred to as **CGF**) Forced Labor Priority Industry Principles that every worker should have freedom of movement, no worker should pay for a job, and no worker should be indebted or coerced to work.

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. This is effected, in part, by issuing questionnaires to potential suppliers at the request for proposal (RFP) stage which include our Sedex requirements to help us ensure the suppliers are sourcing more ethically and responsibly and ensuring these obligations are clear in our contracts with clear guides to our corporate sites which outline these commitments.

Our dedicated [Human Rights Policy](#) together with our [Code of Conduct](#), demonstrates our long-standing commitment to respect the human rights of people within our own operations and value chain. In 2022, we developed Human Rights Policy One Pagers in over 30 languages to be posted for all our sites.

Our [Supply Chain Expectations](#) and our [Supplier & Partner Code of Conduct](#) apply to the suppliers we work with, and include expectations around assessing and managing risks relating to forced labour, child labour, slavery, human trafficking, labour standards and environment and sustainability. Per our contractual agreements, suppliers must comply with our Corporate Social Responsibility requirements, which are available through our [Supplier Information Centre](#).

Due diligence

We undertake practical, proactive, ongoing human rights due diligence to identify, mitigate, and reduce the likelihood of potential and actual human rights impacts within our operations, and work with our business partners across our supply chain to achieve the same. 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 which includes requiring compliance with Anti-Slavery laws, as well as the integration of anti-slavery and audit rights clauses 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, and take steps to ensure the purchased goods and services are sourced from suppliers who act ethically and comply with all applicable laws.

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 \(referred to as AIM-PROGRESS\)](#), 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 Guidelines](#)).

During 2022, the HR Manager at one of our Australian based manufacturing sites was made aware of a complaint by an individual employed by one of our temporary labour hire suppliers who alleged that they were being underpaid by their employer. Upon receiving notice of this complaint, the site HR team requested relevant information from the labour hire supplier relating to the alleged underpayment to enable a formal investigation of the complaint to be undertaken. Based on the information available, no adverse findings were ultimately made against the supplier and no underpayment was found.

Further, suppliers are required to complete a self-assessment questionnaire as part of the SMETA audit process which covers various aspects of social responsibility, including human rights. This questionnaire aims to evaluate suppliers' policies, procedures, and practices related to labour and human rights.

As part of our ongoing due diligence activities, we also completed a comprehensive human

rights risk assessment of our value chain at the end of 2022. This exercise allows us to update our understanding of the potential human rights risk happening in our operations and supply chain and prioritise our efforts in the right areas.

The risk assessment was completed with external expert support, following best practice methodology:

1. Map value chain footprint and identify relevant rights-holders;
2. Identify and develop understanding of potential risks across value chain, using international human rights indicators to determine risk levels based on country and sector across a comprehensive list of potential issues;
3. Prioritise key risks based on severity to people, and opportunities to address risks; and
4. Inform programs and activities to mitigate and monitor impact.

The 2022 risk assessment confirms the need to focus on salient risks that are shared across the food industry such as child labour, forced labour, living wage/income, health and safety, freedom of association and collective bargaining, land rights, women's rights, access to water and the impact of climate change. By listing certain risks as salient for particular segments of the value chain, we do not discount the importance of addressing other risks and aim to address all human rights risks wherever they may arise along the value chain. We continue to work 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.

We also have a Supplier Relationship Management team which ensure key performance indicators are met by our suppliers 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.

Finally, as a board member of the Consumer Goods Forum (CGF) we are strong supporters of the Priority Industry Principles against Forced Labor. As an active member of the CGF's Human Rights Coalition of Action, we work collaboratively with consumer goods manufacturing peers and retailers towards a common goal to help eradicate forced labour from the consumer goods sector's value chain. With this ultimate vision in mind, we helped co-create the coalition's Maturity Journey Framework for Human Rights Due Diligence (HRDD) Systems focused on Forced Labor. We use this framework to guide our efforts towards our goal to implement robust human rights due diligence across our own operations and supply chain by 2025. Our goals for 2025 are:

- 100% of our manufacturing sites complete a SMETA audit within the past three years;
- 100% of our prioritised supplier sites complete a SMETA audit within the past three years;
- 100% of Cocoa Life communities in West Africa are covered by a Child Labor Monitoring & Remediation System (CLMRS)⁸ (see further information in our 'Community Initiatives and Stakeholder Engagement' section).

⁸ Reported information for the period from January 1, 2022 to December 31, 2022 includes a community as covered by CLMRS if the work of identifying children, if any, in or at risk of child labour has been completed by the end of the year, even if any appropriate remediation and post-remediation follow-up occurs in the following year. CLMRS data is provided by third parties. Includes Ghana, Cote d'Ivoire and Nigeria.

Remedy and grievance mechanisms

Through its Speaking Up and Investigations Policy, Mondelēz 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. We refreshed the two mechanisms in 2022 by adding a QR code to all posters to enable easier access. Allegations related to human rights issues are handled with utmost urgency by the Compliance team. Upon receiving notice of an allegation, the Compliance team notify the People Lead for Australia with a formal investigation then conducted and reported up to the management team. If the allegation is considered substantial, it will be reviewed to understand the root cause and to implement further training and / or additional management actions to mitigate risks in the future.

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.

Were an actual instance of modern slavery to be identified within our operations and supply chain, Mondelēz Australia would establish a Special Situation Team. With the support of expertise and resources from Mondelēz International, the Special Situation Team would devise an immediate action plan to address the situation, as well as implementing steps to mitigate and prevent any future recurrences.

Ongoing Monitoring and Compliance

As reported in Mondelēz Australia's previous statement, we audit our manufacturing facilities' adherence both to our policies and using the [SMETA](#) protocol under [AIM-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 and wages). 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 2022, a SMETA audit was conducted across all Mondelēz Australia's owned sites (except Suttontown, which was completed in February 2023). We use Sedex's SMETA audit protocol to evaluate our internal manufacturing

sites against a common set of corporate social responsibility standards developed for the consumer goods industry. In our own plants, SMETA audits are performed by APSCA certified independent social compliance auditors from [Bureau Veritas](#). The audit requirements are based on the [Ethical Trade Initiative \(ETI\) Base Code](#) and cover risks that are relevant to the manufacturing sector, including child and forced labour, and recognise the vulnerability of migrant and temporary workers to such risks.

In addition, 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 from authorities worldwide, 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 2022, some of our own and our suppliers' manufacturing sites continued to experience disruptions due to COVID-19 restrictions, and others experienced delay in audits due to a global scarcity of APSCA certified auditors. Significant efforts were made to complete the audits as planned, including wherever possible virtual audits being conducted at sites where face to face audits were not possible. Despite these challenges and thanks to the mobilisation of our People and Procurement teams, as at the end of 2022, the majority of our Australian manufacturing sites (all except Suttontown) have completed a SMETA audit within the past three years.

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 prioritising key risks. Our supplier contracts include provisions on anti-slavery and our [Supply Chain Expectations](#).

Leveraging the results of the risk assessment, we defined a risk-based prioritisation of our business units and formalised a Human Rights Check-in process for higher-risk countries. This new due diligence step includes deeper engagement and capability building with senior cross-functional leaders (including the People, Procurement, and Manufacturing teams) to review potential risks flagged through SMETA audits as well as any other relevant emerging social risk in that given geography.

Training

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

In 2022, more than 98% of our office-based employees in Australia completed our Human Rights at Mondelēz training program in support of our Human Rights Policy. We will continue to roll out this training program to all our employees worldwide. 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.

A more advanced module on forced labour prevention was completed by more than one thousand of our employees globally in key stewardship roles (i.e. Procurement, Human Resources and Manufacturing site leaders) (45 of whom are located in Australia). This module builds the capability of these key teams to play an active role in identifying, preventing, and mitigating forced labour risks in our operations and supply chain. In 2022, this was completed by around 99% of colleagues globally (and around 93% of colleagues in Australia) who are in key roles, and who have an opportunity to help mitigate forced labour risk as part of their day-to-day job activities.

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 and our whistleblower program). Some staff, including members of the HR, Legal and Procurement teams have also undertaken compliance training on modern slavery and associated risks which MDLZ makes available.

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 scrutinise 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, wheat and palm oil because this is where we believe 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

In the cocoa supply chain, we address human rights risks through our signature cocoa sustainability sourcing program - Cocoa Life. At the end of 2022, approximately 100%⁹ of our cocoa volume requirements for our Australian made chocolate blocks, bars and seasonal products was sourced more sustainably through our Cocoa Life Program. Mondelēz International introduced Cocoa Life in 2012 to secure supply of more sustainable cocoa and establish an integrated approach striving to tackle the root causes of systemic issues in cocoa including farm productivity, farmer livelihoods, community development, and helping combat child labour and deforestation, together in one program. Ten years on, the program has reached critical scale with over 230,000 farmers in the program¹⁰ and \$400 million invested by the end of 2022.

Cocoa Life's integrated approach is designed to promote the human rights of smallholder farmers, as well as the social and economic resilience of cocoa farming communities. 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

⁹ Goal and reported performance for cocoa volume sourced is based on a mass balance approach, which means that the equivalent volume of cocoa needed for the products sold under our chocolate brands is sourced from the Cocoa Life program. The sourced volumes are independently verified by FloCERT.

¹⁰ Reported information covers Brazil, Cote D'Ivoire, Dominican Republic, Ghana, Indonesia, India, and Nigeria. This data is provided by third parties.

entrepreneurial, and protect their natural environment.

To help prevent and support children at risk of child labour, our approach seeks to help combat the underlying causes of child labour, with a particular focus on helping to empower communities. Community Action Plans (CAPs), for example, are based on needs assessments identifying community needs and development actions. Through CAPs, we are helping to increase farming households' net income, to empower women, to enable more children to have access to quality education and to integrate awareness throughout our work in Cocoa Life communities and beyond.

Beyond our efforts to help prevent child labour, we engage in monitoring to help identify cases of child labour and children at risk so they can receive support and remediation through community-based Child Labor Monitoring & Remediation Systems (CLMRS). The experience of Cocoa Life communities is that CLMRS provides a positive impact as we continue our efforts to reach significant scale. By 2025, we aim to have all Cocoa Life communities in West Africa¹¹ covered by CLMRS. As of the end of 2022, we reached ~74%¹² CLMRS coverage in Cocoa Life communities in West Africa. This progress reflects our long-standing efforts towards our objective of reducing child labour in the cocoa supply chain.

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 2022, we have trained over 415,000 farmers and community members in good environmental practices, we have distributed over 6.72 million shade trees throughout cocoa farming regions to provide additional sources of income and shade for cocoa growing, and mapped and monitored approximately 246,000 registered farms.

2022 marks the ten 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 230,000¹³ cocoa farmers whose production represents approximately 80%¹⁴ of our cocoa volume for chocolate brands globally. Key highlights from our impact data shows farmers and their communities' social and economic resilience improved over the past ten years:

- In 2022, household incomes in Cote d'Ivoire, measured on international US dollar equivalents, grew by approximately 7% compared to 2019. Household incomes in Ghana increased baseline in local currency compared to 2019, but were down by approximately 20% in US dollars due in large part to currency devaluation and lower yields from crop diseases. Cocoa Life continues to work with over 150,000 households in Ghana and Cote d'Ivoire to help enable them to reach a living income over time.¹⁵
- Communities are better equipped to drive their development with nearly all of them

¹¹ West Africa includes Ghana and Cote D'Ivoire.

¹² Reported information for the period from January 1, 2022 to December 31, 2022 includes a community as covered by CLMRS if the work of identifying children, if any, in or at risk of child labour has been completed by the end of the year, even if any appropriate remediation and post-remediation follow-up occurs in the following year. CLMRS data is provided by third parties.

¹³ Reported information covers Brazil, Cote d'Ivoire, Dominican Republic, Ghana, Indonesia, India, and Nigeria. This data is provided by third parties.

¹⁴ Goal and reported information for cocoa volume sourced is based on a mass balance approach, which means that the equivalent volume of cocoa needed for the products sold under our chocolate brands is sourced from the Cocoa Life program

¹⁵ This information is based on a statistically representative sample of farming households followed between 2019 to 2022 as measured and calculated by our third-party evaluator, Ipsos.

having community action plans in place.

In October 2022, we announced the next phase of the Cocoa Life program, backed by an additional \$600 million through 2030 for a total of \$1 billion investment since the start of the program, with the goal to increase cocoa volume at scale and include about 300,000 farmers in the program by 2030. With this investment, Mondelez International aims to catalyse ground-breaking sector collaboration to help address systemic environmental and human rights challenges and improve cocoa farmer livelihoods. More specifically, by 2030, Cocoa Life aims to increase the number of farming households reaching a living income, enhance child protection systems and access to quality education in Cocoa Life communities, and help prevent deforestation on Cocoa Life farms globally.

Palm Oil Action Plan

Research, including a [Fair Labor Association report](#), and [independent assessment](#) from Embode commissioned by Mondelez International, have confirmed that forced labour is an issue affecting the Malaysian palm oil sector. We purchase less than ~0.5% of worldwide palm oil production and source it predominantly from Malaysia and Indonesia, and to a lesser degree from other countries. In 2022, we achieved our goal to source 100% Roundtable on Sustainable Palm Oil (RSPO) palm oil (maintained since 2013).¹⁶

Mondelez International is committed to sourcing palm oil more sustainably and helping to eradicate deforestation and human rights violations in the palm oil sector and is collaborating with its suppliers and the CGF Forest Positive Coalition of Action and [Human Rights Coalition of Action](#) to help prevent deforestation and human rights violations in the palm oil supply chain.

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 more 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 CGF [Priority Industry Principles against Forced Labor](#) within their practices in their own operations as well as in their engagements with third-party suppliers. As of 2022, we have achieved the traceability of approximately 99% of our palm oil to the mill. Furthermore 100% of the palm oil we buy was sourced from suppliers with policies aligned to ours. To ensure progress, we also actively participate in the Palm Oil Transparency Coalition's supplier and trader assessment to track progress against critical social sustainability topics. To support the mainstreaming of robust due diligence practices in the palm oil sector, we have joined forces with peers and retailers in the CGF's [People Positive Palm Project](#). The project aims to foster collective action and advocacy on key issues faced by the sector – including a focus on understanding, addressing, and preventing recruitment fees – with the support of the Fair Labor Association (FLA), the International Organization for Migration (IOM), and The Remedy Project. The project offers two complementary tracks in which all palm oil suppliers with operations in Malaysia, including Mondelez International's direct and indirect suppliers, are invited to participate in based on their individual needs, focusing on:

- Track 1: Learning, which offers a series of collaborative workshops to build and share

¹⁶ Excludes palm oil procured by third-party external manufacturers & co-packers for use in manufacturing Mondelez International finished goods.

knowledge on how to address key risks.

- Track 2: Engagement, which offers tailored advisory services for suppliers to strengthen their management systems for responsible recruitment.

The project will bring together key actors of the Malaysian palm oil sector to deploy robust human rights due diligence along the supply chain and help combat forced labour. This will be reinforced by joint advocacy towards key stakeholders including the Malaysian government and the government of migrant workers' country of origin, namely Bangladesh, Indonesia, and India.

Other initiatives

In addition to our continuing work (as outlined in previous statements), Mondelēz International's two key focuses through 2022 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 CGF. 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 CGF, 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 continued our active involvement in 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 where we supported the release of the Living Wage Playbook for the Fast-Moving Consumer Goods Sector. We will work with our suppliers with the goal of having all our strategic suppliers engaged on a living wage roadmap by 2030.

Furthermore, we partnered with the Fair Wage Network to benefit from their global database of living wage benchmarks. We used a risk-based approach to complete a detailed benchmark analysis of pay and benefits of our direct employees around the world, using data from Fair Wage's typical family size methodology, in line with best practice and [IDH's criteria](#). We are embedding living wage into our ongoing compensation process and extending our approach to understand challenges with agency labour in our facilities.

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 continue to encourage our sourcing and procurement colleagues to identify and include diverse suppliers and service providers in our procurement process, as part of our Economic Inclusion and Supplier Diversity (EISD) Commitment Program, which was introduced in 2020. The EISD Program helps diverse suppliers enhance their offerings, reach and capabilities through joint development and performance improvement programs.

We also recently released our global Human Rights Due Diligence & Modern Slavery Report for 2022, which is a Mondelez 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 2022 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 prioritised supplier facilities using the Sedex Members Ethical Trade Audit (SMETA) protocol under the Program for Responsible Sourcing (AIM-PROGRESS);
- adherence to our Corporate Responsibility Expectations outlined to our suppliers;
- the 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, socialise, 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 organisations (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, Human Resources, Legal and Corporate Affairs teams, Mondelez International's Global Impact and Social Sustainability team, as well as external subject matter experts.

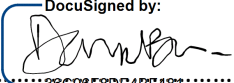
Mondelez Australia's local Procurement Operations and Global Procurement teams have day-to-day accountability for responsible sourcing issues and human rights reporting and

compliance requirements. The Mondelēz 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 Mondelēz Australia Holdings Pty Ltd (ACN 004 880 817) on behalf of each of the Reporting Entities, on 28 June 2023.

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Darren O'Brien

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

29 June 2023

Website references throughout this document are provided for convenience only. We assume no liability for any third-party content contained on the referenced websites.

About Our ESG Goals

Reported information against our quantitative ESG goals, unless otherwise stated, (i) covers the annual reporting period from January 1 to December 31 of the stated year, (ii) includes manufacturing facilities under our direct and indirect control, (iii) excludes acquisitions since 2018, and (iv) excludes Venezuela. Where quantitative goals are linked to revenue, information is for Mondelez International revenue (excluding acquisitions since 2018 unless stated otherwise) except Venezuela, for which results are excluded from our consolidated financial statements. Where quantitative goals are linked to operations, information is for operations under the control of our integrated supply chain function (excluding acquisitions since 2018 unless stated otherwise); unless stated otherwise, data for external manufacturing includes estimates. Due to rounding, numbers presented in this report may not add up precisely to the totals provided and percentages may not reflect the absolute figures. Although the numbers presented in this report for this year's performance are rounded, some of the prior years' numbers were not rounded. Historical, current and forward-looking sustainability related information and statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. We caution you that this information is approximate, that these statements and information are not guarantees of future performance, nor promises that our goals will be met, and are subject to numerous and evolving risks and uncertainties that we may not be able to predict or assess. In some cases, we may determine to adjust our commitments or goals or establish new ones to reflect changes in our business, operations or plans.

Forward-Looking Statements

This report contains forward-looking statements. All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws, including any statements of the plans, strategies and objectives of management; any statements regarding our environmental, social and governance and sustainability strategies, goals, policies, initiatives and programs; any statements concerning proposed new products, services or developments; any statements regarding future economic conditions or performance; any statements of belief or expectation; and any statements of assumptions underlying any of the foregoing or other future events. Forward-looking statements may include, among others, the words, and variations of words, "will," "may," "expect," "would," "could," "might," "intend," "plan," "believe," "likely," "estimate," "anticipate," "objective," "predict," "project," "drive," "seek," "aim," "target," "potential," "commitment," "outlook," "continue," "strive," "ambition" or any other similar words. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results or outcomes could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, many of which are beyond our control. Please also see our risk factors, as they may be amended from time to time, set forth in our filings with the U.S. Securities and Exchange Commission (SEC), including our most recently filed Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. There may be other factors not presently known to us or which we currently consider to be immaterial that could cause our actual results to differ materially from those projected in any forward-looking statements we make. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this report, except as required by applicable law or regulation. The information included in, and any issues identified as material for purposes of, this report may not be considered material for SEC reporting purposes. In the context of this disclosure, the term "material" is distinct from, and should not be confused with, such term as defined for SEC reporting purposes.



