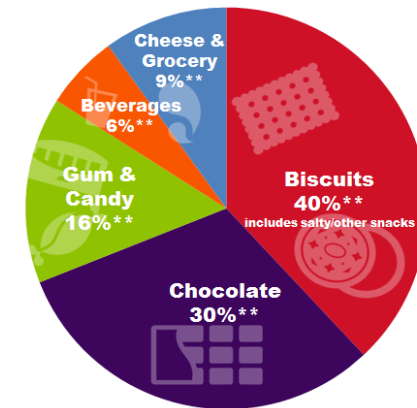
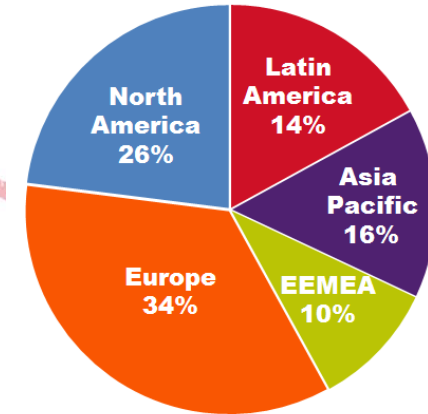


Partnering with wheat farmers
for meaningful impact

Franz Kraus
Manager
EU Public Affairs

MONDELEZ INTERNATIONAL

-  Pro forma 2015 revenue of approx. \$30 billion*
-  165 countries
-  ~ 100,000 employees
-  Global snacks powerhouse:
-  #1 in Biscuits, Chocolate and Candy
-  #2 in Gum **



* Pro Forma Adjusted Net Revenues exclude Venezuela operations. See GAAP to Non-GAAP reconciliations under Events & Webcasts tab of the investors' section of our website at <http://bit.ly/1KYhs2E>.

** Source: Euromonitor



World's Number 1 Biscuits and Chocolate Maker



the call for well-being)))

Vision

Be the world's leading well-being snacking company

**Sustainability
Ambition:**

Be a catalyst for systemic end-to-end change

Strategy:

Lead and engage directly on the areas where we can make the biggest impact; influence the rest

MDLZ Way:

We will work directly on the ground and invest in programs on our biggest impact areas

We will influence through industry associations and drive change at scale through suppliers, governments and NGOs

Sustainability 2020 Goals

(2020 vs 2013 baseline)

Secure key raw materials



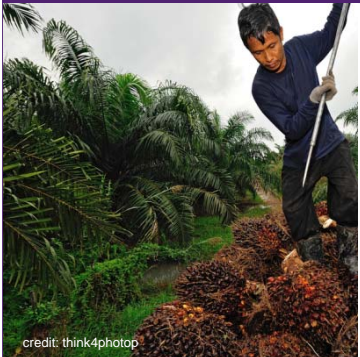
Lead creation of sustainable supply chains in critical raw materials with **signature programs focused on impact at scale**

- Ultimately **ALL cocoa** to be **sustainably sourced**, mainly via Cocoa Life
- Maintain **75% West EU biscuits** made with **Harmony wheat**; develop global approach

Continue AIM-Progress social and environmental compliance program

- Close-to-100% audit compliance for MDLZ facilities and priority suppliers

Reduce end-to-end carbon footprint



credit: think4photop

Reduce absolute manufacturing CO2 emissions in line with Science Based Target approach

- **-15% absolute manufacturing CO2 emissions**

Address **deforestation** and communicate resulting **end-to-end carbon footprint impact**

- Implement MDLZ Palm Oil Action Plan
- Drive down deforestation in cocoa via Cocoa Life program
- Close-to-zero deforestation on soy, paper

Support deforestation goals by using **recycled paper or paper from verified non-deforested sources** as the first choices for paper based packaging

Reduce end-to-end water footprint, focusing on priority locations



Reduce absolute manufacturing incoming water focusing on priority water sites

- **-10% water use in priority water locations**

Reduce end-to-end waste, including packaging



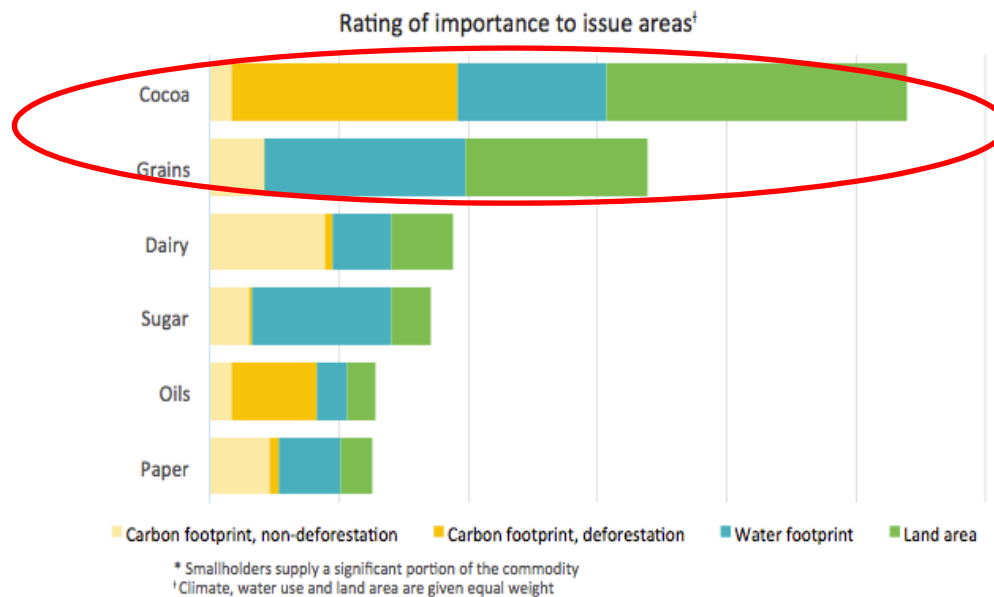
Reduce total manufacturing waste by 20%

Eliminate 65,000 tonnes of packaging

Key raw materials: cocoa and wheat

Focus on securing key raw materials and opportunity for the greatest impact

Agriculture is a key driver of our environmental impact



Consumer demand is evolving

- World demand for chocolate is growing: supply challenged
- Consumers want products they can trust and have a positive impact on the planet and people who grow ingredients

Signature programs to secure sustainable supplies, quality ingredients

EMPOWERING COCOA FARMERS



10-year, \$400 million investment
200,000 empowered farmers
Goal: all sustainably sourced

PARTNERING WITH LOCAL WHEAT FARMERS



2,100 EU farmers
7 million bees
75% of our W. EU biscuits

Origins of the program

It all started from

1. Our people with the creation of a company project



Inspire and provide the brand with purpose and meaning for our employees, stakeholders and consumers

2. An analysis of our environmental impact and the realization that 70% of it comes from our raw materials



Wheat being by far our 1st ingredient

Integrated in a holistic approach



Harmony in a snapshot

Harmony is about...

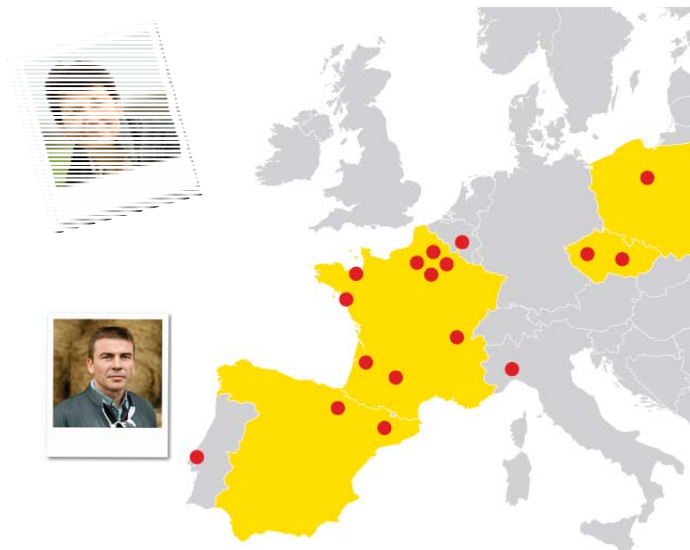
- 1 Partnering with farmers as close as possible to our factories.
- 2 More sustainable agricultural practices.
- 3 Making a positive impact on local biodiversity.
- 4 Traceable wheat from grain to biscuit.



Collaborative construction :

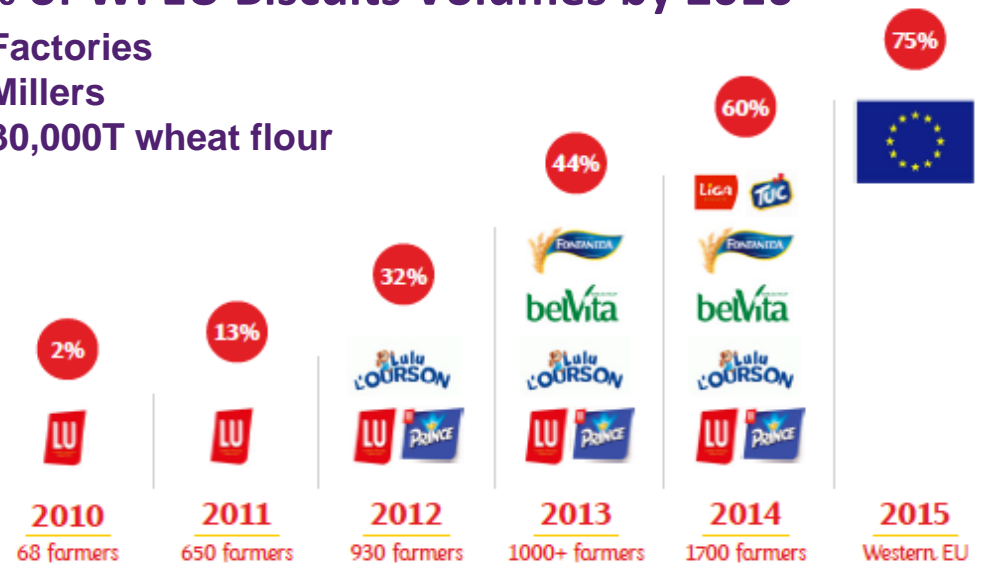


2269 Partner-farmers



75% of W. EU Biscuits Volumes by 2016

17 Factories
 13 Millers
 > 230,000T wheat flour



Harmony addresses 3 key pillars

1. QUALITY

- Rigorous and demanding proprietary charter
- Full traceability from grain to biscuit
- Selection of best wheat varieties
- Segregation of HY wheat
- External audit



2. ENVIRONMENT

- Biodiversity preserved and enhanced
- Respectful agricultural practices
 - Resistant wheat varieties
 - Soil management
 - Less pesticide and fertilizer
 - Caring for water resources
- Farmers & millers close to our factories to reduce carbon footprint



3. SOCIETY

- Local communities
- Build know how with partners
- Farmers to learn and improve their practices with HY
- Safety & security



Why do we care about biodiversity and what we do for its preservation?



Mondelēz
International

Experts : “the main challenge for the future of agriculture is the preservation of biodiversity”

Biodiversity is our key specificity.
It is a territory that we have pre-empted and that we own.

Our actions for biodiversity:

- ❖ At least 3% of every Harmony wheat field dedicated to chosen flowers or hedges
- ❖ Inter-season crops
- ❖ Responsible use of pesticides

Since 2014 : 3 pilot farms in 3 areas

- ❖ wheat culture without neonicotinoids
- ❖ alternatives with less impact on biodiversity



↓
22%
reduction in
pesticide use in
Harmony fields*

*versus the national average
Treatment Frequency Index in France².

In 2015, we observed

 14 million
bees

 32 species
of butterfly

360° of the program

MEDIA



<https://www.youtube.com/watch?v=IXVqUgb4XDI>
<https://www.youtube.com/watch?v=Pkv2KFB5FvY>

DIGITAL



<https://www.youtube.com/watch?v=aMmhNflEkyE>

KOL / Press / SIA



**Impact
Understanding
Attractiveness & Engagement**

IN STORE



HARMONY proven success of driving positive sales & image

Petit LU fantastic turnaround

2010 from -7% to +9% value sales
2013 @ +8%

HY covering 98% Total LU in 2016

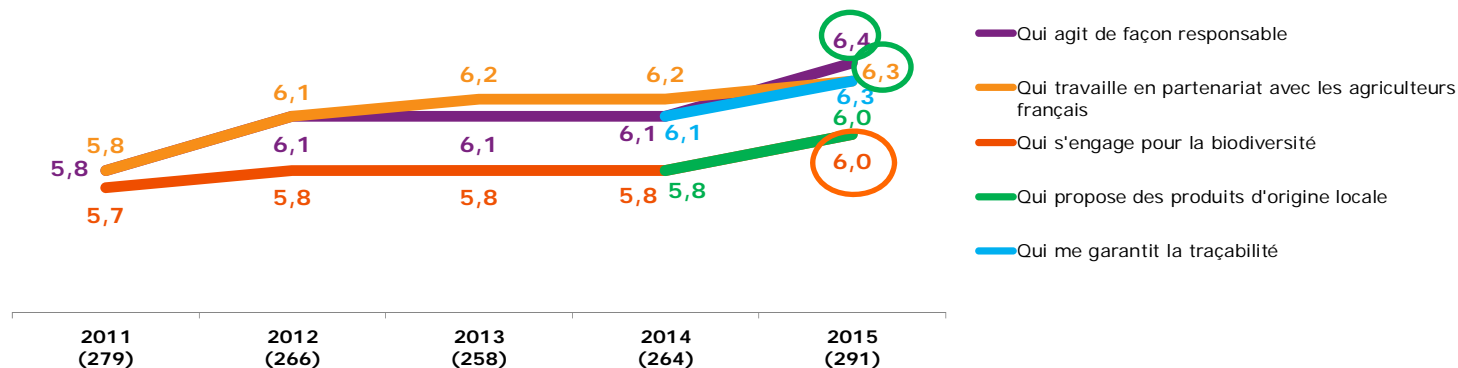
between +1% & +2% on base sales
+10 pts purchase intent difference between
HY and non HY exposed



#1 preferred brand of French people

#1 snacking brand top-of-mind

Leader on TRUST & QUALITY, SUSTAINABILITY, BIODIVERSITY, PARTNERSHIP
WITH FARMERS & LOCAL SOURCING



Thank you !
Any questions ?

Franz Kraus
Manager EU Public Affairs
fkraus@mdlz.com
+32 498 39 08 39

Mondelēz
International