



THE CHALLENGE AND OUR ROLE

**Without cocoa, there is no chocolate.
Without the next cocoa farming generation,
there is no cocoa.**

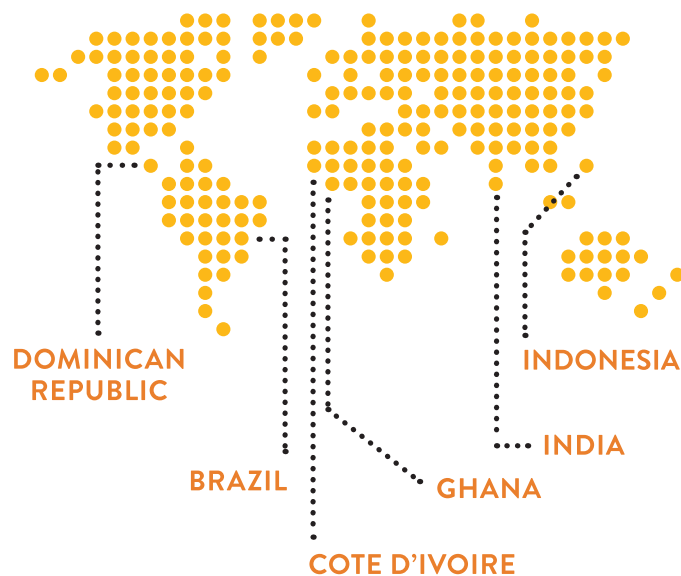
The demand for chocolate is growing globally and with it the demand for cocoa. As the world's largest chocolate company, we are determined to create chocolate for many more generations. A vibrant cocoa supply chain is essential for the future of chocolate and we are leading its transformation.



COCOA LIFE

Our aim is to create empowered cocoa farmers, in thriving communities at scale across our supply.

Launched in 2012, Cocoa Life will invest \$400 million by 2022 to empower 200,000 cocoa farmers and reach one million community members in our six key cocoa growing origins: Ghana, Cote d'Ivoire, Indonesia, the Dominican Republic, India and Brazil.



OUR APPROACH

Cocoa Life is built on the vision that empowered thriving cocoa farming communities are the essential foundation for sustainable cocoa farming. Cocoa Life holds at its **core 3 non-negotiable principles**.

HOLISTIC AND FARMER CENTRIC

Farming communities are at the center of our approach and this includes improving agricultural knowledge and practices, and community development.

To make the most relevant impact, we listen to the farmer communities. Based on a community needs assessment we design collaboratively with the farmers and our implementing partners the interventions on a community level.

We take a holistic approach and work with communities to help them set their own tailored action plans that will deliver the most value for them.

COMMITTED TO PARTNERSHIPS

Partnerships are vital for best practices sharing, sustainability, synergy and scale. We believe partnerships are the key to lasting change. Our entire program is built on partnerships with governments, nongovernment organizations, supply chain partners, cocoa farmer organizations and their communities. To best understand farmers' needs and put our scale to work on the ground, Cocoa Life works with a group of external advisers and strategic partners.

Implementing partners

On the ground we partner with NGOs like CARE International, World Vision, Voluntary Services Overseas (VSO), Solidaridad and Save the Children who have a long experience of working with cocoa communities to assess their needs and devise the action plans against which we invest through Cocoa Life.

We also work closely with our cocoa suppliers who have valuable on-the-ground expertise and existing



relationships with farmer communities. As part of this partnership, our suppliers match our investment with support in kind.

In addition we invite stakeholders from outside of the business to participate in developing our approach and provide oversight of the implementation of our cocoa origin programs.

- **Aidan McQuade** from Anti-Slavery International – the world's leading anti-slavery charity
- **Mil Niepold** – expert in finding solutions to social and human rights issues through dialogue
- **Andrew Bovarnick** from the United Nations Development Programme – leader of UNDP's green commodities program
- **David McLaughlin** from WWF – VP agriculture and specialist in sustainable supply chain transformation

OUR APPROACH [CONTINUED]

ALIGNED WITH OUR SOURCING

Cocoa Life upholds its principles throughout the supply chain. Our program and our sourcing contracts are aligned. This means the program is implemented with the existing farmers within our supply chain and the program is aligned with our buying contracts, or vice versa. A key part of aligning our sourcing with Cocoa Life includes scaling up our volumes from Cocoa Life communities.

Mondelēz International is unique in getting involved directly implementing sustainability within the cocoa supply chain. With Cocoa Life, we are investing in cocoa farmers and their communities. Our ultimate goal is to source all of our cocoa sustainably, mainly via Cocoa Life.

OUR FOCUS AREAS

Our integrated approach is focused on five key areas. Experience shows us that delivery of outcomes across these five areas generates thriving cocoa communities.

- **Farming** – helping farmers improve yields and earn higher incomes.
- **Community** – enabling cocoa farming families to create the kind of communities they and their children want to live in.
- **Livelihoods** – improving business skills and helping to develop additional sources of income to lift people out of poverty.
- **Youth** – making cocoa farming a more attractive profession for young people.
- **Environment** – protecting the landscape in which cocoa is grown to maintain ecosystems and farming land for future generations.

We believe women's empowerment and the next generation are keys to sustainable community improvement and the future of cocoa farming. We are committed to a leadership role making cocoa farming a desirable choice for youth and to secure the next cocoa farming generation. This is why we include women's empowerment and child labor as cross cutting themes throughout our program.

EVALUATION, LEARNING AND VERIFICATION

Cocoa Life aims for scalable impact at farm level. To measure progress on the ground, we look at the impact our interventions have for farmers and communities against 10 global Key Performance Indicators (KPIs).

The measurement of impact is independent. Annually a 3rd party outcome assessment is published which measures against our 10 Global KPI's. Every three years, there is an independent and holistic impact evaluation published.

Cocoa Life will use results from these studies to learn whether the program is delivering on its goals and, make



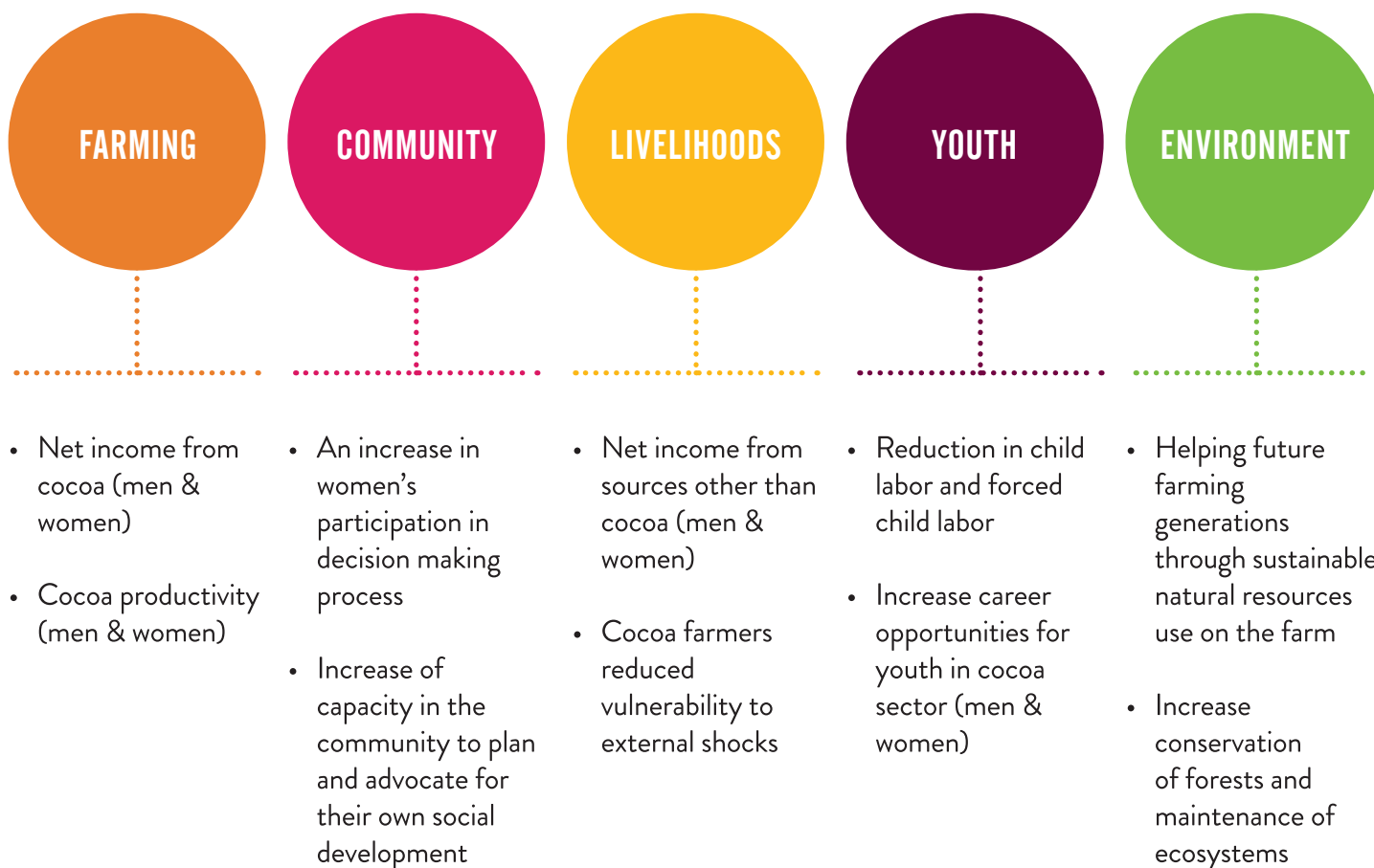
the adjustments necessary to meet the objectives.

Further as part of this independent verification process, FLOCERT, a socially focused global certification body, is on an ongoing basis verifying the flow of cocoa from Cocoa Life communities into Mondelēz International's supply chain and the benefits received by farmers.



EVALUATION, LEARNING AND VERIFICATION [CONTINUED]

Cocoa Life KPI'S; measuring, evaluating and reporting on five key pillars defining thriving cocoa communities



OUR PROGRESS

By the end of 2015 we have worked with 76'700 farmers in 795 communities in Ghana, Cote d'Ivoire, Indonesia and India. In 2015, 21% of Mondelez International's cocoa was sustainably sourced.



Actions that we implement throughout our program and across origins include:

- Multi-stakeholder collaborative program design and oversight
- Training to farmers in good agricultural practices
- Tailor-made trainings for women's groups

- Facilitating the development and implementation of Community Action Plans
- Education in financial services and access to finance
- Acting against child labor

Our aim is to build on all these results and reach 200.000 farmers and impact 1 million members of cocoa farming communities by 2020.

To follow our progress visit cocoalife.org

