

Contacts: Maggie McKerr <u>news@mdlz.com</u> +1-847-943-5678

Mondelēz International reports on actions to scale up forest protection in cocoa growing areas, address climate change and reduce emissions

- Mondelēz International's Cocoa Life program publishes progress to combat deforestation as part of the Cocoa & Forests Initiative
- Cocoa Life meets target to map 100% of the farms registered with Cocoa Life in Ghana, Côte d'Ivoire and Indonesia when targets were set in 2018
- First-ever tree registration app for farmers launched in Ghana to register their trees digitally via smartphone

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At Mondelez International, we take climate change and deforestation seriously because of its negative impact on our business, on society and on our planet. To address the challenge of climate change we are working to build more sustainable supply chains.

A report published today as part of Mondelēz International's commitment to the Cocoa & Forests Initiative (CFI) demonstrates significant progress against ambitious <u>2022 targets</u> to protect and restore forests in cocoa-growing areas. Delivered through the company's cocoa sustainability program, Cocoa Life, this progress is a crucial step towards achieving the company's new Science Based-Target to reduce absolute end-to-end greenhouse gas emissions by 10% by 2025 (compared to 2018).

Published last year, these 2022 targets cover the company's two largest cocoa-sourcing countries – Ghana and Côte d'Ivoire – as well as going beyond the CFI countries to cover its third largest, Indonesia. Cocoa Life's approach to these commitments has been twofold: to enhance and scale up the most successful initiatives in cocoa farming communities; while also piloting and learning from new, innovative approaches that will be accelerated or course-corrected this year.

Successful scaled-up initiatives include:

 Cocoa Life has mapped 100% of the farms registered with Cocoa Life in Ghana, Cote d'Ivoire and Indonesia when targets were set in 2018, and is mapping farms newly registered in 2019 – to ensure cocoa is not being sourced from protected forest areas.

- In 2018 and 2019, Cocoa Life trained more than 134,000 Cocoa Life registered farmers in Ghana, Côte d'Ivoire and Indonesia in Good Agricultural Practices to increase yields and protect the environment.
- In 2018 and 2019, more than 60,000 farmers in Ghana, Côte d'Ivoire and Indonesia participated in Village Savings and Loan Associations (VSLAs), which, through access to financial services, enable cocoa farmers to become more climate-resilient.

To protect the future of cocoa farming, Cocoa Life continues to pilot innovative projects, including:

- Pioneering financial incentives designed to encourage climate friendly farming Payment for Environmental Services – have been a success in Côte d'Ivoire and will be scaled up in 2020. These financial incentives are offered to cocoa farmers in return for planting non-cocoa trees on farms, and for protecting and renewing forest areas.
- Targeted Good Agricultural Practices (GAPs) pilots in Ghana, where farm practices are tailored per farm to increase cocoa productivity, are ready to be scaled up.
- **Cocoa Life's agroforestry pilots** successfully provided a better understanding of how to make farms more resilient to the impacts of climate change.
- In 2019, Cocoa Life launched the first-ever tree registration app for farmers in Ghana to register their trees via smartphone, empowering farmers through tree ownership so they benefit from revenue generated through yields.and compensation should the tree be destroyed by timber merchants.
- Cocoa Life tested a deforestation risk assessment project in Côte d'Ivoire reaching 125,924 ha of forests covered in the assessment by 2019. In the next couple of years, the program will roll out this approach in other countries and continue to advocate for a more standardised approach within industry to see enhanced progress.

Jonas Mva Mva, Director of Cocoa Programs at IDH The Sustainable Trade Initiative, said: "Mondelēz International's Cocoa Life program is to be congratulated for trying new, innovative approaches that are enabling farmers to produce more cocoa on less land in an effort to drive out deforestation and tackle climate change."

As one of the world's largest chocolate makers and founding signatory of the CFI, Mondelēz International has been driving and accelerating industry change for years through Cocoa Life. Through its holistic approach, the program is making farming communities more resilient to the impacts of climate change.

Cedric van Cutsem, Associate Director Cocoa Life, Operations, Mondelēz International, said: "We believe conserving the land and forests is a promise to future generations, and our commitment to sustainably-sourced cocoa reflects our purpose to empower people to snack right, supported by Cocoa Life's commitment to make cocoa right.

"Looking ahead, we believe that partnership and sector-wide collaboration is the key to tackling climate change. Both the public and private sector have a shared responsibility to deliver on commitments they have made. Now we must work together to understand how to achieve our goals faster."

Mondelēz International is committed to continuing work together with the World Cocoa Foundation, IDH The Sustainable Trade Initiative, governments and other industry players to combat deforestation, and remains committed to sharing its own lessons and expertise, to encourage transparency and collaboration within the sector.

"Mondelez International is a key partner in our efforts to tackle deforestation in cocoa growing areas, and demonstrates a sincere commitment to protecting our forests and our climate. Together, we hope to create a dynamic and robust partnership in order to achieve our joint goals of protecting the forests while strengthening the cocoa industry."

Mr. Alain-Richard Donwahi, Minister of Water and Forests, Côte d'Ivoire

About Mondelēz International

Mondelēz International, Inc. (NASDAQ: MDLZ) empowers people to snack right in over 150 countries around the world. With 2019 net revenues of approximately \$26 billion, MDLZ is leading the future of snacking with iconic global and local brands such as OREO, belVita and LU biscuits; Cadbury Dairy Milk, Milka and Toblerone chocolate; Sour Patch Kids candy and Trident gum. Mondelēz International is a proud member of the Standard and Poor's 500, Nasdaq 100 and Dow Jones Sustainability Index. Visit <u>www.mondelezinternational.com</u> or follow the company on Twitter at <u>www.twitter.com/MDLZ</u>

About Cocoa Life

Cocoa Life is Mondelēz International's global cocoa sustainability program. Cocoa is the essence of our chocolate and vital to our business, so we aim to ensure it is 'made right'. Making it right means tackling the complex challenges that cocoa farmers and their communities face, including climate change, gender inequality, poverty and child labor. Cocoa Life is addressing these challenges holistically across six cocoa-growing countries: Ghana, Côte d'Ivoire, Indonesia, Dominican Republic, India and Brazil. We work on the ground, hand-in-hand with the men and women who make their living from cocoa, focusing on where we can make a difference to grow opportunities: turning cocoa into a sustainable business, creating empowered communities and conserving and restoring forests. To find out more visit: www.cocoalife.org.

About the Cocoa & Forests Initiative

Mondelēz International is a founding member of the CFI: a public-private partnership set up in 2017 to end deforestation and promote forest restoration and protection in the cocoa supply chain. The governments of Côte d'Ivoire and Ghana, and 31 leading cocoa and chocolate companies, accounting for 85% of the world's cocoa usage, signed the CFI's Frameworks for Action, and agreed to publish action plans outlining core commitments and targets needed for a deforestation-free and forest-positive supply chain.