

Mondelēz International Inc.

TICKER
NAS:MDLZ

MARKET CAPITALIZATION
US\$68 billion

HEADQUARTERS
United States

DISCLOSURES
UK Modern Slavery Act: Yes
California Transparency in Supply Chains Act: Yes

TARGETS
Yes

OVERALL RANKING

17 out of 43

([2018 Rank](#): 17 out of 38)

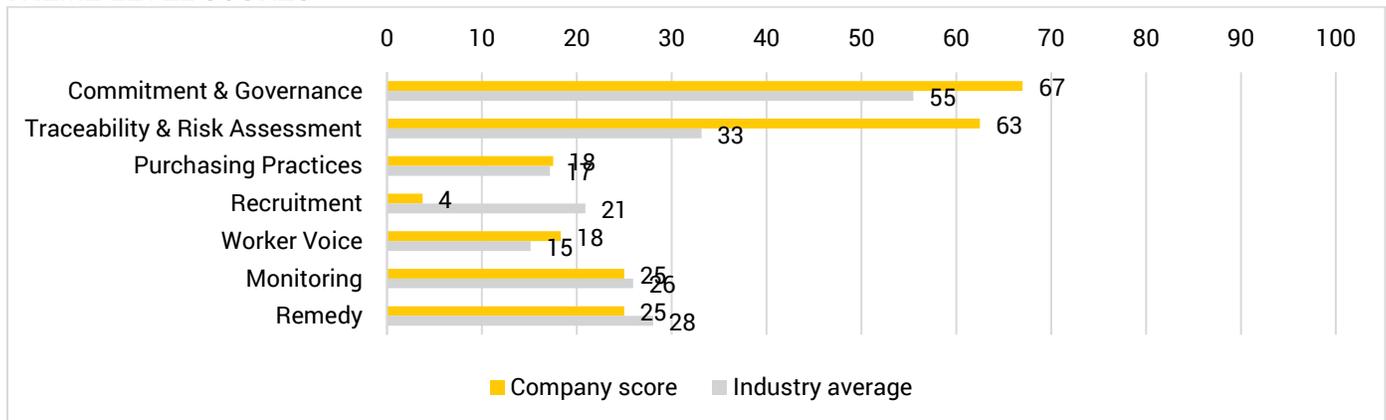
OVERALL SCORE

31 out of 100

SUMMARY

Mondelēz International Inc. (Mondelēz), a US-based snack company, ranks 17th out of 43 companies, disclosing about the same amount of information on its forced labor policies and practices as its peers. The company has maintained its 2018 rank, despite changes in the benchmark methodology that require companies to keep up with evolving stakeholder expectations and emerging good practices. This is because the company began disclosing more information on board oversight of its policies, supplier training on forced labor, and further information on its risk assessment process. Mondelēz scores higher than average on all themes except Recruitment. KnowTheChain identified one allegation of forced labor in the company's supply chains; the company does not disclose engagement with affected stakeholders nor remedy outcomes for workers. The company is encouraged to improve its performance and disclosure on the themes of Purchasing Practices, Recruitment, and Worker Voice.

THEME-LEVEL SCORES



Research conducted through February 2020 or through May 2020, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

KEY DATA POINTS**SUPPLIER LIST**

Yes (palm oil only)

NO-FEE POLICY

No

SUPPORTS FREEDOM OF ASSOCIATION

No

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK COMMODITIESCocoa, sugarcane, wheat, and others¹

LEADING PRACTICES

None.

NOTABLE FINDINGS

Stakeholder Engagement: Mondelez discloses that it is co-chair of the Consumer Goods Forum's palm oil working group, "which is working to embed the Priority Industry Principles against forced labor across the palm oil sector." It states that it is on the board of directors of the International Cocoa Initiative, "a multi-stakeholder platform, whose mission is to help eliminate child labor and its worst forms (including trafficking and forced labor)." Mondelez states that, through Cocoa Life, it has engaged with various non-governmental organizations (some of which conduct needs assessments of cocoa communities that include forced labor) and with governments.

Risk Assessment: The company reports that it has conducted specific assessments for forced labor risks in the Indonesian and Malaysian palm oil sectors, where it states several indicators of forced labor were found. In addition, it states that its human rights working group undertook a broad assessment of its human rights risks and due diligence systems, which included previous audit results, grievance mechanism data, interviews with internal stakeholders in key geographies, and external studies.

Purchasing Practices: The company discloses that 100% of its palm oil is sourced through the Roundtable on Sustainable Palm Oil (RSPO), an ISEAL member, the standards of which include forced labor. It also states that 63% of its cocoa was sourced via Cocoa Life, which it describes as a program which addresses human rights risks in cocoa supply chains. It notes that when a new cocoa community joins the program, NGO partners conduct a risk assessment that includes forced labor. Mondelez states that it has engaged a certification body to verify "the flow of cocoa from Cocoa Life communities into our supply chain" and that it verifies the benefits that farmers receive, such as premium payments.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: The company is encouraged to assess risks of forced labor at potential suppliers before entering into contracts with them. It is further encouraged to adopt responsible purchasing practices (such as prompt payment) and provide further details on procurement incentives (such as

price premiums or longer-term contracts) to suppliers across its supply chains to encourage or reward good labor practices.

Recruitment: To avoid exploitation of migrant workers in its supply chains, the company may consider requiring that workers in its supply chains are not charged fees during any recruitment-related process. The company is encouraged to require the employer to pay such fees ([Employer Pays Principle](#)) and ensure that any fees that have been paid are reimbursed to the workers. It is further encouraged to provide details of how it supports responsible recruitment in its supply chains (for example, by using responsible recruitment agencies or supporting the development of responsible recruitment schemes).

Worker Voice: To support collective worker empowerment, the company is encouraged to work with its suppliers to improve their practices regarding freedom of association and collective bargaining and to work with local or global trade unions to support freedom of association in its supply chains. Where there are regulatory constraints on freedom of association, the company may consider ensuring workplace environments in which workers in its supply chains are able to pursue alternative forms of organizing.

ENGAGED WITH KNOWTHECHAIN

Yes ([Provided Additional Disclosure](#)).

¹ The US Department of Labor lists these commodities as commodities that may be produced using forced labor. US Department of Labor (20 September 2018), "[List of Goods Produced by Child Labor or Forced Labor](#)."