

Food & Beverage Benchmark **COMPANY SCORECARD 2023**

Mondelēz International, Inc (Mondelēz)

TICKER MDLZ

MARKET CAPITALIZATION

HEADQUARTERS United States

US\$93.5 billion

DISCLOSURES

UK Modern Slavery Act: Yes

Australia Modern Slavery

Act: Yes

California Transparency in Supply Chains Act: Yes

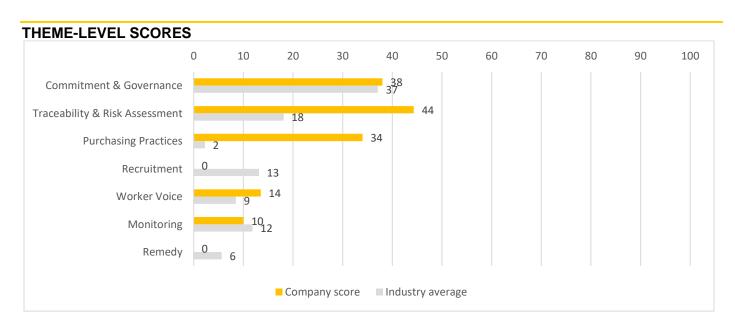
OVERALL RANKING

16 out of **60**

2020 Rank: 17 out of 43

OVERALL SCORE

23 out of 100



KEY DATA POINTS

FIRST-TIER SUPPLIER LIST

Yes (palm oil and cocoa only)

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

No

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK COMMODITIES²

Palm oil, cocoa, sugarcane, wheat and others



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SUMMARY

Mondelēz International, Inc (Mondelēz), a US multinational confectionery, food, beverage and snack food company ranks 16 out of 60 companies. Compared to 2020, the company began disclosing information on its supply chain tracing, responsible purchasing practices and engagement with unions. However, the company did not improve across other themes. The company performed particularly poorly on the themes of responsible recruitment, worker voice, monitoring and remedy.

The company's score is based on its stronger performance on the themes of Traceability & Risk Assessment and notably scores among the highest on the themes of Purchasing Practices, describing how it has adopted responsible purchasing practices in the first tier of its supply chains, and providing one data point demonstrating that it has responsible purchasing practices in place that address the risk of forced labour.

KnowTheChain identified two additional allegations of forced labor in the company's supply chains. The company states that it "reject[s] bad labour practices" however, neither discloses engagement with affected stakeholders, nor remedy outcomes for workers. The company is encouraged to improve its performance and disclosure on the themes of Responsible Recruitment, Worker Voice and Remedy.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Recruitment: To avoid exploitation of migrant workers in its supply chains, the company is encouraged to establish a policy requiring that workers in its supply chains are not charged fees during any recruitment-related process. The company is encouraged to require that such fees are paid by the employer ("Employer Pays Principle") and disclose how it ensures the implementation of this through the prevention of fees in its supply chains: such as through mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly. It may also consider steps to ensure that such fees are reimbursed to the workers and/or to provide evidence of payment of recruitment-related fees by suppliers.

Worker Voice: While the company demonstrates that it engages with unions as part of the FairTrade and Cocoa Life partnership in Ghana, the company is encouraged to demonstrate union engagement that supports freedom of association across other supply chain contexts. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers, including with respect to specific allegations in its supply chains.

¹ Research conducted through January 2023 or through April 2023, 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.

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 <u>food & beverage benchmark findings report</u>.