



## Mondelēz International Advances Sustainable Palm Oil Sourcing with Enhanced Traceability

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- **From 2021 company requires traceable, forest-monitored palm oil from mills across supply chain**
- **By Q1 2021, 80% palm oil supplied to MDLZ to be sustainably sourced under these enhanced expectations**
- **Enhanced sourcing requirements improve traceability, monitoring and action against deforestation and forced labor**

CHICAGO, Sept. 03, 2020 (GLOBE NEWSWIRE) -- Mondelēz International, Inc. (NASDAQ:MDLZ) today announced significant progress in advancing requirements for traceable, forest-monitored palm oil and confirms strong progress against sustainable sourcing goals.

The new requirements include traceability to plantation and satellite monitoring covering all palm oil concessions\* supplying mills attributed to the company, against the deforestation criteria set out in its Palm Oil Action Plan. All mills must be identified on Global Forest Watch, with no active grievances against concessions in their direct supply, or operated by the same producer groups elsewhere. In addition, suppliers must have third-party assurance of their monitoring process and systems used and be subject to cross-check by Mondelēz International.

From Q1 2021, the company expects 80% of its palm oil to meet these enhanced expectations with strong supplier partnership, working to increase coverage as quickly as possible.

The enhanced sourcing requirements will improve transparency across the sector by requiring suppliers to confirm sustainable sourcing practices across their entire supply chain by 2025, not just the portion supplied to Mondelēz International. They form part of Mondelēz International long-term ambition to eliminate deforestation and forced labor in the palm oil supply chain and support the aims of the Consumer Goods Forum #Forestpositive Coalition.

"We have a unique opportunity to help create a future where sustainable practices are universal across the palm oil sector," said Quentin Roach, Chief Procurement Officer at Mondelēz International. "As a company we are continuing to pioneer partnership and action with our suppliers to ensure they share and actively support not only our commitment, but the larger collective commitment to realize a forest positive future where a highly efficient ingredient like palm oil is sustainably sourced across the sector."

Any supplier to Mondelēz International will be required to:

- **Take full responsibility for eliminating deforestation in their own operation and upstream supply chain** by providing traceability to plantation and satellite monitoring covering all palm oil concessions\* supplying mills attributed to the company.
- **Improve traceability and transparency** by identifying all mills attributed to the company on Global Forest Watch, with no active grievances against concessions in their direct supply, or operated by the same producer groups elsewhere.
- **Demonstrate implementation of supplier progress** via third-party assurance of their monitoring process and systems.
- **Take action against exploitation of workers** in the palm oil supply chain by strengthening our supplier expectations on Human Rights – spelling out the due diligence steps we expect them to follow in order to identify and mitigate risks in their own operations and supply chain.

"AAK is delighted that Mondelēz International has enhanced its commitment to sustainable palm oil, and is committed to working with Mondelēz International to achieve its goals. Sustainability is key to AAK's future, including palm oil sustainability in particular. It is critical that representatives along the supply chain join forces to continue the momentum towards a fully sustainable palm oil industry. As one of the key leaders in the market, Mondelēz International sends a strong message with its new announcement, joining AAK as a catalyst for change," said Jan Lenferink, Vice President AAK AB.

"We are supplying traceable palm oil from areas covered by our in-house land use change monitoring program to Mondelēz International and have always been impressed with their passion and sense of urgency for sustainability. We have appreciated their collaborative approach in setting high standards and utilizing industry frameworks that can be leveraged by all suppliers. We share the belief that close engagement with our customers and suppliers is key, as our sustainability goals can only be achieved through the commitment and collaboration of all stakeholders. We are proud to be able to support Mondelēz International in advancing their sustainable palm oil sourcing and deliver a positive impact together," said Ben Vreeburg, Sr. Director Sustainability for Tropical Oils, Bunge Loders Crokiaan.

Despite representing around 0.5% of demand for palm oil, Mondelēz International has taken a leadership position on palm oil sustainability and recognizes that all actors have a role to play in achieving a solution to this complex problem. The company has maintained 100% RSPO palm oil coverage since 2013, 98% of the company's palm oil comes from suppliers with aligned-to policies across their entire supply chain and the company

takes action against groups who don't comply, including the suspension of 89 mills in 2019.

"Many corporations are working hard to address deforestation and achieve better transparency in their supply chains. We are proud to work together with MDLZ to further reduce the environmental impact of the palm oil sector, and make meaningful progress more visible using the combination of daily satellite analytics and granular supply chain data," said Niels Wielaard CEO of Satelligence.

For further information, refer to our website [www.mondelezinternational.com](http://www.mondelezinternational.com) for more information. Specific links follow to our:

- [Palm Oil Action Plan](#)
- [Published Mill List](#)
- [Grievance Process](#)
- [2019 Snacking Made Right Report](#)

*\*Concessions: corporate plantations on government-licensed land (in SE Asia), typically attached to mills and part of larger producer groups.*

#### **About Mondelez International**

Mondelez 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*, *beVita* and *LU* biscuits; *Cadbury Dairy Milk*, *Milka* and *Toblerone* chocolate; *Sour Patch Kids* candy and *Trident* gum. Mondelez International is a proud member of the Standard and Poor's 500, Nasdaq 100 and Dow Jones Sustainability Index. Visit [www.mondelezinternational.com](http://www.mondelezinternational.com) or follow the company on Twitter at [www.twitter.com/MDLZ](https://www.twitter.com/MDLZ).

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