UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 1-16483

Mondelēz International, Inc.
(Exact name of registrant as specified in its charter)

Mondelez International, Inc.
(Exact name of registrant as registered with the SEC)

Virginia	**52-2284372**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Three Parkway North, Deerfield, Illinois	**60015**
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code) **(847) 943-4000**

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Tile of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, no par value	MDLZ	The Nasdaq Global Select Market
2.375% Notes due 2021	MDLZ21	The Nasdaq Stock Market LLC
1.000% Notes due 2022	MDLZ22	The Nasdaq Stock Market LLC
1.625% Notes due 2023	MDLZ23	The Nasdaq Stock Market LLC
1.625% Notes due 2027	MDLZ27	The Nasdaq Stock Market LLC
2.375% Notes due 2035	MDLZ35	The Nasdaq Stock Market LLC
4.500% Notes due 2035	MDLZ35A	The Nasdaq Stock Market LLC
3.875% Notes due 2045	MDLZ45	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes T No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes T No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	T	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐

No T

At July 26, 2019, there were 1,442,150,501 shares of the registrant’s Class A Common Stock outstanding.

Mondelēz International, Inc.

Table of Contents

In this report, for all periods presented, "we," "us," "our," "the Company" and "Mondelēz International" refer to Mondelēz International, Inc. and subsidiaries. References to "Common Stock" refer to our Class A Common Stock.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Mondelēz International, Inc. and Subsidiaries
Condensed Consolidated Statements of Earnings
(in millions of U.S. dollars, except per share data)
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
Net revenues	$ 6,062	$ 6,112	$ 12,600	$ 12,877
Cost of sales	3,593	3,572	7,538	7,488
Gross profit	2,469	2,540	5,062	5,389
Selling, general and administrative expenses	1,427	1,904	2,920	3,431
Asset impairment and exit costs	15	111	35	165
Net gain on divestiture	(41)	—	(41)	—
Amortization of intangibles	43	44	87	88
Operating income	1,025	481	2,061	1,705
Benefit plan non-service income	(12)	(15)	(29)	(28)
Interest and other expense, net	101	248	181	328
Earnings before income taxes	936	248	1,909	1,405
Provision for income taxes	(216)	(15)	(405)	(352)
Net loss on equity method investment transactions	(25)	—	(2)	—
Equity method investment net earnings	113	87	226	319
Net earnings	808	320	1,728	1,372
Noncontrolling interest earnings	(1)	(2)	(7)	(8)
Net earnings attributable to Mondelēz International	$ 807	$ 318	$ 1,721	$ 1,364
Per share data:				
Basic earnings per share attributable to Mondelēz International	$ 0.56	$ 0.22	$ 1.19	$ 0.92
Diluted earnings per share attributable to Mondelēz International	$ 0.55	$ 0.21	$ 1.18	$ 0.91

See accompanying notes to the condensed consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Condensed Consolidated Statements of Comprehensive Earnings
(in millions of U.S. dollars)
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
Net earnings	$ 808	$ 320	$ 1,728	$ 1,372
Other comprehensive earnings/(losses), net of tax:				
Currency translation adjustment	(33)	(876)	157	(666)
Pension and other benefit plans	54	169	64	163
Derivative cash flow hedges	(62)	26	(131)	(20)
Total other comprehensive earnings/(losses)	(41)	(681)	90	(523)
Comprehensive earnings/(losses)	767	(361)	1,818	849
less: Comprehensive earnings/(losses) attributable to noncontrolling interests	3	(10)	8	11
Comprehensive earnings/(losses) attributable to Mondelēz International	$ 764	$ (351)	$ 1,810	$ 838

See accompanying notes to the condensed consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(in millions of U.S. dollars, except share data)
(Unaudited)

	June 30, 2019	December 31, 2018
ASSETS		
Cash and cash equivalents	$ 1,248	$ 1,100
Trade receivables (net of allowances of $38 at June 30, 2019 and $40 at December 31, 2018)	2,179	2,262
Other receivables (net of allowances of $49 at June 30, 2019 and $47 at December 31, 2018)	712	744
Inventories, net	2,731	2,592
Other current assets	966	906
Total current assets	7,836	7,604
Property, plant and equipment, net	8,550	8,482
Operating lease right of use assets	637	—
Goodwill	20,701	20,725
Intangible assets, net	17,943	18,002
Prepaid pension assets	136	132
Deferred income taxes	263	255
Equity method investments	7,095	7,123
Other assets	412	406
TOTAL ASSETS	$ 63,573	$ 62,729
LIABILITIES		
Short-term borrowings	$ 3,780	$ 3,192
Current portion of long-term debt	3,675	2,648
Accounts payable	5,312	5,794
Accrued marketing	1,638	1,756
Accrued employment costs	611	701
Other current liabilities	2,782	2,646
Total current liabilities	17,798	16,737
Long-term debt	11,764	12,532
Long-term operating lease liabilities	447	—
Deferred income taxes	3,591	3,552
Accrued pension costs	1,057	1,221
Accrued postretirement health care costs	355	351
Other liabilities	2,387	2,623
TOTAL LIABILITIES	37,399	37,016
Commitments and Contingencies (Note 13)		
EQUITY		
Common Stock, no par value (5,000,000,000 shares authorized and 1,996,537,778 shares issued at June 30, 2019 and December 31, 2018)	—	—
Additional paid-in capital	31,970	31,961
Retained earnings	25,348	24,491
Accumulated other comprehensive losses	(10,541)	(10,630)
Treasury stock, at cost (554,035,528 shares at June 30, 2019 and 545,537,923 shares at December 31, 2018)	(20,684)	(20,185)
Total Mondelēz International Shareholders' Equity	26,093	25,637
Noncontrolling interest	81	76
TOTAL EQUITY	26,174	25,713
TOTAL LIABILITIES AND EQUITY	$ 63,573	$ 62,729

See accompanying notes to the condensed consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Condensed Consolidated Statements of Equity
(in millions of U.S. dollars, except per share data)
(Unaudited)

	Mondelēz International Shareholders' Equity						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Earnings/ (Losses)	Treasury Stock	Non-controlling Interest	Total Equity
Three Months Ended June 30, 2019							
Balances at April 1, 2019	$ —	$ 31,933	$ 24,954	$ (10,498)	$ (20,561)	$ 81	$ 25,909
Comprehensive earnings/(losses):							
Net earnings	—	—	807	—	—	1	808
Other comprehensive earnings/(losses), net of income taxes	—	—	—	(43)	—	2	(41)
Exercise of stock options and issuance of other stock awards	—	37	(35)	—	153	—	155
Common Stock repurchased	—	—	—	—	(276)	—	(276)
Cash dividends declared ($0.26 per share)	—	—	(378)	—	—	—	(378)
Dividends paid on noncontrolling interest and other activities	—	—	—	—	—	(3)	(3)
Balances at June 30, 2019	$ —	$ 31,970	$ 25,348	$ (10,541)	$ (20,684)	$ 81	$ 26,174
Six Months Ended June 30, 2019							
Balances at January 1, 2019	$ —	$ 31,961	$ 24,491	$ (10,630)	$ (20,185)	$ 76	$ 25,713
Comprehensive earnings/(losses):							
Net earnings	—	—	1,721	—	—	7	1,728
Other comprehensive earnings/(losses), net of income taxes	—	—	—	89	—	1	90
Exercise of stock options and issuance of other stock awards	—	9	(111)	—	442	—	340
Common Stock repurchased	—	—	—	—	(941)	—	(941)
Cash dividends declared ($0.52 per share)	—	—	(753)	—	—	—	(753)
Dividends paid on noncontrolling interest and other activities	—	—	—	—	—	(3)	(3)
Balances at June 30, 2019	$ —	$ 31,970	$ 25,348	$ (10,541)	$ (20,684)	$ 81	$ 26,174
Three Months Ended June 30, 2018							
Balances at April 1, 2018	$ —	$ 31,876	$ 23,305	$ (9,854)	$ (18,881)	$ 98	$ 26,544
Comprehensive earnings/(losses):							
Net earnings	—	—	318	—	—	2	320
Other comprehensive earnings/(losses), net of income taxes	—	—	—	(669)	—	(12)	(681)
Exercise of stock options and issuance of other stock awards	—	37	(9)	—	42	—	70
Common Stock repurchased	—	—	—	—	(650)	—	(650)
Cash dividends declared ($0.22 per share)	—	—	(324)	—	—	—	(324)
Dividends paid on noncontrolling interest and other activities	—	—	—	—	—	(4)	(4)
Balances at June 30, 2018	$ —	$ 31,913	$ 23,290	$ (10,523)	$ (19,489)	$ 84	$ 25,275
Six Months Ended June 30, 2018							
Balances at January 1, 2018	$ —	$ 31,915	$ 22,631	$ (9,997)	$ (18,555)	$ 80	$ 26,074
Comprehensive earnings/(losses):							
Net earnings	—	—	1,364	—	—	8	1,372
Other comprehensive earnings/(losses), net of income taxes	—	—	—	(526)	—	3	(523)
Exercise of stock options and issuance of other stock awards	—	(2)	(60)	—	216	—	154
Common Stock repurchased	—	—	—	—	(1,150)	—	(1,150)
Cash dividends declared ($0.44 per share)	—	—	(651)	—	—	—	(651)
Dividends paid on noncontrolling interest and other activities	—	—	6	—	—	(7)	(1)
Balances at June 30, 2018	$ —	$ 31,913	$ 23,290	$ (10,523)	$ (19,489)	$ 84	$ 25,275

See accompanying notes to the condensed consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(in millions of U.S. dollars)
(Unaudited)

	For the Six Months Ended June 30,	
	2019	**2018**
CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES		
Net earnings	$ 1,728	$ 1,372
Adjustments to reconcile net earnings to operating cash flows:		
Depreciation and amortization	517	407
Stock-based compensation expense	71	67
U.S. tax reform transition tax	2	86
Deferred income tax provision/(benefit)	36	(15)
Asset impairments and accelerated depreciation	4	43
Loss on early extinguishment of debt	—	140
Net gain on divestiture	(41)	—
Net loss on equity method investment transactions	2	—
Equity method investment net earnings	(226)	(319)
Distributions from equity method investments	188	151
Other non-cash items, net	(46)	366
Change in assets and liabilities, net of acquisitions and divestitures:		
Receivables, net	135	112
Inventories, net	(145)	(240)
Accounts payable	(430)	(325)
Other current assets	(20)	(41)
Other current liabilities	(638)	(481)
Change in pension and postretirement assets and liabilities, net	(91)	(141)
Net cash provided by operating activities	1,046	1,182
CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		
Capital expenditures	(465)	(532)
Acquisition, net of cash received	—	(528)
Proceeds from divestiture, net of disbursements	163	—
Proceeds from sale of property, plant and equipment and other	35	19
Net cash used in investing activities	(267)	(1,041)
CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		
Issuances of commercial paper, maturities greater than 90 days	809	1,315
Repayments of commercial paper, maturities greater than 90 days	(2,169)	(1,020)
Net issuances of other short-term borrowings	1,958	298
Long-term debt proceeds	597	2,948
Long-term debt repaid	(409)	(1,442)
Repurchase of Common Stock	(940)	(1,177)
Dividends paid	(756)	(657)
Other	271	124
Net cash (used in)/provided by financing activities	(639)	389
Effect of exchange rate changes on cash and cash equivalents	8	(45)
Cash and cash equivalents:		
Increase	148	485
Balance at beginning of period	1,100	761
Balance at end of period	$ 1,248	$ 1,246

See accompanying notes to the condensed consolidated financial statements.

Mondelēz International, Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 1. Basis of Presentation

Our interim condensed consolidated financial statements are unaudited. Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") have been omitted. It is management's opinion that these financial statements include all normal and recurring adjustments necessary for a fair presentation of our results of operations, financial position and cash flows. Results of operations for any interim period are not necessarily indicative of future or annual results. For a complete set of consolidated financial statements and related notes, refer to our Annual Report on Form 10-K for the year ended December 31, 2018.

Principles of Consolidation:
The condensed consolidated financial statements include Mondelēz International, Inc. as well as our wholly owned and majority owned subsidiaries, except our Venezuelan subsidiaries that were deconsolidated in 2015. All intercompany transactions are eliminated. The noncontrolling interest represents the noncontrolling investors' interests in the results of subsidiaries that we control and consolidate. We account for investments over which we exercise significant influence under the equity method of accounting. Investments over which we do not have significant influence or control are not material and are carried at cost as there is no readily determinable fair value for the equity interests.

Currency Translation and Highly Inflationary Accounting:
We translate the results of operations of our subsidiaries from multiple currencies using average exchange rates during each period and translate balance sheet accounts using exchange rates at the end of each period. We record currency translation adjustments as a component of equity (except for highly inflationary currencies) and realized exchange gains and losses on transactions in earnings.

Highly inflationary accounting is triggered when a country's three-year cumulative inflation rate exceeds 100%. It requires the remeasurement of financial statements of subsidiaries in the country from the functional currency of the subsidiary to our U.S. dollar reporting currency, with currency remeasurement gains or losses recorded in earnings. As discussed below, beginning on July 1, 2018, we began to apply highly inflationary accounting for our operations in Argentina.

Argentina. During the second quarter of 2018, primarily based on published estimates that indicated that Argentina's three-year cumulative inflation rate exceeded 100%, we concluded that Argentina became a highly inflationary economy for accounting purposes. As of July 1, 2018, we began to apply highly inflationary accounting for our Argentinian subsidiaries and changed their functional currency from the Argentinian peso to the U.S. dollar. On July 1, 2018, both monetary and non-monetary assets and liabilities denominated in Argentinian pesos were remeasured into U.S. dollars using the exchange rate as of the balance sheet date, with remeasurement and other transaction gains and losses recorded in net earnings. As of June 30, 2019, our Argentinian operations had $12 million of Argentinian peso denominated net monetary liabilities. Our Argentinian operations contributed $99 million, or 1.6% of consolidated net revenues in the three months and $199 million, or 1.6%, of consolidated net revenues in the six months ended June 30, 2019. We recorded a remeasurement gain of $1 million during the three months ended June 30, 2019 and a remeasurement loss of $1 million during the six months ended June 30, 2019 within selling, general and administrative expenses related to the revaluation of the Argentinian peso denominated net monetary assets.

Brexit. In the six months ended June 30, 2019, we generated 8.4% of our consolidated net revenues in the United Kingdom. We continue to monitor the U.K. planned exit from the European Union ("Brexit"), the deadline for which has been extended through October 31, 2019. We continue to take protective measures in response to the potential impacts on our results of operations and financial condition. Following the Brexit vote in June 2016, there was significant volatility in the global stock markets and currency exchange rates. The value of the British pound sterling relative to the U.S. dollar declined significantly and negatively affected our translated results reported in U.S. dollars. If the ultimate terms of the United Kingdom's separation from the European Union negatively impact the U.K. economy or result in disruptions to sales or our supply chain, the impact to our results of operations and financial condition could be material. We have taken measures to increase our resources in customer service & logistics together with increasing our inventory levels of imported raw materials, packaging and finished goods in the United Kingdom to help us manage through the Brexit transition and the inherent risks.

Other Countries. Since we sell our products in over 150 countries and have operations in over 80 countries, we monitor economic and currency-related risks and seek to take protective measures in response to these exposures. Some of the countries in which we do business have recently experienced periods of significant economic uncertainty and exchange rate volatility, including Brazil, China, Mexico, Russia, Ukraine, Turkey, Egypt, Nigeria, South Africa and Pakistan. We continue to monitor operations, currencies and net monetary exposures in these countries. At this time, we do not anticipate that these countries are at risk of becoming highly inflationary countries.

Transfers of Financial Assets:
We account for transfers of financial assets, such as uncommitted revolving non-recourse accounts receivable factoring arrangements, when we have surrendered control over the related assets. Determining whether control has transferred requires an evaluation of relevant legal considerations, an assessment of the nature and extent of our continuing involvement with the assets transferred and any other relevant considerations. We use receivable factoring arrangements periodically when circumstances are favorable to manage liquidity. We have non-recourse factoring arrangements in which we sell eligible trade receivables primarily to banks in exchange for cash. We may then continue to collect the receivables sold, acting solely as a collecting agent on behalf of the banks. The outstanding principal amount of receivables under these arrangements amounted to $712 million as of June 30, 2019 and $819 million as of December 31, 2018. The incremental cost of factoring receivables under this arrangement was not material for all periods presented. The proceeds from the sales of receivables are included in cash from operating activities in the condensed consolidated statements of cash flows.

Leases:
We determine whether a contract is or contains a lease at contract inception. On January 1, 2019, we began to record operating leases on our condensed consolidated balance sheet. We elected not to recognize right-of-use ("ROU") assets and lease liabilities for short-term operating leases with terms of 12 months or less. Long-term operating lease ROU assets and long-term operating lease liabilities are presented separately and operating lease liabilities payable in the next twelve months are recorded in other current liabilities. Finance lease ROU assets continue to be presented in property, plant and equipment and the related finance lease liabilities continue to be presented in the current portion of long-term debt and long-term debt.

Lease ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets are recognized at commencement date at the value of the lease liability, adjusted for any prepayments, lease incentives received and initial direct costs incurred. Lease liabilities are recognized at commencement date based on the present value of remaining lease payments over the lease term. The non-recurring fair value measurement is classified as Level 3 as no fair value inputs are observable. As the rate implicit in the lease is not readily determinable in most of our leases, we use our country-specific incremental borrowing rate based on the lease term using information available at commencement date in determining the present value of lease payments. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Many of our leases contain non-lease components (e.g. product costs, common-area or other maintenance costs) that relate to the lease components of the agreement. Non-lease components and the lease components to which they relate are accounted for as a single lease component as we have elected to combine lease and non-lease components for all classes of underlying assets.

Amortization of ROU lease assets is calculated on a straight-line basis over the lease term with the expense recorded in cost of sales or selling, general and administrative expenses depending on the nature of the leased item. Interest expense is recorded over the lease term and is recorded in interest expense (based on a front-loaded interest expense pattern) for finance leases and is recorded in cost of sales or selling, general and administrative expenses (on a straight-line basis) for operating leases. All operating lease cash payments and interest on finance leases are recorded within cash flows from operating activities and all finance lease principal payments are recorded within cash flows from financing activities in the condensed consolidated statements of cash flows.

New Accounting Pronouncements:
In August 2018, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") that aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs for internal-use software. This ASU is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. We are currently assessing the impact on our consolidated financial statements.

In August 2018, the FASB issued an ASU that modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. The ASU is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. The new standard may impact our disclosures and is not expected to have an impact on our consolidated financial statements.

In August 2018, the FASB issued an ASU that modifies the disclosure requirements on fair value measurements. The ASU is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. The new standard may impact our disclosures and is not expected to have an impact on our consolidated financial statements.

In February 2018, the FASB issued an ASU that permits entities to elect a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the 2017 enactment of U.S. tax reform legislation. The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We did not elect to reclassify these stranded tax effects from U.S. tax reform when we adopted this ASU in the first quarter of 2019. As such, this ASU did not have a material impact on our consolidated financial statements. Our policy is to release stranded tax effects from accumulated other comprehensive income under the portfolio method rather than on an individual item by item basis.

In June 2016, the FASB issued an ASU on the measurement of credit losses on financial instruments. This ASU requires entities to measure the impairment of certain financial instruments, including trade receivables, based on expected losses rather than incurred losses. This ASU is effective for fiscal years beginning after December 15, 2019, with early adoption permitted for financial statement periods beginning after December 15, 2018. We are currently assessing the guidance. This ASU is not expected to have a material impact on our consolidated financial statements.

In February 2016, the FASB issued an ASU on lease accounting to increase transparency and comparability among organizations by requiring the recognition of ROU assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The ASU revises existing U.S. GAAP and outlines a new model for lessors and lessees to use in accounting for lease contracts. The guidance requires lessees to recognize a ROU asset and a lease liability on the balance sheet for all leases, with the exception of short-term leases. In the statement of earnings, lessees will classify leases as either operating or financing. In July 2018, the FASB issued an ASU that allows for an alternative transition approach, which does not require adjustments to comparative prior-period amounts. The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We adopted the new standard on January 1, 2019. We elected to apply the package of practical expedients that allowed us not to reassess the lease classification and initial direct costs for expired or existing leases or whether expired or existing contracts contain leases. We elected not to separate non-lease components from lease components and to account for both as a single lease component by class of the underlying asset.

The impact of adopting the standard included the initial recognition as of January 1, 2019, of $710 million of lease related assets and $730 million of lease related liabilities on our condensed consolidated balance sheet. The transition method we elected for adoption requires a cumulative effect adjustment to retained earnings as of January 1, 2019, which was not material.

Reclassifications:
Certain amounts previously reported have been reclassified to conform to current-year presentation. During the third quarter of 2018, in connection with the Keurig Dr Pepper Inc. transaction, we changed our accounting principle to reflect our share of Keurig Green Mountain Inc.'s historical results and Keurig Dr Pepper Inc.'s ongoing results on a one-quarter lag basis while we continue to record dividends when cash is received. This change was applied retrospectively to all periods presented. Refer to Note 7, *Equity Method Investments*, for more information.

Note 2. Divestitures and Acquisitions

On May 28, 2019, we completed the sale of most of our cheese business in the Middle East and Africa to Arla Foods of Denmark. We received cash proceeds of $158 million and divested $19 million of current assets and $96 million of non-current assets. We also paid $2 million of transaction costs and recorded a net pre-tax gain of $41 million on the sale. We also incurred divestiture-related costs of $11 million in the three months and $10 million in the six months ended June 30, 2019.

On June 7, 2018, we acquired a U.S. premium biscuit company, Tate's Bake Shop, within our North America segment for $527 million cash paid, net of cash received, and extended our premium biscuit offerings. We accounted for the transaction as a business combination. As of June 30, 2019, we finalized our purchase price allocation and there were no significant changes to the net assets previously recorded. The final purchase price allocation included $45 million to definite-lived intangible assets, $205 million to indefinite-lived intangible assets, $297 million to goodwill, $16 million to property, plant and equipment, $5 million to inventory, $9 million to accounts receivable, $7 million to current liabilities and $43 million to deferred tax liabilities. The acquisition added incremental net revenues of $35 million and incremental operating income of $4 million in 2019 through the anniversary of the acquisition date.

Note 3. Inventories

Inventories consisted of the following:

	As of June 30, 2019	As of December 31, 2018
	(in millions)	
Raw materials	$ 722	$ 726
Finished product	2,129	1,987
	2,851	2,713
Inventory reserves	(120)	(121)
Inventories, net	$ 2,731	$ 2,592

Note 4. Property, Plant and Equipment

Property, plant and equipment consisted of the following:

	As of June 30, 2019	As of December 31, 2018
	(in millions)	
Land and land improvements	$ 422	$ 424
Buildings and building improvements	3,017	2,984
Machinery and equipment	10,918	10,943
Construction in progress	854	894
	15,211	15,245
Accumulated depreciation	(6,661)	(6,763)
Property, plant and equipment, net	$ 8,550	$ 8,482

For the six months ended June 30, 2019, capital expenditures of $465 million excluded $217 million of accrued capital expenditures remaining unpaid at June 30, 2019 and included payment for $331 million of capital expenditures that were accrued and unpaid at December 31, 2018. For the six months ended June 30, 2018, capital expenditures of $532 million excluded $268 million of accrued capital expenditures remaining unpaid at June 30, 2018 and included payment for $357 million of capital expenditures that were accrued and unpaid at December 31, 2017.

Table of Contents

In connection with our restructuring program, we recorded non-cash property, plant and equipment write-downs (including accelerated depreciation and asset impairments) in the condensed consolidated statements of earnings within asset impairment and exit costs and within the segment results as follows (refer to Note 8, *Restructuring Program*).

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Latin America	$ —	$ 6	$ 1	$ 14
AMEA	(3)	4	(2)	8
Europe	1	1	2	6
North America	1	2	4	8
Non-cash property, plant and equipment write-downs	$ (1)	$ 13	$ 5	$ 36

Note 5. Leases

We have operating and finance leases for manufacturing and distribution facilities, vehicles, equipment and office space. Our leases have remaining lease terms of 1 to 9 years, some of which include options to extend the leases for up to 6 years. We assume the majority of our termination options will not be exercised when determining the lease term of our leases. We do not include significant restrictions or covenants in our lease agreements, and residual value guarantees are generally not included within our operating leases, with the exception of some fleet leases. Some of our leasing arrangements require variable payments that are dependent on usage or output or may vary for other reasons, such as product costs, insurance and tax payments. These variable payment leases are not included in our recorded lease assets and liabilities and are expensed as incurred. Certain leases are tied to a variable index or rate and are included in our lease assets and liabilities based on the indices or rates as of lease commencement.

The components of lease costs were as follows:

	For the Three Months Ended June 30, 2019	For the Six Months Ended June 30, 2019
	(in millions)	
Operating lease cost	$ 56	$ 115
Finance lease cost:		
Amortization of right-of-use assets	6	10
Interest on lease liabilities	—	1
Short-term lease cost	11	20
Variable lease cost	105	205
Sublease income	(1)	(2)
Total lease cost	$ 177	$ 349

Supplemental cash flow information related to leases was as follows:

	For the Six Months Ended June 30, 2019
	(in millions)
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	$ (135)
Operating cash flows from finance leases	(1)
Financing cash flows from finance leases	(9)
Right-of-use assets obtained in exchange for lease obligations:	
Operating leases	$ 78
Finance leases	17

Supplemental balance sheet information related to leases was as follows:

	As of June 30, 2019
	(in millions)
Operating Leases:	
Operating lease right-of-use assets, net of amortization	$ 637
Other current liabilities	$ 197
Operating lease liabilities	447
Total operating lease liabilities	$ 644
Finance Leases:	
Finance leases, net of amortization (within property, plant & equipment)	$ 58
Other current liabilities	$ 21
Other long-term liabilities	40
Total finance lease liabilities	$ 61
Weighted Average Remaining Lease Term	
Operating leases	5.0 years
Finance leases	3.1 years
Weighted Average Discount Rate	
Operating leases	3.5%
Finance leases	4.8%

Future lease payments under non-cancelable leases under prior lease accounting rules (ASC 840) and under the new lease accounting rules (ASC 842) that went into effect on January 1, 2019 were as follows:

	As of June 30, 2019		As of December 31, 2018
	ASC 842		ASC 840
	Operating Leases	Finance Leases	Operating Leases
	(in millions)		
Year Ending December 31:			
2019 (excluding the six months ended June 30, 2019)	$ 113	$ 13	
2019			$ 208
2020	193	23	165
2021	137	18	114
2022	96	7	79
2023	63	2	57
Thereafter	120	1	157
Total future undiscounted lease payments	$ 722	$ 64	$ 780
Less imputed interest	(78)	(3)	
Total reported lease liability	$ 644	$ 61	

In 2020, we expect to record a $46 million operating lease liability for a 15 year lease that has not yet commenced.

Note 6. Goodwill and Intangible Assets

Goodwill by segment was:

	As of June 30, 2019	As of December 31, 2018
	(in millions)	
Latin America	$ 833	$ 823
AMEA	3,169	3,210
Europe	7,499	7,519
North America	9,200	9,173
Goodwill	$ 20,701	$ 20,725

Intangible assets consisted of the following:

	As of June 30, 2019	As of December 31, 2018
	(in millions)	
Non-amortizable intangible assets	$ 17,229	$ 17,201
Amortizable intangible assets	2,331	2,328
	19,560	19,529
Accumulated amortization	(1,617)	(1,527)
Intangible assets, net	$ 17,943	$ 18,002

Non-amortizable intangible assets consist principally of brand names purchased through our acquisitions of Nabisco Holdings Corp., the Spanish and Portuguese operations of United Biscuits, the global *LU* biscuit business of Groupe Danone S.A. and Cadbury Limited. Amortizable intangible assets consist primarily of trademarks, customer-related intangibles, process technology, licenses and non-compete agreements.

Amortization expense for intangible assets was $43 million for the three months and $87 million for the six months ended June 30, 2019 and $44 million for the three months and $88 million for the six months ended June 30, 2018.

For the next five years, we currently estimate annual amortization expense of approximately $170 million for the next two years and approximately $85 million in years three to five (reflecting June 30, 2019 exchange rates).

Changes in goodwill and intangible assets consisted of:

	Goodwill	Intangible Assets, at cost
	(in millions)	
Balance at January 1, 2019	$ 20,725	$ 19,529
Currency	20	31
Divestitures	(43)	—
Acquisition	(1)	—
Balance at June 30, 2019	$ 20,701	$ 19,560

During our 2018 annual testing of non-amortizable intangible assets, we recorded $68 million of impairment charges in the third quarter of 2018 related to five trademarks. We recorded charges related to gum, chocolate, biscuits and candy trademarks of $45 million in Europe, $14 million in North America and $9 million in AMEA. We also identified seven brands, including the five impaired trademarks, with $536 million of aggregate book value as of June 30, 2019, that each had a fair value in excess of book value of 10% or less. We believe our current plans for each of these brands will allow them to continue to not be impaired, but if the product line expectations are not met or specific valuation factors outside of our control, such as discount rates, change significantly, then a brand or brands could become impaired in the future.

Note 7. Equity Method Investments

Our investments accounted for under the equity method of accounting totaled $7,095 million as of June 30, 2019 and $7,123 million as of December 31, 2018. Our largest investments are in Jacobs Douwe Egberts (“JDE”) and Keurig Dr Pepper Inc. (NYSE: "KDP”).

JDE:
As of June 30, 2019, we held a 26.5% voting interest, a 26.4% ownership interest and a 26.2% profit and dividend sharing interest in JDE. We recorded equity earnings of $53 million in the second quarter of 2019 and $42 million in the second quarter of 2018 and $103 million in the first six months of 2019 and $88 million in the first six months of 2018. We also recorded $73 million of cash dividends received during the first quarter of 2019 and $73 million of cash dividends received during the first quarter of 2018.

JDE / Keurig Exchange:
On March 7, 2016, we exchanged a portion of our 43.5% JDE equity interest for a new equity interest in Keurig Green Mountain, Inc. ("Keurig"). Following the transaction, our JDE equity interest became 26.5% and our new Keurig equity interest was 24.2%. During the first quarter of 2016, we recorded the difference between the $2.0 billion fair value of Keurig and our basis in the exchanged JDE shares as a gain of $43 million. In the second quarter of 2019, we determined an adjustment to accumulated other comprehensive losses related to our JDE investment was required, which reduced our previously reported gain by $29 million. We recorded the adjustment in the net loss on equity method transactions in the second quarter.

Keurig Dr Pepper Transaction:
On July 9, 2018, Keurig closed on its definitive merger agreement with Dr Pepper Snapple Group, Inc., and formed Keurig Dr Pepper Inc. (NYSE: "KDP"), a publicly traded company. Following the close of the transaction, our 24.2% investment in Keurig together with our shareholder loan receivable became a 13.8% investment in KDP. During 2018, we recorded a pre-tax gain of $778 million reported as a gain on equity method transaction and $192 million of deferred tax expense reported in the provision for income taxes (or $586 million after-tax gain) related to the change in our ownership interest.

We hold two director positions on the KDP board as well as additional governance rights. As we continue to have significant influence, we continue to account for our investment in KDP under the equity method, resulting in recognizing our share of their earnings within our earnings and our share of their dividends within our cash flows.

In connection with this transaction, during the third quarter of 2018, we changed our accounting principle to reflect our share of Keurig's historical and KDP's ongoing earnings on a one-quarter lag basis while we continue to record dividends when cash is received. We determined a lag was preferable as it enables us to continue to report our quarterly and annual results on a timely basis and to record our share of KDP's ongoing results once KDP has publicly reported its results. This change in accounting principle was applied retrospectively to all periods. While our operating income did not change, equity method investment net earnings, net earnings and earnings per share have been adjusted to reflect the lag across all reported periods.

The following tables show the primary line items on the condensed consolidated statements of earnings and comprehensive earnings that changed as a result of the lag. The condensed consolidated statements of cash flow and equity were also updated to reflect these changes.

	For the Three Months Ended June 30, 2018		For the Six Months Ended June 30, 2018	
	As Reported	As Adjusted	As Reported	As Adjusted
	(in millions)			
Statements of Earnings				
Provision for income taxes	$ (14)	$ (15)	$ (321)	$ (352)
Equity method investment net earnings	91	87	185	319
Net earnings	325	320	1,269	1,372
Net earnings attributable to Mondelēz International	323	318	1,261	1,364
Earnings per share attributable to Mondelēz International:				
Basic EPS	$ 0.22	$ 0.22	$ 0.85	$ 0.92
Diluted EPS	$ 0.22	$ 0.21	$ 0.84	$ 0.91
Statements of Other Comprehensive Earnings				
Currency translation adjustment	$ (874)	$ (876)	$ (667)	$ (666)
Total other comprehensive earnings/(losses)	(680)	(681)	(525)	(523)
Comprehensive earnings attributable to Mondelēz International	(345)	(351)	733	838

As of June 30, 2019, we held a 13.6% ownership interest in KDP. Our ownership interest in KDP may change over time due to stock-based compensation arrangements and other transactions by KDP. During the first quarter of 2019, we recognized a $23 million pre-tax gain related to the impact of a KDP acquisition that decreased our ownership interest from 13.8% to 13.6%. As of June 30, 2019, based on KDP's closing stock price, the fair value of our ownership interest in KDP was $5.5 billion, which exceeded the carrying value of our KDP investment.

We recorded equity earnings and cash dividends of $35 million and $28 million in the second quarter of 2019 and equity earnings, shareholder loan interest and cash dividends of $16 million, $6 million and $2 million in the second quarter of 2018. We recorded equity earnings and cash dividends of $72 million and $57 million in the first six months of 2019 and equity earnings, shareholder loan interest and cash dividends of $170 million, $12 million and $5 million in the first six months of 2018.

Note 8. Restructuring Program

On May 6, 2014, our Board of Directors approved a $3.5 billion 2014-2018 restructuring program and up to $2.2 billion of capital expenditures. On August 31, 2016, our Board of Directors approved a $600 million reallocation between restructuring program cash costs and capital expenditures so the $5.7 billion program consisted of approximately $4.1 billion of restructuring program charges ($3.1 billion cash costs and $1.0 billion non-cash costs) and up to $1.6 billion of capital expenditures. On September 6, 2018, our Board of Directors approved an extension of the restructuring program through 2022, an increase of $1.3 billion in the program charges and an increase of $700 million in capital expenditures. The total $7.7 billion program now consists of $5.4 billion of program charges ($4.1 billion of cash costs and $1.3 billion of non-cash costs) and total capital expenditures of $2.3 billion to be incurred over the life of the program. The current restructuring program, as increased and extended by these actions, is now called the Simplify to Grow Program.

The primary objective of the Simplify to Grow Program is to reduce our operating cost structure in both our supply chain and overhead costs. The program covers severance as well as asset disposals and other manufacturing and procurement-related one-time costs. Since inception, we have incurred total restructuring and related implementation charges of $4.1 billion related to the Simplify to Grow Program. We expect to incur the program charges by year-end 2022.

Restructuring Costs:
The Simplify to Grow Program liability activity for the six months ended June 30, 2019 was:

	Severance and related costs	Asset Write-downs	Total
		(in millions)	
Liability balance, January 1, 2019	$ 373	$ —	$ 373
Charges [1]	35	5	40
Cash spent	(89)	—	(89)
Non-cash settlements/adjustments [2]	(30)	(5)	(35)
Currency	(1)	—	(1)
Liability balance, June 30, 2019	$ 288	$ —	$ 288

(1) Includes settlement losses of $5 million recorded within benefit plan non-service income on our condensed consolidated statements of earnings.
(2) We adopted the new ASU on lease accounting as of January 1, 2019. The ASU requires recording onerous lease liabilities netted with right of use assets. Therefore, during the first quarter of 2019, we reclassified onerous lease liabilities that totaled $23 million as of March 31, 2019, from accrued liabilities and other accrued liabilities to operating lease right of use assets.

We recorded restructuring charges of $20 million in the second quarter of 2019 and $112 million in the second quarter of 2018 and $40 million in the first six months of 2019 and $164 million in the first six months of 2018 within asset impairment and exit costs and benefit plan non-service income. We spent $36 million in the second quarter of 2019 and $82 million in the second quarter of 2018 and $89 million in the first six months of 2019 and $161 million in the first six months of 2018 in cash severance and related costs. We also recognized non-cash pension settlement losses (See Note 11, *Benefit Plans*), non-cash asset write-downs (including accelerated depreciation and asset impairments) and other non-cash adjustments (including a transfer of onerous lease liabilities to operating lease ROU assets during the first quarter of 2019) totaling $6 million in the second quarter of 2019 and $14 million in the second quarter of 2018 and $35 million in the first six months of 2019 and $39 million in the first six months of 2018. At June 30, 2019, $248 million of our net restructuring liability was recorded within other current liabilities and $40 million was recorded within other long-term liabilities.

Implementation Costs:
Implementation costs are directly attributable to restructuring activities; however, they do not qualify for special accounting treatment as exit or disposal activities. We believe the disclosure of implementation costs provides readers of our financial statements with more information on the total costs of our Simplify to Grow Program. Implementation costs primarily relate to reorganizing our operations and facilities in connection with our supply chain reinvention program and other identified productivity and cost saving initiatives. The costs include incremental expenses related to the closure of facilities, costs to terminate certain contracts and the simplification of our information systems. Within our continuing results of operations, we recorded implementation costs of $68 million in the second quarter of 2019 and $70 million in the second quarter of 2018 and $118 million in the first six months of 2019 and $132 million in the first six months of 2018. We recorded these costs within cost of sales and general corporate expense within selling, general and administrative expenses.

Restructuring and Implementation Costs:
During the three and six months ended June 30, 2019 and June 30, 2018, and since inception of the Simplify to Grow Program, we recorded the following restructuring and implementation costs within segment operating income and earnings before income taxes:

	Latin America	AMEA	Europe	North America (1)	Corporate (2)	Total
			(in millions)			
For the Three Months Ended June 30, 2019						
Restructuring Costs	$ 7	$ 3	$ 11	$ —	$ (1)	$ 20
Implementation Costs	13	6	17	9	23	68
Total	$ 20	$ 9	$ 28	$ 9	$ 22	$ 88
For the Three Months Ended June 30, 2018						
Restructuring Costs	$ 12	$ 17	$ 63	$ 14	$ 6	$ 112
Implementation Costs	15	8	13	21	13	70
Total	$ 27	$ 25	$ 76	$ 35	$ 19	$ 182
For the Six Months Ended June 30, 2019						
Restructuring Costs	$ 7	$ 9	$ 11	$ 6	$ 7	$ 40
Implementation Costs	28	13	28	13	36	118
Total	$ 35	$ 22	$ 39	$ 19	$ 43	$ 158
For the Six Months Ended June 30, 2018						
Restructuring Costs	$ 36	$ 23	$ 70	$ 26	$ 9	$ 164
Implementation Costs	30	20	29	38	15	132
Total	$ 66	$ 43	$ 99	$ 64	$ 24	$ 296
Total Project (3)						
Restructuring Costs	$ 500	$ 526	$ 982	$ 459	$ 123	$ 2,590
Implementation Costs	247	181	373	345	314	1,460
Total	$ 747	$ 707	$ 1,355	$ 804	$ 437	$ 4,050

(1) During 2019 and 2018, our North America region implementation costs included incremental costs that we incurred related to renegotiating collective bargaining agreements that expired in February 2016 for eight U.S. facilities and related to executing business continuity plans for the North America business.
(2) The Corporate column includes minor adjustments for pension settlement losses and rounding.
(3) Includes all charges recorded since program inception on May 6, 2014 through June 30, 2019.

Note 9. Debt and Borrowing Arrangements

Short-Term Borrowings:
Our short-term borrowings and related weighted-average interest rates consisted of:

	As of June 30, 2019		As of December 31, 2018	
	Amount Outstanding	Weighted-Average Rate	Amount Outstanding	Weighted-Average Rate
	(in millions)		(in millions)	
Commercial paper	$ 3,543	2.6%	$ 3,054	2.9%
Bank loans	237	14.4%	138	10.5%
Total short-term borrowings	$ 3,780		$ 3,192	

As of June 30, 2019, commercial paper issued and outstanding had between 1 and 59 days remaining to maturity. Commercial paper borrowings increased since year end primarily as a result of issuances to finance share repurchases during the year, dividend payments and the payment of long term debt maturities.

Some of our international subsidiaries maintain primarily uncommitted credit lines to meet short-term working capital needs. Collectively, these credit lines amounted to $1.7 billion at June 30, 2019 and $1.7 billion at December 31, 2018. Borrowings on these lines were $237 million at June 30, 2019 and $138 million at December 31, 2018.

Borrowing Arrangements:
On February 27, 2019, to supplement our commercial paper program, we entered into a $1.5 billion revolving credit agreement for a 364-day senior unsecured credit facility that is scheduled to expire on February 26, 2020. The agreement replaces our previous credit agreement that matured on February 27, 2019 and includes the same terms and conditions as our existing $4.5 billion multi-year credit facility discussed below. As of June 30, 2019, no amounts were drawn on the facility.

On February 27, 2019, we entered into a $4.5 billion multi-year senior unsecured revolving credit facility for general corporate purposes, including working capital needs, and to support our commercial paper program. This agreement replaces our $4.5 billion amended and restated five-year revolving credit agreement, dated as of October 14, 2016. The revolving credit agreement is scheduled to expire on February 27, 2024. The revolving credit agreement includes a covenant that we maintain a minimum shareholders' equity of at least $24.6 billion, excluding accumulated other comprehensive earnings/(losses), the cumulative effects of any changes in accounting principles and earnings/(losses) recognized in connection with the ongoing application of any mark-to-market accounting for pensions and other retirement plans. At June 30, 2019, we complied with this covenant as our shareholders' equity, as defined by the covenant, was $36.6 billion. The revolving credit facility also contains customary representations, covenants and events to default. There are no credit rating triggers, provisions or other financial covenants that could require us to post collateral as security. As of June 30, 2019, no amounts were drawn on the facility.

Long-Term Debt:
On February 13, 2019, we issued $600 million of 3.625% U.S. dollar-denominated, fixed-rate notes that are scheduled to mature February 13, 2026. We received net proceeds of $595 million that were used to repay outstanding commercial paper borrowings and other debt. We recorded approximately $5 million of discounts and deferred financing costs, which will be amortized into interest expense over the life of the notes.

On February 1, 2019, $400 million of our U.S. dollar variable rate notes matured. The notes and accrued interest to date were paid with the issuance of commercial paper and cash on hand.

Our weighted-average interest rate on our total debt was 2.4% as of June 30, 2019, 2.3% as of December 31, 2018 and 2.1% as of December 31, 2017.

Fair Value of Our Debt:
The fair value of our short-term borrowings at June 30, 2019 and December 31, 2018 reflects current market interest rates and approximates the amounts we have recorded on our condensed consolidated balance sheets. The fair value of our long-term debt was determined using quoted prices in active markets (Level 1 valuation data) for the publicly traded debt obligations. At June 30, 2019, the aggregate fair value of our total debt was $20,009 million and its carrying value was $19,219 million. At December 31, 2018, the aggregate fair value of our total debt was $18,650 million and its carrying value was $18,372 million.

Interest and Other Expense, net:
Interest and other expense, net consisted of:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	**2018**	**2019**	**2018**
	(in millions)			
Interest expense, debt	$ 127	$ 115	$ 250	$ 217
Loss on debt extinguishment	—	140	—	140
Loss/(gain) related to interest rate swaps	—	5	—	(9)
Other (income)/expense, net	(26)	(12)	(69)	(20)
Interest and other expense, net	$ 101	$ 248	$ 181	$ 328

Other income includes amounts related to our net investment hedge derivative contracts that are excluded from hedge effectiveness and totaled $34 million and $67 million for the three and six months ended June 30, 2019 and $33 million and $50 million for the three and six months ended June 30, 2018.

Note 10. Financial Instruments

Fair Value of Derivative Instruments:
Derivative instruments were recorded at fair value in the condensed consolidated balance sheets as follows:

	As of June 30, 2019		As of December 31, 2018	
	Asset Derivatives	Liability Derivatives	Asset Derivatives	Liability Derivatives
	(in millions)			
Derivatives designated as accounting hedges:				
Interest rate contracts	$ 16	$ 453	$ 17	$ 355
Net investment hedge derivative contracts (1)	434	10	337	28
	$ 450	$ 463	$ 354	$ 383
Derivatives not designated as accounting hedges:				
Currency exchange contracts	$ 40	$ 54	$ 72	$ 37
Commodity contracts	223	170	191	210
	$ 263	$ 224	$ 263	$ 247
Total fair value	$ 713	$ 687	$ 617	$ 630

(1) Net investment hedge contracts consist of cross-currency interest rate swaps and forward contracts. We also designate some of our non-U.S. dollar denominated debt to hedge a portion of our net investments in our non-U.S. operations. This debt is not reflected in the table above, but is included in long-term debt discussed in Note 9, *Debt and Borrowing Arrangements*. Both net investment hedge derivative contracts and non-U.S. dollar denominated debt acting as net investment hedges are also disclosed in the *Derivative Volume* table and the *Hedges of Net Investments in International Operations* section appearing later in this footnote.

Derivatives designated as accounting hedges include cash flow and net investment hedge derivative contracts. Our economic hedges are derivatives not designated as accounting hedges. We record derivative assets and liabilities on a gross basis on our condensed consolidated balance sheets. The fair value of our asset derivatives is recorded within other current assets and the fair value of our liability derivatives is recorded within other current liabilities.

The fair values (asset/(liability)) of our derivative instruments were determined using:

	As of June 30, 2019			
	Total Fair Value of Net Asset/(Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in millions)			
Currency exchange contracts	$ (14)	$ —	$ (14)	$ —
Commodity contracts	53	37	16	—
Interest rate contracts	(437)	—	(437)	—
Net investment hedge contracts	424	—	424	—
Total derivatives	$ 26	$ 37	$ (11)	$ —

	As of December 31, 2018			
	Total Fair Value of Net Asset/(Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in millions)			
Currency exchange contracts	$ 35	$ —	$ 35	$ —
Commodity contracts	(19)	(1)	(18)	—
Interest rate contracts	(338)	—	(338)	—
Net investment hedge contracts	309	—	309	—
Total derivatives	$ (13)	$ (1)	$ (12)	$ —

Level 1 financial assets and liabilities consist of exchange-traded commodity futures and listed options. The fair value of these instruments is determined based on quoted market prices on commodity exchanges.

Level 2 financial assets and liabilities consist primarily of over-the-counter ("OTC") currency exchange forwards, options and swaps; commodity forwards and options; and interest rate swaps. Our currency exchange contracts are valued using an income approach based on observable market forward rates less the contract rate multiplied by the notional amount. Commodity derivatives are valued using an income approach based on the observable market commodity index prices less the contract rate multiplied by the notional amount or based on pricing models that rely on market observable inputs such as commodity prices. Our calculation of the fair value of interest rate swaps is derived from a discounted cash flow analysis based on the terms of the contract and the observable market interest rate curve. Our calculation of the fair value of financial instruments takes into consideration the risk of nonperformance, including counterparty credit risk. Our OTC derivative transactions are governed by International Swap Dealers Association agreements and other standard industry contracts. Under these agreements, we do not post nor require collateral from our counterparties. The majority of our derivative contracts do not have a legal right of set-off. We manage the credit risk in connection with these and all our derivatives by entering into transactions with counterparties with investment grade credit ratings, limiting the amount of exposure with each counterparty and monitoring the financial condition of our counterparties.

Derivative Volume:
The notional values of our hedging instruments were:

	Notional Amount	
	As of June 30, 2019	As of December 31, 2018
	(in millions)	
Currency exchange contracts:		
Intercompany loans and forecasted interest payments	$ 3,707	$ 3,239
Forecasted transactions	2,732	2,396
Commodity contracts	587	393
Interest rate contracts	7,661	8,679
Net investment hedges:		
Net investment hedge derivative contracts	6,931	6,678
Non-U.S. dollar debt designated as net investment hedges		
Euro notes	3,485	3,514
British pound sterling notes	334	336
Swiss franc notes	1,434	1,424
Canadian dollar notes	458	440

Cash Flow Hedges:
Cash flow hedge activity, net of taxes, within accumulated other comprehensive earnings/(losses) included:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Accumulated (loss)/gain at beginning of period	$ (236)	$ (159)	$ (167)	$ (113)
Transfer of realized losses/(gains) in fair value to earnings	12	5	12	(9)
Unrealized (loss)/gain in fair value	(74)	21	(143)	(11)
Accumulated (loss)/gain at end of period	$ (298)	$ (133)	$ (298)	$ (133)

After-tax gains/(losses) reclassified from accumulated other comprehensive earnings/(losses) into net earnings were:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Interest rate contracts	$ (12)	$ (5)	$ (12)	$ 9

We recognized a loss of $12 million in the three and six months ended June 30, 2019 in the net loss on equity method investment transactions. Refer to Note 7, *Equity Method Investments - JDE / Keurig Exchange*. We recognized a loss of $5 million in the three months and a gain of $9 million in the six months ended June 30, 2018 in interest and other expense, net related to certain forward-starting interest rate swaps for which the planned timing of the related forecasted debt was changed.

After-tax gains/(losses) recognized in other comprehensive earnings/(losses) were:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Currency exchange contracts – forecasted transactions	$ 3	$ —	$ 3	$ —
Interest rate contracts	(77)	21	(146)	(11)
Total	$ (74)	$ 21	$ (143)	$ (11)

We record pre-tax (i) gains or losses reclassified from accumulated other comprehensive earnings/(losses) into earnings, (ii) gains or losses on ineffectiveness and (iii) gains or losses on amounts excluded from effectiveness testing in:

- cost of sales for currency exchange contracts related to forecasted transactions;
- cost of sales for commodity contracts; and
- interest and other expense, net for interest rate contracts and currency exchange contracts related to intercompany loans.

Based on current market conditions, we would expect to transfer losses of $89 million (net of taxes) for interest rate cash flow hedges to earnings during the next 12 months.

Cash Flow Hedge Coverage:
As of June 30, 2019, our longest dated cash flow hedges were interest rate swaps that hedge forecasted interest rate payments over the next 4 years and 4 months.

Hedges of Net Investments in International Operations:

Net investment hedge derivative contracts:
We enter into cross-currency interest rate swaps and forwards to hedge certain investments in our non-U.S. operations against movements in exchange rates. The aggregate notional value as of June 30, 2019 was $6.9 billion. The after-tax unrealized gain/(loss) on these net investment hedge contracts was recorded in the cumulative translation adjustment section of other comprehensive income and was $60 million for the three months and $74 million for the six months ended June 30, 2019 and $276 million for the three months and $265 million for the six months ended June 30, 2018. In addition, the after-tax realized gain/(loss) on net investment hedge contracts settled in the current period recorded in the cumulative translation adjustment section of other comprehensive income was $(7) million for the three months ended June 30, 2019. There were no after-tax gains/(losses) reclassified from accumulated other comprehensive earnings/(losses) into net earnings in the three and six months ended June 30, 2019 and June 30, 2018. We elected to record changes in the fair value of amounts excluded from the assessment of effectiveness in net earnings. Amounts excluded from the assessment of hedge effectiveness were $34 million for the three months and $67 million for the six months ended June 30, 2019 and $33 million for the three months and $50 million for the six months ended June 30, 2018 and were recorded as income in interest and other expense, net. The cash flows from these contracts are reported as other investing activities in the condensed consolidated statement of cash flows.

Non-U.S. dollar debt designated as net investment hedges:
After-tax gains/(losses) related to hedges of net investments in international operations in the form of euro, British pound sterling, Swiss franc and Canadian dollar-denominated debt were recorded within the cumulative translation adjustment section of other comprehensive income and were:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Euro notes	$ (36)	$ 151	$ 22	$ 76
British pound sterling notes	7	21	1	8
Swiss franc notes	(21)	42	(8)	16
Canadian notes	(7)	6	(14)	4

Economic Hedges:
Pre-tax gains/(losses) recorded in net earnings for economic hedges were:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,		Location of Gain/(Loss) Recognized in Earnings
	2019	2018	2019	2018	
	(in millions)				
Currency exchange contracts:					
Intercompany loans and forecasted interest payments	$ (50)	$ 7	$ 11	$ 14	Interest and other expense, net
Forecasted transactions	(25)	72	(20)	65	Cost of sales
Forecasted transactions	(1)	—	(1)	(5)	Interest and other expense, net
Forecasted transactions	(5)	(1)	(5)	(4)	Selling, general and administrative expenses
Commodity contracts	52	(48)	66	101	Cost of sales
Total	$ (29)	$ 30	$ 51	$ 171	

Table of Contents

Note 11. Benefit Plans

Pension Plans

Components of Net Periodic Pension Cost:
Net periodic pension cost consisted of the following:

	U.S. Plans		Non-U.S. Plans	
	For the Three Months Ended June 30,		For the Three Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Service cost	$ 9	$ 10	$ 30	$ 37
Interest cost	15	15	51	50
Expected return on plan assets	(22)	(22)	(101)	(114)
Amortization:				
Net loss from experience differences	5	9	37	42
Prior service cost/(benefit)	1	—	(1)	(1)
Settlement losses and other expenses [1]	4	8	3	—
Net periodic pension cost	$ 12	$ 20	$ 19	$ 14

	U.S. Plans		Non-U.S. Plans	
	For the Six Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Service cost	$ 18	$ 22	$ 61	$ 75
Interest cost	31	30	102	102
Expected return on plan assets	(44)	(44)	(204)	(231)
Amortization:				
Net loss from experience differences	10	20	75	84
Prior service cost/(credit)	1	1	(3)	(1)
Settlement losses and other expenses [1]	8	15	3	—
Net periodic pension cost	$ 24	$ 44	$ 34	$ 29

(1) In connection with our Simplify to Grow Program, settlement losses and other expenses were $5 million for the three and six months ended June 30, 2019 and $3 million for the three and six months ended June 30, 2018. These losses were recorded within benefit plan non-service income on our condensed consolidated statements of earnings.

Employer Contributions:
During the six months ended June 30, 2019, we contributed $4 million to our U.S. pension plans and $131 million to our non-U.S. pension plans, including $74 million to plans in the United Kingdom and Ireland. We make contributions to our pension plans in accordance with local funding arrangements and statutory minimum funding requirements. Discretionary contributions are made to the extent that they are tax deductible and do not generate an excise tax liability.

As of June 30, 2019, over the remainder of 2019, we plan to make further contributions of approximately $1 million to our U.S. plans and approximately $101 million to our non-U.S. plans. Our actual contributions may be different due to many factors, including changes in tax and other benefit laws, significant differences between expected and actual pension asset performance or interest rates.

Multiemployer Pension Plans:
The most individually significant multiemployer plan we participated in prior to the second quarter of 2018 was the Bakery and Confectionery Union and Industry International Pension Fund (the "Fund"). Our obligation to contribute to the Fund arose with respect to 8 collective bargaining agreements covering most of our employees represented by

the Bakery, Confectionery, Tobacco and Grain Millers Union. All of those collective bargaining agreements expired in 2016 and we continued to contribute to the Fund through 2018.

During 2018, we executed a complete withdrawal from the Fund and recorded an estimate of the withdrawal liability. On July 11, 2019, we received a withdrawal liability assessment from the Fund totaling $526 million and requiring pro-rata monthly payments over 20 years. To meet this obligation, we will begin payments during the second half of 2019. Within selling, general and administrative expenses, we recorded a $35 million ($26 million net of tax) adjustment in the three months ended June 30, 2019 and a $408 million ($305 million net of tax) estimated charge in the three months ended June 30, 2018, related to the discounted withdrawal liability. As of June 30, 2019, the discounted withdrawal liability was $396 million, with $22 million recorded in other current liabilities and $374 million recorded in long-term other liabilities.

Postretirement Benefit Plans

Net periodic postretirement health care benefit consisted of the following:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Service cost	$ 2	$ 1	$ 3	$ 3
Interest cost	3	3	7	7
Amortization:				
Net loss from experience differences	1	3	3	7
Prior service credit	(9)	(9)	(19)	(19)
Net periodic postretirement health care benefit	$ (3)	$ (2)	$ (6)	$ (2)

Postemployment Benefit Plans

Net periodic postemployment cost consisted of the following:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Service cost	$ 2	$ 1	$ 3	$ 3
Interest cost	1	1	2	2
Amortization of net gains	—	—	(1)	(1)
Net periodic postemployment cost	$ 3	$ 2	$ 4	$ 4

Note 12. Stock Plans

Stock Options:
Stock option activity is reflected below:

	Shares Subject to Option	Weighted-Average Exercise or Grant Price Per Share	Average Remaining Contractual Term	Aggregate Intrinsic Value
Balance at January 1, 2019	43,818,830	$32.36	5 years	$ 371 million
Annual grant to eligible employees	4,793,570	47.72		
Additional options issued	60,030	51.25		
Total options granted	4,853,600	47.76		
Options exercised [(1)]	(10,842,077)	27.03		$ 235 million
Options canceled	(697,437)	40.51		
Balance at June 30, 2019	37,132,916	35.78	6 years	$ 673 million

(1) Cash received from options exercised was $118 million in the three months and $293 million in the six months ended June 30, 2019. The actual tax benefit realized and recorded in the provision for income taxes for the tax deductions from the option exercises totaled $13 million in the three months and $29 million in the six months ended June 30, 2019.

Performance Share Units and Other Stock-Based Awards:
Our performance share unit, deferred stock unit and historically granted restricted stock activity is reflected below:

	Number of Shares	Grant Date	Weighted-Average Fair Value Per Share [(3)]	Weighted-Average Aggregate Fair Value [(3)]
Balance at January 1, 2019	6,559,010		$42.19	
Annual grant to eligible employees:		Feb 22, 2019		
Performance share units	891,210		57.91	
Deferred stock units	666,880		47.72	
Additional shares granted [(1)]	115,353	Various	55.04	
Total shares granted	1,673,443		53.65	$ 90 million
Vested [(2)]	(1,614,690)		36.61	$ 59 million
Forfeited [(2)]	(356,333)		44.36	
Balance at June 30, 2019	6,261,430		46.56	

(1) Includes performance share units and deferred stock units.
(2) Includes performance share units, deferred stock units and historically granted restricted stock. The actual tax benefit/(expense) realized and recorded in the provision for income taxes for the tax deductions from the shares vested totaled less than $1 million in the three months and $2 million in the six months ended June 30, 2019.
(3) The grant date fair value of performance share units is determined based on the Monte Carlo simulation model for the market-based total shareholder return component and the closing market price of the Company’s stock on the grant date for performance-based components. The Monte Carlo simulation model incorporates the probability of achieving the total shareholder return market condition. Compensation expense is recognized using the grant date fair values regardless of whether the market condition is achieved, so long as the requisite service has been provided.

Share Repurchase Program:
Between 2013 and 2017, our Board of Directors authorized the repurchase of a total of $13.7 billion of our Common Stock through December 31, 2018. On January 31, 2018, our Finance Committee, with authorization delegated from our Board of Directors, approved an increase of $6.0 billion in the share repurchase program, raising the authorization to $19.7 billion of Common Stock repurchases, and extended the program through December 31, 2020. Repurchases under the program are determined by management and are wholly discretionary. Prior to January 1, 2019, we had repurchased $15.0 billion of Common Stock pursuant to this authorization. During the six months ended June 30, 2019, we repurchased approximately 21 million shares of Common Stock at an average cost of $45.84 per share, or an aggregate cost of approximately $1.0 billion, all of which was paid during the period except for approximately $1 million settled in July 2019. All share repurchases were funded through available cash and commercial paper issuances. As of June 30, 2019, we have $3.7 billion in remaining share repurchase capacity.

Note 13. Commitments and Contingencies

Legal Proceedings:
We routinely are involved in legal proceedings, claims and governmental inspections or investigations ("Legal Matters") arising in the ordinary course of our business.

In February 2013 and March 2014, Cadbury India Limited (now known as Mondelez India Foods Private Limited), a subsidiary of Mondelēz International, and other parties received show cause notices from the Indian Central Excise Authority (the "Excise Authority") calling upon the parties to demonstrate why the Excise Authority should not collect a total of 3.7 billion Indian rupees ($54 million as of June 30, 2019) of unpaid excise tax and an equivalent amount of penalties, as well as interest, related to production at the same Indian facility. We contested these demands for unpaid excise taxes, penalties and interest. On March 27, 2015, after several hearings, the Commissioner of the Excise Authority (the "Commissioner") issued an order denying the excise exemption that we claimed for the Indian facility for these periods and confirming the Excise Authority's demands for total taxes and penalties in the amount of 5.8 billion Indian rupees ($85 million as of June 30, 2019) plus accrued interest. We have appealed this order. In addition, the Excise Authority issued additional show cause notices in February 2015, December 2015 and October 2017 on the same issue but covering the periods January-October 2014, November 2014-September 2015 and October 2015-June 2017, respectively. These three notices added a total of 4.9 billion Indian rupees ($70 million as of June 30, 2019) of allegedly unpaid excise taxes subject to penalties up to an equivalent amount plus accrued interest. On May 25, 2019, the Commissioner issued an order denying the excise exemption that we claimed for the Indian facility for these three periods and confirming the Excise Authority's demands for total taxes and penalties in the amount of 9.3 billion Indian rupees ($135 million as of June 30, 2019) plus accrued interest. We plan to appeal this order. Interest will continue to accrue until the matters are resolved. With the implementation of the Goods and Services Tax in India in July 2017, we will not receive any further show cause notices for additional amounts on this issue. We believe that the decision to claim the excise tax benefit is valid and we are continuing to contest the show cause notices through the administrative and judicial process. As part of a continuing appeals process, we may be required to deposit an amount up to the equivalent of the total demand for unpaid excise taxes under the five show cause notices, which will be repaid if the proceedings conclude in our favor. We do not expect to be required to make any such deposit before 2020.

On April 1, 2015, the U.S. Commodity Futures Trading Commission ("CFTC") filed a complaint against Kraft Foods Group and Mondelēz Global LLC ("Mondelēz Global") in the U.S. District Court (the "Court") for the Northern District of Illinois, Eastern Division (the "CFTC action") following its investigation of activities related to the trading of December 2011 wheat futures contracts that occurred prior to the spin-off of Kraft Foods Group. The complaint alleges that Kraft Foods Group and Mondelēz Global (1) manipulated or attempted to manipulate the wheat markets during the fall of 2011; (2) violated position limit levels for wheat futures and (3) engaged in non-competitive trades by trading both sides of exchange-for-physical Chicago Board of Trade wheat contracts. The CFTC seeks civil monetary penalties of either triple the monetary gain for each violation of the Commodity Exchange Act (the "Act") or $1 million for each violation of Section 6(c)(1), 6(c)(3) or 9(a)(2) of the Act and $140,000 for each additional violation of the Act, plus post-judgment interest; an order of permanent injunction prohibiting Kraft Foods Group and Mondelēz Global from violating specified provisions of the Act; disgorgement of profits; and costs and fees. The parties reached an agreement in principle to resolve the CFTC action and were instructed by the Court to submit a proposed consent order reflecting their agreement prior to May 28, 2019. On May 28, 2019, the Court held a hearing and entered an order continuing the matter until July 30, 2019. On July 30, 2019, the Court continued the status hearing until August 13, 2019. Additionally, several class action complaints were filed against Kraft Foods Group and Mondelēz Global in the U.S. District Court for the Northern District of Illinois by investors in wheat futures and options on behalf of themselves and others similarly situated. The complaints make similar allegations as those made in the CFTC action, and the plaintiffs are seeking class action certification; monetary damages, interest and unjust enrichment; costs and fees; and injunctive, declaratory and other unspecified relief. In June 2015, these suits were consolidated in the Northern District of Illinois. We are contesting the plaintiffs' request for class certification. It is not possible to predict the outcome of these matters; however, based on our Separation and Distribution Agreement with Kraft Foods Group dated as of September 27, 2012, we expect to bear any monetary penalties or other payments in connection with the CFTC action. Although the CFTC action and the class action complaints involve the same alleged conduct, a resolution or decision with respect to one of the matters may not be dispositive as to the outcome of the other matter.

On August 21, 2018, the Virginia Department of Environmental Quality ("VDEQ") issued a Notice of Violation ("NOV") to Mondelēz Global. In the NOV, the VDEQ alleges that in our Richmond bakery, one operating line did not have the proper minimum temperature on its pollution control equipment and that the bakery failed to provide certain observation and training records. The VDEQ indicated that the alleged violations may lead to a fine and/or injunctive relief. We are working with the VDEQ to reach a resolution of this matter, and we do not expect this matter to have a material effect on our financial results.

We are a party to various legal proceedings incidental to our business, including those noted above in this section. We record provisions in the consolidated financial statements for pending litigation when we determine that an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. For matters that are reasonably possible to result in an unfavorable outcome, management is unable to estimate the possible loss or range of loss or such amounts have been determined to be immaterial. At present we believe that the ultimate outcome of these proceedings, individually and in the aggregate, will not materially harm our financial position, results of operations or cash flows. However, legal proceedings and government investigations are subject to inherent uncertainties, and unfavorable rulings or other events could occur. Unfavorable resolutions could involve substantial monetary damages. In addition, in matters for which conduct remedies are sought, unfavorable resolutions could include an injunction or other order prohibiting us from selling one or more products at all or in particular ways, precluding particular business practices or requiring other remedies. An unfavorable outcome might result in a material adverse impact on our business, results of operations or financial position.

Third-Party Guarantees:
We enter into third-party guarantees primarily to cover long-term obligations of our vendors. As part of these transactions, we guarantee that third parties will make contractual payments or achieve performance measures. At June 30, 2019, we had no material third-party guarantees recorded on our condensed consolidated balance sheet.

Tax Matters:
We are a party to various tax matter proceedings incidental to our business. These proceedings are subject to inherent uncertainties, and unfavorable outcomes could subject us to additional tax liabilities and could materially adversely impact our business, results of operations or financial position.

A tax indemnification matter related to our 2007 acquisition of the *LU* biscuit business was closed during the quarter ended June 30, 2018. The closure had no impact on net earnings, however, it did result in a $15 million tax benefit that was fully offset by an $11 million expense in selling, general and administrative expenses and a $4 million expense in interest and other expense, net.

Note 14. Reclassifications from Accumulated Other Comprehensive Income

The following table summarizes the changes in the accumulated balances of each component of accumulated other comprehensive earnings/(losses) attributable to Mondelēz International. Amounts reclassified from accumulated other comprehensive earnings/(losses) to net earnings (net of tax) were net losses of $59 million in the second quarter of 2019 and $45 million in the second quarter of 2018 and $88 million in the first six months of 2019 and $72 million in the first six months of 2018.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Currency Translation Adjustments:				
Balance at beginning of period	$ (8,412)	$ (7,545)	$ (8,603)	$ (7,740)
Currency translation adjustments	(32)	(720)	136	(557)
Tax (expense)/benefit	(1)	(156)	21	(109)
Other comprehensive earnings/(losses)	(33)	(876)	157	(666)
Less: (earnings)/loss attributable to noncontrolling interests	(2)	12	(1)	(3)
Balance at end of period	(8,447)	(8,409)	(8,447)	(8,409)
Pension and Other Benefit Plans:				
Balance at beginning of period	$ (1,850)	$ (2,150)	$ (1,860)	$ (2,144)
Net actuarial gain/(loss) arising during period	1	38	(23)	45
Tax (expense)/benefit on net actuarial gain/(loss)	1	(9)	7	(9)
Losses/(gains) reclassified into net earnings:				
Amortization of experience losses and prior service costs (1)	34	44	66	91
Settlement losses and other expenses (1)	24	8	28	15
Tax expense/(benefit) on reclassifications (2)	(11)	(12)	(18)	(25)
Currency impact	5	100	4	46
Other comprehensive earnings/(losses)	54	169	64	163
Balance at end of period	(1,796)	(1,981)	(1,796)	(1,981)
Derivative Cash Flow Hedges:				
Balance at beginning of period	$ (236)	$ (159)	$ (167)	$ (113)
Net derivative gains/(losses)	(86)	17	(163)	(12)
Tax (expense)/benefit on net derivative gain/(loss)	11	(4)	19	(4)
Losses/(gains) reclassified into net earnings:				
Interest rate contracts (3)	12	7	12	(11)
Tax expense/(benefit) on reclassifications (2)	—	(2)	—	2
Currency impact	1	8	1	5
Other comprehensive earnings/(losses)	(62)	26	(131)	(20)
Balance at end of period	(298)	(133)	(298)	(133)
Accumulated other comprehensive income attributable to Mondelēz International:				
Balance at beginning of period	$ (10,498)	$ (9,854)	$ (10,630)	$ (9,997)
Total other comprehensive earnings/(losses)	(41)	(681)	90	(523)
Less: (earnings)/loss attributable to noncontrolling interests	(2)	12	(1)	(3)
Other comprehensive earnings/(losses) attributable to Mondelēz International	(43)	(669)	89	(526)
Balance at end of period	$ (10,541)	$ (10,523)	$ (10,541)	$ (10,523)

(1) These reclassified losses are included in the components of net periodic benefit costs disclosed in Note 11, *Benefit Plans*, and net loss on equity method investment transactions.
(2) Taxes reclassified to earnings are recorded within the provision for income taxes.
(3) These reclassified gains or losses are recorded within interest and other expense, net and net loss on equity method investment transactions.

Note 15. Income Taxes

As of the second quarter of 2019, our estimated annual effective tax rate, which excludes discrete tax impacts, was 25.5%. This rate reflected the impact of unfavorable foreign provisions under U.S. tax laws and our tax related to earnings from equity method investments (the earnings are reported separately on our statement of earnings and thus not included in earnings before income taxes), partially offset by favorable impacts from the mix of pre-tax income in various non-U.S. jurisdictions. Our 2019 second quarter effective tax rate of 23.1% was impacted by a discrete net tax benefit of $8 million. The discrete net tax benefit primarily consisted of a $24 million net benefit from the release of uncertain tax positions due to the expirations of statutes of limitations and audit settlements in several jurisdictions, partially offset by $15 million expense from U.S. state legislative changes. Our effective tax rate for the six months ended June 30, 2019 of 21.2% was favorably impacted by discrete net tax benefits of $71 million, primarily driven by a $84 million net benefit from the release of liabilities for uncertain tax positions due to expirations of statutes of limitations and audit settlements in several jurisdictions.

As of the second quarter of 2018, our estimated annual effective tax rate, which excluded discrete tax impacts, was 21.9%. This rate reflected our tax related to earnings from equity method investments (the earnings are reported separately on our statement of earnings and thus not included in earnings before income taxes), partially offset by favorable impacts from the mix of pre-tax income in various non-U.S. jurisdictions. Our 2018 second quarter effective tax rate of 6.0% was favorably impacted by a discrete net tax benefit of $32 million. The discrete net tax benefit primarily consisted of a $27 million net benefit from the release of uncertain tax positions due to expirations of statutes of limitations and audit settlements in several jurisdictions. Our effective tax rate for the six months ended June 30, 2018 of 25.1% was unfavorably impacted by net tax expense of $41 million from discrete one-time events. The discrete net tax expense primarily consisted of $86 million of additional transition tax liability recognized as an adjustment to the prior provisional estimate, offset by a $43 million net benefit from the release of uncertain tax positions due to expirations of statutes of limitations and audit settlements in various jurisdictions and a $22 million benefit from Argentinean refund claims.

Note 16. Earnings per Share

Basic and diluted earnings per share ("EPS") were calculated as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions, except per share data)			
Net earnings	$ 808	$ 320	$ 1,728	$ 1,372
Noncontrolling interest earnings	(1)	(2)	(7)	(8)
Net earnings attributable to Mondelēz International	$ 807	$ 318	$ 1,721	$ 1,364
Weighted-average shares for basic EPS	1,445	1,475	1,447	1,482
Plus incremental shares from assumed conversions of stock options and long-term incentive plan shares	13	13	13	14
Weighted-average shares for diluted EPS	1,458	1,488	1,460	1,496
Basic earnings per share attributable to Mondelēz International	$ 0.56	$ 0.22	$ 1.19	$ 0.92
Diluted earnings per share attributable to Mondelēz International	$ 0.55	$ 0.21	$ 1.18	$ 0.91

We exclude antidilutive Mondelēz International stock options from our calculation of weighted-average shares for diluted EPS. We excluded antidilutive stock options of 4.2 million in the second quarter of 2019 and 12.7 million in the second quarter of 2018 and 7.3 million in the first six months of 2019 and 11.2 million in the first six months of 2018.

Note 17. Segment Reporting

We manufacture and market primarily snack food products, including biscuits (cookies, crackers and salted snacks), chocolate, gum & candy and various cheese & grocery products, as well as powdered beverage products.

We manage our global business and report operating results through geographic units. We manage our operations by region to leverage regional operating scale, manage different and changing business environments more effectively and pursue growth opportunities as they arise across our key markets. Our regional management teams have responsibility for the business, product categories and financial results in the regions.

Our operations and management structure are organized into four operating segments:

- Latin America
- AMEA
- Europe
- North America

We use segment operating income to evaluate segment performance and allocate resources. We believe it is appropriate to disclose this measure to help investors analyze segment performance and trends. Segment operating income excludes unrealized gains and losses on hedging activities (which are a component of cost of sales), general corporate expenses (which are a component of selling, general and administrative expenses) and amortization of intangibles, gains and losses on divestitures and acquisition-related costs (which are a component of selling, general and administrative expenses) in all periods presented. We exclude these items from segment operating income in order to provide better transparency of our segment operating results. Furthermore, we centrally manage benefit plan non-service income and interest and other expense, net. Accordingly, we do not present these items by segment because they are excluded from the segment profitability measure that management reviews.

Our segment net revenues and earnings were:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Net revenues:				
Latin America	$ 737	$ 774	$ 1,537	$ 1,665
AMEA	1,352	1,360	2,893	2,902
Europe	2,247	2,303	4,798	5,009
North America	1,726	1,675	3,372	3,301
Net revenues	$ 6,062	$ 6,112	$ 12,600	$ 12,877
Earnings before income taxes:				
Operating income:				
Latin America	$ 68	$ 92	$ 166	$ 218
AMEA	191	177	447	405
Europe	408	367	908	864
North America	407	(95)	726	180
Unrealized gains on hedging activities (mark-to-market impacts)	33	88	49	294
General corporate expenses	(79)	(91)	(188)	(155)
Amortization of intangibles	(43)	(44)	(87)	(88)
Net gain on divestitures	41	—	41	—
Acquisition-related costs	(1)	(13)	(1)	(13)
Operating income	1,025	481	2,061	1,705
Benefit plan non-service income	12	15	29	28
Interest and other expense, net	(101)	(248)	(181)	(328)
Earnings before income taxes	$ 936	$ 248	$ 1,909	$ 1,405

Items impacting our segment operating results are discussed in Note 1, *Basis of Presentation*, Note 2, *Divestitures and Acquisitions,* Note 4, *Property, Plant and Equipment,* Note 6, *Goodwill and Intangible Assets,* Note 8, *Restructuring Program*, and Note 13, *Commitments and Contingencies*. Also see Note 9, *Debt and Borrowing*

Arrangements, and Note 10, *Financial Instruments,* for more information on our interest and other expense, net for each period.

Net revenues by product category were:

	For the Three Months Ended June 30, 2019				
	Latin America	AMEA	Europe	North America	Total
	(in millions)				
Biscuits	$ 186	$ 405	$ 767	$ 1,451	$ 2,809
Chocolate	157	438	1,006	42	1,643
Gum & Candy	209	224	181	233	847
Beverages	108	169	20	—	297
Cheese & Grocery	77	116	273	—	466
Total net revenues	$ 737	$ 1,352	$ 2,247	$ 1,726	$ 6,062

	For the Three Months Ended June 30, 2018				
	Latin America	AMEA	Europe	North America	Total
	(in millions)				
Biscuits	$ 192	$ 387	$ 810	$ 1,403	$ 2,792
Chocolate	161	440	1,003	46	1,650
Gum & Candy	224	236	200	226	886
Beverages	116	173	19	—	308
Cheese & Grocery	81	124	271	—	476
Total net revenues	$ 774	$ 1,360	$ 2,303	$ 1,675	$ 6,112

	For the Six Months Ended June 30, 2019				
	Latin America	AMEA	Europe	North America	Total
	(in millions)				
Biscuits	$ 356	$ 866	$ 1,501	$ 2,823	$ 5,546
Chocolate	387	995	2,366	101	3,849
Gum & Candy	409	449	354	448	1,660
Beverages	231	341	46	—	618
Cheese & Grocery	154	242	531	—	927
Total net revenues	$ 1,537	$ 2,893	$ 4,798	$ 3,372	$ 12,600

	For the Six Months Ended June 30, 2018				
	Latin America	AMEA	Europe	North America	Total
	(in millions)				
Biscuits	$ 375	$ 829	$ 1,605	$ 2,736	$ 5,545
Chocolate	404	1,013	2,426	103	3,946
Gum & Candy	448	471	386	462	1,767
Beverages	277	345	47	—	669
Cheese & Grocery	161	244	545	—	950
Total net revenues	$ 1,665	$ 2,902	$ 5,009	$ 3,301	$ 12,877

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Description of the Company

We make and sell primarily snacks, including biscuits (cookies, crackers and salted snacks), chocolate, gum & candy as well as various cheese & grocery and powdered beverage products. We have operations in more than 80 countries and sell our products in over 150 countries.

We aim to be the global leader in snacking. Our strategy is to drive long-term growth by focusing on three strategic priorities: accelerating consumer-centric growth, driving operational excellence and creating a winning growth culture. We believe the successful implementation of our strategic priorities and our leveraging our strong foundation of iconic global and local brands, an attractive global footprint, and deep innovation, marketing and distribution capabilities will drive top- and bottom-line growth, enabling us to continue to create long-term value for our shareholders.

Recent Developments and Significant Items Affecting Comparability

Multiemployer Pension Plan Withdrawal

The most individually significant multiemployer plan we participated in prior to the second quarter of 2018 was the Bakery and Confectionery Union and Industry International Pension Fund (the "Fund"). Our obligation to contribute to the Fund arose with respect to 8 collective bargaining agreements covering most of our employees represented by the Bakery, Confectionery, Tobacco and Grain Millers Union. All of those collective bargaining agreements expired in 2016 and we continued to contribute to the Fund through 2018.

During 2018, we executed a complete withdrawal from the Fund and recorded an estimate of the withdrawal liability. On July 11, 2019, we received a withdrawal liability assessment from the Fund totaling $526 million and requiring pro-rata monthly payments over 20 years. To meet this obligation, we will begin payments during the second half of 2019. Within selling, general and administrative expenses, we recorded a $35 million ($26 million net of tax) adjustment in the three months ended June 30, 2019 and a $408 million ($305 million net of tax) estimated charge in the three months ended June 30, 2018, related to the discounted withdrawal liability, which as of June 30, 2019 was $396 million.

Adoption of New Lease Accounting Standard

As further described in Note 1, *Basis of Presentation*, we adopted the new lease accounting standard on January 1, 2019. The impact of adopting the standard included the initial recognition as of January 1, 2019, of $710 million of lease-related assets and $730 million of lease-related liabilities on our condensed consolidated balance sheet. The transition method we elected for adoption requires a cumulative effect adjustment to retained earnings as of January 1, 2019, which was not material.

Keurig Dr Pepper Transaction

On July 9, 2018, Keurig Green Mountain, Inc. ("Keurig") closed on its definitive merger agreement with Dr Pepper Snapple Group, Inc., and formed Keurig Dr Pepper Inc. (NYSE: "KDP"), a publicly traded company. Following the close of the transaction, our 24.2% investment in Keurig together with our shareholder loan receivable became a 13.8% investment in KDP. During the fourth quarter of 2018, KDP finalized its opening balance sheet and we recorded a preliminary pre-tax gain of $778 million reported as a gain on equity method transaction and $192 million of deferred tax expense reported in the provision for income taxes (or $586 million after-tax gain) related to the change in our ownership interest. Also, during the first quarter of 2019, we recognized a $23 million pre-tax gain related to the impact of a KDP acquisition that decreased our ownership interest from 13.8% to 13.6%. In connection with the KDP transaction in the third quarter of 2018, we changed our accounting principle to reflect our share of Keurig's historical and KDP's ongoing earnings on a one-quarter lag basis while we continue to record dividends when cash is received. We determined a lag was preferable as it enables us to continue to report our quarterly and annual results on a timely basis and to record our share of KDP's ongoing results once KDP has publicly reported its results. This change in accounting principle was applied retrospectively to all periods. While our operating income did not change, equity method investment net earnings, net earnings and earnings per share have been adjusted to reflect the lag across all reported periods. Refer to Note 7, *Equity Method Investments*, for additional information.

U.S. Tax Reform

On December 22, 2017, the United States enacted tax reform legislation that included a broad range of business tax provisions, including but not limited to a reduction in the U.S. federal tax rate from 35% to 21%, as well as provisions that limit or eliminate various deductions or credits. The legislation causes U.S. allocated expenses (e.g. interest and general administrative expenses) to be taxed and imposes a new tax on U.S. cross-border payments. Furthermore, the legislation includes a one-time transition tax on accumulated foreign earnings and profits. While clarifying guidance was issued by the Internal Revenue Service ("IRS") during 2018, further tax legislative guidance is expected during 2019.

Our estimated annual effective tax rate for 2019 is 25.5%, which includes the new provisions of the legislation but excludes discrete tax items such as the impacts of expirations of statutes of limitations and audit settlements. Refer to Note 15, *Income Taxes*, for more information on our current year estimated annual effective tax rate and to our Annual Report on Form 10-K for the year ended December 31, 2018 for more information on the impact of U.S. tax reform.

Summary of Results

- Net revenues decreased 0.8% to $6.1 billion in the second quarter of 2019 and decreased 2.2% to $12.6 billion in the first six months of 2019 as compared to the same periods in the prior year. During the second quarter and the first six months of 2019, net revenues were negatively impacted by unfavorable currency translation, as the U.S. dollars strengthened against several currencies in which we operate compared to exchange rates in the prior year, and the May 28, 2019 divestiture of most of our cheese business in the Middle East and Africa. These unfavorable items were partially offset by the impact of higher net pricing and favorable volume/mix as well as our June 7, 2018 acquisition of a U.S. premium biscuit company, Tate's Bake Shop.
- Organic Net Revenue, a non-GAAP financial measure, increased 4.6% to $6.4 billion in the second quarter of 2019 and increased 4.1% to $13.3 billion in the first six months of 2019 as compared to same periods in the prior year. During the second quarter and the first six months of 2019, Organic Net Revenue grew due to higher net pricing and favorable volume/mix. Refer to our *Discussion and Analysis of Historical Results,* including the *Results of Operations by Reportable Segment* for additional information. Organic Net Revenue is on a constant currency basis and excludes revenue from acquisitions and divestitures. We use Organic Net Revenue as it provides improved year-over-year comparability of our underlying operating results (see the definition of Organic Net Revenue and our reconciliation with net revenues within *Non-GAAP Financial Measures* appearing later in this section).
- Diluted EPS attributable to Mondelēz International increased 161.9% to $0.55 in the second quarter of 2019 and increased 29.7% to $1.18 in the first six months of 2019 as compared to the same periods in the prior year. The diluted EPS increase in the second quarter of 2019 was primarily driven by lapping the prior-year impact from pension participation changes, lapping the prior-year loss on debt extinguishment, lower Simplify to Grow program costs, a gain on a divestiture in the second quarter of 2019, an increase in equity method investment earnings, a benefit from current-year pension participation changes and operating gains, partially offset by unfavorable year-over-year change in mark-to-market impacts from currency and commodity derivatives and unfavorable currency translation. The diluted EPS increase during the first six months of 2019 was primarily driven by lapping the prior-year impact from pension participation changes, lower Simplify to Grow program costs, lapping the prior-year loss on debt extinguishment, lapping the prior-year U.S. tax reform discrete net tax expense, operating gains, an increase in equity method investment earnings, fewer shares outstanding and a benefit from current-year pension participation changes, partially offset by unfavorable year-over-year change in mark-to-market impacts from currency and commodity derivatives and unfavorable currency translation.
- Adjusted EPS, a non-GAAP financial measure, increased 3.6% to $0.57 in the second quarter of 2019 and increased 4.3% to $1.22 in the first six months of 2019 as compared to the same periods in the prior year. On a constant currency basis, Adjusted EPS increased 9.1% to $0.60 in the second quarter of 2019 and increased 12.0% to $1.31 in the first six months of 2019 as compared to the same periods in the prior year. For the second quarter of 2019, an increase in equity method investment earnings, operating gains and lower shares outstanding were significant drivers of growth. For the first six months of 2019, operating gains, an increase in equity method investment earnings, fewer shares outstanding, lower taxes and lower interest drove the growth. Adjusted EPS and Adjusted EPS on a constant currency basis are non-GAAP financial measures. We use these measures as they provide improved year-over-year comparability

of our underlying results (see the definition of Adjusted EPS and our reconciliation with diluted EPS within *Non-GAAP Financial Measures* appearing later in this section).

Financial Outlook

We seek to achieve profitable, long-term growth and manage our business to attain this goal using our key operating metrics: Organic Net Revenue, Adjusted Operating Income and Adjusted EPS. We use these non-GAAP financial metrics and related computations, such as margins, internally to evaluate and manage our business and to plan and make near- and long-term operating and strategic decisions. As such, we believe these metrics are useful to investors as they provide supplemental information in addition to our U.S. GAAP financial results. We believe providing investors with the same financial information that we use internally ensures that investors have the same data to make comparisons of our historical operating results, identify trends in our underlying operating results and gain additional insight and transparency on how we evaluate our business. We believe our non-GAAP financial measures should always be considered in relation to our GAAP results, and we provided reconciliations between our GAAP and non-GAAP financial measures in *Non-GAAP Financial Measures,* which appears later in this section.

In addition to monitoring our key operating metrics, we monitor developments and trends that could impact our revenue and profitability objectives, similar to those we highlighted in our most recently filed Annual Report on Form 10-K for the year ended December 31, 2018 and discussed in our footnotes to our financial statements.

- *Market conditions.* Snack categories continued to grow in the second quarter of 2019. Volatility in the global currency and commodity markets also continued.
- *Brexit. W*e continue to monitor the U.K. planned exit from the European Union ("Brexit"), the deadline for which has been extended through October 31, 2019. We continue to take protective measures in response to the potential impacts on our results of operations and financial condition. Our exposure to disruptions to our supply chain, the imposition of tariffs and currency devaluation in the United Kingdom could result in a material impact to our consolidated revenue, earnings and cash flow. In the six months ended June 30, 2019, we generated 8.4% of our consolidated net revenues in the United Kingdom, and our supply chain in this market relies on imports of raw and packaging materials as well as finished goods. Following the Brexit vote in June 2016, there was significant volatility in the global stock markets and currency exchange rates. The value of the British pound sterling relative to the U.S. dollar declined significantly and negatively affected our translated results reported in U.S. dollars. The volatility in foreign currencies and other markets is expected to continue as the United Kingdom executes its exit from the European Union. If the U.K.'s membership in the European Union terminates without an agreement, there could be increased costs from re-imposition of tariffs on trade between the United Kingdom and European Union, shipping delays because of the need for customs inspections and procedures and shortages of certain goods. The United Kingdom will also need to negotiate its own tax and trade treaties with countries all over the world, which could take years to complete. If the ultimate terms of the U.K.'s separation from the European Union negatively impact the U.K. economy or result in disruptions to sales or our supply chain, the impact to our results of operations and financial condition could be material. We have taken measures to increase our resources in customer service & logistics together with increasing our inventory levels of imported raw materials, packaging and finished goods in the United Kingdom to help us manage through the Brexit transition and the inherent risks. Resulting impacts and market volatility can vary significantly depending on the final terms of the U.K.'s exit agreement from the European Union.
- *Collective bargaining agreements*. In the fourth quarter of 2018, we executed a complete withdrawal from the Fund and recorded an estimate of the withdrawal liability. On July 11, 2019, we received a withdrawal liability assessment from the Fund totaling $526 million and requiring pro-rata monthly payments over 20 years. To meet this obligation, we will begin payments during the second half of 2019. As of June 30, 2019, our discounted withdrawal liability was $396 million, with $22 million payable in the next twelve months.
- *U.S. tax reform*. While the 2017 U.S. tax reform reduced the U.S. corporate tax rate and included some beneficial provisions, other provisions have, and in the future will have, an adverse effect on our results. We continue to evaluate the impacts as additional guidance on implementing the legislation becomes available.
- *Argentina*. As further discussed in Note 1, *Basis of Presentation – Currency Translation and Highly Inflationary Accounting, o*n July 1, 2018, we began to apply highly inflationary accounting for our Argentinian subsidiaries. We recorded a remeasurement loss of $1 million during the six months ended June 30, 2019 related to the revaluation of our Argentinian peso denominated net monetary position. The mix of monetary assets and liabilities and the exchange rate to convert Argentinian pesos to U.S. dollars could change over time, so it is difficult to predict the overall impact of the Argentina highly inflationary accounting on future net earnings.

Table of Contents

Discussion and Analysis of Historical Results

Items Affecting Comparability of Financial Results

The following table includes significant income or (expense) items that affected the comparability of our results of operations and our effective tax rates. Please refer to the notes to the condensed consolidated financial statements indicated below for more information. Refer also to the *Consolidated Results of Operations – Net Earnings and Earnings per Share Attributable to Mondelēz International* table for the after-tax per share impacts of these items.

		For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	See Note	2019	2018	2019	2018
		(in millions, except percentages)			
Net loss on equity method investment transactions	Note 7	$ (25)	$ —	$ (2)	$ —
Simplify to Grow Program	Note 8				
Restructuring charges		(20)	(112)	(40)	(164)
Implementation charges		(68)	(70)	(118)	(132)
(Loss)/gain related to interest rate swaps	Note 9 & 10	—	(5)	—	9
Loss on debt extinguishment	Note 9	—	(140)	—	(140)
Remeasurement of net monetary position	Note 1	1	—	(1)	—
CEO transition remuneration [(1)]		(3)	(10)	(6)	(14)
Acquisition and divestiture-related costs					
Acquisition-related costs		(1)	(13)	(1)	(13)
Acquisition integration costs		—	(2)	—	(3)
Net gain on divestiture		41	—	41	—
Divestiture-related costs		(11)	—	(10)	3
Mark-to-market gains from derivatives	Note 10	33	88	49	294
Impact from resolution of tax matters	Note 13	—	(15)	—	(15)
Impact from pension participation changes	Note 11	35	(408)	35	(408)
Equity method investee acquisition-related and other adjustments [(2)]		15	7	32	(106)
U.S. tax reform discrete net tax impacts	Note 15	(1)	2	(2)	(87)
Effective tax rate	Note 15	23.1%	6.0%	21.2%	25.1%

(1) Please see the *Non-GAAP Financial Measures* section at the end of this item for additional information.
(2) Amount for the six months ended June 30, 2018 primarily relates to a deferred tax benefit Keurig recorded as a result of U.S. tax reform.

Consolidated Results of Operations

The following discussion compares our consolidated results of operations for the three and six months ended June 30, 2019 and 2018.

Three Months Ended June 30:

	For the Three Months Ended June 30, 2019	For the Three Months Ended June 30, 2018	$ change	% change
	(in millions, except per share data)			
Net revenues	$ 6,062	$ 6,112	$ (50)	(0.8)%
Operating income	1,025	481	544	113.1 %
Net earnings attributable to Mondelēz International	807	318	489	153.8 %
Diluted earnings per share attributable to Mondelēz International	0.55	0.21	0.34	161.9 %

Net Revenues – Net revenues decreased $50 million (0.8%) to $6,062 million in the second quarter of 2019, and Organic Net Revenue [(1)] increased $278 million (4.6%) to $6,358 million. Emerging markets net revenues decreased 1.6%, including an unfavorable currency impact, and emerging markets Organic Net Revenue increased 7.6%. The underlying changes in net revenues and Organic Net Revenue are detailed below:

	2019
Change in net revenues (by percentage point)	
Total change in net revenues	**(0.8)%**
Add back the following items affecting comparability:	
Unfavorable currency	5.5 pp
Impact of divestiture	0.1 pp
Impact of acquisition	(0.2)pp
Total change in Organic Net Revenue [(1)]	**4.6 %**
Higher net pricing	3.0 pp
Favorable volume/mix	1.6 pp

(1) Please see the *Non-GAAP Financial Measures* section at the end of this item.

Net revenue decrease of 0.8% was driven by unfavorable currency and the impact of a divestiture, partially offset by our underlying Organic Net Revenue growth of 4.6% and the impact of an acquisition. Unfavorable currency impacts decreased net revenues by $333 million, due primarily to the strength of the U.S. dollar relative to most currencies, including the Argentinian peso, euro, British sterling pound, Brazilian real, Chinese yuan, Australian dollar and Turkish lira. The impact of the divestiture of most of our cheese business in the Middle East and Africa on May 28, 2019 resulted in a year-over-year decline in net revenues of $10 million. Our underlying Organic Net Revenue growth was driven by higher net pricing and favorable volume/mix. Net pricing was up, which includes the benefit of carryover pricing from 2018 as well as the effects of input cost-driven pricing actions taken during 2019. Higher net pricing was reflected in all regions. Favorable volume/mix was reflected in Europe and AMEA, partially offset by unfavorable volume/mix in North America and Latin America. The June 7, 2018 acquisition of a U.S. premium biscuit company, Tate's Bake Shop, added net revenues of $15 million in the second quarter of 2019. Refer to Note 2, *Divestitures and Acquisitions,* for additional information.

Operating Income – Operating income increased $544 million (113.1%) to $1,025 million in the second quarter of 2019, Adjusted Operating Income [(1)] decreased $8 million (0.8%) to $1,008 million and Adjusted Operating Income on a constant currency basis [(1)] increased $41 million (4.0%) to $1,057 million due to the following:

	Operating Income	% Change
	(in millions)	
Operating Income for the Three Months Ended June 30, 2018	**$ 481**	
Simplify to Grow Program [(2)]	179	
Mark-to-market gains from derivatives [(3)]	(88)	
Acquisition integration costs [(4)]	2	
Acquisition-related costs [(5)]	13	
Operating income from divestiture [(5)]	(2)	
Impact from pension participation changes [(6)]	408	
Impact from resolution of tax matters [(7)]	11	
CEO transition remuneration [(1)]	10	
Other/rounding	2	
Adjusted Operating Income [(1)] for the Three Months Ended June 30, 2018	**$ 1,016**	
Higher net pricing	180	
Higher input costs	(116)	
Favorable volume/mix	35	
Higher selling, general and administrative expenses	(57)	
Impact from acquisition [(5)]	1	
VAT-related expense	(2)	
Total change in Adjusted Operating Income (constant currency) [(1)]	**41**	**4.0 %**
Unfavorable currency translation	(49)	
Total change in Adjusted Operating Income [(1)]	**(8)**	**(0.8)%**
Adjusted Operating Income [(1)] for the Three Months Ended June 30, 2019	**$ 1,008**	
Simplify to Grow Program [(2)]	(83)	
Mark-to-market gains from derivatives [(3)]	33	
Acquisition-related costs	(1)	
Divestiture-related costs [(5)]	(11)	
Operating income from divestiture [(5)]	5	
Net gain on divestiture [(5)]	41	
Remeasurement of net monetary position [(8)]	1	
Impact from pension participation changes [(6)]	35	
CEO transition remuneration [(1)]	(3)	
Operating Income for the Three Months Ended June 30, 2019	**$ 1,025**	**113.1 %**

(1) Refer to the *Non-GAAP Financial Measures* section at the end of this item.
(2) Refer to Note 8, *Restructuring Program,* for more information.
(3) Refer to Note 10, *Financial Instruments*, Note 17, *Segment Reporting*, and *Non-GAAP Financial Measures* section at the end of this item for more information on the unrealized gains/losses on commodity and forecasted currency transaction derivatives.
(4) Refer to our Annual Report on Form 10-K for the year ended December 31, 2018 for more information on the acquisition of a biscuit business in Vietnam.
(5) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the May 28, 2019 divestiture of most of our cheese business in the Middle East and Africa and the June 7, 2018 acquisition of Tate's Bake Shop.
(6) Refer to Note 11, *Benefit Plans*, for more information.
(7) Refer to Note 13, *Commitments and Contingencies – Tax Matters*, for more information.
(8) Refer to Note 1, *Basis of Presentation – Currency Translation and Highly Inflationary Accounting*, for information on our application of highly inflationary accounting for Argentina.

During the second quarter of 2019, we realized higher net pricing, which was partially offset by increased input costs. Higher net pricing, which included the carryover impact of pricing actions taken in 2018 as well as the effects of input cost-driven pricing actions taken during 2019, was reflected across all regions. The increase in input costs was driven by higher raw material costs, partially offset by lower manufacturing costs due to productivity efforts. Higher raw material costs were in part due to higher currency exchange transaction costs on imported materials as well as higher packaging, dairy, grains and energy costs. Favorable volume/mix was driven by Europe, Latin America and AMEA, which was partially offset by unfavorable volume/mix in North America.

Total selling, general and administrative expenses decreased $477 million from the second quarter of 2018, due to a number of factors noted in the table above, including in part, the lapping of the prior-year impact from pension participation changes, favorable currency impact, benefit from current-year pension participation changes, lower acquisition-related costs, lower CEO transition remuneration and lower implementation costs incurred for the Simplify to Grow program, partially offset by the impact of an acquisition. Excluding these factors, selling, general and administrative expenses increased $57 million from the second quarter of 2018. The increase was driven by higher advertising and consumer promotion costs, partially offset by lower overhead costs due to cost reduction efforts.

Unfavorable currency changes decreased operating income by $49 million due primarily to the strength of the U.S. dollar relative to most currencies, including the euro, Argentinian peso and British pound sterling.

Operating income margin increased from 7.9% in the second quarter of 2018 to 16.9% in the second quarter of 2019. The increase in operating income margin was driven primarily by the lapping of the prior-year impact from pension participation changes, lower Simplify to Grow Program costs, a gain on divestiture, benefit from current-year pension participation changes and lower acquisition-related costs, partially offset by the year-over-year unfavorable change in mark-to-market gains/(losses) from currency and commodity hedging activities and current-year divestiture-related costs. Adjusted Operating Income margin for the second quarter of 2019 was flat to the second quarter of 2018 at 16.7%. Adjusted Operating Income margin was unchanged as higher net pricing, lower manufacturing costs and overhead leverage were offset by higher raw material costs and higher advertising and consumer promotion costs.

Table of Contents

Net Earnings and Earnings per Share Attributable to Mondelēz International – Net earnings attributable to Mondelēz International of $807 million increased by $489 million (153.8%) in the second quarter of 2019. Diluted EPS attributable to Mondelēz International was $0.55 in the second quarter of 2019, up $0.34 (161.9%) from the second quarter of 2018. Adjusted EPS (1) was $0.57 in the second quarter of 2019, up $0.02 (3.6%) from the second quarter of 2018. Adjusted EPS on a constant currency basis (1) was $0.60 in the second quarter of 2019, up $0.05 (9.1%) from the second quarter of 2018.

		Diluted EPS
Diluted EPS Attributable to Mondelēz International for the Three Months Ended June 30, 2018	**$**	**0.21**
Simplify to Grow Program (2)		0.09
Mark-to-market gains from derivatives (2)		(0.05)
Acquisition integration costs (2)		—
Acquisition-related costs (2)		0.01
Net earnings from divestiture (2)		—
Impact from pension participation changes (2)		0.20
Impact from resolution of tax matters (2)		—
CEO transition remuneration (2)		0.01
Loss on debt extinguishment (3)		0.07
Equity method investee acquisition-related and other adjustments (4)		0.01
Adjusted EPS (1) for the Three Months Ended June 30, 2018	**$**	**0.55**
Increase in operations		0.02
Increase in equity method investment net earnings		0.03
Changes in income taxes (5)		(0.01)
Changes in shares outstanding (6)		0.01
Adjusted EPS (constant currency) (1) for the Three Months Ended June 30, 2019	**$**	**0.60**
Unfavorable currency translation		(0.03)
Adjusted EPS (1) for the Three Months Ended June 30, 2019	**$**	**0.57**
Simplify to Grow Program (2)		(0.05)
Mark-to-market gains from derivatives (2)		0.02
Acquisition-related costs (2)		—
Divestiture-related costs (2)		(0.01)
Net earnings from divestiture (2)		—
Net gain on divestiture (2)		0.03
Remeasurement of net monetary position (2)		—
Impact from pension participation changes (2)		0.02
CEO transition remuneration (2)		—
Net loss on equity method investment transactions (7)		(0.02)
Equity method investee acquisition-related and other adjustments (4)		(0.01)
Diluted EPS Attributable to Mondelēz International for the Three Months Ended June 30, 2019	**$**	**0.55**

(1) Refer to the *Non-GAAP Financial Measures* section appearing later in this section.
(2) See the *Operating Income* table above and the related footnotes for more information.
(3) Refer to Note 9, *Debt and Borrowing Arrangements*, for more information on losses on debt extinguishment.
(4) Includes our proportionate share of unusual or infrequent items, such as acquisition and divestiture-related costs, restructuring program costs and discrete U.S. tax reform impacts recorded by our JDE and Keurig equity method investees.
(5) Refer to Note 15, *Income Taxes*, for more information on the items affecting income taxes.
(6) Refer to Note 12, *Stock Plans*, for more information on our equity compensation programs and share repurchase program and Note 16, *Earnings per Share*, for earnings per share weighted-average share information.
(7) Refer to Note 7, *Equity Method Investments*, for more information on the net loss on equity method investment transactions.

Six Months Ended June 30:

	For the Six Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions, except per share data)			
Net revenues	$ 12,600	$ 12,877	$ (277)	(2.2)%
Operating income	2,061	1,705	356	20.9 %
Net earnings attributable to Mondelēz International	1,721	1,364	357	26.2 %
Diluted earnings per share attributable to Mondelēz International	1.18	0.91	0.27	29.7 %

Net Revenues – Net revenues decreased $277 million (2.2%) to $12,600 million in the first six months of 2019, and Organic Net Revenue [(1)] increased $527 million (4.1%) to $13,341 million. Emerging markets net revenues decreased 2.4%, including an unfavorable currency impact, and emerging markets Organic Net Revenue increased 8.0%. The underlying changes in net revenues and Organic Net Revenue are detailed below:

	2019
Change in net revenues (by percentage point)	
Total change in net revenues	**(2.2)%**
Add back the following items affecting comparability:	
Unfavorable currency	6.5 pp
Impact of divestiture	0.1 pp
Impact of acquisition	(0.3)pp
Total change in Organic Net Revenue [(1)]	**4.1 %**
Higher net pricing	2.5 pp
Favorable volume/mix	1.6 pp

(1) Please see the *Non-GAAP Financial Measures* section at the end of this item.

Net revenue decrease of 2.2% was driven by unfavorable currency and the impact of a divestiture, partially offset by our underlying Organic Net Revenue growth of 4.1% and the impact of an acquisition. Unfavorable currency impacts decreased net revenues by $831 million, due primarily to the strength of the U.S. dollar relative to most currencies, including the Argentinian peso, euro, Brazilian real, British sterling pound, Australian dollar, Chinese yuan, Indian rupee and Russian ruble. The impact of the divestiture of most of our cheese business in the Middle East and Africa on May 28, 2019 resulted in a year-over-year decline in net revenues of $8 million. Our underlying Organic Net Revenue growth was driven by higher net pricing and favorable volume/mix. Net pricing was up, which includes the benefit of carryover pricing from 2018 as well as the effects of input cost-driven pricing actions taken during the first six months of 2019. Higher net pricing was reflected in all regions. Favorable volume/mix was reflected in Europe and AMEA, partially offset by unfavorable volume/mix in North America and Latin America. The June 7, 2018 acquisition of a U.S. premium biscuit company, Tate's Bake Shop, added net revenues of $35 million in the first six months of 2019. Refer to Note 2, *Divestitures and Acquisitions,* for additional information.

Table of Contents

Operating Income – Operating income increased $356 million (20.9%) to $2,061 million in the first six months of 2019, Adjusted Operating Income [1] decreased $45 million (2.1%) to $2,098 million and Adjusted Operating Income on a constant currency basis [1] increased $91 million (4.2%) to $2,234 million due to the following:

	Operating Income	% Change
	(in millions)	
Operating Income for the Six Months Ended June 30, 2018	**$ 1,705**	
Simplify to Grow Program [2]	293	
Mark-to-market gains from derivatives [3]	(294)	
Acquisition integration costs [4]	3	
Acquisition-related costs [5]	13	
Divestiture-related costs [5]	(3)	
Operating income from divestiture [5]	(8)	
Impact from pension participation changes [6]	408	
Impact from resolution of tax matters [7]	11	
CEO transition remuneration [1]	14	
Other/rounding	1	
Adjusted Operating Income [1] for the Six Months Ended June 30, 2018	**$ 2,143**	
Higher net pricing	316	
Higher input costs	(172)	
Favorable volume/mix	71	
Higher selling, general and administrative expenses	(95)	
Impact from acquisition [5]	4	
VAT-related settlements	(32)	
Other	(1)	
Total change in Adjusted Operating Income (constant currency) [1]	**91**	**4.2 %**
Unfavorable currency translation	(136)	
Total change in Adjusted Operating Income [1]	**(45)**	**(2.1)%**
Adjusted Operating Income [1] for the Six Months Ended June 30, 2019	**$ 2,098**	
Simplify to Grow Program [2]	(153)	
Mark-to-market gains from derivatives [3]	49	
Acquisition-related costs	(1)	
Divestiture-related costs [5]	(10)	
Operating income from divestiture [5]	9	
Net gain on divestiture [5]	41	
Remeasurement of net monetary position [8]	(1)	
Impact from pension participation changes [6]	35	
CEO transition remuneration	(6)	
Operating Income for the Six Months Ended June 30, 2019	**$ 2,061**	**20.9 %**

(1) Refer to the *Non-GAAP Financial Measures* section at the end of this item.
(2) Refer to Note 8, *Restructuring Program,* for more information.
(3) Refer to Note 10, *Financial Instruments*, Note 17, *Segment Reporting*, and *Non-GAAP Financial Measures* section at the end of this item for more information on the unrealized gains/losses on commodity and forecasted currency transaction derivatives.
(4) Refer to our Annual Report on Form 10-K for the year ended December 31, 2018 for more information on the acquisition of a biscuit business in Vietnam.
(5) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the May 28, 2019 divestiture of most of our cheese business in the Middle East and Africa and the June 7, 2018 acquisition of Tate's Bake Shop.
(6) Refer to Note 11, *Benefit Plans*, for more information.
(7) Refer to Note 13, *Commitments and Contingencies – Tax Matters*, for more information.
(8) Refer to Note 1, *Basis of Presentation – Currency Translation and Highly Inflationary Accounting*, for information on our application of highly inflationary accounting for Argentina.

During the first six months of 2019, we realized higher net pricing, which was partially offset by increased input costs. Higher net pricing, which included the carryover impact of pricing actions taken in 2018 as well as the effects of input cost-driven pricing actions taken during the first six months of 2019, was reflected across all regions. The increase in input costs was driven by higher raw material costs, partially offset by lower manufacturing costs due to productivity efforts. Higher raw material costs were in part due to higher currency exchange transaction costs on imported materials, as well as higher packaging, energy, dairy, grains and oils costs, partially offset by lower costs for sugar, cocoa and nuts. Favorable volume/mix was driven by Europe and AMEA, which was partially offset by unfavorable volume/mix in North America and Latin America.

Total selling, general and administrative expenses decreased $511 million from the first six months of 2018, due to a number of factors noted in the table above, including in part, the lapping of the prior-year impact from pension participation changes, favorable currency impact, the benefit from current-year pension participation changes, lower implementation costs incurred for the Simplify to Grow program, lower acquisition-related costs, the lapping of a prior-year expense from the resolution of a tax matter and lower CEO transition remuneration. These decreases were partially offset by the lapping of a benefit from a prior-year value-added tax (“VAT”) related settlement, higher divestiture-related costs, a VAT cost settlement in 2019 and the impact of an acquisition. Excluding these factors, selling, general and administrative expenses increased $95 million from the first six months of 2018. The increase was driven primarily by higher advertising and consumer promotion costs, partially offset by lower overhead costs due to productivity efforts.

We recorded an expense of $11 million from a VAT-related settlement in Latin America in the first six months of 2019 and a benefit of $21 million from a VAT-related settlement in Latin America in the first six months of 2018. Favorable currency changes decreased operating income by $136 million due primarily to the strength of the U.S. dollar relative to most currencies, including the euro, Argentinian peso, British pound sterling, Brazilian real, Australian dollar and Indian rupee.

Operating income margin increased from 13.2% in the first six months of 2018 to 16.4% in the first six months of 2019. The increase in operating income margin was driven primarily by the lapping of the prior-year impact from pension participation changes, lower Simplify to Grow Program costs, a gain on divestiture, the benefit from current-year pension participation changes and lower acquisition-related costs, partially offset by the year-over-year unfavorable change in mark-to-market gains/(losses) from currency and commodity hedging activities and higher divestiture-related costs. Adjusted Operating Income margin for first six months of 2019 was flat to the first six months of 2018 at 16.7%. Adjusted Operating Income margin was unchanged as higher pricing, lower manufacturing costs and overhead leverage were offset by higher raw material costs and higher advertising and consumer promotion costs.

Net Earnings and Earnings per Share Attributable to Mondelēz International – Net earnings attributable to Mondelēz International of $1,721 million increased by $357 million (26.2%) in the first six months of 2019. Diluted EPS attributable to Mondelēz International was $1.18 in the first six months of 2019, up $0.27 (29.7%) from the first six months of 2018. Adjusted EPS [(1)] was $1.22 in the first six months of 2019, up $0.05 (4.3%) from the first six months of 2018. Adjusted EPS on a constant currency basis [(1)] was $1.31 in the first six months of 2019, up $0.14 (12.0%) from the first six months of 2018.

		Diluted EPS
Diluted EPS Attributable to Mondelēz International for the Six Months Ended June 30, 2018	**$**	**0.91**
Simplify to Grow Program [(2)]		0.15
Mark-to-market gains from derivatives [(2)]		(0.17)
Acquisition integration costs [(2)]		—
Acquisition-related costs [(2)]		0.01
Divestiture-related costs [(2)]		—
Net earnings from divestiture [(2)]		(0.01)
Impact from pension participation changes [(2)]		0.20
Impact from resolution of tax matters [(2)]		—
CEO transition remuneration [(2)]		0.01
Gain related to interest rate swaps [(3)]		(0.01)
Loss on debt extinguishment [(4)]		0.07
U.S. tax reform discrete net tax expense [(5)]		0.06
Equity method investee acquisition-related and other adjustments [(6)]		(0.05)
Adjusted EPS [(1)] for the Six Months Ended June 30, 2018	**$**	**1.17**
Increase in operations		0.06
Increase in equity method investment net earnings		0.04
VAT-related settlements		(0.01)
Changes in interest and other expense, net [(7)]		0.01
Changes in income taxes [(8)]		0.01
Changes in shares outstanding [(9)]		0.03
Adjusted EPS (constant currency) [(1)] for the Six Months Ended June 30, 2019	**$**	**1.31**
Unfavorable currency translation		(0.09)
Adjusted EPS [(1)] for the Six Months Ended June 30, 2019	**$**	**1.22**
Simplify to Grow Program [(2)]		(0.08)
Mark-to-market gains from derivatives [(2)]		0.03
Acquisition-related costs [(2)]		—
Divestiture-related costs [(2)]		(0.01)
Net earnings from divestiture [(2)]		0.01
Net gain on divestiture [(2)]		0.03
Remeasurement of net monetary position [(2)]		—
Impact from pension participation changes [(2)]		0.02
CEO transition remuneration [(2)]		(0.01)
Net loss on equity method investment transactions [(10)]		(0.01)
Equity method investee acquisition-related and other adjustments [(6)]		(0.02)
Diluted EPS Attributable to Mondelēz International for the Six Months Ended June 30, 2019	**$**	**1.18**

(1) Refer to the *Non-GAAP Financial Measures* section appearing later in this section.
(2) See the *Operating Income* table above and the related footnotes for more information.
(3) Refer to Note 10, *Financial Instruments*, for information on our interest rate swaps that we no longer designate as cash flow hedges.
(4) Refer to Note 9, *Debt and Borrowing Arrangements*, for more information on losses on debt extinguishment.
(5) Refer to Note 15, *Income Taxes*, and to our Annual Report on Form 10-K for the year ended December 31, 2018 for more information on the impact of the U.S. tax reform.

(6) Includes our proportionate share of unusual or infrequent items, such as acquisition and divestiture-related costs, restructuring program costs and discrete U.S. tax reform impacts recorded by our JDE and KDP or Keurig equity method investees.
(7) Excludes the currency impact on interest expense related to our non-U.S. dollar-denominated debt, which is included in currency translation.
(8) Refer to Note 15, *Income Taxes*, for more information on the items affecting income taxes.
(9) Refer to Note 12, *Stock Plans*, for more information on our equity compensation programs and share repurchase program and Note 16, *Earnings per Share*, for earnings per share weighted-average share information.
(10) Refer to Note 7, *Equity Method Investments,* for more information on the net loss on equity method investment transactions.

Results of Operations by Reportable Segment

Our operations and management structure are organized into four operating segments:

- Latin America
- AMEA
- Europe
- North America

We manage our operations by region to leverage regional operating scale, manage different and changing business environments more effectively and pursue growth opportunities as they arise across our key markets. Our regional management teams have responsibility for the business, product categories and financial results in the regions.

We use segment operating income to evaluate segment performance and allocate resources. We believe it is appropriate to disclose this measure to help investors analyze segment performance and trends. See Note 17, *Segment Reporting,* for additional information on our segments and *Items Affecting Comparability of Financial Results* earlier in this section for items affecting our segment operating results.

Our segment net revenues and earnings were:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	(in millions)			
Net revenues:				
Latin America	$ 737	$ 774	$ 1,537	$ 1,665
AMEA	1,352	1,360	2,893	2,902
Europe	2,247	2,303	4,798	5,009
North America	1,726	1,675	3,372	3,301
Net revenues	$ 6,062	$ 6,112	$ 12,600	$ 12,877
Earnings before income taxes:				
Operating income:				
Latin America	$ 68	$ 92	$ 166	$ 218
AMEA	191	177	447	405
Europe	408	367	908	864
North America	407	(95)	726	180
Unrealized gains on hedging activities (mark-to-market impacts)	33	88	49	294
General corporate expenses	(79)	(91)	(188)	(155)
Amortization of intangibles	(43)	(44)	(87)	(88)
Net gain on divestitures	41	—	41	—
Acquisition-related costs	(1)	(13)	(1)	(13)
Operating income	1,025	481	2,061	1,705
Benefit plan non-service income	12	15	29	28
Interest and other expense, net	(101)	(248)	(181)	(328)
Earnings before income taxes	$ 936	$ 248	$ 1,909	$ 1,405

Latin America

	For the Three Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions)			
Net revenues	$ 737	$ 774	$ (37)	(4.8)%
Segment operating income	68	92	(24)	(26.1)%

	For the Six Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions)			
Net revenues	$ 1,537	$ 1,665	$ (128)	(7.7)%
Segment operating income	166	218	(52)	(23.9)%

Three Months Ended June 30:

Net revenues decreased $37 million (4.8%), due to unfavorable currency (15.7 pp) and unfavorable volume/mix (0.6 pp), partially offset by higher net pricing (11.5 pp). Unfavorable currency impacts were due primarily to the strength of the U.S. dollar relative to most currencies in the region, including the Argentinian peso and Brazilian real. Unfavorable volume/mix was due to the impact of pricing-related elasticity, partially offset by lapping the negative impact of the last year's Brazil trucking strike. Unfavorable volume/mix was driven by declines in candy and cheese & grocery, partially offset by gains in chocolate, gum, biscuits and refreshment beverages. Higher net pricing was reflected across all categories, driven primarily by Argentina, Brazil and Mexico.

Segment operating income decreased $24 million (26.1%), primarily due to higher raw material costs, higher advertising and consumer promotion costs, unfavorable currency and higher manufacturing costs. These unfavorable items were partially offset by higher net pricing, favorable volume/mix, lower other selling, general and administrative expenses and lower costs incurred for the Simplify to Grow Program.

Six Months Ended June 30:

Net revenues decreased $128 million (7.7%), due to unfavorable currency (17.2 pp) and unfavorable volume/mix (1.1 pp), partially offset by higher net pricing (10.6 pp). Unfavorable currency impacts were due primarily to the strength of the U.S. dollar relative to most currencies in the region including the Argentinian peso and Brazilian real. Unfavorable volume/mix was due to the impact of pricing-related elasticity, partially offset by lapping the negative impact of last year's Brazil trucking strike. Unfavorable volume/mix was driven by declines in candy, refreshment beverages, cheese & grocery and gum, partially offset by gains in chocolate and biscuits. Higher net pricing was reflected across all categories, driven primarily by Argentina, Brazil and Mexico.

Segment operating income decreased $52 million (23.9%), primarily due to higher raw material costs, unfavorable currency, higher advertising and consumer promotion costs, higher other selling, general and administrative expenses (including lapping the benefit from a VAT-related settlement in 2018 and the expense of a VAT-related settlement in 2019), higher manufacturing costs and unfavorable volume/mix. These unfavorable items were partially offset by higher net pricing and lower costs incurred for the Simplify to Grow Program.

AMEA

	For the Three Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions)			
Net revenues	$ 1,352	$ 1,360	$ (8)	(0.6)%
Segment operating income	191	177	14	7.9 %

	For the Six Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions)			
Net revenues	$ 2,893	$ 2,902	$ (9)	(0.3)%
Segment operating income	447	405	42	10.4 %

Three Months Ended June 30:

Net revenues decreased $8 million (0.6%), due to unfavorable currency (4.5 pp) and the impact of a divestiture (0.8 pp), partially offset by favorable volume/mix (2.8 pp) and higher net pricing (1.9 pp). Unfavorable currency impacts were due primarily to the strength of the U.S. dollar relative to most currencies in the region, including the Chinese yuan, Australian dollar, South African rand and Indian rupee. The divestiture of most of our cheese business in the Middle East and Africa on May 28, 2019, resulted in a year-over-year decline in net revenues of $10 million for the second quarter of 2019. Favorable volume/mix was driven by gains in biscuits and chocolate, partially offset by declines in refreshment beverages, candy, gum and cheese & grocery. Higher net pricing was reflected across all categories.

Segment operating income increased $14 million (7.9%), primarily due to higher net pricing, lower manufacturing costs, lower costs incurred for the Simplify to Grow Program and favorable volume/mix. These favorable items were partially offset by higher advertising and consumer promotion costs, higher raw material costs, unfavorable currency and divestiture-related costs incurred.

Six Months Ended June 30:

Net revenues decreased $9 million (0.3%), due to unfavorable currency (5.5 pp) and the impact of a divestiture (0.3 pp), mostly offset by favorable volume/mix (4.1 pp) and higher net pricing (1.4 pp). Unfavorable currency impacts were due to the strength of the U.S. dollar relative to several currencies in the region, including the Australian dollar, Chinese yuan, Indian rupee and South African rand. The divestiture of most of our cheese business in the Middle East and Africa on May 28, 2019, resulted in a year-over-year decline in net revenues of $8 million for the first six months of 2019. Favorable volume/mix was driven by gains across all categories except candy. Higher net pricing was reflected across all categories.

Segment operating income increased $42 million (10.4%), primarily due to lower manufacturing costs, favorable volume/mix, higher net pricing, lower costs incurred for the Simplify to Grow Program and lower other selling, general and administrative expenses. These favorable items were partially offset by higher raw material costs, higher advertising and consumer promotion costs, unfavorable currency and divestiture-related costs incurred.

Europe

	For the Three Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions)			
Net revenues	$ 2,247	$ 2,303	$ (56)	(2.4)%
Segment operating income	408	367	41	11.2 %

	For the Six Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions)			
Net revenues	$ 4,798	$ 5,009	$ (211)	(4.2)%
Segment operating income	908	864	44	5.1 %

Three Months Ended June 30:

Net revenues decreased $56 million (2.4%), due to unfavorable currency (6.3 pp), partially offset by favorable volume/mix (3.6 pp) and higher net pricing (0.3 pp). Unfavorable currency impacts reflected the strength of the U.S. dollar relative to most currencies in the region, including the euro, British pound sterling, Turkish lira and Russian ruble. Favorable volume/mix was driven by gains in chocolate, cheese & grocery, refreshment beverages and biscuits, mostly offset by declines in gum and candy. Higher net pricing was reflected in all categories except chocolate and cheese & grocery.

Segment operating income increased $41 million (11.2%), primarily due to lower costs incurred for the Simplify to Grow Program, favorable volume/mix, lower manufacturing costs, lower other selling, general and administrative expenses and higher net pricing. These favorable items were partially offset by unfavorable currency, higher advertising and consumer promotion costs and higher raw material costs.

Six Months Ended June 30:

Net revenues decreased $211 million (4.2%), due to unfavorable currency (7.5 pp), partially offset by favorable volume/mix (3.1 pp) and higher net pricing (0.2 pp). Unfavorable currency impacts reflected the strength of the U.S. dollar relative to most currencies in the region, primarily the euro, British pound sterling, Russian ruble and Turkish lira. Favorable volume/mix was driven by gains across all categories except gum. Higher net pricing was driven by gum and candy, mostly offset by lower net pricing in biscuits, chocolate, cheese & grocery and refreshment beverages.

Segment operating income increased $44 million (5.1%), primarily due to favorable volume/mix, lower costs incurred for the Simplify to Grow Program, lower manufacturing costs, lower other selling, general and administrative expenses and higher pricing. These favorable items were partially offset by unfavorable currency, higher advertising and consumer promotion costs and higher raw material costs.

North America

	For the Three Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions)			
Net revenues	$ 1,726	$ 1,675	$ 51	3.0%
Segment operating income	407	(95)	502	528.4%

	For the Six Months Ended June 30,			
	2019	2018	$ change	% change
	(in millions)			
Net revenues	$ 3,372	$ 3,301	$ 71	2.2%
Segment operating income	726	180	546	303.3%

Three Months Ended June 30:

Net revenues increased $51 million (3.0%), due to higher net pricing (3.5 pp) and the impact of an acquisition (0.9 pp), partially offset by unfavorable volume/mix (1.0 pp) and unfavorable currency (0.4 pp). Higher net pricing was reflected in biscuits, candy and gum, partially offset by lower net pricing in chocolate. The June 7, 2018 acquisition of a U.S. premium biscuit company, Tate's Bake Shop, added incremental net revenues of $15 million in the second quarter of 2018. Unfavorable volume/mix was driven by declines across all categories except candy. Unfavorable currency impact was due to the strength of the U.S. dollar relative to the Canadian dollar.

Segment operating income increased $502 million (528.4%), primarily due to lapping prior-year pension participation changes, higher net pricing, benefit from current-year pension participation changes, lower costs incurred for the Simplify to Grow Program and lower manufacturing costs. These favorable items were partially offset by higher raw material costs, higher advertising and promotion costs and unfavorable volume/mix.

Six Months Ended June 30:

Net revenues increased $71 million (2.2%), due to higher net pricing (2.8 pp) and the impact of an acquisition (1.1 pp), partially offset by unfavorable volume/mix (1.3 pp) and unfavorable currency (0.4 pp). Higher net pricing was reflected across all categories. The June 7, 2018 acquisition of a U.S. premium biscuit company, Tate's Bake Shop, added incremental net revenues of $35 million in the first six months of 2019. Unfavorable volume/mix was driven by declines across all categories. Unfavorable currency impact was due to the strength of the U.S. dollar relative to the Canadian dollar.

Segment operating income increased $546 million (303.3%), primarily due to lapping prior-year pension participation changes, higher net pricing, lower costs incurred for the Simplify to Grow Program, benefit from current-year pension participation changes, lower manufacturing costs and the impact from the acquisition of Tate's Bake Shop. These favorable items were partially offset by unfavorable volume/mix, higher raw material costs and higher advertising and promotion costs.

Liquidity and Capital Resources

We believe that cash from operations, our revolving credit facilities, short-term borrowings and our authorized long-term financing will provide sufficient liquidity for our working capital needs, planned capital expenditures and future payments of our U.S. tax reform transition tax liability, contractual and benefit plan obligations, share repurchases and quarterly dividends. We continue to utilize our commercial paper program, international credit lines and long-term debt issuances for our funding requirements. We also use intercompany loans with our international subsidiaries to improve financial flexibility. Overall, we do not expect any negative effects to our funding sources that would have a material effect on our liquidity.

Net Cash Provided by Operating Activities:
Net cash provided by operating activities was $1,046 million in the first six months of 2019 and $1,182 million in the first six months of 2018. The decrease in net cash provided by operating activities was due primarily to increased working capital requirements including higher tax payments, partially offset by higher earnings and lower pension contributions.

Net Cash Used in Investing Activities:
Net cash used in investing activities was $267 million in the first six months of 2019 and $1,041 million in the first six months of 2018. The decrease in net cash used in investing activities compared to the first six months of 2018 primarily relates to lapping the cash payment to acquire the Tate's Bake Shop business in the second quarter of 2018, cash proceeds primarily from the divestiture of our cheese business in the Middle East and Africa, lower capital expenditures and increased cash received as a result of the settlement and replacement of several net investment hedge derivative contracts. We continue to make capital expenditures primarily to modernize manufacturing facilities and support new product and productivity initiatives. We expect 2019 capital expenditures to be up to $1.0 billion, including capital expenditures in connection with our Simplify to Grow Program. We expect to continue to fund these expenditures from operations.

Net Cash (Used in)/Provided by Financing Activities:
Net cash used in financing activities was $639 million in the first six months of 2019 and net cash provided by financing activities was $389 million in the first six months of 2018. The decrease was primarily due to lower net debt issuances and higher dividends paid in the first six months of 2019, partially offset by lower share repurchases.

Debt:
From time to time we refinance long-term and short-term debt. Refer to Note 9, *Debt and Borrowing Arrangements*, for details of our debt activity during the first six months of 2019. The nature and amount of our long-term and short-term debt and the proportionate amount of each varies as a result of current and expected business requirements, market conditions and other factors. Due to seasonality, in the first and second quarters of the year, our working capital requirements grow, increasing the need for short-term financing. The second half of the year typically generates higher cash flows. As such, we may issue commercial paper or secure other forms of financing throughout the year to meet short-term working capital needs.

During 2016, one of our subsidiaries, Mondelez International Holdings Netherlands B.V. (“MIHN”), issued debt totaling $4.5 billion. The operations held by MIHN generated approximately 73.0% (or $9.2 billion) of the $12.6 billion of consolidated net revenue in the six months ended June 30, 2019. The operations held by MIHN represented approximately 84.4% (or $22.1 billion) of the $26.2 billion of net assets as of June 30, 2019 and 80.5% (or $20.7 billion) of the $25.7 billion of net assets as of December 31, 2018.

On February 1, 2019, our Board of Directors approved a new $5.0 billion long-term financing authority to replace the prior authority. As of June 30, 2019, we had $4.4 billion of long-term financing authority remaining.

In the next 12 months, we expect approximately $3.7 billion of long-term debt will mature as follows: $2.3 billion in October 2019, $427 million in February 2020, $230 million in March 2020 and $750 million in May 2020. We expect to fund these repayments with a combination of cash from operations and long-term debt.

Our total debt was $19.2 billion at June 30, 2019 and $18.4 billion at December 31, 2018. Our debt-to-capitalization ratio was 0.42 at June 30, 2019 and 0.42 at December 31, 2018. At June 30, 2019, the weighted-average term of our outstanding long-term debt was 5.5 years. Our average daily commercial paper borrowings outstanding were $4.2 billion in the first six months of 2019 and $4.6 billion in the first six months of 2018. We had commercial paper outstanding totaling $3.5 billion as of June 30, 2019 and $3.1 billion as of December 31, 2018. We expect to continue to use commercial paper to finance various short-term financing needs. We continue to comply with our debt covenants. Refer to Note 9, *Debt and Borrowing Arrangements*, for more information.

Commodity Trends

We regularly monitor worldwide supply, commodity cost and currency trends so we can cost-effectively secure ingredients, packaging and fuel required for production. During the first six months of 2019, the primary drivers of the increase in our aggregate commodity costs were higher currency exchange transaction costs on imported materials, as well as increased costs for packaging, energy, dairy, grains and oils, partially offset by lower costs for sugar, cocoa and nuts.

A number of external factors such as weather conditions, commodity market conditions, currency fluctuations and the effects of governmental agricultural or other programs affect the cost and availability of raw materials and agricultural materials used in our products. We address higher commodity costs and currency impacts primarily through hedging, higher pricing and manufacturing and overhead cost control. We use hedging techniques to limit the impact of fluctuations in the cost of our principal raw materials; however, we may not be able to fully hedge against commodity cost changes, such as dairy, where there is a limited ability to hedge, and our hedging strategies may not protect us from increases in specific raw material costs. Due to competitive or market conditions, planned trade or promotional incentives, fluctuations in currency exchange rates or other factors, our pricing actions may also lag commodity cost changes temporarily.

We expect price volatility and a slightly higher aggregate cost environment to continue in 2019. While the costs of our principal raw materials fluctuate, we believe there will continue to be an adequate supply of the raw materials we use and that they will generally remain available from numerous sources.

Off-Balance Sheet Arrangements and Aggregate Contractual Obligations

See Note 11, *Benefit Plans*, for an update on our withdrawal liability related to the Bakery and Confectionery Union and Industry International Pension Fund multiemployer pension plan, Note 5, *Leases*, for information on operating lease obligations recorded on our condensed consolidated balance sheet as of January 1, 2019 as a result of our adopting the new lease accounting standard and Note 9, *Debt and Borrowing Arrangements*, for information on debt transactions during 2019. Also see Note 13, *Commitments and Contingencies*, for a discussion of guarantees. There were no other material developments or changes to our off-balance sheet arrangements and aggregate contractual obligations disclosed in our Annual Report on Form 10-K for the year ended December 31, 2018. We expect to have sufficient cash from operating activities and access to capital markets to fund our obligations.

Equity and Dividends

Stock Plans and Share Repurchases:
See Note 12, *Stock Plans*, for more information on our stock plans, grant activity and share repurchase program for the six months ended June 30, 2019.

We intend to continue to use a portion of our cash for share repurchases. Between 2013 and 2017, our Board of Directors authorized the repurchase of a total of $13.7 billion of our Common Stock through December 31, 2018. On January 31, 2018, our Finance Committee, with authorization delegated from our Board of Directors, approved an increase of $6.0 billion in the share repurchase program, raising the authorization to $19.7 billion of Common Stock repurchases, and extended the program through December 31, 2020.

We repurchased shares at an aggregate cost of $16.0 billion, at a weighted-average cost of $39.68 per share, through June 30, 2019 ($1.0 billion in the first six months of 2019, $2.0 billion in 2018, $2.2 billion in 2017, $2.6 billion in 2016, $3.6 billion in 2015, $1.9 billion in 2014 and $2.7 billion in 2013). The number of shares that we ultimately repurchase under our share repurchase program may vary depending on numerous factors, including share price and other market conditions, our ongoing capital allocation planning, levels of cash and debt balances, other demands for cash, such as acquisition activity, general economic or business conditions and Board and management discretion. Additionally, our share repurchase activity during any particular period may fluctuate. We may accelerate, suspend, delay or discontinue our share repurchase program at any time, without notice.

Dividends:
We paid dividends of $756 million in the first six months of 2019 and $657 million in the first six months of 2018. On July 30, 2019, the Finance Committee, with authorization delegated from our Board of Directors, declared a quarterly cash dividend of $0.285 per share of Class A Common Stock, an increase of 10 percent, which would be $1.14 per common share on an annualized basis. This dividend is payable on October 14, 2019, to shareholders of record as of September 30, 2019. The second quarter 2019 dividend was paid on July 12, 2019, to shareholders of record as of June 28, 2019. The declaration of dividends is subject to the discretion of our Board of Directors and depends on various factors, including our net earnings, financial condition, cash requirements, future prospects and other factors that our Board of Directors deems relevant to its analysis and decision making.

We anticipate that the 2019 distributions will be characterized as dividends under U.S. federal income tax rules. The final determination will be made on an IRS Form 1099–DIV issued in early 2020.

Significant Accounting Estimates

We prepare our condensed consolidated financial statements in conformity with U.S. GAAP. The preparation of these financial statements requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from those estimates and assumptions. Our significant accounting policies are described in Note 1 to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2018. Our significant accounting estimates are described in *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2018. See Note 1, *Basis of Presentation*, for a discussion of the impact of new accounting standards.

New Accounting Guidance:
See Note 1, *Basis of Presentation*, for a discussion of new accounting standards.

Contingencies:
See Note 13, *Commitments and Contingencies*, and Part II, Item 1. *Legal Proceedings,* for a discussion of contingencies.

Forward-Looking Statements

This report contains a number of forward-looking statements. Words, and variations of words, such as “will,” “may,” “expect,” “would,” “could,” “might,” “intend,” “plan,” “believe,” “estimate,” “anticipate,” “predict,” “seek,” "potential," “outlook” and similar expressions are intended to identify our forward-looking statements, including but not limited to statements about: our future performance, including our future revenue and earnings growth; our strategy to accelerate consumer-centric growth, drive operational excellence and create a winning growth culture; price volatility and pricing actions; the cost environment and measures to address increased costs; our tax rate, tax positions, tax proceedings, transition tax liability and the impact of U.S. tax reform on our results; the U.K.'s planned exit from the European Union and its impact on our results, including if the United Kingdom exits the European Union without an agreement; the costs of, timing of expenditures under and completion of our restructuring program; commodity prices and supply; our investments; political and economic conditions and volatility; currency exchange rates, controls and restrictions; the application of highly inflationary accounting for our Argentinian subsidiaries and the potential for and impacts from currency devaluation in other countries; our ownership interest in Keurig Dr Pepper; operating lease liability; the outcome and effects on us of legal proceedings and government investigations; the estimated value of intangible assets; amortization expense for intangible assets; impairment of intangible assets and our projections of operating results and other factors that may affect our impairment testing; our accounting estimates and judgments and the impact of new accounting pronouncements; pension expenses, contributions and assumptions; our liability related to our withdrawal from the Bakery and Confectionery Union and Industry International Pension Fund; our liquidity, funding sources and uses of funding, including our use of commercial paper; the planned phase out of London Interbank Offered Rates; our risk management program, including the use of financial instruments and the impacts and effectiveness of our hedging activities; working capital; capital expenditures and funding; share repurchases; dividends; long-term value for our shareholders; the characterization of 2019 distributions as dividends; and our contractual obligations.

These forward-looking statements involve risks and uncertainties, many of which are beyond our control. Important factors that could cause actual results to differ materially from those described in our forward-looking statements include, but are not limited to, risks from operating globally including in emerging markets; changes in currency exchange rates, controls and restrictions; continued volatility of commodity and other input costs; weakness in economic conditions; weakness in consumer spending; pricing actions; tax matters including changes in tax rates and laws, disagreements with taxing authorities and imposition of new taxes; use of information technology and third party service providers; unanticipated disruptions to our business, such as the malware incident, cyberattacks or other security breaches; competition; protection of our reputation and brand image; our ability to innovate and differentiate our products; the restructuring program and our other transformation initiatives not yielding the anticipated benefits; changes in the assumptions on which the restructuring program is based; management of our workforce; consolidation of retail customers and competition with retailer and other economy brands; changes in our relationships with suppliers or customers; legal, regulatory, tax or benefit law changes, claims or actions; strategic transactions; significant changes in valuation factors that may adversely affect our impairment testing of goodwill and intangible assets; perceived or actual product quality issues or product recalls; failure to maintain effective internal control over financial reporting; volatility of and access to capital or other markets; pension costs; the expected discontinuance of London Interbank Offered Rates and transition to any other interest rate benchmark; and our ability to protect our intellectual property and intangible assets. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this report except as required by applicable law or regulation.

Non-GAAP Financial Measures

We use non-GAAP financial information and believe it is useful to investors as it provides additional information to facilitate comparisons of historical operating results, identify trends in our underlying operating results and provide additional insight and transparency on how we evaluate our business. We use non-GAAP financial measures to budget, make operating and strategic decisions and evaluate our performance. We have detailed the non-GAAP adjustments that we make in our non-GAAP definitions below. The adjustments generally fall within the following categories: acquisition & divestiture activities, gains and losses on intangible asset sales and non-cash impairments, major program restructuring activities, constant currency and related adjustments, major program financing and hedging activities and other major items affecting comparability of operating results. We believe the non-GAAP measures should always be considered along with the related U.S. GAAP financial measures. We have provided the reconciliations between the GAAP and non-GAAP financial measures below, and we also discuss our underlying GAAP results throughout our *Management's Discussion and Analysis of Financial Condition and Results of Operations* in this Form 10-Q.

Our primary non-GAAP financial measures are listed below and reflect how we evaluate our current and prior-year operating results. As new events or circumstances arise, these definitions could change. When our definitions change, we provide the updated definitions and present the related non-GAAP historical results on a comparable basis [(1)].

- "Organic Net Revenue" is defined as net revenues excluding the impacts of acquisitions, divestitures [(2)] and currency rate fluctuations [(3)]. We also evaluate Organic Net Revenue growth from emerging and developed markets. Our emerging markets include our Latin America region in its entirety; the AMEA region, excluding Australia, New Zealand and Japan; and the following countries from the Europe region: Russia, Ukraine, Turkey, Kazakhstan, Belarus, Georgia, Poland, Czech Republic, Slovak Republic, Hungary, Bulgaria, Romania, the Baltics and the East Adriatic countries. Our developed markets include the entire North America region, the Europe region excluding the countries included in the emerging markets definition, and Australia, New Zealand and Japan from the AMEA region.

- "Adjusted Operating Income" is defined as operating income excluding the impacts of the Simplify to Grow Program [(4)]; gains or losses (including non-cash impairment charges) on goodwill and intangible assets; divestiture [(2)] or acquisition gains or losses and related divestiture [(2)], acquisition and integration costs [(2)]; the operating results of divestitures [(2)]; remeasurement of net monetary position [(5)]; mark-to-market impacts from commodity and forecasted currency transaction derivative contracts [(6)]; impact from resolution of tax matters [(7)]; CEO transition remuneration [(8)]; impact from pension participation changes [(9)]; and incremental expenses related to the 2017 malware incident. We also present "Adjusted Operating Income margin," which is subject to the same adjustments as Adjusted Operating Income. We also evaluate growth in our Adjusted Operating Income on a constant currency basis [(3)].

- "Adjusted EPS" is defined as diluted EPS attributable to Mondelēz International from continuing operations excluding the impacts of the items listed in the Adjusted Operating Income definition as well as losses on debt extinguishment and related expenses; gain on equity method investment transactions; net earnings from divestitures [(2)]; gains or losses on interest rate swaps no longer designated as accounting cash flow hedges due to changed financing and hedging plans and U.S. tax reform discrete impacts [(10)]. Similarly, within Adjusted EPS, our equity method investment net earnings exclude our proportionate share of our investees' unusual or infrequent items [(11)]. We also evaluate growth in our Adjusted EPS on a constant currency basis [(3)].

(1) When items no longer impact our current or future presentation of non-GAAP operating results, we remove these items from our non-GAAP definitions.
(2) Divestitures include completed sales of businesses and exits of major product lines upon completion of a sale or licensing agreement. See Note 2, *Divestitures and Acquisitions*, for information on divestitures and acquisitions impacting the comparability of our results.
(3) Constant currency operating results are calculated by dividing or multiplying, as appropriate, the current-period local currency operating results by the currency exchange rates used to translate the financial statements in the comparable prior-year period to determine what the current-period U.S. dollar operating results would have been if the currency exchange rate had not changed from the comparable prior-year period.
(4) Non-GAAP adjustments related to the Simplify to Grow Program reflect costs incurred that relate to the objectives of our program to transform our supply chain network and organizational structure. Costs that do not meet the program objectives are not reflected in the non-GAAP adjustments.
(5) During the third quarter of 2018, as we began to apply highly inflationary accounting for Argentina (refer to Note 1, *Basis of Presentation*), we excluded the remeasurement gains or losses related to remeasuring net monetary assets or liabilities in Argentina during the period to be consistent with our prior accounting for these remeasurement gains/losses for Venezuela when it was subject to highly inflationary accounting prior to 2016.
(6) During the third quarter of 2016, we began to exclude unrealized gains and losses (mark-to-market impacts) from outstanding commodity and forecasted currency transaction derivatives from our non-GAAP earnings measures until such time that the related exposures impact our operating results. Since we purchase commodity and forecasted currency transaction contracts to mitigate price volatility primarily for inventory requirements in future periods, we made this adjustment to remove the volatility of these future inventory purchases on current operating results to facilitate comparisons of our underlying operating performance across periods. We also discontinued designating commodity and forecasted currency transaction derivatives for hedge accounting treatment. To facilitate comparisons of our underlying operating results, we have recast all historical non-GAAP earnings measures to exclude the mark-to-market impacts.
(7) See Note 13, *Commitments and Contingencies – Tax Matters,* and our Annual Report on Form 10-K for the year ended December 31, 2018 for additional information.
(8) On November 20, 2017, Dirk Van de Put succeeded Irene Rosenfeld as CEO of Mondelēz International in advance of her retirement at the end of March 2018. In order to incent Mr. Van de Put to join us, we provided him compensation with a total combined target value of $42.5 million to make him whole for incentive awards he forfeited or grants that were not made to him when he left his former employer. The compensation we granted took the form of cash, deferred stock units, performance share units and stock options. In connection with Irene Rosenfeld's retirement, we made her outstanding grants of performance share units for the 2016-2018 and 2017-2019 performance cycles eligible for continued vesting and approved a $0.5 million salary for her service as Chairman from January through March 2018. We refer to these elements of Mr. Van de Put's and Ms. Rosenfeld's compensation arrangements together as "CEO transition remuneration." We are excluding amounts we expense as CEO transition remuneration from our non-GAAP results because those amounts are not part of our regular compensation program and are incremental to amounts we would have incurred as ongoing CEO compensation. As a result, in 2017, we excluded amounts expensed for the cash payment to Mr. Van de Put and partial vesting of his equity grants. In 2018, we excluded amounts paid for Ms. Rosenfeld's service as Chairman and partial vesting of Mr. Van de Put's and Ms. Rosenfeld's equity grants. In 2019, we excluded amounts related to the partial vesting of Mr. Van de Put's equity grants.
(9) The impact from pension participation changes represents the charges incurred when employee groups are withdrawn from multiemployer pension plans and other changes in employee group pension plan participation. We exclude these charges from our non-GAAP results because those amounts do not reflect our ongoing pension obligations. See Note 11, *Benefit Plans*, for more information on the multiemployer pension plan withdrawal.
(10) On December 22, 2017, the United States enacted tax reform legislation that included a broad range of business tax provisions. We exclude the discrete U.S. tax reform impacts from our Adjusted EPS as they do not reflect our ongoing tax obligations under U.S. tax reform. Refer to our Annual Report on Form 10-K for the year ended December 31, 2018 for additional information.
(11) We have excluded our proportionate share of our equity method investees' unusual or infrequent items such as acquisition and divestiture related costs, restructuring program costs and discrete U.S. tax reform impacts, in order to provide investors with a comparable view of our performance across periods. Although we have shareholder rights and board representation commensurate with our ownership interests in our equity method investees and review the underlying operating results and unusual or infrequent items with them each reporting period, we do not have direct control over their operations or resulting revenue and expenses. Our use of equity method investment net earnings on an adjusted basis is not intended to imply that we have any such control. Our GAAP "diluted EPS attributable to Mondelēz International from continuing operations" includes all of the investees' unusual and infrequent items.

We believe that the presentation of these non-GAAP financial measures, when considered together with our U.S. GAAP financial measures and the reconciliations to the corresponding U.S. GAAP financial measures, provides you with a more complete understanding of the factors and trends affecting our business than could be obtained absent these disclosures. Because non-GAAP financial measures vary among companies, the non-GAAP financial measures presented in this report may not be comparable to similarly titled measures used by other companies. Our use of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for any

U.S. GAAP financial measure. A limitation of these non-GAAP financial measures is they exclude items detailed below that have an impact on our U.S. GAAP reported results. The best way this limitation can be addressed is by evaluating our non-GAAP financial measures in combination with our U.S. GAAP reported results and carefully evaluating the following tables that reconcile U.S. GAAP reported figures to the non-GAAP financial measures in this Form 10-Q.

Organic Net Revenue:
Applying the definition of “Organic Net Revenue,” the adjustments made to “net revenues” (the most comparable U.S. GAAP financial measure) were to exclude the impact of currency, an acquisition and a divestiture. We believe that Organic Net Revenue reflects the underlying growth from the ongoing activities of our business and provides improved comparability of results. We also evaluate our Organic Net Revenue growth from emerging markets, and these underlying measures are also reconciled to U.S. GAAP below.

	For the Three Months Ended June 30, 2019			For the Three Months Ended June 30, 2018		
	Emerging Markets	Developed Markets	Total	Emerging Markets	Developed Markets	Total
	(in millions)			(in millions)		
Net Revenue	**$ 2,272**	**$ 3,790**	**$ 6,062**	**$ 2,309**	**$ 3,803**	**$ 6,112**
Impact of currency	200	133	333	—	—	—
Impact of acquisition	—	(15)	(15)	—	—	—
Impact of divestiture	(22)	—	(22)	(32)	—	(32)
Organic Net Revenue	**$ 2,450**	**$ 3,908**	**$ 6,358**	**$ 2,277**	**$ 3,803**	**$ 6,080**

	For the Six Months Ended June 30, 2019			For the Six Months Ended June 30, 2018		
	Emerging Markets	Developed Markets	Total	Emerging Markets	Developed Markets	Total
	(in millions)			(in millions)		
Net Revenue	**$ 4,774**	**$ 7,826**	**$ 12,600**	**$ 4,893**	**$ 7,984**	**$ 12,877**
Impact of currency	499	332	831	—	—	—
Impact of acquisition	—	(35)	(35)	—	—	—
Impact of divestiture	(55)	—	(55)	(63)	—	(63)
Organic Net Revenue	**$ 5,218**	**$ 8,123**	**$ 13,341**	**$ 4,830**	**$ 7,984**	**$ 12,814**

Adjusted Operating Income:
Applying the definition of “Adjusted Operating Income,” the adjustments made to “operating income” (the most comparable U.S. GAAP financial measure) were to exclude Simplify to Grow Program; mark-to-market impacts from commodity and forecasted currency transaction derivative contracts; acquisition integration costs; acquisition and divestiture-related costs; operating income from a divestiture; gain from a divestiture; the remeasurement of net monetary position; impact from pension participation changes; impact from the resolution of tax matters; and CEO transition remuneration. We also evaluate Adjusted Operating Income on a constant currency basis. We believe these measures provide improved comparability of underlying operating results.

	For the Three Months Ended June 30,			
	2019	2018	$ Change	% Change
	(in millions)			
Operating Income	**$ 1,025**	**$ 481**	**$ 544**	**113.1 %**
Simplify to Grow Program [1]	83	179	(96)	
Mark-to-market gains from derivatives [2]	(33)	(88)	55	
Acquisition integration costs [3]	—	2	(2)	
Acquisition-related costs [4]	1	13	(12)	
Divestiture-related costs [4]	11	—	11	
Operating income from divestiture [4]	(5)	(2)	(3)	
Net gain on divestiture [4]	(41)	—	(41)	
Remeasurement of net monetary position [5]	(1)	—	(1)	
Impact from pension participation changes [6]	(35)	408	(443)	
Impact from resolution of tax matters [7]	—	11	(11)	
CEO transition remuneration [8]	3	10	(7)	
Other/rounding	—	2	(2)	
Adjusted Operating Income	**$ 1,008**	**$ 1,016**	**$ (8)**	**(0.8)%**
Unfavorable currency translation	49	—	49	
Adjusted Operating Income (constant currency)	**$ 1,057**	**$ 1,016**	**$ 41**	**4.0 %**

	For the Six Months Ended June 30, 2019	For the Six Months Ended June 30, 2018	$ Change	% Change
	(in millions)			
Operating Income	**$ 2,061**	**$ 1,705**	**$ 356**	**20.9 %**
Simplify to Grow Program [1]	153	293	(140)	
Mark-to-market gains from derivatives [2]	(49)	(294)	245	
Acquisition integration costs [3]	—	3	(3)	
Acquisition-related costs [4]	1	13	(12)	
Divestiture-related costs [4]	10	(3)	13	
Operating income from divestiture [4]	(9)	(8)	(1)	
Net gain on divestiture [4]	(41)	—	(41)	
Remeasurement of net monetary position [5]	1	—	1	
Impact from pension participation changes [6]	(35)	408	(443)	
Impact from resolution of tax matters [7]	—	11	(11)	
CEO transition remuneration [8]	6	14	(8)	
Other/rounding	—	1	(1)	
Adjusted Operating Income	**$ 2,098**	**$ 2,143**	**$ (45)**	**(2.1)%**
Unfavorable currency translation	136	—	136	
Adjusted Operating Income (constant currency)	**$ 2,234**	**$ 2,143**	**$ 91**	**4.2 %**

(1) Refer to Note 8, *Restructuring Program,* for more information.
(2) Refer to Note 10, *Financial Instruments*, Note 17, *Segment Reporting*, and *Non-GAAP Financial Measures* section for more information on the unrealized gains/losses on commodity and forecasted currency transaction derivatives.
(3) Refer to our Annual Report on Form 10-K for the year ended December 31, 2018 for more information on the acquisition of a biscuit business in Vietnam.
(4) Refer to Note 2, *Divestitures and Acquisitions*, for more information on the May 28, 2019 divestiture of most of our cheese business in the Middle East and Africa and the June 7, 2018 acquisition of Tate's Bake Shop.
(5) Refer to Note 1, *Basis of Presentation – Currency Translation and Highly Inflationary Accounting*, for information on our application of highly inflationary accounting for Argentina.
(6) Refer to Note 11, *Benefit Plans*, for more information.
(7) Refer to Note 13, *Commitments and Contingencies – Tax Matters*, for more information.
(8) Refer to the *Non-GAAP Financial Measures* definition and related table notes.

Adjusted EPS:
Applying the definition of "Adjusted EPS," [1] the adjustments made to "diluted EPS attributable to Mondelēz International" (the most comparable U.S. GAAP financial measure) were to exclude the impacts of the items listed in the Adjusted Operating Income tables above as well as a net gain related to interest rate swaps; loss on debt extinguishment; the U.S. tax reform discrete impacts; net loss on equity method investment transactions; and our proportionate share of unusual or infrequent items recorded by our JDE and Keurig equity method investees. We also evaluate Adjusted EPS on a constant currency basis. We believe Adjusted EPS provides improved comparability of underlying operating results.

	For the Three Months Ended June 30,			
	2019	2018	$ Change	% Change
Diluted EPS attributable to Mondelēz International	**$ 0.55**	**$ 0.21**	**$ 0.34**	**161.9%**
Simplify to Grow Program [2]	0.05	0.09	(0.04)	
Mark-to-market gains from derivatives [2]	(0.02)	(0.05)	0.03	
Acquisition integration costs [2]	—	—	—	
Acquisition-related costs [2]	—	0.01	(0.01)	
Divestiture-related costs [2]	0.01	—	0.01	
Net earnings from divestiture [2]	—	—	—	
Net gain on divestiture [2]	(0.03)	—	(0.03)	
Remeasurement of net monetary position [2]	—	—	—	
Impact from pension participation changes [2]	(0.02)	0.20	(0.22)	
Impact from resolution of tax matters [2]	—	—	—	
CEO transition remuneration [2]	—	0.01	(0.01)	
Loss on debt extinguishment [3]	—	0.07	(0.07)	
Net loss on equity method investment transactions [4]	0.02	—	0.02	
Equity method investee acquisition-related and other adjustments [5]	0.01	0.01	—	
Other/rounding	—	—	—	
Adjusted EPS	**$ 0.57**	**$ 0.55**	**$ 0.02**	**3.6%**
Unfavorable currency translation	0.03	—	0.03	
Adjusted EPS (constant currency)	**$ 0.60**	**$ 0.55**	**$ 0.05**	**9.1%**

	For the Six Months Ended June 30,			
	2019	2018	$ Change	% Change
Diluted EPS attributable to Mondelēz International	**$ 1.18**	**$ 0.91**	**$ 0.27**	**29.7%**
Simplify to Grow Program (2)	0.08	0.15	(0.07)	
Mark-to-market gains from derivatives (2)	(0.03)	(0.17)	0.14	
Acquisition integration costs (2)	—	—	—	
Acquisition-related costs (2)	—	0.01	(0.01)	
Divestiture-related costs (2)	0.01	—	0.01	
Net earnings from divestiture (2)	(0.01)	(0.01)	—	
Net gain on divestiture (2)	(0.03)	—	(0.03)	
Remeasurement of net monetary position (2)	—	—	—	
Impact from pension participation changes (2)	(0.02)	0.20	(0.22)	
Impact from resolution of tax matters (2)	—	—	—	
CEO transition remuneration (2)	0.01	0.01	—	
Net gain related to interest rate swaps (6)	—	(0.01)	0.01	
Loss on debt extinguishment (3)	—	0.07	(0.07)	
U.S. tax reform discrete net tax expense (7)	—	0.06	(0.06)	
Net loss on equity method investment transactions (4)	0.01	—	0.01	
Equity method investee acquisition-related and other adjustments (5)	0.02	(0.05)	0.07	
Other/rounding	—	—	—	
Adjusted EPS	**$ 1.22**	**$ 1.17**	**$ 0.05**	**4.3%**
Unfavorable currency translation	0.09	—	0.09	
Adjusted EPS (constant currency)	**$ 1.31**	**$ 1.17**	**$ 0.14**	**12.0%**

(1) The tax expense/(benefit) of each of the pre-tax items excluded from our GAAP results was computed based on the facts and tax assumptions associated with each item, and such impacts have also been excluded from Adjusted EPS.
- For the three months ended June 30, 2019, taxes for the: Simplify to Grow Program were $(19) million, mark-to-market gains from derivatives were $3 million, divestiture-related costs were $(1) million, net gain on divestiture were $3 million, impact from pension participation changes were $9 million, net loss on equity method investment transactions were $2 million and equity method investee and other adjustments were $(3) million.
- For the three months ended June 30, 2018, taxes for the: Simplify to Grow Program were $(47) million, mark-to-market gains from derivatives were $14 million, acquisition-related costs were $(3) million, impact from pension participation changes were $(103) million, CEO transition remuneration were $(2) million, loss on debt extinguishment were $(35) million and equity method investee adjustments were $(1) million.
- For the six months ended June 30, 2019, taxes for the: Simplify to Grow Program were $(38) million, mark-to-market gains from derivatives were $6 million, divestiture-related costs were $(1) million, net earnings from divestiture were zero, net gain on divestiture were $3 million, impact from pension participation changes were $9 million, CEO transition remuneration were zero, net loss on equity method investment transactions were $7 million and equity method investee and other adjustments were $(7) million.
- For the six months ended June 30, 2018, taxes for the: Simplify to Grow Program were $(77) million, mark-to-market gains from derivatives were $39 million, acquisition-related costs were $(3) million, net earnings from divestiture were $1 million, impact from pension participation changes were $(103) million, CEO transition remuneration were $(3) million, net gain related to interest rate swaps were $2 million, loss on debt extinguishment were $(35) million, U.S. tax reform were $87 million and equity method investee and other adjustments were $26 million.

(2) See the *Adjusted Operating Income* table above and the related footnotes for more information.
(3) Refer to Note 9, *Debt and Borrowing Arrangements*, for more information on losses on debt extinguishment.
(4) Refer to Note 7, *Equity Method Investments,* for more information on the net loss on equity method investment transactions.
(5) Includes our proportionate share of unusual or infrequent items, such as acquisition and divestiture-related costs, restructuring program costs and discrete U.S. tax reform impacts recorded by our JDE and KDP or Keurig equity method investees.
(6) Refer to Note 10, *Financial Instruments*, for information on our interest rate swaps that we no longer designate as cash flow hedges.
(7) Refer to Note 15, *Income Taxes*, and to our Annual Report on Form 10-K for the year ended December 31, 2018 for more information on the impact of U.S. tax reform.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

As we operate globally, we are primarily exposed to currency exchange rate, commodity price and interest rate market risks. We monitor and manage these exposures as part of our overall risk management program. Our risk management program focuses on the unpredictability of financial markets and seeks to reduce the potentially adverse effects that the volatility of these markets may have on our operating results. We principally utilize derivative instruments to reduce significant, unanticipated earnings fluctuations that may arise from volatility in currency exchange rates, commodity prices and interest rates. For additional information on our derivative activity and the types of derivative instruments we use to hedge our currency exchange, commodity price and interest rate exposures, see Note 10, *Financial Instruments*.

Many of our non-U.S. subsidiaries operate in functional currencies other than the U.S. dollar. Fluctuations in currency exchange rates create volatility in our reported results as we translate the balance sheets, operating results and cash flows of these subsidiaries into the U.S. dollar for consolidated reporting purposes. The translation of non-U.S. dollar denominated balance sheets and statements of earnings of our subsidiaries into the U.S. dollar for consolidated reporting generally results in a cumulative translation adjustment to other comprehensive income within equity. A stronger U.S. dollar relative to other functional currencies adversely affects our consolidated earnings and net assets while a weaker U.S. dollar benefits our consolidated earnings and net assets. While we hedge significant forecasted currency exchange transactions as well as certain net assets of non-U.S. operations and other currency impacts, we cannot fully predict or eliminate volatility arising from changes in currency exchange rates on our consolidated financial results. See *Consolidated Results of Operations* and *Results of Operations by Reportable Segment* under *Discussion and Analysis of Historical Results* for currency exchange effects on our financial results during the six months ended June 30, 2019. For additional information on highly inflationary country currencies and the impact of currency policies and recent currency volatility on our financial condition and results of operations, also see Note 1, *Basis of Presentation – Currency Translation and Highly Inflationary Accounting*.

We also continually monitor the market for commodities that we use in our products. Input costs may fluctuate widely due to international demand, weather conditions, government policy and regulation and unforeseen conditions. To manage input cost volatility, we enter into forward purchase agreements and other derivative financial instruments. We also pursue productivity and cost saving measures and take pricing actions when necessary to mitigate the impact of higher input costs on earnings.

We regularly evaluate our variable and fixed-rate debt as well as current and expected interest rates in the markets in which we raise capital. Our primary exposures include movements in U.S. Treasury rates, corporate credit spreads, commercial paper rates as well as limited debt tied to London Interbank Offered Rates ("LIBOR"). The Financial Conduct Authority in the United Kingdom plans to phase out LIBOR by the end of 2021. We do not anticipate a significant impact to our financial position from the planned phase out of LIBOR given our current mix of variable and fixed-rate debt. We periodically use interest rate swaps and forward interest rate contracts to achieve a desired proportion of variable versus fixed rate debt based on current and projected market conditions. Our weighted-average interest rate on our total debt was 2.4% as of June 30, 2019, 2.3% as of December 31, 2018 and 2.1% as of December 31, 2017. For more information on our 2019 debt activity, see Note 9, *Debt and Borrowing Arrangements*.

See Note 10, *Financial Instruments*, for more information on our 2019 derivative activity. For additional information on our hedging strategies, policies and practices on an ongoing basis, also refer to our Annual Report on Form 10-K for the year ended December 31, 2018.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We have established disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and such information is accumulated and communicated to our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate to allow timely decisions regarding required disclosure. Management, together with our CEO and CFO, evaluated the effectiveness of the Company's disclosure controls and procedures as of June 30, 2019. Based on this evaluation, the CEO and CFO concluded that our disclosure controls and procedures were effective as of June 30, 2019.

Changes in Internal Control Over Financial Reporting

Management, together with our CEO and CFO, evaluated the changes in our internal control over financial reporting during the quarter ended June 30, 2019. We continued to work with outsourced partners to further simplify and standardize processes and focus on scalable, transactional processes this quarter. Pursuant to our service agreements, the controls previously established around these accounting functions will be maintained by our outsourced partners or by us, and they are subject to management's internal control testing. There were no other changes in our internal control over financial reporting during the quarter ended June 30, 2019, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

Information regarding legal proceedings is available in Note 13, *Commitments and Contingencies*, to the condensed consolidated financial statements in this report.

Item 1A. Risk Factors.

There were no material changes to the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2018.

Item 2. Unregistered Sales of Equity and Use of Proceeds.

Our stock repurchase activity for each of the three months in the quarter ended June 30, 2019 was:

	Issuer Purchases of Equity Securities			
Period	Total Number of Shares Purchased (1)	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (2)(3)
April 1-30, 2019	4,328,978	$ 49.99	4,327,747	$ 3,768
May 1-31, 2019	929,566	51.62	924,270	3,720
June 1-30, 2019	211,724	52.86	199,280	3,709
For the Quarter Ended June 30, 2019	5,470,268	50.38	5,451,297	

(1) The total number of shares purchased (and the average price paid per share) reflects: (i) shares purchased pursuant to the repurchase program described in (2) below; and (ii) shares tendered to us by employees who used shares to exercise options and to pay the related taxes for grants of restricted and deferred stock that vested, totaling 1,231 shares, 5,296 shares and 12,444 shares for the fiscal months of April, May and June 2019, respectively.

(2) Our Board of Directors has authorized the repurchase of $19.7 billion of our Common Stock through December 31, 2020. Specifically, on March 12, 2013, our Board of Directors authorized the repurchase of up to the lesser of 40 million shares or $1.2 billion of our Common Stock through March 12, 2016. On August 6, 2013, our Audit Committee, with authorization delegated from our Board of Directors, increased the repurchase program capacity to $6.0 billion of Common Stock repurchases and extended the expiration date to December 31, 2016. On December 3, 2013, our Board of Directors approved an increase of $1.7 billion to the program related to a new accelerated share repurchase program, which concluded in May 2014. On July 29, 2015, our Finance Committee, with authorization delegated from our Board of Directors, approved a $6.0 billion increase that raised the repurchase program capacity to $13.7 billion and extended the program through December 31, 2018. On January 31, 2018, our Finance Committee, with authorization delegated from our Board of Directors, approved an increase of $6.0 billion in the share repurchase program, raising the authorization to $19.7 billion of Common Stock repurchases, and extended the program through December 31, 2020. See related information in Note 12, *Stock Plans*.

(3) Dollar values stated in millions.

Item 6. Exhibits.

Exhibit Number	Description
10.1	Offer of Employment Letter, between Mondelēz Global LLC and Sandra MacQuillan, dated April 23, 2019.+
10.2	Mondelēz International, Inc. Change in Control Plan for Key Executives, amended May 14, 2019.+
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.1	The following materials from Mondelēz International's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 are formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Condensed Consolidated Statements of Earnings, (ii) the Condensed Consolidated Statements of Comprehensive Earnings, (iii) the Condensed Consolidated Balance Sheets, (iv) the Condensed Consolidated Statements of Equity, (v) the Condensed Consolidated Statements of Cash Flows and (vi) Notes to Condensed Consolidated Financial Statements.
104	The cover page from Mondelēz International's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, formatted in iXBRL.

\+ Indicates a management contract or compensatory plan or arrangement.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MONDELĒZ INTERNATIONAL, INC.

By: /s/ LUCA ZARAMELLA

Luca Zaramella
Executive Vice President and
Chief Financial Officer

July 30, 2019

Exhibit 10.1

[Mondelēz International Logo]

Mondelēz International Inc.
Deerfield, IL 60015 USA

mondelezinternational.com

PRIVATE AND CONFIDENTIAL

Ms. Sandra MacQuillan

April 23, 2019

OFFER LETTER

Dear Sandra,

I am very pleased to provide you with this offer letter setting forth the terms of your offer of employment ("Offer Letter"). It confirms the verbal offer previously extended to you for the position of Executive Vice President Integrated Supply Chain, Mondelēz International, Inc. (the "Company") reporting to the Chairman and Chief Executive Officer. Your principle office will be located in our Global Headquarters in Deerfield, Illinois. Your employment commencement date will be as soon as mutually agreed.

Your annualized target compensation opportunity will be as follows:

<u>**Annualized Compensation (Target Opportunity)**</u>	
Annual Base Salary	$625,000
Annual Incentive Plan (Target - 80%*)	$500,000
Target Annual Long-Term Incentive Range**	$575,000 - $1,150,000 - $1,725,000
Total Target Compensation Opportunity	$1,700,000 - $2,275,000 - $2,850,000

Your Annual Base Salary will be subject to an annual review by the Board and adjustment in the Board's sole discretion.

* Target as a percent of Annual Base Salary.

** The value of the long-term incentive grants reflects the range (i.e., minimum, midpoint and maximum) for the target value of your annual equity grants. The actual number of shares, units, or options will be determined pursuant to the Company's specific valuation methodology (e.g., Black-Scholes value for stock options).

Mondelēz International Inc.
Deerfield, IL 60015 USA

mondelezinternational.com

Annual Incentive Plan

You will be eligible to participate in the Mondelēz International Management Incentive Plan (the "MIP"), the Company's annual incentive program. Your target award opportunity under the MIP is equal to 80% of your Annual Base Salary. The actual amount you receive may be lower or higher, depending on your individual performance and the Company's overall performance during the year. The maximum award under this program for 2019 is 200% of your target opportunity. The Company reserves the right to change the maximum award annually.

For the 2019 MIP plan year ending on December 31, 2019, your award will be prorated based on your date of hire. Your actual award will ultimately be determined based on your individual performance during your period of employment and the Company's actual overall performance for the full 2019 plan year.

Long-Term Incentives (Annual Equity Program)

You will be eligible to fully participate in the Company's annual equity program. Equity grants are typically made annually in February. For 2019, you will receive a $1,150,000 equity grant, 75% of the grant value will be in performance share units ("PSUs") and 25% of the grant value will be in stock options (with the actual number of shares, units, or options based on the closing stock price on date of hire). These performance share units and stock options will be subject to the terms and conditions set forth in the Plan and the Company's standard Global Long-Term Incentive Agreements as in effect on the date hereof.

All equity grants are subject to the terms and conditions of the Company's Amended and Restated 2005 Performance Incentive Plan ("Plan") and the applicable annual grant agreements. The annual equity program described above is based on our current design and the Company reserves the right to change the annual equity program at any time.

Sign-On Awards

As part of your offer of employment, on your date of hire you will receive:

1) Sign-on equity grants with a value of $1,775,000. The equity grants will be awarded as follows:
   a. $650,000 – You will be granted PSUs under our 2017-2019 performance cycle. The number of units granted will be based on the closing stock price on your date of hire. This award is scheduled to vest no later than March 1, 2020 with the performance period ending December 31, 2019.
   b $600,000 – You will be granted PSUs under our 2018-2020 performance cycle. The number of units granted will be based on the closing stock price on your date of hire. This award

is scheduled to vest no later than March 1, 2021 with the performance period ending December 31, 2020.

c. $425,000 - This award will be granted as deferred stock units that vest 50% on the first anniversary of the grant and 50% on the second anniversary. The number of units granted will be based on the closing stock price on your date of hire.
d. $100,000 – This award will be granted as stock options. These stock options will vest 33%, 33% and 34% over the first three grant anniversaries. The number of options granted will be based on the closing stock price on your date of hire. Please note that the $100,000 value is the economic value of the stock options. The face value (number of options multiplied by the grant price) is equal to $500,000 or 5 times the economic value.

Furthermore, solely for these sign-on stock awards, upon an involuntary termination without Cause or your resignation for Good Reason, or due to your death or Disability, occurring at any time during the applicable vesting periods for these awards, you will fully vest in the awards, contingent on your executing and not revoking a general release of claims at the time. The PSUs will vest on the original vesting dates and the number of shares earned will be based on actual business results during the respective performance cycle. The deferred stock units and stock options will immediately vest upon your separation. Other than the vesting schedule and separation treatment described above, these deferred stock units will be subject to all other terms and conditions set forth in the Plan and the Company's standard equity agreements as in effect on the date hereof.

2) A cash sign-on award of $200,000, payable $100,000 at hire and $100,000 on your first anniversary, subject to a two-year repayment agreement.

<u>Executive Deferred Compensation Plan</u>

You will be eligible to participate in the Executive Deferred Compensation Plan. This program allows you to voluntarily defer a portion of your salary and/or your annual incentive award to a future date. Additional information about this program is available upon request.

<u>Severance; Change in Control Plan</u>

From your date of hire, you will be a participant in the Mondelēz International, Inc. Change in Control Plan for Key Executives (the "CIC Plan"). The CIC Plan provides certain benefits upon an involuntary termination without Cause or voluntary termination for Good Reason following a Change in Control. A copy of the CIC Plan will be separately provided.

For purposes of this Offer Letter:

- "Cause" has the meaning set forth in the CIC Plan.
- "Good Reason" has the meaning set forth in the CIC Plan.

Mondelēz International Inc.
Deerfield, IL 60015 USA

mondelezinternational.com

Stock Ownership Guidelines

You will be required to attain and hold Company stock equal in value to four (4) times your annual base salary established at your date of hire. Under current guidelines, you will have five years from your date of hire to achieve this level of ownership. Stock held for ownership determination includes common stock held directly or indirectly and unvested deferred stock units. It does not include stock options or unvested performance share units. The Company reserves the right to change the guidelines at any time.

You will also be required to hold for a period of at least one year the “net” shares received upon vesting in the case of deferred stock units or performance share units or exercise in the case of stock options, from the respective vesting or exercise dates.

Net shares are the number of shares resulting from the vesting of deferred stock units or performance share units or the exercise of stock options reduced by the number of shares required to satisfy any applicable tax withholding or costs associated with the respective vesting or exercise.

Other Benefits

If your employment with the Company ends due to an involuntary termination other than for Cause (as defined above), you will receive severance arrangements no less favorable than those accorded recently terminated senior executives of the Company. For the avoidance of doubt, “senior executives” as referenced in this section shall exclude legacy Cadbury executives.

You will be eligible for one-time relocation benefits through December 31, 2020 to the Company’s global headquarters in Illinois or to a mutually agreed European headquarters location pursuant to the Company’s standard relocation policy for executives at your level in effect at the time of your move.

Under the current policies in place, which are subject to change, you will be eligible for the Company’s discretionary financial planning program, which reimburses you up to $7,500 per year for eligible financial planning expenses, and car allowance program, which provides a car allowance of up to $15,000 per year.

You will be eligible for Mondelēz Global LLC’s comprehensive benefits package available to full-time salaried U.S. employees. You will be eligible for 30 days of paid time off annually. Details and terms of these comprehensive benefits will be provided separately.

Restrictive Covenants

As a condition to this offer of employment and corresponding consideration, you agree to the terms and conditions of the Confidential Information, Intellectual Property and Restrictive Covenants Agreement (the "Covenant Agreement") attached hereto as **Appendix A** and will acknowledge such Covenant Agreement by signing the Covenant Agreement simultaneously with this offer of employment.

Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")

No amount hereunder or under any other agreement that is subject to Code Section 409A ("Section 409A") shall be payable upon a termination of your employment unless such termination constitutes a "separation from service" with the Company under Section 409A. To the maximum extent permitted by applicable law, amounts payable to you pursuant to this Offer Letter shall be made in reliance upon the exception for certain involuntary terminations under a separation pay plan or as short-term deferral under Section 409A. For purposes of Section 409A, your right to receive any installment payments shall be treated as a right to receive a series of separate and distinct payments. To the extent any amount payable to you is subject to your entering into a release of claims with the Company and any such amount is a deferral of compensation under Section 409A and which amount could be payable to you in either of two taxable years, such payments shall be made or commence, as applicable, on the first date otherwise payable but in the later such taxable year and shall include all payments that otherwise would have been made before such date.

If you are a "specified employee" (within the meaning of Section 409A) as of your separation from service (within the meaning of Section 409A): (a) payment of any amounts under this Offer Letter (or under any severance arrangement pursuant to this Offer Letter) which the Company determines constitute the payment of nonqualified deferred compensation (within the meaning of Section 409A) and which would otherwise be paid upon your separation from service shall not be paid before the date that is six months after the date of your separation from service and any amounts that cannot be paid by reason of this limitation shall be accumulated and paid on the earlier of (x) your death and (y) the first day of the seventh month (or as soon as administratively possible thereafter) following the date of your separation from service (within the meaning of Section 409A); and (b) any welfare or other benefits (including under a severance arrangement) which the Company determines constitute the payment of nonqualified deferred compensation (within the meaning of Section 409A) and which would otherwise be provided upon your separation from service shall be provided at your sole cost during the first six-month period after your separation from service and, on the first day of the seventh month following your separation from service (or as soon as administratively possible), the Company shall reimburse you for the portion of such costs that would have been payable by the Company for that period if you were not a specified employee.

Payment of any reimbursement amounts and the provision of benefits by the Company pursuant to this Offer Letter (including any reimbursements or benefits to be provided pursuant to a severance arrangement) which the Company determines constitute nonqualified deferred compensation (within the meaning of Section 409A) shall be subject to the following:

(i) the amount of the expenses eligible for reimbursement or the in-kind benefits provided during any calendar year shall not affect the amount of the expenses eligible for reimbursement or the in-kind benefits to be provided in any other calendar year;

(ii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the calendar year in which the expense was incurred; and

(iii) your right to reimbursement or in-kind benefits is not subject to liquidation or exchange for any other benefit.

The parties hereto intend that all compensation, benefits and other payments made to you hereunder will be provided or paid to you in compliance with all applicable provisions, or an exemption or exception from the applicable provisions of Section 409A and the regulations and rulings issued thereunder, and the rulings, notices and other guidance issued by the Internal Revenue Service interpreting the same, and this Offer Letter shall be construed and administered in accordance with such intent. The parties also agree that this Offer Letter may be modified, as reasonably agreed by the parties, to the extent necessary to comply with all applicable requirements of, and to avoid the imposition of additional tax, interest and penalties under Section 409A in connection with the compensation, benefits and other payments to be provided or paid to you hereunder. Any such modification shall maintain the original intent and benefit to the Company and you of the applicable provision of this Offer Letter, to the maximum extent possible without violating Section 409A.

Other Terms and Conditions

You will be a U.S. employee of Mondelēz Global LLC and your employment status will be governed by and shall be construed in accordance with the laws of the United States. As such, your status will be that of an “at will” employee. This means that either you or Company is free to terminate the employment relationship at that time, for any reason, subject to your entitlements pursuant to this Offer Letter or any other plan or agreement applicable to a termination of your employment.

This offer is contingent upon successful completion of our pre-employment checks. These include:

1. a background check. The background screen is an investigative consumer report. Under the Fair Credit Reporting Act, you have the right to make a written request for information about the nature and scope of this report. If you wish to make such a request, you may direct your letter to my attention. You are also entitled to receive a written summary of your rights under the Fair Credit Reporting Act.
2. post-offer drug screen via current Company protocols and
3. proof of eligibility to work in the United States.

Mondelēz International Inc.
Deerfield, IL 60015 USA

mondelezinternational.com

If you accept our offer, please sign below and return the signed letter to my attention at dpendleton@mdlz.com. Once your date of hire is established, you will be provided information about the arrangements for your post offer drug screen and the required documents for verifying your eligibility to work in the United States.

Should you have any questions concerning this information, please contact me.

/s/ David H. Pendleton	23rd April 2019
David H. Pendleton	Date
SVP Total Rewards & HR Solutions	
Mondelēz Global LLC	

I have read the above terms and conditions and, by signing below, do accept this offer. This letter does not, in any way, constitute an express or implied contract for employment.

/s/ Sandra MacQuillan	23rd April 2019
Sandra MacQuillan	Date

[Signature Page to Ms. Sandra MacQuillan Offer Letter]

Mondelēz International Inc.
Deerfield, IL 60015 USA

mondelezinternational.com

APPENDIX A

CONFIDENTIAL INFORMATION, INTELLECTUAL PROPERTY AND RESTRICTIVE COVENANTS AGREEMENT

This Confidential Information, Intellectual Property and Restrictive Covenants Agreement ("Covenant Agreement") is made between the person specified in that certain offer of employment ("Executive") and Mondelēz International, Inc. (and any currently or previously-affiliated companies, parent companies, successors or predecessors, including Mondelēz Global LLC, Kraft Foods Inc., Kraft Foods Group, Inc., and Kraft Foods Global, Inc., hereafter, collectively, "MG").

WHEREAS, this Covenant Agreement is an extension of and incorporated into the offer of employment between Executive and MG under which MG desires and agrees to employ Executive and Executive desires and agrees to be employed by MG (the "Offer Letter"); and

WHEREAS, as part of performing Executive's responsibilities for MG, Executive will have access to MG's Confidential Information (as defined in Paragraph 2(a) below) and Intellectual Property (as defined in Paragraph 3(a) below).

NOW, THEREFORE, for good and valuable consideration, including the promises and covenants contained in this Covenant Agreement, including monetary consideration, Executive's employment with MG and Executive's access to and use of MG's Confidential Information and Intellectual Property, MG and Executive hereby agree as follows:

1. **Consideration.** In addition to Executive's employment with MG and Executive's access to and use of MG's Confidential Information, as consideration for this Covenant Agreement, MG will provide Executive with such consideration described in the Offer Letter, including, but not limited to, any sign on incentives and participation in the annual incentive plan and equity program. This Covenant Agreement shall control over any inconsistency with any other plan, program, practice or agreement providing for any covenant or restriction provided herein (and such other plan, program, practice or agreement shall be disregarded unless Executive agrees in writing that such other plan, program, practice or agreement controls).

2. **Confidential Information.**

(a) Executive recognizes that MG derives economic value from information and trade secrets created (whether by Executive or others) and used in MG's business which is not generally known by the public, including but not limited to certain sales, marketing, strategy, financial, product, personnel, manufacturing, technical and other proprietary information and material ("Confidential Information") which are the property of MG. Executive understands that this list is not exhaustive, and that Confidential Information also includes other information that is marked or otherwise identified as confidential or proprietary, or that would otherwise appear to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used. Executive expressly acknowledges and agrees that, by virtue of Executive's employment with MG, Executive will have access to and will use certain Confidential Information and that such Confidential Information constitutes MG's trade secrets and confidential and proprietary business information, all of which is MG's exclusive property. For purposes of this Covenant Agreement, Confidential Information does not include information that is or may become known to Executive or to the public from sources outside MG and through means other than a breach of this Covenant Agreement.

(b) Executive further understands and acknowledges that this Confidential Information and MG's ability to reserve it for the exclusive knowledge and use of MG is of great competitive importance and commercial value to MG. Executive agrees that Executive will treat all Confidential Information as strictly confidential and Executive will not, and will not permit any other person or entity to, directly or indirectly, without the prior written consent of MG: (i) use Confidential Information for the benefit of any person or entity other than MG; (ii) remove, copy, duplicate or otherwise reproduce any document or tangible item embodying or pertaining to any of the Confidential Information, except as required to perform Executive's responsibilities for MG; and (iii) while employed and thereafter, publish, release, disclose, deliver or otherwise make available to any third party any Confidential Information by any communication, including oral, documentary, electronic or magnetic information transmittal device or media. Notwithstanding the foregoing, Executive shall be permitted to disclose Confidential Information to the extent (x) required by law, subpoena, or applicable government or regulatory authority or (y) appropriate in connection with a legal dispute. To the extent legally permissible, executive shall promptly provide written notice of any such subpoena or order to MG's legal department.

(c) Executive agrees and understands that the obligations under this Covenant Agreement with regard to the non-disclosure and non-use of particular Confidential Information shall commence immediately upon Executive first having access to Confidential Information (whether before or after Executive begins employment with MG) and shall continue to exist during and after Executive's employment with MG for so long as such information remains Confidential Information and is not public knowledge other than as a result of the Executive's breach of this Covenant Agreement or breach by those acting in concert with Executive or on Executive's behalf. Nothing in this Agreement shall be construed to prohibit Executive from reporting conduct to, providing truthful information to, or participating in any investigation or proceeding conducted by any federal, state or local government agency or self-regulatory organization.

(d) Executive understands that improper use or disclosure of the Confidential Information by Executive will cause MG to incur financial costs, loss of business advantage, liability under confidentiality agreements with third parties, civil damages and criminal penalties.

(e) Protected Rights. Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health

Administration, the Securities and Exchange Commission, or any other federal, state or local governmental agency or commission ("Government Agencies"). Executive further understands that this Agreement does not limit Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. This Agreement does not limit Executive's right to receive an award for information provided to any Government Agencies.

3. **Intellectual Property.**

(a) Disclosure and Assignment. Executive agrees to make prompt written disclosure to MG, to hold in trust for the sole right and benefit of MG, and to assign to MG all Executive's right, title and interest in and to any patents, trademarks, copyrights, ideas, inventions (whether not patented or patentable), original works of authorship (published or not), developments, improvements or trade secrets which Executive may solely or jointly conceive or reduce to practice, or cause to be conceived or reduced to practice, during the period of Executive's employment with MG and relating in any way to the business or contemplated business, research or development of MG (regardless of when or where the Intellectual Property is prepared or whose equipment or other resources is used in preparing the same) (collectively "Intellectual Property"). Executive recognizes, provided prompt and full disclosure by Executive to MG, that this Covenant Agreement will not be deemed to require assignment of any invention which was developed entirely on Executive's own time without using MG's equipment, supplies, facilities or trade secrets and neither relates to MG's actual or anticipated business, research or development, nor resulted from work performed by Executive (solely or jointly with others) for MG.

(b) Original Works. Executive acknowledges that all original works of authorship which have been or are made by Executive (solely or jointly with others) within the scope of Executive's employment with MG and which are protectable by copyright are the property of MG. To the extent that any such original works have not already been transferred to or owned by MG, Executive hereby assigns all of Executive's right, title and interest in those works to MG.

(c) Cooperation. Executive agrees to assist MG in every reasonable and proper way to obtain and enforce United States and foreign proprietary rights relating to any and all patents, trademarks, inventions, original works of authorship, developments, improvements or trade secrets of MG in any and all countries. Executive will execute, verify and deliver (i) such documents and perform such other acts (including appearing as a witness) as MG may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such proprietary rights and the assignment thereof, and (ii) assignments of such proprietary rights to MG or its designee. Executive's obligation to assist MG with respect to proprietary rights in any and all countries shall continue beyond the termination of employment.

(d) Other Obligations. In addition to Executive's other obligations under this Paragraph 3, Executive shall promptly disclose to MG fully and in writing all patent applications filed by Executive or on Executive's behalf. At the time of each such disclosure, Executive shall advise MG in writing of any inventions that Executive believes are not required to be assigned pursuant to this Paragraph. Executive shall at that time provide to MG in writing all evidence necessary to substantiate that belief. Executive understands that MG will keep in confidence, will not disclose to third parties and will not use for any unauthorized purpose without Executive's consent, any proprietary information disclosed in writing to MG pursuant to this Covenant Agreement relating to inventions that are not required to be assigned pursuant to this subparagraph 3(d) and which were created or developed by Executive after termination of Executive's employment. Executive will preserve the confidentiality of any such invention that is or may be required to be assigned, in whole or in part, pursuant to this Paragraph 3. Executive agrees to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by MG) of all proprietary information developed by Executive and all inventions made by Executive during the period of employment at MG, which records shall be available to and remain the sole property of MG at all times. If MG becomes aware of a situation where it appears that its trade secrets are being used and/or disclosed by you, it will enforce its rights to the fullest degree allowed by law, including Federal or State trade secret law. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

4. **Restrictive Covenants.** Executive understands and agrees that the nature of Executive's position with MG provides Executive with access to and knowledge of MG's Confidential Information and places Executive in a position of trust and confidence with MG. Because of MG's legitimate business interests and for the consideration afforded in this Covenant Agreement and Offer Letter, Executive agrees that during Executive's employment with MG and for a period of twelve (12) months following the termination of Executive's employment from MG for any reason (the "Restricted Period"), Executive shall not engage in the following Prohibited Conduct:

(a) Non-Competition. Executive agrees that during the Restricted Period and in any geographic area in which Executive directly or indirectly performed responsibilities for MG or where Executive's knowledge of Confidential Information would be useful to a competitor in competing against MG, Executive will not engage in any conduct in which Executive contributes Executive's knowledge and skills, directly or indirectly, in whole or in part, as an executive, employee, employer, owner, operator, manager, advisor, consultant, agent, partner, director, stockholder, officer, volunteer, intern or any other similar capacity to a competitor or to an entity engaged in the same or similar business as MG, including those engaged in the business of production, sale or marketing of snack foods (including, but not limited to gum, chocolate, confectionary products, biscuits or any other product or service Executive had reason to know was under development by MG during Executive's employment with MG) ("Competitive Business") without the written consent of MG's Executive Vice President of Global Human Resources, or designee, such consent to be provided by MG in its sole and absolute discretion. Under no circumstances may Executive engage in any activity that may require or inevitably require Executive's use or disclosure of MG's Confidential Information.

(b) Non-Solicitation of Customers or Accounts. Executive understands and acknowledges that MG has expended and continues to expend significant time and expense in pursuing and retaining its customers and accounts, and that the loss of customers and accounts would cause significant and irreparable harm to MG. Executive therefore agrees that during the Restricted Period and for Executive or the direct or indirect benefit of any entity engaged in the same or similar business as MG, including those engaged in the business of production, sale or marketing of snack foods (including but not limited to gum, chocolate, confectionary products, biscuits or any other product or service Executive had reason to know was under development by MG during Executive's employment with MG), Executive will not (i) solicit business from or perform services for, or for the benefit of, any customer or account of MG with which Executive had contact, participated in the contact, or about which Executive had knowledge of Confidential Information by reason of Executive's relationship with MG within the twelve (12) month period prior to Executive's separation of employment from MG, or (ii) solicit business from or perform services for, or for the benefit of, any customer or account MG actively pursued for business and with which Executive had contact, participated in the contact, or about which Executive had knowledge of Confidential Information by reason of Executive's relationship with MG within the twelve (12) month period prior to Executive's separation of employment from MG.

(c) Non-Solicitation of Employees. Executive understands and acknowledges that MG has expended and continues to expend significant time and expense in recruiting and training its employees, and that the loss of employees would cause significant and irreparable harm to MG. Executive therefore agrees and covenants that during the Restricted Period Executive will not directly, or indirectly, solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment of any executive of MG.

(d) Judicial Amendment. Executive and MG acknowledge the reasonableness of the agreements set forth in this Section 4 and the specifically acknowledge the reasonableness of the geographic area, duration of time and subject matter that are part of the covenant not to compete contained in Section 4(a)-(c). Executive further acknowledges that Executive's skills are such that Executive can be gainfully employed in noncompetitive employment and that the parties' agreement not to compete will in no manner prevent Executive from earning a living. Notwithstanding the foregoing, in the event it is judicially determined that any of the limitations contained in this Section 4 are unreasonable, illegal or offensive under any applicable law and may not be enforced as agreed herein, the parties agree that the unreasonable, illegal or offensive portions of this Section 4, whether they relate to duration, area or subject matter, shall be and hereby are revised to conform with all applicable laws and that this Agreement, as modified, shall remain in full force and effect and shall not be rendered void or illegal.

5. **Return of MG Property.** Unless otherwise specified by MG in a separation or other similar-type agreement, within five (5) days of Executive's separation of employment from MG or as such other time as specified in the sole discretion of MG, Executive shall return all Confidential Information and all other MG property (whether in electronic or paper form) in Executive's possession, including documents, files, manuals, handbooks, notes, keys and any other items, files or documents (whether in electronic or paper form).

6. **No Disparagement or Harm.** Executive agrees that, in discussing Executive's relationship with MG and its affiliated and parent companies and their business and affairs, Executive will not disparage, discredit or otherwise refer to in a detrimental manner MG, its affiliated and parent companies or their officers, directors and Executives. MG agrees that, in discussing Executive's relationship with MG and its affiliated and parent companies and their business and affairs, MG (via any authorized public statement), officers or members of MG's Board of Directors will not disparage, discredit or otherwise refer to Executive in a detrimental manner. This Paragraph does not, in any way, restrict or impede Executive or MG (or its officers and directors), respectively, from exercising protected rights including the right to communicate with any federal, state or local agency or self-regulatory agency, including any with which a charge has been filed, to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation or order. Respectively, and to the extent legally permissible, executive shall promptly provide written notice of any such order to MG's legal department and the Company shall promptly provide written notice of any such order to Executive.

7. **Remedies.** Should Executive or MG breach any of the provisions contained in Paragraphs 2 through 6 of this Covenant Agreement, in addition to any other remedies available to MG or Executive, as applies, if Executive is the breaching party, Executive will be obligated to pay back to MG any payment(s) received pursuant to the Offer Letter. MG and Executive further acknowledge and agree that MG or Executive, as may apply, will or would suffer irreparable injury in the event of a breach or violation or threatened breach or violation of the provisions set forth in this Covenant Agreement, and agree that in the event of a breach or violation of such provisions the aggrieved party will be awarded injunctive relief by a court of competent jurisdiction to prohibit any such violation or breach, and that such right to injunctive relief will be in addition to any other remedy which may be ordered by the court or an arbitrator. The equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

8. **Notification.** Executive agrees that in the event Executive is offered to enter into an employment relationship with a third party at any time during the Restricted Period, Executive shall immediately advise said other third party of the existence of this Covenant Agreement and shall immediately provide said person or entity with a copy of this Covenant Agreement.

9. **Arbitration of Claims.** In the event either Executive or MG contests the interpretation or application of any of the terms of this Covenant Agreement, the complaining party shall notify the other in writing of the provision that is being contested. If the parties cannot satisfactorily resolve the dispute within thirty (30) days, the matter will be submitted to arbitration. An arbitrator will be chosen pursuant to the American Arbitration Association's ("AAA") Employment Arbitration Rules and Mediation Procedures. The arbitrator's fees and expenses and filing fees shall be borne by MG. The hearing shall be held at a mutually agreeable location and the arbitrator shall issue a written award which shall be final and binding upon the parties. Executive agrees to waive the right to a jury trial. Notwithstanding anything contained in this Paragraph 9, MG and Executive shall each have the right to institute judicial proceedings against the other party or anyone acting by, through or under the other party, in order to enforce its rights under Paragraphs 2 through 6 through specific performance, injunction, or similar equitable relief. Claims not covered by arbitration are those claims seeking injunctive and other relief due to unfair competition, due to the use or unauthorized disclosure of trade secrets or confidential information, due to wrongful conversion, breach of the Intellectual Property covenants, and the breach of the restrictive covenants set forth in Paragraphs 2 through 6.

10. **Entire Agreement and Severability.** This is the entire agreement between Executive and MG on the subject matter of this Covenant Agreement. This Covenant Agreement may not be modified or canceled in any manner except by a writing signed by both Executive and an authorized MG official. Executive acknowledges that MG has made no representations or promises to Executive, other than those in this Covenant Agreement. If any provision in this Covenant Agreement is found to be unenforceable, all other provisions will remain fully enforceable. The covenants set forth in this Covenant Agreement shall be considered and construed as separate and independent covenants. Should any part or provision of any provision of this Covenant Agreement be held invalid, void or unenforceable in any court of competent jurisdiction, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Covenant Agreement. If the release and waiver of claims provisions of any agreement related to this Covenant Agreement are held to be unenforceable, the parties agree to enter into a release and waiver agreement that is enforceable.

11. **Not a Contract of Employment.** Executive acknowledges and understands that nothing in this Covenant Agreement is intended to, nor should be construed to, alter the at-will nature of Executive's employment relationship with MG, nor to guarantee Executive's employment for any specified term. Notwithstanding any provision of this Covenant Agreement, Executive and/or MG may terminate Executive's employment at-will, for any reason permitted by law, with or without notice, and upon such termination, the rights and obligations set forth herein shall continue as expressly provided, subject to.

12. **Tolling.** Should Executive violate any of the terms of the confidentiality or restrictive covenant obligations in this Covenant Agreement, the obligation at issue will run from the first date on which Executive ceases to be in violation of such obligation.

13. **Attorneys' Fees.** Should either party breach any of the provisions of Paragraphs 2 through 6 of this Covenant Agreement, to the extent authorized by state law, the non-prevailing party (as determined by the trier of fact) will be responsible for payment of all reasonable attorneys' fees and costs that the prevailing party incurs in the course of such proceeding (including demonstrating the existence of a breach and any other contract enforcement efforts or successfully defending against an allegation of such breach).

14. **Governing Law.** This Covenant Agreement shall be governed under and construed in accordance with the laws of the State of Illinois without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than Illinois. Executive agrees that any legal proceeding concerning this Covenant Agreement may only be brought and held in a state or federal court located in the State of Illinois. Executive consents to the personal jurisdiction of such courts and agrees not to claim that any such courts are inconvenient or otherwise inappropriate.

15. **Successors and Assigns.** This Covenant Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors and permitted assigns. Executive may not assign Executive's rights and obligations under this Covenant Agreement without prior written consent of MG. MG may assign this Covenant Agreement and/or its rights or obligations under this Covenant Agreement. Any and all rights and remedies of MG under this Covenant Agreement shall inure to the benefit of and be enforceable by any successor or assignee of MG.

[Signatures are on the following page]

Mondelēz International Inc.
Deerfield, IL 60015 USA

mondelezinternational.com

IN WITNESS WHEREOF, the parties agree that this Covenant Agreement is an extension of and incorporated into the Offer Letter between Executive and Mondelēz International, Inc., and the parties have executed this Offer Letter freely and voluntarily with the intention of being legally bound by it.

Mondelēz International, Inc.

By: /s/ David H. Pendleton
Print Name: David H. Pendleton

Dated: 23rd April 2019

Executive

By: /s/ Sandra MacQuillan
Print Name: Sandra MacQuillan

Dated: 23rd April 2019

[Signature Page to Confidential Information, Intellectual Property and Restrictive Covenants Agreement- Appendix A to Sandra MacQuillan Offer Letter]

Exhibit 10.2

MONDELĒZ INTERNATIONAL, INC.

CHANGE IN CONTROL PLAN FOR KEY EXECUTIVES

ADOPTED: APRIL 24, 2007
AMENDED: DECEMBER 31, 2009
AMENDED: OCTOBER 2, 2012
AMENDED: MAY 21, 2014
AMENDED: DECEMBER 4, 2014
AMENDED: FEBRUARY 4, 2015
AMENDED: FEBRUARY 22, 2016
AMENDED: FEBRUARY 2, 2017
AMENDED: MAY 14, 2019

MONDELĒZ INTERNATIONAL, INC.
CHANGE IN CONTROL PLAN FOR KEY EXECUTIVES

1. Definitions

For purposes of the Change in Control Plan for Key Executives, the following terms are defined as set forth below (unless the context clearly indicates otherwise):

2005 Plan	The Mondelēz International, Inc. Amended and Restated 2005 Performance Incentive Plan, as amended from time to time.
Annual Base Salary	Twelve times the higher of: (i) the highest monthly base salary paid or payable to the Participant by the Mondelēz Group for the twelve-month period immediately preceding the month in which the Change in Control occurs, or (ii) the highest monthly base salary in effect at any time thereafter, in each case including any base salary that has been earned and deferred.
Board	The Board of Directors of the Company.
Annual Incentive Award Target	The annual incentive award that the Participant would receive for a fiscal year under the Management Incentive Plan or any comparable annual incentive plan if the target goals were achieved.
Cause	As defined in Section 3.2(b)(i) of this Plan.

Change in Control	The occurrence of any of the following events: (A) Acquisition of 20% or more of the outstanding voting securities of the Company by another entity or group; excluding, however, the following: (1) any acquisition by the Mondelēz Group; (2) any acquisition by an employee benefit plan or related trust sponsored or maintained by any entity within the Mondelēz Group; (3) any acquisition pursuant to a merger or consolidation described in clause (C) of this definition; or (4) any acquisition directly from the Company; (B) During any consecutive 24 month period, persons who constitute the Board at the beginning of such period cease to constitute at least 50% of the Board; provided that each new director who is approved by a majority of the directors serving at the beginning of the 24 month period shall be deemed to have been a director at the beginning of such 24 month period; (C) The consummation of a reorganization, merger, statutory share exchange or consolidation or other material transaction involving the Company or any of its subsidiaries; excluding, however, a transaction pursuant to which all or substantially all of the individuals or entities who are the beneficial owners of the outstanding voting securities of the Company immediately prior to such transaction will beneficially own, directly or indirectly, more than 50% of the combined voting power of the outstanding securities entitled to vote generally in the election of directors (or similar persons) of the entity resulting from such transaction (including, without limitation, an entity which as a result of such transaction owns the Company either directly or indirectly) in substantially the same proportions relative to each other as their ownership, immediately prior to such transaction, of the outstanding voting securities of the Company; or (D) The consummation of a plan of complete liquidation of the Company or the sale or disposition of all or substantially all of the Company's assets other than a sale or disposition pursuant to which all or substantially all of the individuals or entities who are the beneficial owners of the outstanding voting securities of the Company immediately prior to such transaction will beneficially own, directly or indirectly, more than 50% of the combined voting power of the outstanding securities entitled to vote generally in the election of directors (or similar persons) of the entity purchasing or acquiring the Company's assets in substantially the same proportions relative to each other as their ownership, immediately prior to such transaction, of the outstanding voting securities of the Company.
Code	The U.S. Internal Revenue Code.
Committee	The Board’s Human Resources and Compensation Committee, any successor thereto or such other committee or subcommittee as may be designated by the Board to administer the Plan.
Company	Mondelēz International, Inc., a corporation organized under the laws of the Commonwealth of Virginia, or any successor thereto.

Date of Termination	If the Participant's employment is terminated by: (i) The Employer for Cause or by the Participant for Good Reason, the Date of Termination shall be the date on which the Participant or the Employer, as the case may be, receives the Notice of Termination (as described in Section 3.2(c)) or any later date specified therein as the case may be. (ii) The Employer other than for Cause, death or Disability, the Date of Termination shall be the date on which the Employer notifies the Participant of such termination. (iii) Reason of death or Disability, the Date of Termination shall be the date of death of the Participant or the Disability Effective Date, as the case may be. Notwithstanding the above, in the event that the Date of Termination as determined above is not the last date on which the Participant is employed by the Employer, the Participant's Date of Termination shall be the last date on which the Participant is employed by the Employer.
Disability	As defined in Section 3.2(b)(ii).
Disability Effective Date	As defined in Section 3.2(b)(ii).
Effective Date	April 24, 2007. The Plan was amended effective December 31, 2009, October 2, 2012, May 21, 2014, December 4, 2014, February 4, 2015, February 22, 2016, February 2, 2017 and May 14, 2019.
Employer	The Company or any entity in the Mondelēz Group.
Excise Tax	The excise tax imposed by Section 4999 of the Code, together with any interest or penalties imposed with respect to such excise tax.
Good Reason	As defined in Section 3.2(a).
Key Executive	An employee who, is employed on a regular basis by the Employer and (i) is a Section 16 officer of the Company, or (ii) is otherwise designated by the Committee as eligible to participate in this Plan.
Mondelēz Group	The Company and each of its subsidiaries and affiliates.
Non-Competition Agreement	The agreement of a Participant not to, without the Company's prior written consent, engage in any activity or provide any services, whether as a director, manager, supervisor, employee, adviser, consultant or otherwise, for a period of up to one (1) year following the Participant's Date of Termination, with a company that is substantially competitive with a Mondelēz Group business; provided, that if the Participant’s most recent grant agreement contains non-competition standards that are more restrictive that apply to the Participant following termination of employment, the standards in that grant agreement will supersede this provision.
Non-Solicitation Agreement	The agreement of a Participant that he or she will not solicit, directly or indirectly, any employee of the Mondelçz Group, or a surviving entity following a Change in Control, to leave the Mondelçz Group and to work for any other entity, whether as an employee, independent contractor or in any other capacity, for a period of up to one (1) year following the Participant’s Date of Termination; provided, that if the Participant’s most recent grant agreement contains non-solicitation standards that are more restrictive that apply to the Participant following termination of employment, the standards in that grant agreement will supersede this provision.

Non-U.S. Executive	A Key Executive whose designated home country, for purposes of the Employer's personnel and benefits programs and policies, is other than the United States.
Participant	A Key Executive who meets the eligibility requirements of Section 2.1; provided, however that any Non-U.S. Executive who, under the laws of his or her designated home country or the legally enforceable programs or policies of the Employer in such designated home country, is entitled to receive, in the event of termination of employment (whether or not by reason of a Change in Control), separation benefits at least equal in aggregate amount to the Separation Pay prescribed under Section 3.3(b) of this Plan shall not be considered a Participant for the purposes of this Plan.
Payment	Any payment or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of the Participant, whether paid or payable pursuant to this Plan or otherwise.
Plan	The Mondelēz International, Inc. Change in Control Plan for Key Executives, as set forth herein.
Plan Administrator	The third-party accounting, actuarial, consulting or similar firm retained by the Company prior to a Change in Control to administer this Plan following a Change in Control.
Separation Benefits	The amounts and benefits payable or required to be provided in accordance with Section 3.3 of this Plan as potentially modified by Section 3.5.
Separation Pay	The amount or amounts payable in accordance with Section 3.3(b) of this Plan.
U.S. Executive	A Participant whose designated home country, for purposes of the Employer's personnel and benefits programs and policies, is the United States.
For purposes of these definitions and the Plan, any reference to a statute also refers to any regulations promulgated with respect to the statute and any successor or amendment to the statute, regulation or legal standard.	

2. Eligibility

2.1. Participation. Except as set forth in the definition of Participant above, each employee who is a Key Executive on the Effective Date shall be a Participant in the Plan effective as of the Effective Date and each other employee shall become a Participant in the Plan effective as of the date of the employee's promotion or hire as a Key Executive or designation by the Committee as a Participant.

2.2. Duration of Participation. A Participant shall cease to be a Participant in the Plan if (i) the Participant terminates employment with the Employer under circumstances not entitling him or her to Separation Benefits or (ii) the Participant otherwise ceases to be a Key Executive by role or by action of the Committee. No Key Executive may be removed from Plan participation in connection with or in anticipation of a Change in Control that actually occurs. A Participant who is entitled, as a result of ceasing to be a Key Executive of the Employer, to receive benefits under the Plan shall remain a Participant in the Plan until the amounts and benefits payable under the Plan have been paid or provided to the Participant in full.

3. Separation Benefits

3.1. Right to Separation Benefits. A Participant shall be entitled to receive from the Employer the Separation Benefits as provided in Section 3.3, if:

(1) a Change in Control has occurred,

(2) the Participant's employment by the Employer is terminated under circumstances specified in Section 3.2(a), whether the termination is voluntary or involuntary, and

(3)

(i) such termination occurs after such Change in Control and on or before the second anniversary thereof, or

(ii) such termination is reasonably demonstrated by the Participant to have been initiated by a third party that has taken steps reasonably calculated to effect a Change in Control or otherwise to have arisen in connection with or in anticipation of such Change in Control and such Change in Control occurs within 90 days of the termination.

For avoidance of doubt, no Separation Benefits will be payable to a U.S. Participant, until the U.S. Participant has a "separation from service" within the meaning of Treasury Regulation § 1.409A-1(h) regardless of whether the U.S. Participant has had a termination of employment.

3.2. Termination of Employment.

(a) ***Terminations that give rise to Separation Benefits under this Plan.*** The circumstances specified in this Section 3.2(a) are any termination of employment with the Employer by action of the Mondelēz Group or by a Participant for Good Reason, other than as set forth in Section 3.2(b) below. For purposes of this Plan, "Good Reason" shall mean:

(i) the assignment to the Participant of any duties substantially inconsistent with the Participant's position, authority, duties or responsibilities in effect immediately prior to the Change in Control, or any other action by the Mondelēz Group that results in a marked diminution in the Participant's position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and that is remedied by the Mondelēz Group promptly after receipt of notice thereof given by the Participant;

(ii) any material reduction in the Participant's base salary, annual incentive or long-term incentive opportunity as in effect immediately prior to the Change in Control;

(iii) the Mondelēz Group's requiring the Participant to be based at any office or location other than any other location that does not extend the Participant's home to work commute as of the time of the Change in Control by more than 50 miles; or

(iv) any failure by the Company to require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Plan in the same manner and to the same extent that the Company or the Employer would be required to perform it if no such succession had taken place, as and to the extent required by Section 5.

In order for a Participant to terminate employment for Good Reason, the Participant must notify the Company of any event purporting to constitute Good Reason within 45 days following the Participant's knowledge of its existence. If the Company or the Employer fails to take full corrective action within 30 days of the Participant's notice, the Participant's termination of employment will constitute Good Reason for purposes of this Plan.

(b) ***Terminations that DO NOT give rise to Separation Benefits under this Plan.*** Notwithstanding Section 3.2(a), if a Participant's employment is terminated for Cause or Disability (as those terms are defined below) or as a result of the Participant's death, or the Participant terminates his or her own employment other than for Good Reason, the Participant shall not be entitled to Separation Benefits under the Plan, regardless of the occurrence of a Change in Control.

(i) A termination for "Cause" shall have occurred where a Participant is terminated because of:

a. Continued failure to substantially perform the Participant's job's duties (other than resulting from incapacity due to disability);

b. Gross negligence, dishonesty, or violation of any reasonable rule or regulation of the Mondelēz Group where the violation results in significant damage to the Mondelēz Group; or

c. Engaging in other conduct that adversely reflects on the Mondelēz Group in any material respect.

(ii) A termination upon Disability shall have occurred where a Participant is absent from the Participant's duties with the Employer on a full-time basis for 180 consecutive days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Participant or the Participant's legal representative. In such event, the Participant's employment with the Employer shall terminate effective on the 30th day after receipt of such notice by the Participant (the "Disability Effective Date"), provided that, within the 30 days after such receipt, the Participant shall not have returned to full-time performance of the Participant's duties.

(c) ***Notice of termination.*** Any termination of employment initiated by the Employer for Cause, or by the Participant for Good Reason, shall be communicated by a Notice of Termination to the other party. For purposes of this Plan, a "Notice of Termination" means a written notice that:

(i) indicates the specific termination provision in this Plan relied upon,

(ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Participant's employment under the provision so indicated, and

(iii) specifies the date upon which the Participant's termination of employment is expected to occur (which date shall be not more than 30 days after the giving of such notice), provided, however, that such specified date shall not be considered the Date of Termination for any purpose of this Plan if such date differs from the Participant's actual Date of Termination.

The failure by the Participant or the Employer to set forth in the Notice of Termination any fact or circumstance that contributes to a showing of Good Reason or Cause shall not waive any right of the Participant or the Employer, respectively, hereunder or preclude the Participant or the Employer, respectively, from asserting such fact or circumstance in enforcing the Participant's or the Employer's rights hereunder.

3.3. Separation Benefits. If a Participant's employment is terminated under the circumstances set forth in Section 3.2(a) entitling the Participant to Separation Benefits, and if the Participant signs a Non-Competition Agreement and a Non-Solicitation Agreement, the Company shall pay or provide, as the case may be, to the Participant the amounts and benefits set forth in items (a) through (f) below (the "Separation Benefits"):

(a) The Employer shall pay to the Participant, in a lump sum in cash within 30 days after the Date of Termination (or, if later, 30 days after the date of the Change in Control), or on such later date as required under Section 3.3(g), the sum of:

(A) the Participant's Annual Base Salary through the Date of Termination to the extent not theretofore paid, plus

(B) the product of (x) the Participant's Annual Incentive Award Target and (y) a fraction, the numerator of which is the number of days in the current fiscal year through the Date of Termination and the denominator of which is 365, plus

(C) any accrued vacation pay, in each case to the extent not theretofore paid.

The sum of the amounts described in sub clauses (A), (B), and (C) shall be referred to as the "Accrued Obligations".

(b) The Employer also shall pay to the Participant, in a lump sum in cash within 30 days after the Date of Termination (or, if later, 30 days after the date of the Change in Control), or on such later date as required under Section 3.3(g), an amount ("Separation Pay") equal to the product of (A) two (or in the case of a Participant who served as Chairman and/or Chief Executive Officer immediately prior to the Change in Control, 2.99) and (B) the sum of (x) the Participant's Annual Base Salary and (y) the Participant's Annual Incentive Award Target, reduced (but not below zero) in the case of any Participant who is a Non-U.S. Executive by the U.S. dollar equivalent (determined as of the Participant's Date of Termination) of any payments made to the Participant under the laws of his or her designated home country or any program or policy of the Employer in such country on account of the Participant's termination of employment.

(c) Solely with respect to U.S. Participants, for two years after the Participant's Date of Termination (or, if later, the date of the Change in Control), (or in the case of a Participant who served as Chairman and/or Chief Executive Officer immediately prior to the Change in Control, three years), or such longer period as may be provided by the terms of the appropriate plan, program, practice or policy, the Employer shall continue welfare benefits to the Participant and/or the Participant's family at least equal to those that would have been provided to them in accordance with the plans, programs, practices and policies (including, without limitation, medical, prescription, dental, disability, employee/spouse/child life insurance, executive life, estate preservation (second-to-die life insurance) and travel accident insurance plans and programs), as if the Participant's employment had not been terminated, or, if more favorable to the Participant, as in effect generally at any time thereafter with respect to other peer executives of the Mondelēz Group and their families; provided, however, that if the Participant becomes reemployed with another employer and is eligible to receive medical or other welfare benefits under another employer-provided plan, the medical and other welfare benefits described herein shall be secondary to those provided under such other plan during such applicable period of eligibility. Notwithstanding the foregoing, the reimbursement of COBRA coverage can be provided, at the Company’s sole discretion, in the form of a lump sum taxable severance payment in lieu of a COBRA subsidy if the COBRA subsidy is found to be discriminatory pursuant to applicable guidance. The period of continuation of any group medical plan coverage under Section 4980B of the Code (the "COBRA Period") shall run concurrently during the period for which medical coverage is provided to the Participant pursuant to this Section 3.3(c). The provision of medical coverage made during the COBRA Period is intended to qualify for the exception to deferred compensation as a medical benefit provided in accordance with the provisions of Section 409A of the Code and Treasury Regulation §1.409A-1(b)(9)(v)(B). Any reimbursements required to be made to a Participant under any arrangement pursuant to this Section 3.3(c) that is not described in the preceding sentence or is not excepted from Section 409A of the Code under Treasury Regulation § 1.409A-1(a)(5) shall be made to the Participant no later than the end of the Participant's second taxable year following the date the expense being reimbursed was incurred. The maximum amount of any such welfare benefits provided to a Participant under this provision in any calendar year shall not be increased or decreased to reflect the amount of such welfare benefits provided to such Participant under this provision in a prior or subsequent calendar year. For purposes of determining the Participant's eligibility for retiree benefits pursuant to such welfare plans, practices, programs and policies, the Participant shall be considered to have remained employed until two years (or in the case of a Participant who served as Chairman and/or Chief Executive Officer immediately prior to the Change in Control, three years) after the Date of Termination; provided, however, that the Participant's commencement of such retiree benefits shall not be any sooner than the date on which the Participant attains 55 years of age and provided, further, that the Participant's costs under any such retiree benefits plans, practices, programs or policies shall be based upon actual service with the Mondelēz Group.

(d) The Employer shall, at its sole expense, provide the Participant with outplacement services through the provider of the Company's choice, the scope of which shall be chosen by the Participant in his or her sole discretion within the terms and conditions of the Company's outplacement services policy as in effect immediately prior to the Change in Control, but in no event shall such outplacement services continue for more than two years after the calendar year in which the Participant terminates employment.

(e) The Employer shall, for two years after the Participant's Date of Termination (or in the case of a Participant who served as Chairman and/or Chief Executive Officer immediately prior to the Change in Control, three years), or after the Change in Control, if later, or such longer period as may be provided by the terms of the appropriate perquisite, continue to provide the perquisites at least equal to those that the Employer would have provided to the Participant in accordance with the perquisites in effect immediately prior to the Change in Control; provided, however, that the maximum value of perquisites provided to a Participant under this provision in any calendar year shall not be increased or decreased to reflect the value of perquisites provided to such Participant under this provision in a prior or subsequent calendar year. Any reimbursements to a Participant for costs associated with such continued perquisites shall be made no later than the end of the Participant's second taxable year following the date the Participant incurred such cost. This clause does not apply to personal use of the Company aircraft to the extent that this perquisite is in effect for any Key Executive immediately prior to the Change in Control.

(f) To the extent not theretofore paid or provided, the Employer shall pay or provide to the Participant, at the time otherwise payable, any other amounts or benefits accrued as of the Participant’s termination of employment and required to be paid or provided or that the Participant is eligible to receive under any plan, program, policy or practice or contract or agreement of the Mondelēz Group.

(g) Notwithstanding the foregoing, if the Participant is a "specified employee" within the meaning of Section 409A of the Code, then (i) any payments described in Sections 3.3(a) and (b) that the Company determines constitute the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, shall be delayed and become payable within five days after the six-month anniversary of the Participant's termination of employment and (ii) any benefits provided under Sections 3.3(c) and (e) that the Company determines constitute the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, shall be provided at the Participant's sole cost during the six-month period after the date of the Participant's termination of employment, and within five days after the expiration of such period the Company shall reimburse the Participant for the portion of such costs payable by the Company pursuant to Sections 3.3(c) and (e) hereof.

(h) For all purposes under the applicable Company non-qualified defined benefit pension plan, the Company shall credit the Participant with two (or in the case of a Participant who served as Chairman and/or Chief Executive Officer immediately prior to the Change in Control, three) additional years of service and shall add two (or in the case of a Participant who served as Chairman and/or Chief Executive Officer immediately prior to the Change in Control, three) years to the Participant's age. However, this Section shall not apply to any non-qualified defined benefit pension plan that related to a qualified defined benefit pension plan that is frozen as of the date of the Participant’s termination of employment.

3.4. <u>[Reserved].</u>

3.5. <u>Potential Reduction in Payments for Certain Participants.</u>

(a) Anything in this Plan to the contrary notwithstanding, with respect to any Participant who is a citizen or resident of the United States, in the event (1) a Change in Control occurs and (2) in connection with such Change in Control it shall be determined that any Payment would be subject to the Excise Tax, then the aggregate Payments to the Participant will be the greater of (i) or (ii) below, after taking into account the Excise Tax and the applicable income and employment taxes payable by the Participant:

(i) The full amount of the Payments, or

(ii) An amount (the "Reduced Amount") that is one dollar less than the smallest amount that would give rise to any Excise Tax.

The Mondelēz Group will bear no responsibility for any Excise Tax payable on any Reduced Amount pursuant to a subsequent claim by the Internal Revenue Service or otherwise. For purposes of determining the Reduced Amount under this Section 3.5(a), amounts otherwise payable to the Participant under the Plan shall be reduced, to the extent necessary, in the following order: first, Separation Pay under Section 3.3(b), then Accrued Obligations payable under Section 3.3(a), other than Annual Base Salary through the Date of Termination, followed by outplacement services payable under Section 3.3(d), welfare benefits payable under Section 3.3(c), and, finally, perquisites payable under Section 3.3(e). In the event that such reductions are not sufficient to reduce the aggregate Payments to the Participant to the Reduced Amount, then Payments due the Participant under any other plan shall be reduced in the order determined by the Plan Administrator in its sole discretion.

(b) All determinations required to be made under this Section 3.5, including whether Reduced Amount is payable, and the assumptions to be utilized in arriving at such determinations, shall be made by the Company's independent auditors or such other nationally recognized certified public accounting firm as may be designated by the Company and approved by the Participant (the "Accounting Firm"), which shall provide detailed supporting calculations both to the Company and the Participant within 15 business days of the receipt of notice from the Participant that there has been a Payment, or such earlier time as is requested by the Company. All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determination by the Accounting Firm shall be binding upon the Mondelēz Group and the Participant.

3.6. Payment Obligations Absolute. Upon a Change in Control and termination of employment under the circumstances described in Section 3.2(a), the obligations of the Mondelēz Group to pay or provide the Separation Benefits shall be absolute and unconditional and shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right that the Mondelēz Group may have against any Participant. In no event shall a Participant be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to a Participant under any of the provisions of this Plan, nor shall the amount of any payment or value of any benefits hereunder be reduced by any compensation or benefits earned by a Participant as a result of employment by another employer, except as specifically provided under Section 3.3.

3.7. Non-Competition and Non-Solicitation. Upon a Change in Control and termination of employment under the circumstances described in Section 3.2(a), the obligations of the Mondelēz Group to pay or provide the Separation Benefits are contingent on the Participant’s adhering to the Non-Competition Agreement and the Non-Solicitation Agreement. Should the Participant violate the Non-Competition Agreement or Non-Solicitation Agreement, the Participant will be obligated to pay back to the Employer the net amounts payable to the Participant pursuant to this Plan and the Employer will have no further obligation to pay the Participant any payments that may be remaining due under this Plan.

3.8. Non-Disparagement. Upon a Change in Control and termination of employment under the circumstances described in Section 3.2(a), the obligations of the Mondelēz Group to pay or provide the Separation Benefits are contingent on the Participant's adhering to certain non-disparagement provisions. The Participant agrees that the Participant will not disparage, discredit or otherwise treat in a detrimental manner the Mondelēz Group or its officers, directors and employees.

3.9 General Release of Claims. Upon a Change in Control and termination of employment under the circumstances described in Section 3.2(a), the obligations of the Mondelēz Group to pay or provide the Separation Benefits are contingent on the Participant's (for him/herself, his/her heirs, legal representatives and assigns) execution and non-revocation of a general release in the form and substance attached hereto as **Exhibit A** to be provided by Employer with the general release becoming effective and non-revocable within 30 days (52 days if Participant's termination of employment occurs as the result of a group termination) following the Participant's termination of employment and receipt of the general release, releasing the Mondelēz Group and its officers, directors, agents and employees from any claims or causes of action of any kind that the Participant might have against any one or more of them as of the date of this release, regarding his/her employment or the termination of that employment. The Participant understands that this release applies to all claims (s)he might have under any federal, state or local statute or ordinance, or the common law, for employment discrimination, wrongful discharge, breach of contract, violations of Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Employee Retirement Income Security Act, the Americans With Disabilities Act, or the Family and Medical Leave Act, and all other claims related in any way to Participant's employment or the termination of that employment.

3.10. Non-Exclusivity of Rights. Nothing in this Plan shall prevent or limit the Participant's continuing or future participation in any plan, program, policy or practice provided by the Mondelēz Group and for which the Participant may qualify, nor, subject to Section 6.2, shall anything herein limit or otherwise affect such rights as the Participant may have under any contract or agreement with the Mondelēz Group. Amounts or benefits that the Participant is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Mondelēz Group will be payable in accordance with such plan, policy, practice or program or contract or agreement, except as explicitly modified by this Plan. For avoidance of doubt, any treatment triggered by a change in control in another plan or program maintained by the Company or an Employer which applies to a Participant will apply to the Participant notwithstanding any provision in this Plan to the contrary.

4. Successor to Company

This Plan shall bind any successor of the Company, its assets or its businesses (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Mondelēz Group would be obligated under this Plan if no succession had taken place.

In the case of any transaction in which a successor would not by the foregoing provision or by operation of law be bound by this Plan, the Company shall require such successor expressly and unconditionally to assume and agree to perform the Mondelēz Group’s obligations under this Plan, in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. The term "Company," as used in this Plan, shall mean the Company as hereinbefore defined and any successor or assignee to the business or assets that by reason hereof becomes bound by this Plan.

5. Duration, Amendment and Termination

5.1. Duration. This Plan shall remain in effect until terminated as provided in Section 5.2. Notwithstanding the foregoing, if a Change in Control occurs, this Plan shall continue in full force and effect and shall not terminate or expire until after all Participants who become entitled to any payments or benefits hereunder shall have received such payments or benefits in full.

5.2. Amendment and Termination. The Plan may be terminated or amended in any respect by resolution adopted by the Committee unless a Change in Control has previously occurred. However, after the Board has knowledge of a possible transaction or event that if consummated would constitute a Change in Control, this Plan may not be terminated or amended in any manner that would adversely affect the rights or potential rights of Participants, unless and until the Board has determined that all transactions or events that, if consummated, would constitute a Change in Control have been abandoned and will not be consummated, and, provided that the Board does not have knowledge of other transactions or events that, if consummated, would constitute a Change in Control. If a Change in Control occurs, the Plan shall no longer be subject to amendment, change, substitution, deletion, revocation or termination in any respect that adversely affects the rights of Participants, and no Participant shall be removed from Plan participation.

6. Miscellaneous

6.1. Legal Fees. The Company agrees to pay, to the full extent permitted by law, all legal fees and expenses that the Participant may reasonably incur as a result of any contest by the Mondelēz Group, the Participant or others of the validity or enforceability of, or liability under, any provision of this Plan or any guarantee of performance thereof (including as a result of any contest by the Participant about the amount of any payment pursuant to this Plan), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code; provided that the Company shall have no obligation under this Section 6.1 to the extent the resolution of any such contest includes a finding denying, in total, the Participant’s claims in such contest.

6.2. Employment Status. This Plan does not constitute a contract of employment or impose on the Participant, the Company or the Participant's Employer any obligation to retain the Participant as an employee, to change the status of the Participant's employment as an "at will" employee, or to change the Mondelēz Group’s policies regarding termination of employment.

6.3. Tax Withholding. The Employer may withhold from any amounts payable under this Plan such taxes as shall be required to be withheld pursuant to any applicable law or regulation as determined by the Employer in its sole discretion.

6.4. Validity and Severability. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan, which shall remain in full force and effect, and any prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

6.5. Governing Law. The validity, interpretation, construction and performance of the Plan shall in all respects be governed by the laws of the Commonwealth of Virginia, without reference to principles of conflict of law.

6.6. Section 409A of the Code. The Plan shall be interpreted, construed and operated to reflect the intent of the Company that all aspects of the Plan shall be interpreted either to be exempt from the provisions of Section 409A of the Code or, to the extent subject to Section 409A of the Code, comply with Section 409A of the Code. Notwithstanding anything to the contrary in Section 5.2, this Plan may be amended at any time, without the consent of any Participant, to avoid the application of Section 409A of the Code in a particular circumstance or to the extent determined necessary or desirable to satisfy any of the requirements under Section 409A of the Code, but the Employer shall not be under any obligation to make any such amendment. Nothing in the Plan shall provide a basis for any person to take action against the Employer based on matters covered by Section 409A of the Code, including the tax treatment of any amount payable under the Plan, and the Employer shall not under any circumstances have any liability to any Participant or other person for any taxes, penalties or interest due on amounts paid or payable under the Plan, including taxes, penalties or interest imposed under Section 409A of the Code.

6.7 Claim Procedure. If an individual makes a written request alleging a right to receive Separation Benefits under the Plan or alleging a right to receive an adjustment in benefits being paid under the Plan, the Company shall treat it as a claim for benefits. All claims for Separation Benefits under the Plan shall be sent to the General Counsel of the Company and must be received within 30 days after the Date of Termination. If the Company determines that any individual who has claimed a right to receive Separation Benefits under the Plan is not entitled to receive all or a part of the benefits claimed, it will inform the claimant in writing of its determination and the reasons therefore in terms calculated to be understood by the claimant. The notice will be sent within 90 days of the written request, unless the Company determines additional time, not exceeding 90 days, is needed and provides the claimant with notice, during the initial 90-day period, of the circumstances requiring the extension of time and the length of the extension. The notice shall make specific reference to the pertinent Plan provisions on which the denial is based, and describe any additional material or information that is necessary. Such notice shall, in addition, inform the claimant what procedure the claimant should follow to take advantage of the review procedures set forth below in the event the claimant desires to contest the denial of the claim. The claimant may within 90 days thereafter submit in writing to the Plan Administrator a notice that the claimant contests the denial of his or her claim by the Company and desires a further review. The Plan Administrator shall within 60 days thereafter review the claim and authorize the claimant to appear personally and review the pertinent documents and submit issues and comments relating to the claim to the persons responsible for making the determination on behalf of the Plan Administrator. The Plan Administrator will render its final decision with specific reasons therefor in writing and will transmit it to the claimant within 60 days of the written request for review, unless the Plan Administrator determines additional time, not exceeding 60 days, is needed, and so notifies the claimant during the initial 60-day period. If the Plan Administrator fails to respond to a claim filed in accordance with the foregoing within 60 days or any such extended period, the Plan Administrator shall be deemed to have denied the claim. The Committee may revise the foregoing procedures as it determines necessary to comply with changes in the applicable U.S. Department of Labor regulations.

6.8. Unfunded Plan Status. This Plan is unfunded and is intended to qualify as a severance pay plan within the meaning of Labor Department Regulations Section 2510.3-2(b). All payments pursuant to the Plan shall be made from the general funds of the Employer and no special or separate fund shall be established or other segregation of assets made to assure payment. No Participant or other person shall have under any circumstances any interest in any particular property or assets of the Mondelēz Group as a result of participating in the Plan. Notwithstanding the foregoing, the Committee may authorize the creation of trusts or other arrangements to assist in accumulating funds to meet the obligations created under the Plan; provided, however, that, unless the Committee otherwise determines, the existence of such trusts or other arrangements is consistent with the "unfunded" status of the Plan.

6.9. Reliance on Adoption of Plan. Subject to Section 5.2, each person who shall become a Key Executive shall be deemed to have served and continue to serve in such capacity in reliance upon the Change in Control provisions contained in this Plan.

6.10. Plan Supersedes Prior U.S. Arrangements. For the period of two years following the occurrence of a Change in Control, the provisions of this Plan shall supersede, with respect to U.S. Participants, any and all plans, programs, policies and arrangements of the Mondelēz Group providing severance benefits other than the 2005 Plan (except whereby Payments under the 2005 Plan are reduced in accordance with Section 3.5 above).

IN WITNESS WHEREOF, the Company has caused this Plan to be executed by its duly authorized officer effective as of the Effective Date set forth above.

MONDELĒZ INTERNATIONAL, INC.

By: /s/ Paulette Alviti
Paulette Alviti
Executive Vice President and Chief Human Resources Officer

[Signature Page to the Mondelēz International, Inc. Change in Control Plan for Key Executives as Amended May 14, 2019]

EXHIBIT A

THIS RELEASE (this "Release") is entered into between [insert name] ("Employee") and [insert name] (the "Company"), for the benefit of the Company. Capitalized terms used and not defined herein shall have the meanings provided in the Mondelēz International, Inc. Change in Control Plan for Key Executives, as amended and restated on February 2, 2017 (the "Plan"). The entering into and non-revocation of this Release is a condition to Employee's right to receive the amounts and benefits described in Section 3.3 of the Plan.

Accordingly, Employee and the Company agree as follows:

1. In consideration for the amounts and benefits described in Section 3.3 of the Plan , to which Employee is not otherwise entitled, and the sufficiency of which Employee acknowledges, Employee represents and agrees, as follows:

(a) Employee, for himself, his heirs, administrators, representatives, executors, successors and assigns (collectively "Releasers"), hereby irrevocably and unconditionally releases, acquits and forever discharges and agrees not to sue the Company or any of its parents, subsidiaries, divisions, affiliates and related entities and their current and former directors, officers, shareholders, trustees, employees, consultants, independent contractors, representatives, agents, servants, successors and assigns and all persons acting by, through or under or in concert with any of them (collectively "Releasees"), from all claims, rights and liabilities up to and including the date of this Release arising from or relating to Employee's employment with, or termination of employment from, the Company and its subsidiaries and affiliates, and from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected and any claims of wrongful discharge, breach of contract, implied contract, promissory estoppel, defamation, slander, libel, tortious conduct, employment discrimination or claims under any federal, state or local employment statute, law, order or ordinance, including any rights or claims arising under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 621 et seq. ("ADEA"), the Americans with Disabilities Act of 1990, as amended, the Family Medical Leave Act of 1993, as amended, the Employee Retirement Income Security Act of 1974, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any other federal, state or municipal ordinance relating to discrimination in employment. Nothing contained herein shall restrict the parties' rights to enforce the terms of this Release.

(b) To the maximum extent permitted by law, Employee agrees that he has not filed, nor will he ever file, a lawsuit asserting any claims which are released by this Release, or to accept any benefit from any lawsuit which might be filed by another person or government entity based in whole or in part on any event, act, or omission which is the subject of this Release.

(c) This Release specifically excludes (i) Employee's right to receive the amounts and benefits described in Section 3.3 of the Plan, (ii) Employee's rights to vested amounts and benefits under any employee benefit plan of the Company or its affiliates, (iii) any claims arising after the date hereof and (iv) any claim or right Employee may have to indemnification or coverage under the Company's or any of its affiliates' respective bylaws or directors' and officers' insurance policies.

(d) The parties agree that this Release shall not affect the rights and responsibilities of the US Equal Employment Opportunity Commission (hereinafter "EEOC") to enforce ADEA and other laws. In addition, the parties agree that this Release shall not be used to justify interfering with Employee's protected right to file a charge or participate in an investigation or proceeding conducted by the EEOC. The parties further agree that Employee knowingly and voluntarily waives all rights or claims (that arose prior to Employee's execution of this Release) the Releasers may have against the Releasees, or any of them, to receive any benefit or remedial relief (including, but not limited to, reinstatement, back pay, front pay, damages, attorneys' fees, experts' fees) as a consequence of any investigation or proceeding conducted by the EEOC.

2. Employee acknowledges that the Company has specifically advised him of the right to seek the advice of an attorney concerning the terms and conditions of this Release. Employee further acknowledges that he has been furnished with a copy of this Release, and he has been afforded twenty-one (21) calendar days in which to consider the terms and conditions set forth above prior to this Release. By executing this Release, Employee affirmatively states that he has had sufficient and reasonable time to review this Release and to consult with an attorney concerning his legal rights prior to the final execution of this Release. Employee further agrees that he has carefully read this Release and fully understands its terms. Employee acknowledges that he has entered into this Release, knowingly, freely and voluntarily. Employee understands that he may revoke this Release within seven (7) calendar days after signing this Release. Revocation of this Release must be made in writing and must be received by [insert name] at the Company, [insert address], within the time period set forth above.

3. This Release will be governed by and construed in accordance with the laws of the State of [insert State], without giving effect to any choice of law or conflicting provision or rule (whether of the State of [insert State] or any other jurisdiction) that would cause the laws of any jurisdiction other than the State of [insert State] to be applied. In furtherance of the foregoing, the internal law of the State of [insert State] will control the interpretation and construction of this agreement, even if under such jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply. The provisions of this Release are severable, and if any part or portion of it is found to be unenforceable, the other paragraphs shall remain fully valid and enforceable.

4. This Release shall become effective and enforceable on the eighth day following its execution by Employee, provided he does not timely exercise his right of revocation as described above. If Employee fails to sign and deliver this Release or timely revokes this Release, this Release will be without force or effect, and Employee shall not be entitled to any of the amounts or benefits described in Section 3.3 of the Plan.

EMPLOYEE:____________________ DATE:_________________________

EXHIBIT 31.1

Certifications

I, Dirk Van de Put, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mondelēz International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 30, 2019

/s/ DIRK VAN DE PUT

Dirk Van de Put
Chairman and Chief Executive Officer

EXHIBIT 31.2

Certifications

I, Luca Zaramella, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mondelēz International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 30, 2019

/s/ LUCA ZARAMELLA

Luca Zaramella
Executive Vice President and
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATIONS OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Dirk Van de Put, Chairman and Chief Executive Officer of Mondelēz International, Inc. (“Mondelēz International”), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that Mondelēz International’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in Mondelēz International’s Quarterly Report on Form 10-Q fairly presents in all material respects Mondelēz International’s financial condition and results of operations.

/s/ DIRK VAN DE PUT

Dirk Van de Put
Chairman and Chief Executive Officer

July 30, 2019

I, Luca Zaramella, Executive Vice President and Chief Financial Officer of Mondelēz International, Inc. (“Mondelēz International”), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that Mondelēz International’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in Mondelēz International’s Quarterly Report on Form 10-Q fairly presents in all material respects Mondelēz International’s financial condition and results of operations.

/s/ LUCA ZARAMELLA

Luca Zaramella
Executive Vice President and
Chief Financial Officer

July 30, 2019

A signed original of these written statements required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Mondelēz International, Inc. and will be retained by Mondelēz International, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.