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Mondelēz International's Cocoa Life Program Unveils Third-Party Verification Framework

- Developed in Partnership with Harvard University Research Team**
- Framework to Measure and Improve Impact on Cocoa Farmers and Communities, Provide Transparency**

AMSTERDAM, June 11, 2014 /PRNewswire/ -- Mondelēz International, the world's largest chocolate company, today shared new plans to achieve third-party verification for its \$400 million Cocoa Life program. The approach will measure the impact of Cocoa Life on farmers and their communities and progress towards the program's objective—creating thriving cocoa communities. Mondelēz International has partnered with Harvard University to set up an independent verification framework with three key elements:

- Each year, a Harvard research team will conduct an independent evaluation with a team of local university post-graduate students collecting data in Cocoa Life communities to measure the program's impact on its five core outcomes.
- Every three years, a Harvard research team will conduct a holistic study of Cocoa Life to ensure it is on track to achieve its vision of empowering thriving cocoa communities, including comparison with control communities outside the program.
- On an ongoing basis, a third-party organization will verify the flow of cocoa from Cocoa Life communities into Mondelēz International's supply chain.



"Cocoa Life is answering the call for companies to make a scalable, positive impact on the lives of smallholder cocoa farmers," said Christine McGrath, Vice President, External Affairs, who leads the company's Call For Well-being and Cocoa Life. "We're helping build thriving communities by investing directly in them—helping farmers improve their farming practices and business skills, while empowering women and young farmers. Third-party verification will help us measure and improve our impacts at origin."

Later this year, Harvard University will release its first impact report on Cocoa Life communities in Ghana, where Cocoa Life's legacy programs began in 2008. The impact report will build on new third-party assessments by Harvard University and CARE International released in April, which revealed striking gaps in income and opportunities for female cocoa farmers. The findings on the status of women in the cocoa supply chain formed the basis for Cocoa Life's gender action plan.

"Mondelēz International is demonstrating leadership by setting the standard for a new generation of sustainable sourcing programs and supporting their direct investments with a robust process to verify the impact they are having on the ground," said Michael J. Hiscox, Professor of International Affairs at Harvard University, who leads the research team. "Programs like Cocoa Life need to demonstrate how they deliver value to farming communities through a holistic approach focused on impacts, rather than compliance with specific farming practices."

"The verification process we have created forms the backbone of our approach," said McGrath. "It drives transparency and—because we source from the farming communities where we invest—ensures accountability to our partners and our consumers. As a result, our approach will not only help us secure our own supplies but also, by empowering the farming communities that supply us, help promote a sustainable future for the cocoa industry."

This March, Mondelez International issued a Call For Well-being to urge its employees, suppliers and community partners to join together to develop new approaches that can have a positive impact on the planet and its people. The Call For Well-being focuses on four key areas where the company can make the greatest impact: mindful snacking, sustainability, community and safety. Cocoa Life and Coffee Made Happy, the company's \$200 million investment in sustainable coffee, answer the call for sustainable cocoa and coffee supply chains centered on empowered, thriving communities. What sets the programs apart is their ambition to invest directly in farming communities, their scalability and a commitment to transparency through independent verification methods focused on impacts.

Partnering with Experts to Scale Up Impact on the Ground

Mondelez International is working with governments, suppliers, experts in economic development, community management and others—using its reach to give a voice to farmers and their communities who grow the key ingredients that go into its snacks. To best understand farmers' needs and put its scale as the world's largest chocolate company to work on the ground, Cocoa Life works with a group of external advisers and strategic partners:

- **Andrew Bovarnick**, Lead Natural Resource Economist and Global Head of the United Nations Development Programme's Green Commodities Programme
- **Michael Mapstone**, Head of Corporate Partnerships at VSO
- **David McLaughlin**, Managing Director and Vice President, Agriculture, World Wildlife Fund
- **Aidan McQuade**, Director at Anti-Slavery International
- **Mil Niepold**, Senior Mediator at The Consensus Building Institute
- **Christine Svarer**, Head of Private Sector Engagement, CARE International UK

Mondelez International's strategic partnerships have been instrumental in designing its Cocoa Life verification system and will continue to guide and advise in reporting progress against these outcomes. In parallel, Coffee Made Happy is forming an advisory group of expert advisers, which will be announced together with more detail on its evaluation system in the coming months.

About Mondelez International

Mondelez International, Inc. (NASDAQ: MDLZ) is a global snacking powerhouse, with 2013 revenue of \$35 billion. Creating delicious moments of joy in 165 countries, Mondelez International is a world leader in biscuits, chocolate, gum, candy, coffee and powdered beverages, with billion-dollar brands such as *Oreo*, *LU* and *Nabisco* biscuits; *Cadbury*, *Cadbury Dairy Milk* and *Milka* chocolate; *Trident* gum; *Jacobs* coffee and *Tang* powdered beverages. Mondelez International is a proud member of the Standard and Poor's 500, NASDAQ 100 and Dow Jones Sustainability Index. Visit www.mondelezinternational.com or follow us on Twitter at www.twitter.com/MDLZ.



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