



DIVISION OF
CORPORATION FINANCE

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

March 25, 2025

Lori Zyskowski
Gibson, Dunn & Crutcher LLP

Re: Mondelēz International, Inc. (the "Company")
Incoming letter dated January 14, 2025

Dear Lori Zyskowski:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Boston Common ESG Impact US Equity Fund and co-filers for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests that the board annually publish a report assessing the gap between the Company's current global nutrition reporting and reporting based on other internationally recognized Nutrient Profiling Models (NPMs) conducted by independent third parties.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal seeks to micromanage the Company. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(7).

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Amy Orr
Boston Common Asset Management

January 14, 2025

VIA ONLINE PORTAL SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: *Mondelēz International, Inc.*
Shareholder Proposal of Boston Common ESG Impact US Equity Fund et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Mondelēz International, Inc. (the “Company”), intends to omit from its proxy statement and form of proxy for its 2025 Annual Meeting of Shareholders (collectively, the “2025 Proxy Materials”) a shareholder proposal (the “Proposal”) and statement in support thereof (the “Supporting Statement”) submitted by Boston Common ESG Impact US Equity Fund, the Province of Saint Joseph of the Capuchin Order, Trinity Health, Cardano Asset Management N.V., CommonSpirit Health, Ofi Invest AM, Benedictine Sisters of Cullman, Alabama, Greater Manchester Pension Fund, the Missionary Oblates of Mary Immaculate, US Province, and Sisters of St. Joseph of Peace (collectively, the “Proponents”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2025 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponents.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponents that if the Proponents elect to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal states:

RESOLVED, Shareholders request that the board annually publish a report, omitting proprietary information and prepared at reasonable cost, assessing the gap between Mondelez's current global nutrition reporting and reporting based on other internationally recognized Nutrient Profiling Models (NPMs) conducted by independent third parties.

A copy of the Proposal and the Supporting Statement is attached to this letter as Exhibit A.

BACKGROUND

The Company is one of the world's largest snack companies.¹ It sells thousands of products in more than 150 countries across five product categories (biscuits, chocolate, gum and candy, beverages, and cheese and grocery) and more than 40 brands.² As a global food and beverage company, the Company is required to report on the nutritional information for its products in accordance with a wide variety of applicable laws.³ The Company has, since 2007, "provided nutrition labeling on all of [its] products in all markets worldwide."⁴

The Company shares the Proponents' view regarding the importance of consumers making informed decisions.⁵ Focusing on and expanding its well-being offerings, as well as refining the nutrition and ingredient profiles of its products, is also considered important to the Company's growth.⁶ The Company has accordingly made mindful snacking a significant focus of its current research and development initiatives, maintaining "a dedicated innovation and venture hub, SnackFutures, specifically tailored to leverage emerging

¹ See About Us, Mondelez International (last accessed Jan. 5, 2025), *available at* <https://www.mondelezinternational.com/about-us/>.

² See Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (Feb. 2, 2024), *available at* <https://www.sec.gov/ix?doc=/Archives/edgar/data/1103982/000110398224000019/mdlz-20231231.htm> (the "2023 Form 10-K"); Our Brands, Mondelez International (last accessed Jan. 5, 2025), *available at* <https://www.mondelezinternational.com/our-brands/>.

³ See 2023 Form 10-K at 9 ("Our food products and ingredients are subject to local, national and multinational regulations related to labeling, health and nutrition claims, packing, pricing, marketing and advertising, and related areas").

⁴ See Nutritional Responsibility, Mondelez International (last accessed Jan. 5, 2025), *available at* <https://www.mondelezinternational.com/snacking-made-right/esg-topics/nutritional-responsibility/>.

⁵ See Snacking Made Right, Mondelez International (last accessed Jan. 9, 2025), *available at* <https://www.mondelezinternational.com/snacking-made-right/> (describing Company's effort to "giv[e] people a wide range of snacks so they can make great informed choices").

⁶ See 2023 Form 10-K at 17.

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consumer trends and growth opportunities in mindful snacking” and the Nutrition Science Corner, focused on driving “innovation and success through nutrition research.”⁷

Nutrition is also a key part of the Company’s sustainability strategy. It “continually strive[s] to enhance the nutrient and ingredient profile of [its] snacks portfolio through efforts to reduce sugar, sodium and saturated fat content and use more whole grains” and maintains “category-based nutrition guidelines” and “brand-specific guidance” applicable to new product development and the enhancement of current products.⁸ As part of its membership in the International Food & Beverage Alliance, the Company endorsed the global sodium reduction commitment, which includes “standardized, stepwise voluntary targets to be achieved incrementally by 2025 and 2030.”⁹ The Company reports on these efforts on its website and in its ESG reports. For example, in the 2023 ESG Report, the Company described its progress on nutrient profiles worldwide in 2023, including reduced sugar content in products sold in Brazil and India, and reduced sodium content in certain products sold in the United Kingdom, Morocco, Saudi Arabia, and the United Arab Emirates.¹⁰ The Company has also “continued to evaluate and enhance the ingredient and nutrient profile of [its] snacks portfolio through renovations to [its] existing products.”¹¹ To further drive and monitor its progress, the Company has adopted a goal to “deliver up to 100% of [its] net revenue by the end of 2025 through Mindful Portion snacks”¹² and provides annual updates on its progress.¹³ Through these efforts, the Company has established a tailored strategy and process for its nutrient reporting that aligns with applicable laws and regulations, business goals, and its sustainability strategy, including its Mindful Snacking Strategy to support consumer well-being.¹⁴

Despite the Company’s nutrition reporting strategy and its existing disclosures, the Proposal seeks an additional annual report on the “gap” between such reporting and “reporting based on other internationally recognized Nutrient Profiling Models . . . conducted by independent third parties.” The new annual gap assessment would require the Company to expend

⁷ See 2023 Form 10-K at 5; About Us, Mondelez International Nutrition Science Corner (last accessed Jan. 5, 2025), available at <https://www.mondelezinternationalnutritionscience.com/our-mission>.

⁸ See Snacking Made Right: 2023 ESG Report at 14-16, Mondelez International (Apr. 15, 2024), available at [https://www.mondelezinternational.com/assets/Snacking-Made-Right/SMR-Report/2023/2023-\[Snacking-Made-Right-ESG-Report.pdf](https://www.mondelezinternational.com/assets/Snacking-Made-Right/SMR-Report/2023/2023-[Snacking-Made-Right-ESG-Report.pdf) (“2023 ESG Report”).

⁹ See Sodium and Saturated Fat Reduction, Mondelez International (last accessed Jan. 5, 2025), available at <https://www.mondelezinternational.com/snacking-made-right/esg-topics/sodium-and-saturated-fats-reduction/>.

¹⁰ See 2023 ESG Report at 14.

¹¹ See *id.*

¹² Mindful Portion snacks are defined as “those in either individually wrapped Mindful Portion serving sizes of no more than 200 calories or featuring Mindful Portion labeling.” See *id.*

¹³ See *id.*; see also ESG Datasheet, Mondelez International (last accessed Jan. 5, 2025), available at <https://www.mondelezinternational.com/snacking-made-right/reporting-and-disclosure/esg-datasheet/#23>.

¹⁴ See Mindful Snacking, Mondelez International (last accessed Jan. 9, 2025), available at <https://www.mondelezinternational.com/snacking-made-right/mindful-snacking/#/>.

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significant resources to prepare and report a highly detailed assessment across its product catalogue against potential numerous and varied nutrient profiling models in a manner that is not consistent with its peers or industry, differs from the reporting regime and nutrition guidelines the Company already developed and currently uses for its products and reporting, and that would be of minimal additional benefit to shareholders. As such, the Proposal seeks to micromanage the Company with respect to how it reports on the nutrition information for its products, requesting a highly prescriptive and detailed report that requires extensive information to be assembled and published.

BASIS FOR EXCLUSION

For the reasons discussed below, the Proposal properly may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations and seeks to micromanage the Company.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Involves Matters Related To The Company's Ordinary Business Operations.

A. Background On The Ordinary Business Standard.

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. *Id.* As is relevant to the Proposal, the second consideration concerns "the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)).

Moreover, framing a shareholder proposal in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. *See* Exchange Act Release No. 20091 (Aug. 16, 1983); *see also Johnson Controls, Inc.* (avail. Oct. 26, 1999) ("[Where] the subject matter of the additional disclosure sought in a particular proposal involves a matter

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of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7).”).

B. The Proposal Is Excludable Because It Seeks To Micromanage The Company.

As explained above, the Commission stated in the 1998 Release that one of the considerations underlying the ordinary business exclusion is “the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” The 1998 Release further states that “[t]his consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific . . . methods for implementing complex policies.” In Staff Legal Bulletin No. 14L (Nov. 3, 2021) (“SLB 14L”), the Staff stated that in considering arguments for exclusion based on micromanagement, the Staff “will focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management.” In assessing whether a proposal probes matters “too complex” for shareholders, as a group, to make an informed judgment, the Staff “may consider the sophistication of investors generally on the matter, the availability of data, and the robustness of public discussion and analysis on the topic.” The Staff stated that it would also consider “references to well-established national or international frameworks when assessing proposals related to disclosure” as examples of topics that shareholders are well-equipped to evaluate. Furthermore, the Staff noted that the ordinary business exclusion “is designed to preserve management’s discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters.” SLB 14L.

In assessing the “granularity” of a proposal and the extent to which a proposal seeks to micromanage a company’s ordinary business operations, the Staff evaluates not just the wording of the proposal but also the action called for by the proposal and the manner in which the action called for under a proposal would affect a company’s activities and management discretion. For example, in *Air Products and Chemicals, Inc.* (avail. Nov. 29, 2024), the Staff concurred that a proposal asking the company to provide a detailed report regarding its lobbying and grassroots lobbying communications, payments, and related governance could be excluded because it sought to micromanage the company. There, the company argued that the proposal requested “a highly prescriptive and detailed report that requires dozens of distinct pieces of information” and “would significantly micromanage the manner in which the [c]ompany could provide information regarding its lobbying initiatives.” It further noted the request lacked “any limiting principle,” required more information than reporting by company peers, and that information related to lobbying was already required under state and federal laws under which the company already reported. Similarly, in *Delta Air Lines, Inc.* (avail. Apr. 24, 2024), the Staff concurred that a proposal asking the company to report on “expenditures that are intended or could be viewed as intended to dissuade employees from joining or supporting unions” could be excluded because it sought to micromanage the company. In *Delta Air Lines*, the company argued that the information required by the proposal would delve deeply into ordinary business operations, noting that

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workforce management matters are “multi-faceted, complex and based on a range of considerations, and they are the subject of laws of multiple states and foreign countries.” Likewise, in *Phillips 66* (avail. Mar. 20, 2023), the Staff concurred that a proposal requesting a report on the undiscounted expected value to settle the company’s asset retirement obligations (“AROs”) with indeterminate settlement dates could be excluded because the proposal micromanaged the company, where the company argued that the proposal prescribed a specific approach for assessing the value of AROs with indeterminate settlement dates. *See also SeaWorld Entertainment, Inc.* (avail. Apr. 20, 2021) (concurring with the exclusion of a proposal requesting a feasibility study to determine how soon the company could eliminate animal-based programs could be excluded because it sought to micromanage the company); *MGE Energy, Inc.* (avail. Mar. 13, 2019) (concurring with the exclusion of a proposal requesting “a public report describing how [the company] can provide a secure, low cost energy future for its customers and shareholders by eliminating coal and moving to 100% renewable energy” because it sought to micromanage ordinary business operations by “seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors”).

Also recently, in *Tesla, Inc. (Stephen)* (avail. Mar. 27, 2024), the Staff concurred with the exclusion under Rule 14a-8(i)(7) of a proposal requesting the company redesign its vehicle tires “to avoid pollution from harmful chemicals such as 6PPD-Q,” noting that “[i]n our view, the [p]roposal seeks to micromanage the [c]ompany.” There, the company argued that proposals “concern[ing] the design, product development or product offerings of a company” are excludable, “even when the design, development or product touches on a social issue.” Similarly, in *The Home Depot, Inc. (Green Century Capital Management, Inc.)* (avail. Mar. 21, 2024), the Staff concurred with the exclusion of a proposal on the basis of micromanagement where the company argued that the proposal focused on decisions to sell a particular product containing particular materials, even though the proposal, as described by the company, attempted to implicate significant social policy issues “[b]y referring to the climate, regulatory and legal and reputational risks.”

Just as with the precedents cited above, the Proposal seeks to micromanage the Company by directing that the Company annually evaluate and report on the nutrition of its products through a gap assessment to other nutrition profile models. The Company’s decisions regarding the reporting on the nutrition of its products are, as noted in the Background section, subject to applicable laws and regulations. In addition, its strategic priorities, internal nutrition guidelines, significant investment in, and focus on the nutrition profile of its products involve complex factors such as consumer preferences and trends, existing targets and commitments, developments in nutrition science, evolving trends and regional standards for defining and measuring healthiness, the applicability of reporting standards to the Company’s product and markets, and the potential impacts on sales, customer relations, and brand reputation. These evaluations, through which the Company uses a cross-functional team of internal experts to determine its strategy and nutrition reporting, require judgments and considerations that draw on management’s day-to-day business experience and assessment of numerous possible alternatives, consequences, and impacts.

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While there are a variety of “internationally recognized” nutrition profiling models, including those that are government-endorsed, there is not yet a consensus or uniform practice among food and beverage manufacturers regarding nutrient reporting for the “healthiness” of foods. This is noted by the Access to Nutrition Initiative’s (“ATNi”) Global Index 2024 (the “2024 Index”), cited by the Proponent, which states:

To date, there is no single agreed-upon way to define and report on the healthiness of food and beverage products [A] nutrient profiling model (NPM) – a tool used to classify or score food products according to their nutritional composition and impact on health – can be used to evaluate the nutritional quality of foods and highlight what food choices contribute to a healthy diet. There are numerous internationally recognised/government-endorsed NPMs that can be used to define ‘healthier’ products.¹⁵

Thus, while there may be individual nutrition profiling models that are considered to be “well-established national or international frameworks,” it is notable that such models are not uniform and vary significantly, including across jurisdictions—for example, the United Kingdom has adopted a UK Nutrient Profiling Model (HFSS), Australia and New Zealand use the Health Star Rating system, and France and Germany use Nutri-Score. These and other nutrition profiling models differ in the nature and extent of their required reporting. Some models use a scoring approach under which products are given a binary rating or a ranking within a numeric or grade-based scale. Some models are based on particular nutrient contents, such that a product is assessed based on saturated fat, sugar, calories, or salt, while others focus on particular product categories.

There is also not yet a consensus or uniform practice among food and beverage manufacturers regarding nutrient reporting using these models. In its review of 30 companies for the 2024 Index (representing less than 25% of the global food and business market), the ATNi found that nine of those companies “use government-endorsed NPMs to report on the healthiness of their portfolios in some way,” though the specific models used varied across the companies.¹⁶ Further, just as many companies (i.e., nine) either used *their own* nutrition profiling models (three companies) or used an alternative definition for “healthier” in their reporting (six companies). The companies also varied in the metrics used, with some companies reporting as an absolute value of retail sales, while others reported as a percentage of their product portfolio or the absolute number of products. Some companies also reported on only a subset of their global footprint, such as “top” markets.¹⁷ This variety reflects how food and beverage manufacturers currently differ in their selected strategies for how to appropriately report on the nutritional information of their products and resulted in

¹⁵ See Global Index 2024 at 60, ATNi (2024), available at https://accesstonutrition.org/app/uploads/2024/10/ATNi_GI_full_report_final.pdf (the “2024 Index”).

¹⁶ See *id.* at 60-66.

¹⁷ See *id.*

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ATNi's commentary that "standardized reporting is needed."¹⁸ It also underscores that the Proposal's requested annual gap assessments—which contain no limiting principle as to geography or product group—would require the Company to dedicate extensive time and resources to review the contents of all of its thousands of products using detailed criteria that differ from its existing standards and those of its peers, and that might be relevant to only one or a few of the 150 countries to which the Company ships its products. This additional detail may do little to further the Proponents' and Company's shared goal of helping consumers make informed choices, as the requested gap assessment reports would not result in product-specific labels or information a consumer could review on a particular product prior to purchase but would instead provide statistics about the percentage of products or sales, for example, that meet a particular standard. The gap assessment would also require the Company to include expanded disclosure providing stakeholders with necessary context to understand the results of such an assessment against its current reporting and goals. Accordingly, it is unrealistic and inappropriate for shareholders to seek an annual gap assessment against one or more of a variety of nutrition profile models since, as stated in the 1998 Release, "it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting."

By requesting that the Company report on the gap between its nutrition reporting to any of a variety of nutrition profiling models, given all of the differing considerations that arise when determining the nutrition reporting and strategy for a global food and beverage company, the Proposal is comparable to the one considered in *Delta Air Lines*, where the company pointed out that the proposal would have required it to dig into granular detail to evaluate the costs of numerous routine management actions related to management of its workforce. Here, the Proposal would require the Company to assess the reporting of its full catalogue of products against a nutrition profiling model that the Company has otherwise determined not to utilize. By prescribing that the nutritional information of the Company's products be evaluated and presented in the form requested, the Proposal inappropriately limits the discretion of management to evaluate complex considerations and to communicate its decisions related to the Company's nutrition reporting and related strategies. Furthermore, the complexity of the type of assessment the Proposal requests is simply not the type of "high-level direction on large strategic corporate matters" that Rule 14a-8(i)(7) was intended to allow. Instead, the considerations implicated by the Proposal are fundamental business matters for the Company's management and require an understanding of the numerous considerations and implications discussed above that could result from a particular nutrition reporting strategy, such as market demand, customer preferences and trends, the latest developments in nutrition science, evolving standards for healthiness, legal and compliance considerations, and the potential impacts of such reporting strategy on customer relations and brand reputation.

Thus, the Company believes that the Proposal may be omitted pursuant to Rule 14a-8(i)(7) because it seeks to micromanage the Company by, in the words of the Commission's 1998

¹⁸ See *id.* at 65.

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Release, “probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.”

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2025 Proxy Materials, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (212) 351-2309.

Sincerely,



Lori Zyskowski

Enclosures

cc: Issa Yesufu, Mondelēz International, Inc.
Amy Orr, Boston Common Asset Management
Robert Wotypka, The Province of Saint Joseph of the Capuchin Order
Catherine Rowan, Trinity Health
Marie Payne, Cardano Asset Management N.V.
Laura Krausa, CommonSpirit Health
Jean-Pierre Grimaud, Ofi Invest AM
Sister Lynn Elisabeth Meadows, Benedictine Sisters of Cullman, Alabama
Mushfiqur Rahman, Greater Manchester Pension Fund
Conor Constable, PIRC
Fr. Séamus Finn, Missionary Oblates of Mary Immaculate, US Province
Alexis Fleming, Sisters of St. Joseph of Peace

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EXHIBIT A

December 2, 2024

Ms. Laura Stein
Executive Vice President, Corporate and Legal Affairs,
General Counsel and Corporate Secretary
Mondelēz International, Inc
905 West Fulton Market, Suite 200
Chicago, Illinois 60607

Re: Shareholder Proposal for 2025 Annual Shareholder Meeting

Dear Ms. Stein

Boston Common Asset Management is a global investment manager that specializes in sustainable and responsible global equity strategies. The Boston Common ESG Impact US Equity Fund is a long-term shareholder of Mondelēz International, Inc. (“the Company”).

We have had a longstanding constructive dialogue with Mondelēz regarding nutrition issues. The attached shareholder proposal underscores our belief that ambiguous nutrition disclosures have created heightened litigation, regulatory, and business risk to Mondelēz and its investors. Such risks can be mitigated through closer alignment of disclosures with internationally recognized Nutrient Profiling Models (NPMs). We therefore urge Mondelēz to issue a report assessing the gap between Mondelez’s current nutrition reporting and that of internationally recognized NPMs.

Boston Common Asset Management is the lead filer for the enclosed proposal for inclusion in the 2025 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. The Boston Common ESG Impact US Equity Fund has been a shareholder continuously holding at least \$25,000 in market value of the Company’s stock. The verification of ownership by our custodian will follow under separate cover. We will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders’ meeting. We will attend the Annual Meeting to present the resolution as required by SEC rules.

We would welcome the opportunity to continue our constructive dialogue on the topic of nutrition disclosure. As per SEC requirements, we are available to meet with the Company via teleconference on the following dates: December 17th, 2024 from 11:30 to 2PM ET or December 18th, 2024 from 1PM ET to 4PM ET.

Sincerely,

Amy Orr, Director of U.S. Shareholder Engagement

[REDACTED]
Lauren Compere, Managing Director and Head of Stewardship & Engagement
[REDACTED]

cc:

Christine Montenegro McGrath, SVP and Chief Impact & Sustainability Officer
[REDACTED]

RESOLVED, Shareholders request that the board annually publish a report, omitting proprietary information and prepared at reasonable cost, assessing the gap between Mondelez's current global nutrition reporting and reporting based on other internationally recognized Nutrient Profiling Models (NPMs) conducted by independent third parties.

Supporting Statement:

In the board and management's discretion, such an assessment should consider:

- The ability of investors to compare company performance and reporting against that of its peers;
- Inclusion of assessment of the proportion of positive nutrients, in addition to reducing the amount of negative nutrients; and
- The extent of investor recognition of global models, such as the Access to Nutrition Initiative (ATNI).

Whereas:

Mondelez's Nutritional Responsibility commitment underscores its obligation to nutritional transparency for consumers to make informed decisions. Yet, Mondelez does not disclose sales of healthier products, instead reporting only the percentage of revenue from "Mindful Portion Snacks" (62 percent). This contrasts significantly with internationally recognized definitions of healthier products, which assess both positive and negative nutrients critical to public healthⁱ. The 2024 Access to Nutrition Index (ATNI) estimates that only 11 percent of Mondelez's products qualify as healthier based on the internationally recognized Health Star Rating (HSR). Mondelez' lack of transparency leaves investors unable to accurately decipher the healthiness of its sales.

The World Health Organization cites unhealthy diets as a contributor to the rise in noncommunicable diseases such as obesity, diabetes, heart disease, stroke, and cancers, which have a crippling effect on economic growth. Obesity alone is projected to cost the global economy \$USD 4.32 trillion annually by 2035; around 3 percent of global GDP, roughly equivalent to the impact of Covid-19 in 2020.ⁱⁱ

Countries have introduced regulations, food and beverage taxes, and strengthened disclosure requirements to cope with increasing societal costs of less healthy diets. More than 115 countries, including over 20 each in Europe and Latin America, have adopted sugar-sweetened beverage taxes. This raises concerns for Mondelez's investors, as Europe generates over a third of Mondelez' net revenue, and Latin America leads in organic revenue growth.ⁱⁱⁱ

Mondelez faces direct litigation risk due to unclear disclosure about its products. In 2022, Mondelez was forced to pay \$USD 10.5 million to settle a class action lawsuit related to its health claims of Clif Bar products.^{iv} Mondelez is now facing similar litigation related to its lentil chips.^v

Diversified investors also have a legitimate interest in understanding and addressing Mondelez's contribution to systemic risk which ultimately has a greater impact on their returns: unhealthy foods contribute to poor public health, which hurts economies and portfolio returns.

Finally, many of Mondelez's peers, including Unilever and Danone, assess and report their portfolios against internationally recognized NPMs.^{vi}

Failure to provide comparable, standardized nutrition reporting consistent with leading global assessments may contribute to outsized enterprise, legal, regulatory, and reputational risk for Mondelez and its shareholders.

Investors urge Mondelez to report on the gaps between internationally recognized NPMs and its own nutrition disclosures.

ⁱ <https://www.healthdata.org/research-analysis/health-risks-issues/diet#:~:text=What%20components%20of%20diet%20affect,and%20low%20whole%20grain%20intake.>

ⁱⁱ <https://www.worldobesity.org/news/economic-impact-of-overweight-and-obesity-to-surpass-4-trillion-by-2035#:~:text=The%20World%20Obesity%20Atlas%202023,of%20COVID%2D19%20in%202020.>

ⁱⁱⁱ <https://ir.mondelezinternational.com/news-releases/news-release-details/mondelez-international-reports-q4-and-fy-2023-results>

^{iv} <https://www.just-food.com/news/clif-bar-settled-class-action-health-claims/?cf-view>

^v <https://www.lexology.com/library/detail.aspx?g=b24d8b15-731b-4fd7-b41b-86af2955e3eb>

^{vi} https://accesstonutrition.org/app/uploads/2024/11/ATNi_GI_executive_summary_final.pdf

Sanford Lewis & Associates

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sanfordlewis@strategiccounsel.net

February 20, 2025
Via electronic mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to Mondelēz International, Inc. Regarding Nutrition Reporting on
of Boston Common ESG Impact US Equity Fund and co-filers

Ladies and Gentlemen:

Boston Common ESG Impact US Equity Fund (the “Proponent”) and co-filers¹, are beneficial owners of common stock of Mondelēz International, Inc. (“Mondelēz” or the “Company”) and have submitted a shareholder proposal (the “Proposal”) to the Company.

I have been asked by the Proponent to respond to the letter dated January 14, 2025 (“Company Letter”) sent to the Securities and Exchange Commission by Lori Zyskowski, of Gibson, Dunn & Crutcher LLP, acting on behalf of the Company. In that letter, the Company contends that the Proposal may be excluded from the Company’s 2025 proxy statement.

We have redacted personal information consistent with the Staff’s guidance. A copy of this letter is being emailed concurrently to Lori Zyskowski.

¹ The proposal was co-filed by the Province of Saint Joseph of the Capuchin Order, Trinity Health, Cardano Asset Management N.V., CommonSpirit Health, Ofi Invest AM, Benedictine Sisters of Cullman, Alabama, Greater Manchester Pension Fund, the Missionary Oblates of Mary Immaculate, US Province, and Sisters of St. Joseph of Peace.

SUMMARY

The proposal requests that the Board of Directors of Mondelēz International, Inc. (“Mondelēz” or the “Company”) issue an annual report assessing the gap between the Company’s “current global nutrition reporting and reporting based on other internationally recognized Nutrient Profiling Models (NPMs) conducted by independent third parties.”

The Company Letter asserts that the Proposal is excludable under Rule 14a-8(i)(7) as relating to the Company’s ordinary business operations and seeking to “micromanage” Mondelēz.

However, the Proposal does not seek to micromanage the Company and is instead focused upon public policy issues that are significant generally and to Mondelēz in particular: the public health risks associated with the sale of unhealthy products and the potential associated costs to Mondelēz’s shareholders who are diversified investors.

The form of the request of the Proposal is not granular in nature, but rather merely asks the Company to compare its own nutrition reporting framework against a credible external standard. The company claims that it is working toward healthy products, but it is difficult to know where it stands in the market. The Proposal’s assessment of gaps to credible standards would allow shareholders to assess long-term value and risk by understanding better where the company’s indicators of “healthiness” of Mondelēz’s products against peers.

The Proposal does not mandate that the Company modify its product offerings and leaves management and the board ample discretion and flexibility in implementation — no specific external framework is identified, merely that the gap assessment looks at “reporting based on other internationally recognized Nutrient Profiling Models (NPMs) conducted by independent third parties” of which, as the Company itself notes, there are many available to choose from.

As such, the Proposal affords management broad discretion and flexibility and does not micromanage.

PROPOSAL

RESOLVED, Shareholders request that the board annually publish a report, omitting proprietary information and prepared at reasonable cost, assessing the gap between Mondelez's current global nutrition reporting and reporting based on other internationally recognized Nutrient Profiling Models (NPMs) conducted by independent third parties.

Supporting Statement:

In the board and management's discretion, such an assessment should consider:

- The ability of investors to compare company performance and reporting against that of its peers;
- Inclusion of assessment of the proportion of positive nutrients, in addition to reducing the amount of negative nutrients; and
- The extent of investor recognition of global models, such as the Access to Nutrition Initiative (ATNI).

Whereas:

Mondelez's Nutritional Responsibility commitment underscores its obligation to nutritional transparency for consumers to make informed decisions. Yet, Mondelez does not disclose sales of healthier products, instead reporting only the percentage of revenue from "Mindful Portion Snacks" (62 percent). This contrasts significantly with internationally recognized definitions of healthier products, which assess both positive and negative nutrients critical to public healthⁱ. The 2024 Access to Nutrition Index (ATNI) estimates that only 11 percent of Mondelez's products qualify as healthier based on the internationally recognized Health Star Rating (HSR). Mondelez' lack of transparency leaves investors unable to accurately decipher the healthiness of its sales.

The World Health Organization cites unhealthy diets as a contributor to the rise in noncommunicable diseases such as obesity, diabetes, heart disease, stroke, and cancers, which have a crippling effect on economic growth. Obesity alone is projected to cost the global economy \$USD 4.32 trillion annually by 2035; around 3 percent of global GDP, roughly equivalent to the impact of Covid-19 in 2020.ⁱⁱ

Countries have introduced regulations, food and beverage taxes, and strengthened disclosure requirements to cope with increasing societal costs of less healthy diets. More than 115 countries, including over 20 each in Europe and Latin America, have adopted sugar-sweetened beverage taxes. This raises concerns for Mondelez's investors, as Europe generates over a third of Mondelez' net revenue, and Latin America leads in organic revenue growth.ⁱⁱⁱ

Mondelez faces direct litigation risk due to unclear disclosure about its products. In 2022, Mondelez was forced to pay \$USD 10.5 million to settle a class action lawsuit related to its health claims of Clif Bar products.^{iv} Mondelez is now facing similar litigation related to its lentil chips.^v

Diversified investors also have a legitimate interest in understanding and addressing Mondelez’s contribution to systemic risk which ultimately has a greater impact on their returns: unhealthy foods contribute to poor public health, which hurts economies and portfolio returns.

Finally, many **of Mondelez’s peers**, including Unilever and Danone, assess and report their portfolios against internationally recognized NPMs.^{vi}

Failure to provide comparable, standardized nutrition reporting consistent with leading global assessments may contribute to outsized enterprise, legal, regulatory, and reputational risk for Mondelez and its shareholders.

Investors urge Mondelez to report on the gaps between internationally recognized NPMs and its own nutrition disclosures.

ⁱ<https://www.healthdata.org/research-analysis/health-risks-issues/diet#:~:text=What%20components%20of%20diet%20affect,and%20low%20whole%20grain%20intake.>

ⁱⁱ <https://www.worldobesity.org/news/economic-impact-of-overweight-and-obesity-to-surpass-4-trillion-by-2035#:~:text=The%20World%20Obesity%20Atlas%202023,of%20COVID%2D19%20in%202020.>

ⁱⁱⁱ <https://ir.mondelezinternational.com/news-releases/news-release-details/mondelez-international-reports-q4-and-fy-2023-results>

^{iv} <https://www.just-food.com/news/clif-bar-settled-class-action-health-claims/?cf-view>

^v <https://www.lexology.com/library/detail.aspx?g=b24d8b15-731b-4fd7-b41b-86af2955e3eb>

^{vi} https://accesstonutrition.org/app/uploads/2024/11/ATNi_GI_executive_summary_final.pdf

I. The Proposal is not excludable under Rule 14a-8(i)(7) because it solely focuses on a significant social policy issue and does not micromanage

The Company Letter asserts that under Rule 14a-8(i)(7) the subject matter of the proposal relates to Mondelēz’s ordinary business operations and seeks to “micromanage” the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. Company Letter at 4-9. However, the Company Letter mischaracterizes the Proposal, which does not micromanage the company — it is flexible and leaves management with broad discretion as to implementation. Additionally, the proposal is focused on a significant policy issue that is also significant to the Company: the public health risks associated with the sale of unhealthy products and the potential associated costs to Mondelēz’s shareholders who are diversified investors.

A. Background on ordinary business and micromanagement

The legal framework for Rule 14a-8(i)(7) developed by the Commission, Staff, and the courts, including under Staff Legal Bulletins, comprises a three-part test:

Question 1. Ordinary Business. Does the proposal touch on “ordinary business”? That is, does it touch on issues that are integral to the day-to-day management and operations of the company?

Question 2. Significant Policy Issue. If the answer to Question 1 is yes, is the subject matter nevertheless a significant policy issue? In those cases in which a proposal’s underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote. Examples recognized by the Commission and the Staff include such topics as climate change, environmental impact, human rights, discrimination, as well as virtually all issues of corporate governance.

Question 3. Micromanagement. Even if the proposal’s subject matter transcends ordinary business, the proposal still may be excludable if the granularity of the proposal micromanages the company’s business.

Regarding retroactive application of SLB 14M

The recently issued Staff Legal Bulletin 14 M (“SLB 14 M”) modified Staff guidance on Rule 14a-8(i)(7) in the middle of the 2025 proposal drafting and filing season. Proponent urges Staff to consider that it is inappropriate to apply the guidance outlined in SLB 14 M retroactively to proposals submitted for the 2025 season. The proponent relied on the guidelines in place at the time of filing. Proponent respectfully maintains that the evaluation of this matter should be based on the applicable guidance at the time the proposal was submitted. For example, under SLB 14 M, the policy issue must be “significant” in relation to the particular company, not merely universally “significant” or an issue that has a broad societal impact but no relation to the company.

B. Regardless of whether the proposal touches upon the day-to-day business operations of Mondelez it focuses solely on important social policy issues significant to the Company: the public health risks associated with the sale of unhealthy products and the potential associated costs to Mondelez’s shareholders who are diversified investors.

The Proposal here focuses on the public health risks associated with the sale of unhealthy products and the potential associated costs of the Company’s contribution to systemic risk on the Company’s diversified investors who rely on overall market returns. These are issues that transcend ordinary business and are significant to Mondelez in particular.

The Supporting Statement is unambiguous that both of these public policy issues are underlying the proposal in stating:

The World Health Organization cites unhealthy diets as a contributor to the rise in noncommunicable diseases such as obesity, diabetes, heart disease, stroke, and cancers, which have a crippling effect on economic growth. Obesity alone is projected to cost the global economy \$USD 4.32 trillion annually by 2035; around 3 percent of global GDP, roughly equivalent to the impact of Covid-19 in 2020.²

Diversified investors also have a legitimate interest in understanding and addressing Mondelez’s contribution to systemic risk which ultimately has a greater impact on their returns: unhealthy foods contribute to poor public health, which hurts economies and portfolio returns.³

Under long-standing practice, Staff look at the proposal in its entirety, including the where is clauses and supporting statement, to determine the underlying concern or central purpose of the proposal.⁴

Staff have previously found that public health risks associated with the sale of unhealthy products a significant policy issue. For example, in *The Coca-Cola Company* (February 21, 2019), the proposal at issue requested a report on “Sugar and Public Health, with support from a group of independent and nationally recognized scientists and scholars providing critical feedback on [Coca-Cola’s] sugar products marketed to consumers”, with a particular focus on products marketed to younger consumers. Shareholders further asked that the report be published by a particular date and include “an assessment of risks to the company’s finances and reputation

² See Supporting Statement. Citing <https://www.worldobesity.org/news/economic-impact-of-overweight-and-obesity-to-surpass-4-trillion-by-2035#:~:text=The%20World%20Obesity%20Atlas%202023,of%20COVID%2D19%20in%202020.>

³ See Supporting Statement.

⁴ While Proponent still maintains that SLB 14 M should not be applied retroactively to the current proposal, Proponent believes that, in this regard, SLB 14 M has simply reinforced the prior longstanding practice of the Staff in considering the supporting statement and whereas clauses in determining the intent of a proposal with respect to whether it touches upon a significant public policy issue. “When analyzing a proposal to determine the underlying concern or central purpose of any proposal, we look not only to the resolved clause but to the proposal in its entirety. Thus, if a supporting statement modifies or re-focuses the intent of the resolved clause, or effectively requires some action in order to achieve the proposal’s central purpose as set forth in the resolved clause, we take that into account in determining whether the proposal seeks to micromanage the company.” <https://www.sec.gov/about/shareholder-proposals-staff-legal-bulletin-no-14m-cf?>

associated with changing scientific understanding of the role of sugar in disease causation.” Shareholders there argued that the proposal addressed a significant policy issue of public health risks. Staff declined to concur with exclusion on Rule 14a-8(i)(7) grounds.

Staff also have previously recognized as a significant public policy issue concerns about shareholder primacy and cost externalization in the context of public health risks associated with unhealthy foods. For example, in *CVS Health Corporation* (March 15, 2022) Staff found a proposal to transcend ordinary business where shareholders argued the significant public policy issues were (1) “the question of how a corporation accounts for the costs it imposes on stakeholders when it prioritizes the interests of its shareholders, in this instance by increasing the public health costs associated with the sale of unhealthful food to consumers seeking health products and services”; and (2) “the growing obesity epidemic and its relationship to poor diet, including excessive sugar intake.” See also *PepsiCo, Inc.* (March 12, 2021) (unable to concur with exclusion on Rule 14a-8(i)(7) grounds of a proposal that asked for a report on the external public health costs of the company’s food and beverage business and how those costs affect diversified shareholders).

The public health costs of unhealthy foods and potential associated costs to the Company’s diversified investors is a significant public policy issue to Mondelez

Mondelez, as noted by the Company itself, is one of the world’s largest snack companies.⁵ As stated by Mondelez in its Company Letter “it sells thousands of products in more than 150 countries across five product categories (biscuits, chocolate, gum and candy, beverages, and cheese and grocery) and more than 40 brands.”⁶ The Company even notes that it “shares the Proponents’ view regarding the importance of consumers making informed decisions.”⁷

Mondelez’s concern about the nutrition profile of its product offerings is evidenced in its sustainability strategy, through which the Company “continually strive[s] to enhance the nutrient and ingredient profile of [its] snacks portfolio through efforts to reduce sugar, sodium and saturated fat content and use more whole grains” and Mondelez’s endorsement of the global sodium reduction commitment as part of its membership in the International Food & Beverage Alliance.⁸ The Company further states in its Company Letter:

“[I]n the 2023 ESG Report, the Company described its progress on nutrient profiles worldwide in 2023, including reduced sugar content in products sold in Brazil and India, and

⁵ Company Letter at 2. Citing <https://www.mondelezinternational.com/about-us/>

⁶ Company Letter at 2. Citing Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (Feb. 2, 2024), available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/1103982/000110398224000019/mdlz-20231231.htm> (the “2023 Form 10-K”); Our Brands, Mondelez International (last accessed Jan. 5, 2025), available at <https://www.mondelezinternational.com/our-brands/>.

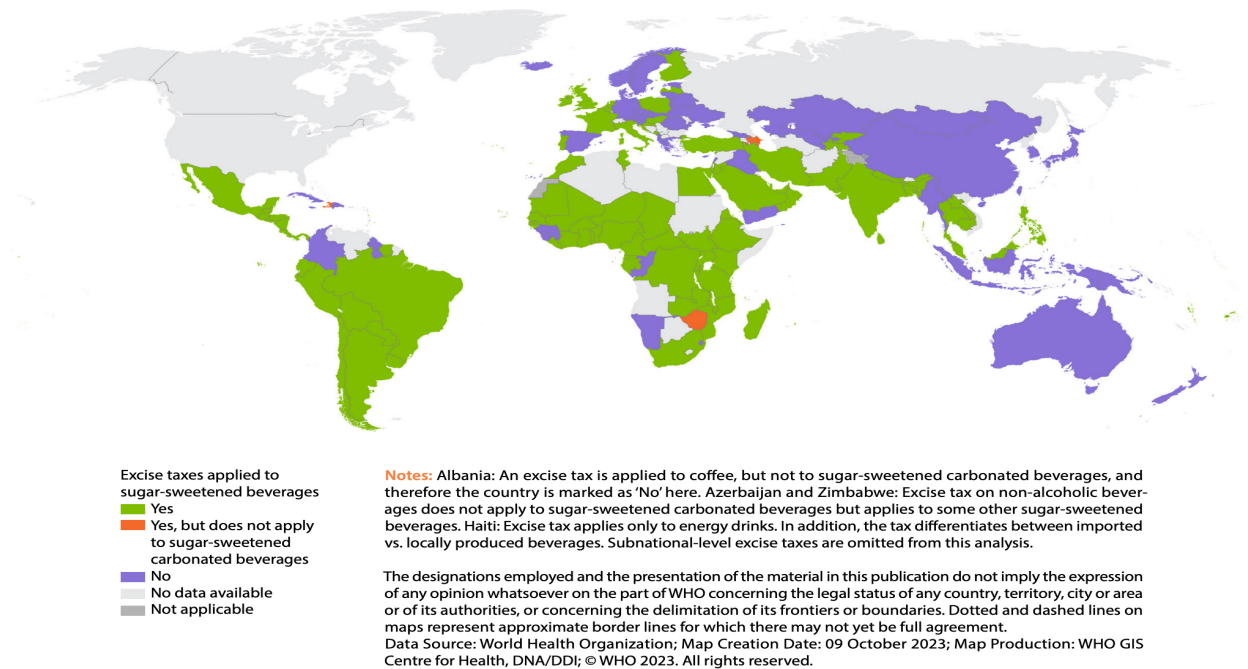
⁷ Company Letter at 2.

⁸ Company Letter at 3. Quoting and citing Snacking Made Right: 2023 ESG Report at 14-16, Mondelez International (Apr. 15, 2024), available at [https://www.mondelezinternational.com/assets/Snacking-Made-Right/SMR-Report/2023/2023-\[-Snacking-Made-Right-ESG-Report.pdf](https://www.mondelezinternational.com/assets/Snacking-Made-Right/SMR-Report/2023/2023-[-Snacking-Made-Right-ESG-Report.pdf) (“2023 ESG Report”); See Sodium and Saturated Fat Reduction, Mondelez International (last accessed Jan. 5, 2025), available at <https://www.mondelezinternational.com/snacking-made-right/esg-topics/sodium-and-saturated-fats-reduction/>.

reduced sodium content in certain products sold in the United Kingdom, Morocco, Saudi Arabia, and the United Arab Emirates. The Company has also ‘continued to evaluate and enhance the ingredient and nutrient profile of [its] snacks portfolio through renovations to [its] existing products.’ To further drive and monitor its progress, the Company has adopted a goal to ‘deliver up to 100% of [its] net revenue by the end of 2025 through Mindful Portion snacks’⁹ and provides annual updates on its progress.” Company Letter at 3.¹⁰

As noted in the Supporting Statement, Mondelēz has also faced litigation due to unclear disclosures about the nutrition profile of its products — the Company paid \$USD 10.5 million to settle a class action lawsuit related to its health claims of Clif Bar products.¹¹ There are also increasing regulatory requirements and food and beverage taxes surrounding “unhealthy” food products in the regions Mondelēz operates in. For example, the World Health Organization (WHO) reported that, as of July 2022, “at least 108 countries apply national-level excise taxes on at least one type of SSB [sugar-sweetened beverage]”¹²:

MAP 1 National level excise taxes applied to sugar-sweetened beverages, as of July 2022



<https://iris.who.int/bitstream/handle/10665/374530/9789240084995-eng.pdf?sequence=1>

As such, the policy issues raised by the proposal are patently significant for Mondelēz.

⁹ Mindful Portion snacks are defined as “those in either individually wrapped Mindful Portion serving sizes of no more than 200 calories or featuring Mindful Portion labeling.”
[https://www.mondelezinternational.com/assets/Snacking-Made-Right/SMR-Report/2023/2023-\[-Snacking-Made-Right-ESG-Report.pdf](https://www.mondelezinternational.com/assets/Snacking-Made-Right/SMR-Report/2023/2023-[-Snacking-Made-Right-ESG-Report.pdf) at 14.

¹⁰ Citing [https://www.mondelezinternational.com/assets/Snacking-Made-Right/SMR-Report/2023/2023-\[-Snacking-Made-Right-ESG-Report.pdf](https://www.mondelezinternational.com/assets/Snacking-Made-Right/SMR-Report/2023/2023-[-Snacking-Made-Right-ESG-Report.pdf); <https://www.mondelezinternational.com/snacking-made-right/reporting-and-disclosure/esg-datasheet/#23>.

¹¹ See Supporting Statement. Citing <https://www.just-food.com/news/clif-bar-settled-class-action-health-claims/>

¹² <https://iris.who.int/bitstream/handle/10665/374530/9789240084995-eng.pdf?sequence=1> at 3.

C. Micromanagement

In the Company Letter, the Company highlights that under the Commission’s 1998 Release, micromanagement may arise where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies. The Company Letter then goes on to assert that the Proposal micromanages by seeking an overly complex and broad assessment that curbs management’s discretion in how to evaluate complex considerations and communicate its decisions related to Mondelēz’s nutrition reporting and related strategies.

This assertion in the Company Letter is fundamentally flawed. The Proposal does not seek intricate detail, nor does it seek to impose specific time-frames or methods for implementing complex policies. In addition, the Proposal defers to board or management discretion regarding the manner and method by which the Company would comply with the request to provide an annual gap assessment—the board and management is free to chose the external reporting based on internationally recognized Nutrient Profiling Models (NPMs) to do the assessment against. In fact, Mondelēz itself points out the wide variety of NPM-based reporting that would be eligible.

Articulating and applying the micromanagement standard

The Commission’s 1998 Release — the most recent and authoritative Commission-level statement regarding the application of micromanagement — specified that proposals could ask for a reasonable level of detail without being seen as micromanaging.

... in the Proposing Release we explained that one of the considerations in making the ordinary business determination was the degree to which the proposal seeks to micromanage the company. We cited examples such as where the proposal seeks intricate detail, or seeks to impose specific timeframes or to impose specific methods for implementing complex policies. **Some commenters thought that the examples cited seemed to imply that all proposals seeking detail, or seeking to promote timeframes or methods, necessarily amount to ordinary business. . .**

We did not intend such an implication. Timing questions, for instance, could involve significant policy where large differences are at stake, and proposals may seek a reasonable level of detail without running afoul of these considerations. (Emphasis added).¹³

The form of the proposal rather than the subject matter is determinative of whether the Proposal micromanages

The Staff has long recognized that it is the form of a proposal, rather than the subject matter,

¹³ Under Staff Legal Bulletin 14M (SLB 14M), which reinstates prior Staff guidance with respect to Rule 14a-8(i)(7), the Division has clarified that it will, in assessing whether a proposal micromanages a company, “look to whether the proposal seeks intricate detail or imposes a specific strategy, method, action, outcome or timeline for addressing an issue, thereby supplanting the judgment of management and the board.”

that makes it proper or improper for shareholder consideration:

It is important to note, however, that the staff's concurrence with a company's micromanagement argument does not necessarily mean that the subject matter raised by the proposal is improper for shareholder consideration. Rather, in that case, it is the manner in which a proposal seeks to address an issue that results in exclusion on micromanagement grounds.¹⁴

In this instance the Company has not, and cannot, assert that the Proposal is substantially implemented under Rule 14a-8(i)(10). Instead, the Company Letter asserts that the Proposal micromanages, implying that the Proposal requests more specific disclosure than shareholders are reasonably entitled to through the shareholder proposal process. This is a fundamentally flawed interpretation of the proposal as well as Rule, Commission and Staff guidance. In this instance the flexible proposal merely asks for regularly updated information on how the Company stands in relation to internationally recognized standards to give shareholders a clearer idea of how the Company approaches global nutrition reporting and, as such, how much of the Company's revenue can in actuality be attributed to sale of "healthy" products — a reasonable request for shareholder input.

Examining the text of the Proposal for micromanagement concerns

An examination of the Proposal's text demonstrates substantial flexibility for board and management discretion. The Proposal's resolved clause reads as follows:

Shareholders request that the board annually publish a report, omitting proprietary information and prepared at reasonable cost, assessing the gap between Mondelez's current global nutrition reporting and reporting based on other internationally recognized Nutrient Profiling Models (NPMs) conducted by independent third parties.

The Supporting Statement adds that "Mondelez's Nutritional Responsibility commitment underscores its obligation to nutritional transparency for consumers to make informed decisions" but the Company does not disclose sales of "healthier products" while many of its peers, such as Unilever and Danone, "assess and report their portfolios against internationally recognized NPMs."¹⁵ The Supporting Statement explains that "lack of transparency leaves investors unable to accurately decipher the healthiness of [the Company's] sales."

Nevertheless, the Proposal's requests are not at all prescriptive or overly granular as suggested by the Company. The Proposal does not dictate a specific timeline by which the report should be issued, merely that it be issued "annually"—i.e., asking that the information in the report be regularly updated. Nor does the Proposal dictate a certain outcome or method; it is within the discretion of management and the board to pick which NPM-based reporting to use for the assessment of a gap (if any exists) between Mondelēz's current reporting and external standards. Furthermore, if the asked for assessment is provided, the proposal does *not* mandate

¹⁴ Staff Legal Bulletin 14 J (reinstated by SLB 14 M).

¹⁵ Supporting Statement. Citing https://accessnutrition.org/app/uploads/2024/11/ATNi_GI_executive_summary_final.pdf

that Mondelēz change any aspect of how it produces and markets food. All investors are seeking is clarity on how the Company views nutrition in its reporting as compared to external standards and peers.

Flexibility of guidelines for the gap assessment

The details of what would go into the gap assessment, including the central consideration of which NPM-based reporting to use as a comparison point, are intentionally flexible in the Proposal. Staff Legal Bulletin 14 L (SLB 14 L), which the proponent relied upon in drafting the proposal, noted that in assessing micromanagement, “The staff may also consider references to well-established national or international frameworks when assessing proposals related to disclosure, target setting, and timeframes as indicative of topics that shareholders are well-equipped to evaluate.”

While SLB 14 L was replaced by SLB 14 M, there is nothing in the new guidance that suggests references to external standards and frameworks is still not indicative of appropriate topics for shareholders to request information about. Indeed, SLB 14 M, in providing an example of a request that does *not* constitute micromanagement, chooses a proposal that explicitly references an international framework, the Paris Climate Agreement. Staff stated the following:

[W]e did not concur with the excludability of a proposal seeking a report “describing if, and how, [a company] plans to reduce its total contribution to climate change and *align its operations and investments with the Paris [Climate] Agreement’s goal of maintaining global temperatures well below 2 degrees Celsius.*” The proposal was not excludable because the proposal transcended ordinary business matters and did not seek to micromanage the company to such a degree that exclusion would be appropriate. (Emphasis added)

Thus, the current proposal, in asking the Company to assess its own reporting framework against external standards, is addressing the type of topic that is entirely appropriate for shareholders to seek information on, while leaving management and the board with ample discretion and flexibility.

Staff precedent does not support exclusion as micromanagement

Beyond textual analysis of the Proposal, the argument that the current Proposal micromanages is inapposite to prior Staff precedent and the broad discretion afforded to the board and management in the Proposal. Contrary to the Company Letter, numerous prior Staff decisions have concluded that proposals seeking assessments of a company’s actions as against external standards or frameworks are not excludable on the basis of micromanagement under Rule 14a-8(i)(7). *See, e.g., The Travelers Companies, Inc.* (Meyer Memorial Trust) (March 30, 2023) (proposal requested a report addressing if and how the company intends to measure, disclose, and reduce the GHG emissions associated with its underwriting, insuring, and investment activities, in alignment with the Paris Agreement’s 1.5°C goal, requiring net zero emissions).

Staff decisions have also frequently rejected ordinary business claims and micromanagement assertions with respect to proposals referencing external standards that were more prescriptive

than the current Proposal. For example, in *JPMorgan Chase & Co. (Sierra Club Foundation)* (March 25, 2022), the proposal requested a report setting absolute contraction targets for the company’s financed GHG emissions in accordance with the United Nations Environmental Program Finance Initiative (UNEP FI) recommendations to the G20 Sustainable Finance Working Group for credible net zero commitments. Staff declined to concur with exclusion on 14a-8(i)(7) grounds.

See also CBS Corporation (March 1, 2016) (proposal requested company adoption of time-bound quantitative goals for reducing GHG emissions taking into account Intergovernmental Panel on Climate Change (IPCC) guidance for reducing GHG emissions).

Most recently, the Staff issued two rulings disallowing exclusion at Starbucks of proposals that sought more specific and detailed information than the current Proposal, rejecting the company’s micromanagement arguments. The first of these proposals requested that the company issue “an annual report analyzing the congruency of (1) the Company’s carbon emissions, including those generated by in-house personnel travel-related policies, during the preceding year, and (2) the Company’s publicly stated environmental commitments.” *Starbucks Corporation* (NCPFR) (January 17, 2025). In this instance, the company had touted a “decades-long commitment to find solutions to mitigate the impacts of climate change,” and goals to halve its GHG emissions by 2030 and to reach net zero by 2050. The company had acknowledged the challenges of this goal and yet had notoriously allowed its new CEO to commute weekly from his California home via private jet. Although the resolved clause merely asked for such an analysis of congruency, the supporting statement went even further (and notably, *much* further than the suggestions included in the current Proposal). It pondered whether the real issue is the over-ambition of the company’s environmental goals and emissions reduction efforts, noting that “In order to comply with its fiduciary duties, the board should also determine whether (1) the commitments are unrealistic or (2) the emissions too much or (3) both. For example, the Company has published a goal of ‘50% absolute reduction in scope 1, 2 and 3 greenhouse (GHG) emissions representing all of Starbucks direct operations and value chain by 2030,’ and yet FY22 and FY23 results showed an increase in emissions from the FY19 baseline. Furthermore, the recent issue involving CEO travel warrants updating any related assessments previously conducted.” [Footnote omitted] Starbucks had asserted that the proposal engaged in micromanagement, but the Staff found that the proposal was not overly prescriptive. As with the current Proposal, the proposal was framed around encouraging clarity from the company—there, as to whether its currently stated goals were realistic given current company activities, and here, as to how Mondelēz reports on nutrition as compared to other credible reporting frameworks.

Similarly, in *Starbucks Corporation* (Humane Society) (January 17, 2025), the proposal requested the company to disclose details of its implementation plans and timelines for reaching its cage-free egg commitment in China and Japan. There had been ongoing questions as to whether the company could meet its commitment to produce cage free eggs, and the company’s plans and commitment for the region were closely held and not publicly disclosed. This proposal was thus a request to show investors how Starbucks planned to meet its own commitment. Here, shareholders are merely seeking to understand how Mondelēz reports on nutrition compared to external standards, given the significant public policy issues at stake for consumers and shareholders.

The Company’s cited precedents do not support exclusion of the current proposal on

micromanagement grounds

In contrast, looking to the precedents cited by the Company, it is clear that those involve much more granular and detailed requests that led to characterization of the proposals as micromanaging, in contrast to the current proposal.

For example, in *Air Products and Chemicals, Inc.* (November 29, 2024), cited to by the Company, the proposal requested, among other things, an annually updated report on the company’s policy and procedures about lobbying and grassroots lobbying communications and the company’s payments used for lobbying and grassroots lobbying communications, which should include the amount of the payment and identify the recipient. The Staff concurred in exclusion on micromanagement grounds. However, the proposal in that case sought a level of information and detail, such as recipient names and dollar amounts, well beyond what shareholders are asking for here. The same issue was also raised by the proposal in *Delta Air Lines, Inc.* (April 24, 2024), which requested a report regarding specific “union suppression expenditures,” including a list of internal and external expenses that were intended or could be viewed as attempts to dissuade unionization and with respect to external expenditures that proposal mandated:

- Disclosure of the for-hire entities’ identities, fees, hours, remits and work performed in relation to employee unionization and collective bargaining efforts, as well as other services they are hired to perform for the Company.
- Description of the Board’s oversight of these for-hire entities; and
- Disclosure of the for-hire entities’ adherence to the Company’s policies including reference to any legal and/or regulatory enforcement matters wherein the for-hire entities are involved.

By contrast, here, Proponents are merely seeking regularly updated information that will help them better assess the Company’s “healthiness” — the current proposal is flexible in letting management and the board decide which NPM-based reporting to use as a comparison point. The information sought by the request is not analogous to the type of detailed and granular information sought by the proposals in *Delta Air Lines* and *Air Products and Chemicals*. *See also Phillips 66* (March 20, 2023) (proposal requested an audited report describing specific amounts needed to settle certain company obligations).

The other precedents relied on by the Company are also inapplicable; the proposals there involved much more prescriptive requests that mandated a certain outcome. For example, in *SeaWorld Entertainment, Inc.* (April 20, 2021), Staff concurred with exclusion on micromanagement grounds of a proposal that requested “a study to determine how soon SeaWorld could feasibly eliminate animal-based programs, excluding legitimate animal rescue work.” Here, the proposal is not mandating that Mondelēz must take any action with respect to its food products based on the outcome of the gap assessment — all shareholders are seeking is information to help them assess the nutritional value of the Company’s offerings. Similarly, in *MGE Energy, Inc.* (March 13, 2019), the proposal mandated a certain outcome, the elimination of coal and shift to 100% renewable energy, in asking for a report on how the company “can provide a secure, low cost energy future for its customers and shareholders”. *See also Tesla, Inc.*

(Stephen) (March 27, 2024) (proposal recommended company “redesign vehicle tires to avoid pollution from harmful chemicals such as 6PPD-Q”). Nor does the current proposal even ask the Mondelēz to consider, based on the results of the gap assessment, whether certain products should or should not be sold, in contrast to the precedent cited by the Company, *The Home Depot, Inc. (Green Century Capital Management, Inc.)* (March 21, 2024), where that proposal requested a report “assessing the benefits and drawbacks of permanently committing not to sell paint containing titanium dioxide sourced from the Okefenokee, and assessing risks to the company associated with same.”

In sum, the Company’s reliance on the cited cases is misplaced and they do not constitute valid precedent for exclusion. The current proposal appropriately balances specificity and discretion, consistent with the longstanding view of Staff, and does not unduly limit management’s discretion.

The flexibility of the Proposal leaves management with broad discretion

The Company argues that by seeking an annual gap assessment comparing Mondelēz’s current global nutrition reporting and reporting based on other internationally recognized NPMs conducted by independent third parties, the Proposal seeks to micromanage the Company. Mondelēz’s argument appears rooted in the premise that its nutrition reporting involves consideration of numerous “complex” factors, such as, among other things, applicable laws and regulations, consumer preferences and trends, and developments in nutrition science. Company Letter at 6. The Company asserts that these evaluations are beyond shareholders’ ability to make an informed judgment about. Company Letter at 6-9. These assertions are inaccurate — Proponents here are requesting a gap assessment precisely for the purpose of being able to make an informed judgment about the Company’s nutrition reporting, given the significant public policy issues at stake. By referencing credible external standards (here, internationally recognized NPMs conducted by independent third parties), Proponents are enabling investors to make an informed assessment in line with prior Staff guidance.¹⁶

The Company’s arguments that there is an overly large number of NPM-based reporting it could use for the gap assessment is also unavailing. In fact, the large number of options available and the fact that the Company can choose amongst those options, leaves the matter well within the discretion of management and the board and gives them ample flexibility without being prescriptive or requiring that the Company address any particular standard.

Mondelēz also asserts that, because of the variety of reports available it could use for the gap assessment, the report requested by the proposal “may do little to further the Proponents’ and Company’s shared goal of helping consumers make informed choices, as the requested gap assessment reports would not result in product-specific labels or information a consumer could review on a particular product prior to purchase but would instead provide statistics about the percentage of products or sales, for example, that meet a particular standard.” Company Letter at 8.

¹⁶ As discussed above, SLB 14 L, which was recently rescinded, stated that, when evaluating a proposal for micromanagement concerns “The staff may also consider references to well-established national or international frameworks when assessing proposals related to disclosure, target setting, and timeframes as indicative of topics that shareholders are well-equipped to evaluate.” SLB 14 M, while rescinding the prior guidance, appears to agree with this position in citing as a permissible example a proposal that references the Paris Climate Agreement.

The objective of the proposal is *not* better information for consumers, but better investor understanding of the public health related enterprise and systemic risks associated with its product offerings — a *whole company* view. The report requested can be as helpful to investors as Mondelēz chooses to make it. For example, Mondelēz could choose to assess its reporting against a NPM-based reporting used by its largest competitors. As noted in the Supporting Statement, many of the Company’s peers, such as Unilever and Danone, assess and report their portfolios against internationally recognized NPMs.¹⁷

Danone for example uses Health Star Rating (HSR) NPM reporting.¹⁸ Unilever has its own proprietary NPM reporting, *which it assesses against "six externally endorsed NPMs from different geographies next to our own NPM."*¹⁹ Below is Unilever’s rationale for its disclosure criteria:

¹⁷ See Supporting Statement. See also <https://www.unilever.com/files/nutrient-profiling-models.pdf>.

¹⁸ <https://www.danone.com/content/dam/corp/global/danonecom/about-us-impact/policies-and-commitments/en/2023/danone-policy-on-the-nutritional-principles-for-the-use-of-health-and-nutrition-claims-october-2023.pdf> at 2.

¹⁹ <https://www.unilever.com/files/nutrient-profiling-models.pdf>



Unilever Global Nutrition & Ice cream portfolio assessment against 6 Nutrient Profiling Models (NPMs) and our own NPM

Introduction

At Unilever, we want to help people enjoy healthier, affordable and nutritious diets. To achieve this, we use a Nutrient Profiling Model (NPM) to assess and report the nutritional quality of our food and beverage portfolio, to inform how we reformulate our products, and to inspire our product innovation programmes. As a global business with a presence in over 190 countries, we have used – for more than 20 years – one NPM to do this. This NPM is now called Unilever’s Science-based Nutrition Criteria (USNC), which is a Unilever-developed model based on Global WHO dietary guidance. As a leader in this space, we have more than doubled the proportion of our products meeting our criteria over the last decade, and we are committed to continue to improve the nutritional quality of our products.

USNC is a rigorous and effective NPM. Nevertheless, we recognise that it is not the only one. In fact, there are dozens of NPMs currently in use worldwide. Importantly, since different NPM’s use different methodologies to assess the nutritional make-up of food, they often arrive at different conclusions about the healthiness of the same product which can be confusing. NPMs are often based on local dietary requirements and consumption habits and developed for different purposes than reformulation such as marketing restrictions and front of pack labelling. Each NPM has their own strengths and weaknesses in their methodology.

In October 2022, we set an example in nutrition transparency to be the first company disclosing our portfolio against six externally endorsed NPMs from different geographies next to our own NPM. We have chosen to do this for our global food and beverage portfolio and for our top 16 markets, based on both volume and value sales. We are now the first company to publicly disclose the performance of the product portfolio against 6 NPMs and our own NPM for 3 consecutive years.

We believe that by taking this approach, we will provide greater transparency to our consumers and stakeholders about the progress we are making and call on the wider industry to follow.

<https://www.unilever.com/files/nutrient-profiling-models.pdf>

Thus, Mondelēz could choose a variety of NPMs, or one most widely used by its largest competitors, or the NPMs most relevant to the markets where it makes the most revenue, or the NPM it believes most accurately reports on nutritional information. *The decision is left to the discretion of management and the board, as the proposal is clearly flexible and not prescriptive.* Therefore, for Mondelēz to assert that the Proposal is limiting the discretion of management to evaluate complex considerations and communicate those decisions belies logic.

Furthermore, Mondelēz’s argument that “the gap assessment would also require the Company to include expanded disclosure providing stakeholders with necessary context to understand the results of such an assessment against its current reporting and goals” is circular — that is a necessary aspect of any reporting the Company would do. Company Letter at 8.

The Proposal does not seek excessive or overly granular detail

The Company further asserts that the assessment requested is too complex and “simply not the type of ‘high-level direction on large strategic corporate matters’ that Rule 14a-8(i)(7) was intended to allow.” Company Letter at 8. However, this argument ignores the lack of granularity of the proposal’s request and the broad flexibility afforded to the Company in deciding how to implement the gap assessment (i.e., what NPM-based reporting to use) and shareholder’s choice of credible external standards as a framework for comparison.

In this regard, the proposal is similar to that in *The Coca-Cola Company* (February 21, 2019), discussed above, where shareholders requested a report on “Sugar and Public Health, with support from a group of independent and nationally recognized scientists and scholars providing critical feedback on [Coca-Cola’s] sugar products marketed to consumers”, with a particular focus on products marketed to younger consumers. Shareholders further asked that the report be published by a particular date and “an assessment of risks to the company’s finances and reputation associated with changing scientific understanding of the role of sugar in disease causation.” Shareholders argued the proposal addressed a large issue confronting the company and its brand, public health risks, whereas the request was framed at a practical level for shareholder consideration. Staff found that the proposal did “not seek to micromanage the Company to such a degree that exclusion of the Proposal would be appropriate.” Similarly, here, the Proposal addresses the large issue of public health risks associated with the sale of unhealthy products at a level that is appropriate for shareholder consideration, especially as it references credible external frameworks that shareholders can use to assess the company’s reporting against.

Furthermore, as noted above, Staff have previously allowed proposals that seek reports related to the “public health” impacts of food products. *See CVS Health Corporation* (March 15, 2022) (proposal sought a report on, among other things, “the link between the public-health costs created by the Company’s food, beverage, and candy business and its prioritization of financial returns over its healthcare purpose”); *PepsiCo, Inc.* (March 12, 2021) (proposal requested a report on “*the external public health costs created by the food and beverage business of our company . . . and the manner in which such costs affect the vast majority of its shareholders who rely on overall market returns.*”) (emphasis added).

Staff have also declined to exclude on micromanagement grounds proposals seeking the same level of information as the current Proposal. For example, in *Republic Services, Inc.* (March 27, 2024), the proposal sought a report on how the company was addressing the impact of its climate change strategy on relevant stakeholders, including “its employees, workers in its supply chain, and communities in which it operates, consistent with the ‘Just Transition’ guidelines of the International Labor Organization and indicators of the World Benchmarking Alliance.” The company argued, among other things, that the proposal micromanaged by referring to external guidelines that were “complex” and included numerous indicators the company would have to consider in its sustainability reporting (around 29 indicators and 21 indicators, respectively). Despite that proposal explicitly including in the resolved clause external guidelines which recommend consideration of a large number of factors, Staff declined to concur with exclusion on micromanagement grounds. In contrast, here, Mondelēz is free to chose which, and how many, NPM-based reporting models to use in conducting its gap assessment. If the proposal in *Republic Services, Inc.*, did not constitute micromanagement it

would be inapposite for the Staff to find otherwise here.

Similarly, in *Amazon.com, Inc.* (April 7, 2021), the company argued that the topics it was being asked to report on were “too broad” and implicated too many aspects of its business where the proposal asked for a racial equity audit of the company’s impacts on civil rights, equity, diversity and inclusion and impact of those on Amazon’s business. Staff rejected that argument there, declining to concur with exclusion under Rule 14a-8(i)(7). The current proposal should likewise not be excluded merely because it seeks information on an issue that touches upon the Company’s catalogue of products. *See* Company Letter at 8. The reason the proposal implicates the Company’s catalogue of products is because of the significance of the proposal’s subject matter to Mondelez’s business, which should not be a basis to exclude on micromanagement grounds. The *Delta Air Lines* precedent relied on by the Company, and discussed above, is clearly distinguishable as it sought a level of granular detail and information on internal and external expenditures that is not requested by the current proposal.

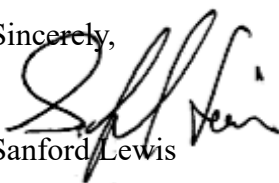
See also SunTrust Banks, Inc. (January 13, 2010) (declining to concur in the exclusion, under Rule 14a-8(i)(7), of a proposal requesting “a sustainability report describing strategies to address the environmental and social impacts of SunTrust’s business, including strategies to address climate change.”).

CONCLUSION

Based on the foregoing, we believe the Company has provided no basis for the conclusion that the Proposal is excludable from the 2025 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the Company that it is denying the no action letter request.

If you have any questions, please contact Sanford Lewis at 413-549-7333 or sanfordlewis@strategiccounsel.net.

Sincerely,



Sanford Lewis

Khadija Foda

Cc: Lori Zyskowski