MARS

Mars and the Sustainable Development Goals



At Mars, our ambition is to grow in ways that are good for people, good for the planet, and good for our business. The Sustainable Development Goals (SDGs), also known as the Global Goals, offer a powerful guide for this next generation of growth.



BIG BENEFITS

The Business and Sustainable Development Commission estimates that by 2030, the SDGs will generate a \$12 trillion business opportunity and 380 million potential new jobs.









We've made a strategic decision to focus on three Global Goals that align most closely to our priorities. These three goals are where we can contribute the most to solutions while growing our business in a sustainable way.

Healthy Planet

Reduce our environmental impacts in line with what science says is necessary to keep the planet healthy.



Thriving People

Everyone working within our extended supply chains should earn sufficient income to maintain a decent standard of living.



Nourishina Wellbeina

Help billions of people consume more sustainably while advancing well-being.



MARS TAKING ACTION

We've launched a new Sustainable in a Generation Plan - a plan for Mars to operate within planetary boundaries while delivering positive social impact.

- Reduce total GHG emissions across our full value chain by 67% by 2050
- Eliminate 100% of the GHGe in direct operations by 2040
- Address land use change and end deforestation in our supply chains
- Investing in activities that have a tangible impact on the ground, starting with cocoa, mint and rice
- Launched Farmer Income Lab
- Co-founded Livelihoods Fund for Family Farming

- Opened Global Food Safety Center
- Investing in Product & Ingredient Renovation
- Responsible Marketing

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The SDGS: the business opportunity of our time.

Delivering the SDGs is not just good for the world; it's good for business. The Business and Sustainable Development Commission estimates that by 2030, the SDGs have the potential to offer industry a \$12 trillion dollar business opportunity, and to create 380 million new jobs and 60 new major market opportunities.



Doing what's right. Not just doing better.

We built our Sustainable in a Generation Plan on the basis of scientific data and The Five Principles that guide our business: Quality, Responsibility, Mutuality, Efficiency and Freedom. They tell us that to operate a sustainable global business, we must move beyond incremental improvements to unlock systemic changes that benefit people and the planet.







Three Pillars. Three Goals.

While our efforts will contribute to multiple SDGs, we've made a strategic decision to focus on three goals that align most closely to the strategic priorities of our Sustainable in a Generation Plan: Thriving People, Healthy Planet and Nourishing Wellbeing. These three goals are where we can contribute disproportionately to solutions while growing our business in a sustainable way.

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Healthy Planet/Goal 13: Climate Action

Our business depends on a stable climate and access to energy and natural resources, like water and land. When those resources are under stress, our business experiences stress too. That's why Mars is focusing on doing our fair share to ensure the planet, her people and resources are healthy.

Our Healthy Planet ambition is to reduce our environmental impacts in line with what science says is necessary to keep the planet healthy.

What we're doing: Goal 13 calls for urgent action to combat climate change and its impacts. Science tells us we must reduce the GHG emissions across our full value chain by 27% by 2025 and by 67% by 2050 (from 2015 levels) to do our part to keep the planet from warming beyond 2 degrees. Our ambition aligns our business model with the science.

- Our first step is focused on our direct operations, which is where we have the most control and influence. We've set a goal to eliminate 100% of those GHG emissions by 2040.
- In our extended supply chains, addressing land use change and ending deforestation are our biggest opportunities to reduce GHG emissions. Our ambition is to end deforestation in our supply chains for beef, cocoa, palm, paper/pulp and soy.
- Collaborating with farmers, large and small, is critical to making progress on deforestation. We are working with them to improve agronomic practices, to reduce GHG emissions and in some cases to sequester carbon.



Thriving People/Goal 1: No Poverty

Millions of people around the world work hard every day to produce our products and the ingredients that go into them. We believe their hard work should enable them to thrive. But today, too many people in our extended supply chains live in poverty despite the hard work they do every day.

We have very limited influence over operations in our extended supply chains, but that is no excuse for inaction. Our Thriving People income ambition is that everyone working within our extended supply chains should earn sufficient income to maintain a decent standard of living. We are especially focused on helping the current generation of smallholder farmers to prosper while also ensuring that the next generation is motivated to stay connected to farming as a profession that allows them to thrive

What we're doing: Our key intervention to combat economic poverty is to focus on strategies that will raise farmer incomes in our smallholder agricultural supply chains. This includes:

- Investing in activities that have a tangible impact on the ground, starting with cocoa, mint and rice.
- Launching the Farmer Income Lab, a collaborative "think-do tank" focused on generating the missing insights needed to eradicate smallholder poverty.
- Co-founding along with Danone the £120 million Livelihoods Fund for Family Farming to develop sustainable agriculture projects that are improving incomes for smallholder farmers while also tackling food security and restoring ecosystems.



Nourishing Wellbeing/Goal 3: Good Health and Wellbeing

We believe people should have access to the products and information they need to ensure healthy lives.

Our Nourishing Wellbeing ambition is to advance science, innovation and marketing in ways that help billions of people and their pets lead healthier, happier lives.

What we're doing: Goal 3 calls on us to work to ensure healthy lives and well-being for people of all ages. We're making it as easy as possible for our products to be part of a healthy lifestyle. The core focus areas of our Nourishing Wellbeing ambition are food safety and security; product and ingredient renovation; and responsible marketing.

- Through innovation, collaboration and world-class quality control practices, our goal is to mitigate food safety risks around the world. The Mars Global Food Safety Center is a global hub addressing global food safety challenges through partnerships and collaborations on a pre-competitive basis.
- We're investing in science and product design to improve the nutrition of our products, while making them the right size for the eating occasion.
- We're marketing our Food and Confection products without advertising to children under 12 years of age and with clear nutritional information on packaging.
- We help our consumers make smart choices by capping our single-serve pack sizes of chocolate and confectionery products at 250kcal or less.



Broad Collaboration. Scalable Results.

We won't get there alone. Cross-sector collaboration is essential to progress on the goals – and our Sustainable in a Generation Plan. We're engaging in partnerships to unlock change at scale, and we're focused on technical implementation, actionable research, policy engagement and public advocacy, to deliver tangible results.

A snapshot of some of our collaborations includes:

- Ceres
- Consumer Goods Forum
- Farmer Income Lab
- Livelihoods Fund
- Rainforest Alliance
- SAI
- The Business and Sustainable Development Commission
- The Sustainability Consortium
- UN Global Compact
- Verite
- World Resources Institute

We will measure and report on impact annually in our Principles in Action report.

Beyond the Big Three

Beyond our focus on SDGs 1, 3 and 13, there are many more ways our business is contributing to the Global Goals for Sustainable Development. Some examples of this include:



SDG 2: No Hunger

To support food security and tackle hunger in Africa we're working with the African Orphan Crops Consortium to unlock the potential of African Orphan Crops. We're also investing in affordable, nutritious snacks like MANI.



SDG 7: Affordable and Clean Energy

We've set a goal to eliminate 100% of the GHG emissions from our direct operations by 2040. This goal made us the first U.S. member of RE100. We're putting the power of the iconic M&Ms brands behind awareness of renewable energy through our consumer-facing Fans of Wind campaign.



SDG 8: Decent Work and Economic Growth

We're working to promote and respect human rights across our entire value chain, from farms and supplier factories to our own workplaces. Our goal is for everyone touched by our business to be treated with fairness, dignity and respect. We're taking action first on the most serious risks – child and forced labor – to drive measurable impact among the most vulnerable people in the communities where we live and work. Our work to unlock opportunities for women will also contribute to SDG8.



SDG 14: Life Below Water

By 2020, 100% of the fish we source for our Petcare division will be sustainably sourced. We're also seeking protein alternatives to take pressure off ocean resources as we grow.

And this is just a sample of the SDG-aligned work that is catalyzing change and driving engagement across our business. Please join us to find out more about our efforts on our website mars.com

Looking Forward

The SDGs present a powerful rally cry for business to unlock sustainable growth we can all be proud of. We're deeply committed to our SDG journey, and we are excited and energized to do our part towards building a prosperous, sustainable future together.

Why have you aligned your business to the SDGs?

At Mars, our ambition is to grow in ways that are good for people, good for the planet, and good for our business. Agreed on by 193 world leaders, the Sustainable Development Goals (SDGs) represent unprecedented global alignment on the development that is needed for a thriving world. They offer a powerful guide for this next generation of growth. Delivering the SDGs is not just good for the world; it's good for business. The Business and Sustainable Development Commission estimates that by 2030, the SDGs have the potential to offer industry a \$12 trillion dollar business opportunity.

2 How have the SDGs impacted your sustainability strategy?

We've recently been through a process of updating our sustainability strategy and raising our ambition level. The SDGs, along with climate science, our materiality assessment, and other inputs, were among a set of critical frameworks that informed our strategic process. The Goals are an important litmus to ensure our strategy is aligned with the world's priority issues. We've focused our efforts where we can contribute disproportionately to solutions while growing our business in a sustainable way.

Why have you selected three goals as priority for Mars?

We're focusing our work on the three goals that align most closely to the strategic priorities of our Sustainable in a Generation Plan: Thriving People, Healthy Planet and Nourishing Wellbeing. These goals (SDG 1 – no poverty; SDG 3 – good health & wellbeing; and SDG 13 – climate action) are where we believe our business strategies can contribute disproportionately to solutions.

What are you doing towards the other goals?

Beyond the "big three," our business will contribute to multiple other goals; for example, our work on African Orphan Crops is designed to relieve hunger and increase food security, in line with Goal 2; our 100% renewable energy goal supports Goal 7; our human rights strategy is closely aligned to Goal 8 and and our ambition to source 100% of our seafood will deliver on Goal 14. And that's just a glimpse of the work we are doing.

How are you measuring progress toward the goals?

We have set quantified, time bound goals through our Sustainable in a Generation Plan, with ambitious plans to transform our impacts. Because the work we're doing to contribute to the SDGs is aligned to our Plan, we have an established framework that will allow us to track and report on all activity annually via our Principles in Action report.