## **MARS**

# Sustainable in a Generation Plan 2021 Scorecard

# The world we want tomorrow starts with how we do business today.

Launched in 2017, the Sustainable in a Generation plan guides our sustainability efforts. We focus on three interconnected pillars for purposeful growth: Healthy Planet, Thriving People, Nourishing Wellbeing. Additionally, in recognition of the importance of the role our packaging plays, we have introduced a standalone section entitled Transforming Packaging to provide our stakeholders a better understanding of our efforts and progress on this important issue. We're working to improve the lives of people in the communities where we source materials, as well as the lives of our Associates, customers and pets.

This scorecard measures our commitment to and progress toward these ambitious, science-backed goals to drive positive change for people and the planet.



## **A Healthy Planet**

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



-6.1%\*

# Reduction in Greenhouse Gas Emissions

**Goal:** reduce total greenhouse gas emissions across our value chain by 27% by 2025 and achieve net zero emissions by 2050

\*Tracked against 2015 baseline

#### -24%\*

#### Reduction in Unsustainable Water Use

**Goal:** eliminate unsustainable water use in our value chain, starting with a 50% reduction by 2025

-3.1%\*

# Reduction in Land Use

**Goal:** hold flat the total land area associated with our value chain

## **Thriving People**

Meaningfully improve the lives of one million people in our value chain to enable them to thrive



442,200

# People Reached through Human Rights and Income Efforts

**Goal:** Farmers, workers, women and children covered by programs designed to improve human rights and incomes

61,250

# Farmers Impacted through Increased Incomes

**Goal:** Helping to increase farmers' incomes with programs that combine good agricultural practices, access to inputs, the latest plant science, price premiums and/or other ongoing engagement

41,200

#### Women Reached through Empowerment Efforts

**Goal:** Engaging women in cocoa and mint supply chains through income programs, with a focus on interventions that boost their savings rates and develop entrepreneurial skills

### **Nourishing Wellbeing**

Advance science, innovation, nutrition and marketing to help billions of people and their pets lead healthier, happier lives



4.3 Billion

#### **Healthy Meals Delivered**

**Goal:** Deliver 5.5 billion healthy meals per year by 2025

**99**%

#### Media Placement Compliance

**98%** 

#### Media Content Compliance

**Goal:** In our top 13 markets, achieve at least 97% media placement compliance across TV, other broadcast channels, digital and social media, and achieve at least 95% media content compliance\*

++ Learn More about responsible marketing

20

#### Scientific Reports, Presentations and Posters Shared

**Goal:** The Mars Global Food Safety Center invests in, explores and develops science and technology solutions to help address the most pressing challenges facing the global food supply chain

# **Transforming Packaging**

Contribute to a circular economy where packaging never becomes waste, but is recycled, reused or composted



20%

#### of Packaging in Our Portfolio Is Reusable, Recyclable or Compostable

**Goal:** Transform 100% of our portfolio into reusable, recyclable or compostable packaging<sup>†</sup>

43%

# of Packaging Is Designed for Recycling

**Goal:** Redesign our packaging to fit infrastructure that exists today or is likely to exist in the near future<sup>†</sup>

2,868

#### Metric Tons of Plastic Removed

 $\textbf{Goal:} \ Optimize \ our \ packaging \ to \ eliminate \ unnecessary \ materials \ and \ reduce \ virgin \ plastic \ usage \ by \ 30\%^\dagger$ 

# **A Healthy Planet**

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



### **Our 2021 Highlights**

We're reducing our total environmental impact in line with what science says must happen to keep the planet healthy: cutting greenhouse gas emissions, expanding our use of renewable electricity, and conserving water and land.

### **Reducing Greenhouse Gas Emissions**

In 2021, we had a -6.1% reduction in greenhouse gas emissions compared to our 2015 baseline. We were proud to announce that all Mars® bars sold in the United Kingdom, Ireland and Canada will be certified as carbon neutral by 2023. That means over 220 million carbon neutral chocolate bars per year.

Furthermore, ROYAL CANIN®, the largest brand at Mars, has committed to become certified carbon neutral by 2025. In 2021, we announced its first product range certified carbon neutral by SCS Global Services would be launched in 2022. **ROYAL CANIN®** is also transitioning to 100% renewable energy and currently 72% of the business' electricity comes from renewable sources.

We also announced a key action to source additional renewable electricity in the United States—enough to cover our growing veterinary hospital businesses and to work toward sourcing 100% renewable electricity.

#### **Water Stewardship**

In 2021, we reduced our unsustainable water usage by 24% compared to our 2015 baseline, on our way to achieving a 50% reduction by 2025. We joined the Water Resilience Coalition, a coalition of the UN Global Compact's CEO Water Mandate, while <u>making a commitment to achieve water balance in five manufacturing sites</u> identified to be facing the greatest water stress challenges by 2025.

## **Protecting Our Oceans**

Our cat food brand SHEBA® also announced their commitment to <u>the world's largest coral reef</u> <u>restoration program.</u> with a commitment to <u>restore more than 185,000 square meters of coral reefs</u> around the world by 2029.

Additionally, through our partnership with World Wildlife Fund (WWF), Mars Petcare sources no endangered species and **96% of our fish comes from more sustainable sources**, in line with our sourcing guidelines.

# **Thriving People**

Meaningfully improve the lives of one million people in our value chain to enable them to thrive



## **Our 2021 Highlights**

At Mars, we believe we have a responsibility to improve the lives of the people in our value chain. We strive to enable them to thrive through human rights due diligence, commitments to improving workplace conditions and income disparity, and efforts to reach the most vulnerable populations.

### **Activating Human Rights Due Diligence**

Mars is proud to have activated human rights due diligence (HRDD) systems across 100% of Mars manufacturing sites globally. In addition, we continue to reach more than 18,000 workers (including more than 9,600 women) in supplier factories with programs to improve workplace conditions, and we've reached more than 442,200 people with programs to advance respect for rights in extended supply chains.

## **Refreshing Global Saliency and Human Rights Priorities**

In 2021, we updated our global salient human rights issues, based on external and internal consultations, trend analysis and public data. This salience review confirmed five issues that may pose the most severe risk to people across our value chain:

- 1. Lack of living income and wages
- 2. Gender discrimination
- 3. Mental and physical health and safety
- 4. Forced labor
- 5. Child labor

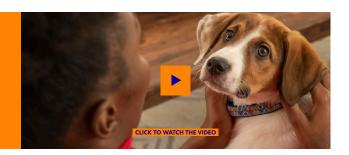
As we work to advance respect for all rights, we place special emphasis on these salient issues and prioritize actions that reach the most vulnerable people.

#### Listening to Women in the Workforce

We launched a global listening campaign called #HereToBeHeard, asking **"What needs to change for more women to reach their full potential?"** More than 10,000 women in 88 countries answered. Their voices called for an end to gender stereotypes, revealed the support needed by working parents, and showed us the benefit we would all see with more women in positions of power.

# **Nourishing Wellbeing**

Advance science, innovation, nutrition and marketing to help billions of people and their pets lead healthier, happier lives.



### **Our 2021 Highlights**

Good nutrition, health and wellbeing are essential for people and pets to lead happier, healthier lives. We use our global reach to enhance our products' quality and nutrition, provide more people around the world with access to healthy meals, and support access to homes and veterinary care for pets in need. And we do it all while remaining committed to responsible marketing.

### **Providing Healthy Food**

We strive to ensure we're providing healthy food. In 2021, we delivered 4.3 billion healthy meals—representing an increase of 300 million meals from 2020. We were able to do this by reducing sodium across our Mars Food portfolio by 3.2% as well as providing 848 million servings of vegetables and 214 million servings of fiber through product reformulation and innovation.

We are also committed to improving access to healthy food. In 2021, Mars Food and Multisales worked in partnership with food banks and social aid charities around the world to donate over 23 million meals to support our communities and provide those in need with access to nutritious meals.

### **Responsible Marketing**

At Mars, we pride ourselves on being a leader in responsible marketing and driving growth by doing what is right. We are proud to report a **99% placement commitments overall compliance result** and a **98% overall content commitments compliance result**, based on 2020 audit data.

Our placement commitments include:

- No marketing targeted to children under 13 years old
- No placement of vending machines or event sponsorship in primary schools
- · No data collection for children under 16 years old

### **Ensuring Safe Food**

We believe that everyone has the right to safe food. This is why we proactively share all of our food safety insights on a pre-competitive basis.

In October 2021, the Mars Global Food Safety Center (GFSC) and the Danone Food Safety Department hosted the 2021 Future of Food Safety Summit in Beijing, China. This Summit provided an opportunity for world-leading organizations and experts to share the latest insights on emerging trends to help transform food safety at scale through pre-competitive collaboration.

# **Transforming Packaging**

Contribute to a circular economy where packaging never becomes waste, but is recycled, reused or composted.



### **Our 2021 Highlights**

At Mars, we intend to contribute to a circular economy where packaging material never becomes waste. We're investing hundreds of millions of dollars and **redesigning more than 12,000 packaging components** to ensure we're using 100% recyclable, reusable or compostable packaging. Our top 300 executives now have remuneration linked to delivering against our packaging targets, highlighting the importance of these commitments.

### **Eliminating Unnecessary Packaging**

We're optimizing our packaging to remove plastic while retaining our strict quality and safety standards. In China, we saved 450 tons of plastic by reducing the amount of packaging material used in our Dove chocolate containers. We're also exploring innovative reuse models that eliminate waste altogether, with a goal to launch at least 10 new programs that test reusable packaging in markets. We have deployed five programs so far.

In 2021, we partnered with U.K. grocery chain ASDA to offer a range of dry pet food in the retailer's newly launched refill zones. We also launched M&M Color Walls with French retailer Carrefour, enabling consumers to fill reusable containers with the M&M color of their choice.

## **Redesigning Necessary Packaging for Circularity**

Almost half of our packaging portfolio is undergoing redesign to become compostable or fit within the recycling infrastructure that exists today or is likely to exist in the near future in our markets. In 2021, our CRAVE™ and PEDIGREE® brands in Europe launched new Care and Treats products in more easily recyclable mono-material packaging.

We're also exploring alternative packaging materials. As part of our Balisto paper packaging pilot in Germany, more than 90 percent of the packaging in almost a million Balisto bars was changed to paper. And we forged a two-year partnership with <u>Danimer Scientific</u> to develop innovative industrial and home-compostable packaging, starting with our M&M's and SKITTLES® brands in the U.S.

## Investing to Close the Loop

To help catalyze recycling systems, we are working toward using 30% recycled content on average across our plastic packaging portfolio. By purchasing and using recycled content in our packaging, we help to create demand for recycled materials and encourage investment into recycling systems. Last year, with the launch of our new SHEBA® pet food pouch made from recycled plastic, we became the first company in the pet food industry to use food-safe recycled material in wet-food flexible packaging.

We're investing in programs and partnerships that stimulate the collection and recycling of packaging waste. As part of our innovative SWAP Recycling program in Thailand, we offered pet owners discounts for returning their empty pet food bags, which resulted in **the recovery of over 35,000 bags of used plastic pet food packaging** in 2021.