

MARS

Tomorrow starts today

Modern Slavery Statement 2020

Introduction

At Mars, we believe everyone touched by our business should be treated with fairness, dignity and respect.

We are a privately-held, family-owned company seeking to promote and advance respect for human rights across our value chain – from farms to suppliers' factories to our own workplaces. For more than 100 years, we've sought to bring our **Five Principles** of Quality, Responsibility, Mutuality, Efficiency and Freedom to life every day, in pursuit of creating shared growth and opportunity across the communities we touch.

In 2017, we launched our **Sustainable in a Generation Plan**, a set of interconnected ambitions across the areas of Healthy Planet, Thriving People and Nourishing Wellbeing, supported by a USD 1 billion investment. Our ambition in the area of Thriving People is to enable 1 million people in our value chain to thrive by driving meaningful improvements in their lives. The core focus areas of this ambition are increasing income, respecting human rights, and unlocking opportunities for women.

- **Increasing Income:** Our goal is for everyone working within our extended supply chains to earn a sufficient income to maintain a decent standard of living.
- **Respecting Human Rights:** Our goal is for everyone touched by our business to be treated with fairness, dignity and respect.
- **Unlocking Opportunities for Women:** Our goal is to unlock opportunities for women in our workplaces, marketplaces and supply chains.



Sustainable in a Generation Plan MARS

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

Today, millions of people work hard around the world to produce raw materials and products across global supply chains, but many are living in poverty or are vulnerable to exploitation. The global pandemic threatens health and livelihoods – with the potential to reverse decades of effort across business, government and civil society to address poverty, gender equity and forced labor risks in particular. Before the pandemic, data from the International Labour Organization (ILO) showed that 16 million people working in the private economy are in conditions of forced labor worldwide. In 2020, the World Bank warned that extreme poverty could rise for the first time in 20 years, with potential for the pandemic to push an additional 150 million people into poverty – increasing their vulnerabilities to risks such as forced labor.

Introduction

COVID-19 Context

We're engaging with suppliers, customers, civil society organizations, workers, farmers and our Associates to better understand how COVID-19 impacts risks to people touched by our business. In 2020, we started to see the impact of school closures in sourcing communities, challenges for traditional in-person labor monitoring systems and workers facing financial pressures, as well as the impact of decreased remittances sent home. We took a range of actions, including:

- Testing approaches for remote assessments to understand supplier management systems, evaluate risks, and access worker voices in our supply chains, even if physical access to farms, plantations or factories is restricted.
- Continuing to deploy **our Next Generation Supplier program**, an enhanced approach to engage our direct suppliers as they address challenges and drive greater positive impact in their workplaces. Despite the challenges of COVID-19, we're seeing this program—built on a model of longer-term human rights coaching from third party experts—drive change in mindsets and behaviors and support suppliers to identify and act to address key risks.
- Launching **Full Potential in 2020**, the Mars platform for action on gender equity across our workplaces, sourcing communities and the marketplace. We are laying this foundation with expert partners to support women reaching their Full Potential, even in the face of COVID-19. In cocoa sourcing communities, we've invested an additional \$10 million with **CARE** to bolster women's access to savings and loans groups in West Africa.

- Responding in communities - as part of a \$39 million global philanthropic response, we dedicated \$5 million to support our partner, CARE, in providing emergency supplies, bolstering community leaders with training and awareness-raising resources, and distributing cash transfers with a focus on women and children in mint growing communities of India, cocoa-farming regions of Ghana and Côte d'Ivoire and migrant workers in the seafood sector of Thailand. An additional \$2 million in support was granted to the World Food Programme to fund transport and delivery of critical supplies of emergency food and equipment to hospitals as they respond to the pandemic.

Now more than ever, global businesses like ours must do more to ensure that work empowers people. We believe that forced labor in any of its forms has no place in our operations or supply chains and that business, government and civil society must work together to make progress on this complex issue.

Forced labor is defined in the ILO's Forced Labour Convention of 1930 as "all work which is extracted from any person under the menace of any penalty and for which the said person has not offered themselves voluntarily." The ILO indicates that most situations of modern slavery and human trafficking are included in their definition of forced labor. As a company committed to advancing respect for human rights, we have prioritized action on forced labor and hazardous child labor as salient issues.

This disclosure represents our fifth Modern Slavery statement, in compliance with the UK Modern Slavery Act of 2015, and it is our first disclosure in compliance with Australia's Modern Slavery Act of 2018. It contains relevant foundational context from previous disclosures, as well as updates on our efforts to address forced labor, including modern slavery and human trafficking, which are core components of our global human rights strategy and programs. It was approved by relevant UK Boards and Australia Boards in June 2021.

Business Structure

For generations, we've been making many of the world's most loved and iconic brands – across chocolate, confectionery, pet food and food for people, as well as providing vet health services.

We want that to continue for generations to come. We know that as a global business, we have the responsibility to advance respect for human rights across our business and the supply chains we depend on. We have USD \$40 billion in annual sales from our business categories of Mars Petcare, Mars Wrigley, Mars Food, and Mars Edge. Across our diverse and expanding portfolio of confectionery, food, and petcare products and services, we produce some of the world's best-loved brands including DOVE®, EXTRA®, M&M's®, MILKY WAY®, SNICKERS®, TWIX®, ORBIT®, PEDIGREE®, ROYAL CANIN®, SKITTLES®, BEN'S ORIGINAL™, WHISKAS®, COCOAVIA®, 5™; and take care of half of the world's pets through our pet health services AniCura, Banfield Pet Hospitals™, BluePearl®, Linnaeus, Pet Partners™, and VCA™.

Globally, more than **133,000 Associates** are working across our more than **450 sites** including manufacturing facilities, offices and other workplaces in **80 countries**. Read more about our global business structures [here](#).

In the United Kingdom: We employ more than 4,000 Associates across 7 factories and 11 office sites through Mars Petcare, Mars Wrigley and Mars Food. Additionally, we employ about 4,300 Associates across Linnaeus Group, one of the more recent companies to join Mars Veterinary Health (a division of Mars Petcare) with its 14 referral, 39 primary care and three mixed practices.

In Australia, background on our reporting entities, operations and supply chain is as follows: We employ nearly 2,000 Associates across six factories and two office sites, spanning Mars Petcare, Mars Wrigley and Mars Food divisions. We source a range of raw materials for products produced in these divisions, including cocoa, palm oil, sugarcane and fish. The reporting entities in scope for purposes of this disclosure include Mars Wrigley Australia Holdings Pty Ltd. and Royal Canin Australia Pty Ltd.

Scope of this Disclosure

Our approach to understanding and addressing human rights risks, as outlined throughout this disclosure, is based on our global policies and frameworks for owned operations, Tier-1 supplier sites and extended supply chains of our business segments and divisions.

The actions described are implemented on a global basis, in a framework inclusive of the reporting entities, with a risk-based approach to prioritization and deployment.

The applicability of certain programs may vary based on the differences between consumer goods and veterinary health supply chains and their risk profiles. More recently-acquired businesses are in the earlier stages of program rollout.

We anticipate that all our businesses and divisions will be engaged in our Responsible Workplace program for our own operations by 2025. We share our Supplier Code of Conduct with our suppliers as a condition of doing business with us, and we expect suppliers to engage in the aspects of our Next Generation Supplier program relevant to them as we continue to roll out this initiative. Our program that addresses human rights in sustainable sourcing applies to parts of our business that source raw materials. Additional details on key supply chains and their structure are referenced later in this disclosure.

Policies & Governance

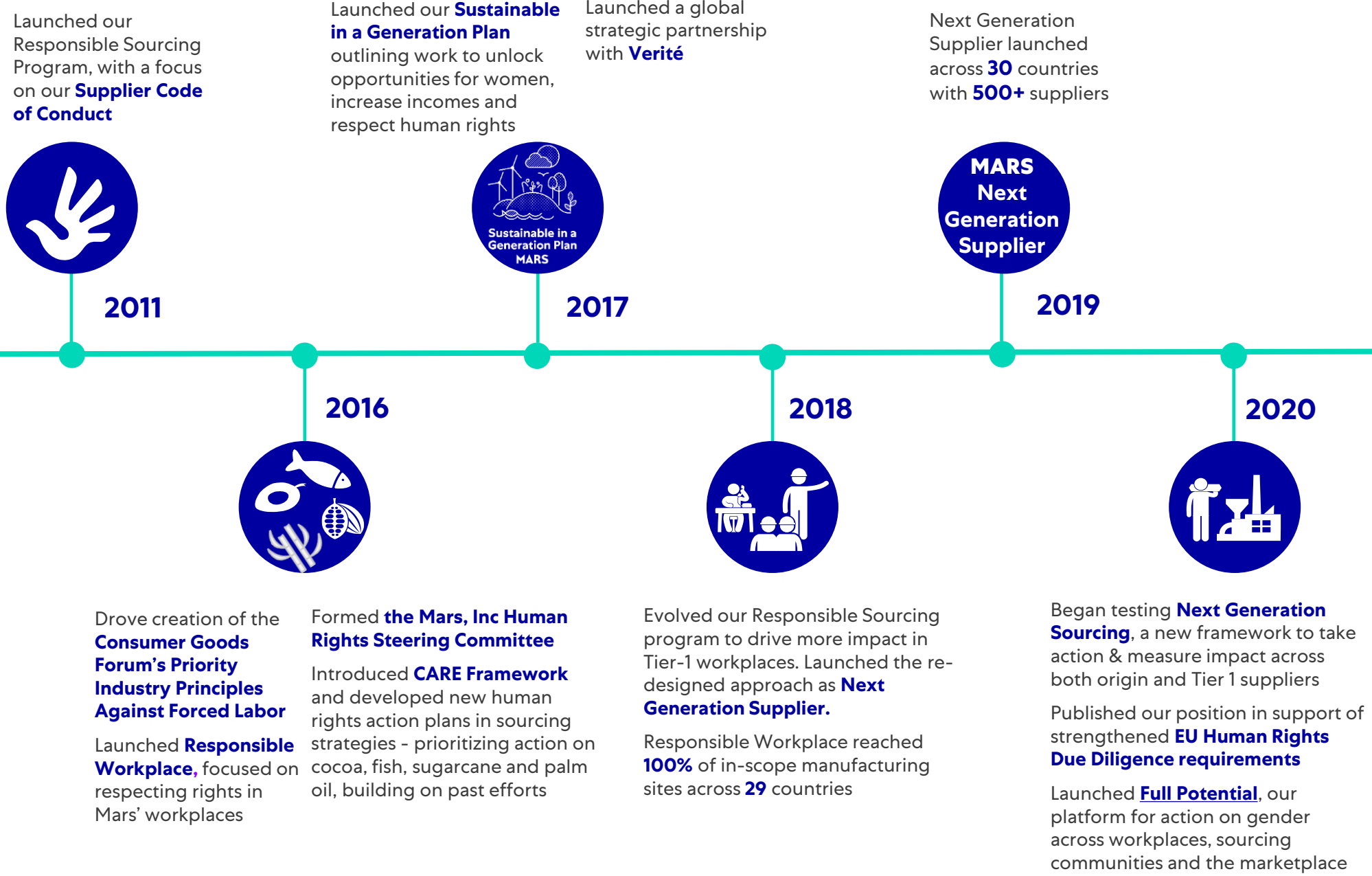
Advancing respect for human rights is a cross-functional responsibility embedded within our global business and applied locally. A dedicated global human rights team establishes our human rights policies, strategies and programs and provides expertise and guidance to colleagues around the world engaged in this work, as applicable to each business division.

To govern the global application and implementation of our policies, our Human Rights Steering Committee meets regularly to review our progress, challenges and opportunities. Executive oversight supports this governance and continued assessment of plans and performance. Our Board of Directors is informed annually of our human rights plans and performance. Our policies include a focus on the elimination of forced labor as a critical component of our overall human rights approach.

Our [Human Rights Policy](#) is informed by the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work. It articulates our commitment to respect human rights –with an initial focus on our operations, and in sourcing where we can have the greatest impact, with a particular emphasis on potentially vulnerable groups.

Our [Supplier Code of Conduct](#) is informed by the same international human rights standards. It describes the human rights standards we expect our first-tier suppliers to uphold, covering forced labor, including modern slavery. The Code prohibits the use of all forms of forced labor, including any form of prison, trafficked, indentured or bonded labor.

Human Rights at Mars



Our Human Rights Approach

Focus Areas

In 2015, we identified forced labor and child labor as the human rights issues that may pose the most severe risk to people in our supply chains, based on consultations across our business, review with leading human rights experts and analysis of publicly available risk information. Even as we work to advance respect for all rights, we place special emphasis on these salient issues, and we prioritize actions that reach the most vulnerable people. A variety of factors may increase a worker’s vulnerability to human rights risks, such as temporary or seasonal work status, lack of legal protections, poor enforcement of legal protections, or problematic laws that inhibit respect for rights. Migrant workers, women and children are particularly vulnerable to human rights risks. Appropriate remediation approaches may vary based on the issues present.

Priority Industry Principles


We are taking action in our business and supply chains to advance The Consumer Goods Forum’s (CGF) Priority Industry Principles on Forced Labour. We played a leadership role in the development of these principles as co-chair of the CGF’s Social Sustainability Committee, as we believe industry-wide focus and action on this issue is urgently needed.

The Principles align with our existing human rights approach and provide an opportunity for us to strengthen work that seeks to identify, and address forced labor. They are straightforward and when applied by industries at scale, they may help stop situations that lead to forced labor – especially amongst vulnerable workers. CGF members have an agreed action plan to advance the Principles that includes a focus on own operations, engagement with suppliers across industries, and an emphasis on Southeast Asia.

CONSUMER GOODS FORUM PRIORITY INDUSTRY PRINCIPLES

**EVERY WORKER SHOULD HAVE
FREEDOM OF MOVEMENT**



 **NO WORKER
SHOULD PAY
FOR A JOB**

 **NO WORKER SHOULD
BE INDEBTED OR
COERCED TO WORK**

Our Human Rights Approach

Due Diligence & Understanding Risk

A foundational step in our human rights due diligence approach is supply chain mapping and traceability analysis, which provides us with essential information about our extended supply chains. As we increase our understanding and level of traceability, we work with partners such as Verité and Verisk Maplecroft to better understand human rights risk at the country and regional level.

We use publicly available data from sources such as the U.S. Department of Labor, United Nations Development Program, public media and civil society reports, and proprietary analysis provided by Verisk Maplecroft's team of human rights risk analytics experts. This includes the identification of unique regional risks, such as the significant migrant labor workforce in the Middle East. This analysis drives the creation of human rights risk scorecards that inform the development of our human rights action plans.

Based on the specific risks identified, our global human rights team advises and supports colleagues across the business on additional due diligence tools. This due diligence, often implemented with independent human rights experts, may include further desk research, validated self-assessment questionnaires, audits, or human rights risk assessments at specific sites and supply sheds.

In 2019 we developed a Mars position in support of legislation mandating practical human rights due diligence, and we supported [a coalition](#) advocating for this approach.

Human Rights Due Diligence Regulation

We believe all need to take action to fix what is broken about global supply chains. National governments must enforce and strengthen their own labor laws, and companies have a responsibility to conduct due diligence to identify and respond to human rights risks.

Mars supports strengthened, harmonized regulation of human rights due diligence requirements for companies in global supply chains, aligned with the UN Guiding Principles on Business and Human Rights. We believe this can both benefit people working in global supply chains and set clear expectations for companies – raising the bar so that everyone is held to the same high standards. Stronger regulation is a key part of creating the change we need to see: supply chains where rights are respected, and everyone has the opportunity to thrive.

Mars has been conducting voluntary due diligence on our own facilities, with priority Tier 1 suppliers and in priority extended supply chains, we continue to expand this work. Undertaking due diligence in alignment with international standards is fundamental to advancing respect for human rights in our value chain.

We also believe that businesses, governments and civil society must work together to address the root causes of human rights risks – this is essential to building inclusive and sustainable supply chains. More coordinated and impactful collaboration is needed to identify drivers of risk and to deliver results in areas such as migrant labor markets, income in agricultural supply chains, women's rights and access to quality education.

Our Human Rights Approach

Care Framework

Drawing on the United Nations Guiding Principles on Business and Human Rights (UNGPs), we have developed an action-oriented framework to guide human rights decisions and actions across our business. These actions include a focus on forced labor. This CARE Framework informs our strategy and planning development through four key phases – **Commit, Assess, Respond, Engage**. We use this framework to develop Human Rights Action Plans for priority raw material supply chains. We have developed a [Practitioners' Guide to the CARE Framework](#), and we train relevant internal teams in applying the framework, which includes the following steps.



Framework in Action

Commit: Forming a cross-functional team with clear accountabilities and governance processes. Identifying or creating relevant policies, standards and practices. Allocating appropriate resources to support successful activation of the agreed plan.

Assess: Conducting human rights due diligence in order to understand relevant human rights impacts including where possible, input from impacted people and local communities. Consulting with human rights experts to understand structural dynamics, root causes and relevant context.

Respond: Seeking to prevent, address and/or remediate human rights impacts, either directly or in close collaboration with industry, government and civil society. Such actions may include monitoring and verification systems, awareness raising and training, grievance mechanisms, remediation of individual cases, and addressing the enabling environment and root causes.

Engage: Engaging externally to learn from and collaborate with others and to share our own progress and challenges transparently. Seeking to mobilize or join key industry coalitions and to drive collective action across sectors to meet shared goals.

Our Human Rights Strategy

Our human rights strategy is focused on deploying programs in three areas, using an approach focused on risks to people – in our own operations, with our first-tier suppliers, and in our extended supply chains. We have developed and are testing customized human rights training and tools across our programs in all three areas, which include a focus on forced labor.

Assess & Remediate: Across all three of our programs, we use customized approaches to assess risk and where issues are identified, we have processes in place to support remediation – by Mars and through suppliers. Specific remediation approaches vary and are described across our three program areas.

Responsible Workplace



Mars has always prioritized creating and maintaining great workplaces where our Associates can thrive.

Our Responsible Workplace program aims to ensure that the human rights of all workers in our workplaces are respected. We hold ourselves to clear standards and expectations in our own facilities, and we continue to demonstrate what we are learning and actions we are taking as a part of this program.

No company operating in the global economy today is immune to human rights risks, including forced labor. The Responsible Workplace program has focused on taking a deep look at our own manufacturing operations – helping us to better understand these risks and the types of safeguards needed to ensure that human rights are respected.

We will continue to evaluate our facilities on a routine basis while expanding our efforts to address potential risks. We engage independent auditors with expertise in labor issues to assess our human rights performance in our workplaces. Non-compliances that are identified are addressed. Our Responsible Workplace Standard and Site Implementation Guide details our human rights standards and expectations for our own workplaces, including a prohibition on forced labor. We also seek to ensure that all Associates in Mars workplaces are aware of and have access to our accredited Ombudsman program through which they can confidentially and anonymously report any workplace issue.

In 2018, we achieved a major milestone in the Responsible Workplace program – reaching 100% of our manufacturing sites, including evaluation of forced labor risks. Understanding these risks in our own facilities generates important insights and has helped us ensure we are holding ourselves to the same standards we expect of our business partners. Through this work, we have identified the importance of oversight of contract labor providers in particular, where the majority of findings have been identified. Our global human rights partner, Verité, provides customized advice and guidance on program design and implementation.

Responsible Workplace

2020 Updates

We conducted new assessments at 48 manufacturing sites across 17 countries in 2020, using a remote approach to continue due diligence even when COVID-19 restricted on-site access.

We continue to focus on improving the practices of labor and service providers, including in regions with high rates of foreign migrant workers. In key countries with known forced labor risks associated with labor sourcing, we are updating contractual terms with labor providers with additional controls for recruitment costs, access to personal documents and other foundational elements of our Supplier Code of Conduct.

In 2020, we identified specific improvements that 11 different labor and service providers took to better respect human rights, including coming into compliance with labor laws regarding working hours, rest days and leave. We are investing with other global brands to support robust training for labor providers in the Gulf Region, to provide practical, customized capacity building to improve recruitment practices.

Moving forward, we are expanding our Responsible Workplace focus beyond manufacturing – with the goal of reaching our retail business, distribution centers, research centers, offices and veterinary sites by 2025 through this program.



Next Generation Supplier: First-Tier Suppliers

Our success in growing our business while delivering positive social and environmental impacts depends on high performing suppliers and supply chains. We expect our first-tier suppliers to respect human rights, environmental standards and ethics in their workplaces.

In 2011, we developed our Supplier Code of Conduct, which describes our human rights, ethical and environmental expectations of first-tier suppliers, including a prohibition on forced labor, and we initiated our Responsible Sourcing Program.



This program engaged our first-tier suppliers around the world in improving their sustainability performance through an industry-standard approach that leveraged third-party, on-site social compliance audits to identify workplace issues and drive change where risk is highest.

However, research shows that it is difficult to address the root causes of the most complex sustainability challenges through audits alone – and, that it is critically important to engage workers in identifying issues and shaping solutions.

In 2019, we launched our Next Generation Supplier program – an enhanced approach with a focus on better engaging our suppliers as they deliver greater positive impact in their workplaces. Our Next Generation Supplier program builds on years of experience and long-standing commitments while introducing new tools and technologies that we believe will deliver better results for our suppliers and the people who work in our supply chains.

- We continue to **align** our suppliers with our social, environmental and ethical expectations through our Supplier Code of Conduct.
- We **assess** the sustainability performance and social compliance results of prioritized suppliers using the EcoVadis online platform, leveraging this widely recognized supplier evaluation tool while also unlocking increased visibility and insights for Mars and our suppliers to put into action.
- We support certain suppliers of our top 10 raw materials, and other strategic suppliers, as they **advance** their performance through a new, longer-term model focused on driving systemic change and engagement of workers. This model leverage the expertise of external advisors, including our global strategic human rights partner Verité.

We will assess the impact of this work with the goal of understanding the real difference it makes for people in our value chain and the planet we all share. Our aim is for this program to help us achieve our goal of working with suppliers that share our values and commitments and cease work with those who are unable or unwilling to meet our expectations.

As part of our commitment to building supplier capability, we periodically engage suppliers in awareness raising and third-party training initiatives in order to drive continuous improvements. All of our Mars Commercial Associates are expected to take our Next Generation Supplier training course, which includes content on our human rights standards and expectations of our suppliers, including with regard to forced labor. A **comprehensive guide** for suppliers includes good practice examples for developing management systems to identify, remediate and prevent forced labor and other human rights risks, as well as guidance across all aspects of our Code.

Next Generation Supplier

2020 Updates

Align: Since launching the program in 2019, we have put in place processes to ensure our Code of Conduct is part of contractual terms.

Assess: Hundreds of suppliers have now completed EcoVadis, the third party-validated assessment of their sustainability performance that enables them to take targeted actions to improve. We use a risk-based process to prioritize EcoVadis roll-out.

Advance: We have initiated Supplier Advance programs in supplier factories in nine countries, designed to reach more than 18,000 people. These programs include a focus on areas such as forced labor risks, health and safety, gender equality and addressing workplace discrimination.



Sustainable Sourcing: Extended Supply Chains

At Mars, our sustainable sourcing efforts focus on addressing five sustainability impacts – greenhouse gas, water, land, human rights and income. This work begins with seeking traceability of our supply chains, understanding risks, and developing and implementing strategies to drive improvements. Sustainable sourcing programming applies to the consumer goods portion of our business portfolio, based on relevant, higher risk and impact raw materials.

Human Rights in Sustainable Sourcing



We believe some of the highest risks to people may appear at the farthest end of supply chains, where we typically have low or no influence, visibility or control.

We focus on advancing respect for human rights in our extended supply chains, in close collaboration with our suppliers, their business partners, the industry, government, and communities. We prioritize work on supply chains in which the most severe human rights risks, including forced labor, may be present, including, for example, cocoa, fish, and palm oil.

In 2018, we updated our Practitioner’s Guide to Human Rights in Sustainable Sourcing, with detailed guidance on activating our CARE Framework and developing human rights action plans, including elements related to forced labor, where relevant. In 2019, we launched additional guidance material focused on how procurement teams can engage suppliers as they develop approaches to address key risk factors. This is supported by a [range of tools](#) and templates launched in 2020, including [a roadmap](#) to help understand supplier management systems and how they can be progressively strengthened. Tailored training is provided to relevant teams internally.

The United Nations Guiding Principles on Business and Human Rights outlines the role of government to protect human rights and the role of business to respect rights. The following pages outline examples of our human rights approach and efforts to advance respect for rights in extended supply chains in which human rights challenges are systemic. In each, we recognize the importance of collaboration to address root causes and structural barriers to progress. Our approach is grounded in supporting the capabilities of suppliers to address these risks, connecting them to guidance and capacity building from third-party experts.



Sustainable Sourcing: Extended Supply Chains

Cocoa

Cocoa for Generations is our integrated approach to sourcing cocoa responsibly and working toward sustainable practices. By 2025, we aim to be traceable (from the farmer to the first point of purchase) and will work with our suppliers and certifiers with the goal of deploying child labor monitoring and remediation systems to 100% of our at-risk cocoa supply chain. Early indications show that these systems have the potential to halve the risk of hazardous child labor among participating families.

Through our collaborations with the International Labour Organization and the International Cocoa Initiative (ICI), and through our leadership role in the World Cocoa Foundation, we are seeking to drive impact and industry action. As members of ICI, we supported [research](#) conducted by Verité in 2017 and 2018 to understand drivers of forced labor risks in the West African cocoa sector. The research found that while forced labor risk is present in the cocoa sector in Côte d'Ivoire, it appears to be limited primarily to a narrow group of people: recently arrived migrant workers.

These insights are valuable and build on research conducted by Tulane University and Walk Free Foundation, which estimated that 0.42 percent of adults working in cocoa experienced forced labor in Côte d'Ivoire between 2013 and 2017, and that 0.17 percent of children working in cocoa agriculture in Côte d'Ivoire were forced to work by someone other than a parent. Mars and other companies across the industry are designing approaches to address these forced labor risks and to support governments in their response, with technical input from Verité and others. This work includes forced labor training by third party experts – including awareness raising materials for suppliers, guidance on contracting, and integration of forced labor risk indicators into existing child labor monitoring systems.



Sustainable Sourcing: Extended Supply Chains

Updates

In 2019, we issued our first annual [Cocoa for Generations report on progress](#) and in early 2020 we launched our [Protecting Children Action Plan](#). In addition to publishing our [Tier 1 supplier list](#) in cocoa, we mapped and shared additional supply chain details to the [Tier 2 level in 2020](#), mapping approximately one third of the farms in our supply chain, as we work toward our goal of 100% of our cocoa being responsibly sourced and traceable by 2025 (traceable from the farmer to the first point of purchase- the farmer organization, cooperative, or licensed buying company our suppliers buy from).

In 2021, we released a report on [Respecting Human Rights in the Cocoa Supply Chain](#), outlining areas of focus and progress across four mutually reinforcing areas.

1. Robust Child and Forced Labor Monitoring and Remediation Systems:

We are committed to ensuring suppliers have in place robust child and forced labor monitoring and remediation systems designed to identify, prevent and seek to remediate cases of child labor and forced labor, as relevant. In 2020, we expanded coverage of CLMRS to nearly 70% of volumes sourced in Cote d'Ivoire and Ghana, across 58,000 households. We seek to ensure 100% of at-risk families in our cocoa supply chains are covered by Robust Child and Forced Labor Monitoring and Remediation Systems by 2025 and anticipate that will include at least 180,000 cocoa farming households across Ghana, Côte d'Ivoire, Cameroon and Nigeria. We will also take action in other origin countries as appropriate.

- 2. Women's Social and Economic Empowerment:** Poverty is often a root cause of human rights risks, including forced labor, and improving incomes is a core part of our strategy. Through our partnership with CARE, a leading international humanitarian agency, and our chocolate brand DOVE®, we are supporting [Village Savings and Loan Associations](#) in Cote d'Ivoire and Ghana. In 2020, we expanded our partnership with an additional \$10 million investment aimed to reach more than 50,000 women in Ghana and Cote d'Ivoire by 2025. As of year-end 2020, these groups created training and savings mechanisms for more than 24,000 members in nearly 88 cocoa-growing communities, with a focus on women and resulting in more than \$2.9 million in total savings. We also launched new research with KIT [Royal Tropical Institute](#) on gender, including a unique [empathy study](#) grounded in the voices of women and girls in cocoa communities. The results will inform our work on gender equality and empowerment.
- 3. Increasing Access to Quality Education and Development Opportunities for Children:** Since 2017, we have worked with the Transforming Education in Cocoa Communities program on insights into the powerful linkages between robust monitoring systems, women's empowerment and education interventions. In early 2020, we committed to invest \$3.3 million in [a public-private collaboration](#) to increase access to quality education in Côte d'Ivoire and Ghana, led by the Jacobs Foundation.
- 4. Increasing farmer Income:** We directly support farmers income through the premiums we pay them, and indirectly through the training and support we provide on productivity and income diversification. We are piloting models for increasing productivity and diversifying household income, through other cash crops and non-farm earnings – in collaboration with suppliers, expert implementation partners and the [Farmer Income Lab](#). We were the first chocolate company to support the Living Income Differential fee enacted by the governments of Côte d'Ivoire and Ghana, and consistently purchase our cocoa with this fee to support farmers – calling on others to do the same.

Sustainable Sourcing: Extended Supply Chains



In 2016, we launched our first Thai Fish Supply Chain Human Rights Action Plan which includes key performance indicators and uses the CARE Framework. As we advance this work, the sector continues to face complex challenges. Nonetheless, we are making progress.

As we continue learning more about how best to collaborate with our suppliers, how to form and activate the right partnerships and how to contribute to driving industry-level change, we remain focused on driving positive impact. Additional details on this work are available [here](#).

In the first phase of our Human Rights Action Plan work, we focused on increasing traceability, developing a better understanding of working conditions in our supply chain and building relationships of trust across our supply chain and the sector. We mapped our Thai fish supply chain and launched Issara Institute's Inclusive Labor Monitoring (ILM) model during a four-year timeframe with our Tier 1 suppliers - access to a multi-lingual hotline and online application where workers could report issues and seek assistance as needed. In 2019, we issued [an update on progress](#) and hired an additional senior leader to guide this work, based in Thailand and bringing deep expertise in human rights and experience in the fishing sector.

Updates

The next phase of our human rights work in Thailand includes prioritizing the following actions, working together with a range of external partners.

- Consolidating our supply chain and shifting our procurement model, where feasible, to increase our visibility, influence & leverage.
- Activating our Next Generation Supplier Program over time with all of our Tier 1 suppliers — a longer-term engagement model to drive supplier ownership and capacity to identify and address forced labor risks, among other human rights issues.
- Initiating multi-year collaborations designed to improve efforts to monitor, address, and prevent human rights risks for local and international fishing vessels, supported by third-party experts.
- Supporting fishermen drop-in centers run by the nonprofit organization Stella Maris & piloting scalable connectivity-at-sea technology through a [collaboration with USAID](#) to test more affordable models.
- More targeted advocacy, continued leadership in the Seafood Taskforce and an emphasis on support for tangible action to promote responsible recruitment — including sharing more detailed expectations with relevant suppliers and engaging with governments to strengthen national approaches to human rights.

We are encouraged by the effectiveness of port-side fisherman centers we have supported since 2019, implemented by the nonprofit organization Stella Maris. Stella Maris has connected more than 11,000 people – primarily migrant workers - to legal, education and medical support between 2019 and 2020, and we are exploring how we can deepen the impact of this work moving forward.

Sustainable Sourcing: Extended Supply Chains

Palm Oil

Since 2013, we have purchased 100% Roundtable for Sustainable Palm Oil certified palm oil, and we are working to go beyond certification as we seek to ensure that the palm oil we use is produced with respect for human rights. We expect our suppliers to meet our palm oil standards and to engage with their suppliers to advance respect for human rights in their extended supply chains, with a particular focus on risks facing vulnerable migrant workers.

In 2019, we announced our Palm Positive Plan, aiming to deliver 100% deforestation-free palm oil by the end of 2020 and advance respect for human rights across our suppliers' extended supply chains. The plan significantly simplified the Mars palm oil supply chain – moving from more than 1,500 mills to fewer than 100 in 2021 and plans for further reductions by 2022. We publish our [Tier 1 palm oil supplier and mill lists](#), updating as the Palm Positive Plan progresses.

With a shorter supply chain comprised of partners who are committed to driving improvements in management systems and working conditions, we can increase accountability, influence and connectivity. This approach is focused on deeper relationships with suppliers and engaging with our Tier 1 suppliers as they build their capabilities to monitor, address and prevent human rights risks in their supply chains.

Other Supply Chains

We are working to better understand the nature of human rights risks, including forced labor, across other supply chains we rely on as a business and to identify how we can play the most appropriate role in driving change. For example, we catalyzed and supported an industry-wide training on ethical recruitment in Mexico reaching 20 leading mills, growers associations and peer companies, in addition to work underway to deepen the capabilities of sugarcane suppliers to Mars in that region to monitor, address and prevent a range of human rights risks in their supply sheds.

Updates

Since 2017, we have worked with Verité and our supplier Wilmar to explore how businesses across the palm oil supply chain can better understand, address and prevent human rights risks, with a focus on forced labor. Verité published a [detailed case study](#) of insights from this work in 2020. We funded additional work with Verité to launch a new, [customized online toolkit](#) in 2021, equipping palm oil producers across the sector with practical guidance to design and manage their own effective due diligence systems. We are beginning to develop longer-term, supplier-driven initiatives to reduce human rights risks, including those related to forced labor, with other key suppliers in Malaysia and in Brazil, and will continue this approach across our supply chain.

As we continue this stepped-up engagement, we're committed to sharing our learnings along the way through regular public updates and engagement in industry forums. We continue to support the Consumer Goods Forum palm oil working group, which commissioned [research](#) to identify risks of forced labor in the palm sector in Indonesia and Malaysia in 2018. Insights from the report are informing where we prioritize action, including collaborative work on [human rights due diligence systems in the palm oil sector](#).

Stakeholder Engagement

A key component of our approach to human rights is engaging with credible third-party experts and stakeholders, deepening our awareness and understanding of these complex issues and identifying partners to drive action. Our efforts include engaging workers and community members. The following are examples of our stakeholder engagement with a focus on forced labor.

Verité: Global Strategic Partner



In 2017, we launched a long-term, strategic partnership with Verité – a leading nonprofit and global expert on labor rights with more than 20 years working to ensure people worldwide are in safe, fair and legal working conditions.

Our comprehensive partnership is designed to take action, foster new insights, and lead dialogue on critical global human rights challenges. Our work together includes a focus on forced labor, with collaboration on initiatives across our full human rights program – in Mars operations, with our first-tier suppliers and in high-risk extended supply chains.

Verité is advising Mars on our global human rights strategy, policies and practices, and together we are gathering insights, generating new research and promoting dialogue to inform action across the business and human rights community. More information about our work together is available [here](#) and in [our first partnership update](#), as well as our reflections on key [insights to date here](#).

Alliance 8.7



Alliance 8.7 encourages businesses and other stakeholders to act on United Nations' Sustainable Development Goal 8.7 to eliminate forced labor and the worst forms of child labor. Mars is a founding member of the ILO's Child Labor Platform and an early supporter of the Business Network on Forced Labor, the two key business platforms of Alliance 8.7.

United Nations Global Compact (UNGC)



In 2015, Mars became a signatory of the Global Compact. We issue an annual communication of progress that outlines our efforts across the Compact's ten principles, which include seeking to eliminate all forms of forced and compulsory labor.

Business for Inclusive Growth (B4IG)



In 2019, Mars joined the [Business for Inclusive Growth coalition](#), together with 37 companies committed to taking action to ensure the benefits of economic growth are shared far more widely. The coalition is focused on advancing human rights in direct operations and supply chains, building inclusive workplaces and strengthening inclusion in company value chains and business ecosystems. Our CEO, Grant F. Reid, joined the coalition launch on the margins of the G7 Summit, and we are active members in designing priority areas of focus and impact.

Institute on Human Rights and Business (IHRB)



In 2017, we joined IHRB's [Leadership Group on Responsible Recruitment](#), underscoring our commitment to this critical topic and recognizing that recruitment fees paid by migrant workers are a key contributor to forced labor. Through our participation in this group, we're joining collective action toward the vision of eradicating worker fees over the next ten years.

Stakeholder Engagement

The Consumer Goods Forum



For the past five years, we played a leadership role within CGF to champion the importance of business action against forced labor. Grant F. Reid, our President and CEO, serves on the CGF Board where he is co-chair of the Governance Committee and co-sponsor of the [Forest Positive Coalition](#). He previously sponsored CGF's Sustainability work. Barry Parkin, our Chief Procurement & Sustainability Officer, previously co-chaired CGF's Sustainability Steering Committee, and we are active members of the Human Rights Coalition – Working to End Forced Labor.

Members of CGF's Human Rights Coalition will implement [human rights due diligence systems with a focus on forced labor risks](#), covering 100% of their own operations by 2025. Additionally, members are working with selected suppliers in the palm oil sector to develop human rights due diligence systems within their supply chain, from refinery to plantation level, by 2023.

In 2018, [Grant F. Reid spoke](#) at the Global Forum on Responsible Recruitment and Employment in Singapore, continuing to champion focus and action against forced labor. His remarks challenged business, government and civil society to focus on collaboration and demonstrate substantive progress to end forced labor in global supply chains. In 2019, [he reiterated this call to action](#) ahead of CGF's Global Summit in Canada and stressed the urgency of business and governments to demonstrate results.

Farmer Income Lab FARMER INCOME LAB

We founded this industry-led collective to make supply chains work for farmers and businesses. Recent collaboration includes a report on [Poverty & Procurement in a Pandemic](#), addressing how business can build more equitable supply chains.

Agricultural Supply Chain Forums and Certifications

We participate in a number of multi-stakeholder forums whose mandates include action on human rights and forced labor in global supply chains, such as the World Cocoa Foundation, the Sustainable Seafood Taskforce, the Roundtable on Sustainable Palm Oil and others across our priority raw materials. We also work closely with the major global cross-commodity certification organizations: Rainforest Alliance and Fair Trade.



Assessing Effectiveness

Across our global human rights programs, from Mars workplaces to Tier 1 facilities to extended supply chains, we aim to understand if and how interventions are having the intended impact, and what we can learn through their deployment. For example, our Next Generation Supplier program incorporates worker voice to understand changes in worker sentiment over time, and our programs in extended supply chains are beginning to incorporate the same approach. We are further developing our approach to metrics & evaluation to better track early signals of progress or challenges, so that we can adapt and adjust continuously (not simply at the end of a particular program cycle).

Update on 2020 Actions

In our fourth Modern Slavery Statement, we referenced specific next steps in our work to address forced labor risks. Although the challenges of the global pandemic have impacted phasing and deployment of some of our efforts, this update shares our progress and a look ahead to some efforts currently underway.



Performance Measures: In 2020, we continued to build a key performance indicator framework that helps us assess effectiveness of our human rights programming. Our framework aims to capture changes in management systems, changes in key human rights risks and changes in worker voice over time, across priority supplier and origin sites. We hired a new data analytics lead to support our overall sustainability metrics and evaluation work, including our systems to track and measure across human rights programs.



Engaging in Priority Supply Chains: We continued to implement our Protecting Children Action plan in cocoa, the Palm Positive plan in palm oil, and the next phases of our work addressing human rights issues in the Thai fish supply chain with partners such as Verité, CARE and others.



Supplier Engagement: We've expanded the Next Generation Supplier program rollout and work to understand its impact. We engaged our direct suppliers in new ways – evolving our worker voice and on-site tools as we learn more about what works and how to navigate when in-person components of the program aren't feasible.



Training: Continued to deepen our capability building and learning support to our direct suppliers and in specific supply chains. This includes funding new training launched by Verité for palm oil producers, supporting training to address forced labor risks for suppliers in the cocoa sector, and launching new internal training at Mars to equip procurement leaders to understand and take action across our human rights programs. More than 700 Associates have been trained in our Supplier Code of Conduct, our Next Generation Supplier Program and our overall approach to addressing human rights issues to date, including content related to forced labor risks and remediation.



External Recognition: Mars was named a finalist for the Thompson Reuter's Foundation [Stop Slavery Award](#) in 2021, recognizing concrete steps taken to address forced labor risks in supply chains, and recognized by EcoVadis [Sustainable Procurement Leadership Award](#).

Looking Ahead

Addressing forced labor, including modern slavery and human trafficking, will continue to require concerted action by businesses and close collaboration with government and civil society. We are committed to moving forward and to working closely with others to drive progress. As we advance this work in 2021, we are focused on:

- ✓ Using our performance metrics to better understand the impact of our human rights work across programs and materials.
- ✓ Engaging with targeted suppliers on our responsible recruitment expectations through our Next Generation Supplier program and our work in key origins.
- ✓ Engaging governments, civil society and other companies on the importance of human rights due diligence and other concrete actions to advance respect for rights.
- ✓ Continuing our efforts to improve incomes, unlock opportunities for women and address climate impacts – recognizing the importance of connecting both social and environmental agendas.



This statement constitutes the modern slavery and human trafficking statement for the financial year ending December 31, 2020 of Mars, Incorporated and all its applicable subsidiaries which fall within the scope of section 54(2) of the UK Modern Slavery Act 2015, including Mars Wrigley Confectionery UK Limited, Mars Petcare UK and Mars Food UK Limited, Crown Pet Foods Limited and Linnaeus Veterinary Limited. The statement was approved by the boards of directors of its relevant UK subsidiaries, pursuant to section 54(2), in June 2021.

This statement constitutes the modern slavery statement for the financial year ending December 31, 2020 of Mars, Incorporated and its applicable subsidiaries which fall within the Australian Commonwealth Modern Slavery Act of 2018, including Mars Wrigley Australia Holding Pty Ltd and Royal Canin Australia Pty Ltd. (the "reporting entities"). It was approved by the boards of directors of its relevant reporting entities in June 2021. This Statement is a joint statement. The undersigned is a responsible member of the parent company. It was prepared in consultation with the reporting entities, including by making those entities aware of its preparation and providing the opportunity to participate.



Grant F. Reid

Chief Executive Officer
Office of the President
Mars, Incorporated
June 2021

To learn more about our
Human Rights approach
and Sustainability programs
please visit

www.mars.com/sustainable-plan