

MARS CHANGING HOW IT DOES BUSINESS ONE YEAR FROM LAUNCH OF \$1B SUSTAINABLE IN A GENERATION PLAN

- CEO Grant F. Reid says Mars is committed to “changing the trajectory of how we do business” on a range of issues—including climate change and poverty.
- Mars will aim to fix the ‘broken’ global supply chains through investment, organizational change, a focus on key raw materials and industry collaboration.
- Mars leaders will call for industry collaboration at a range of events including speaking engagements during the UN General Assembly/Climate Week NYC, and an interactive exhibit during Climate Week NYC.

MCLEAN, VA (September 18, 2018) – Mars is changing how it does business—one year from the launch from its ‘Sustainable in a Generation’ Plan.

It comes after **Mars CEO Grant F. Reid** last year warned that the “global supply chain is broken,” and business needed to make a “huge step change” in order to deliver on the climate targets agreed in Paris and the UN Sustainable Development Goals.

By focusing on what is broken, Mars is exploring how companies can work with governments, NGOs and other stakeholders to create solutions. The company is starting the change in its own supply chains by:

- **Investing in its Sustainable in a Generation Plan:** Mars is investing \$1 billion over the next few years to accelerate progress against urgent threats.
- **A new sourcing strategy:** the company will move away from a traditional commodity approach, changing the way it sources key agricultural materials to help address key sustainability challenges – including GHG emissions, water stress, land use, human rights and income. It will initially focus on 10 key ingredients where the impact is greatest, including cocoa, fish, rice, and mint, among others.
- **Putting sustainability at the core of our business:** Mars is combining procurement and sustainability to bring sustainability into the core of the business and to balance decision-making.
- **Deepening collaboration:** to deliver change at scale, there is a focus on deepening existing industry collaboration and NGO partnerships, and on starting new ones.

Speaking ahead of the UN General Assembly (UNGA)/Climate Week NY, and on the heels of the Global Client Action Summit (GCAS) in San Francisco, Grant F. Reid said: “I am deeply invested in our plan to change the trajectory around how we do business. We continue to see a range of issues facing our global community – including climate change, poverty, obesity and water stress. Incremental improvement will not be enough. We must take action together. Mars has committed to working with governments, NGOs and industry leadership groups, like the Consumer Goods Forum, to make measurable differences – and to create a healthy planet on which all people can thrive.

“Collaboration is critical if we are to accelerate how we address the challenges facing us today.”

Chief Procurement and Sustainability Officer Barry Parkin said: “The transformation of supply chains is necessary across most of the materials we used to call commodities. In fact, I believe we’re seeing the end of the commodities era, where materials used to be sourced from largely-unknown origins and bought purely for price on a transactional basis.

“The future will require sourcing from known origins and in many cases known farms, with price and sustainability impacts evaluated side by side and generally from longer term partnership arrangements with fewer suppliers. We have started to make this shift.”

He added: “This first year for us has been about accelerating what is already working starting with the transformation of our raw material supply chain, building critical partnerships and testing new approaches. The next few years will see a significant scaling up of our activity and impact on the ground.”

The commitment is to be brought to life with a program of events in September. The program of coordinated activities during September reflects Mars’ sustainability commitments and ambitions. It includes:

- **Significant presence at key September events**—during UNGA/Climate Week in New York, Mars leaders will take part in panel discussions and speaking events focused on tackling the urgent threats facing the planet and its people:
 - Mars Chairman Stephen Badger at the Climate Week NYC Opening Ceremony; Board Director and Vice President, Mars Sustainable Solutions Frank Mars at a UN Global Compact event
 - Speaking roles and panels with Andy Pharoah, Vice President, Corporate Affairs, Strategic Initiatives and Sustainability; Mars Chief Procurement and Sustainability Officer Barry Parkin; Vice President, Global Human Rights Marika McCauley Sine; and Global Vice President for Sustainability Kevin Rabinovitch, among others
- **Launch of the ‘Climate Calling’ radio station partnership with Project Everyone**—Mars has partnered with Project Everyone, the not-for-profit organization that pushes for urgent progress on the UN’s Global Goals, on a “pop-up” radio station — offering business leaders and thinkers an opportunity to share their views on environmental progress. Working with a range of radio partners, the content will be broadcast globally and across social media throughout September.
- **Mars U.S. experience at Climate Week** – through an interactive exhibit at the Hub, Mars will showcase its commitment to sustainably sourcing the ingredients that make up its diverse product portfolio. Attendees can learn more about the company’s renewable energy progress, work to create better cities for pets and how the Sustainable in a Generation Plan comes to life in the U.S.
- **Video Series on smallholder farmers** – Mars will release a series of short films demonstrating initial efforts to transform the traditional commodity approach – and commitments to smallholder farmers in our value chain. Films look at key ingredients including rice, mint and vanilla.

NOTES TO EDITORS:

Mars executives will be on the ground and available for interviews during UNGA/Climate Week to discuss Mars' \$1 billion SIG plan, and business changes and collaboration with industry and NGOs to drive action.

To find out more about the plan, visit: www.SustainableInAGeneration.com.

To download supporting images and video, visit: <https://marspresscenter.com>.

About Mars, Incorporated

Mars is a family-owned business with more than a century of history making diverse products and offering services for people and the pets people love. With more than \$35 billion in sales, the company is a global business that produces some of the world's best-loved brands: M&M's[®], SNICKERS[®], TWIX[®], MILKY WAY[®], DOVE[®], PEDIGREE[®], ROYAL CANIN[®], WHISKAS[®], EXTRA[®], ORBIT[®], 5[™], SKITTLES[®], UNCLE BEN'S[®], MARS DRINKS and COCOAVIA[®]. Mars also provides veterinary health services that include BANFIELD Pet Hospitals, Blue Pearl[®], VCA[®] and Pet Partners[™]. Headquartered in McLean, VA, Mars operates in more than 80 countries. The Mars Five Principles – Quality, Responsibility, Mutuality, Efficiency and Freedom – inspire its more than 100,000 Associates to create value for all its partners and deliver growth they are proud of every day.

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