

MARS

Tomorrow starts today

Modern Slavery Statement 2019

This statement constitutes the modern slavery and human trafficking statement for the financial year ending December 31, 2019 of Mars, Incorporated and all its applicable subsidiaries which fall within the scope of section 54(2) of the UK Modern Slavery Act 2015, 2015 including Mars Wrigley Confectionery UK Limited, Mars Petcare UK and Mars Food UK Limited. The statement is signed by the Chief Executive Officer of Mars, Incorporated and approved by the boards of directors of its relevant UK subsidiaries, pursuant to section 54(2).

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 our 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 working 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. Data from the International Labour Organization (ILO) shows that 16 million people working in the private economy are in conditions of forced labor worldwide¹. Global businesses like ours want to 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 himself 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 is our fourth Modern Slavery statement, in compliance with the UK Modern Slavery Act of 2015. It contains relevant foundational context from our previous statements, 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.

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, and 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.

More than **125,000 Associates** are working across our more than **450 sites** including manufacturing facilities, offices and other workplaces in **80 countries**.

Policies & Governance

Advancing respect for human rights is a cross-functional responsibility embedded within our global business. 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.

To govern the 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.

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.

In 2019 we developed a Mars position in support of 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, and 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.

Mars Human Rights Strategy



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

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 standards and expectations in our own facilities, and 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. Taking a deep look at our own manufacturing operations has helped 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. Any non-compliances that are identified are addressed. Our Responsible Workplace 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.

Updates

In 2018, we achieved a major milestone in the Responsible Workplace program – reaching 100% of our 121 in-scope manufacturing sites across 29 countries, 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.

In 2019 we built on this work, conducting new assessments in 55 manufacturing sites in 20 countries. We also are continuing ongoing engagement to improve practices of labor and service providers, including a focus on recruitment practices, contract procedures and management of working hours. We terminated business with six labor and service providers who were not able to meet our human rights standards.

Moving forward, we are expanding our focus beyond manufacturing sites to additional parts of our direct operations by 2025.

Mars Human Rights Strategy



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.

Next Generation Supplier

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** all of our suppliers with our social, environmental and ethical expectations through our Supplier Code of Conduct.
- We **assess** the sustainability performance and social compliance audit results of prioritized suppliers using the EcoVadis online platform, leveraging this widely recognized supplier evaluation tool while also unlocking increased visibility and insights.
- 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 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.

Mars Human Rights Strategy



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.

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. 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.



Mars Human Rights Strategy in Action



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.

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](#). We have begun to activate this plan, which includes four mutually reinforcing elements:

- 1. Robust Child and Forced Labor Monitoring and Remediation Systems:** Our first priority is to ensure our 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. We anticipate needing to reach more than 150,000 cocoa farming households in Ghana and Côte d'Ivoire to meet our ambitions, taking action in other origin countries as appropriate.
- 2. Women's Social and Economic Empowerment:** 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. As of year-end 2019, these groups create training and savings mechanisms for more than 12,000 members in nearly 45 cocoa-growing communities, with a focus on women and resulting in more than \$700,000 in total savings. In 2020, we expanded our partnership with an additional \$10 million investment to reach more than 50,000 women in Ghana and Cote d'Ivoire by 2025.
- 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 million in a new [a public-private collaboration](#) to increase access to quality education in Côte d'Ivoire and Ghana, led by the Jacobs Foundation.
- 4. Increasing 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](#).

Mars Human Rights Strategy in Action

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 2017, we began a collaboration with our global strategic partner Verité and with one of our palm oil suppliers, Wilmar, to build supplier capability and capacity to address human rights issues in extended supply chains – with a focus on forced labor risks.

The collaboration with Wilmar and Verité included assessment of Wilmar’s current systems, customized training and development of concrete ways to strengthen existing policies and practices. Verité has provided coaching and training to Wilmar focused on improving their system to understand and address human rights issues across their supply chain. Informed by this experience, Verité plans to disseminate new tools that may be useful to other palm oil suppliers as they build their own human rights approaches in extended supply chains.

Updates

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 seeks to significantly simplify the Mars palm oil supply chain, with the goal of moving from more than 1,500 mills to fewer than 100 in 2020, and further reductions by 2022. We publish our Tier 1 palm oil suppliers and mill lists, updating as consolidation 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.

As we begin 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 work on [human rights due diligence systems in the palm oil sector](#).

Mars Human Rights Strategy in Action



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 have mapped our Thai fish supply chain, and most of our Tier 1 suppliers continue to participate in the Issara Institute's Inclusive Labor Monitoring (ILM) model, which includes access to a multi-lingual hotline and online application where workers can report issues and seek assistance as needed.

The Issara Institute, a local NGO with unique networks among vulnerable migrant workers in the Thai fish industry, shares these findings with supplier management and facilitates resolution of issues raised. In addition to this work with the Issara Institute, we are engaging with a range of partners in efforts to assess and improve conditions for workers.

Updates

In 2019, we issued [an update on progress](#) and outlined some of our next steps, including:

- Our support to direct suppliers as they strengthen their own supply chain human rights management systems
- Work underway with suppliers and partners to test new approaches to address human rights risks at the vessel level – identifying what works and can be taken to scale
 - Including [work with USAID](#) Asia and Thailand CTIP projects, implemented by Winrock International, to test new approaches to promote connectivity at sea, address human rights risks, and promote fair and ethical recruitment practices.
- Working with partners in industry, government and civil society to better identify and begin to address root causes.

We have hired an additional senior role with deep expertise in human rights, who is based in Thailand and will lead implementation of the next phases. This includes a focus on identifying effective remediation approaches and advocating for structural changes needed in the migrant labor market, together with other companies, civil society organizations and government.

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.

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](#).

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.

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 certification organizations: Rainforest Alliance and Fair Trade.

Update on 2019 Actions

In our third Modern Slavery Statement, we referenced specific next steps in our work to address forced labor risks. This is an update on our progress and a look ahead to some efforts currently underway.

 **Performance Measures:** In 2019, we tested an emerging KPI framework for our human rights work, to track and measure progress. We have strengthened the concept and begun to pilot it in key supply chains.

 **Engaging Across Sectors:** Mars convened a practitioner dialogue on the work in palm oil that we supported, involving Wilmar and Verité, bringing together brands, retailers and palm oil producing companies to discuss lessons learned. Together with Verité, we also led a workshop on the CARE Framework and tested this tool with more than 50 leaders from business, government and civil society.

Mars also participated in advocacy roundtables with the Malaysian and Thai governments in 2019, together with members of the Consumer Goods Forum and the Institute for Human Rights and Business, focused on responsible recruitment.

 **Supplier Engagement:** In 2019, we launched our new Next Generation Supplier Program across 30 countries with more than 500 suppliers.

 **Transparency:** We continued to share our progress and challenges, including our learnings from using the CARE Framework and publication of supply chain details across cocoa and palm oil.

 **Training:** Since the launch of the Next Generation Supplier program, we have trained more than 350 Procurement Associates. We now have a required internal training on our Supplier Code of Conduct, as well as a training course on the fundamentals of the Next Generation Supplier program. We published a new, comprehensive [training guide](#) for suppliers which includes suggestions for developing management systems to identify, address and prevent forced labor risks.

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 2020, some of our key initiatives include a focus on:

 **Performance Measures:** Continuing to develop a KPI framework that aims to capture changes in management systems and changes in key human rights risks, across priority supplier and origin sites.

 **Progress in Priority Supply Chains:**

- Implementing our Cocoa for Generations strategy – scaling-up the coverage of child and forced labor protection systems implemented by suppliers, while also investing in education, income and women’s empowerment to address the root causes of these issues with partners like CARE.
- Implementing our Palm Positive plan, with the aim to engage in longer-term, in-depth supplier initiatives focused on human rights, together with partners such as Verité and others.
- Developing and implementing the next phase of our work on human rights issues in the Thai fish supply chain, with a focus on effective remediation approaches and advancing advocacy for structural changes in the migrant labor market.

 **Supplier Engagement:** Continuing to roll-out of our Next Generation Supplier program and understand its impact. Engaging our direct suppliers in new ways to drive change – evolving our worker voice and on-site tools as we learn more about what works.

 **Responsible Recruitment:** Strengthening guidance to suppliers on responsible recruitment – enhanced practical steps outlining ways to apply the Priority Industry Principles on Forced Labor.

 **Training:** Continuing to deepen our training approach internally, support our direct suppliers and into expand extended supply chains – developing and deploying new material that better equips teams to drive meaningful change.

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Grant F. Reid

Chief Executive Officer
Office of the President
Mars, Incorporated
June 2020

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

www.mars.com/sustainable-plan