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ADVANCING HUMAN RIGHTS IN THE THAI FISH SUPPLY CHAIN: PROGRESS UPDATE

Last year we launched our global Action Plan to help guide our efforts as we seek to protect and promote human rights in our Thai fish supply chain. This Action Plan follows the Mars, Incorporated Global Human Rights Framework and has four key priorities: to Commit, Assess, Respond and Engage.

Mars Petcare continues to work towards all of the targets set out in our Action Plan, and we are committed to collaborating and engaging with our stakeholders as we seek to systematically improve human rights conditions across the Thai Fish industry. The Action Plan can be read in full [here](#).

We have committed to seeking full traceability of our supply chain. As part of this commitment we are engaging closely with our suppliers who are increasingly working towards traceable supply chains. Part of this commitment is that we work with our suppliers to address any human rights or environmental issues that may be associated with the practice of transshipment at sea and that we will seek to end the use of the practice if the issues do not start to be addressed.

We already made good progress against the Action Plan last year and have kept up momentum this year with key developments as follows:

COMMIT

In Q1 2017, we invested in additional resource to support the regional team and we now have 3 dedicated people in region working on the delivery of our 2016/2017 Action Plan.

Additionally, we have been working with a consultant with expertise in social conditions in the Thai Fish industry expert and have now established most of the targets and measures for our Action Plan KPIs. These can be viewed [here](#).

ASSESS

By working closely with our Thai suppliers and Thai business partners, we continue to improve the traceability of our Thai fish supply chain to the fishing vessel level. From Q3 2017, we will be partnering with our suppliers and UL, a leading social compliance assessment firm, to risk assess human rights conditions in our supply chain. Understanding the human rights conditions is the first step in being able to address them, working through our suppliers.

RESPOND

In Q1 we announced a new cross-sector collaboration with the Issara Institute, enabling us to leverage its unique networks among vulnerable migrant workers in the Thai fish industry to help improve their living and working conditions and ensure that workers' voices are heard. Issara Institute monitors seafood workers' human rights conditions through an inclusive, worker-centered

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methodology, and works with suppliers and other actors in the supply chain to address the challenges identified. We are rolling out the Issara Institute hotline with a number of selected suppliers in multiple languages. .

We are engaging UL to develop and conduct a human rights training program for management teams with the aim to have 50% of our Tier 1 suppliers trained by end of 2017 and 100% by the end of 2018.

ENGAGE

We continue to engage as a Board member with key industry leaders, government and NGO community through the Seafood Task Force – a unique coalition formed in 2014 to eradicate social and environmental issues in Thai fish supply chains by tackling illegal fishing practices.

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Key Performance Indicators for Mars Global Petcare Thai Fish Supply Chain Action Plan

Commit

We have a team of 3 full time Mars Associates in the region working on execution of the Action Plan.

An Action Plan Steering Committee, consisting of regional and global Mars leaders meets on a monthly basis to review progress. On a quarterly basis, that Committee holds a face to face meeting in Thailand that includes port, supplier and partner visits. These visits are intended to strengthen our engagement with all key actors in our Thai supply chain. .

In Year 1, progress updates on the Action Plan are published on a quarterly base.

Assess

Our suppliers have provided information to us regarding their supply chains. Third party auditors will review and confirm that information so that we have a full and reliable understanding of our Thai fish supply chain, with a goal of verifying 60% of our Thai fish supply chain by 2018, and 100% by 2019. Such information will require regular updating, and our knowledge may not be perfect, as such complex supply chains are subject to change.

Respond

Our goal is for all of our direct suppliers to meet the expectations of our Responsible Sourcing program.

Our goal is for all of our direct suppliers to meet the expectations of our Fisheries Code of Conduct.

Our goal is to seek to ensure that by 2020, the majority of workers within our extended supply chain will have access to grievance and remediation mechanisms.

Our aim is for the management of our direct suppliers to all receive human rights training by 2018.

Engage

We plan to continue to provide regular public updates on our progress.