This statement constitutes the modern slavery and human trafficking statement for the financial year ending December 31, 2017 of Mars, Incorporated and all its applicable subsidiaries which fall within the scope of section 54(2) of the UK Modern Slavery Act 2015. 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.

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 International Labour Organization’s (ILO) 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.\(^1\)

As a company committed to advancing respect for human rights, we have prioritized action on this serious topic. This disclosure is our second Modern Slavery statement. It contains relevant foundational context from our first Statement, 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

Mars, Incorporated is a private, family-owned business with some of the best-loved brands and services in the world.

In 2017, we had nearly USD $35 billion in net sales from our business categories of Petcare, Confectionery, Food, Drinks, and Mars Edge.

Our more than 100,000 Associates strive to deliver business growth we are proud of across our more than 420 sites (including manufacturing facilities, offices and other workplaces) in more than 80 countries.

Policies & Governance

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

A dedicated global human rights team works with colleagues across our business. Our Human Rights Working Group meets monthly and brings together day-to-day practitioners from relevant business segments and functions to discuss and advance human rights priorities. Our Human Rights Steering Committee, comprised of senior executives in Corporate Affairs, Legal, Human Resources, Operations and Commercial, meets quarterly to review progress and understand challenges. Our Board of Directors receives and discusses an annual report on our human rights plans and performance. This governance structure supports proactive understanding of our human rights strategies and plans.

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 and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. It outlines our commitment to respecting human rights in our own operations and to advancing respect for human rights in our extended supply chains.

Our Supplier Code of Conduct is also informed by international human rights standards and best practice. 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 prison, slave, bonded, forced and indentured labor and human trafficking.
Our Human Rights Approach

FOCUS AREAS
Through continuous consultations across our business, review with leading human rights experts and analysis of publicly available risk information, we have identified forced labor and child labor as the human rights issues that may pose the most severe risk to people in our supply chains.

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.

DUE DILIGENCE & UNDERSTANDING RISK
A foundational step in our human rights due diligence approach is supply chain mapping and traceability analysis, which provide us with essential information on the nature and extent of 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 level. We use publically available data from sources such as the U.S. Department of Labor, 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 the use of additional due diligence tools. This work, often implemented with independent human rights experts, may include tools such as further desk research, validated self-assessment questionnaires, audits, rapid human rights risk assessments or other in-depth assessments.
Our Human Rights Approach

CARE FRAMEWORK
Drawing on the United Nations Guiding Principles on Business and Human Rights, we have developed an action-oriented framework to guide human rights decisions and actions across our business. This CARE Framework informs our strategy and planning 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 across all relevant functions (often including Commercial, Corporate Affairs and Legal) 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 and vulnerable people and local communities.

Respond: Seeking to prevent, address and 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 or 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 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 – our own operations, with our first-tier suppliers and in our extended supply chains. We are beginning to develop customized training and tools across programs in all three areas, including 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 and that we are engaged with the communities in which we operate.

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 of 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

To date, we have conducted in-depth due diligence analyses of human rights risk in 93% of our 130 relevant Mars manufacturing sites across 32 countries, including evaluation of forced labor risks. Understanding these risks in our own facilities has generated important insights and has helped us ensure that we are holding ourselves to the same standards we expect of our business partners.

As a result of these findings, we terminated our business relationships with three contract labor providers who were not able to meet our standards. We partnered with an additional four contract labor providers as they were willing to take steps to improve their practices. Some of the improvements that they made included clarifying their overtime policies, improving their pay practices, and addressing potentially discriminatory practices.

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. Going forward, we will continue to evaluate these facilities on a routine basis, while also expanding our efforts to other parts of our operations.
Mars Human Rights Strategy

RESPONSIBLE SOURCING

Our goal is to work with partners who share our principles-based approach to business. We expect our first-tier suppliers to respect human rights in their workplaces. In 2011 we developed our Supplier Code of Conduct, which describes our human rights expectations of all first-tier suppliers and prohibits forced labor, and we initiated our Responsible Sourcing program.

We expect our first-tier suppliers to align with our Code, affirming their commitment to uphold it or demonstrating an equivalent policy of their own. As part of our commitment to building supplier capability, we periodically engage first-tier suppliers in direct dialogue on human rights, as well as other awareness raising and training in order to drive continuous improvements.

In addition, select first-tier suppliers are required to conduct independent workplace assessments based on a range of factors including whether they are operating in a geography identified as at higher risk for human rights concerns. In 2017, audited first-tier suppliers were required to implement corrective actions and were reassessed to measure compliance.

The human rights issues most commonly identified in these assessments relate to health and safety and work hours. As of year-end 2017, more than 85% of our first-tier suppliers had met the requirements of our program. All of our Commercial Associates are expected to take our Responsible Sourcing training course – content includes our human rights standards and expectations of our suppliers, including with regard to forced labor.

HUMAN RIGHTS IN SUSTAINABLE SOURCING

At Mars, our sustainable sourcing efforts focus on addressing five sustainability impacts - greenhouse gas, water, land, human rights and income. This includes working to establish traceability of our supply chains and developing and implementing strategies to drive improvements across them.

We focus on advancing respect for human rights in our extended supply chains. We do so 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. Our Practitioner’s Guide to Human Rights in Sustainable Sourcing contains detailed guidance on activating our CARE Framework and developing human rights action plans, including elements related to forced labor.

Tailored training is provided to relevant teams internally.
Mars Human Rights
Strategy in Action

The following are examples of our human rights approach in extended supply chains in which human rights challenges are systemic.

**COCOA**

In cocoa communities in West Africa, we are working to increase farmer incomes through productivity gains, investing in women’s economic empowerment, and partnering with our suppliers and other stakeholders to put in place emerging best-practice human rights monitoring and remediation systems related to child labor and forced labor. We believe an integrated approach is critical for sustainable impact, given the interconnectedness of these topics.

Through our collaborations with the International Labour Organization and the International Cocoa Initiative, and through our leadership role in the World Cocoa Foundation, we are seeking to drive impact and industry action. Additional details about our approach are available [here](#).

**UPDATES**

Through our partnership with CARE and DOVE, we are supporting Village Savings and Loan Associations in Cote d'Ivoire that create training as well as savings and loans mechanisms for more than 4,000 members in 39 cocoa-growing communities, with a focus on women.

**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.

**UPDATES**

We partner with The Forest Trust as part of our efforts to identify issues, build capabilities and improve practices in our supply chain. In 2017, we began a collaboration with our global strategic partner Verité and 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. We believe this pilot will generate key insights on good practice, and that sharing these insights broadly may be of value to others in the industry. More details on our efforts are available [here](#).
Mars Human Rights
Strategy in Action

FISH

In 2016, we launched a Thai Fish Supply Chain Human Rights Action Plan which includes key performance indicators and uses the CARE Framework.

As part of our longstanding commitment to sustainably sourced fish, we have mapped much of our fish supply chain in Southeast Asia, we are working with experts to identify any potential human rights issues through to the vessel level, and we are committed to working with our supply chain partners and others to address issues that are identified. We are working with a range of partners including the Issara Institute, a local NGO with unique networks among vulnerable migrant workers in the Thai fish industry, in efforts to assess and improve conditions for workers.

UPDATES

As we advance this work, the sector continues to face complex challenges. Nonetheless, we are making progress, including:

• We now have three Mars Associates in the region working on the delivery of our Human Rights Action Plan.
• Nearly all our Tier 1 suppliers participate in the Issara Institute’s Inclusive Labor Monitoring (ILM) model, providing continuous access to a multilingual hotline and online application where workers can report issues and seek assistance as needed. The Issara Institute shares these findings with supplier management and facilitates resolution of the issues raised.
• We are providing human rights training to our Tier-1 suppliers’ management teams and have reached more than half to date. This training is also open to relevant businesses further down the extended supply chain.
• We are supporting a project together with industry peers, in which one of our Tier-1 suppliers, Thai Union, has commissioned pilot third-party assessments of vessels in their supply chain using the Seafood Task Force Code of Conduct.

We are optimistic about the potential for positive impact moving forward, as we continue learning more about how best to collaborate with our business partners, how to form and activate the right partnerships and how to contribute to driving industry-level change. Additional details are available here.

In other relevant extended supply chains we are working to better understand the nature of human rights risks, including forced labor, 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](#).

**AIM-PROGRESS**
Mars serves on the Leadership Team of AIM-PROGRESS, the manufacturing and supplier forum promoting responsible sourcing practices and supplier capability building. Through AIM-Progress we work with peer companies to support awareness raising and select trainings related to forced labor.

**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 labor.

**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 can be a key contributor to forced labor. Through our participation, we are learning more about this issue and beginning to take action toward the Group’s vision of eradicating such worker fees.
Stakeholder Engagement

**THE CONSUMER GOODS FORUM**

We are taking action in our business and supply chains to advance The Consumer Goods Forum’s (CGF) **Priority Industry Principles** on Forced Labor. We played a leadership role in the development of these principles as a co-chair of the CGF’s Social Sustainability Committee, as we believe industry-wide focus and action on this issue is urgently needed. In 2017, CGF’s forced labor work included more than 25 public events, reaching more than 15,000 people, to build momentum in the movement to address forced labor risks.

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 large, 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 forced labor in the seafood and palm oil industries in Southeast Asia.

In June 2017, Grant Reid, CEO of Mars, Incorporated, addressed the Consumer Goods Forum during its annual meeting. His remarks included a call for increased industry action on forced labor, aligned with CGF’s Forced Labor Resolution. He also shared our efforts to date in a **CGF Business Action Against Forced Labour publication**.

**ALLIANCE 8.7**

Alliance 8.7 encourages businesses and other stakeholders to take action 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 new Business Network on Forced Labor, the two key business platforms of Alliance 8.7.

**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 2017 Actions

In our first Modern Slavery Statement, we referenced steps we would take in the future to further address forced labor risks. This is an update on our progress in 2017.

- **Strengthening Policies**: Reviewing our human rights policies and standards to ensure they are robust and consistent. Our Global Human Rights Policy and Supplier Code of Conduct are being updated as part of our routine policy update processes, taking into account input from external human rights experts.

- **Performance Measures**: Establishing and deploying human rights key performance indicators (KPIs) focused on impact and a framework to measure the effectiveness of our programs. We are designing a global results framework with guidance from external experts and input from functions across the business.

- **Engaging Across Sectors**: Continuing to engage in industry and multi-stakeholder platforms on forced labor, including modern slavery and human trafficking, driving action and deepening dialogues. We are increasing the engagement of our senior leaders and practitioners in key external platforms, with examples in the Stakeholder Engagement section of this disclosure.

- **Supplier Engagement**: Improving our engagement of and support to suppliers and other businesses in high-risk extended supply chains. In 2017, we supported two industry-wide trainings, through AIM-Progress and the Consumer Goods Forum, which included the topic of forced labor, reaching more than 150 companies.

- **Transparency**: Sharing additional information publically about our human rights progress and overall approach, and engaging more closely with our stakeholders on this topic. In 2017, we launched the Mars Sustainable in a Generation Plan and our global strategic partnership on human rights with Verité. We hosted a stakeholder dialogue to discuss these efforts and continued to publish regular updates on our human rights work on our website.
Looking Ahead

Addressing forced labor, including modern slavery and human trafficking, will continue to require concerted action by businesses and close collaboration across sectors. We are committed to moving forward and to working closely with others to drive progress. As we advance this work in 2018, some of our key initiatives include a focus on:

- **Strengthening Policies**: Finalizing and publishing our updated human rights policies and standards.
- **Performance Measures**: Finalizing an approach to tracking and measuring the reach and impact of our human rights programs, using key performance indicators.
- **Engaging Across Sectors**: Together with our global strategic partner Verité and a range of other stakeholders, engaging in dialogue and research to better understand what strategies work to address forced labor and how to drive collaborative results.
- **Supplier Engagement**: Testing a strengthened approach to Tier-1 supplier compliance, including in the area of understanding and addressing forced labor risks.
- **Transparency**: Continuing to share additional information publicly about our human rights progress and overall approach, and engaging more closely with our stakeholders on this topic.
- **Training**: Developing a comprehensive approach to human rights training, including an emphasis on forced labor, designed to build awareness and capability across our business, Tier-1 suppliers and extended supply chain.

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Grant F. Reid
Chief Executive Officer
Office of the President
Mars, Incorporated
June 2018
To learn more about our Human Rights approach and Sustainability programs please visit www.mars.com/global/sustainable -in-a-generation