

LRQA's Sustainability Assurance Statement

Relating to Mars Incorporated's 2015 Principles in Action Summary

This Assurance Statement has been prepared for Mars Incorporated (Mars) in accordance with our contract but is intended for the readers of this Report.

Terms of Engagement

Lloyd's Register Quality Assurance, Inc. (LRQA) was commissioned by Mars to provide independent assurance on its Principles in Action Summary (PiA) for the calendar year 2015 against the assurance criteria below to a moderate level of assurance using AccountAbility's AA1000AS (2008), where the scope was a Type 2 engagement.

Our assurance engagement covered Mars' operations worldwide and specifically the following requirements:

- Evaluating adherence to AccountAbility's AA1000 Principles of Inclusivity, Materiality and Responsiveness
- Confirming that processes exist to address Mars' material sustainability impacts
- Evaluating the reliability of performance data associated with seven selected environmental metrics.

Our assurance engagement excluded Mars' Logistics, Warehouses and Co-Processors operations and data and information from Mars' suppliers, contractors and any third-parties mentioned in the Report.

LRQA's responsibility is only to Mars. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Mars' responsibility is for collecting, aggregating, analysing and presenting all the data and information within the PiA and for maintaining effective internal controls over the systems from which the PiA is derived. Ultimately, the Report has been approved by, and remains the responsibility of Mars.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that Mars has not:

- Adhered to AccountAbility's AA1000 Principles of Inclusivity, Materiality and Responsiveness
- Started developing and implementing their strategies for addressing their material impacts
- Disclosed reliable performance data for seven selected environmental metrics (see LRQA's associated Data Assurance Statement for details of our approach).

The opinion expressed is formed on the basis of a moderate level of assurance and at the materiality of the professional judgement of the Verifier.

Note: The extent of evidence-gathering for a moderate assurance engagement is less than for a high assurance engagement. Moderate assurance engagements focus on aggregated data rather than physically checking source data.

LRQA's Approach

LRQA's assurance engagement was carried out in accordance with AA1000AS (2008) and LRQA's verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing Mars' process for engaging with stakeholders and experts. We did this by reviewing Mars' participation in public policy engagements and sampling associated documents and records.
- Confirming that Mars' material impacts remain the right issues and that the PiA provides stakeholders with information on what actions Mars has taken during 2015 to address these impacts. We did this by:
 - comparing Mars' reported material impacts (issues) against those of its peers
 - reviewing minutes of Mars' leadership committees to look at the depth of discussions held and confirm that resulting strategies and ambitions are based on sound scientific approaches
 - interviewing key personnel across the Mars Global Business to corroborate the validity of claims made within the PiA 2015. This year we spoke with individuals in Mars Food and PetCare, as well as PiA segment owners and subject matter experts, re implementation of strategies and achievement of targets.
 - collecting supporting documentary and visual evidence, from sources such as press releases, Mars' internal communication channels and independent third party websites, in order to substantiate claims.

Note: other than for the seven selected environmental metrics in LRQA's associated Data Assurance Statement, the accuracy and reliability of any sustainability performance metric has not been verified.

Observations

Further observations and findings, made during the assurance engagement, are:

- Stakeholder Inclusivity:
AA1000APS defines inclusivity as the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability. LRQA is not aware of any key stakeholder groups that have been excluded from Mars' engagement processes. Mars acknowledges its responsibility to collaborate with the scientific community and key opinion formers as part of their process for formulating its strategies and responses to material impacts. This is evidenced particularly in the area of food safety.

- **Materiality:**
AA1000APS requires organisations to understand “what are the issues that really matter to their sustainability performance”. LRQA is not aware of any other material issue which Mars should be addressing. Mars has identified five key material impacts (issues) associated with their business and is committed to managing the sustainability performance of these impacts through their five principles and specifically through the principle of “Mutuality”, which aims to achieve better outcomes for those stakeholders on whom they have an impact. Mars is addressing their material impacts based on the complexity and availability of scientific data / approaches. For some of these impacts the first step is to gather credible data and information. Mars has continued to form collaborations with the aim of helping them identify such data and then set long-term sustainable strategies. Future PiA summaries could be more open and explain the challenges facing the business, and sector, in getting this sound scientific data and where future targets might not be quantifiable; especially as the aim is to open up the debate.
- **Responsiveness:**
AA1000APS defines responsiveness as how organisations demonstrate it responds to stakeholders and is accountable to them. The PiA, together with Mars’ website, provides plenty of information. There are two areas of note; namely Mars’ involvement in:
 - Climate change: reducing their global carbon footprint through the Sustainable in a Generation program
 - Health and wellbeing: strengthening food safety through their work with partners to improve food security as well as nutrition and to address obesity by promoting healthier lifestyles.
- **Reliability:**
See LRQA’s associated Data Assurance Statement for our opinion on the reliability of the seven selected environmental metrics.

The above is an excerpt from the findings reported back to Mars. They do not affect our opinion.

LRQA’s Competence and Independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA is the certification body for Mars’ 2nd Party Assessments for:

- Quality and Food Safety
- Safety and Environmental
- Social audits of Mars sites

and Mars’ 3rd Party Assessments for:

- ISO 9001
- ISO 14001
- FSSC and ISO 22000
- WRI/WBCSD GHG Protocol.

These assessments are the only work undertaken by LRQA for Mars and as such do not compromise our independence or impartiality.

Signed

Dated: May 27, 2016



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