

# MARS & VERITÉ Partnership Update

**MARS**  
Tomorrow starts today

**VERITÉ**  
Fair Labor. Worldwide.

## Our First Five Years of Impact

**We are in the fifth year of our global strategic partnership - a collaboration built to drive meaningful improvements in the lives of people working across global supply chains relevant for Mars.**

Five years ago, we designed a long-term partnership focused on action, insights, and dialogue to advance respect for human rights – bringing together the unique skills, scope and scale of our two organizations. We’ve prioritized on-the-ground work in high-risk supply chains, convening thought leaders on collective approaches to tough challenges, and publishing new insights based on what we’ve learned together.

“Working with Mars and its sugarcane supplier to build an improvement roadmap with innovative yet practical ideas was one of the most rewarding experiences of my career. There is something magical about going from high level analysis to the field reality – it requires engagement, dialogue, and transformation from everyone. This kind of co-design and collaboration might seem like an unreasonable investment, but in the long run having everyone at the table means outcomes that reach across the entire supply chain.”

**ANDREA GALVEZ,  
PROGRAM DIRECTOR,  
VERITÉ**



“Together with Mars we’re working in new ways to drive change for workers in global supply chains through longer-term, more collaborative approaches that focus on building suppliers’ own systems to improve labor conditions.

We’re seeing innovative purchasing practices make a difference, too, by factoring costs of social interventions into the prices companies pay for goods. Our partnership with Mars gives us the space to experiment and grow - we’re ready to scale more of what works as we move ahead.”

**SHAWN MACDONALD, CEO, VERITÉ**

**As we reflect on our impact so far, a few fundamentals have been key to our success:**

- 1** Building relationships of trust between the two organizations, as thought partners, advisers, and practitioners
- 2** Openly debating, challenging, and adapting our approaches as we learn
- 3** Investing in getting the right people, with the right skill sets, in the right places

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## Action

### We've prioritized action across Mars' workplaces and supply chains, deepening our work as Mars human rights systems and programs have grown more robust and ambitious.

In Mars operations, we've supported enhanced human rights due diligence through the Mars Responsible Workplace Program. Mars has assessed 100% of its manufacturing sites through this program, and Verité has been a key thought partner to tackle specific challenges. Verité has advised extensively on practices in Mars workplaces that can support responsible recruitment, including building capacity of labor and service providers so they have strong due diligence controls in place to identify, address and prevent this risk.

In Tier 1 supplier workplaces, we've worked together to design and continuously improve the Mars Next Generation Supplier program – developing an approach that goes beyond audits to invest in capability building, coaching, and customized consulting to suppliers who need it most. Verité has provided technical input on program design, structure, and continued enhancements, and has directly implemented the program with select suppliers. Some initial results include:

**23% increase** in workers feeling respected at work (India, mint supplier).

**26% increase** in workers feeling valued and recognized for their work (Philippines, coconut supplier).

**20% increase** in workers reporting the ability to save and cover basic needs with their earnings (Mexico, sugarcane supplier).

In priority raw material extended supply chains we've worked on multi-year initiatives to help suppliers understand and improve workplace conditions, carry out their own human rights due diligence and address root causes of systemic labor rights risks. While programmatic interventions vary based on the context, issues and stakeholders, some examples of our work together include the following.



**In sugarcane, our work** with a strategic supplier in Mexico helped to reduce accident rates by nearly 40%, reduce child labor risks by nearly 70% as reported by workers, improved access to PPE to 2,500 cane cutters, and expanded management systems to monitor and address human rights risks. We're also investing in increasing dialogue and collaboration with local organizations grounded in culturally-appropriate and sustainable solutions to labor issues in the region.



**In cocoa,** we worked with suppliers in West African cocoa origins to strengthen how they understand, identify, and address risk of forced labor. Verité trained 30 lead trainers from more than a dozen cocoa supplier companies, building their internal capacity to raise awareness and develop practical skills among field staff to monitor, address, and prevent forced labor in their supply chains. This momentum has created a "pull" for additional coaching and training from Verité's labor rights experts to support cocoa suppliers directly as they build their own operational systems to address this risk.



**In palm oil,** we launched a multi-year engagement with Verité Southeast Asia and a strategic palm oil supplier focused on helping the supplier transform its approach to labor recruitment. Verité supported the supplier to increase their effectiveness in identifying and addressing recruitment fee risks, reaching more than 3,000 workers, as well as strengthened systems and controls that will improve conditions for future workers who are recruited by the company.



**In fish,** we supported a worker voice initiative in Thailand with a strategic supplier focused on understanding how workers use different grievance mechanisms in different ways, and what makes one more effective than another. This work is helping the supplier support worker welfare committees in its facilities, ensure that secure and accessible mechanisms for workers to report grievances are available, and strengthen the systems for grievance handling and response.

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## Insight

**Informed by five year of collaboration, we're sharing insights and practitioner tools.**

**Some of the key insights and tools we've shaped and shared through our collaboration include:**



Detailed **guidance** to help Mars cocoa suppliers design their own effective forced labor response protocols, as part of an ongoing program of customized capability building.



An open-source **Palm Oil Toolkit**, including practical guidance designed to help palm oil mill and estate managers improve their management systems from basic to good practice.



Forthcoming tools and resources through Verité's **Farm Labor Due Diligence Initiative**, a multi-stakeholder collaborative to create a comprehensive public resource on implementing labor due diligence in agricultural supply chains.



“We’re creating space for candid, action-focused conversations. By bringing together palm oil suppliers, producers and others to speak frankly about the challenges in recruitment and the tools available to help, we’re getting real about what’s collectively needed to change broken recruitment systems.”

NATASHA MAHENDRAN, SUSTAINABLE SOURCING MANAGER, MARS WRIGLEY

## Dialogue

**Mars & Verité create conversations that push the traditional business & human rights field forward.**



We convened nearly 100 practitioners to test out and improve our CARE framework, an approach to developing human rights action plans within sourcing strategies.



We've invited new perspectives on how business and governments can address forced labor risks.



We host learning sessions and workshops with cross-industry actors on tackling human rights issues in a range of supply chains, such as responsible recruitment in palm oil and sugarcane.

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## What's Next?

We will keep pushing the boundaries of our collaboration - working in new areas, in new ways and with unflagging determination to prove what's possible when companies, civil society organizations, and other stakeholders engage together to transform labor norms in global supply chains.

There is so much more we can do together. We're urgent optimists in this work, encouraged by our first five years and challenging ourselves to deepen our impact moving forward. It's our shared aim that this collaboration brings more transparency, transformation, and trust to the work of addressing human rights risks across supply chains.

**It's been an amazing five years, and we look forward to more meaningful, challenging, and rewarding collaboration in the years to come.**



**ELIZABETH GARLAND,**  
CHIEF PROGRAM  
OFFICER, VERITÉ



**HEIDI KOESTER OLIVEIRA**  
GLOBAL DIRECTOR,  
SOCIAL IMPACT, MARS,  
INCORPORATED

## Priorities Moving Forward:

1

### **Adapting to a changing business environment and to a changing business**

Amidst a rising tide of new legislative and regulatory expectations, we will seek ways that our shared learnings and experiences can inform how these emerging regulations can drive positive outcomes for workers and others affected by global supply chains. We'll explore how we can best advocate for regulatory measures that work both for people and for companies. As Mars continues to evolve as a business - including expansion in areas such as petcare and veterinary health - we'll also work together to understand and address new kinds of human rights risks that are salient in these new areas of business operations.

2

### **Relentless focus on impact - designing for it, measuring it, and talking about it**

We're focused on stepping up how we track, measure, and report impact across our work. Lasting change takes time - particularly when tackling entrenched, endemic issues linked to poverty, inequality, and inequity. But we can invest in understanding interim change, immediate improvements, or early signs of failure. To do so, we are sharpening our shared metrics framework - applied across Mars' direct operations, Tier 1 and Extended Supply Chain approaches to help us ascertain impact sooner - so that we can course correct or go deeper based on what people working in specific sites tell us works or doesn't work.

3

### **Knowing and showing**

We'll also focus more on sharing what works (and what doesn't) in our supply chain interventions - sparking candid, provocative conversations that move us all forward. Top of mind are our learnings and emerging practices that we are using on responsible recruitment in the palm oil sector. Through sharing new research, approaches to program development, and focused convenings - we hope to inspire more collective action.