

MARS

Mars Sustainability Financing Framework

March 2023

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I – Mars – Healthy Planet, Thriving People and Nourishing Wellbeing

Company Overview

For more than a century, Mars, Incorporated has been driven by the belief that the world we want tomorrow starts with how we do business today. This common purpose unites our 140,000+ Associates. It is at the center of who we are as a global, family-owned business, and it fuels how we are transforming, innovating and evolving to make a positive impact on the world.

Every year, our diverse and expanding portfolio of quality confectionery, food and pet care products and services delights millions of people and supports millions of pets. With almost \$45 billion in annual sales, we produce some of the world's best-loved brands including Ben's Original™, CESAR®, Cocoavia®, DOVE®, EXTRA®, KIND®, M&M's®, SNICKERS®, PEDIGREE®, ROYAL CANIN® and WHISKAS®. We are creating a better world for pets through nutrition, breakthrough programs in diagnostics, wearable health monitoring, DNA testing, pet welfare and comprehensive veterinary care with AniCura, BANFIELD™, BLUEPEARL™, Linnaeus and VCA™.

We know we can only be truly successful if our partners and the communities in which we operate prosper. The Mars Five Principles – Quality, Responsibility, Mutuality, Efficiency and Freedom – inspire our Associates to act every day to help create a better world tomorrow in which the planet, its people and pets can thrive.



The Five Principles reflect how we want to do business. They unite us across geographies, cultures and generations. Together, they serve as a guide that every Associate can depend on to make decisions – big or small – knowing that when we look at a problem through the collective lens of the Five Principles, we will reach a stronger decision. They are at the heart of the success we've enjoyed over the decades and will continue to guide us in the decades to come. With 140,000+ Associates working across the globe, clear direction and a moral compass are essential. We put The Five Principles at the center of every decision we make, allowing us to take every opportunity to make a positive impact

in this ever-changing world by leveraging our guiding philosophy that has always differentiated us.

As both a principles and purpose-driven business, we make choices that help us achieve near-term results while remaining focused on the world we want tomorrow. A business model that focuses exclusively on financial performance is not sustainable or desirable. That is why in 2018, the Family introduced the Mars Compass to ensure we're heading in the right direction.

Sustainability Strategy

With the increasing impacts of climate change, the pandemic and social injustice, we are as committed as ever to the critical actions needed to tackle the environmental and social threats we face through science-based actions and other actions in support of the United Nations' Sustainable Development Goals, to grow sustainably.

We recognize that fixing these issues is a generational challenge, which is why we are building lasting partnerships with NGOs, governments and industry, to help transform the systems that have made issues like climate change and limited incomes for smallholder farmers so pervasive and intractable.

Our Sustainable in a Generation Plan

Since launching our multi-billion dollar Mars Sustainable in a Generation Plan in 2017, we have made progress to transform how we do business. We're working to improve the lives of people in communities where we source materials, as well as the lives of our Associates, customers and pets. Facing unprecedented challenges created during the COVID-19 pandemic, our Associates and business quickly shifted to new ways of working toward our ambitious, science-based goals.

We focus our work on three interconnected pillars for purposeful growth, including "A Healthy Planet", "Thriving People" and "Nourishing Wellbeing". Additionally, in recognizing the importance of the role our packaging plays, we have introduced a standalone section entitled "Transforming Packaging" for our reporting under our "A Healthy Planet" pillar to provide our stakeholders with a better understanding of our efforts and progress on this important issue.

A Healthy Planet

Reduce our environmental impact in line with what science says is necessary to keep the planet healthy



Transforming Packaging

Contribute to a circular economy where packaging never becomes waste, but is recycled, reused or composted



Thriving People

Meaningfully improve the lives of one million people in our value chain to enable them to thrive



Nourishing Wellbeing

Advance science, innovation, nutrition and marketing to help billions of people and their pets lead healthier, happier lives



Healthy Planet

We understand that we've got a responsibility — and an opportunity — to step up and improve our impact on people and the planet. To keep the planet healthy for people and nature, Mars follows a data-driven, scientific approach to reduce our environmental impact. Our efforts include a 2050 net zero emissions target, expanding our use of renewable energy, helping farmers cut water use while increasing crop yield, working to eliminate deforestation and evolving our product packaging to support a circular economy.

The science is clear, and so we've set ambitious goals in climate action, land management and water stewardship to help achieve our vision of a healthy planet and healthy people. We are working to tackle these issues in key raw-material supply chains — cocoa, rice and mint, palm oil, beef, pulp and paper, soy and dairy — around the world. Mars is also transforming the way we work to ensure that our operations and extended supply chains help people and the planet thrive. We are focusing on key high-risk supply chains to prevent the conversion of natural ecosystems within the cocoa, palm oil, rice, fish, mint, beef, soy and pulp and paper industries. For example, we have significantly simplified our supply chain by reducing a number of our mill partners in our efforts to achieve a deforestation free supply chain by 2025 for all of our high-risk commodities.

Our top 300+ executives have remuneration linked to delivering against our total greenhouse gas ("GHG") and packaging targets, highlighting the importance of these commitments.

Our GHG Emissions footprint



Humanity's GHG emissions have changed the composition of our atmosphere and people around the world are beginning to feel the effects from increased average and extreme temperatures to changes in rainfall patterns to more severe and less predictable storms. Science suggests that to avoid the most dire consequences, we need to limit global warming to less than the 2 degrees Celsius threshold outlined in the International Paris Agreement on climate change. To help do our part, **we've set a goal to reduce the total GHG emissions across our value chain by 27% by 2025 (from 2015 levels) and to achieve net zero emissions by 2050 (from 2015 levels).**

Our commitment to achieving net zero GHG emissions across our full value chain by 2050 aligns with the most ambitious aim of the Paris Agreement to limit global temperature rises to 1.5 °C. We aim to meet our targets through renewable energy and energy efficiency, stopping deforestation in our supply chain, scaling up initiatives in sustainable and regenerative agriculture, and challenging our numerous suppliers to take climate action.

We realize that the largest share of our impact on the planet comes from our extended supply chains. For example, roughly three-quarters of our GHG emissions come from the agricultural practices and land-use change associated with growing the ingredients we need to make our products. The engines driving global business —supply chains — are broken, and we are working to transform them to meet the needs of future generations sustainably.

After a thorough review of our resource use across our entire value chain (from farms to factories to family tables), we now have a better understanding of our imprint on the planet, specifically how our business impacts climate change, water stress and land use. And we have a plan to tackle these issues, both internally and through programs with our suppliers, customers and peers.

Transforming Packaging



Packaging plays many important roles in ensuring our products meet the highest market standards. It protects ingredients as they move from farms to factories, and finished products as they move to store shelves and finally to consumers. At Mars, we intend to contribute to a circular economy where packaging material never becomes waste. This means eliminating unnecessary packaging, redesigning necessary packaging for circularity and investing to close the loop.

Going forward we plan to reduce our virgin plastic use by 25% compared to a 2019 baseline, for 100% of our packaging to be reusable, recyclable or compostable, and to use, on average, 30% recycled content in our plastic packaging. We're investing and redesigning our packaging components to ensure we're using 100% recyclable, reusable or compostable packaging. We have also deployed new programs to test reusable packaging in markets.

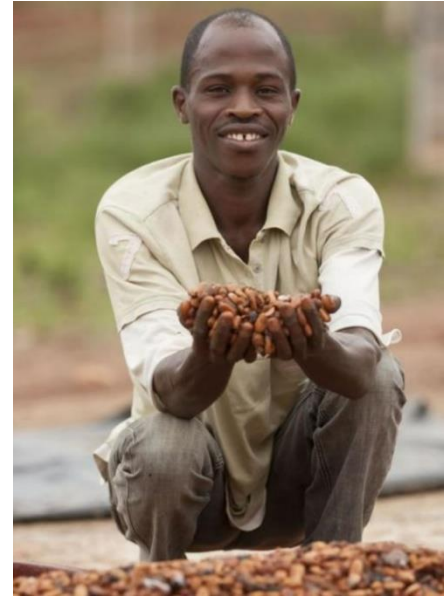
Thriving People

Our business, Associates and the communities where we operate will thrive for generations to come only if we help the millions of people who contribute to our success thrive as well. We are committed to respecting human rights throughout our value chain, starting with areas where we have the most influence, and where we can have the greatest impact on people's rights, opportunities and livelihoods via multiple programs and with key partners.

A cornerstone of our Sustainable in a Generation Plan is our Thriving People ambition to meaningfully improve the lives of one million people across our value chain to enable them to thrive. To do this, we're engaging a network of partners from NGOs to governments and focusing on three areas where we believe we can drive meaningful change — increasing income, respecting human rights and unlocking opportunities for women.

Increasing Income

At Mars, we believe everyone working within our extended supply chains should earn sufficient income to maintain a decent standard of living. Hundreds of millions of smallholder farmers are part of producing food within the world's supply chains and far too many of them live in poverty. The reality is for us to have secure and sustainable access to raw materials like cocoa, mint and rice, we must focus on how best to increase the income of smallholder farmers.



We've started by investing in activities that have a direct impact, beginning with our cocoa, mint and rice supply chains, which extend from Côte d'Ivoire to Cambodia. We created the Farmer Income Lab, a collaborative "think-do tank" to serve as a catalyst for cross-sector dialogues to identify what works and break through barriers to find new approaches to driving increases in farmer income.

Nourishing Wellbeing

Good nutrition, health and wellbeing are essential for billions of people and pets around the world to lead happier, healthier lives. These things are also key to our growth. We use our global reach to support the wellness of Mars Associates, enhance our products' quality and nutrition and provide more people around the world with access to healthy meals.

Sustainability Reporting and Governance

At Mars, we want to be transparent about our progress as we work toward our ambitions and address these generational challenges. That is why, since the launch of the Sustainable in a Generation Plan, we have released an annual Scorecard Report measuring our commitment to and progress toward our ambitious, science-based goals to drive positive change for people and planet.

Rationale behind this Sustainability Financing Framework

We are a global business of people and brands with a clear purpose. We believe the world we want tomorrow starts with how we do business today. It is the vision at the heart of our "Sustainable in a Generation Plan" - one where the planet is healthy, people and pets are thriving and society is inclusive. This is a critical moment and we are working to ensure that Mars is a positive force in the world for years to come. To aid in achieving our goals, Mars has designed this Sustainability Financing Framework ("SFF") to incorporate our sustainability efforts into our financing strategy. We intend to use this SFF to put our sustainability commitments into action to make a difference.

II – Our Sustainability Financing Framework (“SFF”)

In accordance with our commitment to sustainability, we hope to utilize the sustainable capital markets as one way of financing green and social projects that benefit the planet and help Mars to meet its ambitions on climate, the environment and human rights. We have created this SFF under which we may, from time to time, allocate net proceeds from issuing debt securities, which may include senior unsecured notes, securitizations, loans, commercial paper, retail deposits, convertible notes or other capital market issuances, with proceeds dedicated to projects that we believe may have environmental and/or societal benefits (collectively, the “Sustainability Debt Instruments”).

We intend for this SFF and any issuance by us of Sustainability Debt Instruments to be aligned with the International Capital Markets Association (“ICMA”) Green Bond Principles (updated as of June 2022), Social Bond Principles (updated as of June 2022), or Sustainability Bond Guidelines (updated as of June 2021), or the Loan Syndications & Trading Association (“LSTA”) Green Loan Principles (updated as of February 2023), as applicable. Each of these principles and guidelines (collectively, the “Principles”) referenced are voluntary process guidelines for best practices when issuing relevant instruments that recommend transparency and promote integrity in the relevant markets in line with market practice.

As provided in the Principles, the SFF adopts the following key pillars:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The SFF also follows the recommendations of the Principles regarding external reviews. The SFF is available on our website. Additionally, as mentioned above, we regularly report on our sustainability efforts in our Sustainable in a Generation Scorecard, which could include work enabled by the SFF.

Mars will continue to monitor the sustainable finance market and may adapt this SFF in the future to the latest available standards or principles, as and when they are published. Should Mars choose to modify the scope of the SFF for future issuances, the changes made will be documented in an updated SFF and published on our website.

Use of Proceeds

If we issue Sustainability Debt Instruments, we will apply an amount equal to the net proceeds of any Sustainability Debt Instrument issued to finance and/or refinance, in whole or in part, one or more new and/or existing eligible green environmental or “green” projects, eligible social projects and/or combination of eligible green projects and eligible social projects (together, the “Eligible Projects”).

Eligible green projects are investments and expenditures made by us or any of our subsidiaries that contribute to sustainable environmental objectives.

Eligible social projects are investments and expenditures made by us or any of our subsidiaries that aim to address or mitigate a specific social issue and/or seek to achieve positive social outcomes especially, but not exclusively, for certain target populations located within our value chain.

We expect that each of our Eligible Projects will meet one or more of the following Eligibility Criteria outlined in the subsequent table, which are aligned with three of our pillars of our Sustainable in a Generation Plan:

Healthy Planet	
Green Eligible Project Category	Eligibility Criteria and Example Projects
Renewable Energy	<p>Investments in the generation capacity for renewable energy and expenditures related to the procurement of renewable energy, including:</p> <ul style="list-style-type: none"> (i) On-site renewable energy assets such as solar (photovoltaic (“PV”) or thermal and/or potentially with storage), small scale wind and sustainable biomass¹; (ii) Long-term (with a term of at least five [5] years) offtake agreements such as power purchase agreements (“PPAs”) or virtual PPAs (“vPPAs”) with off-site renewable energy projects (i.e., utility scale wind or solar projects); and (iii) Biogas¹ production through anaerobic treatment of wastewater on-site.
Energy Efficiency	<p>Investments and expenditures related to equipment, systems and technologies that are designed to reduce energy consumption and GHG emissions or improve the energy efficiency of our offices, manufacturing facilities and warehouses, including:</p> <ul style="list-style-type: none"> (i) Technology for building efficiency: Installation of Building Management Systems;

Footer Notes

¹ Biomass and biogas energy production from waste sources that do not compete with food sources and do not deplete carbon stocks; lifecycle carbon intensity of <100gCO₂/kWh.

	<p>(ii) Process & Equipment enhancements: Process redesign and enhancements to the efficiency of our manufacturing operations generating significant (not expected to be less than 25%) energy efficiency improvements. Examples include eliminating heating/cooling steps, tighter process control and more efficient motors and upgrading HVAC or refrigeration equipment; and</p> <p>(iii) Thermal Energy Efficiency: Projects to reduce thermal losses or redesign process with expected energy efficiency improvement of at least 25%.</p>
Sustainable Water and Wastewater Management	<p>Investments in and expenditures related to eliminating unsustainable water use throughout the extended value chain and protecting and improving water availability, including:</p> <ul style="list-style-type: none"> (i) Water optimization and efficiency programs at our manufacturing facilities and in our offices; (ii) Wastewater treatment plants to support reuse of wastewater at our manufacturing sites or beneficial discharge. These can include anaerobic digestion to clean water and also produce biogas; (iii) Water balancing projects to increase water availability in stressed watersheds where we operate factories; and (iv) Water efficiency measures across the raw material supply chains in water stressed areas (such as in the rice, almond and mint supply chains).
Pollution Prevention and Control	<p>Expenditures related to projects and technologies that improve recycling rates and maintain our zero waste to landfill status at our facilities, including:</p> <ul style="list-style-type: none"> (i) Redesigning manufacturing process to decrease waste generation or finding methods to reincorporate scrap into finished goods; (ii) Waste sorting systems and processes to enhance recycling rates; and (iii) Investments and partnerships to compost product waste and produce soil amendments
Green Buildings	<p>Investments and expenditures [including the net present value of long-term (not less than 5 years) lease payments] related to</p>

	<p>the design, construction, development, acquisition, maintenance, retrofitting and/or refurbishment of our manufacturing and office buildings which:</p> <ul style="list-style-type: none"> (i) Improve the energy efficiency of such a building by more than 30%; or (ii) Achieve Leadership in Energy and Environmental Design (“LEED”) Gold (or better).
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use</p>	<p>Climate smart or regenerative agriculture</p> <p>Investments and expenditures, including supplier development, project investment and research and development, towards products, processes and technologies that improve productivity and environmental performance, in the following categories:</p> <ul style="list-style-type: none"> (i) Carbon Efficient Farming: Development of initiatives to enhance agricultural management practices to reduce farm carbon emissions such as those from energy use, fertilizers and field/livestock emissions, including: precision fertilizer applications and alternate wetting and drying (“AWD”) practices; (ii) Regenerative Agriculture: programs to introduce and promote regenerative farming practices aimed at improving soil health and increasing soil carbon such as no-till farming, incorporating cover crops, more complex crop rotations and use of nitrogen fixing plants and tree crops; and (iii) Climate Resilience: Initiatives focused on ensuring the resilience of agricultural systems to increasing temperatures and increased variability in precipitation patterns. <p>Deforestation & Conversion Free Supply Chains</p> <p>Investments and expenditures in projects and programs to increase transparency, mapping and traceability of supply chains specifically for soy, palm oil, cocoa, pulp and paper and beef with the goal of preventing deforestation in our supply chain.</p> <p>Expenditures include:</p> <ul style="list-style-type: none"> (i) Education and awareness programs for farmers on agroforestry and forest protection; (ii) Satellite monitoring and associated traceability systems; and

	<p>(iii) Supplier development investments such as investments in information management systems, trainings and verification capacity.</p> <p>Development of More Sustainable Ingredients</p> <p>Expenditures related to the research, development, and acquisition costs of lower carbon and/or other sustainability impact (such as improved livelihoods), raw materials such as novel proteins.</p>
Carbon Sequestration	<p>Investments and expenditures either directly on/with projects or in funds that develop and invest in natural-based carbon sequestration projects focused where positive environmental impacts can be quantified. All such projects will be validated, and any credit issuances verified under third-party registries such as Verra, Gold Standard or ACR. Example projects may include:</p> <ul style="list-style-type: none"> (i) Afforestation/Reforestation; (ii) Improved Forest Management; and (iii) Soil Carbon Sequestration.

Transforming Packaging	
Green Eligible Project Category	Eligibility Criteria and Example Projects
Circular Economy, Adapted Products, Production Technologies and Processes	<p>Investments and expenditures, including research and development, design of packaging solutions and products that are designed to be reusable, recyclable, or compostable and waste reduction strategies, as well as recycling programs. Example projects may include:</p> <ul style="list-style-type: none"> (i) Investments and expenditures related to the research, design, development, or procurement of sustainable packaging materials, such as recycled plastic, paper-based packaging (with third-party certification from the Forest Stewardship Council), recycled paper, compostable materials and reusable packaging, investments in packing lines to run sustainable packaging; and

	(ii) Programs, partnerships and initiatives to drive reuse programs (including operations, logistics, shared services, infrastructure, technology, etc.) and waste management infrastructure improvement initiatives (including collection, sorting, or recycling initiatives).
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Thriving People

Social Eligible Project Category	Eligibility Criteria and Example Projects	Target Population
Socioeconomic Advancement and Empowerment	<p>Investments and expenditures to create economic opportunities and promote human rights for farmers and farm workers in our supply chains, such as:</p> <ul style="list-style-type: none"> (i) Established farmer programs such as Shubh Mint (India), LEAP (Cote d’Ivoire), ACTIVE (Indonesia) and Livelihoods Funds for Family Farming (“L3F”) that are designed to put farmers and farm workers on a path to sustainable living incomes and wages; (ii) Investments to support Child Labor Monitoring and Remediation Services (“CLMRS”) in West Africa through our Protecting Children Action Plan²; and (iii) Investments to advance ethical recruitment of migrant workers and drive industry change with suppliers and through coalitions like the 	<p>Female farmers</p> <p>Children</p> <p>Smallholder farmers⁴</p> <p>Migrant workers in vulnerable situations⁵</p>

Footer Notes

² www.mars.com/about/policies-and-practices/protecting-children-action-plan

⁴ Smallholder farmers defined as small-scale farmers, pastoralists, forest keepers, fishers who manage areas varying from less than one hectare to 10 hectares. Source: <https://www.fao.org/3/ar588e/ar588e.pdf>

⁵ “Migrant” refers to “any person who is outside a State of which they are a citizen or national. “Migrants in vulnerable situations” are thus persons who are unable effectively to enjoy their human rights, are at increased risk of violations and abuse and who, accordingly, are entitled to call on a duty bearer’s heightened duty of care. Source: [PrinciplesAndGuidelines.pdf \(ohchr.org\)](#)

	Consumer Goods Forum's Priority Industry Principles on Forced Labor ³	
Access to Essential Financial Services	<p>Investments and expenditures in the development, design, operation or maintenance of facilities, systems or services that enhance access to essential financial resources and training programs for financial competency, including:</p> <p>(i) Investments in Village Savings and Loan Associations – member groups that empower smallholder farmers and female farmers across West Africa to increase access to and control over resources, while also using collective power to overcome social and financial barriers.</p>	<p>Smallholder farmers</p> <p>Women</p>

Exclusionary Criteria

We will not knowingly allocate proceeds from any issuance of Sustainability Debt Instruments to the following:

- Fossil fuel technologies relating to exploration, production, transportation or distribution;
- Oil and gas production and distribution;
- Practices or activities involving the exploitation of human rights;
- Tobacco production or distribution; or
- Any other activity that we determine is ineligible for allocation of proceeds at the time of allocation.

Process for Project Evaluation and Selection

We have established a Sustainability Finance Committee (the “Committee”) that includes representatives from different internal organizations: Sustainability, Treasury, Legal and Finance/Accounting. The Committee will be responsible for identifying, evaluating and selecting Eligible Projects in accordance with the Eligibility Criteria described above to ensure alignment with the SFF.

Additionally, the Committee will be responsible for:

- Ensuring alignment of Eligible Projects with the Eligibility Criteria described above, which reference international criteria and taxonomies where applicable;

Footer Notes

³ [Major Retailers and Consumer Brands Commit to Eradicate Forced Labour from Global Supply Chains with Launch of New Coalition of Action - The Consumer Goods Forum](#)

- Ongoing review of the SFF to reflect changes in strategy and market standards (such as updated versions of the Principles, as and when they are released, with the aim of adhering to best practices in the market), which review may result in the SFF being updated and amended;
- Project or expenditure assessment for alignment within Mars' interconnected pillars underlying our Sustainability strategy: Healthy Planet, Thriving People and Nourishing Wellbeing, as well as Transforming Packaging; and
- Exclusion of projects or investments that no longer comply with the Eligibility Criteria or have been disposed of and replacing them on a best-efforts basis.

All projects selected by the Committee will have been previously and separately subject to review against Mars' internal Health, Safety and Environmental Policy for each respective area. Any identified potential environmental or social risks are reviewed against Mars' relevant Policies and Practices⁶, among others, our Human Rights Policy⁷, our approach to Water Stewardship⁸, Deforestation & Land Use Change Position⁹ and Responsible Sourcing¹⁰ policies.

Management of Proceeds

Mars intends to allocate an amount equivalent to the net proceeds from the Sustainability Debt Instruments to Eligible Projects, selected in accordance with the Eligibility Criteria and the Process for Project Evaluation and Selection presented above. So long as a Sustainability Debt Instrument remains outstanding, our internal records will be periodically adjusted to show the amount of the net proceeds from the issuance of such sustainability financing allocated to Eligible Projects to date, as well as the amount of net proceeds pending allocation. Ultimately, an amount equal to the net proceeds of any sustainable financing is intended to be allocated to new projects and/or the refinancing of Eligible Projects, within 36 months after issuance of each sustainable financing, under the review of relevant members from the Committee. The Eligible Projects may include investments and expenditures that were financed up to 24 months prior to the issuance of the Sustainability Debt Instrument.

Pending full allocation, proceeds may be invested in cash or cash equivalents, used to repay existing borrowings and/or held in accordance with Mars' general liquidity policy. Payment of principal and interest on Sustainability Debt Instruments will be made from our general account and not be linked to the performance of the Eligible Projects.

The Committee is responsible for documenting its selection of Eligible Projects for inclusion and the monitoring of Eligible Projects in accordance with an internal framework for attestation, controls and governance.

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⁶ Available on the following webpage: [Policies & Practices | Mars, Incorporated](#)

⁷ [Human Rights Policy | Mars, Incorporated](#)

⁸ [Water Stewardship | Mars, Incorporated](#)

⁹ [Deforestation & Land Use Change Position | Mars, Incorporated](#)

¹⁰ [Responsible Sourcing | Mars, Incorporated](#)

Reporting

If we issue Sustainability Debt Instruments, we will prepare and make publicly available reports that will describe our allocation of net proceeds of all outstanding Sustainability Debt Instruments, including any new issuances since our last report, to Eligible Projects, at such level of detail as we deem practicable based on commercial, confidentiality and other relevant considerations. We intend to publish such a report annually, or more frequently in case of material developments, until the aggregate net proceeds of the relevant Sustainability Debt Instrument issuance(s) have been fully allocated to fund Eligible Projects, and thereafter, we may publish an update of any such report at our sole discretion.

The Sustainability Debt Report will be published as a separate investor publication, published on our Sustainability website.

We expect that each report or update that we publish concerning the allocation of the proceeds of any issuance of Sustainability Debt Instruments will include:

- The total net proceeds from the sale of any Sustainability Debt Instrument that have been allocated to one or more Eligible Projects, either individually or by category, and a brief description of certain representative projects within each category;
- The amount of net proceeds from the sale of any Sustainability Debt Instrument that has been allocated to the refinancing of existing Eligible Projects, if applicable;
- The outstanding amount of net proceeds from the sale of any Sustainability Debt Instrument yet to be allocated to Eligible Projects at the end of the reporting period; and
- A description of the expected (qualitative) environmental or social impact of the projects financed, on a project basis, aggregated portfolio basis, or in generic terms.

Our reporting may also include quantitative performance indicators and their associated methodology calculation, if available and feasible to report, and subject to available detail and competitive or confidentiality considerations. An overview of example impact metrics for Eligible Projects is provided below.

We intend to align, on a best effort basis, reporting with the ICMA “Handbook - Harmonized Framework for Impact Reporting Green Bonds (June 2022)” and “Handbook - Harmonized Framework for Impact Reporting Social Bonds (June 2022)”.

Green or Social Eligible Project Category	Example Impact Metrics
Renewable Energy	<ul style="list-style-type: none">• Onsite Renewable energy generation capacity (MW)• Off-site renewable energy sourcing (MWh)• Annual GHG emissions reduced/avoided• Renewable energy consumption as percent of total energy consumption

Energy Efficiency	<ul style="list-style-type: none"> • Sample projects with indication of energy efficiency improvement achieved
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> • Reduction of water consumption or water intensity
Pollution Prevention and Control	<ul style="list-style-type: none"> • Tracking ongoing zero Waste to landfill (metric tons) • Percent of recycled waste
Green Buildings	<ul style="list-style-type: none"> • Office or manufacturing space that is certified (Gold or Platinum LEED) (m²)
Environmentally Sustainable Management of Living Natural Resources and Land Use	<ul style="list-style-type: none"> • Resource efficiency of higher yielding crops • Percent of sustainable sourced ingredients
Carbon Sequestration	<ul style="list-style-type: none"> • Annual GHG emissions avoided • Number of projects financed verified by third-party registries
Circular Economy Adapted Products, Production Technologies and Processes	<ul style="list-style-type: none"> • Packaging designed for circularity (percent) • Recyclable content in packaging material (percent)
Socioeconomic Advancement and Empowerment	<ul style="list-style-type: none"> • Number of smallholder farmers supported • Number of micro financings provided
Access to Essential Services – Financial Services	<ul style="list-style-type: none"> • Number of smallholder farmers/women trained • Number of loans provided

External Review

Second Party Opinion:

Mars has appointed an external verifier to review the Eligible Projects and to provide a second party opinion concerning the alignment of the SFF with the Principles. This Second Party Opinion will be made available on Mars' Sustainability website¹¹.

Assurance:

Mars intends to request, one year after issuance or after full allocation, an independent third-party to conduct post-issuance assurance of a management statement on the allocation of proceeds of any Sustainability Debt Instrument to the portfolio of Eligible Projects.

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¹¹ To be found here [Policies & Practices | Mars, Incorporated](#).

This SFF applies to any Sustainability Debt Instruments issued by us after the date of this SFF.

III – Disclaimer

This SFF is intended to provide non-exhaustive, general information. This SFF represents current Mars, Incorporated (“Mars”) policy and intent and is not intended, nor can it be relied on, to create legal relations, rights or obligations. This document may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Mars and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Mars as to the fairness, accuracy, reasonableness or completeness of such information. The SFF may contain statements about future events and expectations that are forward-looking. None of the future projections, expectations, estimates or prospects in the SFF should be taken as forecasts or promises, nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the SFF.

This SFF is not intended to be and should not be construed as providing legal or financial advice. This SFF is provided for informational purposes only and does not constitute a recommendation regarding the purchase, sale, subscription or other acquisition or disposal of any debt or other securities of Mars or any of its subsidiaries (“securities”). This SFF is not and is not intended to be, and does not constitute or form part of, and should not be construed as, an offer to sell or an offer or invitation to buy, or the solicitation of an offer or invitation to buy, any securities of Mars or any of its subsidiaries. If any such offer or invitation is made, it will be done pursuant to separate and distinct documentation (the “Offering Documents”) and any decision to purchase or subscribe for any securities pursuant to such offer or invitation should be made solely on the basis of such Offering Documents and not these materials. Prospective investors should make their own independent investigations and appraisals of the business and financial condition of Mars and its subsidiaries and the nature of the securities before taking any investment decision with respect to securities of Mars or any of its subsidiaries.

This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution.

The information and opinions contained in this SFF are provided as of the date of this SFF and are subject to change without notice. Mars undertakes no obligation to update, modify or amend the information contained herein or to otherwise notify any recipient if any information, opinion, projection, forecast or estimate set forth herein changes or subsequently becomes inaccurate. None of Mars, its subsidiaries or any of its representatives and affiliates shall have any liability whatsoever in negligence or otherwise for any loss arising from any use of this presentation or its contents or otherwise arising in connection with this SFF or any other information or material discussed herein.