

Mars

Product categories assessed

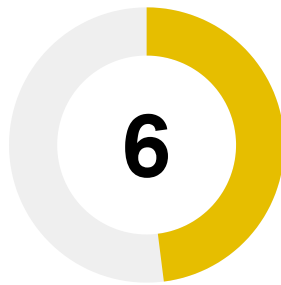
Confectionery|Dairy|Ice Cream and Frozen Desserts|Ready Meals|Rice, Pasta and Noodles|Sauces, Dressings and Condiments|Savory Snacks|Soup

Percentage of company global sales covered by Product Profile assessment
65-70%

Headquarters
U.S.

Number of employees
115000

Type of ownership
Private



Product Profile ¹

Rank 5 / Score 6.1

Rank 20 (2018) ²

Rank 6 (2018)

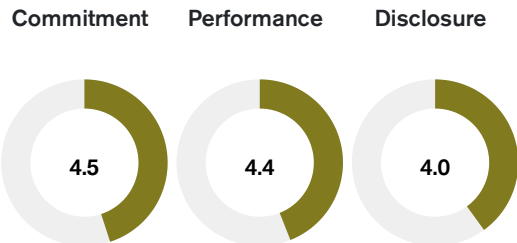
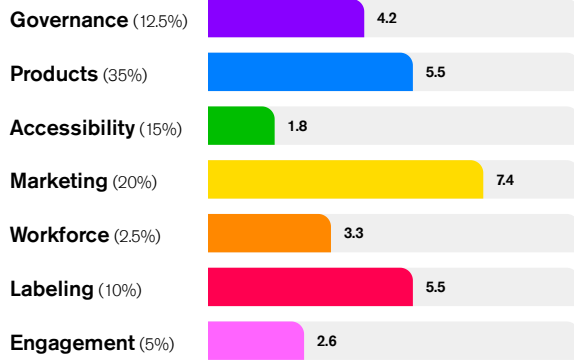
Rank 6 (2018)

Important:

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Corporate Profile

Rank 6 Score 4.8



The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

Main areas of strength

- **SCORES AND RANKS:** Mars ranks sixth in the overall rankings, the same as it did in the 2018 Global Index. The company's overall score decreased from 5.6 in 2018 to 4.8. This decrease is partially due to the scores in Labeling (Category F), where Mars shows limited labeling measures regarding Front-of-Pack (FOP), while the company score also decreased in the Engagement category due to lower disclosure. Mars performs particularly well in marketing, where it ranks second, and products, where it ranks fifth. For the Product Profile element, Mars ranks fifth overall, with a score of 6.1 out of 10.

- **GOVERNANCE:** Mars has strong, high-level strategic commitments on nutrition and health. It formally sets out how it intends to address all forms of malnutrition through its publicly-disclosed commercial strategy for the Mars Food, Mars Wrigley, and Mars Edge segments, along with its non-commercial strategy, through its membership of the African Orphan Crops Consortium.

- **GOVERNANCE:** For the development of its GoMo™ product in India, Mars has identified priority populations (school-aged children) based on priorities defined by relevant health and/or social care authorities and performed research to assess key nutrition gaps in India among six- to 18-year-old children.

- **PRODUCTS:** The company's stronger performance is largely driven by the relative healthiness of its products within categories (such as confectionery, ready meals, and rice, pasta and noodles) compared to peers; a new scored element in the Product Profile assessment.

- **PRODUCTS:** Mars is a leading company in this Index with regards to product formulation, and is one of six companies that have set at least one global target for all relevant nutrients covered by the ATNI methodology. Furthermore, it is one of few companies that has set targets to increase levels of whole grains, along with fruits, vegetables, nuts, and legumes (FVNL).

- **ACCESSIBILITY:** As recommended in the 2018 scorecard, Mars has made a public commitment to address the affordability of its healthy products for low-income groups. The Mars Edge segment makes a commitment to offer affordable, nutritious food products, specifically designed for lower-income school-age children. It is recommended that the company improves further by making this a clear commitment for the whole business, and particularly reference low-income populations (not only low-income school-age children). Furthermore, the company is encouraged to make a similar commitment for improving accessibility.

- **ACCESSIBILITY:** In the current Index, Mars provided examples of improving the affordability and physical accessibility of healthy products that address micronutrient deficiencies in priority populations. In partnership with Tata Trusts, the company launched GOMO™ Dal Crunchies in India in 2018, a product which aims to deliver protein, zinc, and vitamins A, B12, C, D, to help close nutritional gaps among six- to 18-year-old children. The product was offered at affordable prices (five and 10 rupees) to help reach more people. To increase

Priority areas for improvement

- **GOVERNANCE:** In 2018, Mars was recommended to further improve its nutrition governance and management systems by performing standard internal audits of its nutrition strategy, linking the CEO's compensation specifically to performance on nutrition objectives, and disclosing this information. This recommendation still stands.

- **GOVERNANCE:** With its GoMo™ product in India, Mars demonstrates its efforts towards combating nutrition issues in priority populations in one of its markets. The company is advised to expand the scope of these efforts by making a public commitment to address the specific needs of priority populations through healthy and appropriate products globally, and to implement a strategic commercial approach to address unmet nutrition-related needs of these populations.

- **ACCESSIBILITY:** The company discloses a broad commitment to address the affordability of its healthy products for priority populations, which is limited to low-income school-age children in India only. It also does not specify how it addresses accessibility for different consumer groups. ATNI encourages Mars to make these specific commitments and to disclose them in the public domain. Mars discontinued their GoMo™ Dal Crunchies product end of 2020. The company is encouraged to use the learnings from this initiative to introduce similar products and expand on these kind of activities.: The company discloses a broad commitment to address the affordability of its healthy products for priority populations, but shows no mention of low-income populations specifically. It also does not specify how it addresses accessibility for different consumer groups. ATNI encourages Mars to make these specific commitments and to disclose them in the public domain.

- **MARKETING:** Mars could consider improving its commitment to refrain from marketing activities in primary schools by including areas near primary schools, inside secondary schools, and other places where children typically gather.

- **MARKETING:** Mars has provided evidence of research conducted to generate consumer and marketing insights relating to priority populations for its (discontinued) GoMo™ product in India. The company is recommended to take further steps to understand and reach priority populations and make an explicit commitment to developing and delivering marketing strategies appropriate to reaching priority populations.

- **LIFESTYLES:** Mars publicly commits to allow parents to take paid parental leave, and some of its major markets offer facilities to support breastfeeding mothers, such as private rooms, fridges for storing milk, and breaks for feeding. However, the company does not incorporate these commitments into a globally applicable policy. Mars is advised to also implement other functional or flexible working arrangements to support breastfeeding mothers, and provide supporting facilities in all its locations with 50 or more employees.

accessibility, the company cooperated with 'last mile entrepreneurs', including women's self-help groups, to sell GoMo™ door-to-door and at small rural shops throughout remote villages.

- **MARKETING:** Mars' public responsible marketing policy is fully aligned with the International Chamber of Commerce (ICC) framework, and additionally commits to not use models with a BMI under 18.5 and present products in the context of a balanced diet. Additionally, its policy regarding marketing to children is commendable. Mars is one of the few companies to: not advertise any products to children; use promotional toys, games, vouchers, and competitions responsibly; use an audience threshold below 25 percent; and utilize all relevant tools laid out by the ATNI methodology to ensure its digital marketing does not reach younger age groups, and apply this to all media.

- **MARKETING:** Mars is the only company to gain a full score on auditing and compliance with marketing policies. This is due to the annual auditing of its compliance with marketing policies for all audiences to the same standards as it assesses compliance regarding children, and the presence of a response mechanism to ensure corrective measures are taken regarding any non-compliance with its marketing policy.

- **LIFESTYLES:** Mars performs well in supporting its employees' health and wellness. The company has a public commitment to support employee health and wellness through a program focused on nutrition and physical activity, which includes organizational-, community-, and individual-level elements.

- **ENGAGEMENT:** Mars' disclosure on lobbying contributions and engagement is the most comprehensive of all companies assessed. The company voluntarily discloses a list of its 'key' trade association memberships and board seats held at these associations, while stating that no governance conflicts of interest exist and that it makes no political donations.

- **LIFESTYLES:** Mars is encouraged to support nutrition education and healthy diet-oriented or active lifestyle programs aimed to reach priority populations that are adapted to the needs, backgrounds, and level of nutrition literacy of specific groups.

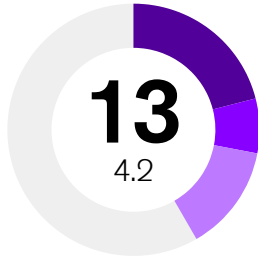
- **LABELING:** The company could consider improving its position by: expressing information on the amount of energy or nutrients in grams per 100g or 100 ml; by increasing roll-out of its front-of-pack (FOP) labeling commitments; by taking labeling-related measures to prevent food waste; and by committing to not provide additional interpretive labeling or other FOP information that directly relates to the message of the mandatory FOP labeling (which may confuse consumers or modify the effect of the mandatory labeling).

- **ENGAGEMENT:** ATNI encourages Mars to expanding its efforts actively and constructively supporting governments' efforts to combat all forms of malnutrition, and to publish a responsible lobbying policy including provisions to only lobby in support of measures designed to improve health and nutrition that have a solid grounding in independent, peer-reviewed science. The company is also advised to increase transparency about its lobbying efforts on nutrition-related topics, as well as lobbying expenditures.

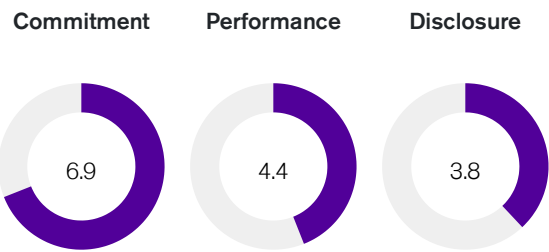
- **ENGAGEMENT:** The company's stakeholder engagement on nutrition strategies and programs is found to be well-structured and focused. However, unlike in 2018, only limited examples in India were shown and evidence of more engagement with international stakeholders was not found. Mars also does not publish specific examples of how input has been used to inform its nutrition-related policies or programs. ATNI encourages the company to further disclose the narrative about its stakeholder engagement activities.

Category Analysis

Governance

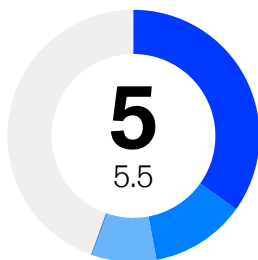


- A1 Nutrition strategy
- A2 Nutrition management
- A3 Reporting quality

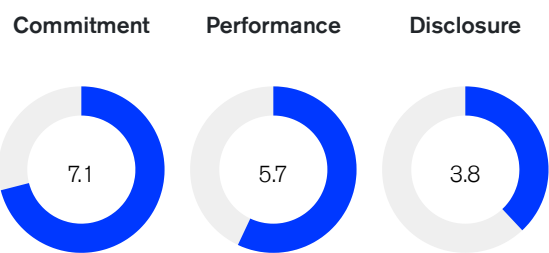


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Products

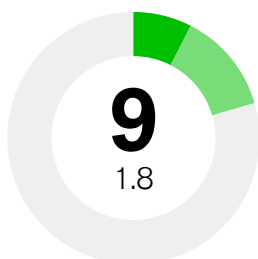


- B1 Product Profile
- B2 Product formulation
- B3 Defining healthy products

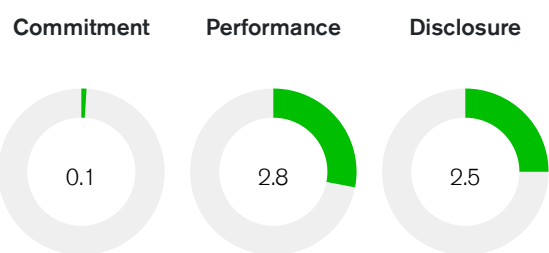


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Accessibility

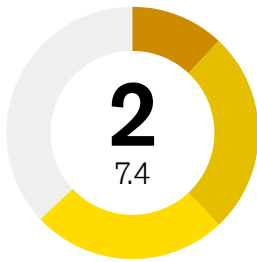


- C1 Product pricing

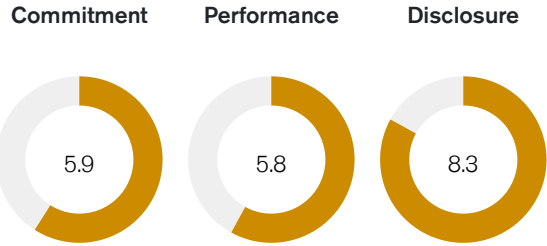


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Marketing

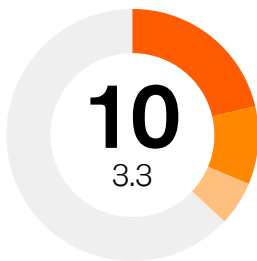


- D1 Marketing policy
- D2 Marketing to children
- D3 Auditing and compliance

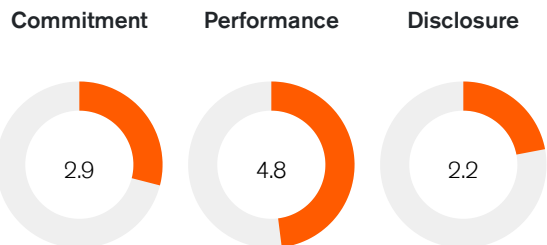


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Workforce

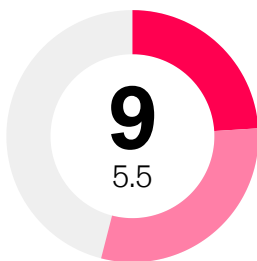


- E1 Employee health
- E2 Breastfeeding support
- E3 Consumer health

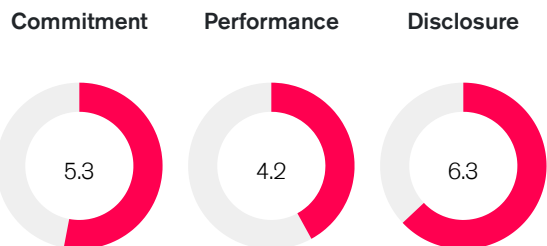


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Labeling

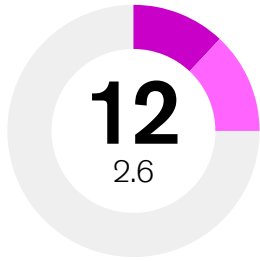


- F1 Product labeling
- F2 Claims

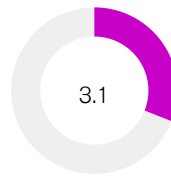


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

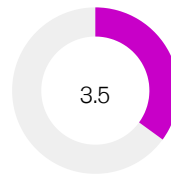
Engagement



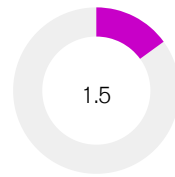
Commitment





Performance



Disclosure



The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

-  Influencing policymakers
-  Stakeholder engagement

Detailed Product Profile Results ^{1 3}

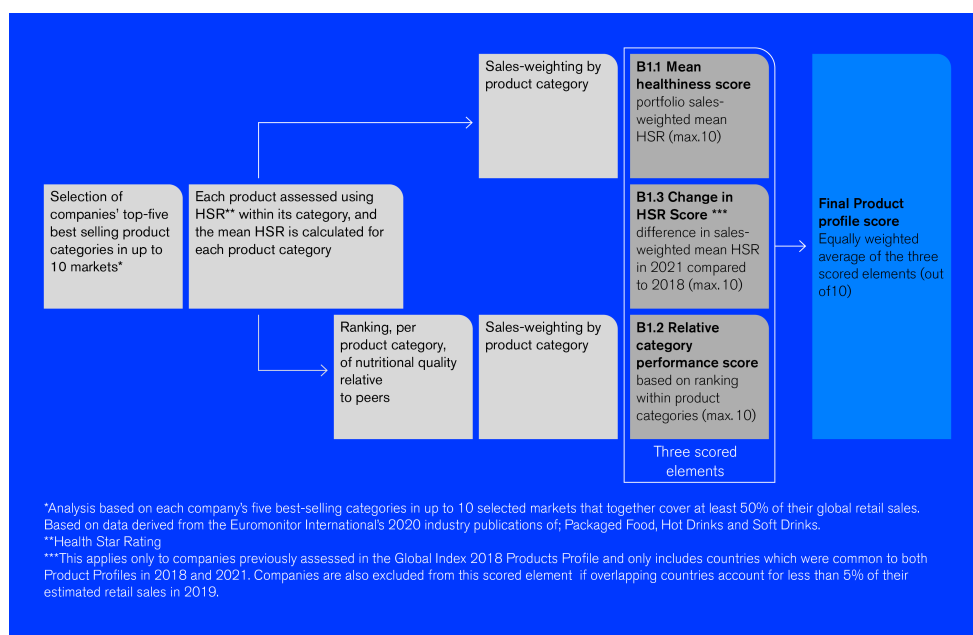


5

Rank 5 / Score 6.1

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. ATNI rates companies using the Australian Health Star Rating (HSR). The HSR rates foods from 0.5 to 5.0 based on their nutritional quality. Any product with a score of 3.5 or more is considered 'healthy' by ATNI. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects the mean healthiness of a company's products portfolio, the relative healthiness within product categories compared to peers, and changes in the healthiness of product portfolios compare to the Global Index 20218 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in box 1.



Mars has been assessed for the second time in the Global Index Product Profile. In the previous assessment, nine of the company's markets were selected, and a total of 1,514 products analyzed – accounting for approximately 60-65% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 3,124 products have been analyzed across 10 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 65-70% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Russia is the only new country included in this iteration compared to 2018. In 2018, a total of nine product categories were covered by the assessment, compared to eight categories in 2021. Products from the 'Dairy' category are assessed in 2021 but were not in 2018, whereas products from the 'Spreads' and 'Sweet Biscuits, Snack Bars and Fruit Snacks' were assessed in 2018, but are not in 2021.

In this Product Profile assessment, Mars scores 2.6 out of 10 (B1.1) in the mean healthiness element, 9.6 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers, and 6 out of 10 (B1.3) for changes in nutritional quality (mean HSR) over time. This results in Mars obtaining an overall score of 6.1 out of 10, and ranking fifth out of 25 in the Product Profile.

B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	10 Countries included	Range of global sales included ⁴	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy (≥3.5 stars)	% retail sales healthy 2019 (≥3.5 stars) – assessed countries only	% estimated global retail sales healthy 2019 (≥3.5 stars) ⁵	No. products assessed	% products suitable	% sales from suitable
1.3	Australia, China, Hong Kong, Mexico, NZ, Russia, South Africa, UK, USA	65-70%	3124	26%	14%	18%	3382	7%	2%

▪ A total of 3,124 products manufactured by Mars, sold in 10 countries, covering 8 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 1.3 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 2.6 out of 10 for Mars. The company ranks 24 out of 25 companies in this first scored element (B1.1).

▪ Overall, 26 % of distinct products assessed were found to meet the HSR healthy threshold (HSR ≥3.5). Together, these products accounted for an estimated 14% of Mars retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 18 % of its global retail sales from healthy products in 2019.

WHO nutrient profiling models (unscored): Only 7% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 2% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR >= 3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category)
Confectionery	2030	14%	1.3	1	1st out of 6
Ice cream and frozen desserts	84	0%	1.5	2	7th out of 7
Savory Snacks	19	0%	0.7	2.2	8th out of 8
Dairy	13	54%	2.8	2.9	12 out of 18
Ready Meals	26	73%	3.4	3	1st out of 9
Rice, Pasta and Noodles	280	85%	3.5	2.4	2nd out of 6
Sauces, Dressings, and Condiments	634	39%	2.8	2.5	4th out of 11
Soup	38	13%	1.9	2.5	6th out of 8

▪ For Mars 'Rice, Pasta and Noodles,' was the best performing category, where a total of 280 products analyzed obtained mean HSR of 3.5 out of 5. The next best performing category was 'Ready Meals' with a mean HSR of 3.4 out of the 26 products assessed. Savoury Snacks (0.7) had the lowest mean HSR of all product categories included for Mars.

▪ For four out of the eight categories assessed, Mars products perform better than the mean HSR of companies selling products in the same categories. The company performs best compared to peers in the following product categories; 'Confectionery,' 'Ready Meals,' 'Rice, Pasta and Noodles,' and 'Sauces, Dressings and Condiments.'

▪ Mars scores 9.6 out of 10 in this second scored element (B1.2) and ranks first out of 25 companies. This is based on its ranking compared to peers within the 8 categories, using the scoring system set out in ATNI's methodology.

B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
Australia	361	581	1.9	1.8
China	86	114	0.8	1.2
Hong Kong	81	98	2.2	1.9
India	13	80	2	1.7
Mexico	22	180	1.2	1.1
New Zealand	175	218	2.2	2.2
South Africa	109	141	2	1.8
UK	324	618	1.3	1.4
USA	355	1087	0.8	1.3
TOTAL	1526	3117	1	1.3

▪ Among the 18 companies for which this third scored

element was applicable, Mars showed a slight increase in



mean HSR between the 2018 and 2021 Product Profiles (mean HSR= 1.0 to 1.3). The change in HSR score only takes into account the nine countries included in both 2018 and 2021 assessments (excludes Russia). For Mars, the increase is likely due to an increase in mean HSR of 'Confectionery' products in the USA (the largest market) and to a smaller extent, China. Another factor possibly driving the change is the fact that in 2018, Mars did not engage in the Product Profile process and thus data used in analysis derived from third party databases, whereas in 2021, Mars reviewed product data. It is also possible that there were product-level improvements between 2018 and 2021, however it is unlikely that product-level changes in nutrient content of confectionery products were large enough to drive the 0.3 mean HSR increase overall for Mars.

- Adjusting scores by country sales weighted estimates (which gives more weight to company's largest markets), Mars achieves an increase of 0.3 in mean HSR between 2018 and 2021, resulting in a score of 6 out of 10 on this element using the scoring system set out in ATNI's methodology.

Full Product Profile report: https://new-l40rlzsq.accessstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf

Disclaimer Global Index 2021

The user of the report and the information in it assumes the entire risk of any use it may make or permit to be made of the information. NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS ARE MADE WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION ARE EXPRESSLY EXCLUDED AND DISCLAIMED.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall Access to Nutrition Foundation, nor any of its respective affiliates, The George Institute, Euromonitor International, Innova Market Insights, or contributors to or collaborators on the Index, have any liability regarding any of the Information contained in this report for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

Euromonitor International Disclaimer. While every attempt has been made to ensure accuracy and reliability, Euromonitor International cannot be held responsible for omissions or errors of historic figures or analyses and take no responsibility nor is liable for any damage caused through the use of their data and holds no accountability of how it is interpreted or used by any third party.

The George Institute Disclaimer. While the George Institute has taken reasonable precautions to verify the information contained in the report, it gives no warranties and makes no representations regarding its accuracy or completeness. The George Institute excludes, to the maximum extent permitted by law, any liability arising from the use of or reliance on the information contained in this report.

Footnotes

1. The overall Product Profile score reflects: B1.1 the mean healthiness of a company's product portfolio; B1.2 the relative healthiness within product categories compared to peers, and; B1.3 changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile.
2. In the Global Index 2018, the Product Profile Assessment was conducted as a separate assessment. The results were based on scores generated by applying the Health Star Rating (HSR) nutrient profiling system, which analyzes the level of several positive nutrients (e.g. fruits, vegetables and fibers) and several negative nutrients (e.g. salt, sugar and saturated fat) in products.
3. The overall Product Profile score reflects: B1.1 the mean healthiness of a company's product portfolio; B1.2 the relative healthiness within product categories compared to peers, and; B1.3 changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile.
4. Retail sales data derived from Euromonitor International.
5. ATNI estimates this value by taking the proportion of healthy products within each category assessed and multiplying that figure by the global category retail sales. The values are then aggregated to generate an estimate of the overall global healthy sales (excluding baby foods, plain tea, and coffee, which are not included in the Product Profile).
6. Within-category ranks are calculated for all product categories in which two or more companies are active. Next, a performance percentage is calculated from the inverted rank (e.g. first out of 10: inverted rank $10/10 = 100\%$ performance score; tenth out of 10: inverted rank $1/10 = 10\%$ performance score). The 'Bottled Water- Pure' category receives a standard rating of five stars, according to the HSR algorithm for all companies.