

Working to lead the chocolate industry in creating a healthier environment

I. Our commitment to health and nutrition

As a global food company, Mars is a responsible manufacturer and marketer of a broad range of products. As a chocolate industry leader, we are working to define the role Mars should play in helping to address society's concerns about health and nutrition. Our goal is to lead the chocolate industry in creating a healthier environment. Our success as a company will be measured not only by the taste and quality of our chocolate, but also by the steps we take to contribute to society's goals for improved health and nutrition.

II. Defining responsibility in chocolate and health

Mars will succeed in being a responsible chocolate company by listening and responding to the concerns about health and nutrition expressed by our stakeholders -- those who affect or can be affected by our company's business practices. Our stakeholders include our associates, our consumers (especially parents), our business partners, the public health communities, regulatory agencies, and those who have knowledge and expertise about the issues we must address. Our stakeholders have told us that providing information, and embedding responsibility into our business practices and supporting innovation are three areas where Mars can lead by example.

While we believe that achieving society's health and nutrition goals is complex and requires action on many fronts, we believe that Mars can play a leadership role in creating a healthier environment by helping consumers understand how chocolate and other treats can be a part of a healthy lifestyle. As a step toward this ambitious goal, Mars has made three commitments, based on the feedback from our stakeholders:

- **Information:** We will communicate clearly about our products
- **Responsibility:** We will market our products responsibly
- **Innovation:** We will innovate to improve the health impact of our brands while retaining their great taste.

Information: Communicating clearly about our products

To help consumers make informed choices about our products, we are committed to providing clear information regarding our products' nutritional values and ingredients. By facilitating access to clear, consumer-friendly information, we make it easier for our consumers to make informed choices about pleasurable snacking as part of a balanced diet and healthy lifestyle.

Mars also supports communication initiatives that are designed to inspire our consumers to adopt healthier lifestyles. By leveraging our communications expertise as leaders in marketing snacks, Mars supports a broad range of initiatives designed to:

- help address the health and nutrition challenges facing our society through new product offerings;
- offer science-based information about nutrition and wellness;
- encourage kids and families to enjoy an active lifestyle

Responsibility: Marketing our products responsibly

We have reviewed our marketing practices to be sure they support today's health and nutrition goals. We were the first food company to announce that we would stop advertising to children under 12 in every market where we operate. We have a voluntary marketing code which clearly describes our marketing practices and offers guidance on what constitutes responsible marketing.

Innovation: Enhancing the health impact of our brands while retaining their great taste

Our consumers love the way our products taste. Taste and quality are the hallmarks of our company. Our efforts to create healthier chocolate snacks will not compromise our commitment to quality and taste. Mars' approach to innovation is simple: keep the great taste while enhancing the nutritional value and positive health impact of our brands. We will accomplish this by:

- enhancing the nutritional value of our existing products without sacrificing taste; and
- creating new products that are enjoyable and better for you.

I. Communicating clearly about our products

At Mars, we have a responsibility to help consumers make informed choices about the foods they eat, including chocolate and snacks. This is why we are committed to providing clear and easy to understand information on the nutritional composition of all our products.

When it comes to communicating about our products, we make every effort to go beyond what is expected of a global food company and a chocolate manufacturer. Not only will we promote transparent nutritional labeling everywhere we do business, but we also partner with key stakeholders – experts in the areas of nutrition and health – to support healthy lifestyle initiatives that help make it easier for consumers to lead healthier lives.

Transparent nutritional labeling

At Mars, we take the labeling of our products very seriously. Transparent nutritional labeling refers to the information we include on our packs about the content of our products. At a minimum, nutrition information includes the number of calories per serving, and the levels of four key nutrients – fat, saturated fat, sugars and sodium. If the space on our packs allows, we also include information on three additional nutrients – carbohydrates, protein and fiber. In markets where there are more extensive labeling requirements, we meet or exceed those requirements.

In the area of transparent nutritional labeling, Mars makes every effort to exceed society's expectation of what it means to communicate responsibly about our products. Mars voluntarily introduced nutritional labeling on our packs globally before this became a legal requirement.

Daily Intake (DI) information in Australia and Daily Value (DV) information in the US help consumers put the nutritional values of their favorite chocolate snacks in the context of a balanced diet.

In Europe, we are introducing the Guideline Daily Amounts (GDA) system on our packs. The GDA system, developed by experts in health and nutrition, is based on the approximate levels of calories, carbohydrate, protein, fat, saturated fat, sugars, fiber, sodium and salt suggested each day for a healthy diet. The GDA system helps consumers make responsible choices for themselves and their families and is a voluntary initiative across all of Europe in partnership with the Food and Drink Industries of the EU (CIAA).

Healthy lifestyle initiatives

In addition to our efforts to promote consistency in transparent nutritional labeling practices throughout the world, we are also providing information to consumers about the importance of a balanced diet and a healthy lifestyle.

- In Germany, Mars' Clever Naschen website www.clevernaschen.de (smart snacking) offers advice on how to snack responsibly and provides useful tips for how to make pleasurable snacking part of an active lifestyle and healthy diet. We partnered with the German Research Institute for Child Nutrition to offer advice to parents who must often balance their desire to offer their families pleasurable snacks with concerns about their family's overall health and nutrition needs.
- In Saudi Arabia, UAE, Bahrain, Qatar, Kuwait, and Oman – the Gulf Cooperation Council – Mars partnered with the Arab Center for Nutrition (ACNU) and the Ministries of Education to implement a physical activity program for public schools called "Al Haraka Baraka" (Movement is a blessing).

- In the US, in partnership with six leading US health organizations and other businesses, Mars supports Kidnetic.com, a childhood health initiative, focused on providing user-friendly, expert advice to help parents and teachers promote childhood health and wellness.
- In the US, www.MarsHealthyLiving.com provides nutrition information for all our products, health and fitness tips and links to other helpful health sites. To promote youth fitness, we sponsor Little League Baseball and other activities, like health fairs, fun runs and soccer, in communities in which we operate.

I. Marketing our products responsibly

The history of Mars started with fresh made candy in a kitchen Spokane, Washington.. Today Mars is a global company with truly global brands. Over the years, consumers came to trust Mars because of the quality of the products we make and the manner in which we do business. Quality and Responsibility are two of the Five Principles that help guide everything we do.

Our chocolate and snackfoods are high quality treats that can be enjoyed by the whole family. We believe that chocolate and snack foods should be consumed in moderation as part of an overall balanced healthy diet and active lifestyle. For this reason, we engage with parents, internal and external health and nutrition experts, and the public health communities to understand what they expect of a responsible manufacturer and marketer of chocolate and snackfoods.

II. Core principles

Beginning January 1, 2008, Mars will not advertise our traditional confectionery and snackfoods to children under 12.

Consumers trust our brands and our company and we work very hard to preserve that trust. In fact, at Mars, we aspire to being recognized as a responsible marketer and manufacturer of chocolate and snackfoods. We know that this is an ambitious goal. We also realize that society's definition of responsible marketing for our industry may change from time to time, reflecting new science and modified public health goals.

In February 2007, Mars was the first company to globally announce that as of January 1, 2008, we would stop marketing our products to children under 12 years old. According to many public health experts, children under 12 may not be able to distinguish advertising content (which is designed to persuade) from objective content (designed to inform or educate). Mars accordingly supports initiatives designed to address these concerns. For example, in the UK, we participate in an industry coalition which runs programs to improve the media literacy of children (for more information, click here: www.mediasmart.org.uk). In the US, in partnership with the [Children's Food and Beverage Advertising Initiative](http://us.bbb.org/WWWRoot/SitePage.aspx?site=113&id=dba51fbb-9317-4f88-9bcb-3942d7336e87) (<http://us.bbb.org/WWWRoot/SitePage.aspx?site=113&id=dba51fbb-9317-4f88-9bcb-3942d7336e87>), Mars US developed a voluntary advertising pledge whereby we committed to stop advertising our traditional confectionery and snackfoods to children under 12 years of age by the end of 2007 and to provide nutrition information for all our brands by October 2007.

Beginning January 2008, our practices as regards marketing to children, will be guided by the following core principles:

- We do not target children under 12 with snackfood and confectionery marketing communications.
- We do not purchase time or space in television, radio, print or internet venues where more than 25% of the audience is likely to be children under 12.
- We do not advertise in primary schools.
- We do not use licensed characters in advertising directed to children under 12.
- We do not pay or seek to place products in films, games or other media directed to children under 12.
- We do not feature products, brands or characters in online games intended for children under 12.

These principles, reflected in our new Marketing Code, will apply globally across all advertising and marketing channels, including online and new marketing techniques.

I. Innovation: maximizing taste and health

Our consumers have come to expect great quality and taste from our confectionery and snackfoods. However, our consumers are also interested in their diet and its impact on their own health and wellness. Therefore, Mars' approach to innovation is focused on a simple principle: keep the great taste while enhancing the nutritional value and positive health impact of our brands. We do this in two ways: 1) by enhancing the nutritional value of existing products without sacrificing taste and 2) by creating new, "Better for You" products that comply with and, in many cases, exceed, the public health communities' expectations for "Better for You" snacks.

II. Enhancing nutritional value of our products

The fundamental question guiding our innovation efforts is simply this: can we create chocolate and snack products that are lower-calorie, higher-nutrient dense foods? We believe we can. Mars has a long legacy of research and innovation in the industry. We own a broad range of technologies that make us a true leader in the art and science of making the best quality chocolate. We will succeed because we have a focused approach that consists of three key strategies: reducing calories, reducing specific nutrients that in excess do not contribute to good health, and increasing the level of nutrients with scientifically-proven health benefits.

Reducing calories

Many nutritionists believe consuming more calories than the energy expended through daily activity contributes to weight gain. Therefore, Mars is working to reduce the calories of our confectionery and snacks by exploring a variety of options. In addition to offering consumers a variety of portion sizes for many of our products, Mars is also conducting research to identify ingredients and product offerings that deliver fewer calories and great taste. These efforts will allow our consumers to enjoy snacks and confectionery products as part of a balanced diet and healthier lifestyle.

Reducing specific nutrients

Following the World Health Organization (WHO) recommendations for enhanced nutritional products, Mars has for a number of years worked to reduce sugar, salt, saturated fats and trans-fatty acids in many of our products. These efforts will be continued and accelerated.

Increasing nutrients with health benefits

Mars' knowledge of the art and science of chocolate is grounded in nearly 100 years of expertise ranging from cocoa growing to creating finished product. Our fundamental understanding of the crop is enhanced by the Mars Center for Cocoa Science, a unique research farm in Brazil that specializes in understanding the agronomics of cocoa.

Mars scientists have led the world in discoveries about the health aspects of cocoa and our publications have appeared in some of the most prestigious science and medical journals in the world. Cocoa and nuts continue to attract nutrition scientists' attention and a great deal of research has been conducted in the past 10 years on potential health benefits associated with these products. Mars' best-in-class research program allows us to leverage our expertise and apply scientific discoveries in ways that may enable us to increase or enhance the healthy nutrients found in our classic confectionery products and design of new products.

III. "Better for you" foods: innovation at work

Mars is hard at work developing snacks that are 'better for you' not only because they limit the number of calories and portion size, but also because they offer needed nutrients. In the United States for example, Generation Max™ products meet the following criteria: no more than 150 calories per serving (which is approximately 10% of recommended total calories for a sedentary individual in the 9 – 12 year old age group), no more than 35% of calories from fat, 10% of calories from saturated fat, no more than 0.5 grams of trans fat per serving and no more than 35% sugar..