

Mars Marketing Code for Human Food 2023 Governance Report

**This report is based on 2022
audit results**

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Introduction

We are thrilled to present our sixth annual Marketing Code Governance Report, which tracks our progress against the commitments made in our Mars Global Marketing Code for Human Food ('the Code'). The Code guides how Mars and our brands communicate and interact with consumers, and is firmly grounded in our Five Principles and the Mars purpose: *the world we want tomorrow starts with how we do business today*.

This year was another important year for our Code governance, and we made some changes to further strengthen our approach. We have expanded the number of countries included in our compliance reporting, adding two new markets to our content audit – Austria and South Korea – whose compliance results we are presenting for the first time. In another first, we are sharing the results of our initial pilot audit of our inclusive marketing commitments. This is an important area of focus for our business and this pilot is a first step towards our business setting compliance targets and expanding our work and commitments in this important space.

At Mars, we believe that good governance is about delivering transparent, accurate and consistent measurement of performance, whilst challenging ourselves to continuously improve our approach. In this spirit, this year's report has continued to evolve. Overall, we are delighted to share that in 2022 we achieved 99.5% placement and 99.0% content compliance rates, surpassing our targets and improving on last year's already high performance.

Lastly, we spent much of 2022 continuing to build our strong collaboration efforts with other advertisers and the big digital platforms, in order to drive a safer experience for people and brands in the online environment.

Thank you for your interest in our latest Marketing Code Governance Report. We hope that the findings demonstrate the value and importance Mars places on responsible marketing practices and sparks further action across the industry.



Gülen Bengi,
Lead Chief Marketing Officer, Mars,
Incorporated, and Chief Growth
Officer, Mars Wrigley



Jacqui Stephenson,
Global Responsible Marketing Officer,
Mars, Incorporated



Matthew Graham,
Global Chief Marketing Officer,
Mars Food



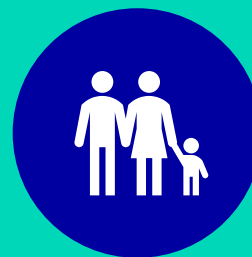
Rankin Carroll,
Chief Brand Officer,
Mars Wrigley

Why we are committed to market responsibly

Marketing – through its reach, trend-setting and behavior-change capabilities – shapes consumer tastes, perceptions, and actions. This powerful force can inspire consumers and help to shape society positively at its best. However, it can also have unintended negative consequences both for vulnerable audiences like children, who do not yet understand the commercial intent of marketing, and when it unintentionally funds misinformation and inappropriate content which is detrimental to society.

Marketing is the way that companies like Mars interact with consumers and determines how our brands and products show up to the world. In line with our purpose that 'The world we want tomorrow starts with how we do business today' and our Five Principles, we believe that with a strong commitment to responsible marketing, we're driving positive change.

We want to ensure that we are responsive to consumer and societal expectations, and we are playing our part as an advertiser to influence a more positive and safer media experience. We are constantly seeking to improve our approach and are working to expand our Marketing Code to further our efforts in leveraging the power of marketing for good.



**Protecting children
as a vulnerable
audience**



**Responding to
consumer
expectations**



**Using the power of
marketing for good**



**Ensuring that our
brands don't fund or
endorse inappropriate
content**

Our Responsible Marketing Commitments – Mars Global Marketing Code for Human Food

The Mars Global Marketing Code for Human Food is Mars' industry-leading commitment to address and govern marketing issues. The Code sets out the standards that guide the way that Mars and its brands communicate and interact with consumers.

The purpose of the Code is to serve as a framework through which Mars sets boundaries for its marketing, while driving positive change and setting an example for industry peers for what we believe to be right for consumers. We base these beliefs on strong science, consumer insight and a sensitivity for the concerns of stakeholders.

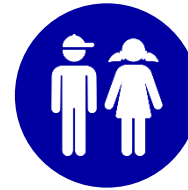
For further information on our responsible marketing commitments, please refer to the full [Mars Marketing Code for Human Food](#).

The key commitments of the Mars Global Marketing Code for Human Food

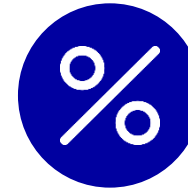
Placement commitments



Applicable globally and to all marketing communications



No marketing targeted primarily to children under 13 years old



25% audience threshold



No placement of vending machines or event sponsorship in primary schools



No data collection of children under 16 years old

Content commitments



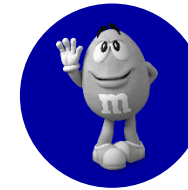
Encourage healthy lifestyles and not condone excessive consumption



No use of celebrities or licensed characters primarily appealing to children



No child-appealing promotions, advergames, giveaways or purchasing incentives



Strict governance of our brand characters – primarily directed at adults



Advertising consistent with the Five Principles and our advertising guidelines

Compliance overview



Compliant Placement (%)
Target = 97%



Compliant Content (%)
Target = 95%

Methodology:

Total number of placements checked
Total pieces of content reviewed

94.0 B 3 357

93.6 B Compliant 3 324 Compliant
442 M Not compliant 33 Not compliant

Reviewed by:

Placement Content
mediacom Nielsen

MARS

Compliance by Market (%)

	Placement compliance	Content compliance
Australia	99.4	99.0
Austria	N/A	100
Brazil	99.9	100
Canada	99.9	100
China	99.5	98.3
France	100	99.4
Germany	99.8	100
India	99.7	96.3
South Korea	N/A	86.2
Mexico	98.8	99.0
Netherlands	100	98.2
New Zealand	98.0	100
Poland	99.6	100
Saudi Arabia	99.7	100
UK	100	98.2
USA	99.8	99.1

Compliance by Channel (%)

	Placement compliance	Content compliance
TV	98.5	98.4
Social Media	99.6	Organic 97.1
		Paid 99.2
Print	N/A	100
Out of Home	100	100
Digital	Online video 99.7	Digital video 98.6
	National digital 99.5	Online display 100
	Shopper digital 99.7	Web pages 99.3

Compliance by Segment (%)

	Placement compliance		Content compliance	
	MARS WRIGLEY	MARS Food & Nutrition	MARS WRIGLEY	MARS Food & Nutrition
Asia Pacific	99.5	99.4	96.5	100
Europe	99.9	99.9	99.4	98.4
Latin America	99.1	N/A	99.1	N/A
North America	99.8	99.8	99.0	100
ME / Africa	99.7	N/A	100	N/A
Overall	99.5	99.8	99.0	99.1

Compliance by Theme (%)

	Content compliance
Advertising guidelines	99.9
Characters and Celebrities	99.9
Digital and privacy	100
Overall targeting	100
Portrayal of children / adults	99.6
Promotions and responsible consumption	99.5

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Color-coding Key Under Target Over Target 100% compliant N/A (no relevant marketing activity or data not available, etc.)

Global placement compliance

	# of placements checked	Overall compliance
Asia Pacific	45.0 B	99.5 %
North America	27.3 B	99.8 %
Europe	6.0 B	99.9 %
Latin America	13.7 B	99.1 %
Middle East / Africa	2.1 B	99.7 %
Global	94.0 B	99.5 %



Progress in regional placement compliance since last year

Our placement compliance remained stable this year, and we still surpassed our target of 97% placement compliance in all audited regions. Moreover, we saw some improvements compared to 2021 in Latin America (+1%) and Middle East / Africa (+0.4%). Despite this increase, we will continue to strive for improvements.

Methodology

To ensure effective implementation of our Code, we conduct auditing across those countries that represent more than 80% of our advertising spend. In 2022, we did not expand the geographical focus of our audit and excluded Russia from it.

- Australia
- Brazil
- Canada
- China
- France
- Germany
- India
- Mexico
- Netherlands
- New Zealand
- Poland
- Russia
- Saudi Arabia
- United Kingdom
- United States

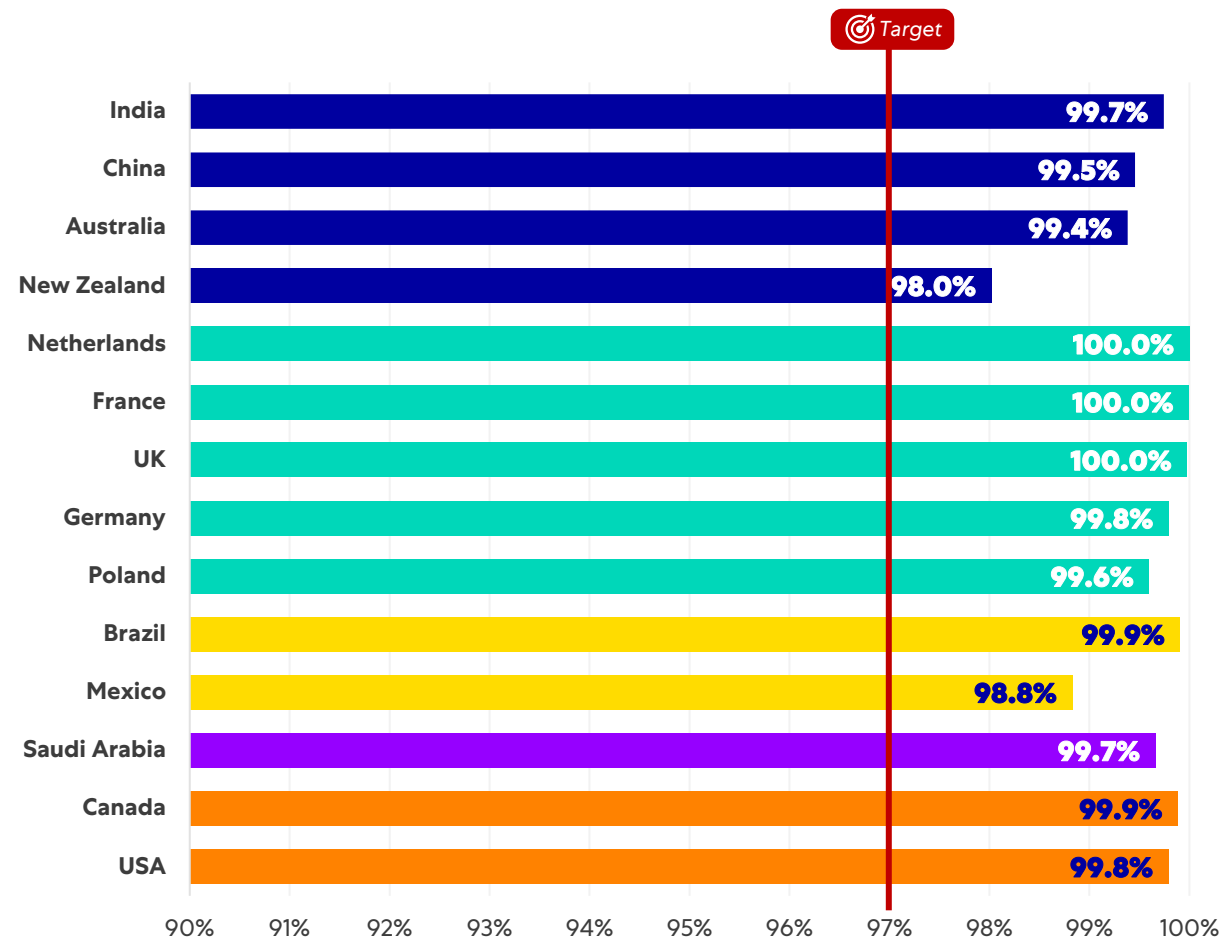
We work with essence Mediacom, our media planning and buying agency, to collect data on our compliance with our commitment not to place our marketing communications on channels where children under 13 years old make up more than 25% of the total audience. We developed a scorecard that is completed by Mediacom which includes the percentage compliance and number of breaches per channel, across six types of media channels. In total, we have checked:

- 57.0 billion national digital placements
- 5.6 billion online video placements
- 27.5 billion social media placements
- 3.4 billion shopper digital placements
- 689 million poster & billboard placements
- 993 thousand TV placements

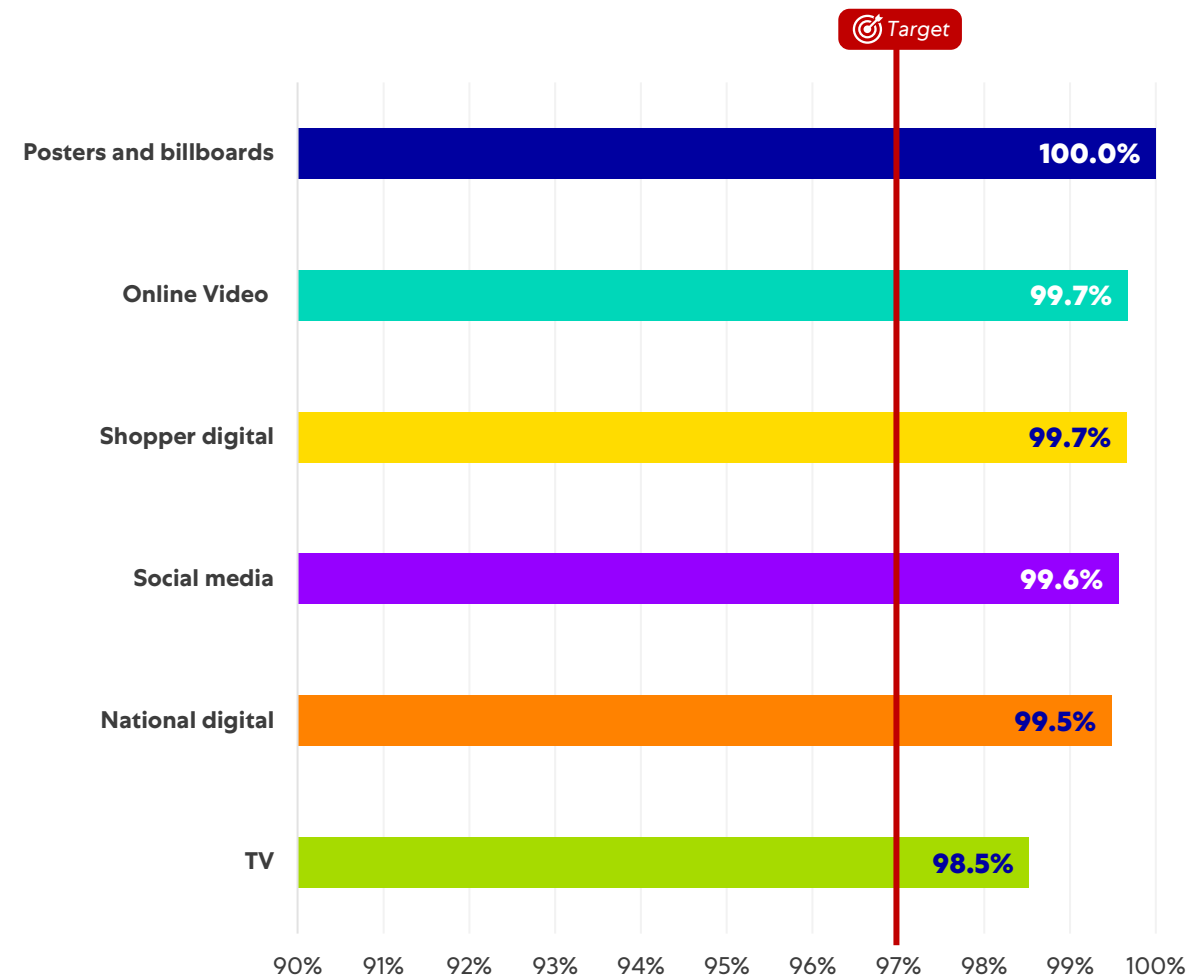
We have set ourselves a **compliance target of 97%** which accounts for elements beyond our control, such as children under 13 years using digital services not providing their true age or limitations in predicting the exact audience composition of a TV program ahead of it airing. Delivering compliance above 97% is also built into our agreement with essence Mediacom as a key market-level performance metric.

Placement compliance – detail by market and media channel

We reached and exceeded our compliance target in all audited markets. Moreover, except from New Zealand (which went from 99.9% to 98%), our compliance either remained stable or increased across all markets for which we have data from last year.



The audit found that the placement of our ads consistently exceeded our compliance target of 97% on all channels globally. Moreover, the placement compliance by channel either improved or remained equally high across almost all channels compared to 2021.



Case studies – Examples of compliance and non-compliance



Improved compliance rates for posters and billboards

As a channel, posters and billboards saw the greatest increase in compliance from 98.0% in 2021 to 100% in 2022, which had been a focus of remedial action as outlined on the right-hand side. This was the only channel in 2022 to increase in compliance by more than 1 percentage point from 2021.



Decreased compliance rates in New Zealand

Compliance across all channels in New Zealand dropped from 99.9% in 2021 to 98.0% in 2022 – the only market in which compliance rates decreased, although it remains above the 97.0% target.



Compliance increase in the United States

We continued to make changes to buying guidelines to tighten the audience targeting to increase compliance. We ensured the following policies were followed and the networks we worked with delivered against these guidelines by auditing their compliance throughout the purchasing process.

1. Do not air in movie titles that are PG or G rated.
2. Do not air in animation that is geared towards children under 13.
3. All new programming is screened before airing to ensure it is not geared towards children under 13.
4. Any programs that are more than 10% non-compliant within each quarter's reporting are flagged directly to the network to monitor.

Global content compliance

	# of pieces of content reviewed	Overall compliance
Europe	1 866	99.1 %
North America	910	99.2 %
Asia Pacific	416	97.8 %
Latin America	116	99.1 %
Middle East / Africa	18	100 %
Global*	3 357	99.0 %

*Includes 31 global pieces of content that could not be linked to a specific region



Progress in regional content compliance since last year

Our compliance scores remained stable in most of our regions of operation in 2022.

The notable exception is the Middle East/Africa region. We saw a clear increase in compliance rates going from 90.9% (which was under our target) to 100%. This shows that our remediation actions worked in addressing the issue we had promoting responsible consumption in the region during the past year.

Overall, these compliance rates show that we are now meeting our compliance in all our regions of operation.



Methodology

To ensure effective implementation of our Code, we conduct third-party auditing across those countries that represent more than 80% of our advertising spend. **In 2022, we modified the geographical focus of our audit to exclude Russia and include Austria and South Korea:**

- Australia
- Austria
- Brazil
- Canada
- China
- France
- Germany
- India
- Mexico
- Netherlands
- New Zealand
- Poland
- Saudi Arabia
- South Korea
- United Kingdom
- United States

Nielsen is the third-party auditor that assesses the compliance of our marketing communications and media content across TV, digital video, online display, web pages, social media (paid and organic) and print with our commitment not to develop content which appeals primarily to children under 13 years old, to encourage healthy lifestyles and not condone excessive consumption, and to follow our advertising guidelines.

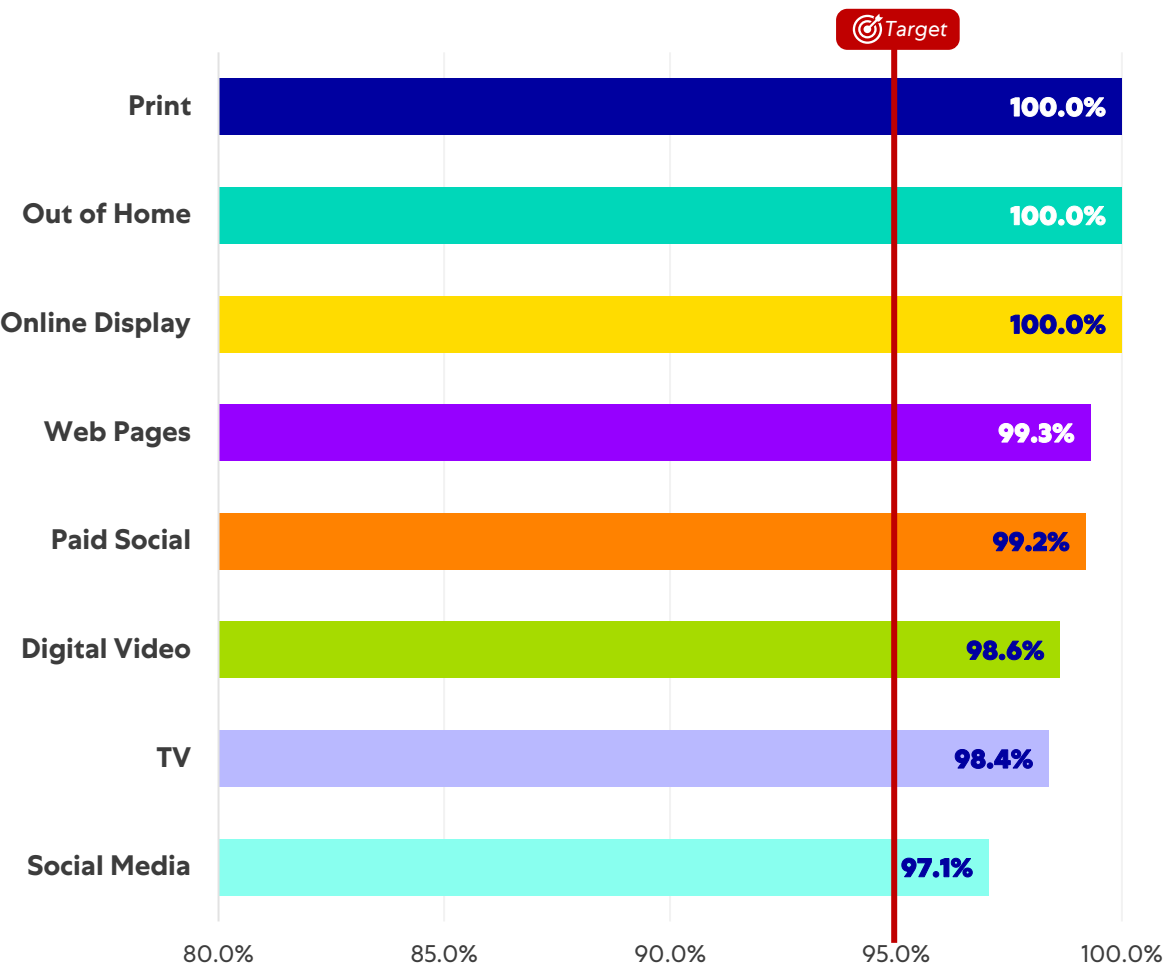
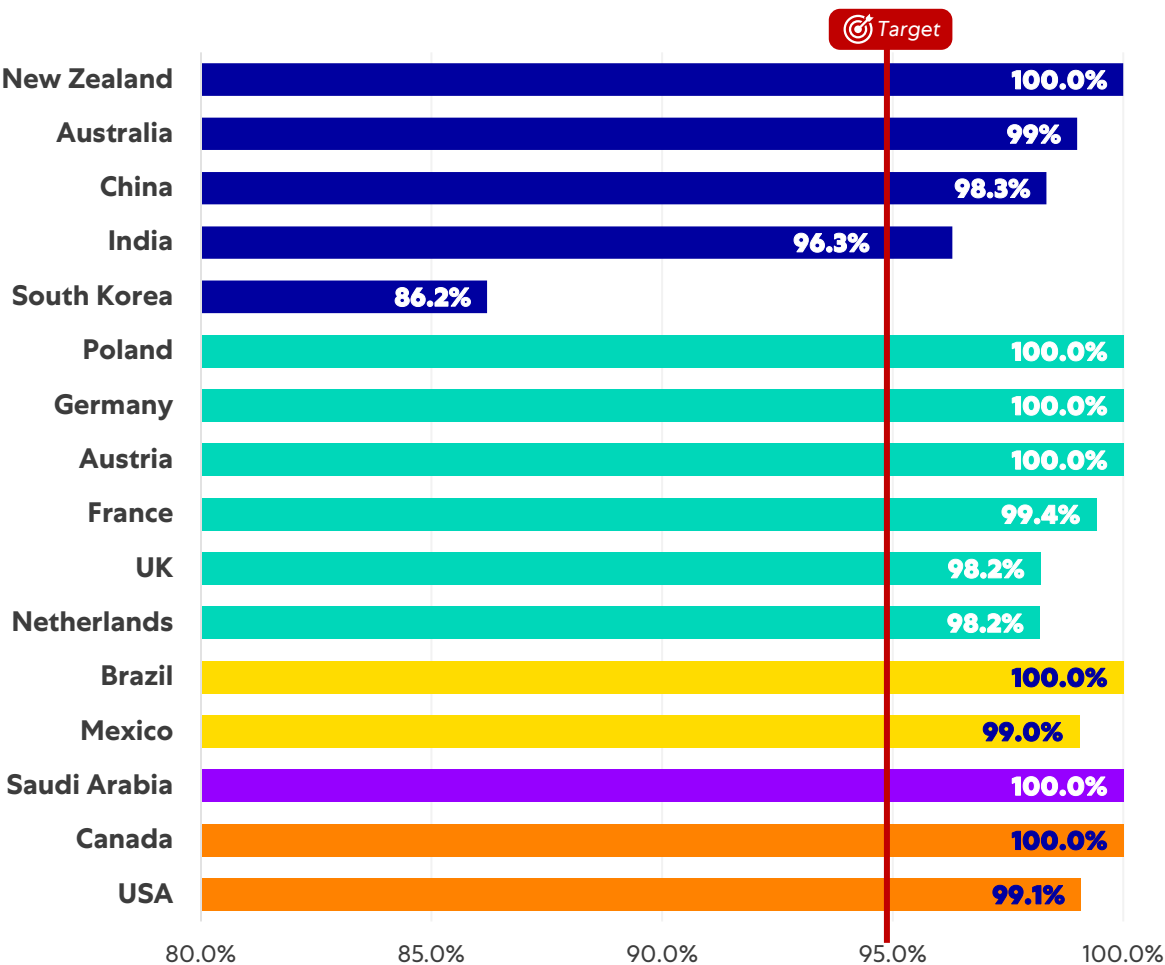
Each quarter, they perform more than 1,100 compliance checks across all markets and channels. Each check covers one specific ad in a certain market and a certain channel, except on social media where checks can cover up to one month of publications. In total, our auditor checked:

- 1 733 web pages
- 306 social media monthly feeds
- 220 digital video ads
- 124 TV ads
- 37 online display ads
- 23 printed ads
- 9 out of home ads
- 906 Paid social media ads

This ensures the content of our marketing communications is compliant with the Code. We have set ourselves **a compliance target of 95%** to account for long lead times to implement changes in some of our marketing content as well as a small element of subjectivity in the auditors' assessment.

Content compliance – detail by market and media channel

We are proud of our overall achievement that in 2022, we surpassed our target of 95% compliance of our content across all channels in all audited countries except in South Korea. This was due to non-compliant social media content and therefore is reflected in the lower compliance figure for this particular channel. Although it should be noted that the audit for this market was based on a small sample (29 pieces of content) due to the methodology originally developed for larger advertising spend markets, we take this seriously and have set out how we have addressed this issue in our list of Remediation Actions on the following page.



Remedial actions

Child portrayal in marketing communications: The audit revealed that children under 13 were sometimes portrayed in marketing content in ways that contravened the Global Marketing Code for Human Food, such as showing children under 13 years on web pages without adults being present. As a result, web pages were screened against our commitment and corrected where necessary.

Promoting responsible consumption: The audit discovered several cases of marketing content not in line with our commitment to promote responsible consumption. The issue was particularly focused on social media and in certain markets, like South Korea. As a result, teams were re-trained on our responsible consumption commitment. Further action is detailed below.

Regional and market focus: The audit revealed that at the regional level, all regions met our goal of 95% compliance in 2022. At country level, only one country did not meet the goal of 95% compliance, which was South Korea at a compliance rate of 86.2%. This year was the first time that the South Korean market was audited in detail, and so the findings served as a reflection point for both our local marketing team as well as our global audit:

- The South Korea marketing team has embraced the learnings from the audit and put in place clearer guidance and governance. Spot checks conducted throughout 2023 have shown an increase in compliance above target.
- Globally, as we extend our audit into markets with smaller advertising budgets, we have noticed that we need to evolve how the audit methodology calculates sample sizes. Until this report, social media assets have been grouped by month and platform to simplify calculations. Even one non-compliant asset in each group was captured as non-compliant for the entire group. However, as this approach penalizes markets with fewer assets and smaller advertising budgets, going forward we will measure compliance at an individual post level and not group assets together.

Case studies: examples of content non-compliance



Violence and antisocial behaviour in India



This is a scene in a Facebook Reels posted by the Snickers brand in India in December 2022. It shows one person slapping another person, which could be considered as violent and/or antisocial behavior. The accompanying text does not mitigate this interpretation as it reads, “Slap sound – woke up the one who slept.” The post could therefore encourage violent and/or antisocial behaviour and is not compliant with the Mars Global Marketing Code for Human Food. The team in India was re-trained on our guidelines to avoid creating any content that portrays violent or anti-social behavior.



Non-compliance with responsible consumption guidelines in South Korea



This image was posted on the Maltesers brand’s Instagram page in South Korea in October 2022. It shows a man holding two packs of Maltesers with no indication in the post that these are meant to be shared. Therefore, the post could encourage excessive consumption and is not compliant with Mars’ responsible consumption guidelines. For action taken please see the “Regional and market focus section” on the left.

Our Inclusive Marketing Commitments

The Mars Marketing Code for Human Food also covers our commitments to promote inclusive marketing.

Our inclusive marketing practices and policies are underpinned by our commitment to make a meaningful difference. To date, we have prioritised the presence and portrayal of underrepresented groups through our advertising and branded content, both in front of and behind the camera.

Our inclusive marketing commitments aim to ensure that creative executions by Mars, Incorporated and our brands show individuals as multi-dimensional and authentically across the content we create. Our Code will continue to evolve to more accurately reflect the full extent of our work.

This year’s Governance Report represents the first time that we have reviewed compliance with our commitments to inclusive marketing. The audit reviews advertising content for the presence and portrayal across Gender, Race, Disability, Age Representation and LGBTQIA+. The results show improvements to the representation of these underrepresented groups, achieving gender parity in our content globally plus fewer instances of negative stereotypes.

Our work to make our marketing inclusive:

Our commitments:



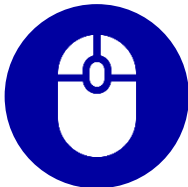
Audit creative for stereotypes annually and publish progress externally via industry forums and in our annual governance report.



Develop tools and training to equip marketing and agency teams to eliminate bias and create more inclusive marketing.



Include a female director and/or a director from other underrepresented groups in triple-bids. Any exceptions must be signed off by our global lead marketer.



Develop and audit the accessibility of our communications ensuring compliance to WCAG 2.1 standards*.

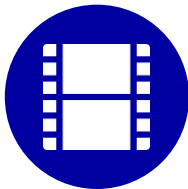
Our focus areas in 2022 included:



Fostering accountability, we have continued to release our results and insights at the Cannes Lions International Festival of Creativity, where this year we celebrated achieving gender parity in presence.



Partnering with the Geena Davis Institute and Nielsen to run annual audits on the presence, perspective and portrayal of underrepresented groups in our content.



Working to develop and pilot measures which increase diversity and inclusion through our targeting in media planning strategies.



We have extended our inclusive marketing practices to apply beyond our advertising including a review of our corporate affairs communications.

Audit results: Inclusive presence and portrayal of people



Compliant Content (%)
Target = 95%

Methodology:
Total content reviewed

3,337

3,333 **Compliant**
(e.g. progressive or neutral)

23 **Not compliant**
(e.g. regressive)

Audit by:
 Nielsen

MARS

Compliance by Market (%)

Australia	99.7
Austria	99.1
Brazil	100
Canada	100
China	100
France	100
Germany	98.7
India	96.3
South Korea	100
Mexico	100
Netherlands	97.7
New Zealand	100
Poland	99.0
Saudi Arabia	100
UK	98.7
USA	100

Compliance by Channel (%)

TV		97.6
Social Media	Organic	99.3
	Paid	98.9
Print		100
Out of Home		100
Digital	Digital video	99.1
	Online display	100
Web Pages		99.6

Compliance by Segment (%)

	MARS WRIGLEY	MARS Food & Nutrition
Asia Pacific	98.8	100
Europe	98.5	100
Latin America	100	100
North America	100	100
ME / Africa	100	N/A
Overall	99.0	100

Compliance by Theme (%)

Gender	99.1
Race	99.8
Disability	100
Age representation	100
LGBTQAI+	100

Color-coding Key



Under Target



Over Target



100% compliant

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Remedial actions

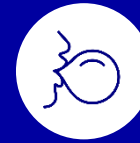
Gender: We have partnered with the Geena Davis Institute for Gender in Media (GDI) for the past five years and have seen significant improvement in our audit results for representation and portrayal of gender. When we started in 2018, only one third of the characters in our ads were female. In 2022 we achieved gender parity. Beyond presence, portrayal is also important. In 2018, women were 5x more likely to be shown cooking than men in our Food advertising, but by 2022 the majority of characters shown cooking in our ads were men.

Out of all the themes audited for inclusion in marketing communications in 2022 with Nielsen, our ambition for progressive or neutral gender portrayal had the lowest compliance rate at 99.3%. Despite our efforts, this leaves 23 non-compliant ads in total. Common issues of non-compliance with gender portrayal included unrealistic depictions of female body shapes, and a game show format with women competing for dates in a way that could be seen as diminishing to women.

Remedial actions:

1. We will refresh internal onboarding and training to ensure all Marketing Associates have a shared understanding of progressive and regressive forms of portrayal of underrepresented groups particularly, across gender and race.
2. We will be launching annual training sessions with inclusive marketing leaders to provide opportunities for our Associates to engage deeply in training content.
3. We will also establish clear lines of communication with dedicated inclusive marketing advisors to provide market-relevant guidance and reviews during the creative process.

Case study



The EXTRA Fit in the UK

In the UK, the EXTRA® brand created an online video featuring a spoof dating show. In the show, women are competing and judged to be picked for a date. In the UK, this format of dating show is widely accepted and part of popular culture.

However, it was perceived that this execution could be seen as diminishing to women. The challenge arose as a female character's voice is heard saying that she went and had cosmetic surgery when she was supposed to be attending university. This created an impression that she valued her physical appearance over her education and could endorse truancy at university. The clip also reinforced unrealistic expectations around female body shape/normalizes the use of cosmetic surgery to achieve a desired body shape.

This video has been retired and is no longer being used.

How we govern responsible marketing at Mars

This report builds on previous Mars Marketing Code for Human Food Governance Reports. You can access those reports [here](#).

Our approach to governing the Mars Marketing Code for Human Food internally

Mars made an industry-leading commitment to establish a streamlined governance framework formalizing existing governance processes and driving increased compliance with our responsible marketing commitments in 2016.

Governance of the Code has driven transparency and accountability to ensure that we 'walk the talk' regarding our responsible marketing commitments through our marketing communications. Our drive towards a wide-reaching governance model enables us to conduct our responsible marketing processes uniformly across our Mars Wrigley and Food segments, and to practice transparency in our compliance reporting.

Our responsible marketing governance structure reflects the importance we ascribe to good governance. It involves reporting of non-compliance issues with Leadership Teams at both regional and global level. Moreover, when ongoing concerns are flagged, Leadership Team members get involved in ensuring that solutions are implemented to improve compliance.

The tools and techniques that underpin our digital governance approach and methodology

Mars takes numerous precautions to guide who sees our marketing communications and that where they are placed is compliant with our Code. The transformation of the advertising landscape as a result of the explosion in digital marketing has introduced multiple challenges in controlling where advertisements are placed and who is exposed to them. To meet our commitments on digital placement, Mars has developed tools and techniques to strengthen compliance and ensure that children under 13 years are not exposed to inappropriate content and that data is not collected from audiences under 16 years. These include but are not limited to:

- Partnering with social media platforms to encourage effective age screening mechanisms and using parental controls or notices.
- Using neutral age screening systems, such as age-gates, to ensure that we restrict children under the age of 16 from submitting personal information.
- Employing age gates on company-owned assets where marketing and promotional content is shown.
- Working closely with our media agency partners to ensure we are using the latest targeting tools available and leveraging audience demographic information, so we don't market to children under the age of 13 online.
- Only working with Influencers who are 16+ and that appeal primarily to audiences 13 years and older.



Marketing responsibly is incredibly important to Mars and is part of how we live our purpose. We were one of the first in our industry to adopt a Marketing Code and to commit not to market to children. We continuously update our commitments and approach to ensure we are responding to shifts in the media landscape and to consumer and stakeholder expectations. As one of the few companies to have a Global Responsible Marketing Officer, we take compliance with our Code very seriously and despite our consistently high results strive to continuously improve our governance.

This report contains icons made by: Anditii Creative, Aranagraphics, Fjstudio, Flowicon, Freepik, Iconogeek26, LAFS, Roundicons, SBTS2018, Those Icons, Vitaly Gorbachev, all from www.flaticon.com

About our placement reviewers: Mediacom

essence**mediacom**

EssenceMediacom unleashes brands' growth by helping them See the Bigger Picture. This means that we apply our unique 'Systems Thinking' philosophy and technology to all marketing levers: media, message and data. As a result, we design communication strategies that deliver short term results and help brands build for the future.

As part of WPP, the world's largest marketing communications services group, and GroupM, WPP's consolidated media investment management arm, we have access to the richest data, most robust benchmarks and most advanced capabilities in the market. This helps us provide comprehensive solutions to all marketing challenges.

Our success is underpinned by our long-standing 'People First, Better Results' belief. We know that by investing in our people's whole-person wellbeing, careers and capabilities, we will help grow our clients' businesses.

About our content auditors: Nielsen



Nielsen is a global leader in audience measurement, data and analytics, shaping the future of media. Measuring behavior across all channels and platforms to discover what audiences love, we empower our clients with trusted intelligence that fuels action.

**The world we
want tomorrow
starts with how we
do business today**

MARS