

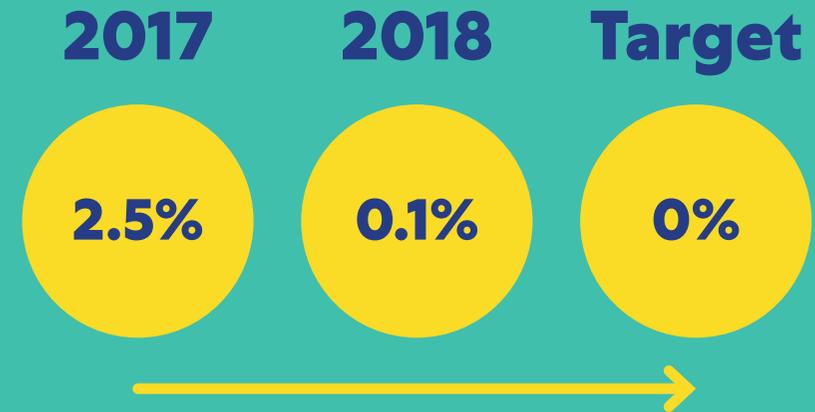
Gender pay gap report 2018

MARS

Diversity and inclusion at MARS



Mars aspires to gender equality across our workforce and we are pleased to report that our 2018 gender pay gap results suggest we are moving in the right direction.



At Mars, we believe the world we want tomorrow starts with how we do business today. That's why we strive to build workplaces where everyone feels included and has the opportunity to do what they do best every day. We know diversity flows from an inclusive culture, which is why our priority is – and always has been – to listen to our Associates and put in place the support they need to progress in their career, at every life-stage.

As part of our Sustainable in a Generation Plan, we are taking steps to unlock opportunities for women throughout our business. We welcome the opportunity provided by the gender pay gap reporting requirements to explore what more we can do to create fully inclusive workplaces.

What is the gender pay gap?

The gender pay gap is the difference between average hourly earnings for men and women. It is influenced by a range of factors, including the demographics of a company's workforce.

UK legislation requires employers in England, Scotland and Wales with 250 or more employees to report the following calculations:

- Hourly pay gap – mean and median
- Bonus pay gap – mean and median
- Proportion of men and women receiving a bonus
- Proportion of men and women in different salary quartiles, ranked from highest to lowest

The mean gender pay gap is the difference in the average hourly pay for female compared to male employees within a company. It is calculated when you add up the earnings of all employees and divide the figure by the number of employees.

The median represents the middle of the distribution. It is the difference between the middle employee in the range of male earnings and the middle employee in the range of female earnings.

How is the gender pay gap different from equal pay?

The gender pay gap is different from equal pay, which is about ensuring men and women in the same jobs and performing equal work receive equal rewards.

At Mars, we design our governance and structures with a view to ensuring equality in pay for all

Associates, including full transparency of target pay and ranges per role. Nevertheless, we will continue to assess the structural factors that can drive pay inequality so that we can make sure these continue to be addressed within our workforce.

“We strive to build workplaces where everyone feels included and can do what they do best every day”

How the gender pay gap is calculated:

Mean Pay:



Total pay of all employees



divided by



Number of employees

Median Pay:



Lowest paid



Median paid



Highest paid

Our 2018 results

Mars aspires to gender equality across our workforce and we are pleased to report that our 2018 gender pay gap results suggest we are moving in the right direction. Our data shows that our overall median hourly gender pay gap is 0.1%, indicating that we have a broadly balanced result between our male and female Associates - which is an improvement of 2.4% from last year's findings. We are proud of this improvement as well as the fact that our gender pay gap remains significantly below the national average. We remain aware, however, that we need to continue to increase the representation of women across the business and ensure we create and sustain gender balance in our team design, pay and leadership opportunities.

We have a unique business structure with separate legal entities employing people across food, confectionery and pet care. A key difference in this year's report is the integration of our Mars Chocolate

and Wrigley businesses into Mars Wrigley Confectionery. We have set out both our overall results for the whole Mars UK business as well as separate data for our business units employing more than 250 people:

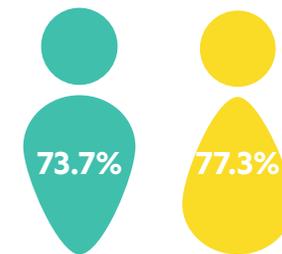
- Mars Wrigley Confectionery UK Ltd
- Mars Food UK Ltd
- Mars Drinks UK Ltd
- Mars Petcare UK
- Crown Pet Foods UK Ltd

Our gender pay gap results vary across the separate entities, according to the demographics and the types of roles offered. Within these results, there are some patterns which influence the data. For example, in certain areas of the business, there are trends in the types of roles men and women are more likely to hold, such as a higher proportion of men working in technical manufacturing roles. We also have a small number of senior global executives, both male and female, paid from our UK business segments, and these pay and bonus figures impact the results.

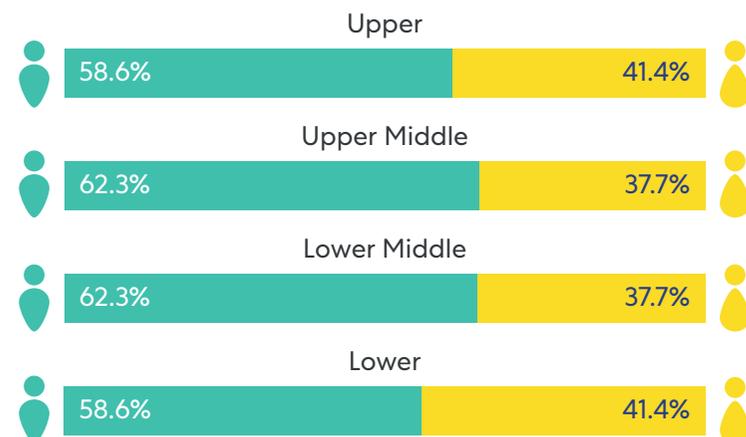
Looking at our total UK workforce, our gender pay gap analysis shows the following:

	2018		2017	
	Mean:	Median:	Mean:	Median:
Gender pay gap:	0.1%	0.1%	2.2%	2.5%
Bonus pay gap:	4.7%	-2.8%	5.2%	4.6%

Proportion of men and women paid a bonus:



Proportion of male and female Associates working in the different pay quartiles



Our plan

While we were encouraged by our 2017 gender pay gap results, we wanted to be sure we were doing all that we could to achieve a fully inclusive workplace. So last year, we decided to ask our Associates what support they needed from the business in order to progress in their career. The insights we gained from our UK-wide diversity and inclusion survey have informed our 2019 plans.

Led by our inclusion-first approach, we also launched our UK-wide 'I can be me' diversity and inclusion movement in 2018, which brings together multiple community groups and work streams to make Mars an even more inclusive place to work. We currently have 130 Associates participating in the groups, who will provide input into our recruitment processes, awareness campaigns, training and events, all supported by our UK leadership team.



For 2019, we are focusing on three key areas:

FLEXIBILITY

The results of our 2018 survey highlighted an opportunity to increase the availability of flexible working options to ensure that all Associates are able to balance their home and work lives and progress in their career

regardless of life stage. We have strong family-friendly policies including flexible working and parental leave but we will be reviewing these to ensure that our flexible options are accessible and inclusive.

PROGRESSION

We want to increase women's representation in roles and functions where they have historically been under-represented in the UK. From our research we know that women in middle-management roles have less confidence than their male equivalents

in achieving their ambition in Mars. To address this gap, we will expand our mentoring of high-potential women and support Associate networks to encourage and assist women at all stages of their life and career.

RECRUITMENT AND TRAINING

In 2018 we invested in inclusive leadership training for our Associates, to address the behaviours and cultural barriers that can limit our Associates from reaching their full potential. In 2019 we will continue to expand this programme, with a target of having 30% trained in inclusive leadership by the end of the year, including all of our senior leadership community.

In the area of recruitment, we endeavour to post all roles internally so that they are open to all Associates equally, as well as ensuring that we have diversity in our hiring panels with multiple assessors involved for every job opening. We are also in the process of incorporating unconscious bias training into our recruitment process, ensuring all hiring managers are aware of their biases as a prerequisite to hiring for a role in their team.

Our results

Employing entity	Total pay gap (Hourly)		Bonus pay gap		Receiving bonus pay	
	Mean	Median	Mean	Median	M	F
Total UK workforce	0.1%	0.1%	4.7%	-2.8%	73.7%	77.3%
Confectionery UK	2.2%	-3.2%	35.8%	4.8%	50.6%	59.3%
Petcare UK	1.8%	1.4%	4.9%	6.8%	98%	94.5%
Food UK	-62%	-31.3%	-439.1%	-73.9%	97.6%	92.3%
Drinks UK*	0.6%	3.7%	8.6%	-4.4%	96.4%	98%
Crown Petfoods	18.3%	12.9%	26.6%	13.9%	93.6%	94.1%

Quartile split

	M	F
Lower	58.6%	41.4%
Lower Middle	62.3%	37.7%
Upper Middle	62.3%	37.7%
Top	58.6%	41.4%

Declaration

This statement has been published in accordance with the UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations. This legislation requires UK employers with 250 or more employees to publish annual statutory calculations showing the pay gap between male and female employees.

Signed By:



Michael Lynch
People and Organisation
Director, Mars Wrigley
Confectionery UK



Justine Weston
People and Organisation
Manager, Mars Food UK Ltd



Philippa Jackson
People and Organisation
Director, Mars Petcare UK



Carrie Anderson
European People and
Organisation Director,
Lavazza Professional UK Ltd*



Alex Chadwick
Director of People and
Organisation, Crown Pet
Foods UK Ltd

*Mars Drinks UK Ltd was part of Mars UK when the data was collected but was sold to the Lavazza Group in December 2018.