



2021 AgWater Challenge Mars, Incorporated Commitment

Mars, Incorporated is committed to working with farmers and key partners in Spain and the U.S. to spur the adoption of locally relevant sustainable rice farming principles that improve water-related outcomes, with an emphasis on soil health and nutrient management practices endorsed by the Sustainable Rice Platform (<http://www.sustainablerice.org/>)¹.

We have mapped water use across our global supply chains and have identified that rice grown in Spain and the U.S., such as in the Mississippi delta, is highly material – with significant use of water for irrigation within water stressed catchments. To address the challenge, we are developing and expanding efforts² such as deploying farmer training and technology to advance more sustainable water use by collaborating with suppliers, promoting sustainable standards such as the Sustainable Rice Platform and Alliance for Water Stewardship, and by supporting a multi-stakeholder project, [Oryzonte](#), in Spain, which promotes Good Agricultural Practices³ in nutrient and chemical use, develops recommendations for policy makers, and enhances cultivation to optimize water use.

We commit to supporting adoption of these practices and programs on 16,500 additional rice hectares in the U.S. (11,000 hectares) and Spain (5,500 hectares) by 2025. To ensure sustainable practices when water outcomes are implemented, we will target a minimum annual score of 90% on the SRP standard from farmers supplying Mars.⁴ These hectares represent 50% of the food rice we source from these two priority regions and 38% of the food rice we sourced globally in 2020.

Mars plans to measure the outcomes of this new commitment and our existing company-wide commitment related to water (Mars' Sustainable in a Generation Plan, 2017)⁵ on an annual basis through blue water withdrawals in excess of sustainable levels as defined in our Water Stewardship Position Statement (<https://www.mars.com/about/policies-and-practices/water-stewardship>).

We will develop partnerships with SRP, suppliers in Spain and the U.S., civil society and agronomy

¹ Targeted practices may include timing and dosage of fertilizer, natural systems for soil fertility enhancement (crop rotation, intercropping, cover cropping, use of organic material (composts, manure, rice straw), and soil salinity management

² <https://www.unclebens.co.uk/docs/librariesprovider17/sustainability/mars-food-uncle-bens-rice-sustainability.pdf>

³ <https://www.oryzonte.com/the-project/?lang=en>

⁴ National Interpretation Guidelines (NIG), as is available in the U.S.A., are designed to serve as a bridge between the global Standard and local field application. The SRP NIG USA questionnaire instrument was designed specifically for the U.S.A. production system and accounts for all U.S.A. federal and state legislation and agency oversight of agricultural operations. It must be used in conjunction with all other SRP program documents, requirements and policies. For more information visit <https://winrock.org/winrock-sustainable-rice-initiative/sustainable-rice-certification/>

⁵ <https://www.mars.com/sustainability-plan>



experts to help us evaluate what water quality outcomes are most material in these geographies and how to address them. The U.S. and Spain are key to Mars' corporate water target of halving our gap to sustainable water usage levels by 2025 and eliminating it in the long term because they represent a material portion of Mars' gap to sustainable usage levels.

Mars will provide implementation support for farmers and suppliers by leveraging partnerships with the SRP, civil society and agronomists to provide education programs, an incentive program for suppliers and farmers, and co-funding for water efficiency programs for our growers and agricultural suppliers. Within the next year we will identify the appropriate educational and/or financial incentive program for suppliers and farmers and begin implementing the program by the end of 2022. These incentive programs will cover 100% of acres and farmers associated with this commitment by 2025. We will participate in collective watershed action via direct collaboration or combined collaboration with appropriate organizations including Optiriego and Good Stuff International and other industry partners such as Herba Rice Mills (Ebro) and Danone within the Oryzonte project.

In addition to the rice Mars' Food purchases from Spain and the U.S., Mars also purchases rice from these locations for some pet food products, which is relevant to Mars' water footprint from rice cultivation in these locations. As relevant, action plans will be developed to help address the water impacts of this rice in Spain and the U.S., drawing on learnings from the food segment's program.