

PETFOOD FORUM EUROPE

6 May, 2024

Nuremberg, Germany

INSIGHTS INTO EUROPEAN PET FOOD TRENDS AND INNOVATION



#petfoodforum • PetfoodForumEvents.com/Europe



Co-located with

Interzoo 2024

A photograph of a person running through a grassy field at sunset. Two dogs, a white one with dark spots and a black one, are running alongside the person. The sun is low on the horizon, creating a warm, golden glow. The person's legs and feet are visible in the foreground, and the dogs are in the middle ground. The background shows a line of trees and a clear sky.

Climate Change Impact On The European Pet Food Supply Chain

Zsoka Ardai, Climate and Sustainable Sourcing Regional Lead

Mars Petcare Europe

MARS

Mars Petcare is part of a broad and diverse family-owned company that's constantly evolving

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



140,000+ Associates

are united and guided by Five Principles of Mars, which span geographies, languages, cultures and generations



1911

Frank C. Mars made the first Mars candies in his Tacoma, Wash., kitchen

70+

Markets worldwide



Global HQ in McLean, VA

glassdoor
**BEST PLACES
TO WORK**



Private,
family-owned
company

\$45B+
NET SALES



170+

Mars brands are enjoyed in 170+ markets worldwide



400+
SITES

3,000
VETERINARY HOSPITALS

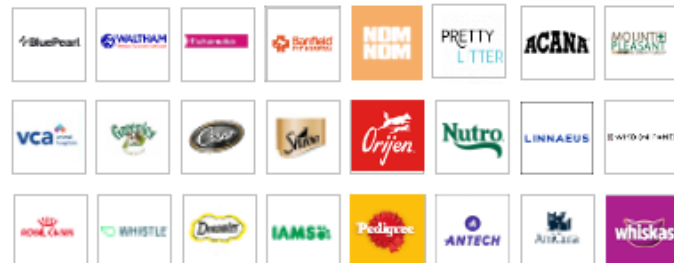


**Billion Dollar
Brands**



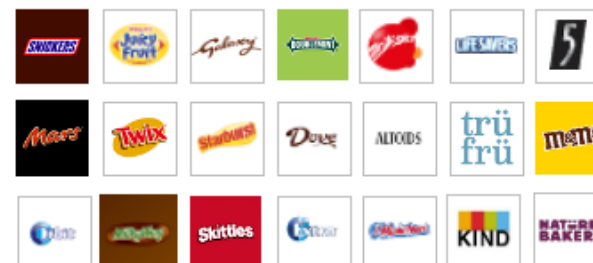
MARS
Petcare

*A Better
World For Pets*



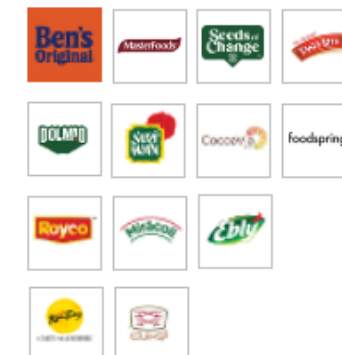
MARS
Snacking

*Super moments
of everyday
happiness*



MARS
Food & Nutrition

*Feeding today
inspiring tomorrow*



Note: Net sales reflect fiscal year ended December 31, 2022 in accordance with U.S. GAAP

Our Mars Petcare Global footprint

450 million
pets served

100,500
Associates

130
Countries

3,000
Hospitals

116
Offices

94
Factories



Our Petcare sustainability efforts are part of the Mars Sustainable in a Generation Plan



Sustainable in a Generation Plan MARS

The Sustainable in a Generation Plan from Mars Incorporated features three interconnected ambitions – informed by science – that will allow the company to address significant environmental and social challenges facing our planet.



Our goal is to reduce our total environmental impact in line with what science says is necessary to keep the planet healthy.



Climate Action

Reduce the total GHG emissions across our value chain by 50% by 2030 and Net Zero by 2050 (from 2015 levels).



Water Stewardship

Halve the gap to sustainable water usage levels by 2025 and ensure water use in each watershed in our value chain is within annually renewable levels in the long term.



Land Management

Hold flat the total land area associated with our value chain.



Circular Packaging

Develop packaging that is 100% reusable, recyclable or compostable while decreasing virgin plastic use.



Our goal is to meaningfully improve the lives of one million people in our value chain to enable them to survive.



Increasing Income

Everyone within our extended supply chains should earn sufficient income to maintain a decent standard of living.



Respecting Human Rights

Everyone touched by our business is treated with fairness, dignity and respect.



Unlocking Opportunities for Women

In our workplace, marketplaces and supply chain.



Our goal is to help our workforce to thrive, to enable consumers to make informed choices, and to make safe food available to all.



Associate Health & Wellbeing

Create work environments that make healthy, energizing choice the easiest choice.



Product and Service Innovation

Continuously improve our products and services for people and pets.



Transparent Information

Provide high quality information to enable consumers to make informed choices.



Food Safety & Security

Enable production of safe, nutritious and enjoyable food.

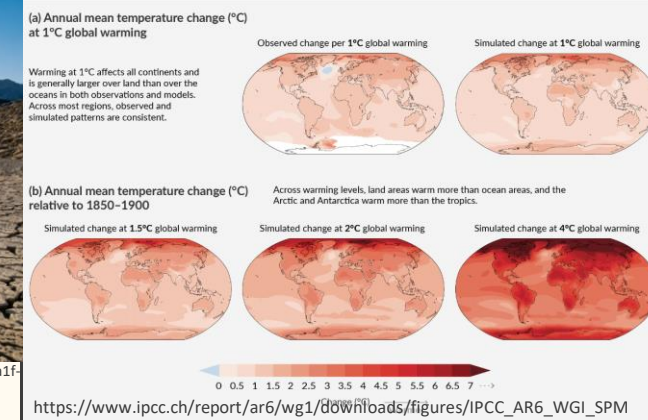
Let's take a step back WHY we need to act now



https://www.iberdrola.com/documents/20125/42541/Desertificacion_746x419.jpg/c83c1c04-5a1f-c171-733b-d132b852f6fb?t=1631776118778

Water scarcity

1.1 billion people worldwide lack access to water, and a total of 2.7 billion find water scarce for at least one month of the year.



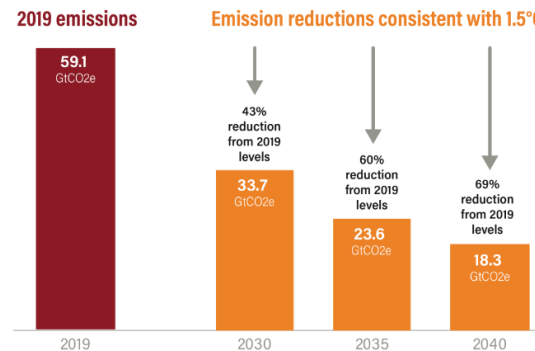
IPCC 6th AR shows that warming at 1 C will affect all continents



43% carbon reduction

By 2030 vs 2019 to keep 1.5 C within reach

GHG emission reductions needed to keep 1.5°C within reach



Note: Analysis of pathways that limit warming to 1.5 degrees C with no or limited overshoot.
Source: IPCC AR6.
24/03/19

WORLD RESOURCES INSTITUTE



95% of all the food produced in the world comes from soil

<https://assets.thenewhumanitarian.org/s3fs-public/images/200805068.jpg>

In Europe, up to **70%*** of soil is now declared as 'unhealthy' but as per FAO, we need to increase food production by 60% to feed everyone by 2050



<https://www.linkedin.com/pulse/soil-erosion-problem-uk-simple-ways-combat-protectearth>
*The Green Deal EU Commission 2023

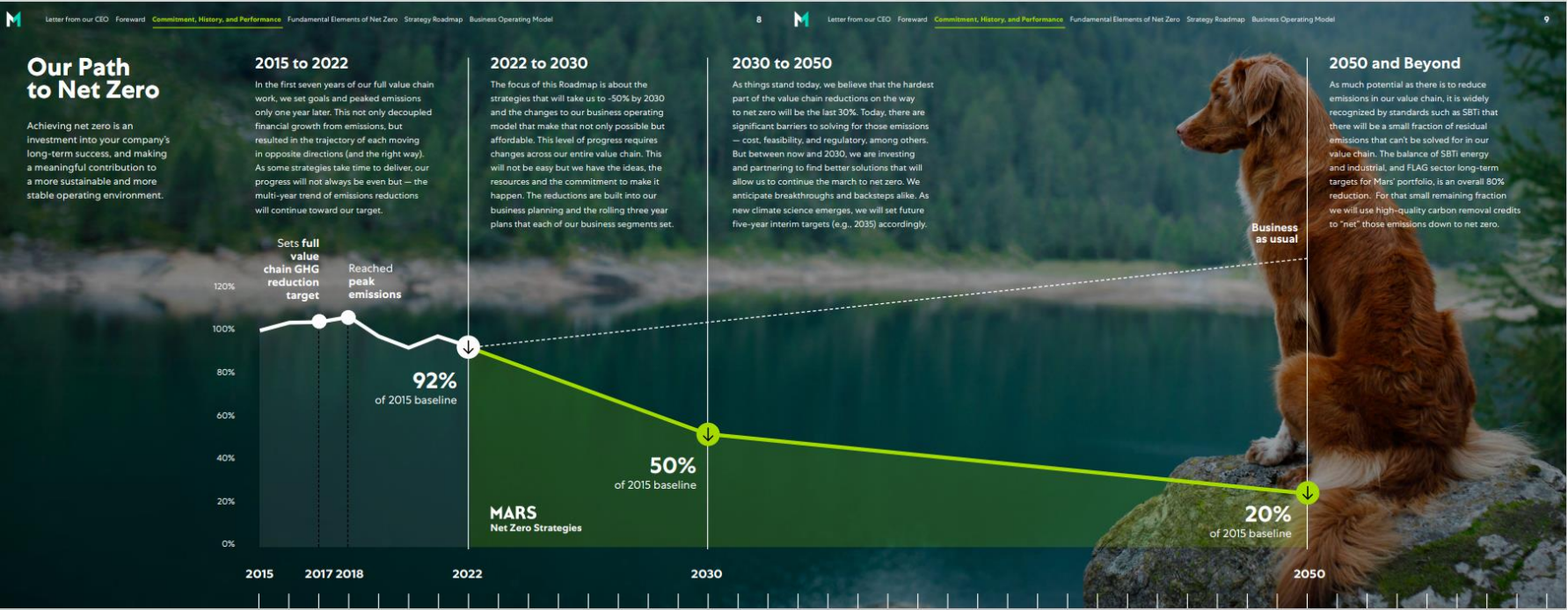
*Source: World Resource Institute

MARS
Pet Nutrition

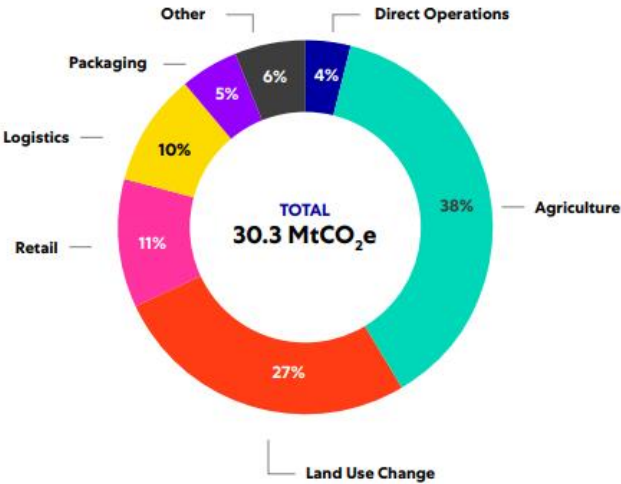
A Better
World For Pets

PETFOOD
FORUM
EUROPE

We published our Mars, Inc. Net Zero Roadmap last year to show our commitments by 2050



Our current carbon footprint



Petcare key focus areas in carbon reduction



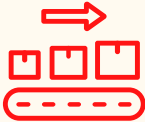
Land Use Change

Deforestation-free
beef and soy by 2025



Agriculture

Transition to more
sustainable farming



Operations

Engaging in
collaborations for
thermal energy



Logistics

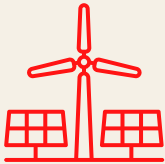
Electrify
Mars and supply
chain fleets

Utilizing lower
emissions fuels



Recipe & New Ingredients

Reformulating for
lower intensity
recipes



Supply Chain Renewables &Other

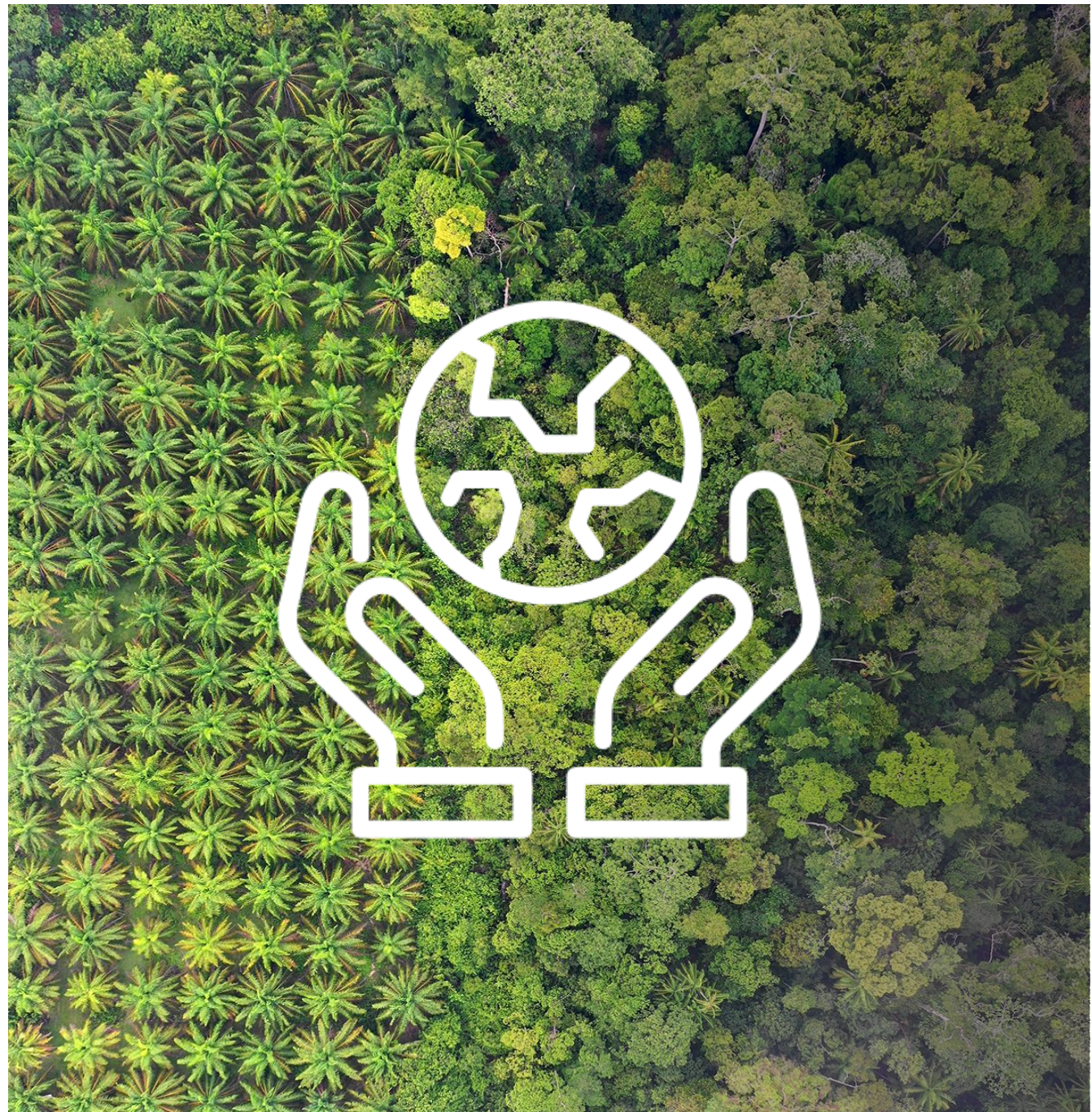
Expanding renewable
coverage

Land use change

Mars Pet Nutrition has specific commitments to halt deforestation and conversion in our beef, soy, pulp and paper supply chain.

Land use change is one of the key drivers of our animal protein footprint

EUDR: Cattle, cocoa, coffee, oil palm, soya, rubber, wood and related products (as defined in Annex I) containing, being fed with or being made using relevant commodities



Holistic farming system that will enhance climate resilience
and impact positively the ecosystem



Why we believe that regenerative agriculture is our ally?

Reduce GHG
emissions



Regenerate
Soil

Protect
Biodiversity

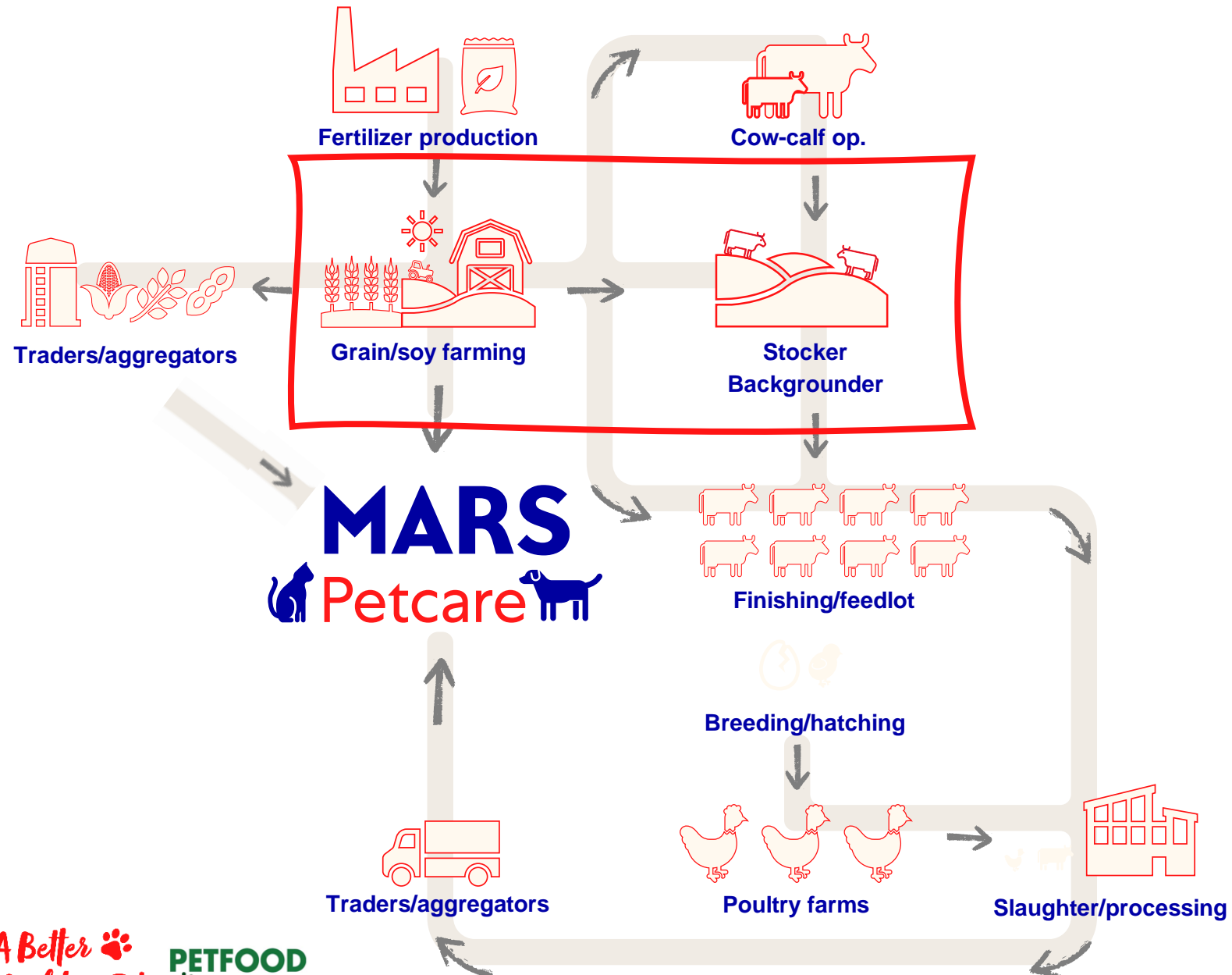


Improve farm and ranch
resilience

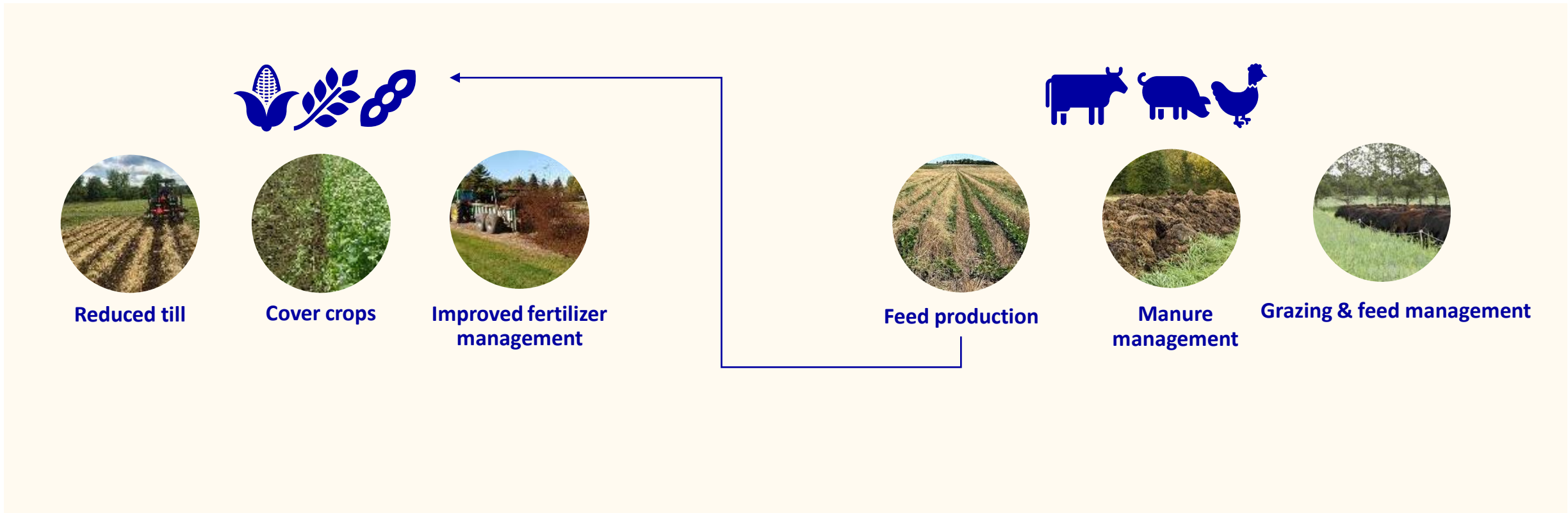
Our Five-Step blueprint will accelerate our journey



Our supply chain is complex...



Synergies across industries



Cross industry collaboration

Our approach:

Every change starts with one individual but with the scale of the impact we face through climate change we cannot drive a meaningful transformation alone.

We need to unite with peers, retailers and other industries player to combat and succeed.





Thank you