

Benchmarking on Mars

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MARS

Best-In-Class Benchmarking Adam Smith Award 2016

Fina Ching/Yuki Wei

Agenda

- **Mars At a Glance**
- **Best-In-Class Benchmarking Sharing**
- **Q&A**

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Mars at a Glance

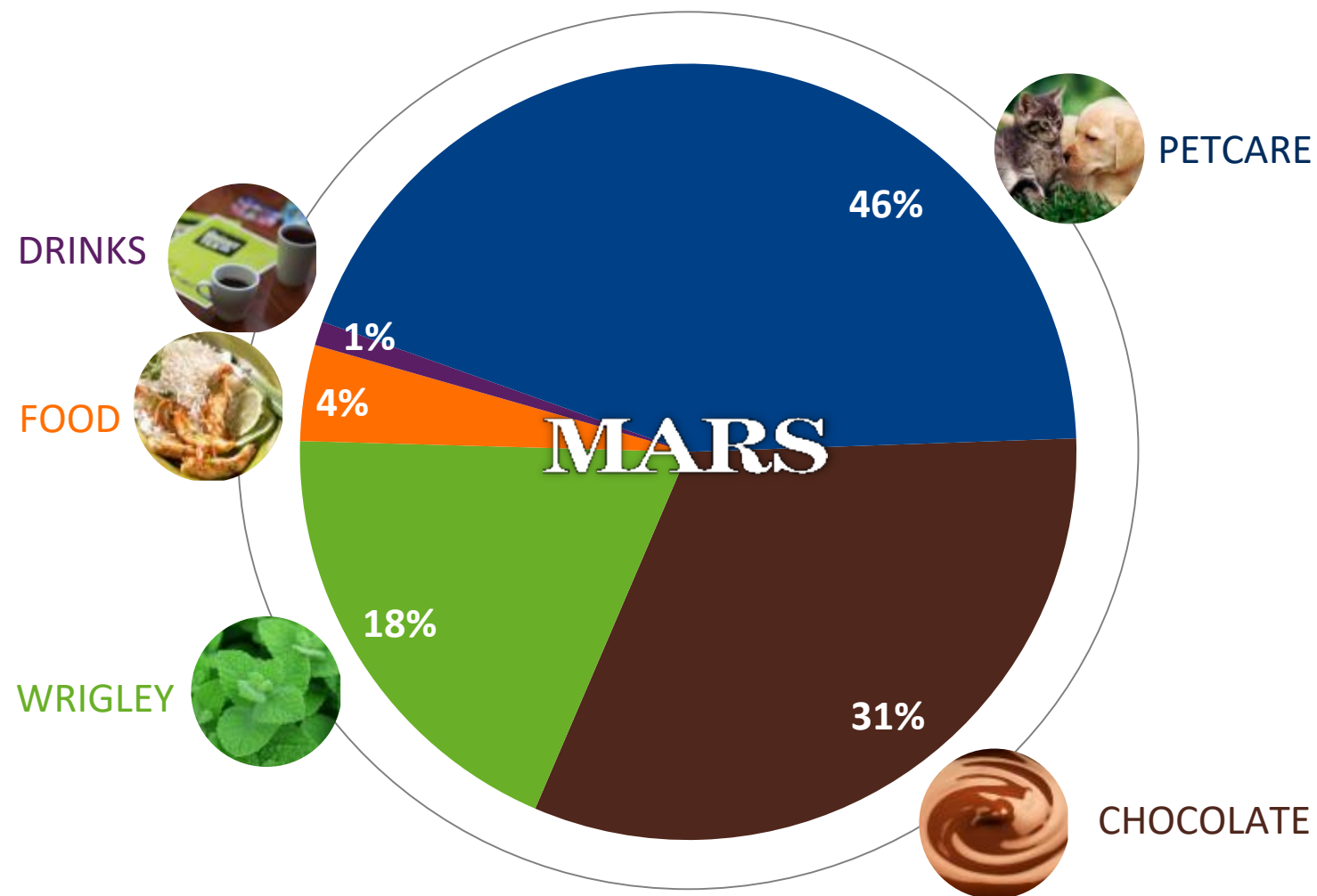
Company Overview:

- ✓ A world leader in petcare, chocolate and gum and confections
- ✓ Products sold in over 180 countries and manufactured through a network of 134 factories
- ✓ Headquarters: McLean, Virginia, U.S.A.
- ✓ Over 80,000 associates at 424 principal sites worldwide

Principal brands					
Petcare	Chocolate	Gum and confections	Food	Drinks	Symbioscience
					
					
					
					
					
					
					

Source: Mars

Segment Review



The Five Principles – the way we operate

"We need Freedom to shape our future; we need profit to remain free."

"If Mars continues to create sufficient profits, we will be free to operate our business in the way we regard as best."



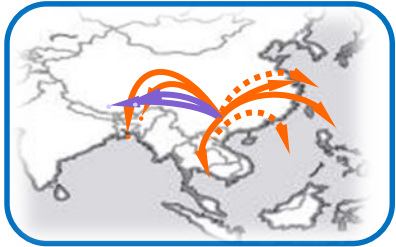
The Five Principles

Quality Responsibility Mutuality Efficiency Freedom

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Our Challenges



➤ **Segments Operation in Multiple Locations and in Different Business Units**

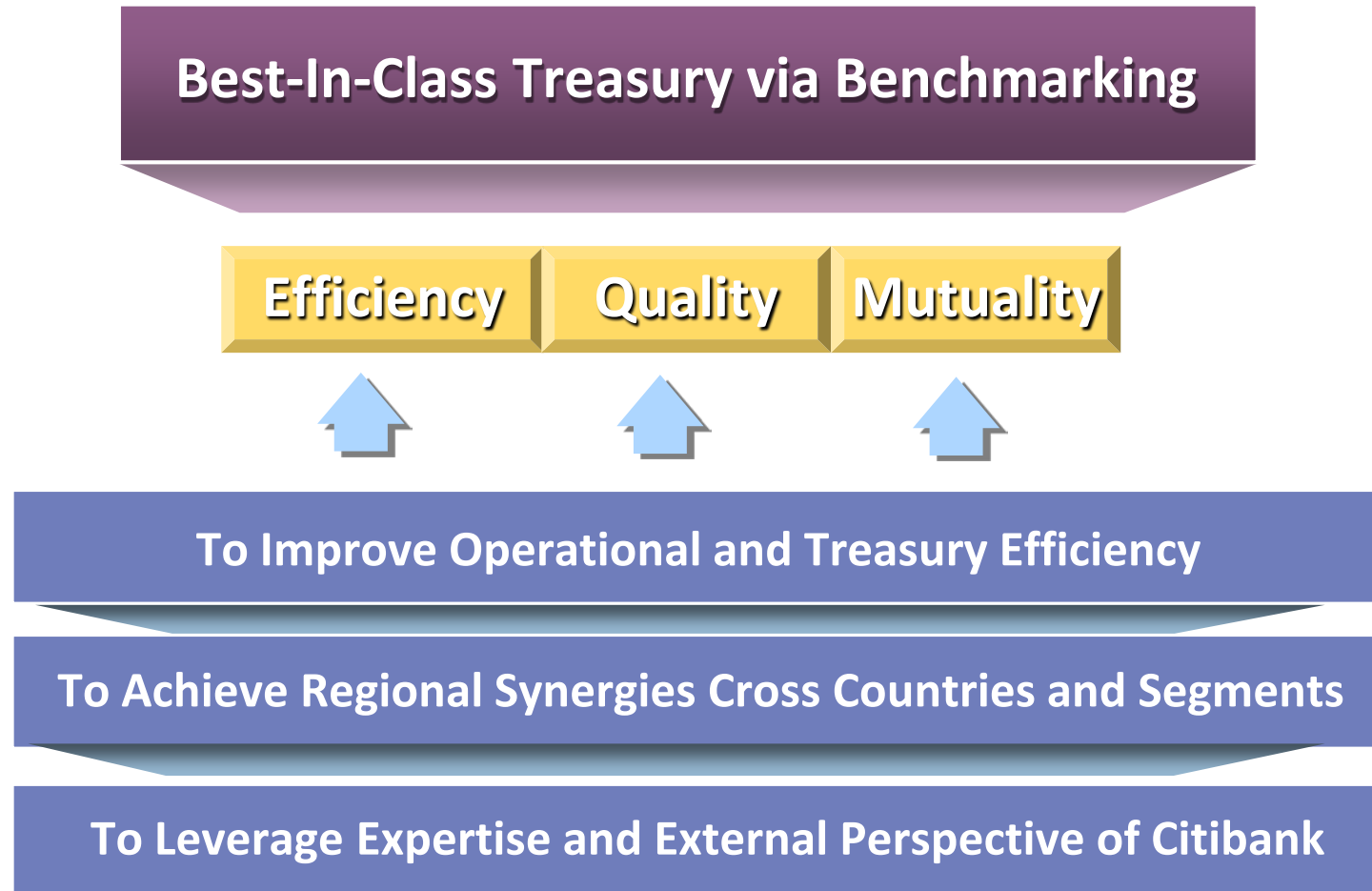


➤ **Diversified Groups of Suppliers and Distributors**



➤ **Varied Bank Services /Products across Different Businesses**

The Objectives



Our Journey



Our Journey

Phase I: Product Heat Map and Treasury Excellence Matrix Development

- Citibank’s Product & Service utilization in Mars by Country by Business Segment
- Treasury Excellence Matrix analysis
- Business Review and Regulation Consideration

Citi Product Heat Map for Mars

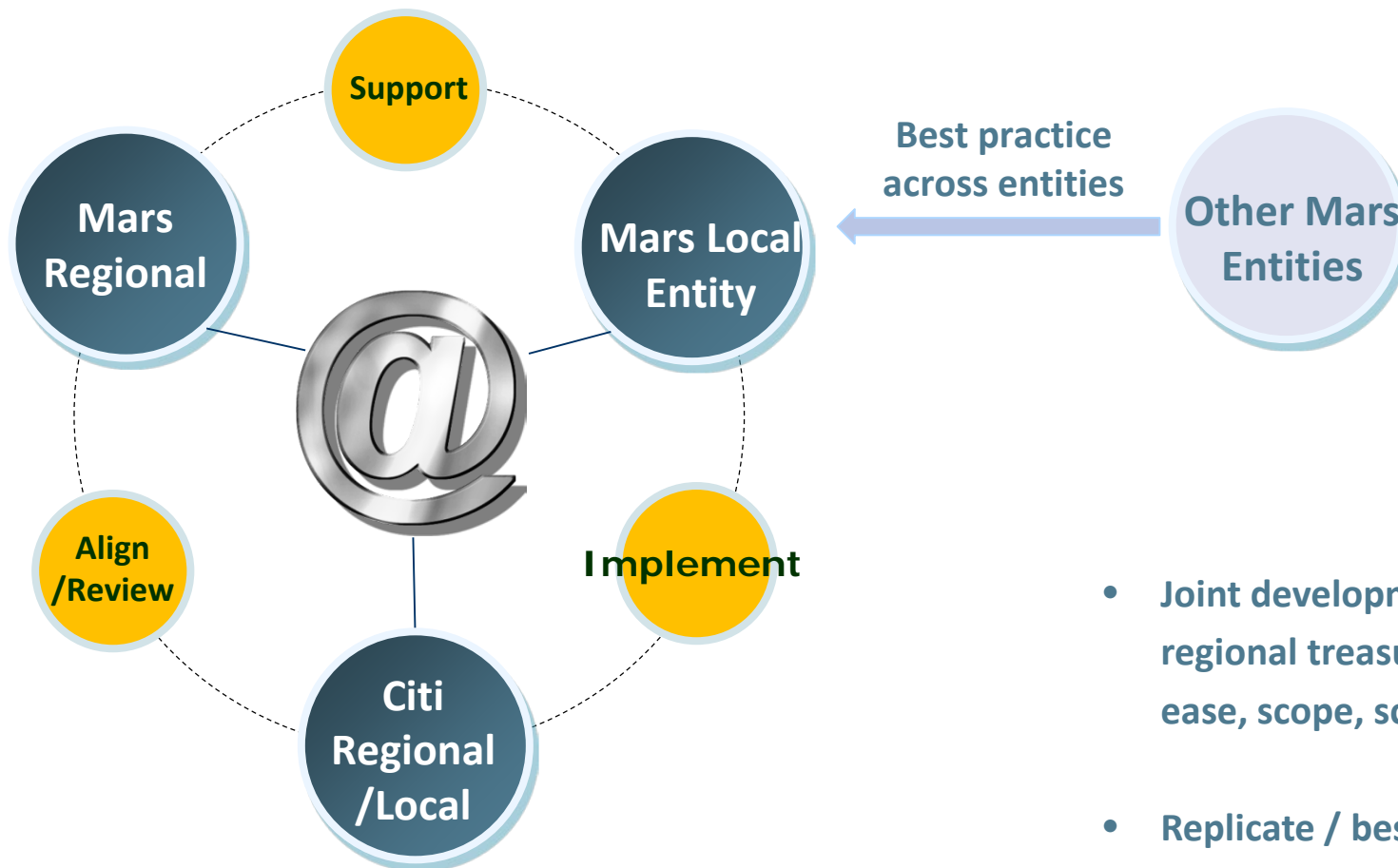
		Country A					Business Review		
		Seg a	Seg b	Seg c	Seg d	Seg e	Why "No"	Opportunity?	Business Consideration
Payments	Product Usage								
	Domestic Funds Transfer (RTGS/High Value)	YES	YES	YES	YES	YES			
	Domestic ACH/ Giro/Low Value	YES	YES	YES	YES	YES			
	Domestic Payroll	NO	NO	NO	YES	NO			
	Domestic Paylink Check	NO	NO	NO	NO	NO			
	Cross Border Funds Transfer	YES	YES	YES	YES	YES			
	Worldlink Wire	NO	NO	NO	NO	NO			
	Worldlink ACH	NO	NO	NO	NO	NO			
Receivables	Tax and Utility Payments	YES	Depends	NO	Depends	NO			
	Domestic ACH /Giro/ RTGS	YES	YES	YES	YES	YES			
	Direct Debit	NO	NO	NO	NO	NO			
	Virtual Account	YES	YES	NO	NO	NO			
	Lockbox	N/A	N/A	N/A	N/A	N/A			
	SMART PDF	NO	NO	NO	NO	NO			
	Check Pickup Services (SpeedCollect)	N/A	N/A	N/A	N/A	N/A			
	Physical Cash Deposit	NO	NO	NO	NO	NO			
	Check Deposit	NO	NO	NO	NO	NO			

Asia Treasury Excellence Matrix

Country / Unit	Global In-house Bank Services (MCNP, IC Netting, Payment Factory)			Banking Products and Services			Banking Management			Cash Management		Governance & Risk Management
	Existing (Yes/No?)	Allowed by Regulation (Yes/No?)	Regulation consideration	Host to Host Connectivity	Citi Evaluaiton Rating	WC Tool Unitlization	In-country Cash Pool	Bank Account Rationalization	Credit Facility Optimisation	No Idle Cash	Cash Forecast Accuracy	
Country A	No	Yes* for FCY No for LCY	Subject to central bank approval and quota cap at USD 30 million.	No	☺ ↓	Virtual Account being implemented	No, Cross entity sweep have tax implications that to be cleared by the	In Progress	In progress	Yes	80%	ISDA in progress

Our Journey

Phase III: Most suitable work plan and implementation



- Joint development of implementation plan by regional treasury and local business in terms of ease, scope, scalability and fit for business purposes
- Replicate / best practice sharing across entities

Our Journey

Phase IV: Quarterly Review and Annual Citi/Mars Day Event



Key Benefits

01

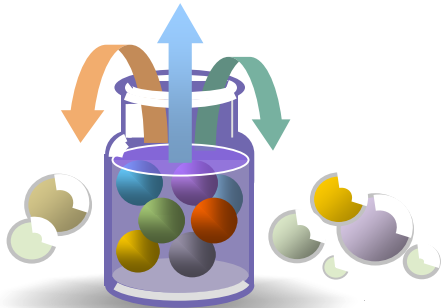
Best-in-class Solutions Identified with Best Practice Transferred within a Country and across Countries

02

Collaborative Approach Internally and Externally

03

Bank Relationship Enhancement



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The Five Principles
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Thank You !

QUESTION TIME



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