

## Particulars

### About Your Organisation

#### 1.1 Name of your organization

Hero AG

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#### 1.2 What is/are the primary activity(ies) or product(s) of your organization?

- Grower
  - Processor and/or Trader
  - Consumer Goods Manufacturer
  - Retailer and/or Wholesaler
  - Bank and/or Investor
  - Social and/or Development NGO
  - Environmental and/or Conservation NGO
  - Supply Chain Associate
  - Affiliate
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#### 1.3 Membership number

4-0979-17-000-00

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#### 1.4 Membership category

Consumer Goods Manufacturers

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#### 1.5 Membership sector

Ordinary

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**Consumer Goods Manufacturer**

**1. Operational Profile**

1.1 Please state your main activity(ies) within the palm oil supply chain. Please select the option(s) that apply to you

- End-product manufacturer
- Food goods manufacturer
- Ingredient manufacturer
- Home & personal care goods manufacturer
- Own-brand manufacturer
- Manufacturing on behalf of other third-party brands
- Biofuels manufacturer
- Other

Other:

**2. Palm Oil and Certified Sustainable Palm Oil Use**

2.1 Please include details of all operations using palm oil, owned and/or managed by the member and/or all entities that belong to the group.

Schwartauer Werke GmbH, Hero España SA, Semper AB, Hero Gida San, Hero Nederland, Hero AG, Organix Brands Ltd, Hero Rus LLC, Hero Portugal Lda, Hero Czech, Hero Slovakia, Hero Trading Co.

2.1.1 In which markets do you manufacture goods with palm oil and oil palm products?

Czech Republic , Egypt , Germany , Russia , Slovakia , Spain , Sweden , Turkey , United Kingdom

2.1.2 In the market(s)/country(ies) where you operate, do you calculate how much palm oil and oil palm product there is in the goods you manufacture?

Yes

2.2 Volumes of palm oil and oil palm products purchased

2.2.1 Total volume of crude and refined palm oil used in the year (tonnes)

1,021.00

2.2.2 Total volume of crude and refined palm kernel oil used in the year (tonnes)

180.00

2.2.3 Total volume of palm kernel expeller used in the year (tonnes)

0.00

2.2.4 Total volume of other palm-based derivatives and fractions used in the year (tonnes)

7.00

**2.2.5 Total volume of all palm oil and oil palm products used in the year (tonnes)**

1,208.00

**2.3 Volume of palm oil and oil palm products used in the year in your own brand products that are RSPO-certified (in tonnes):**

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.3.1 Book and Claim from Mill / Crusher	16	-	-	-
2.3.2 Book and Claim from Independent Smallholder	-	-	-	-
2.3.3 Mass Balance	227	14	-	-
2.3.4 Segregated	732	164	-	-
2.3.5 Identity Preserved	-	-	-	-
2.3.6 Total volume	975	178	-	-

**2.4 Volume of RSPO-certified palm oil and oil palm products sold to 3rd party RSPO certified companies (in tonnes)**

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.4.1 Book and Claim from Mill / Crusher	-	-	-	-
2.4.2 Book and Claim from Independent Smallholder	-	-	-	-
2.4.3 Mass Balance	38	-	-	2
2.4.4 Segregated	3	2	-	-
2.4.5 Identity Preserved	-	-	-	-
2.4.6 Total volume	41	2	-	2

**2.5 According to the information you have provided in this questionnaire, your company has not reached 100% sustainable palm yet by using the four supply chain models (Book and Claim, MB, SG, IP). Do you have plans to immediately cover the gap by using RSPO Credits?**

No

**2.5.1 When do you plan to cover the gap by using RSPO Credits?**

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**2.5.2 Please explain why**

Currently we are focus on achieving our goal, 100% SG. Based on more detailed information in 2018 from our third party suppliers, the SC models did change a bit. Anyhow the volume which is not certified yet is rather small (0.9%) and are mainly palm derivatives, which are more difficult to change.

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**2.6 What is the percentage of RSPO Certified Sustainable Palm Oil in the total palm oil used by your company in the following regions:**

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**2.6.1 Africa**

0%

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**2.6.2 Oceania**

0%

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**2.6.3 Europe**

99%

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**2.6.4 North America**

0%

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**2.6.5 Latin America**

0%

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**2.6.6 Middle East**

100%

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**2.6.7 China**

0%

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**2.6.8 India**

0%

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**2.6.9 Indonesia**

0%

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**2.6.10 Malaysia**

0%

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**2.6.11 Rest of Asia**

0%

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**3. Time-Bound Plan**

**3.1 Year of first supply chain certification (planned or achieved)**2014

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**3.2 Year expected to/or started to use any RSPO-certified sustainable palm oil and oil palm products in your own brand products**2014

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**3.2.1 If target has not been met, please explain why.**

please note that only Schwartau has a certified supply chain (was CU-RSPO SCC-842446). Other entities who produce by themselves did not certify the SC, because their is no need for that. We do not communicate RSPO on pack. Other entities are supplied by thord party producers with RSPO certified plam oil products.

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**3.3 Year expected to be using 100% RSPO-certified sustainable palm oil and oil palm products from any supply chain option in your own brand products.**2020

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**3.3.1 If target has not been met, please explain why.**

See also previous answers. It is only a very small volume (0, 8%) and mainly palm derivatives, which are more difficult to change. 99, 2% is already with certified palm oil. We rather strive to reach 100% RSPO certified from physical SC instead of B&C.

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**3.4 Year expected to be using 100% RSPO-certified sustainable palm oil and oil palm products from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) in your own brand products.**2020

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**3.4.1 If target has not been met, please explain why.**see answer 3.3.1

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**3.4.2 Which markets do these commitments cover?**Czech Republic , Egypt , Germany , Italy , Netherlands , Portugal , Russia , Slovakia , Spain , Sweden , Turkey , United Kingdom

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**3.5 Does your company use RSPO-certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?**Yes

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**3.6 Does your company have a Time-Bound Plan to only use RSPO-certified sustainable palm oil and oil palm products in the goods you manufacture on behalf of other companies?**Yes

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**3.7 When do you expect all products you manufacture to only contain RSPO-certified sustainable palm oil and oil palm products?**2020

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**4. Trademark Use****4.1 Do you use or plan to use the RSPO Trademark on your own brand products?**No

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**4.2 Please select the countries where you use or intend to apply the Trademark.**--  

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**4.2.1 Please state the year that you started using the RSPO Trademark or the year you plan to start using the RSPO Trademark.**--  

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**4.3 Please explain why**

- Challenging reputation of palm oil
- Confusion among end-consumers
- Costs of changing labels
- Difficulty of applying for RSPO Trademark
- Lack of customer demand
- Limited label space
- Low consumer awareness
- Low usage of palm oil
- Risk of supply disruption
- Others

Other:  

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**4.4 Have you uploaded information and images of products using the RSPO Trademark to the RSPO mobile app?**  

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**5. Actions for Next Reporting Period****5.1 Outline actions that you will take in the coming year to promote the use of RSPO-certified sustainable palm oil and oil palm products along the supply chain.**We communicate the use of RSPO palm oil in our sustainability brochure (group and locally)  

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**6. Non-Disclosure of Information**

**6.1 Information in the sections above are mandatory declarations in your ACOP. For confidentiality purposes, members may choose not to display volume data in Section 2 publicly; however, RSPO reserves the right to utilise the member's data on an aggregate basis for sectoral and total analysis. Please check this box if the member chooses to have the data in Section 2 displayed publicly.**

Yes - Display Publicly  

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**7. Application of Principles & Criteria for all member sectors****7.1 Related to company's procurement or operations, do you have organisational policies that are in line with the RSPO P&C? Select all relevant options.**  

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**7.1.A Water, land, energy and carbon footprints**File: [hero\\_sustainability\\_brochure\\_2018.pdf](#)  
Link: see hero sust.brochure  

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**7.1.B Land use rights**

File: --  
Link: n.a.

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**7.1.C Ethical conduct and human rights**

File: [hero\\_code\\_of\\_conduct\\_a4 \(1\).pdf](#)  
Link: see hero sust.brochure and hero code of conduct

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**7.1.D Labour rights**

File: --  
Link: see item c

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**7.1.E Stakeholder engagement**

File: --  
Link: We have internal stakeholder engagement regarding the use of RSPO palm oil instead of others oil sources

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**7.1.F None of the above. Please explain why.**

n.a.

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**7.2 What best practice guidelines or information has your organisation provided in the past year to facilitate the uptake of RSPO-certified sustainable palm oil and oil palm products? What languages are these guidelines available in?**

We do have a Hero group statement regarding the use of RSPO palmoil

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**8. Greenhouse Gas (GHG) Footprint**

**8.1 Are you currently reporting any GHG footprint?**

Yes

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**8.1.1 Please upload your publicly available GHG report**

File: --

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**8.1.1.1 OR please insert the URL to the GHG section of your corporate website.**

Link: GHG is described in the Hero Sust. report , previously uploaded

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**8.2 Please explain and justify why you are not calculating your GHG footprint. Please include any future plans you may have to calculate your GHG footprint.**

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**8.3 What methodology are you using to calculate your GHG footprint?**

(2) CO2e: Carbon dioxide emission equivalents, which measures the Green House Gas footprint implied by the energy consumed.

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**9. Support for Oil Palm Smallholders**

**9.1 Are you currently supporting any oil palm Independent Smallholder groups?**

No

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**9.2 How are you supporting them?**

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**9.2.1 Do you have any future plans to support oil palm Independent Smallholders?**

No

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**9.2.2 When do you plan to start your support for oil palm Independent Smallholders?**

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**10. Challenges**

**10.1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?**

- Awareness of RSPO in the market
  - Difficulties in the certification process
  - Certification of smallholders
  - Competition with non-RSPO members
  - High costs in achieving or adhering to certification
  - Human rights issues
  - Insufficient demand for RSPO-certified palm oil
  - Low usage of palm oil
  - Reputation of palm oil in the market
  - Reputation of RSPO in the market
  - Supply issues
  - Traceability issues
  - Others
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**Other:**

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**10.2 In addition to the actions already reported in this ACOP, how has your organisation supported the vision of RSPO to transform the market for sustainable palm oil in other ways?**

- Engagement with business partners or consumers on the use of CSPO
  - Engagement with government agencies
  - Promotion of CSPO outside of RSPO venues eg trade workshops industry associations
  - Promotion of physical CSPO
  - Providing funding or support for CSPO development efforts
  - Research & Development support
  - Stakeholder engagement
  - Others
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**Other:**

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**10.3 Please attach or add links to any other information from your organisation on your palm oil policies and activities (e.g.: sustainability reports, policies, other public information)**

not possible to upload..

Hero Group Position Statement ,Äi Palm Oil

Updated: January 16, 2016

ÔÇ? Authenticity. Palm oil is a natural, traditional, authentic ingredient. It is currently used in a number of our products.

ÔÇ? Health. In the light of the scientific data, and our internal quality and safety controls, we believe that palm oil consumed as a part of a healthy balanced diet does not increase the risk for cardiovascular disease for adults.

ÔÇ? Design of products for infants and young children. Palm oil allows to produce products with the right fat composition. Palmitic acid in palm oil replicates that found in breast milk, the best nutrition for babies. Our products are designed to be as close as possible to mothers,Äô milk, including their palmitic acid content.

ÔÇ? Sustainable development and consumer trust. We share the concerns about sustainable development. However, a 1:1 replacement of palm oil by other oils would not lead to the desired objectives. Compared to other vegetable oils, including soya, coconut, sun flour or rapeseed oil, palm oil has the highest yield per square meter and replacement by other oils would lead to a shift of the problem or even make it worse. Therefore, instead of replacing palm oil, we strive to assure the sustainability of the palm oil we use. Sustainable palm oil is an approach toward oil palm agriculture that aims to produce palm oil without causing deforestation or harming people, nor with the use of forced or child labour. Our target is to ensure that all palm oil inputs used in Hero products are sustainably farmed and certified with RSPO segregated, or equivalent. More than 90 per cent of the raw materials we use that contain palm oil or palm kernel oil have RSPO certification. We aim to increase this share to 100 per cent by end 2018. Sustainable development is part of our company mission.

ÔÇ? Safety - Vegetable oil process contaminants. In the absence of regulations, Hero has defined strict internal limits to constantly reduce the levels of processing contaminants in vegetable oils in general, and in palm oil in particular.

ÔÇ? The safety of our products is our highest value and in line with our mission to conserve the goodness of nature.

For EXTERNAL distribution

Name: Dr. Stefan Bodenstab, Dr. Sebastian Portius Position: VPs Innovation & Quality Date: December 1, 2016

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