Particulars

About Your Organisation

Organisation Name

The Hershey Company

Corporate Website Address

www.thehersheycompany.com

Primary Activity or Product

■ Manufacturer

Related Company(ies)

No

Membership

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Consumer Goods Manufacturers

Operational Profile

- 1.1 Please state what your main activity(ies) is/are within manufacturing
 - Food Goods
 - Bakery products

Operations and Certification Progress

2.1 Do you have a system for calculating how much palm oil and palm oil products you purchased?

Yes

2.2.1 Do you manufacture for:

Own Brand

2.2.2 Total volume of Refined Palm Oil or Refined, bleached, and deodorized (RBD) Oil Palm sold in the year:

8815.59

2.2.3 Total volume of refined Palm Kernel Oil sold in the year:

13594.00

2.2.4 Total volume of other Palm Oil Derivatives and Fractions sold in the year:

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2.2.5 Total volume of all oil palm products you sold in the year:

22409.59

2.3 Palm oil volume sold in the year in your own brands that is sourced through RSPO-certified physical supply chains:

In Your Own Brand

Description	Refined palm oil/Refined, bleached, and deodorized (RBD) oil palm (Tonnes)	Palm Kernel Oil (Tonnes)	Palm based derivatives or fractions (Tonnes)	Volume of Palm Kernel Expeller used / processed and/or traded in the year (Tonnes)
Book & Claim				
Mass Balance	8,815.59	13,594.00		
Segregated				
Identity Preserved				
Total volume of oil palm products that is RSPO-certified	8,815.59	13,594.00		
	Book & Claim Mass Balance Segregated Identity Preserved Total volume of oil palm products that is	palm oil/Refined, bleached, and deodorized (RBD) oil palm (Tonnes) Book & Claim Mass Balance 8,815.59 Segregated Identity Preserved Total volume of oil palm products that is 8,815.59	palm oil/Refined, bleached, and deodorized (RBD) oil palm (Tonnes) Book & Claim Mass Balance Segregated Identity Preserved Total volume of oil palm products that is Palm Kernel Oil (Tonnes) Palm Kernel Oil (Tonnes) Palm Kernel Oil (Tonnes) 13,594.00	palm oil/Refined, bleached, and deodorized (RBD) oil palm (Tonnes) Book & Claim Mass Balance 8,815.59 13,594.00 Total volume of oil palm products that is Palm based derivatives or fractions (Tonnes) Palm Kernel Oil (Tonnes) Palm based derivatives or fractions (Tonnes) 13,594.00

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2.4.1 What type of products do you use CSPO for?

Confection products

2.5 What is the percentage of certified sustainable palm oil in the total oil palm products your company sells in:

Europe --% India --% China 3% South East Asia --% North America 97% South America --%

2.6 What is the percentage of certified sustainable palm kernel oil in the total palm kernel oil your company sells in:

Europe --% India --% China --% South East Asia --% North America 100% South America --%

Time-Bound Plan

3.1 Date expected to/or started to use any RSPO certified palm oil products - own brand

2014

Comment:

We have sourced 100% mass-balance RSPO certified palm oil since 2014

3.2 Date expected to be using 100% RSPO certified palm oil products from any supply chain option - own brand

2014

Comment:

We have sourced 100% mass-balance RSPO certified palm oil since 2014

3.3 Date expected to be using 100% RSPO certified palm oil from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) - own brand products

2014

Comment:

We have sourced 100% mass-balance RSPO certified palm oil since 2014

3.4 Do your (own brand) commitments cover your company's companies' global use of palm oil?

У

3.5 Does your company use CERTIFIED SUSTAINABLE PALM OIL products in goods you manufacture on behalf of other companies?

n

3.6 Which countries that your organization operates in do the above commitments cover?

- Brazil - Canada - China - India - Malaysia - Mexico - Philippines - Singapore - United States

3.7 What are your interim milestones towards achieving RSPO certification commitment to your own-brands (year and progressive CSPO%) - please state annual targets/strategies

We already have achieved 100% mass-balance RSPO-certified purchases. Through the second quarter of 2015, we have traced about

90% of our purchases to the mill level and 10% of our purchases to the plantation level. We aim to achieve 100% traceability to the plantation level for our 2016 purchases.

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3.8 Date of first supply chain certification (planned or achieved)

2014

Comment:

We have sourced 100% mass-balance RSPO certified palm oil since 2014

Trademark Related

4.1 Do you use or plan to use the RSPO trademark on your own brand products?

No

Please explain why

We do not put any certifications on our products, but include certifications such as RSPO in our annual sustainability report as well as on our corporate website.

GHG Emissions

5.1 Are you currently assessing the GHG emissions from your operations?

Yes

5.2 Do you publicly report the GHG emissions of your operations?

Yes

Report file: M-GHG-Emissions-Report.pdf

URL: http://www.thehersheycompany.com/social-responsibility/shared-goodness/

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote sustainable palm oil.

We are incorporating our commitment to purchasing RSPO certified mass balance palm oil on both our new corporate website as well as our upcoming Corporate Social Responsibility Report. We also will continue our traceability work with our suppliers and continue to monitor their compliance with RSPO standards as well as our own Responsible Palm Oil Sourcing Policy.

Reasons for Non-Disclosure of Information

7.1 If you have not disclosed any of the above information, please indicate the reasons why

Other

- Others:

We do not manufacture products on behalf of other companies, so while we do source 100% mass balance RSPO certified palm oil for all of our products, question 3.5 is not applicable to our organization.

Application of Principles & Criteria for all members sectors

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8.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:				
☑ Water, land, energy and carbon footprints				
Uploaded file: M-Policies-to-PNC-waterland.pdf				
☑ Land Use Rights				
Uploaded file: M-Policies-to-PNC-landuseright.pdf				
Ethical conduct and human rights				
Uploaded file: M-Policies-to-PNC-ethicalconducthr.pdf				
☑ Labour rights				
Uploaded file: M-Policies-to-PNC-laborrights.pdf				
Uploaded file: M-Policies-to-PNC-stakeholderengagement.pdf				
☐ None of the above				
8.2 What steps will/has your organization taken to support these policies?				
We continue to engage with our suppliers to monitor their compliance with these policies. Our palm traceability work will provide extra assurance that our suppliers are in compliance.				
Commitments to CSPO uptake				
Congratulations, your commitments to CSPO uptake is already 100% certified				
Concession Map				
10.1 Does your company or any subsidiary of your company own or manage oil palm plantations?				
No				
Please explain why				

RSPO Annual Communications of Progress 2015

Challenges

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?

We have encountered reputational obstacles with NGOs who have issues with RSPO enforcement of policies on growers and plantation managers. We point to our traceability work and RSPO's recent suspension of a palm oil supplier as evidence of RSPO's effectiveness and importance.

2 How would you qualify RSPO standards as compared to other parallel standards?

Cost Effective:
Yes
Robust:
Yes
Simpler to Comply to:
Yes
3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)
We have engaged with key stakeholders including NGOs and suppliers and made it clear that we believe in the RSPO mission an its ability to transform this industry. We will continue to support RSPO as the certification and collaboration body for palm oil going forward.
4 Other information on palm oil (sustainability reports, policies, other public information)
None

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