

A man in a white shirt and dark trousers stands on a large, fluffy white cloud. He is reaching up with his right hand towards the word 'OPPORTUNITY', which is written in large, white, pixelated letters across the top of a clear blue sky. The bottom of the image shows a green grassy field.

OPPORTUNITY

Challenge OF Leadership

SHARED SERVICES JOURNEY

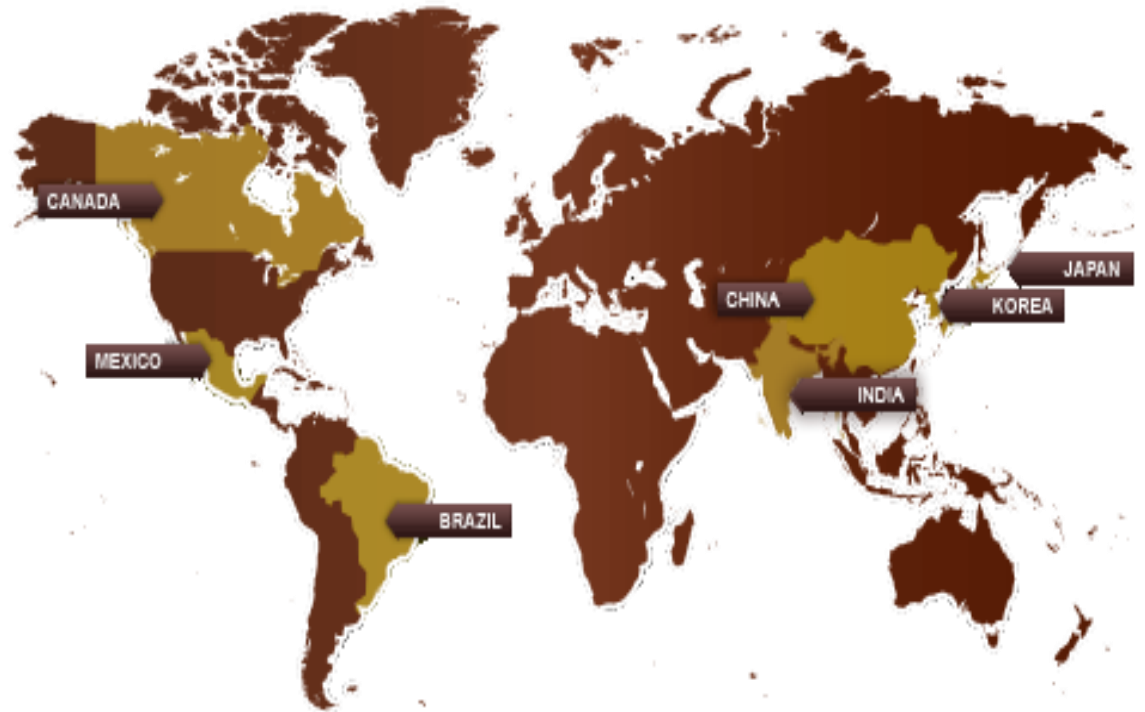
Jeff Kemmerer, former VP Global Shared Services, The Hershey Company

Thoughts to consider

- Shared/Business Services is a capability
- “Define” to promote opportunities...NO one right answer
- Linkage to “organization” strategies creates ownership to define Shared/Business Service goals/strategies
- Organizational culture can be your greatest enabler...
or the most challenging barrier
- The “How” is a critical success factor
- Development of new capabilities within “Business” Service centers
(Engagement Services, Knowledge and Insights Services, etc.)
- Governance can create and strengthen ownership
 - Integrated model includes enabling technology

Hershey, a global company 2015

- ~\$7 billion net sales
- ~14,000 employees around the world
- Products available in over 70 countries around the world
- Hershey products manufactured in 14 countries



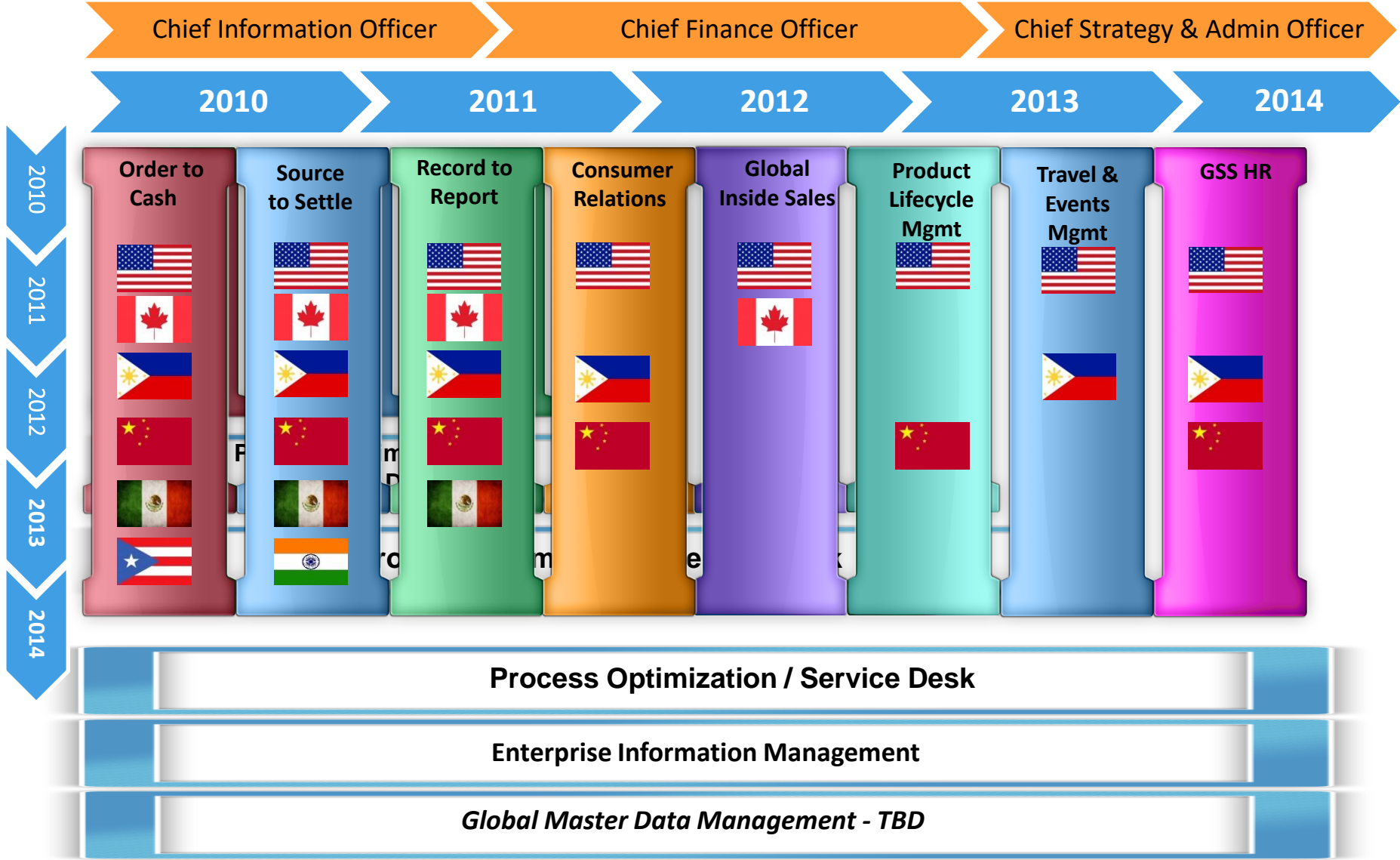
GSS Service Center Locations



375 GSS team members around the globe



Journey to Global Shared Services



Three Drivers to Achieving the Mission

Building trusted business capabilities



Guiding Principles: How we operate

Responsible Governance

- Our **Global Process Owners** (GPOs) understand and embrace their responsibility to oversee our mission, strategic direction, finances and operations of our workstreams.

Standard Global Processes

- We maintain and enhance standard global processes to manage a flat to declining cost structure (excluding growth). ***“Until proven different, unique is not an option.” J.P. Bilbrey, CEO***

Customer Experience

- We cultivate **mutual beneficial relationships** with our stakeholders, partners and customers.

Flexibility

- We are responsive, accessible, visible, agile and adaptive in all business processes and initiatives.

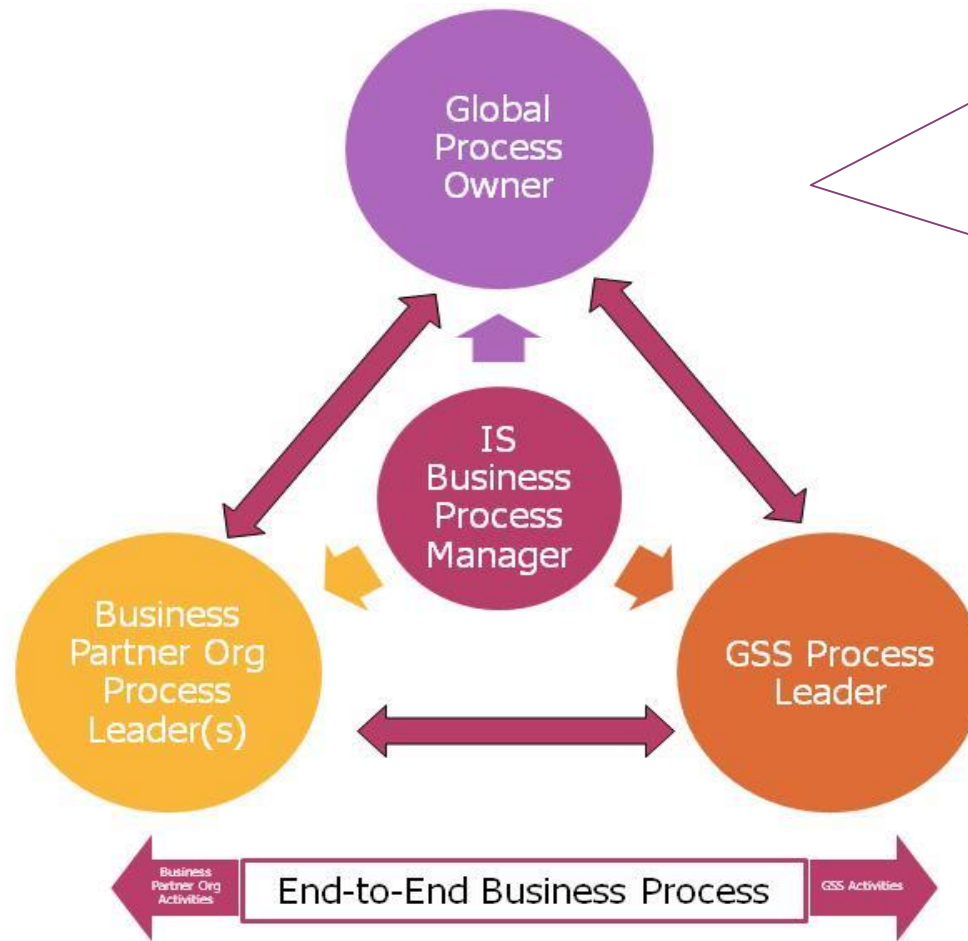
Continuous Improvement

- Continuous improvement is embedded in the GSS culture and is an essential component to our success.

Diverse Culture

- In accordance with our Hershey Values, our people bring different perspectives and innovation into the workplace. Employee involvement and skill development is a way of life.

Global Process Owner model and integral role of IS Business Process Manager



- Ensure alignment of strategies among their respective processes is consistent with Global Shared Services capabilities
- Provide direction around:
 - GSS work stream priorities
 - Service level agreements
 - Changes in Services provided
 - Planning and budgeting
 - Issue escalation resolution

GPO role on GSS Advisory Council

- The Global Process Owner will serve on the GSS Advisory Council to:
- Ensure alignment of strategies among their respective processes are consistent with Global Shared Services vision and capabilities
- Provide direction around:
 - GSS priorities
 - Service level agreements
 - Changes in Services provided
 - Planning and budgeting
 - Issue escalation resolution

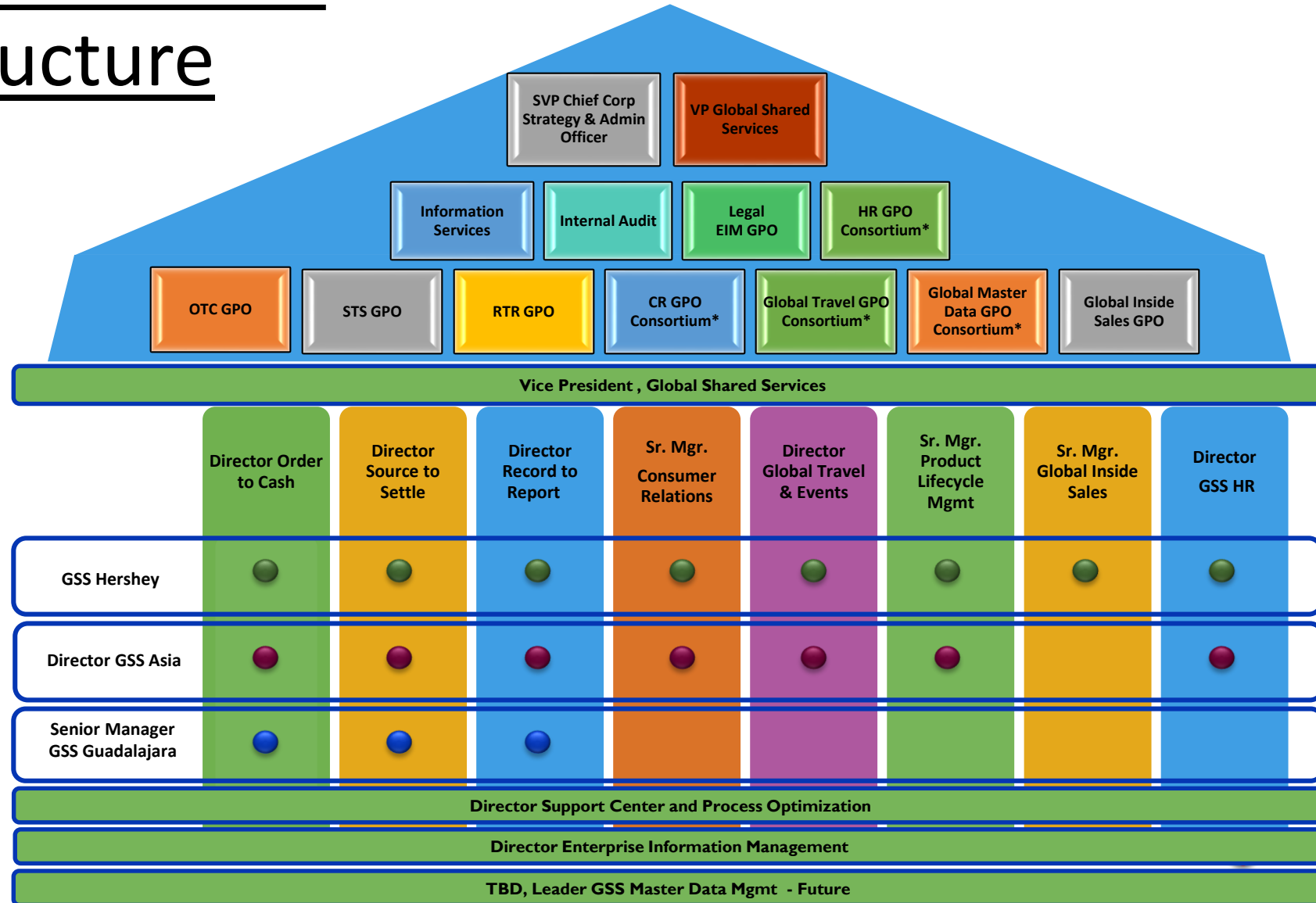
GPO will be accountable for

- Defining the mission, strategy and vision of the global process
- Developing goals and objectives for the process
- Working collaboratively with the Business Partner Organization Process Leader(s), the GSS Process Leader and I.S. Business Process Managers (BPM's) to define process performance measures and assesses performance against metrics
- Working collaboratively with the Business Partner Organization Process Leader(s), the GSS Process Leader and BPM's to define and prioritize process improvement initiatives e.g. implementing initiatives to move toward the "Open to Possibilities" vision
- Acting as the "voice" of the process to constituents

GSS Leadership Team

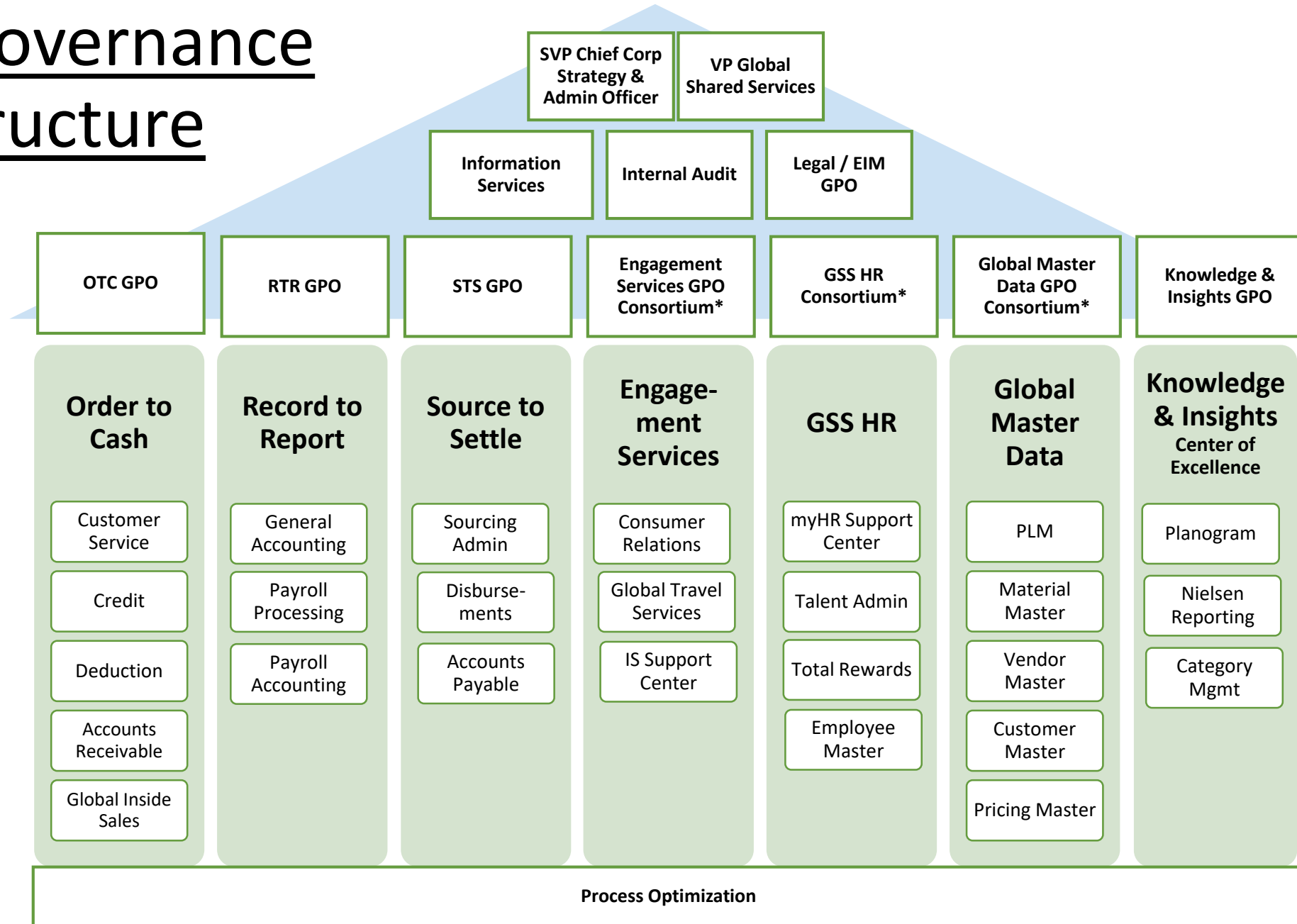
- Day to day service delivery issues
- Continuous improvement identification and feedback
- Service Level Agreement performance review
- Service issues review
- Provide multi-directional feedback

GSS Governance Structure



GSS Talent: ● Hershey, USA ● Manila, Philippines/Shanghai, China/Mumbai, India ● Guadalajara, Mexico/Cataño, Puerto Rico

GSS Governance Structure



Consumer Relations GPO Consortium

VP Corporate Communications	
Director Corporate Communications	
VP Quality and Regulatory Compliance	
Sr. Counsel Global Regulatory	
VP Global Insights	
GM Global Hershey Exp & Licensing	
Sr Director BE Global Commercial Systems	

Global Travel GPO Consortium

GM Mexico	
VP AEMEA Supply Chain	
GM US Customers NA	
GM Canada	
National Sales Director, China	
Chief Accounting Officer	
Sr Director HR AEMEA	

Global Master Data GPO Consortium

VP Global Logistics	
SBP Finance & Planning	
VP Finance SBU & Planning	
VP AEMEA Supply Chain Solutions	
VP Chief Information Officer	
Audit Director Global IT & Operations	
VP Global Customer Capability	
VP Global Shared Services	
VP Global Sourcing & Strategic Alliances	
VP Global Technical Solutions	
VP Human Resources	
VP HR Strategy & Analytics	

GSS HR GPO Consortium

VP Global Total Rewards	
VP HRBP Regions & Commercial	
VP Talent	
VP HRBP Global Functions	

Fueled Acceleration and Growth

- Sustained support from Global Leadership Team
- GSS proven ability to deliver results; build credibility
- Consistently “high” customer satisfaction
- Fully integrated “24/7” working relationship with IS
- Internal Audit and Legal as trusted business partners
- Company Strategic Focus: leveraging global SG&A Expense

Dialogue?

Questions, Comments, Feedback