Supplier Code of Conduct
The Hershey Company has a long history of operating with high ethical standards and integrity. We have done this by balancing our strong desire for profitable growth with our commitments to our various stakeholders, including our employees, shareholders, consumers, and the communities in which we operate. The manner in which our employees manage the social, environmental, and economic impacts of our business model is critical to our business success. Our stakeholders expect Hershey to uphold high standards of responsible and ethical behavior in our operations and to encourage a similar commitment by companies with which we do business.

This Supplier Code of Conduct sets forth Hershey’s standards and expectations with respect to key areas of corporate responsibility. Our goal is to work with suppliers and vendors to assure compliance with these requirements.
The newly formed Responsible Sourcing group was established to evaluate Hershey's supply chain network with regards to social and sustainable standards. Subsequently, it will reassure that products manufactured by The Hershey Company are produced in a socially and sustainable manner (as stated in our Supplier Code of Conduct).

LEGAL COMPLIANCE AND BUSINESS INTEGRITY

Suppliers must comply with all applicable laws and regulations in their country of operation. Also, suppliers must not directly or indirectly give or receive improper business advantage via the giving or receiving anything of value in exchange for preferential treatment.

GUIDANCE:

• The following procedures are prohibited: bribing, conflict of interest, falsification of documents, collusive bidding, price fixing, price discrimination, or unfair trade practices in violation of antitrust laws (OECD Guidelines for Multinational Enterprises).
• The Foreign Corrupt Practices Act (FCPA) makes it unlawful for certain classes of persons and entities to make payments to foreign government officials to assist in obtaining or retaining business.
• Suppliers should take appropriate steps to protect confidential and proprietary information belonging to The Hershey Company.
SOCIAL AND WORKING CONDITIONS

Child Labor
Hershey is committed to the elimination of the “worst forms of child labor,” as defined by International Labor Organization (ILO) Convention 138 & 182, from its supply chain. We expect our suppliers to support and participate in industry efforts aimed at the elimination of such practices wherever they exist in the supply chain.

GUIDANCE:
- Children should not be kept from school to work on the farm.
- Children should not carry heavy loads that harm their physical development.
- Children should not be present on the farm while farm chemicals are applied.
- Young children, generally considered to be under 14 years of age, should not use sharp implements.
- Trafficking of children or forcing children to work are included among the Worst Forms of Child Labor (WFCL).

Forced/Prison Labor
Suppliers must not utilize or benefit in any way from forced or compulsory labor, nor utilize factories or subcontractors that force unpaid labor. The use of official prison rehabilitation programs is not a breach of the Code.

GUIDANCE:
- Suppliers must not utilize or benefit in any way from forced or compulsory labor, including any forms of slavery.
- The recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force, coercion or other means, for the purpose of exploiting them is prohibited.

Working Hours and Wages
Suppliers should provide wages at least equal to the applicable legal minimum wage and any associated statutory benefits. If there is no legal minimum wage, suppliers must ensure that wages are at least comparable to those at similar companies in the local area or to prevailing industry norms. Working hours should reflect applicable legal norms and overtime hours should be paid at the legally mandated premium or at least at the same rate as regular hours worked if there is no mandated premium.

GUIDANCE:
- Suppliers must comply with applicable laws regarding working and overtime hours.
- Regularly, except for operational circumstances, suppliers should provide employees with at least one day off following six consecutive work-days.
- Total working hours must be within allowable limit under applicable law or agreement.
- Suppliers must comply with legal minimum wage laws and regulations, and overtime hours must be paid at the legally mandated premium.
- Accurate written records of employees’ regular and overtime hours should be maintained.
SOCIAL AND WORKING CONDITIONS

Freedom of Association
Suppliers should respect employees’ right to freedom of association including the right to collectively bargain, consistent with local laws and ensure that all employee relationships are of a voluntary nature.

GUIDANCE:
• Respect employees’ right to freedom of association (including the right to collectively bargain).
• Suppliers should provide confidential channels for employees to raise grievances, and records should be maintained.

Non-Discrimination
Hiring and employment decisions, including those relating to compensation, benefits, promotion, training and development, discipline, and termination, should be made solely on the basis of the skill, ability, and the performance of workers. Discrimination is not permitted on the basis of race, religion, gender, political opinion, national extraction, or social origin. (International Labor Organization Conventions 100 and 111) In addition, unfair treatment of pregnant employees is prohibited.

Health and Safety
The Supplier must provide employees with a safe and healthy working environment for all employees that includes appropriate controls, safety procedures, preventative maintenance, and protective equipment. Practices must comply with all relevant local and national laws, codes and regulations.

GUIDANCE:
• Suppliers provide a safe and healthy workplace. Safety and Health procedures must comply with all relevant local and national laws, codes and regulations.
• Records of health and safety trainings, accidents and injuries at the workplace, should be maintained.
• Suppliers must train employees on emergency evacuation procedures.
• If applicable, suppliers must ensure dormitories are clean, well maintained, and in compliance with safety regulations.
ENVIRONMENT AND SUSTAINABILITY

Environmental impact is a key part of The Hershey Company’s business practices and the company is committed to supporting sustainable operational and agricultural production practices, such as the Food and Agriculture Organisation (FAO) of the United Nations – Good Agricultural Practices (GAP) initiative. At a minimum, suppliers must fully comply with all local environmental laws and regulations and should strive to conduct their operations in a way that conserves natural resources.

Pollution Prevention and Resource Reduction
Suppliers should reduce waste and usage of all types by implementing appropriate conservation measures in their operations. Improvement plans for waste reduction, recycling, energy conservation and greenhouse gas mitigation policies should be in place, along with demonstrable evidence of implementation.

Environmental Permits and Reporting
Suppliers must obtain, maintain and keep current all required environmental permits (e.g. discharge monitoring) and registration and any operational and reporting requirements shall be followed.

Wastewater and Solid Waste
Wastewater and solid waste are to be monitored, controlled and treated as required prior to discharge or disposal and records of effluent monitoring shall be maintained.

Air Emissions
Air emissions generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge and records of air monitoring shall be maintained.
FOOD SAFETY AND QUALITY

Hershey is dedicated to providing safe high-quality products, and its suppliers must deliver products and services that meet food safety and quality standards required by applicable law and The Hershey Company quality standards.

VERIFICATION AND COMPLIANCE

Suppliers should have adequate monitoring and record keeping systems to ensure compliance with the Code. The Hershey Company reserves the right to monitor, review and verify compliance with the Code.

GUIDANCE:

• In case of Non-Compliance, corrective actions will be set forth, in order to comply with laws and regulations.
• The Hershey Company reserves the right to terminate its business relationship with a Supplier who is unwilling to comply with the Code.

SUPPLIER’S CERTIFICATION OF COMPLIANCE

By its acceptance of any purchase order from The Hershey Company, the Supplier acknowledges its acceptance of the Code and intention to comply with its requirements.

If you have additional questions about this Supplier Code of Conduct, please contact your buyer, category manager, or Hershey’s Responsible Sourcing team at ResponsibleSourcing@hersheys.com.