At The Hershey Company, we believe that when people come together with a passion for a common purpose and goal, great things can happen. Our founder, Milton Hershey, understood how important the environment was to creating a great workplace and successful business. That’s why he chose Central Pennsylvania – with its proximity to dairy farms that could provide fresh milk for making chocolate – as the ideal place to establish The Hershey Company.

He also understood the importance of conservation in the manufacturing process – from using Pennsylvania limestone unearthed during his factory construction to erect buildings in the community to his early 20th century recycling center and his use of steam from the factory for heating local homes. He also cared deeply about the overall wellbeing of his community. Our legacy of environmental stewardship has long been embedded in the products we make. In the face of fast-growing environmental challenges, we know we must do more for future generations. Climate change is an increasing threat to the health and wellbeing of our planet.

Our company relies on commodities grown throughout the world under many different conditions, and we fully appreciate the impact climate change is having on the ingredients needed to make the snacks our consumers love. The increasing threat of climate change and other natural resource depletion poses serious risk to the sustainability of our industry, to the farmers we rely on for the ingredients we purchase, to local communities and to future generations.

If no action is taken to reduce greenhouse gas (GHG) emissions globally, we will see increasingly severe weather patterns, dwindling resources and increased political instability. Issues like climate change, deforestation, water demand and pollution, waste and packaging all impact our business and require our attention as we continue to look for ways in which we can reduce our environmental impact.

But we remain optimistic that solutions are not only possible but within sight. Doing good by the planet is no longer just about doing the right thing; it’s good business. It is imperative for our business that we act. From these global challenges, we see opportunity to innovate, by creating new products and services that delight our consumers while at the same time reducing our environmental impact.

We honor Milton Hershey’s legacy today by working to further embed our Shared Goodness Strategy into how we do business. As the Chief Executive Officer of The Hershey Company, I commit to providing the leadership and resources to make sure this commitment is integrated throughout the company.
At Hershey, our business is to delight our consumers with great tasting, high quality snacks. We have a responsibility to not only deliver great products and strong investor returns, but to also help ensure the livelihoods of those who supply and support our business, to help protect the rights of individuals associated with our business and to manage our environmental impact. Toward this end, we believe that anything is possible when we come together with our employees, governments, civil society and other partners collectively working towards maximizing our societal impact.

THE HERSHEY COMPANY–ENVIRONMENTAL POLICY

Climate change, water scarcity, natural resource depletion and biodiversity degradation pose an increasing threat to our planet, to communities and to individuals around the world. They also threaten the sustainability of our business. These issues often disproportionately impact the most vulnerable who lack resilience and resources to adapt to changing environments.

A strong and healthy planet is critical for the ingredients and commodities we rely on to make our products. It is also necessary for maintaining thriving communities where we live and work whether they are farmers who grow the ingredients for our products, our employees who make them, or consumers who are delighted by our delicious treats and snacks.

As we face these challenges, we see opportunity for our business to grow and develop new products and services that continue to delight consumers, while also reducing our environmental impact and safeguarding our planet for future generations.

The environmental issues are vast and complex and cannot be solved in isolation. They will require collective action by governments, businesses, NGOs and multilateral organizations, and Hershey is committed to doing its part to create positive change. We are focused on limiting global warming to less than 2 degrees Celsius, aligning with the Paris Climate Agreement. We are actively working to help achieve the objectives of the Sustainable Development Goals and abide by the principles and goals outlined in the UN Global Compact. Our environmental strategy – “Shared Planet” – which is part of our larger global sustainability strategy called “The Shared Goodness Promise,” is reflective of these global frameworks.

This Environmental Policy outlines The Hershey Company’s commitment to reducing our environmental impact and how all of us at Hershey share the responsibility for achieving our goals.

OUR APPROACH

The Hershey Company is working to better measure, reduce and report our environmental impact with a goal of meaningful and sustainable change. Specifically, Hershey is committed to:

- Addressing the direct environmental impact from our manufacturing facilities, offices, energy procurement efforts and transportation needs as well as the indirect impact, which arises both upstream and downstream in our supply chain.

- Responsibly and sustainably sourcing our ingredients, packaging materials and other goods and services in a manner that complies with our Supplier Code of Conduct.
OUR APPROACH CONT.

• Utilizing the best available data, science and external stakeholder engagement to inform our strategy, evaluate our impact and evolve our policy and programs as needed

• Focusing on our global environmental impact as well as the direct impact to the communities where we live and work and where we are uniquely able to make a difference

• Engaging our remarkable employees in identifying innovative solutions for integrating sustainability into their daily work, providing them with the tools and resources required to deliver on our commitments.

• Fostering multi-sectoral partnerships to reduce the environmental impact across our value chain and to identify new solutions to some of the most pressing challenges we see today.

• Complying with applicable legal environmental requirements and our internal requirements where there are no applicable environmental standards.

SCOPE OF POLICY

The Hershey Company is committed to reducing our impact on air, land and water across our global supply chain. This Environmental Policy applies to:

• All employees and contractors of The Hershey Company through our Code of Conduct and EH&S Policy.

• Suppliers, as detailed in the standards and expectations outlined in the Supplier Code of Conduct.

GOVERNANCE

The Hershey Company’s Environmental Policy outlines our responsibility to the environment and is implemented through the Shared Planet pillar of our global sustainability strategy, The Shared Goodness Promise. Our sustainability efforts are directly overseen by the Sustainability Steering Committee, which is comprised of Vice Presidents from across all major business functions, The Hershey Company Executive Committee and The Hershey Company Board of Directors.