



THE HERSHEY COMPANY HUMAN RIGHTS POLICY

POLICY

The Hershey Company (“Hershey”) was founded on the principle of doing well by doing good and for more than 125 years, we have operated our business understanding that we are integral members of the communities where we live and work.

The remarkable and diverse group of people who work for Hershey and the individuals who participate in our value chain are some of our most important resources. We believe in the principles of equality and non-discrimination, are committed to treating all individuals with respect and dignity, and work to use our influence and business relationships to promote the opportunity for all people throughout our value chain to exercise and enjoy their fundamental human rights. We also recognize the interdependence of human rights and the environment – particularly as it relates to land and natural resources and the importance of the people whose livelihoods depend on the ingredients we source. We do this in accordance with our endorsement of UN Guiding Principles on Business and Human Rights (UNGPs) and our commitment to the UN Global Compact and the Sustainable Development Goals.

The Hershey Company’s human rights policy outlines our commitment to respect human rights throughout our value chain and is part of our global sustainability strategy, [The Shared Goodness Promise](#). Our policy is guided by the International Bill of Human Rights, including the Universal Declaration of Human Rights; the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social, and Cultural Rights; and The ILO Declaration on Fundamental Principles and Rights at Work. When developing our human rights policy, we also sought the input of diverse stakeholders, including representatives from labor and nonprofit organizations, our suppliers, investors, and governmental bodies. We further communicate our commitment to human rights to our employees and the public via our [Code of Conduct](#), which is available in 10 languages, as well as our [Supplier Code of Conduct](#), our health and safety policies, and our diversity and inclusion policies and commitments – including our Discrimination and Harassment Prevention Policy, among others.

SCOPE OF COMMITMENT

Our human rights policy applies to all employees of The Hershey Company, including part-time and temporary workers as well as independent contractors. Our commitment to respect human rights also extends to all individuals throughout our value chain, and we use our relationships with our co-manufacturers, independent suppliers, and other business partners to encourage and promote the principles of this policy throughout their networks.

As a company, we abide by the laws in the markets where we operate. Where local laws are less stringent than our policies and internationally recognized human rights and employment standards, we are guided by the more stringent policies and standards and encourage our suppliers to follow these standards and principles. We also expect our co-manufacturers and independent suppliers to share our commitment and standards by adopting similar policies and upholding these values within their business operations and, where possible, work with them to develop the capacity to do so. Our [Supplier Code of Conduct](#) further reinforces and clarifies this commitment.

FOCUS AND SALIENT ISSUES

We are committed to respecting all internationally recognized human rights and our management policies and ongoing procedures cover the breadth of these rights, principles and related issues. Our approach to human rights starts with understanding how our products, business activities and operations may impact rightsholders, both positively and negatively. We focus on the human rights issues that are most salient to our business - identified via a formal human rights saliency assessment conducted in 2018 in accordance with the UNGPs. Among the broader human rights issues we identified, our saliency process prioritized (in alphabetical order):

- Access to grievance mechanisms
- Access to water and sanitation
- Child labor
- Climate change
- Deforestation
- Forced labor and human trafficking
- Land rights and acquisition
- Living wage and income
- Safety and health
- Women's rights and empowerment

In prioritizing these issues, we recognize that some groups may be at greater risk of negative human rights impacts due to their vulnerability or marginalization. Furthermore, while Hershey will support these issues through general programs and policies, we realize that to fully address these issues, Hershey may implement different types of support, strategies for remediation, or access to grievance mechanisms for different groups or circumstances.

Finally, Hershey recognizes that other issues may grow in importance over time. We remain steadfast in our commitment to identify these issues and take appropriate actions to respond to potential human rights risks. We leverage our relationships and regular dialogue with external stakeholders to capture these changes and review our focus areas bi-annually with the Hershey Sustainability Steering Committee.

IMPLEMENTATION AND COLLABORATION

We conduct due diligence throughout our business to proactively assess, identify, prevent and mitigate actual and potential adverse human rights impacts to stakeholders across our value chain. We also use due diligence as a way to identify where we can better support and promote individuals' ability to live and exercise their fundamental human rights. Due diligence tools we rely on include, but are not limited to, human rights impact assessments, social compliance audits, and legal and regulatory compliance reviews. When adverse human rights impacts are uncovered due to our business activities or from linkages to our operations, Hershey is committed to taking timely and transparent action to remediate in a fair and equitable manner in line with the UNGPs. In addition, grievance mechanisms, including our [Concern Line](#) which is operated by an independent third party, are available for all individuals across our value chain.

Hershey does not retaliate or permit retaliation against anyone who raises questions or concerns in good faith about corporate activities, and we are committed to investigating these issues thoroughly and providing appropriate responses and remedies.



IMPLEMENTATION AND COLLABORATION CONT.

Finally, our commitment to human rights also includes building and investing in programs designed to change some of the fundamental circumstances that contribute to adverse human rights impacts. Our partnerships with nonprofit organizations, local community-based organizations and pre-competitive industry collaborations are critical in informing and implementing these efforts. To learn more about the steps we are taking to further our commitments, see our [CSR report](#) and read more about our [Cocoa for Good](#) strategy.

GOVERNANCE AND ACCOUNTABILITY

Respect for human rights is an integral part of our global sustainability strategy, The Shared Goodness Promise and we report on our progress against our efforts in our annual CSR report as well as on our [website](#). Management of human rights is the responsibility of the Global Sustainability Team, which includes senior leaders from across the business and is led by the Senior Director of Global Sustainability. Our sustainability efforts, including human rights, are directly overseen by the Sustainability Steering Committee, which is comprised of Vice Presidents from across all major business functions. Ultimate oversight for human rights resides with our Board of Directors and our Executive Committee (inclusive of the CEO and the CEO's direct reports) which are briefed on an annual and bi-annual basis, respectively.



Michele Buck

President and CEO of The Hershey Company

Approved by The Hershey Company Board of Directors, February 2019

