The Hershey Company, together with its subsidiaries, is committed to operating responsibly and sustainably throughout the world. Hershey has a history of operating with high ethical standards and integrity. The manner in which our employees and business partners manage social, environmental and economic impacts is critical to our long-term business success.

**OUR COMPANY**

The Hershey Company is committed to having a responsible, sustainable and ethical supply chain. We have laid out expectations for certain issues and ingredients that go beyond the requirements of our Supplier Code of Conduct and reflect our commitment to a transparent supply chain. These commitments include but are not limited to our positions or policies on sustainable cocoa sourcing, farm animal welfare, pulp and paper sourcing, responsible palm oil sourcing, and sustainable sugar sourcing. Key examples of Hershey’s commitment in action include our approach to sourcing cocoa and improving the well-being of cocoa communities. Hershey is committed to purchasing 100% certified and sustainable cocoa, and each certification program prohibits the use of forced and illegal child labor. Beyond purchasing certified cocoa, Hershey is working with key suppliers and sustainability partners as they are conducting farmer training programs through Hershey’s Cocoa For Good program, which includes programs that boost productivity and incomes through training on good agricultural practices. Through Cocoa For Good, Hershey is also building socio-economic infrastructure such as schools and health centers in addition to teaching about our labor expectations. Please visit our Responsible Sourcing website to read more about how Hershey is taking action to address labor and environmental issues.

Hershey uses independent, third-party auditors to conduct social audits of our own manufacturing sites, contract manufacturers and our suppliers. These audits are conducted to the SEDEX Member Ethical Trade Audit (SMETA) standard developed by the Associate Auditor Group of the Sustainable Ethical Data Exchange (SEDEX). SMETA is a prescriptive audit procedure that is a compilation of effective ethical audit techniques covering Health and Safety, Labor Standards, Environment and Business Ethics, and other criteria such as forced labor and human trafficking. We share the audits of our facilities with our customers through SEDEX, a platform that facilitates swift exchange of audit information. We also request social audits of our suppliers and partners to ensure compliance with our Supplier Code of Conduct. We will continue to regularly conduct these audits at our own facilities and will continue to request these audits of our suppliers as we expand into new geographies around the world.

The backbone of Hershey’s commitment to a responsible and sustainable supply chain is our Supplier Code of Conduct. This document sets forth Hershey’s standards and expectations for suppliers with respect to corporate and social responsibility. We require our suppliers to acknowledge their understanding of and adherence to our Supplier Code of Conduct, which serves as a key governing component of our business relationship with these third parties.
RESPONSIBLE SOURCING AT HERSHEY CONT.

As outlined in the Supplier Code of Conduct, our goal is to work with our suppliers to assure compliance with the following requirements:

**Legal and Compliance**
Suppliers must comply with all applicable laws and regulations in their countries of operation.

**Social and Working Conditions**

**Forced Labor:** Hershey does not tolerate forced labor. Suppliers must not utilize or benefit in any way from forced or compulsory labor nor utilize factories or subcontractors that force unpaid labor.

**Child Labor:** Hershey is committed to the elimination from its supply chain of the worst forms of child labor, as defined by the International Labor Organization (ILO) Convention 138 and 182. 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.

**Working Hours and Wages:** Suppliers should provide wages at least equal to the applicable legal minimum wage and any associated statutory benefits, and working hours should reflect applicable legal norms, which includes supplier compliance with applicable laws regarding working and overtime hours.

**Freedom of Association:** Consistent with local regulations, employees’ right to freedom of association should be respected by suppliers, including that employee relationships are voluntary in nature.

**Non-Discrimination:** Supplier hiring and employment decisions should be made solely on the basis of skill, ability and performance by the workers, and discrimination is not permitted on the basis of race, religion, gender, political opinion, national extraction, sexual orientation or social origin.

**Health and Safety:** Suppliers must provide employees with safe and healthy working environments and practices must comply with all relevant local and national laws, codes and regulations.

**Supplier Verification and Audits**
Hershey reserves the right to monitor, review and verify supplier compliance with the principles set forth in the Supplier Code of Conduct, either through third-party certifications or a responsible sourcing audit, which may be performed by a third party. In the event the company becomes aware of non-compliance, we maintain the right to set forth corrective actions and/or terminate our business relationship with the supplier.

**HERSHEY’S CODE OF CONDUCT**

Hershey has committed to operating with the highest of ethical standards. This commitment dates to the founding of our company and has earned Hershey a reputation for fairness and honesty throughout the world.

**Hershey’s Code of Conduct** sets forth the standards by which we conduct our operations and establishes a clear expectation that the standards be followed in all job-related activities, regardless of business pressure. It further memorializes our
commitment to consumers by maintaining the trust consumers place in our brands, providing the best products in the market and adhering to honest marketing practices.

**Employee Training**

Our Code of Conduct is distributed to all Hershey employees and is supplemented by targeted training and communications addressing the values set forth within it. Every year, employees must complete training modules or acknowledge the standards, guidelines and practices set for in our Code of Conduct. Non-compliance with the Code of Conduct and related Company policies may subject employees to discipline, up to and including termination.

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Should any employee, customer, consumer or business partner have concerns about the conduct of The Hershey Company or its partners, confidential reporting is available at [www.HersheysConcern.com](http://www.HersheysConcern.com).

We will continue to update our policies, programs and commitments as Hershey and our supply chain continue to develop. We will also continue to publish our Responsible Sourcing efforts on our corporate website as well as in our annual Sustainability Report.

**Hereby Signed,**

Michele Buck  
President and CEO of The Hershey Company

Seth James Turoff, Director  
Hershey UK Finance Limited

Christopher R. Abbott, Managing Officer  
Hershey Trading GmbH

Approved by The Hershey Company Board of Directors, February 2019