



# GRIEVANCE PROCEDURE FOR POTENTIAL VIOLATIONS OF THE HERSHEY COMPANY'S DEFORESTATION & CONVERSION-FREE POLICY

## 1. INTRODUCTION

Since our founding, The Hershey Company ("Hershey") has recognized that responsible and resilient supply chains are integral to the long-term viability and success of our business.

The backbone of Hershey's commitment to a responsible and resilient supply chain is our [Supplier Code of Conduct](#), last updated in 2023. The Supplier Code of Conduct sets out our responsible sourcing standards and expectations, including requirements regarding traceability and disclosing origin of the goods sold to Hershey.

Our [Deforestation & Conversion-Free \("DCF"\) Policy](#) communicates our aim to achieve a DCF supply chain for the cocoa, palm oil, pulp & paper (packaging), and direct soy we source, while respecting and protecting the human rights of individuals.

Our DCF Policy is complemented by supply chain specific policies, including our Cocoa Key Requirements, [Responsible Palm Sourcing Policy](#), and [Responsible Pulp & Paper Sourcing Policy](#).

Hershey also recognizes that stakeholders throughout our forest-based value chains, including government, civil society, suppliers and farmers, play critical roles in the implementation of our DCF Policy. No single company can do this alone, so we remain committed to collaborating and participating in government and industry efforts aimed at addressing social and environmental issues in the cocoa, palm oil, pulp & paper, and soy sectors.

To uphold our DCF Policy, Hershey provides a process for stakeholders to raise grievances that they believe violate our DCF Policy. Grievances can be raised via the following channels:

- Hershey's [Concern Line](#), an independent third-party monitored service available 24/7 via phone and internet, operating in multiple languages in more than 60 countries, with toll-free numbers available in each location. Reports can be made anonymously.
- Hershey's Legal Department by emailing [ethics@hersheys.com](mailto:ethics@hersheys.com) or mailing:  
c/o General Counsel  
The Hershey Company  
19 East Chocolate Avenue  
Hershey, PA 17033 USA
- Directly emailing Hershey's Responsible Sourcing team ([responsiblesourcing@hersheys.com](mailto:responsiblesourcing@hersheys.com))
- Grievances can also be reported directly to suppliers or to relevant third-party certification schemes, such as Rainforest Alliance and the Roundtable on Sustainable Palm Oil.

## **2. OBJECTIVES**

Hershey's deforestation & conversion grievance procedure outlines how we address and respond in a transparent, timely and effective manner to supply chain grievances raised by stakeholders.

Our grievance procedure promotes upstream engagement with supply chain actors and continuous improvement, which is especially important when working with smallholder farmers.

Hershey recognizes that input from stakeholders is critical to our efforts in upholding our DCF Policy. We encourage input from stakeholders to ensure an effective grievance procedure.

Hershey does not tolerate retribution, retaliation and reprisal against any stakeholder who speaks up in good faith.

## **3. SCOPE**

Hershey's DCF Policy and this grievance procedure applies across our business, from direct and indirect suppliers, at a corporate group level.<sup>1</sup>

This grievance procedure applies to all grievances pertaining to the implementation of our DCF Policy reported by any stakeholder.

## **4. ROLES AND RESPONSIBILITIES**

Ethics and Compliance manage Hershey's Concern Line and support the documentation and resolution of grievances. They triage and assign cases to appropriate subject matter experts. In many cases, Cocoa and Responsible Sourcing are responsible for investigating grievances, engaging suppliers in corrective action, and responding to the grievance raiser.

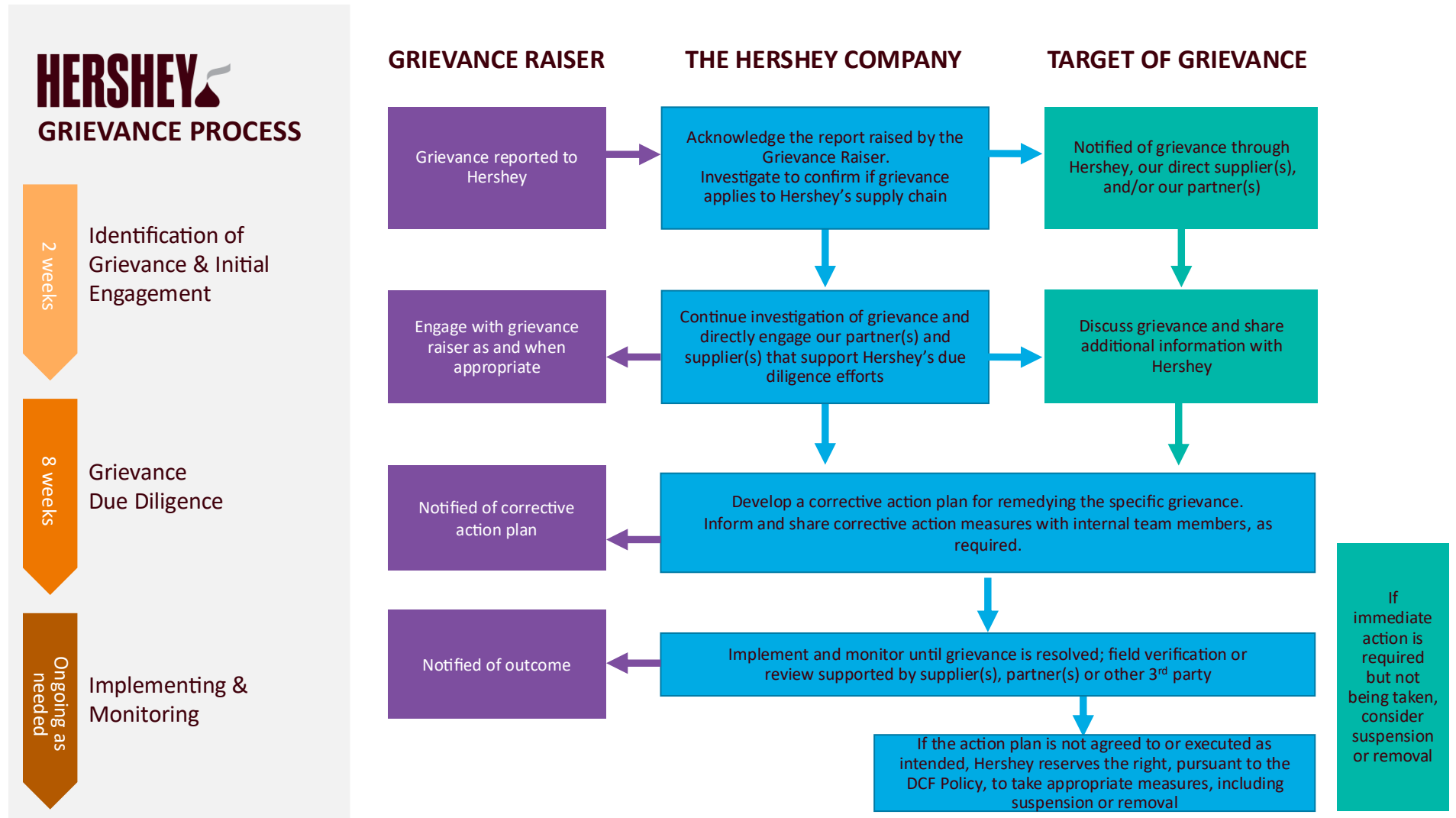
Responsible Sourcing is responsible, with consulting and informing roles provided by the Cocoa and Sustainability teams, for the annual review of this document and notification to relevant staff of any updates or changes.

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<sup>1</sup> As per the Accountability Framework initiative definition of Corporate Group (<https://accountability-framework.org/the-framework/contents/definitions/>)



## 5. GRIEVANCE PROCESS FLOW



## 6. PROCEDURE

### 6.1 Workflows

- a) Grievances can be shared with Hershey through the following channels:
- Via internet, telephone or text at [www.HersheysConcern.com](http://www.HersheysConcern.com)
  - Via email to [ethics@hersheys.com](mailto:ethics@hersheys.com)
  - Via email to [responsiblesourcing@hersheys.com](mailto:responsiblesourcing@hersheys.com)
  - Via mail service to the following address  
Hershey's Legal Department, c/o General Counsel  
The Hershey Company  
19 East Chocolate Avenue  
Hershey, PA 17033 USA
- b) Grievances can be filed anonymously.
- c) If a stakeholder would like to report a grievance on the record, they should include the following information:
- Full Name
  - Name of Organization (if any)
  - Address
  - Phone No./ Email Address (at least one contact point)
  - Description of the grievance in detail, including any attempts to resolve the concerns directly with the supply chain actor or any third-party certifier, if relevant.
  - Evidence to support the grievance

The party reporting the grievance ("Grievance Raiser") may request that their identity remain confidential. Any party may appoint a third-party to submit their grievance provided that the third-party follows this grievance procedure.

In addition to grievances submitted through the official channels above, issues raised through unofficial channels, such as the media and the internet, may be recorded as a grievance on request by external stakeholders or Hershey.

- d) Following intake of the grievance, Hershey will acknowledge the grievance raised. All potential grievances which come to Hershey's attention will be assessed by considering the following criteria:
- Does the grievance connect to Hershey's supply chain? If so, directly or indirectly?
  - Does the grievance contain specific allegations?
  - Does the grievance concern a potential violation of Hershey's DCF Policy (including laws and regulations)?
- e) If the answers to the criteria in step d) above are yes, Cocoa or Responsible Sourcing team (or assigned subject matter expert) will offer to engage in dialogue with the Grievance Raiser as needed. Hershey reviews the evidence from the Grievance Raiser. Actions and decisions on grievances raised with third parties are considered in Hershey's

internal grievance procedure. However, decisions and actions are ultimately independently made by Hershey based on our grievance procedure and any specific considerations about the allegation and stakeholder concerns.

- f) Where possible, Hershey will encourage direct suppliers to engage directly with the Grievance Raiser and Hershey will monitor the dialogue between those parties.
- g) Cocoa or Responsible Sourcing team (or assigned subject matter expert) may work with other teams, such as Procurement, to engage with any direct supplier(s) connected to the relevant supply chain actor to investigate the grievance. Files and documents related to investigating the grievance will be maintained.
- h) If it is determined that the grievance is unsubstantiated or no field action is required, Cocoa or Responsible Sourcing team will inform the Grievance Raiser.
- i) If the grievance is substantiated or the investigation has found areas of improvement, Cocoa or Responsible Sourcing will work with Procurement and other stakeholders to establish a timebound corrective action plan and agree to follow-up monitoring. Hershey will monitor directly or review monitoring outputs by third parties.
  - In cases where Hershey is unsatisfied with the direct supplier's engagement with the supply chain actor, we may consider taking other actions guided by our own grievance procedure.
  - If the corrective action plan is not agreed to or executed in good faith, or if immediate action is required and not taken, Hershey reserves the right, pursuant to the DCF Policy, to take appropriate measures, including suspension of a supplier or request for removal of an upstream supply chain partner (e.g., mill, co-op or producer) from our supply chain.
- j) Once a corrective action plan is agreed upon, Hershey will notify the Grievance Raiser of the outcome.