



The Hershey Company Human Rights Policy

POLICY

The Hershey Company (“Hershey”) is committed to creating more moments of goodness from the consumer all the way to the farmer and beyond. 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 critical to the long-term success of our company. We commit to upholding the principles of equality and non-discrimination, are dedicated 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 recognize the critical interdependencies between achieving our human rights agenda and delivering our broader commitment to be a responsible and ethical business. In particular, the need to address the disproportionate impact of climate change on vulnerable communities, how wage and income inequalities are linked to issues like child labor and deforestation, and the importance of a just transition. We put people at the core of our human rights agenda not just as affected stakeholders, but also as agents of change.

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. Specifically, we are committed to upholding human rights and freedoms as defined 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 International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We implement our policy in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs) the OECD Guidelines for Multinational Enterprises; and our commitment to the UN Global Compact and the Sustainable Development Goals.

When developing and updating our Human Rights Policy, we seek the input of diverse stakeholders, including representatives from nonprofit organizations, our suppliers, investors, and governmental bodies, including representatives of rightsholders.

SCOPE OF COMMITMENT

Our Human Rights Policy applies to all employees of The Hershey Company, including part-time and temporary workers, along with contractors and third-party intermediaries. Our commitment to respect human rights also extends to all individuals throughout our supply chain and value chain as we use our relationships with our co-manufacturers, co-packers, suppliers, and other business partners to enforce the principles of this policy throughout their networks. We also seek opportunities to collaborate with peers to drive additional



impact wherever possible.

As a company, we abide by the laws in the markets in which we operate. Where local laws are less stringent than our policies and internationally recognized human rights and employment standards, we adhere to the more stringent policies and standards and expect and support our suppliers, customers, and business partners to follow these standards and principles. We also expect our co-manufacturers, co-packers, and suppliers to share our commitment and standards by adopting equivalent 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](#) and [Responsible Recruitment Policy](#) further reinforce and clarify this commitment and requirement.

FOCUS AND SALIENT ISSUES

We are committed to respecting all internationally recognized human rights, 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 salient¹ to our business - identified via a regular cadence of human rights saliency assessments conducted in accordance with the UNGPs. Our 2022 saliency assessment covered our full value chain including Hershey-owned operations and our upstream and downstream supply chains. Our process involved significant engagement with internal and external stakeholders, including suppliers, nongovernmental organizations (NGOs), advocacy groups, investors and internal business leaders. Among the broader human rights issues we identified, our most recent saliency process prioritized the following issues (in alphabetical order):

- **Access to water and sanitation:** Sufficient, safe, acceptable, physically accessible and affordable water for personal use and sanitation services that are safe, physically accessible, and ensure privacy and dignity.
- **Child labor:** As defined by the International Labour Organization (ILO), Child Labor is work that deprives children of their childhood, their potential, and their dignity, and is harmful to their physical and mental development.
- **Climate impacts and deforestation:** The impacts of climate change and commodity-driven deforestation on people and communities.
- **Forced labor:** As defined by the ILO, this includes work or service that is obtained from

¹ A company's salient human rights issues are those human rights that stand out because they are at risk of the most severe negative impact through the company's activities or business relationships (UNGP, 2015). The saliency process is particularly important in human rights as it focuses on the risk to rightsholders and people as opposed to the business risk.



any person under the threat of penalty and for which the person has not offered himself or herself voluntarily.

- **Gender and social inequality:** Equal human rights for historically marginalized groups including women and the BIPOC community, and those further marginalized based on intersecting identities.
- **Health and safety:** A safe and healthy workplace in both our own business and in our supply chains in line with applicable safety and health laws and in consultation with rightsholders.
- **Land rights and acquisition:** Customary land rights, including the fulfillment of respecting rights for Indigenous Peoples, local communities and farmers to give Free, Prior and Informed Consent, for acquisition and development.
- **Living wage and income:** A wage and or income level that allows all members of the household to afford a decent standard of living.²

To meaningfully address these issues, we remain committed to addressing critical linkages between issues wherever possible. Hershey also recognizes the importance of enabling factors such as policies and procedures, rightsholder engagement, social dialogue, strategic partnerships, and transparency. Specific examples can be found in our Statement Against Slavery and Human Trafficking and ESG Report.

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 regularly through our ESG governance process, which is outlined below. We will continue to report publicly on how we action against our salient issues.

IMPLEMENTATION AND COLLABORATION

Our Human Rights Due Diligence (HRDD) operationalizes our commitment and includes our efforts to proactively assess, identify, prioritize, prevent, and mitigate actual and potential adverse human rights impacts to rightsholders throughout our value chain.³ Some of the key steps we take in our HRDD process include:

- Communicating our commitment and expectations throughout our value chain via multiple

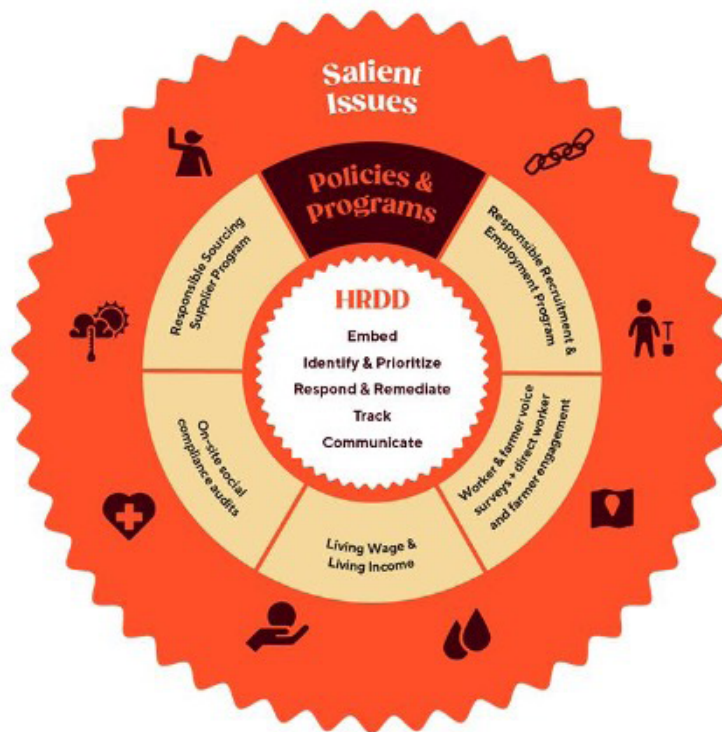
² Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.

³ 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.



policies and procedures including, but not limited to our Employee Code of Conduct⁴, Supplier Code of Conduct, Responsible Recruitment Policy, and Living Wage & Income Position Statement⁵, all of which are also available publicly on our [website](#).

- Engaging and educating employees and suppliers on human rights issues through training and capacity building.
- Verifying progress and compliance through programs such as our Responsible Sourcing Supplier Program and Responsible Recruitment Programs.
- Investing in programs designed to change some of the fundamental circumstances that contribute to adverse human rights impacts including partnerships with nonprofit organizations, governments, local community-based organizations and pre-competitive industry collaborations.
- Setting, tracking, and reporting against human rights related efforts as part of our core enterprise KPIs including our Child Labor Monitoring & Remediation (CLMRS) system.



⁴ Available in 10 languages.

⁵ Additional programs included our health and safety policies, diversity and inclusion policies, our Discrimination and Harassment Prevention Policy, and agricultural sourcing policies including our Cocoa Key Requirements, [Palm Oil Sourcing Policy](#), [Sustainable Sugar Policy](#), [Pulp and Paper Sourcing Policy](#), and [No Deforestation Policy](#).





We also acknowledge that some groups, such as women, indigenous and other underrepresented groups, may be at greater risk of negative human rights impacts due to their vulnerability or marginalization. Therefore, we remain committed to considering, designing, and implementing cross-cutting solutions that support rightsholders across different groups and contexts.

To learn more about the steps we are taking to further our commitments, see our ESG report, Statement Against Slavery and Human Trafficking, or read about our [Cocoa For Good](#) Program and responsible sourcing strategies on our [website](#).

GOVERNANCE AND ACCOUNTABILITY

Respect for human rights is an integral part of our global sustainability strategy, the Shared Goodness Promise. We report on our progress in our annual ESG report as well as on our website and within our Modern Slavery Statement. Ultimate oversight for human rights resides with our Board of Directors and our Executive Team (inclusive of the CEO and the CEO 's direct reports) which are briefed on at least an annual and bi-annual basis, respectively. Our cross-functional group, the Sustainability Steering Committee, composed of key business leaders and ESG subject matter experts meets at least quarterly to evaluate ESG strategy effectiveness and interdependencies, including those related to human rights. Accountability for managing ESG, including human rights, resides with the Chief Sustainability Officer, who also leads our Global Sustainability Team. This team manages the strategy, implementation, reporting, and transparency of our sustainability initiatives. In addition, the Director of Global Sustainability, Director of Responsible Sourcing, and Head of Sustainable Sourcing Cocoa, and human rights analyst all have day-to-day responsibilities for oversight of human rights issues and human rights due diligence in our entire value chain, including our agricultural and manufacturing supply chains.

A handwritten signature in black ink that reads "Michele Buck". The signature is written in a cursive, flowing style.

Michele Buck
Chairman, President and CEO of The Hershey Company

Approved by The Hershey Company Board of Directors, May 2023

