

The Hershey Company

TICKER
NYSE:HSY

MARKET CAPITALIZATION
US\$23 billion

HEADQUARTERS
United States

COMPLIANCE

UK Modern Slavery Act: [Disclosure available, but not compliant](#)

California Transparency in Supply Chains Act: [Disclosure available, but not compliant](#)

COMMITMENTS

[None](#)

OVERALL RANKING

24 out of 38

(2016: 13 out of 20)

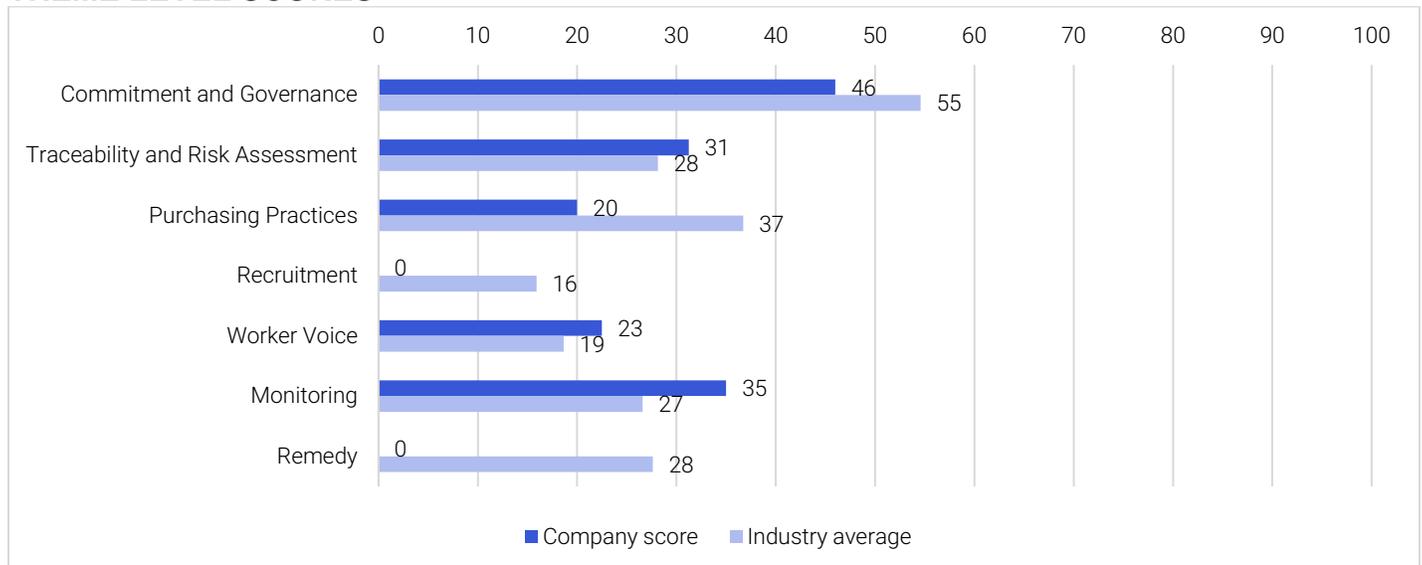
OVERALL SCORE

22 out of 100

SUMMARY

The Hershey Company (Hershey), a US based chocolate and confectionery company that also produces snacks such as meat snacks, spreads, and bars, ranks 24th out of 38 companies. It discloses less information on its forced labor policies and practices than its peers. Compared to 2016, the company demonstrates limited improvements; it does disclose more information on traceability. While in 2016 the company noted that it "does not publically disclose information on its supplier base," the company has since disclosed the names of some of its palm oil suppliers and the countries of palm oil mills supplying 97% of its palm oil. The company is encouraged to improve its performance and disclosure on the themes of purchasing practices, recruitment, and remedy.

THEME LEVEL SCORES



LEADING PRACTICES

None.

NOTABLE FINDINGS

Management and Accountability: Hershey discloses that its Chief Supply Officer is "ultimately responsible" for the implementation of its supplier code of conduct, which addresses forced labor and human trafficking. It also identifies a responsible sourcing team as a contact partner for its supplier code of conduct. Further, the company discloses that "multiple, cross-functional engagement is leveraged from the following organizations—commodities, responsible sourcing, sustainability/CSR, and legal."

Worker Voice: Hershey makes its supplier code of conduct available in Chinese, Portuguese, French, Spanish, and Hindi. Further, the company has a publicly available grievance mechanism in place, which is operated by an independent third party and includes country-specific telephone numbers.

Monitoring: Hershey states that it reserves the right to monitor, review, and verify supplier compliance with the principles set forth in its supplier code of conduct and that it requests that its suppliers be audited using the SMETA standard. SMETA audits include a review of relevant documents, worker interviews, and visits of production facilities, and they are required to be undertaken by auditors with relevant skills or attributes (e.g., language, gender, or an ethnic background that reflects that of the workforce).

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To ensure that labor rights are respected across its supply chains, the company may consider requiring that its first-tier suppliers ensure that their own suppliers implement standards that are in-line with the company's standards. Further, the company is encouraged to assess risks of forced labor at potential suppliers before entering into contracts with them.

Recruitment: To address the risk of exploitation of migrant workers through recruitment agencies in its supply chains, the company may consider requiring recruitment agencies used by its suppliers to uphold workers' rights and ensuring that workers in its supply chains are not charged fees during any recruitment-related process. The company is also encouraged to ensure recruitment agencies used by its suppliers are audited and to work with suppliers to guarantee migrant workers' rights are respected (e.g., to ensure workers' passports or other personal documents are not retained).

Remedy: The company may consider establishing a process for creating corrective action plans with suppliers that are found to be in violation of workers' fundamental rights and freedoms (those articulated in the ILO Declaration on Fundamental Principles and Rights at Work). It may also consider designing a procedure to ensure remedy is provided to its suppliers' workers in cases of human trafficking and forced labor.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)