

# The Hershey Company (Hershey's)

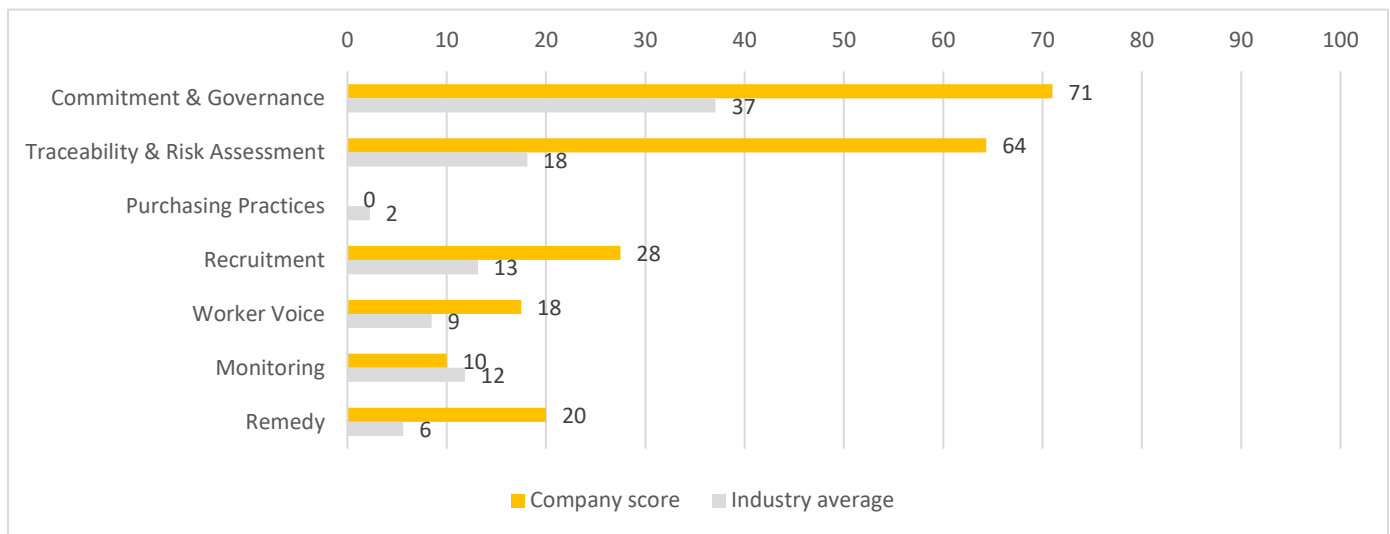
**TICKER**  
HSY

**MARKET CAPITALIZATION**  
US\$40.60 billion

**HEADQUARTERS**  
United States

**DISCLOSURES**
UK Modern Slavery Act: [Yes](#)
California Transparency in Supply Chains Act: [Yes](#)
Australia Modern Slavery Act: Not determined

**OVERALL RANKING**
**6 out of 60**
[2020 Rank:](#) 14 out of 43

**OVERALL SCORE**
**38 out of 100**
**THEME-LEVEL SCORES**

**KEY DATA POINTS**
**FIRST-TIER SUPPLIER LIST**

Yes (Names only, not addresses)

**RISK ASSESSMENT**

Yes

**ENGAGED WITH KNOWTHECHAIN<sup>1</sup>**

Yes

**NO-FEE POLICY**

Yes (Employer Pays Principle)

**REMEDY FOR SUPPLY CHAIN WORKERS**

Yes (Limited)

**HIGH-RISK COMMODITIES<sup>2</sup>**

■ Cocoa, palm oil, sugarcane and others

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## SUMMARY

The Hershey Company (Hershey's), the largest chocolate company in the US with a 33.5% market share<sup>3</sup>, ranks 6 out of 60 companies. Compared to 2020, the company improved its rank by disclosing more information about the risks identified through its due diligence process and some data on its supply chain workforce, updating its supplier code to include the Employer Pays Principle and the prevention of worker-paid recruitment fees, disclosing capacity building on responsible recruitment, and providing examples of remediation (including relating to recruitment fee remediation). The company's score is based on its stronger performance on the themes of Commitment & Governance, Traceability & Risk Assessment, Recruitment, Worker Voice and Remedy. Notably, the company is the second-highest scoring North American company in the benchmark and is among the highest scorers on the theme of Traceability & Risk Assessment.

KnowTheChain identified one additional allegation of forced labor in the company's supply chains. The company did not disclose engagement with affected stakeholders, nor remedy outcomes for workers. The company is encouraged to strengthen its disclosure and practices on the themes of Purchasing Practices, Worker Voice and Monitoring.

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## LEADING PRACTICES

**Stakeholder engagement in addressing risks:** Hershey discloses co-investing with a sugar supplier in its Learn to Grow sugar programs in Mexico and Belize to support the development of a standard labor contract between the cane cutters and cane farmer associations that provide cane to mills that supply Hershey via [its] sugar supplier.

**Disclosure of risks:** Hershey provides a detailed disclosure of the risks identified, including high-risk locations, commodities, and types of service or production process, including identifying specific labour rights risks in specific commodity-country contexts.

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## OPPORTUNITIES FOR IMPROVEMENT

**Purchasing Practices:** To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider ring-fencing labour costs such that they are not impacted during pricing negotiations.

**Worker Voice:** To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Further, the company is encouraged to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers, such as migrant workers. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider entering into a global framework agreement with trade unions or worker organisations.

**Monitoring:** The company is encouraged to implement and disclose specific practices, such as interviewing workers and using worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities), may help the company detect forced labour risks in its supply chains.

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<sup>1</sup> Research conducted through January 2023 or through April 2023, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

<sup>2</sup> For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 [food & beverage benchmark findings report](#).

<sup>3</sup> Statista, „Market share of the leading chocolate companies in the United States in 2021,“ <https://www.statista.com/statistics/238794/market-share-of-the-leading-chocolate-companies-in-the-us/>.