



THE HERSHEY COMPANY POLITICAL ACTION COMMITTEE ANNUAL REPORT 2018

One of the primary goals of the Government Affairs team is to educate state and federal legislators and executive branch personnel about our company and the policy issues that affect our business. We achieve these goals by meeting with federal and state representatives and their staff, through our employee-driven grassroots program, and through The Hershey Company Political Action Committee (PAC).

Having a PAC gives The Hershey Company a competitive edge and allows us to fully engage on public policy issues to protect our interests, define our category, and create winning partnerships. A strong PAC ensures that our voice is heard.

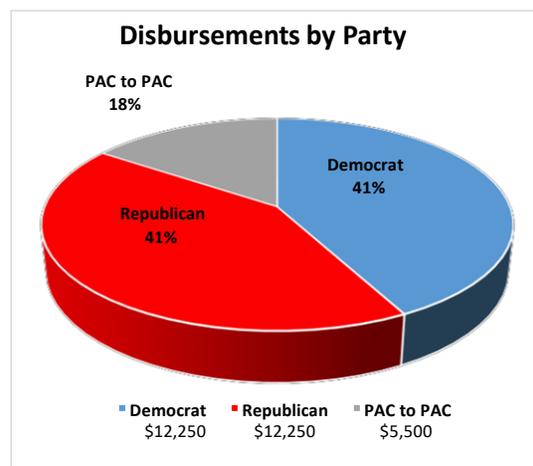
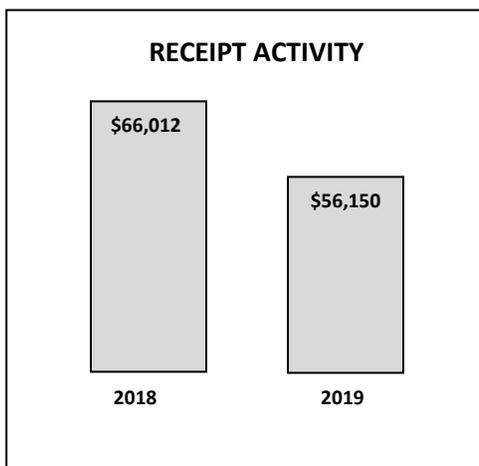
Monies raised through the PAC, which is comprised of voluntary employee contributions, is used to support elected officials, regardless of political affiliation, who have demonstrated a willingness to consider Hershey's perspective. All contributions are disbursed pursuant to our internal contribution guidelines and in accordance with applicable election laws.

Throughout 2018, The Hershey Company Government Relations team leveraged the PAC to influence the political process on a host of public policy issues, for example:

- In Pennsylvania, we supported legislation that enabled Hershey to benefit from bonus depreciation on our corporate tax return, saving the company \$1M per year.
- We successfully lobbied Congress to reject onerous restrictions on the federal Supplemental Nutrition Assistance Program (SNAP), saving states money in administration of the program, and protecting the rights of recipients to purchase all food products, including candy, with their benefits.
- We continue to engage with federal lawmakers on a variety of trade issues, including the Section 232 steel and aluminum tariffs, the corresponding retaliatory tariffs, and the negotiation of the U.S.-Mexico-Canada Agreement (formerly known as the North American Free Trade Agreement). As a result of our efforts, several Pennsylvania lawmakers continue to advocate for removing the steel and aluminum tariffs and maintaining a strong trade relationship with Canada and Mexico.

THE HERSHEY COMPANY PAC FINANCIALS

In January of 2018, the PAC began with a balance of \$66,012. During 2018, eligible Hershey employees contributed an additional \$21,780. Throughout the year, the PAC disbursed \$30,000 evenly to candidates and committees on both sides of the political aisle, while \$1,200 in product was provided to fundraising events. We expect to begin 2019 with balance of \$56,150.



As of December 2018, 37 members of the Hershey staff contributed to the PAC, compared to 47 members in the previous year.

2018 HERSHEY COMPANY PAC DISBURSEMENTS

TOTAL: \$30,000

FEDERAL

Democratic Senatorial Campaign Committee	\$2,000
Sen. Lamar Alexander (R-TN)	\$1,000
Sen. Tim Kaine (D-VA)	\$1,000
Sen. Pat Roberts (R-NE)	\$1,500
Sen. Tina Smith (D-MN)	\$1,000
Sen. Debbie Stabenow (D-MI)	\$2,000
Sen. Pat Toomey (R-PA)	\$2,000
Rep. Cherrie Bustos (D-IL)	\$1,000
Rep. G. K. Butterfield (D-NC)	\$ 500
Rep. Mike Conaway (R-TX)	\$1,000
Rep. Danny Davis (D-IL)	\$1,000
Rep. David Kustoff (R-TN)	\$ 500
Rep. Lloyd Smucker (R-PA)	\$2,500

STATE

Gov. Tom Wolf	\$1,000
Sen. Ryan P. Aument (R-District 36)	\$ 500
Sen. Patrick M. Browne (R-District 16)	\$ 500
Sen. Jake Corman (R-District 34)	\$ 750
Sen. Anthony Williams (D-District 8)	\$1,000
Sen. John T. Yudichak (D-District 14)	\$ 750
Rep. Frank Dermody (D-District 33)	\$1,000
Rep. Tom Mehaffie (R-District 106)	\$ 500
Rep. Brett Miller (R-District 41)	\$ 500
Rep. Stan Saylor (R-District 94)	\$ 500
Rep. Tarah Toohil (R-District 116)	\$ 500

PAC TO PAC

Harrisburg Regional Chamber	\$ 500
National Confectioners Association	\$5,000

Criteria for Support

The Hershey PAC is bipartisan. We contribute to candidates and committees on both sides of the political aisle that have demonstrated a commitment to improving the business climate for The Hershey Company and for the communities in which our employees live. Criteria used when considering financial support include:

- Understanding of, and an active involvement in, issues that are key to the company
- Service on key committees which have jurisdiction over the company’s priority issues
- Demonstrated leadership role and voting record
- Representation of a Hershey Company facility
- Financial need and election prospects

Federal Contribution Limits

The Hershey PAC, as a federal PAC, may legally contribute up to a maximum of:

- \$5,000 per election to a House of Representatives or Senate candidate’s campaign committee. That means \$5,000 may be given for the candidate’s primary election and \$5,000 for the general election for a total of \$10,000 per election cycle (two years for a member of the House of Representatives and six years for a Senator).
- \$15,000 per calendar year to a national party committee, such as the Democratic and Republican national, senatorial and congressional campaign committees.
- \$5,000 per year to another PAC. This includes a PAC managed by another organization (such as a trade association) and a leadership PAC sponsored by a member of Congress to support other candidates (which is a separate entity from an incumbent’s campaign committee).