

RESOLVED: Shareholders request that The Hershey Company disclose the voting results on matters subject to a shareholder vote according to the class of shares, namely differentiating between those shares carrying one voting right and those carrying multiple voting rights, effective beginning at the Company's 2026 annual meeting of shareholders.

WHEREAS:

Hershey maintains a dual class structure for its common stock. Its Class B stock has ten votes per share, while its Common Stock has one vote per share. Currently, the Company discloses voting results without any distinction by share class. It is important for those results to be disclosed separately by share class to determine whether the concerns of each type of shareholder are aligned.

Due to the company's dual class share structure, a minority of shareholders controls most voting rights. As of March 2024, Hershey Trust Company (HTC) controlled nearly 100% of the outstanding Class B stock, giving it 78.8% of the total voting power of the Company's outstanding voting stock.¹ **HTC's outsized voting power gives it substantial influence or actual control over the management and affairs and over substantially all matters requiring action by our stockholders, and may also delay or prevent a change in control otherwise favored by the other shareholders.**²

It is evident in recent years that holders of both types of shares may not have the same concerns on significant corporate governance and risk oversight matters put to a vote before shareholders. Specifically, the disproportionate influence insider shares³ have exerted in recent years includes the following:

- A 2022 child labor proposal that received **7.7%** support, but **52.6%** when insider shares were excluded;⁴
- A 2024 living income proposal that received **2.9%** support, but **18.2%** when insider shares were excluded.⁵

The subjects of these proposals represent significant material risk for Hershey, and independent shareholders' strong vote support reflects this. Hershey is facing an ongoing lawsuit related to child labor and trafficking in Côte d'Ivoire.⁶ Hershey also faces significant regulatory risk, as the EU's recently enacted Corporate Sustainability Due Diligence Directive (CSDDD) will likely require Hershey to implement and report on its human rights due diligence processes within its supply chain, including the effectiveness of such processes, related to child labor, living income, and other human rights issues.⁷ Failure to comply with the CSDDD's requirements may result in

¹ <https://hershey.gcs-web.com/static-files/7464a531-14f5-47fb-aa2a-18f09b647bcb>; HTC also owns a portion of Common Stock.

² <https://www.railpen.com/media/pmcil2eb/icev-report-2023-undermining-the-shareholder-voice.pdf>

³ These include management-owned Common Stock and HTC-owned Class B and Common Stock.

⁴ <https://hershey.gcs-web.com/static-files/567f615a-7fd1-4cde-9e91-2ab83e294f0b>

⁵ <https://hershey.gcs-web.com/static-files/273ad2b2-7148-4b57-9384-9661fe276e8d>

⁶ <https://ecf.cadc.uscourts.gov/n/beam/servlet/TransportRoom?servlet=CaseSummary.jsp?caseNum=22-7104&dktType=dktPublic&incOrigDkt=Y&incDktEntries=Y>

⁷ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202401760

significant fines (which can be calculated up to 5% of the Company's worldwide net turnover) and, in some cases, civil liability.⁸

The disaggregation of voting results by share class would enable Common Stock shareholders to better monitor how responsive Hershey is to issues that non-insider shareholders raise.

Disaggregating votes is also a non-onerous practice Hershey could adopt without undue burden, as evidenced by multiple US companies already having adopted this disclosure as a governance best-practice.⁹

⁸ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202401760

⁹ <https://www.sec.gov/Archives/edgar/data/1649744/000119312524146033/d736999d8k.htm>;
<https://www.sec.gov/ix?doc=/Archives/edgar/data/0001050606/000119312523149534/d650502d8k.htm>