



The Hershey Company

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HERSHEY EXPANDS RESPONSIBLE COCOA COMMUNITY PROGRAMS IN WEST AFRICA

- **CERTIFIED PRODUCTS:** Hershey to source cocoa for *Hershey's Bliss®* chocolates from Rainforest Alliance Certified™ farms
- **IVORY COAST INVESTMENT:** Hershey to expand company's innovative CocoaLink mobile phone program to farmers in Ivory Coast
- **FARMERS & FAMILIES:** HERSHEY LEARN TO GROW Farm and Family Development Center to Open in Ghana
- **LONG-TERM COMMITMENT:** Hershey to invest \$10 million by 2017 to reduce child labor and improve cocoa supply in West Africa

HERSHEY, Pa., January 30, 2012 — The Hershey Company (NYSE: HSY) today announced its plan to reinforce cocoa sustainability efforts by accelerating farmer and family development in West Africa, where 70 percent of the world's cocoa is grown.

Over the next five years, Hershey will expand and accelerate programs to improve cocoa communities by investing \$10 million in West Africa and continuing to work with experts in agriculture, community development and government to achieve progress with cocoa farmers and their families. By 2017, Hershey's public and private partnerships will directly benefit 750,000 African cocoa farmers and over two million people in cocoa communities across the region.* Because cocoa farms are family farms, improving farming increases family income. Today, West African farmers can increase their cocoa output by 50 percent through modern methods. Doing so will increase school attendance and improve community health.

Hershey has worked with farmers and development organizations for more than 50 years. Most cocoa farmers live on small, isolated family farms. They are eager to improve their farming methods and The Hershey Company is investing in major programs to make them better

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farmers. Today's announcement builds on the company's cocoa expertise and partnerships and will focus on increasing the income of the region's two million cocoa farmers and ensuring long-term cocoa sustainability for the region and for Hershey's global product line. More information about Hershey's cocoa sustainability efforts is available at: www.HersheyCocoaSustainability.com.

"Hershey is extending our commitment with new programs to drive long-term change in cocoa villages where families will benefit from our investments in education, health and economic opportunities," said J.P. Bilbrey, President and CEO, The Hershey Company. "Our global consumers want The Hershey Company to be a leader in responsible business practices and in finding smart ways to benefit cocoa communities. We are excited and humbled by this opportunity to create positive change in West Africa."

Later this year, U.S. consumers will be able to purchase *Hershey's Bliss*® products with 100 percent cocoa from Rainforest Alliance Certified farms. Rainforest Alliance Certified farms have met comprehensive sustainability standards that protect the environment and ensure the safety and well-being of workers, their families and communities. *Hershey's Bliss*® chocolates are available to U.S. consumers at more than 35,000 retail outlets. In addition, Hershey is working with the Rainforest Alliance to source cocoa from certified farms in Latin America and Africa for Hershey's premium brand, *Dagoba*®.

While working with farmers to improve long-standing agricultural practices, Hershey and the Rainforest Alliance will also help them prepare for the future. For example, Hershey and the Rainforest Alliance will collaborate to provide cocoa farmers with training to help them address global climate change and adapt to its impacts. As part of an overall strategy to eliminate child labor, Rainforest Alliance inspectors will monitor and audit practices on farms supplying certified beans to Hershey, including instances of unsafe or illegal child labor. The Rainforest Alliance will use training programs to reduce child labor and increase school attendance. These programs will be coordinated with industry and government initiatives.

"We support Hershey's comprehensive approach to sustainability, through educating cocoa farmers on best practices and improving conditions for cocoa farming communities in West Africa," said Tensie Whelan, president of the Rainforest Alliance. "We are thrilled to be working with Hershey to bring their sustainability commitments to life, from cocoa farms in West Africa to store shelves across North America."

Expanding CocoaLink

During the past decade, The Hershey Company and its public and private partners have invested in developing new agricultural practices that are helping West African farmers double the yield on their cocoa farms, which in turn increases their family's income.

In 2011, Hershey introduced an innovative mobile phone program in Ghana, known as **CocoaLink**, to reach thousands of farmers with practical messages about growing cocoa and family health. Today, more than two-thirds of cocoa farmers in Ghana are using low-cost mobile phones in their households. **CocoaLink** is a first of its kind partnership program developed with [World Cocoa Foundation](#) (WCF) and the Ghana Cocoa Board (COCOBOD).

Based on the success of the company's **CocoaLink** mobile phone project in Ghana, Hershey said today it is planning to expand the network into the Ivory Coast. Through **CocoaLink**, cocoa farmers receive text and voice messages that enable them to improve farming practices, understand issues related to pests and adverse weather conditions, improve labor practices and ask questions of cocoa experts in real time. In the next phase of **CocoaLink**, Hershey plans to work with the Rainforest Alliance to incorporate important messages about conservation and climate change into the program. Through **CocoaLink**, Hershey and its partners are committed to reaching 100,000 Ghana cocoa farmers by 2014. The Ivory Coast has approximately 600,000 cocoa farmers and industry data indicates that about half are already using mobile phones.

Introducing HERSHEY LEARN TO GROW Farm Program

Improved farming practices directly enhance family, community and education in cocoa villages. For example, supplying farmers with high-yielding seedlings, better planting and pruning practices, organic fertilization and biocontrol of insect pests are all technologies that are embraced in Ghana's cocoa region. More than 50 percent of farm family income in this region comes from cocoa, so every extra pound of cocoa is extra cash for the family budget.

For these reasons, Hershey and its partner, Source Trust, today announced a new initiative known as **HERSHEY LEARN TO GROW**. Through this initiative, Hershey will create a farmer and family development center in the heart of Ghana's central cocoa region. Source Trust is a non-profit organization set up to help farmers improve their livelihoods through better crop yields and quality, achieved through sustainable farming practices. The program will start this year and involve more than 5,000 cocoa community members, in addition to more than 1,000 farm families.

Through **HERSHEY LEARN TO GROW**, Hershey and Source Trust will:

- Establish 25 community-based farmer organizations to improve the living standards of 1,250 cocoa farm families through good agricultural, environmental, social and business practices training; access to improved planting material; and finance for farm inputs with the goal to double productivity yield and farm income over four years.
- Assist the Government of Ghana to meet the goals of Ghana's 2009-2015 National Plan of Action for the Elimination of the Worst Forms of Child Labor (WFCL).
- Bring high-tech learning to rural farm villages through technology centers that can be used by schools, farmers and the wider community. **HERSHEY LEARN TO GROW** programs will be based on interactive curriculum to train cocoa farmers on good agricultural, environmental and social practices. **HERSHEY LEARN TO GROW** will also support GPS mapping of farm acreage so that farmers will use the right amount of fertilizers and pesticides for maximum yield and sustainability.

By accelerating its cocoa programs in West Africa over the next five years, Hershey believes the company and the industry can achieve significant progress in helping farmers and improving social conditions. Hershey intends to invest approximately \$10 million in West Africa to improve cocoa farming, community health and in reducing the worst forms of child labor.

Through both its own and partner programs, Hershey estimates the company will directly impact 750,000 cocoa farmers and indirectly benefit more than two million West Africans by 2017. Hershey will regularly update its progress on these programs through its Corporate Social Responsibility public reporting.

In addition to the initiatives announced today, Hershey is a founding member of a public-private partnership involving the global cocoa and chocolate industry and the U.S. Department of Labor. The partnership has created a new Framework of Action to significantly reduce the worst forms of child labor in Ghana and the Ivory Coast by 2020.

*Estimate based on continuing support at current levels for cocoa sustainability programs in West Africa through 2017. On average, each cocoa farmer lives in a family with five other members. These programs are based on long-term partnerships with organizations that include USAID, USDA, USDOL, Cote d'Ivoire Cocoa Committee, numerous local and global NGOs, and the Bill and Melinda Gates Foundation. In addition, the Hershey supported CocoaLink mobile phone program is projected to reach 250,000 West African farmers during this period.

About The Hershey Company

The Hershey Company (NYSE: HSY) is the largest producer of quality chocolate in North America and a global leader in chocolate and sugar confectionery. Headquartered in Hershey, Pa., The Hershey Company has operations throughout the world and more than 12,000 employees. With revenues of nearly \$6 billion, Hershey offers confectionery products under more than 25 brand names, including such iconic brands as *Hershey's*, *Reese's*, *Hershey's Kisses*, *Hershey's Bliss*, *Hershey's Special Dark*, *Kit Kat*, *Twizzlers*, and *Ice Breakers*. Hershey also offers premium and artisan chocolate products under such brands as *Scharffen Berger* and *Dagoba* through the Artisan Confections Company, a wholly owned subsidiary. The company is focused on growing its presence in key international markets such as China and Mexico while continuing to build its competitive advantage in the United States and Canada.

For more than 100 years, The Hershey Company has been a leader in making a positive difference in the communities where its employees live, work and do business. Corporate Social Responsibility is an integral part of the company's global business strategy, which includes goals and priorities focused on fair and ethical business dealings, environmental stewardship, fostering a desirable workplace for employees, and positively impacting society and local communities. Milton Hershey School, established in 1909 by the company's founder and administered by Hershey Trust Company, provides a quality education, housing, and medical care at no cost to children in social and financial need. Students of Milton Hershey School are direct beneficiaries of The Hershey Company's success.

About the Rainforest Alliance

The Rainforest Alliance works with people whose livelihoods depend on the land, helping them transform the way they grow food, harvest wood and host travelers. From large multinational corporations to small, community-based cooperatives, businesses and consumers worldwide are involved in the Rainforest Alliance's efforts to bring responsibly produced goods and services to a global marketplace where the demand for sustainability is growing steadily. For more information, visit www.rainforest-alliance.org.

About Source Trust

Source Trust is a not-for-profit organization set up to help farmers improve their livelihoods through better crop yields and quality, through sustainable farming practices. Source Trust's projects pave the way for long-term, sustainable cocoa production, while enhancing farmers' business prospects.

Source Trust is funded by premiums paid by chocolate makers. These premiums are invested in the farming communities which supplied the chocolate maker's cocoa. Projects delivered by Source Trust include farmer training on good agricultural practice, cocoa seed nurseries and planting material, farm inputs on credit, Village Resource Centers, Malaria Prevention and Community Infrastructure.

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