

Union Consulting

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
Beatriz Polo Diz	2027	Economics and Psychology
Aaryan Lodaya	2027	Economics and History
Rabbani Batra	2028	Economics and Mathematics
Parikshit Roychowdhury	2026	Economics and Anthropology

Advisor(s): Michael Lawrence

Topic Title: Hershey's: Human Rights abuse in the cocoa industry

Audience: Board of Directors, The Hershey Company

Sustainable Development Goal

SDG #8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

SDG #12: Ensure sustainable consumption and production patterns

Executive Summary

Hershey's footprint has had detrimental effects on local communities and the environment around the world. These issues are often a result of interconnected business practices from different countries that need to be assessed in terms of the whole network. Specifically, The Hershey Company uses high quantities of cocoa from various conflict-ridden parts of West Africa and Latin America. The cocoa plantations of these regions increasingly face human rights abuses, child trafficking and conflict-induced deforestation. The loss of life and the assault on basic human rights in the supply chain make this an urgent ethics issue that the company must consider immediately. Effects of these practices will echo for decades, but acting now can help mitigate further damage in the impacted communities.

Our inclusion of SDG #8 in our analysis focuses on Hershey's reliance on abuse and violence-prone cocoa plantations and suppliers. As this relates to a significant aspect of Hershey's supply chain, it is essential that the company thoroughly addresses its impact on children, communities and the security of entire regions around the world. Additionally, our focus on SDG #12 underscores Hershey's responsibility to ensure that its raw materials are ethically sourced throughout its global supply chain.

In our solutions, we propose several monitoring and rehabilitation mechanisms. Firstly, we show how Hershey's could improve its vetting process for cocoa suppliers and include conditions-reports from the local cocoa-growing communities (and not simply the corporations that supply directly to Hershey's). We also develop mechanisms that reduce Hershey's reliance on cocoa from conflict-prone communities and increase its capacity to reorient its supply chain, when human rights abuses are detected. Lastly, we rely on existing international development treaties and programs that allocate funds towards improving cocoa plantation produce a financially feasible supply chain model.