

**HERSHEY ENTERTAINMENT & RESORTS COMPANY  
GOVERNANCE AND NOMINATING COMMITTEE CHARTER**

*Effective February 25, 2009*

The purpose of the Governance and Nominating (the “Committee”) of the Board of Directors (the “Board”) of Hershey Entertainment & Resorts Company is to discharge the Board’s responsibilities relating to the:

- Identification of individuals qualified to become Board members, consistent with any criteria approved by the Board and recommend to the Board candidates for election, reelection, or, if necessary, to fill vacancies occurring on the Board.
- Recommendation of directors for each committee, including the chairperson.
- Evaluation of the performance of the Board and its committees.
- Development and oversight of corporate governance guidelines and a Code of Business Conduct and Ethics.
- Identification, evaluation and monitoring of public policy and corporate social responsibly issues which could affect significantly the interest of customers, the community(s) in which the Company operates, the Company’s shareholder, or employees of the Company or its subsidiary companies.
- Oversight of the Company’s achievement of its diversity and inclusion initiatives.

**Authority.** In discharging its duties and responsibilities, the Committee shall have access to all of the Company’s books, records, facilities, and personnel. In addition, the Committee shall have the resources and authority to retain advisors of its selection, as it deems necessary or appropriate, to provide it with advice and counsel. The Company shall provide appropriate funding for the Committee to retain such advisors without requiring the Committee to seek Board approval.

**Structure and Organization.** The Committee shall be comprised of at least four (4) Directors.

**Duties and Responsibilities.** The Committee shall have the following duties and responsibilities:

- **Charter Review.** The Committee shall reassess the adequacy of this Charter annually and recommend any proposed changes to the full Board for approval.
- **Board Candidates and Nominees.** The Committee shall:
  1. Make recommendations to the Board concerning the selection criteria to be used by the Committee in seeking nominees for election to the Board.
  2. Aid in attracting qualified candidates to serve on the Board.
  3. Identify individuals qualified to serve as directors and recommend to the Board the nominees for election at the next annual meeting of the Company’s shareholder, which recommendations shall be consistent with the Board’s criteria for selecting new directors. Such criteria shall include the possession of such knowledge, experience, skills, expertise, integrity, diversity, and understanding of the Company’s business environment, as may enhance the Board’s ability to manage and direct the affairs and business of the Company, including, when applicable, as may enhance the ability of committees of the Board to fulfill their duties. The Committee shall also consider advice and recommendations for candidates from the Company’s shareholder, management and others as it deems appropriate.
  4. Recommend to the Board candidates for election or reelection to the Board at each annual meeting of the shareholder of the Company.

5. Recommend to the Board candidates for election by the Board to fill vacancies occurring on the Board.
- **Board Composition and Procedures.** The Committee shall:
    1. Review annually with the Board the size and composition of the Board as a whole and recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole.
    2. Review the suitability for continued service as a director of each Board member when her/his term expires or when he/she ceases to be employed in her/his principal business or profession, and to recommend whether or not the director should be re-nominated or continue to serve on the Board, as applicable.
    3. Make recommendations on the frequency and structure of Board meetings.
    4. Monitor the orientation, training and continuing education of directors.
  - **Board Committees.** The Committee shall:
    1. Make recommendations to the Board regarding the size and composition of each standing committee of the Board, including the identification of individuals qualified to serve as members of a standing committee, and recommend to the Board individual directors to fill any vacancy that might occur on a committee.
    2. Monitor the functioning of the standing committees of the Board and make recommendations for any changes, including the creation and elimination of standing committees.
    3. Review annually standing committee assignments and the policy with respect to the rotation of standing committee memberships and/or chairpersonships, and report any recommendations to the Board.
    4. Recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this Charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.
  - **Corporate Governance.** The Committee shall:
    1. Develop and adopt an initial set of corporate governance guidelines designed to assist the Board in the exercise of its duties and responsibilities, and to provide for effective and efficient corporate governance policies that help promote the best interests of the Company and its shareholder.
    2. Review, at least annually, the adequacy of the corporate governance guidelines in light of broadly accepted practices of corporate governance, emerging governance issues and market and regulatory expectations, and advise and make recommendations to the Board with respect to appropriate modifications.
    3. Advise the Board on corporate governance matters.
    4. Develop and adopt a Code of Business Conduct and Ethics designed to ensure that directors, officers, and employees of the Company comply with the highest business standards of integrity and ethical and moral business conduct. The Committee shall be responsible for overseeing the interpretation and enforcement of the Code of Business Conduct and Ethics.
    5. Review, at least annually, the Code of Business Conduct and Ethics and recommend any changes as the Committee deems necessary or appropriate.
    6. Review with the Company's General Counsel pending and threatened litigation or governmental actions or proceedings, and/or legal compliance matters that could have a significant impact on the Company.

7. Review potential or actual conflicts of interest between Board members and the Company.
  8. Initially investigate and make recommendations with regard to appropriate action in response to director conflicts of interest.
- **Evaluation of the Board and its Committees.** The Committee shall be responsible for overseeing the annual evaluation of the Board as a whole and its committees. The Committee shall establish procedures to allow it to exercise this oversight function.
  - **Public Policy and Social Responsibility.** The Committee shall:
    1. Assist the Board in identifying, evaluating, and monitoring significant public policy, regulatory, legislative issues and trends that may affect the business operation or public image of the Company.
    2. Assist the Board in analyzing how public policy, regulatory, legislative issues and trends could impact the Company's business activities and performance.
    3. Assist the Board in determining how the Company can anticipate and adjust to public policy, regulatory, legislative issues and trends in order to more effectively achieve its business goals or to be an important contributor to the policy dialogue.
    4. Review the Company's civic, charitable, educational and philanthropic contributions and activities, including but not limited to its political action committee.
  - **Diversity and Inclusion.** The Committee shall:
    1. Review the Company's policies and practices with respect to diversity, inclusion, and workforce development.
    2. Review the Company's policies and practices with respect to development of diverse suppliers to the Company.
    3. Review and evaluate the efforts of the Office of Diversity and Inclusion with respect to initiatives relating to diversity and inclusion.
  - **Other Duties.** Other duties of the Committee shall include, but not be limited to:
    1. Carrying out such other duties as may be delegated to it by the Board from time to time.
    2. Evaluating its duties and performance annually with respect to this Charter.

**Procedures.** The Committee shall meet at least two (2) times each year. Additional meetings may occur if considered necessary or appropriate by the Committee to fulfill its responsibilities. The Committee will keep accurate minutes of the meetings that will document the actions taken by the Committee. These meeting minutes will be reviewed with and approved by the full Board at regularly scheduled Board meetings. Any responsibility of the Committee may be discharged by the Board acting as a whole, in which case it shall not be necessary for the Committee to take separate action. Additionally, the Committee may designate the Committee Chair or another designee to act on behalf of the Committee in carrying out a particular duty or obligation of the Committee.