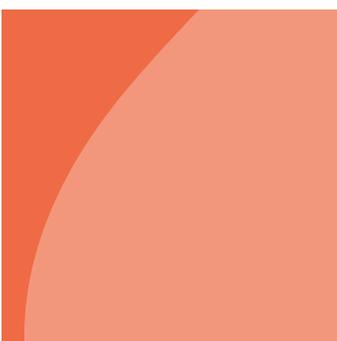
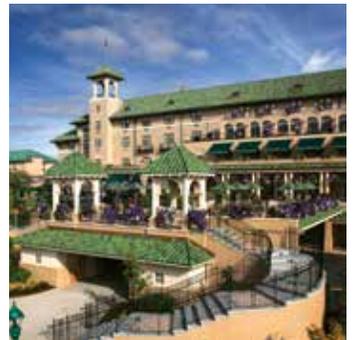
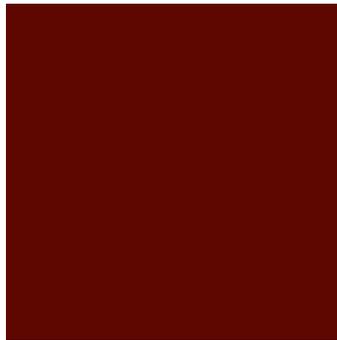




# CORPORATE SOCIAL RESPONSIBILITY

## 2018 SUMMARY





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# A LETTER FROM OUR PRESIDENT, CEO & CHAIRMAN



In looking back at history, it can be easily argued that our founder, Milton S. Hershey, was one of the first people to practice *corporate social responsibility* (CSR). From his desire to ensure that his employees and townspeople had an idyllic community where they could safely and happily live, work, and play, to leaving his entire fortune to maintain and grow Milton Hershey School (MHS), Mr. Hershey lived his life with undeniable selflessness. Mr. Hershey's rich history and focus on philanthropy serve as the foundation for Hershey Entertainment & Resorts Company (HE&R)'s current-day approach to CSR, which we are pleased to showcase in this report.

Our company is proud to share what our employees and guests have done to improve and nurture our community, environment, workplace, and marketplace. I would like to personally thank our team members for continually demonstrating HE&R's core values - *Devoted to the Legacy, Selfless Spirit of Service, Team-Focused, and Respectful of Others* - through countless hours of volunteerism, donating their time and resources to people in need, and diligently serving the students, teachers, and staff of MHS. Throughout 2018, HE&R provided approximately \$2.5 million in monetary and in-kind donations to hundreds of organizations. I am grateful to be able to work with so many HE&R team members who make such an effort to give back to our community. Throughout this report, you will see examples of how HE&R continues to preserve our legacy, protect our environment, and aid our community members.

Thank you,

John Lawn  
President, CEO & Chairman

# ABOUT US



## OUR TEAM MEMBERS\*

**1,750**  
FULL-TIME  
EMPLOYEES

**7,000**  
PART-TIME  
& SEASONAL  
EMPLOYEES

EMPLOYEES RANGE IN AGE  
FROM **14-90**

**51%** OF ALL  
FULL-TIME  
EMPLOYEES  
STARTED IN  
PART-TIME  
POSITIONS

**34%** OF ALL  
MANAGERS  
STARTED IN  
PART-TIME  
POSITIONS

**188** LEGACY EMPLOYEES  
25+ YEARS OF FULL-TIME SERVICE

**73** OF THOSE  
LEGACY EMPLOYEES  
HAVE GIVEN **35+** YEARS  
OF  
FULL-TIME SERVICE

\*AS OF SUMMER 2019

HE&R WAS FOUNDED IN 1927 BY MILTON S. HERSHEY. THE COMPANY IS PRIVATELY HELD BY HERSHEY TRUST COMPANY, AS TRUSTEE FOR MILTON HERSHEY SCHOOL TRUST. HE&R IS A PREMIER ENTERTAINMENT AND HOSPITALITY COMPANY COMPRISED OF MANY DIVERSE BUSINESS OPERATIONS.

### DEVOTED TO THE LEGACY

Acting in a manner that reflects the dedication and integrity of our founder



### SELFLESS SPIRIT OF SERVICE

Serving our employees and their families, our guests, our community, and our environment

OWN DELIGHT  
ANTICIPATE INSPIRE

### TEAM - FOCUSED

Supporting one another as we work toward common goals and earning each other's trust

"Teamwork Sells THE HERSHEY IDEA"



### RESPECTFUL OF OTHERS

Treating all people with dignity, while respecting their differences and ideas

ONE COMPANY  
MANY PERSPECTIVES

# HERSHEY ENTERTAINMENT & RESORTS COMPANY



## RESTAURANT GROUP

- *Cocoa Beanery*® Cafe
- Devon Seafood + Steak
- Houlihan's Restaurant + Bar

## COMMERCIAL GROUP

- *Hershey*® Laundry & Dry Cleaning
- *Hershey*® Nursery



## GIANT CENTER<sup>SM</sup> ARENA

- Home to the AHL *Hershey Bears* hockey team, concerts, and basketball, wrestling, and ice shows
- Accommodates up to 12,500 people
- Owned by the Derry Township Industrial and Commercial Development Authority
- Opened in 2002



## HERSHEY BEARS<sup>®</sup>

- Longest continuously operating club in the AHL
- More Calder Cup wins than any other team, with 11 championships in franchise history
- Celebrated 81 years in the 2018-2019 season



## HERSHEYPARK<sup>®</sup>

- More than 70 rides and attractions on 121 acres
- 14 coasters
- More than 20 kiddie rides
- 14 water attractions including a lazy river and wave pool
- Food & beverage offerings include allergy-friendly options, Chick-fil-A<sup>®</sup>, and much more
- Opened in 1906



## HERSHEYPARK CAMPING RESORT<sup>®</sup>

- More than 300 open and shaded sites, including cabins, on 55 acres
- Activities include swimming, basketball, a picnic area, and a Family Fun Center
- Opened in 1963



## HERSHEYPARK<sup>®</sup> STADIUM

- Most prominent outdoor stadium between Philadelphia and Pittsburgh
- Hosts annual Summer Concert Series, PIAA Football and Soccer Championships
- Accommodates up to 30,000 people
- Opened in 1939



## HERSHEY<sup>®</sup> COUNTRY CLUB

- 45 holes of championship golf in a historic setting with exemplary guest and member service
- Ideal setting for weddings and events
- Golf has been played in Hershey since 1909



## HERSHEY THEATRE<sup>SM</sup>

- Seats 1,904 people
- Premier performing arts center presenting touring Broadway shows, music, and family shows
- Opened in 1933



## HERSHEY LODGE<sup>SM</sup>

- Full-service resort with 665 guest rooms, and 100,000+ square feet of meeting space
- *Hershey's Water Works at Hershey Lodge*<sup>SM</sup> indoor pool complex
- Dining options include *The Forebay*<sup>SM</sup>, *Hershey Grill*<sup>SM</sup>, *The Bears' Den*<sup>SM</sup>, *Fire & Grain*<sup>®</sup>, and *Cocoa Beanery*<sup>®</sup>
- Opened in 1967



## MELTS<sup>®</sup> BY HERSHEY

- Full-service day spa
- Features exclusive *Hershey's Dark Chocolate* treatments
- Opened in 2017



## THE HOTEL HERSHEY<sup>®</sup>

- Historic hotel with 276 guest rooms, suites, and *Woodside Cottages*<sup>SM</sup> luxury accommodations
- Dining options include *The Circular*<sup>®</sup>, *Trevi* 5<sup>SM</sup>, *Harvest*<sup>SM</sup>, *Iberian Lounge*<sup>SM</sup>, and *Cocoa Beanery*
- *The Spa At The Hotel Hershey*<sup>®</sup>, a full-service spa, opened in 2001
- Opened in 1933



## ZOOAMERICA<sup>®</sup> NORTH AMERICAN WILDLIFE PARK

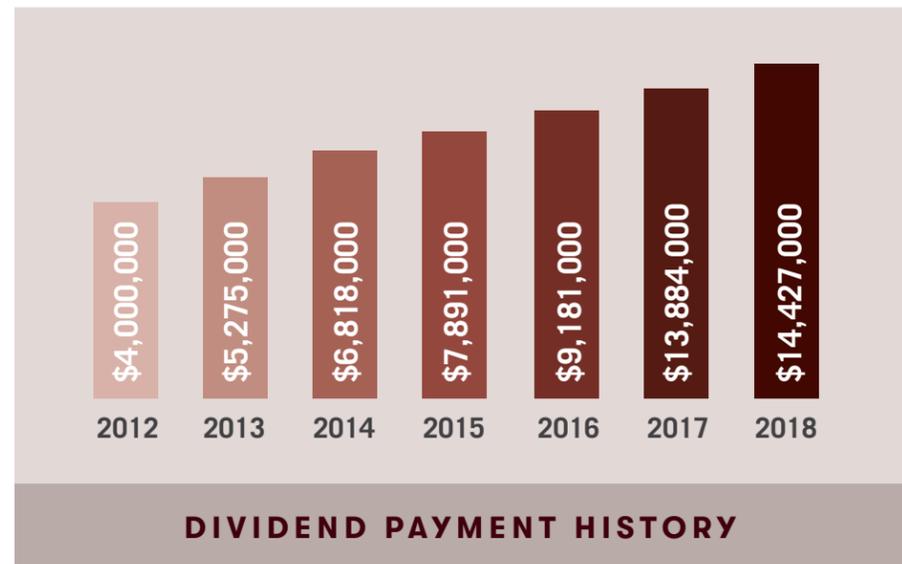
- 11-acre, walk-through zoo
- Home to more than 200 native North American animals representing more than 60 species from five regions of North America
- Opened as *ZooAmerica* in 1978

# MILTON HERSHEY SCHOOL

The most important responsibility our company has is to carry on the legacy of Milton and Catherine Hershey, which is why our company's core purpose reads, "Hershey Entertainment & Resorts Company is proud to help fulfill the dream of our founder, Milton S. Hershey, by providing value to Milton Hershey School in its mission of helping students lead happy, healthy, and fulfilling lives - just as Mr. Hershey intended."



MILTON HERSHEY SCHOOL INTERNSHIP PROGRAM



DIVIDEND PAYMENT HISTORY

We provide value to MHS, founded in 1909 by Milton and Catherine Hershey, in a number of different ways. First, our company provides financial support to MHS in the form of our annual dividend. Since 2012, our company has increased our dividend annually, giving more than \$61 million to MHS between 2012 and 2018. HE&R team members are proud to assist MHS in enhancing the lives of more than 2,150 current students, and support MHS alumni, affectionately known as 'Milts,' who continue to do so much for the MHS community.



PROJECT FELLOWSHIP



EMPLOYEE ENGAGEMENT



HERSHEY PROJECT PATHWAYS

In addition to our annual dividend, we provide MHS tickets to entertainment shows and cultural events at *GIANT Center, Hershey Theatre, and Hersheypark Stadium*, which totaled \$480 thousand in 2018. Every year, each MHS student, and many teachers and employees, receive a Season Pass to Hersheypark, collectively valued at \$126 thousand.

One of the most meaningful ways our company positively impacts the lives of the children at MHS is through our employee engagement and volunteerism. In 2018, MHS and HE&R formed a Partnership Committee to increase engagement and improve communication between the two organizations. MHS President Pete Gurt shared that the most valuable item we can give to the students is our time, and our employees delivered on that request. Throughout the 2018-19 school year, volunteerism to the School increased significantly through the five pillars of engagement identified by President Gurt:

### INTENTIONAL LIFE & SOCIAL SKILLS DEVELOPMENT

- *Project Fellowship* pairs MHS student homes with HE&R team members who regularly spend time with the children in and away from the student home. These interactions provide the opportunity for the students to develop bonds of trust with adults, which, in many

instances, are lacking in their lives. These special relationships allow for additional mentorship on both scholastic and personal levels, which supplements the "whole child" development approach embraced by MHS. Throughout the school year, nearly 350 employees volunteered with 27 student homes.

### PROJECT-BASED PROBLEM SOLVING

- The *Hershey Project Pathways* program was introduced in 2018 and brought students from the 11 MHS Career & Technical Education pathways together with HE&R mentors. As part of this program, students have the opportunity to work on projects that are both educational and informative. This "evergreen" program continues with new projects and students every year.

### EMPLOYMENT OF MHS STUDENTS AND ALUMNI

- HE&R employs an estimated 90 students and alumni across our properties through ongoing internship, apprenticeship, co-op, and hiring programs. These employment opportunities provide MHS students with short-term and long-term life skills. From learning about an industry or trade to understanding the importance of meeting deadlines and arriving on time, students learn tangible workplace and life lessons.

### COLLABORATION ON MARKETING STRATEGIES

- Our collective teams continually work to ensure that our internal and external messaging about Mr. and Mrs. Hershey, our shared history, MHS, and our partnership are aligned. Internally, MHS updates and engagement opportunities are regularly shared through property town hall meetings, ongoing company-wide emails, and our employee newsletter, *Dateline*.

### PROFESSIONAL DEVELOPMENT FOR LEADERS AND MANAGERS

- Both organizations are committed to expanding educational opportunities and awareness among our employees. All new HE&R full-time employees take an *MHS Immersion* class that introduces them to Mr. Hershey's legacy, the School's mission, and our deep connection. Throughout 2018, more than 220 employees participated in this onboarding opportunity.

Our greatest source of pride is our employees' engagement with the School. From attending sporting events and musical performances to helping with mock interviews and resume writing, HE&R is committed to serving MHS and honoring the legacy of Milton S. Hershey, who once said, "I want to devote the rest of my life to that end, for the school."

FOR MORE INFORMATION ABOUT MILTON HERSHEY SCHOOL, VISIT [MHSKIDS.ORG](http://MHSKIDS.ORG).



HERSHEY  
ENTERTAINMENT  
& RESORTS  
CORPORATE  
SOCIAL  
RESPONSIBILITY  
PILLARS

**ENVIRONMENT**

Reduce our ecological footprint and demonstrate care for our environment

**COMMUNITY**

Be a positive, productive, informed and involved member of the communities in which we live and work

**WORKPLACE**

Foster a desirable, safe, inclusive, healthy, and respectful workplace

**MARKETPLACE & GUEST FOCUS**

Engage in fair and ethical dealings with our business partners and guests where we live and work

VOLUNTEER  
 PHILANTHROPY  
 WORK FAMILY  
 SUPPORT  
**COMMUNITY**  
 LIVE CONNECT  
 PARTNER DONATE  
 CONTRIBUTE  
 VOLUNTEER  
 COMMONALITY  
 SUPPORT

“WHAT GOOD IS MONEY UNLESS YOU  
 USE IT FOR THE BENEFIT OF THE COMMUNITY  
 AND OF HUMANITY IN GENERAL?”

*J.M. Hershey*  
 1923



HE&R IS PROUD  
 TO CONTINUE  
 THAT TRADITION  
 BY HELPING  
**IMPROVE  
 AND ENRICH  
 THE LIVES OF  
 CHILDREN AND  
 FAMILIES IN  
 HERSHEY AND  
 SURROUNDING  
 REGIONS.**

## COMMUNITY

One of Mr. Hershey’s guiding principles was his commitment to give back to the community. He maintained the belief that, “One is only happy in proportion as he makes others feel happy.” HE&R is proud to continue that tradition by helping improve and enrich the lives of children and families in Hershey and the surrounding region. **In 2018, HE&R donated approximately \$2.5 million in cash and in-kind gifts to hundreds of community organizations.**



# SUPPORTING OUR COMMUNITY

Our employees, partners, and guests also contribute their time, resources, and energy to bring positive and lasting change in our communities. These positive contributions are accomplished by focusing on education, civic engagement, arts and culture, health and human services, and our environment. Here is just a sampling of our company's efforts to help the communities in our region:

## BIG BROTHERS BIG SISTERS

Big Brothers Big Sisters approached HE&R in 2018 to help start Bigs in Blue, a one-to-one mentoring program connecting school children with police officers to build trusting relationships. We partnered with Derry Township School District (DTSD) and Derry Township Police Department (DTPD) to develop and implement this program. The inaugural year was so successful, the program has grown to include other school districts and police departments.

## CHILDREN'S MIRACLE NETWORK

Children's Miracle Network (CMN) is a non-profit organization dedicated to raising funds for children's hospitals across North America. HE&R has a long-standing partnership with CMN at Penn State Children's Hospital at Penn State Health Milton S. Hershey Medical Center. Through sponsorship of the organization's annual gala, to being the primary beneficiary of the annual *Hershey® Half Marathon*, CMN received more than \$175 thousand from HE&R in 2018.

## COCOA PACKS

Since its inception in 2015, HE&R has assisted Cocoa Packs, a food assistance program serving students of all ages within DTSD and surrounding areas, with financial support, weekly volunteer teams, and food and clothing donations. When our employees learned of the growing issue of hunger among the youth in our community, they did not hesitate to assist this important local cause.



## HERSHEY COMMUNITY GARDEN

In 2014, Hershey Impact, a group comprised of the Hershey Entities, opened the Hershey Community Garden (HCG) as a vehicle to encourage neighborly connections and healthy lifestyles. HCG originally had 123 plots. In 2018, Hershey Impact expanded the Garden to 225 plots. Each growing season, HE&R and The Hershey Company maintain a plot and donate all harvested produce to people in need throughout the community.

In 2018, the HCG donated more than 2,775 pounds of fresh produce to 10 local organizations, including Hope Lodge, Hummelstown Food Bank, and the Caring Cupboard in Palmyra. One hundred and fifty vases with fresh flowers grown at HCG were also donated and delivered to organizations, including Country Meadows and Penn State Health Milton S. Hershey Medical Center.



## HERSHEY FOOD BANK AND COMMUNITY OUTREACH

For eight consecutive years, HE&R has partnered with the Hershey Food Bank and Community Outreach in hosting its annual 'Feed the Need' event. Held at Hershey Country Club, the event brings together nearly 20 HE&R culinary team members who donate their time and talents for this fundraiser at no cost to the Food Bank. It is estimated that the event, throughout its eight-year history, has raised more than \$400 thousand for the organization. Team members also volunteer to sort groceries and stock shelves at the Food Bank throughout the year.

## JUNIOR ACHIEVEMENT OF CENTRAL PENNSYLVANIA

Junior Achievement of Central Pennsylvania (JA) serves local students in grades kindergarten through 12 by educating and inspiring them on the topics of business, economics, and STEM. For several years, HE&R has proudly partnered with JA - and in 2018, 63 of our employees volunteered their time with the organization, assisting nearly 3,000 students in area classrooms. Our monetary contribution of \$22 thousand also helped to support these important educational efforts.

## JUVENILE DIABETES RESEARCH FOUNDATION

Since 2002, HE&R has proudly partnered with Juvenile Diabetes Research Foundation (JDRF) with yearly donations of more than \$10 thousand in support of its annual fundraising efforts. The work done by JDRF in its effort to eradicate Type 1 diabetes has significant importance to many of our employees and their families.

## UNITED WAY

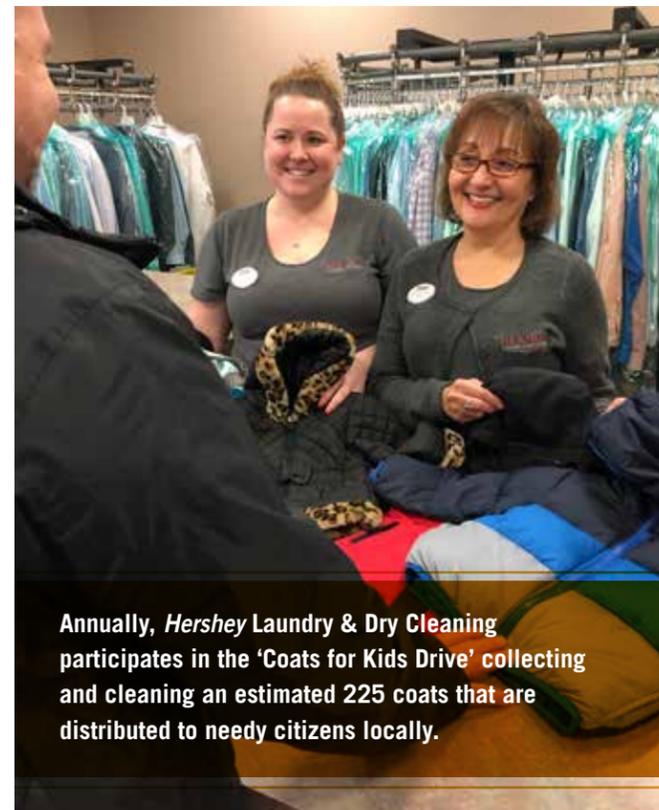
Annually, our company and employees generously support the United Way campaign. With contributions of more than \$161 thousand in 2018, HE&R helped to address pressing community needs throughout Cumberland, Dauphin, Lebanon, York, and Perry counties. Additionally, our employees donated 250 coats to the United Way's 'Live Warm' campaign.



**WE SUPPORT GIVE KIDS THE WORLD, A NON-PROFIT ORGANIZATION THAT HELPS FULFILL THE WISHES OF CHILDREN WITH LIFE-THREATENING ILLNESSES, WITH TICKETS TO HERSHEY PARK. IN 2018, THE VALUE OF OUR DONATIONS TO THIS PROGRAM TOTALED \$84 THOUSAND.**

## MAKING A DIFFERENCE

HE&R works to make a difference in the community through more than just sponsorships and contributions. Dozens of team members sit on charitable boards and committees helping increase the positive impact of these organizations. Some of the local boards that HE&R team members guide include: Pennsylvania Support Alliance, Four Diamonds, PA Chamber, Multiple Sclerosis Society, Pennsylvania Restaurant & Lodging Association, and American Red Cross.



Annually, Hershey Laundry & Dry Cleaning participates in the 'Coats for Kids Drive' collecting and cleaning an estimated 225 coats that are distributed to needy citizens locally.

As a way to celebrate the completion of another school year, we donate *Hersheypark* tickets to local school students. Additionally, we support Give Kids the World, a non-profit organization that helps fulfill the wishes of children with life-threatening illnesses, with tickets to *Hersheypark*. In 2018, the value of our donations to these programs totaled \$338 thousand.

### CHARACTER APPEARANCES

Some of the most recognized and beloved faces at HE&R are the *Hershey*<sup>SM</sup> Characters, who delight kids of all ages with life-size character visits. In total, we made 327 offsite appearances in 2018 at events that included 'Walk to School Day,' Vista School's Community Day event, Downtown Hershey Association's annual Choctoberfest celebration, and countless visits to area schools and hospitals.

### KEEPING HERSHEY SWEET

HE&R takes great pride in maintaining the beauty of the town built by chocolate. As an organization, we sponsor a number of initiatives coordinated by the Downtown Hershey Association, including the Farmer's Market on Chocolate, Music on Chocolate, and Choctoberfest.

## HERSHEY BEARS

For more than 81 years, our *Hershey Bears*<sup>®</sup> hockey club, the oldest continuously operating franchise in the American Hockey League, has been delighting fans on and off the ice. Long active in the community, players and coaches recognize the impact they make and the importance of connecting with area students and community members. The team participates in a variety of programs and partnerships designed to encourage health, wellness, literacy, and charity.

In 2018, HE&R established the *Hershey Bears Cares*<sup>SM</sup> platform with the purpose of showcasing the philanthropic activities and volunteer efforts of the organization throughout the community.

### *Hershey Bears Cares* highlights from the 2018-19 season include:

- The popular *Hershey Bears* jersey auctions raised \$184 thousand benefiting community organizations, such as Liberty USO, Vista School, Pennsylvania Wounded Warriors, The Tommy Foundation, American Red Cross, Central Pennsylvania's Military Support for Families, and American Special Hockey Association.
- The 2018-19 hockey season marked the eighth year the *Hershey Bears* honored our military personnel through the 'Seats for Soldiers & Veterans' game. With 1,343 tickets distributed to past and present military personnel, the game served as a way our players, coaches, and fans could honor these heroes.
- The team donates hockey equipment to local youth hockey clubs. For the 2018-19 season, the *Hershey Bears* donated 69 pieces of equipment to local and regional youth programs.
- *Hershey Bears* players, staff, and *Coco the Bear* (the team mascot) made 19 community visits throughout the season. Community engagement included serving dinner at the Ronald McDonald House, visiting children at Penn State Children's Hospital, and reading to local elementary students.
- One of the most anticipated events of the year is the annual Teddy Bear Toss game. *Hershey Bears*' fans donated 34,798 pieces of plush during the 2018-19 game - an American Hockey League record. The plush items were donated to more than 35 local and regional groups, making a lot of area kids very happy just in time for the holiday season.



HERSHEY BEARS CARES

TEDDY BEAR TOSS GAME

RESOURCES  
EFFICIENCY  
HABITAT REDUCE  
RECYCLE  
**ENVIRONMENT**  
NATURAL RESOURCES

“THE MORE BEAUTIFUL YOU MAKE SOMETHING WHICH PEOPLE CAN SEE AND USE, THE MORE ENJOYMENT THEY WILL GET OUT OF IT. AT LEAST THAT IS THE WAY IT LOOKS TO ME.”

*M. Hershey*  
1938



TODAY, OUR COMPANY CONTINUES TO PLACE A DESTINATION-WIDE EMPHASIS ON **REDUCING, REUSING, AND RECYCLING WASTE PRODUCTS WHEREVER POSSIBLE.**

## ENERGY & NATURAL RESOURCES

By working with our employees, guests, suppliers, and partners, HE&R strives to ensure our practices maintain the family-focused, clean, and green experience people expect in Hershey. Did you know that Milton S. Hershey established the *first* recycling center in Hershey in 1937?

**In recent years, HE&R has taken additional steps to reduce our impact on the environment. Initiatives include:**

- Lights at the Hershey Press Building were replaced with energy-saving LEDs.
- The main Central Plant facility at *Hersheypark* was renovated with new technology and controls, making the cooling system more efficient for the *Hersheypark* Entertainment Complex.
- Electric hot water heater systems at *The Hotel Hershey* and *Hershey Lodge* were replaced with new, efficient gas hot water systems.

- HE&R continues to partner with our electric provider and participated in the Demand Response Program, an energy-saving strategy put into effect when there is a heavy demand on the electric grid. By participating in this program, we helped lessen the burden on our community during extreme periods of heat.
- Our Information Technology (IT) team recycles all electronics with a certified e-waste provider that disposes of unwanted items in an environmentally friendly manner.

# WORKING TOGETHER TO RECYCLE



## IN 2018 WE RECYCLED MORE THAN...



## IN 2018 WE HAVE SAVED...



# WILDLIFE & HABITAT

The core of *ZooAmerica*® North American Wildlife Park's operating practices is to protect, promote, and encourage the conservation of wildlife, natural resources, and habitats. As a zoo accredited by the Association of Zoos & Aquariums, *ZooAmerica* maintains a high standard of animal management and care and is devoted to including conservation in its mission and day-to-day duties and interactions. Integral to that initiative is the *ZooAmerica* team's effort to teach our guests about the importance of protecting these precious resources. Throughout 2018, more than 20 thousand guests of all ages participated in educational opportunities through a variety of programs, tours, camps, and classes. This represents a 20% increase from 2016.

*ZooAmerica* and its staff members play an active role in wildlife and environmental conservation. Over the last seven decades, Pennsylvania's barn owl population has rapidly decreased. *ZooAmerica*, its zoo campers, and MHS students work together to create, place, and monitor barn owl nest boxes in an effort to help reverse the trend affecting these animals. Through 2018, *ZooAmerica* has placed more than 40 barn owl nest boxes in local barns, including many on MHS's property - more than double the number of boxes since 2016. *ZooAmerica* also supports the Conservation Grant Fund of the Association of Zoos & Aquariums through donations and financial commitments.

  
**ZOOAMERICA**  
**MAINTAINS A**  
**HIGH STANDARD**  
 OF ANIMAL  
 MANAGEMENT  
 AND **CARE** AND  
 IS DEVOTED  
 TO INCLUDING  
 CONSERVATION  
 IN ITS MISSION.



COMMITTED  
RESPECTFUL  
SAFE LEGACY  
INCLUSIVE  
**WORKPLACE**  
DEDICATED HEALTHY  
MOTIVATED WORK  
DEVELOPMENT  
INDIVIDUALS  
COMMITTED  
SUPPORT

“THE HELP-THE-OTHER-FELLOW  
PRINCIPLE IS THE ONLY ONE THAT WILL  
SUCCEED IN MODERN BUSINESS.”

*M. Hershey*  
1929



HE&R TEAM  
MEMBERS TAKE  
**GREAT PRIDE**  
IN WORKING  
IN HERSHEY,  
THE SWEETEST  
PLACE ON  
EARTH®. OUR  
**SUCCESS IS  
BASED ON  
OUR TEAM  
MEMBERS.**

## WORKPLACE

Milton S. Hershey is credited with saying, “If a man does not like the work he does, he is not a success; if he loves his work, he does good work and lots of it.” When guests reflect on their visit to Hershey, one of the top comments shared is the positive engagements with our employees. HE&R team members take great pride in working in *Hershey The Sweetest Place On Earth*®. Our success is based on our team members. As a company, we strive to maintain an inclusive, safe, respectful work environment.

# EMPLOYEE PROGRAMS

## EMPLOYEE RECOGNITION PROGRAM

HE&R celebrates our employees' commitment to the company, the kindness expressed to one another, and their exemplary service to our guests with a variety of recognition programs:

- One unique program gives team members the opportunity to thank and recognize the unique contributions of others throughout the company. Since 2010, the Legacy Check program highlights employees who have gone above and beyond to Own, Anticipate, Delight, or Inspire guests, team members, or the community. The team member's supervisor is notified and the deserving employee receives an HE&R gift card and is featured on our intranet portal. Throughout 2018, there were more than 14 thousand Legacy Checks redeemed for gift cards totaling \$171 thousand. Since the program's inception, more than \$1 million in gift cards have been awarded and more than 105,000 Legacy Checks distributed.
- Each property celebrates its team members with monthly, quarterly, and annual recognition awards. Those receiving a recognition award are highlighted at Town Hall meetings, staff, or departmental gatherings and in our company's newsletter, *Dateline*.
- Since 2000, HE&R has honored one employee each year with the Legacy of Excellence award, the highest level of peer-to-peer recognition given by the company. It recognizes a deserving team member whose behavior most exemplifies our commitment to service excellence and embodies our Core Values.
- Tuition assistance is awarded to employees who successfully complete courses at an accredited institution.
- HE&R is proud to partner with our full-time team members in giving back to their institutions of higher learning with a company match of personal gifts to eligible organizations.



## EMPLOYEE SUPPORT FUND

In 2003, a group of employees worked together to create the Employee Support Fund (ESF), a tax-exempt independent, non-profit organization that provides immediate, short-term financial assistance to eligible HE&R employees who are experiencing a financial hardship caused by a qualifying event such as death of a loved one, a natural disaster, critical illness, or unexpected loss of home. Employees complete an application, and committee members review the request to determine the amount of assistance given.

HE&R team members have the opportunity to contribute to ESF through payroll deduction, which HE&R matches, and by participating in a yearly golf event and other fundraisers. In 2018, ESF assisted 20 employees during a time of need. Over \$19 thousand was donated by fellow colleagues through payroll deduction, and the annual golf tournament contributed more than \$15 thousand to the fund.



## EMPLOYEE RESOURCE GROUPS

HE&R values the diversity, opinions, and beliefs of our team members. Employee Resource Groups (ERG) connect employees and encourage collaboration, discussion, and action. These groups provide an opportunity that allow the voices of employees to be heard and the power of diverse thinking to influence company culture.

CURRENT HE&R ERG INCLUDE:

*Workforce Inclusion Committee (WIC)* - WIC is a cross-functional resource group that provides guidance and recommendations for HE&R's inclusion strategies with a focus on the Employee Life Cycle - including recruiting, onboarding, and retention.

*Women In Leadership (WIL)* - The WIL group provides professional development and networking opportunities for employees that are aligned with our Core Purpose and values, while also offering advocacy and programs to recruit, retain, and develop women.





## WELLNESS & SAFETY

### WELLNESS

Employee well-being is a priority for HE&R. Annually, team members have the opportunity to earn \$100 when completing an annual health screening and risk assessment questionnaire. An additional \$100 is awarded to team members who participate in specific wellness activities and classes throughout the year. Every fall, HE&R conducts an Employee Wellness Fair giving team members an opportunity to learn about health and wellness options available to them through the company and to speak with healthcare professionals and experts.

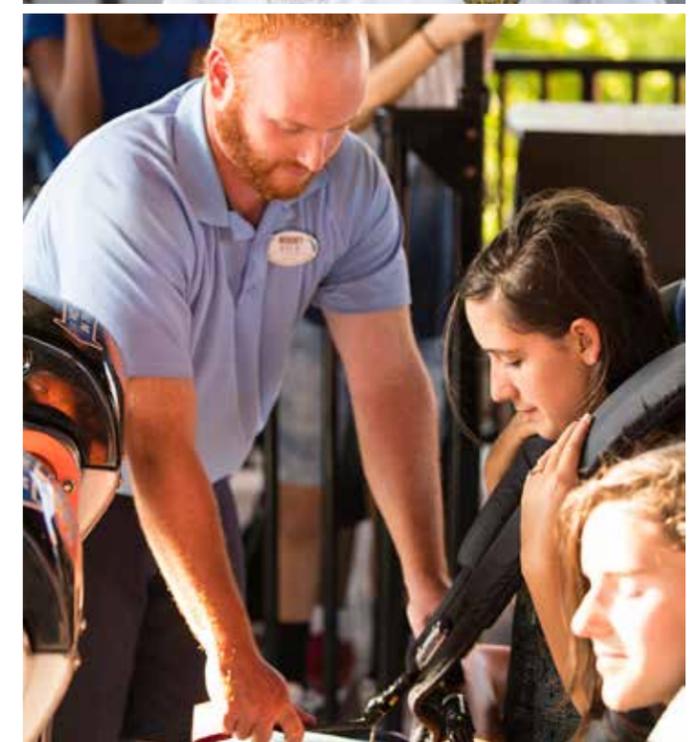
### SAFETY

The safety of our employees and guests is paramount to our brand and our guest and employee experience. Across the destination, our team members are encouraged to follow the “See Something, Say Something” practice. Each property has an active Safety Committee that conducts emergency drills and shares relevant information on a regular basis. Team members are recognized and thanked during a company-wide Employee Safety Awards event. No-cost first aid/CPR training classes are made available to team members through in-house certified trainers. Dozens of employees take advantage of this program.

Cyber health is also a priority for HE&R. Our IT team evaluates emerging technologies that aid in the protection of employee and guest data with a goal to ensure the processes and technologies that exist combat persistent cyber threats.

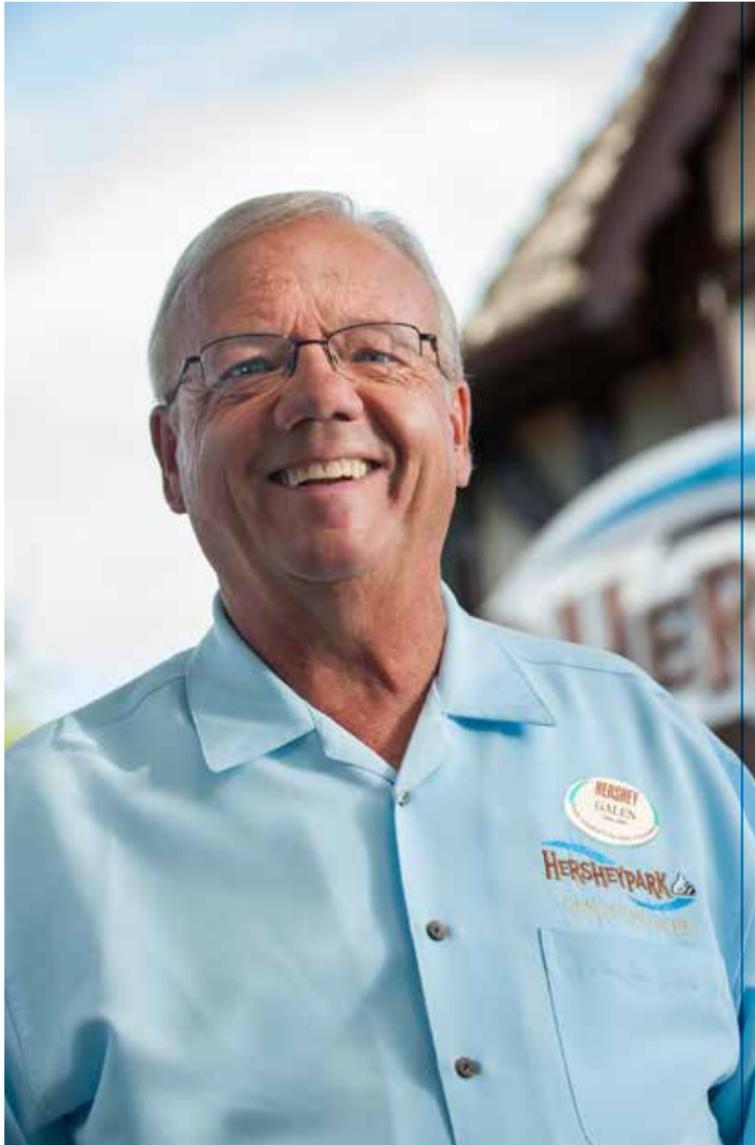


**SAFETY KEEPS  
HERSHEY SWEET**  
HE&R SAFETY TRAINING



COMMUNITED  
AWARENESS  
TRUST ETHICS  
INTEGRITY  
MARKETPLACE  
& GUEST FOCUS  
SECURITY SAFETY  
COMMUNITY  
EXPERIENCE  
COLLABORATE  
QUALITY

“AFTER ALL, WHAT GOOD IS MONEY UNLESS  
YOU USE IT FOR THE BENEFIT OF THE COMMUNITY  
AND OF HUMANITY IN GENERAL?”



**HE&R WORKS  
TO PRESERVE  
OUR BRAND**  
FOR THIS  
AND FUTURE  
GENERATIONS  
OF  
EMPLOYEES,  
COMMUNITY  
MEMBERS,  
AND GUESTS.

## MARKETPLACE & GUEST FOCUS

Milton S. Hershey famously said, “Give them quality. That’s the best kind of advertising in the world.” That rings true today as we strive to operate our businesses in the spirit of our founder. In collaboration with trusted partners and valued vendors, HE&R works to preserve our brand for this and future generations of employees, community members, and guests. Our strategy is focused on three main areas: Business Integrity, Collaboration with Stakeholders & Suppliers, and Safety & Security.



## COLLABORATION WITH SUPPLIERS & STAKEHOLDERS

In 2018, HE&R joined the Township of Derry, Downtown Hershey Association, Penn State Health Milton S. Hershey Medical Center, The Hershey Company, and DTSD to launch Hershey Area All Things Diversity. This free educational series is open to the public and offers programming designed to engender respect, appreciation, and acceptance of our differences and beliefs. The series consists of four to five presentations and open discussions throughout the year, with topics such as poverty in the area, health issues facing community members, and unconscious bias. HE&R is also proud to partner with Penn State Health to bring the Inclusion Academy Speaker Series to the area. Topics from the speaker series include recruitment opportunities, creating inclusive workplaces for LGBTQ+ team members, and best practices for inclusive communications.



## BUSINESS INTEGRITY

HE&R has strong governance practices in place to ensure the trust of our internal and external stakeholder audiences. All employees are required to complete the “Code of Conduct and Ethics” training program on an annual basis. That curriculum also includes mandatory compliance classes throughout the year. Additionally, team members are required to adhere to the Conflicts of Interest policy. Employees are encouraged to share concerns of potentially unethical behavior and/or suggestions for improvement through a confidential compliance hotline.

An extensive Enterprise Risk Management program seeks to thoroughly understand HE&R’s risk universe and develop mitigation steps to address any gaps present in our risk profile. This process reinforces every employee’s responsibility to evaluate, identify, and manage business risk at each of our properties.

With more than 45 branded social media channels, HE&R continually monitors guest feedback and questions through active social listening. Our team strives to address concerns and answer questions in a timely manner while using the information collected to improve staff training, company practices, and policies.



**110** CERTIFIED LIFEGUARDS  
AT OUR THREE RESORT PROPERTIES | SEASONAL AVERAGE |

**84** STATE QUALIFIED RIDE INSPECTORS  
THAT INSPECT ALL RIDES & ATTRACTIONS AT HERSHEY PARK DAILY

**45** EMERGENCY MEDICAL TECHNICIANS  
ACROSS THE DESTINATION

**17** REGISTERED NURSES  
ACROSS THE DESTINATION

**3** FIRE INSPECTORS  
ACROSS THE DESTINATION

## SAFETY & SECURITY

With the popularity of *The Boardwalk at Hersheypark*® water theme park and swimming pools at each of our resorts, lifeguard training and swim safety is vital to our business. During an average summer, *Hersheypark* employs an estimated 250 certified lifeguards. *Hersheypark* partners with Jeff Ellis & Associates (E&A) to conduct random and unannounced audits of the lifeguard staff every summer. These thorough audits are considered the highest measure of excellence within the industry. We are very proud that the *Hersheypark* aquatics team was awarded E&A’s Platinum International Safety Award, an honor only earned by 16% of their clients in 2018. To receive this award, our team had to demonstrate that our facility consistently exceeded industry standards in risk management and epitomized aquatic safety excellence. Lifeguards across the destination complete monthly in-service education to ensure their skills are maintained at a test-ready level. Lifeguard certifications must be tested and renewed every year.

Throughout all HE&R properties, there are full-time security team members who are trained to identify and react to security concerns. Additionally, HE&R maintains strong relationships and ongoing communication with local, state, and federal law enforcement agencies, which includes the sharing of intelligence that may impact our operations or guests. We are located in very close proximity to both DTPD and the State Police Headquarters, allowing for rapid response and assistance, if needed. For the 2018 season, a recently added DTPD substation at *Hersheypark* was utilized as an enhanced level of security engagement.

Within specific departments and across properties, we regularly conduct security training exercises with law enforcement agencies to help us maintain a high state of preparedness. HE&R manages our operations using comprehensive security plans that tie into the unified Incident Management Command System utilized by law enforcement agencies. This means that every day is planned, and contingency plans are established, in advance of the day’s activities.



HERSHEY ENTERTAINMENT & RESORTS  
COMPANY IS PROUD TO HELP FULFILL  
THE DREAM OF OUR FOUNDER, MILTON  
S. HERSHEY, BY PROVIDING VALUE TO  
MILTON HERSHEY SCHOOL® IN ITS  
MISSION OF HELPING STUDENTS LEAD  
HAPPY, HEALTHY, AND FULFILLING LIVES  
- JUST AS MR. HERSHEY INTENDED.

**LEARN MORE AT [WWW.MHSKIDS.ORG](http://WWW.MHSKIDS.ORG).**



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